

BluGlass AGM

16 November 2009



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BluGlass intends to become a key player in the global semiconductor industry by developing its disruptive low cost technology in a multi market approach to commercialisation



Presentation Outline

- The year in review
- Funds status
- One solution, two distinct market streams
- LED market update
- Solar market update
- Technology and IP developments
- Strategy going forward
- Current state of play
- Looking ahead

**RPCVD:
One Process,
Two Growth Markets**



- ✦ Distribution agreement with Itochu Plastics of Japan
- ✦ Announces term sheet with BLK – full agreement still under negotiation
- ✦ Announces new solar IP and business
- ✦ \$4.96 million government backing through Climate Ready programme of solar project
- ✦ Capital raising in Aug 09 \$4.25million
- ✦ Patent applications now number seven filed inc the original three bought from Macquarie University
- ✦ Invited speaker at key industry conferences; Semicon West California, LED's Asia etc.
- ✦ Appointment of new CTO/COO and additional technology and engineering staff
- ✦ Two business streams: one solution

Corporate Overview / Funds Status

BluGlass Limited

ASX : BLG

Equity Raise 2009	\$4.2 million
Government Support Granted	\$10.5 million
Market Cap	\$42 million (23 Oct 2009)
Shares on issue	191m

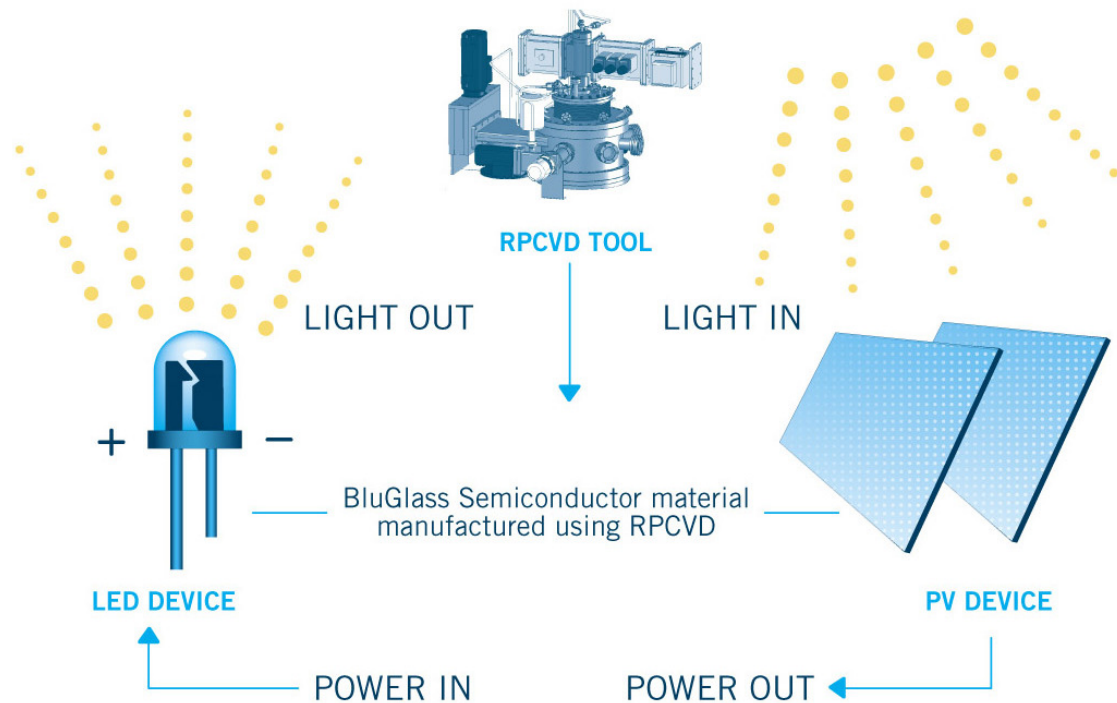


BluGlass will position the RPCVD technology for entry into the LED and PV (solar) industries, pursuing both markets, to provide the best shareholder return



☀️ A solar cell is similar to an LED, but operates in reverse

ONE SOLUTION, MULTIPLE MARKETS



The MOCVD equipment SAM forecast is US \$650million to

> US \$1billion over the next two years*



Equipment market

- ✦ Dominated by two major players with gross margins of 38-41%**
- ✦ Aixtron (NASDAQ : AIXG) has an official revenue target of € 230 -250 million for 2009, up 40% from march targets***
- ✦ Veeco (NASDAQ : VECO)

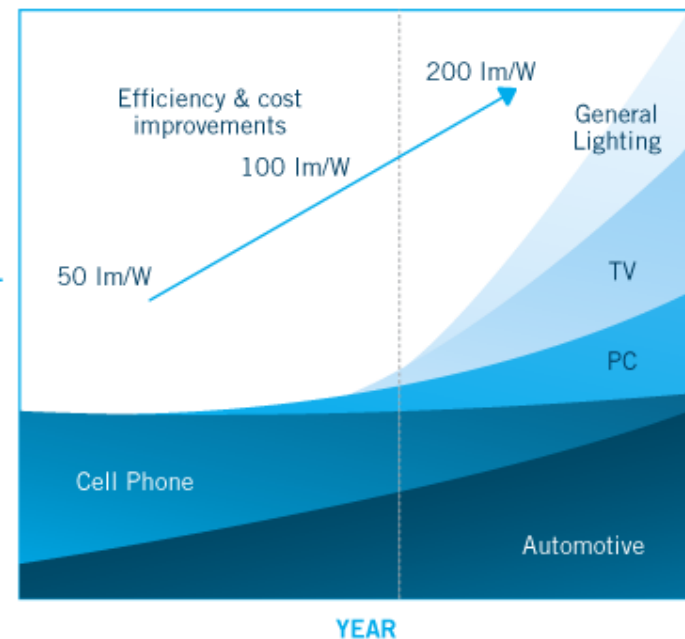
Application market

- ✦ Med – high performance (e.g. LCD backlights)
 - ✦ CAGR 31.4%**
- ✦ High power (e.g. lighting)
 - ✦ CAGR of 31.5%**

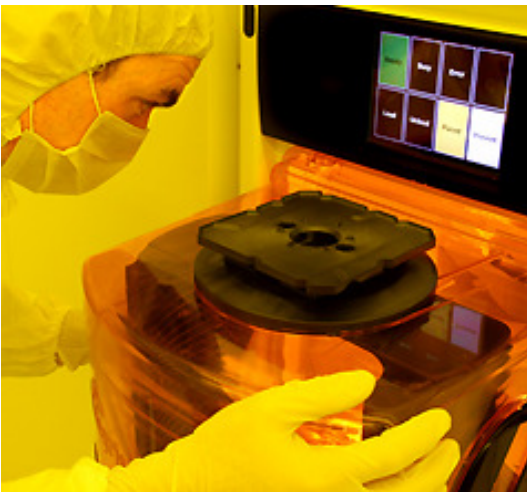
MARKET \$

Source:
* Veeco Investor Presentation Sept 2009
**Strategies Unlimited
***LED Inside Magazine

FUTURE MARKET TREND



**Global growth in sales
in 37% CAGR over 14
years** Bruce Robins



Solar market

- ❖ Grid connected photovoltaics (PV) continues to be the fastest growing power generation technology in the world with 50% annual increases in cumulative installed capacity
- ❖ PV is expected to grow from a US \$20.3 billion industry in 2007 to a US \$74 billion dollar industry by 2017
- ❖ Annual installations were close to 3GW worldwide, up nearly 500% from just four years earlier*
- ❖ Global growth in sales of PV is 37% CAGR over 14 years
- ❖ Thin film technology is fastest growing market segment at 75% pa over the past 4 years
- ❖ The Concentrated PV market in 2008 was 10 megawatts* and is expected to grow to 50 mega watts in 2009 with 500% growth*

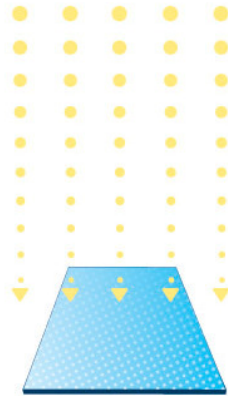
* Source: Solfocus / GTM Research

CPV promises large scale, affordable solar renewable energy



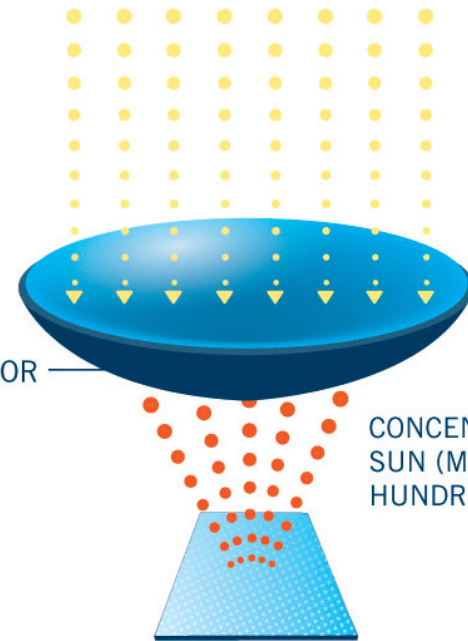
WHAT IS CPV?

ORDINARY SUN



ORDINARY SOLAR CELL

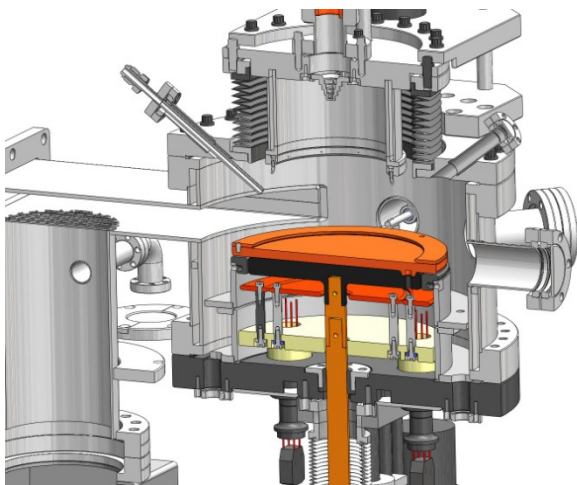
CONCENTRATOR



CONCENTRATOR SOLAR CELL

The Technology

The MOCVD equipment SAM forecast is US \$650million to > US \$1billion over the next two years*



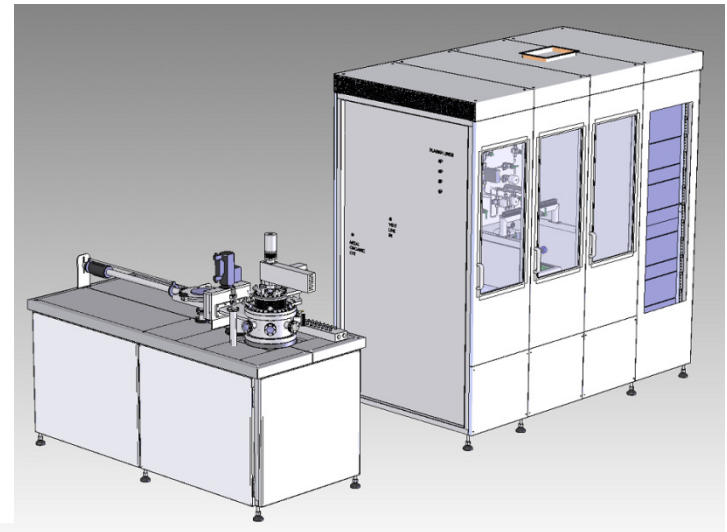
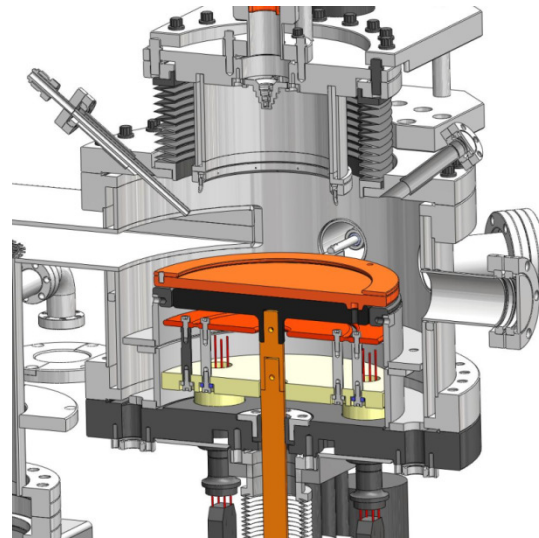
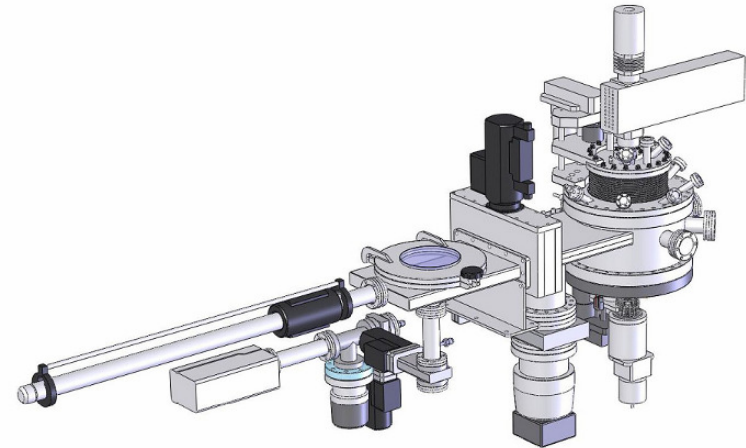
- ❖ Two deposition systems commissioned and operating in Silverwater
- ❖ A third RPCVD system is being added for the solar project following the Climate Ready Grant funding
- ❖ Continued optimisation of the technology, process and equipment
- ❖ Samples being supplied to a select industry audience
- ❖ The technology still has some performance barriers to meet, but the progress is promising
- ❖ IP manager appointed with greater importance placed on developing and strengthening our IP position
 - ❖ Our patent application count is now seven applications (including 3 from Macquarie University) and Two patents granted in the US, Singapore and examinations ongoing in other major jurisdictions
 - ❖ New Patent Attorney **Fisher Adams Kelly** appointed with greater depth of semiconductor experience

The BLG-150™ is a 150mm / 6" deposition tool, suitable for low volume production

Versatile tool suitable for:

- Optoelectronic devices
- PV research
- RF Transistors
- Other Nitride based R&D

BLG-150™



The BLG-300™ is a mass production 300 mm / 12" deposition area tool suitable for mass production

Fully automated

Use of Brooks Automation M2-C wafer handler

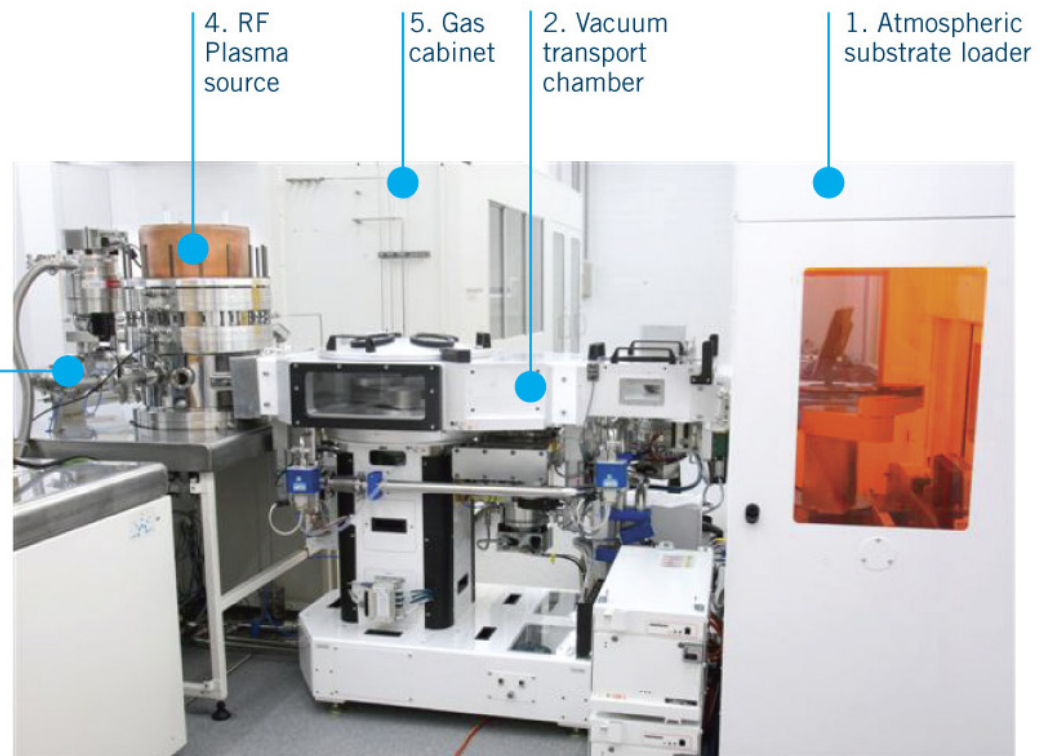
Configurable with options including: 31 X 2", 3 x 6", 1 X 8", 1 X 12" etc.

Nominal capacity is 20 X 2"

BLG-300™

6. Out of Picture are the computer drivers of the chamber

3. The deposition chamber. (300mm commercial demonstration tool)



Indicative Revenue Structure:

Equipment Sale – \$x M

License Fee – \$ x K

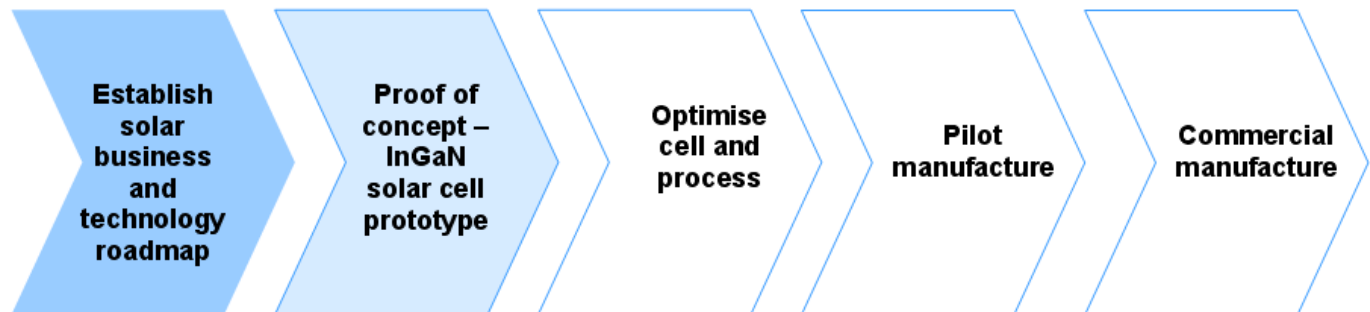
Royalties – x % cost savings per wafer

BluGlass continues to seek commercial partners and customers for both business streams to drive maximum return for investors

LED



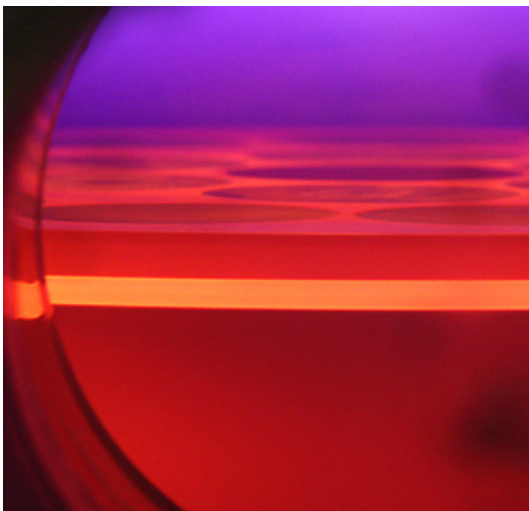
SOLAR



BluGlass in 2010 and beyond

BluGlass will position the RPCVD technology for entry into both the LED and PV industries and will pursue the market with the best shareholder return

Generating value
from ongoing royalty
stream by process
licensing



- ✦ The photonics (LED and PV) industry is emerging as the next high profile industry
 - ✦ LED: Expected CAGR of + 20% to 2013
 - ✦ PV: Global growth in sales of PV is 37% CAGR over 14 years
- ✦ Further development of the RPCVD technology will continue to focus on:
 - ✦ Optimisation of equipment
 - ✦ Optimisation of deposition process
 - ✦ Commercial sample production
- ✦ On completion of the optimisation, BluGlass intends to commercialise the RPCVD technology
 - ✦ Sell reactors to global LED manufacturers and researchers for LED and PV
 - ✦ License the RPCVD process
 - ✦ Investigate downstream value chain participation (LED and PV)
 - ✦ Develop global strategic partners for LEDs and PV
- ✦ Investigate other new markets for the RPCVD technology

THANKYOU



Giles Bourne
Chief Executive Officer

BluGlass Limited

P +61 2 9334 2300
E gbourne@bluglass.com.au

74 Asquith Street
NSW, 2128
Australia