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AUSTRALIAN GREEN LIGHTING TECHNOLOGY COMPANY - BLUGLASS LTD – AWARDS FIRST EQUIPMENT MANUFACTURING CONTRACT

BluGlass Limited today announced it had awarded its first contract to obtain key manufacturing equipment that will lead to a major advance in the commercialisation of its unique energy efficient LED lighting technology.

BluGlass has signed the design and manufacture agreement with Ireland's EMF Semiconductor Systems Ltd. When paired with BluGlass's patented process for making gallium nitride (GaN) wafers, a core element of LED lights, the componentry supplied by EMF will form the backbone of the Australian company's first commercial-scale prototype.

"This deal is very important because the new equipment will allow us to demonstrate to the world's leading LED manufacturers that our cost-saving technology works on a commercial scale," said BluGlass chief executive officer Mr David Jordan.

"Using this equipment and our unique manufacturing process, we will be able for the first time to make commercial quantities of GaN wafers for high brightness, white LEDs in our new facility in Sydney. This will be a critical step to engaging the major global LED lighting companies in our technology. The new equipment will be installed in our Sydney plant in the coming months, transforming our operations to a commercial-scale system and pushing us closer towards earning our first revenues."

BluGlass owns technology that allows energy efficient and cost effective deposition of GaN producing low cost wafers, which are a key component in the next generation LED lighting. A recent independent analysis of BluGlass's technology found that GaN cost savings of more than 48 per cent could be achieved, when compared with the main semiconductor production systems currently in use around the world.

The contract with EMF was signed after BluGlass executives recently visited leading LED companies in Asia, the US and Europe to discuss progress on the development of their technology.

The deal between BluGlass and EMF is significant also because the Irish company is regarded as an innovative developer of equipment used by the semiconductor industry. It has established a worldwide reputation for its technology and design expertise, giving BluGlass access to leading-edge equipment technologists.

Once its commercial scale machinery has been fully commissioned, BluGlass intends to license such equipment to LED lighting companies. There is currently strong demand within the industry for the use of LEDs in a broadening range of lighting products that range from general lighting to traffic lights, computer screens and mobile telephones. BluGlass also intends to earn revenues through royalties for the use of its technology.

LEDs currently make up a small part of the global $US100 billion general lighting market, but LED take-up is accelerating as the world moves to more efficient lighting systems. The BluGlass technology has the potential to make LED lights cheaper to produce and therefore increase their general use. Already, LEDs are significantly more efficient than traditional incandescent light bulbs and are currently comparable to compact fluorescents.

About BluGlass Ltd:

BluGlass was founded in June 2005 as a result of research conducted at Macquarie University in NSW during the past decade. It was listed on the Australian Stock Exchange in September 2006 (ASX code BLG). BluGlass aims to commercialise a new process for producing gallium nitride (GaN) at a lower cost than current commercial processes. This would enable the wider use of GaN devices, such as light emitting diodes, in the lighting market and have a positive environmental benefit in reducing energy demand and greenhouse gas emissions.

About EMF Semiconductor Systems Ltd:

EMF is an Irish-based company founded in 1991, initially to provide chemical precursors to the electronics industry. It also designs and manufactures specialist equipment used by the semiconductor industry to make wafers, each of which contains thousands of individual chips or LED devices.

Further information:

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