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LED LIGHTING INNOVATOR BLUGLASS LTD ON TRACK FOR COMMERCIAL DEMONSTRATION OF ITS UNIQUE LOW COST TECHNOLOGY

- **Technology Development – on track to demonstrate commercial performance LEDs from BluGlass's low cost process by end Q1 2008.**

- **Commercial Reactor – BluGlass-designed equipment in production assembly by specialist manufacturer EMF in Ireland ahead of reactor installation in Sydney in Q1 2008.**

- **Research Reactor – first unit on track for delivery in mid-2008, further potential sales identified.**

- **Manufacturing Demonstration Facility – plant commissioning due early Q2 2008.**

BluGlass Limited (ASX:BLG) today announced it was on-track for the commercial demonstration in March 2008 of its revolutionary low-cost manufacturing technology for next generation Gallium Nitride (GaN) semiconductor material for use in LED lighting devices.

The company has fast-tracked its commercialisation strategy by concurrently pursuing three avenues that will converge by the end of first quarter next year.

On the technology front, Chief Technology Officer Dr Scott Butcher and his team have demonstrated photoluminescence using BluGlass's RPCVD process onto GaN that is equal to, and in many instances superior to, commercially available material of similar thickness. Photoluminescence is a prime indicator of semiconductor crystal quality and a fundamental requirement for high performance GaN devices, including LEDs. In addition, simple LEDs fabricated in-house are demonstrating light emission at levels approaching that of commercial devices.

On the commercial reactor front, Equipment Development Manager Conor Martin confirms that the construction and delivery of the commercial scale RPCVD reactor is on track, in conjunction with The Australian National University and EMF Semiconductor Systems in Ireland.

On the research reactor program, Commercial Manager Giles Bourne advises the Lakehead University research reactor work is on schedule and that other positive enquiries are emerging.

Facilities Manager Piotr Glowacki and design and construction contractors M+W Zander advise that the clean room and infrastructure construction program in Sydney, scheduled to accept the commercial reactor from Ireland at the end of the first quarter 2008, could slip by several weeks due to construction delays. BluGlass is working to avoid such an outcome. Should this eventuate, there would be little impact on equipment demonstration given its full functionality in Ireland.

”Strong interest was shown in the technology and its commercial potential during the recent Australasian roadshow,” said BluGlass CEO David Jordan. “These results confirm the company’s continuing confidence in delivering the technical performance and commercial scale feasibility of this exciting low cost technology.”

About BluGlass:

BluGlass is commercialising a unique manufacturing technology to reduce the cost of Gallium Nitride (GaN) semi-conductor wafers. GaN wafers are a key component of high brightness Light Emitting Diodes (LEDs) for which there is a US$4 billion global market, growing to US$12 billion by 2012, for use in mobile appliances, signs/displays, automotive, signals and illumination. BluGlass’ breakthrough in low cost manufacture of GaN could allow LEDs into mass markets such as the US$100 billion general lighting market currently dominated by incandescent and fluorescent lights.

Contact Information:

Giles Bourne, Commercial Manager, 02 9334 2300
Alan Deans, Last Word Corporate Communications 0427 490 992