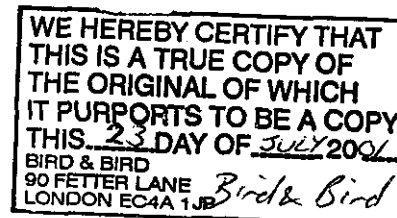


Dated 14 June 2001



- (1) BRIAN CHARLES HILTON STEELE
- (2) ALAN ATKINSON
- (3) JOHN ANTHONY KILNER
- (4) NIGEL PETER BRANDON
- (5) ROBERT ARTHUR RUDKIN
- (6) NAOKI OISHI
- (7) IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE
- (8) IMPERIAL COLLEGE INNOVATIONS LIMITED
- (9) CERES POWER LIMITED

**DEED OF ASSIGNMENT OF PATENT
APPLICATION, KNOW-HOW AND
FUTURE TECHNOLOGY**

BIRD & BIRD
90 Fetter Lane
London EC4A 1JP
Tel: 020 7415 6000

Ref: KZB/54/IMCOC.30

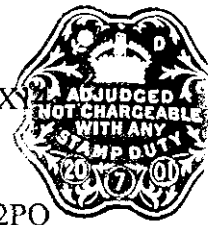


20/7/01

THIS DEED OF ASSIGNMENT is made this 14th day of June 2001

BETWEEN

- (1) **BRIAN CHARLES HILTON STEELE** of Shiptonlee, Heathway, East Horsley, Kent KT24 5ET ("Professor Steele");
- (2) **ALAN ATKINSON** of 9 Chapel Lane, Sutton Courtenay, Abingdon, Oxon, OX14 4AN ("Professor Atkinson");
- (3) **JOHN ANTHONY KILNER** of 34 Castle Avenue, Ewell, Surrey KT17 2PQ ("Professor Kilner");
- (4) **NIGEL PETER BRANDON** of 60 York Road, Sutton, Surrey SM2 6HJ ("Dr Brandon");
- (5) **ROBERT ARTHUR RUDKIN** of 53 Sedley Rise, Loughton, Essex IG10 1LS ("Mr Rudkin");
- (6) **NAOKI OISHI** of Flat No.128, West Kensington Court, Edith Villas, London W14 9AD ("Dr Naoki");
- (7) **IMPERIAL COLLEGE OF SCIENCE TECHNOLOGY AND MEDICINE**, of London SW7 2AZ ("Imperial");
- (8) **IMPERIAL COLLEGE INNOVATIONS LIMITED**, whose registered office is at London SW7 2AZ ("IC Innovations");
- (9) **CERES POWER LIMITED** (registered in England under number 4222409) whose registered office is at 90 Fetter Lane, London EC4A 1JP (the "Assignee")



WHEREAS:

- (A) Professors Atkinson and Kilner, Dr. Brandon and Mr Rudkin ("the Employee Inventors") are employed by and retained under contracts of employment with Imperial and in each case all intellectual property resulting from inventions and discoveries made by them in the course of their employment vests in Imperial pursuant to section 39 of the Patents Act 1977.
- (B) Professor Steele was previously employed by Imperial and is now Emeritus Professor and Senior Research Fellow to Imperial. To the extent that Professor Steele generated intellectual property during his time as an employee of Imperial, it will be owned by Imperial, and to the extent that he has generated or will generate intellectual property in his capacity as Emeritus Professor, he has undertaken that such intellectual property generated will be owned by Imperial.

- (C) The Employee Inventors and Professor Steele have developed certain Technology (as defined below) and wish to assign to the Assignee, the Technology and an invention, the subject matter of a patent application (the "Application"), details of which are set out in the Schedule.
- (D) Further Dr Oishi, an employee of Imperial is undertaking research, such research referred to as Cell Fabrication Process and detailed in Schedule 2.
- (E) The Employee Inventors, Professor Steele, Dr Oishi and Imperial wish to assign to the Assignee their respective rights in and in relation to the Technology, the Invention and the Application and the rights generated and to be generated by research into the Cell Fabrication Process upon the terms and conditions set out below:

Under the research program as detailed in Schedule 2
NOW IT IS HEREBY WITNESSED as follows:-

1. Definitions

- 1.1 In this Deed the following terms shall have the following respective meanings, unless the context otherwise requires:

"Application" shall mean the application for the patent, details of which are set out in Schedule 1 to this Agreement;

"Assignors" shall mean the Employee Inventors, Professor Steele, Dr Oishi and Imperial;

"Intellectual Property Rights" means the rights under or in relation to patents, know-how, copyright, confidential information, trade marks, registered designs, applications for any of those rights, trade and business names, copyright, database rights and any similar rights in any jurisdiction throughout the world;

"Employee Inventors" shall mean Professors Atkinson and Kilner and Dr Brandon;

"Invention" shall mean the invention disclosed in the Application;

"Shareholders' and Subscription Agreement" means the agreement to be entered into by the shareholders' of the Assignee; and

"Technology" means methodology for the production of solid oxide fuel cells, having a unique combination of characteristics to allow operation at much lower temperatures than competing systems. These characteristics allow the fabrication of a mechanically robust stack able to tolerate rapid start up times, which is not currently possible in state-of-the-art stacks. Lower temperature operation can also bring with it benefits of higher open circuit voltages, less degradation of the stack and balance-of-plant components, and the possibility of direct electrochemical oxidation of dry hydrocarbons or alcohols which would reduce the complexity of the ancillary system

equipment.

1.2 References in this Deed to Agreement shall mean the agreement created by this Deed; and

1.3 The singular shall include the plural and vice versa.

2. Assignment

2.1 The Employee Inventors confirm that the Intellectual Property Rights in the Technology and the Invention generated by the Inventors vest in Imperial.

2.2 In consideration of the issue by the Assignee of 5,990 ordinary shares to IC Innovations and the sharing by IC Innovations of revenue with Imperial; the subscription by the Employee Inventors and Professor Steele in cash in respect of their respective shareholdings, Imperial, the Employee Inventors and Professor Steele with full title guarantee HEREBY ASSIGN unto the Assignee:

2.2.1 all Intellectual Property Rights in the Technology;

2.2.2 the Invention and the full and exclusive benefit of it;

2.2.3 all right, title and interest of the Assignors in and to the Application and the full and exclusive benefit of it and all rights privileges and advantages associated therewith and the right to sue for damages and other relief in respect of past infringements;

2.2.4 the full right to apply for and obtain patents or other similar forms of protection in respect of the Invention in the United Kingdom and throughout the world;

2.2.5 the right to make any new application or applications in respect of any part or parts of the subject-matter of the Application or specifications filed in connection with the Invention in the United Kingdom and the right to claim priority under Section 5 of the Patents Act 1977 from the Application;

2.2.6 any patents under the Patents Act 1977 or other similar forms of protection granted in respect of the Invention in the United Kingdom pursuant to the Application and elsewhere in the world pursuant to similar applications;

2.2.7 the right to claim priority for the Application under the Paris Convention (as amended) when making applications in countries or territories outside the United Kingdom;

TO HOLD the same unto the Assignee absolutely.

- 2.3 Dr Oishi confirms that all Intellectual Property Rights to be generated by him in the course of his research into the Cell Fabrication Process will vest in Imperial. Subject to Dr Oishi entering into a Deed of Adherence (as defined in the Shareholders' and Subscription Agreement) on or before two months of the date of this Agreement, and the payment in cash by Dr Oishi for the issue of shares to him, Dr Oishi will be issued with 17 ordinary shares in the Assignee.

3. Covenant to disclose

- 3.1 The Assignors hereby COVENANT to disclose all know-how relating to the Technology, the Invention and the Cell Fabrication Process known to them or to become known to them, to the Assignee, or any person nominated by the Assignee, and at the expense of the Assignee provide all other reasonable assistance and information as may be reasonably necessary in order to assist the Assignee, or its nominee, to understand the application to the Technology, the Invention and the Cell Fabrication Process of the Know-how and undertake not to use the Know-how or disclose the same to third parties.

4. Warranty

- 4.1 The Assignors each jointly and severally warrant to the Assignee that they have full power to enter into this Deed.

5. Confidentiality

- 5.1 The parties confirm that:

5.1.1 Save as required by law, none of them will (and agree to procure that their respective employees and agents will not) announce or disclose to any person the existence or contents of this Agreement or the transactions contemplated by it without the prior written consent of the other parties; and

5.1.2 they will treat all information pertaining to the business of the Assignee and/or developments relating to the Technology, the Invention and the Sintering Process to the extent that the same are not already in the public domain, as confidential and proprietary to the Assignee.

6. Grant Back

- 6.1 The Assignee grants to Imperial permission to use the Technology, the Invention and the Cell Fabrication Process solely for research and teaching purposes. The licence shall not extend, without the prior written permission of the Assignee:

- 6.1.1 to the publication of the Know-how in the Technology, the Invention or the Cell Fabrication Process (unless the same is already in the public domain through no fault of Imperial); or
 - 6.1.2 the commercial use of the Technology, Invention, Cell Fabrication Process or Know-how or any information derived therefrom.
- 6.2 Notwithstanding the provisions of clauses 6.1.1 and 6.1.2 Imperial shall only disclose know-how in the Technology or the Sintering Process pursuant to the terms of this Agreement provided always that such disclosure is treated as confidential and proprietary to the Assignee and that the recipients of the know-how are subject to an obligation of confidentiality equivalent to that in clause 5 before the information is disclosed.

7. Publication by Imperial

- 7.1 Where a research worker within Imperial intends to publish any material which relates to the Invention, the Technology or the Cell Fabrication Process, Imperial shall procure that the research worker provides the material to the Assignee so as to enable the Assignee to review the material, at least 30 days prior to the date the material is to be submitted for publication. Where the Assignee objects to publication, the Assignee may delay publication of the material for a period of 90 days after receipt by the Assignee of the said material by giving written notice to Imperial and the research worker of the request to delay disclosure of such material to allow time for the filing of patent applications or to agree upon the deletion of proprietary or confidential information from such disclosure.

8. Further Assurance

- 8.1 Each of the Assignors HEREBY SEVERALLY COVENANTS with the Assignee that the Assignors will at the expense of the Assignee execute, sign all such instruments, applications, documents and do all things as may reasonably be required by the Assignee to enable the Assignee (or the nominee of the Assignee) to enjoy the full benefit of the property and rights hereby assigned and (if requested to do so by the Assignee) to apply for any patents or other forms of protection in respect of the Technology, the Invention and the Cell Fabrication Process throughout the world and fully and effectively to vest the same in the Assignee or as the Assignee shall direct.

9. Prosecution of Patent Application

- 9.1 It shall be the responsibility of the Assignee to prosecute the Application and any further patent applications to be made based on the Invention or otherwise, and to pay all associated costs with the prosecution of such Application.

Notices

- 9.2 Any notice served under this Agreement shall be in writing and shall be sent by first class post. Any notice which has been sent by first class pre-paid post shall be deemed to be received 72 hours after posting or dispatch (excluding Saturdays, Sundays and public holidays). Notices should be sent to the party's address as set out at the commencement of this Agreement.

10. Entire Agreement

- 10.1 This Agreement constitutes the entire agreement between the parties and supersedes all prior oral and written understandings, arrangements, representations or agreements between them relating to the subject matter of this Agreement. This Agreement may only be varied in writing, signed by each party or its authorised representatives. Each party acknowledges that it has not relied on any written representations or warranties other than those warranties set out in this Agreement. Nothing in this Agreement removes or overrides any right of action by any party in respect of any fraudulent misrepresentation, fraudulent concealment or other fraudulent action.

11. Governing law and jurisdiction

- 11.1 This Agreement shall be governed by English law and the parties submit to the exclusive jurisdiction of the English courts.

IN WITNESS of which this Agreement has been executed as a Deed and delivered the date and year first above written.

SCHEDULE 1

PATENT APPLICATION

APPLICATION NUMBER	APPLICANT	INVENTORS	TITLE FOR PATENT
UK Application No. 0026140.4 filed on 25 October 2000	Imperial College of Science, Technology and Medicine	Alan Atkinson John Kilner Brian Steele	Fuel Cells

SCHEDULE 2

Cell Fabrication Process

The postdoctorate work is sponsored by the following EPSRC program:

Sponsor's ref: GR/N04638

Account No (IC ref): MMRE PR1263

Project Title: Optimisation and evaluation of Intermediate Temperature (500C) Solid Oxide Fuel Cell (IT-SOFC) Stacks.

In particular, his aim is to fabricate a ceria-based SOFC cells using an alloy material as its support substrate.

Summary of work carried out so far:

In order to deposit a dense oxide film onto an alloy substrate, the sintering temperature should be decreased as low as possible, therefore high relative green density is required. Since the relative green density of ceria deposited by the usual process of electrophoretic deposition, is not as high as required, he has been applying isostatic pressing to improve its green density. Naoki has also been investigating the use of a subsequent process immediately after the deposition and is continuing to do so.

SIGNED AS A DEED by)
BRIAN CHARLES)
HILTON STEELE)
in the presence of)

R. Steele

Signed: *[Signature]*

Print Name: JAMES GODBEE

Address: 90 FETTER LANE

LONDON EC4A

SIGNED AS A DEED by)
ALAN ATKINSON)
in the presence of)

A Atkinson

Signed: *[Signature]*

Print Name: JAMES GODBEE

Address: (as above)

SIGNED AS A DEED by)
JOHN ANTHONY KILNER)
in the presence of)

J. A. Kilner

Signed: *[Signature]*

Print Name: JAMES GODBEE

Address: (as above)

SIGNED AS A DEED by
NIGEL PETER BRANDON
in the presence of

N. Brandon

Signed: *[Signature]*

Print Name: JAMES GODBEE

Address: (as above)

SIGNED AS A DEED by
ROBERT ARTHUR RUDKIN
in the presence of

R. A. Rudkin

Signed: *[Signature]*

Print Name: JAMES GODBEE

Address: (as above)

SIGNED AS A DEED by
NAOKI OISHI
in the presence of

N. Oishi


Signed: *[Signature]*


Print Name: JAMES GODBEE

Address: (as above)

EXECUTED AS A DEED by)
IMPERIAL COLLEGE)
OF SCIENCE, TECHNOLOGY)
AND MEDICINE)

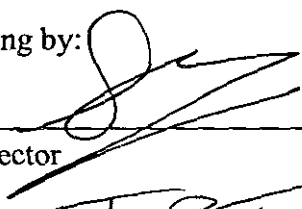
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INNOVATIONS LIMITED)

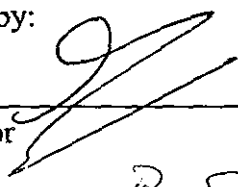
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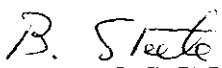


Director


Director/Secretary

EXECUTED AS A DEED by)
CERES POWER LIMITED)
acting by:



Director


Director/Secretary