

Hydrogen as energy source: a €6.4 million contract for the Chinese province of Hebei

McPhy Energy selected to deliver a 4 MW "Wind to hydrogen" system combining the Group's most advanced electrolysis and storage products.

La Motte-Fanjas, June 3, 2015 – McPhy Energy, a company specializing in hydrogen-based solutions for industrial and energy storage, has just signed a €6.4 million contract to supply a "Wind to Hydrogen" ("Power to Gas") system for the recovery of surplus energy generated by a 200 MW wind farm site currently under construction in the Hebei province of China.

The customer, Jiantou Yanshan (Guyuan) Wind Energy, is a member of state-owned Hebei Construction and Investment Group Co., Ltd of the Hebei province with whom McPhy Energy previously signed a long-term partnership agreement. This supply agreement represents the first concrete outcome of this partnership. It is subject to administrative authorizations that must be granted to the construction company before the end of July. Delivery is scheduled for July 2016 with the equipment to be commissioned in January 2017.

The Chinese province of Hebei is pioneering in China to embark on technologies related to a clean energy generation based on renewable technologies and their integration into both the existing and future energy network. In October 2013, a Chinese delegation was led by the Secretary of the province, Mr. Zhou Benshun, to explore the best practice examples of new and clean technologies being developed in Brandenburg (Germany).

The State of Brandenburg and the province of Hebei have a joint development agreement for renewable energies, environmental protection and other fields of technology. Within this framework, Hebei intends to build a hydrogen hybrid power plant, similar to the one in Prenzlau, to demonstrate the economic viability of hydrogen in the path for renewable energy integration. A letter of intent (LOI) between Hebei Construction and Investment Group, the German based subsidiary of McPhy Energy and the environmental consultancy company Encon Europe has accordingly been signed.

The electrolyzer of the Prenzlau power plant was built by a division of Enertrag, acquired by McPhy Energy in September 2013. Through its expertise in electrolysis technology combined with expertise developed in integrating it into energy infrastructures such as electrical or natural gas networks, McPhy Energy subsequently modified and adapted the existing Prenzlau hybrid power plant and built the interface to the network's gas injection system.

As the first concrete deliverable for this partnership, McPhy Energy will provide two production lines and hydrogen storage, each consisting of:

- a 2 MW McLyzer electrolyzer, the latest addition to the McPhy Energy range, delivering hydrogen at pressure of 30 bar;
- a transportable solid state hydrogen storage unit used in conjunction with traditional tanks to store and transport hydrogen.

"I am delighted that McPhy Energy was selected by the Hebei region to produce this system. This province is a model in China for renewable energy development. This wind to hydrogen project is by far the most important ever carried out to date in China, with installed renewable energy production capacity exceeding 200 GW. Entering this market at the very time Chinese authorities are seeking to optimize their solar and wind power generation sites represents an enormous opportunity for McPhy Energy" concluded Pascal Mauberger, McPhy Energy's Chairman and Chief Executive Officer.

About McPhy Energy

McPhy Energy is a leading developer of hydrogen-based solutions for energy storage and industry applications. The company draws on its exclusive technique for storing hydrogen in solid form and its years of experience in producing hydrogen through water electrolysis to design and manufacture flexible storage and production equipment.

McPhy Energy markets easy-to-use, environmental-friendly solutions combining unique safety features and energy independence in the renewable energy, mobility and industry sectors.

The Group has three production sites in France, Germany and Italy, a R&D laboratory in France and three sales subsidiaries in North America, the Asia-Pacific and the Russia-Eastern Europe-Central Asia regions.

McPhy Energy is listed on NYSE Euronext Paris (Segment C, ISIN code : FR0011742329; ticker: MCPHY)

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