



29 January 2009

The Manager  
Company Announcements Office  
Australian Stock Exchange Limited

Dear Sir / Madam

**Clarification of Appendix 4C for the Quarter ended 31 December 2008**

Further to a number of queries from various shareholders and investors, BluGlass Ltd (ASX:BLG) wishes to provide further information in relation to its Appendix 4C for the quarter ended 31 December 2008 and in particular the Company's cash position.

While the Appendix 4C accurately reflects that there has been no revenue proceeds received in the December 2008 quarter, the Company confirms that it is scheduled to receive approximately \$2 million of the previously awarded \$5 million government grant, during 2009. This \$2 million grant funding together with the Company's current cash reserves is expected to provide BluGlass with sufficient working capital to meet objectives.

The company expects to make further announcements during this quarter with regards to commercialisation progress of its world-leading technology.

**About BluGlass:**

BluGlass is currently re-positioning from a research-based proof of technology enterprise to being a market-focussed product development company. 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, expected to grow to US\$12 billion by 2012. Applications include: use in mobile appliances, signs/displays, automotive, signals and illumination. BluGlass's 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, Chief Executive Officer, 02 9334 2300