

25 November 2013

The Manager

Company Announcements Platform

ASX Limited

BLUGLASS 2013 AGM

Chairman Address

Good morning, it is now 10.30am, as a quorum is clearly present and taking the notice of meeting as read, I now declare the meeting open. My name is George Venardos and I am the Non-Executive Chairman of the company.

I would also like to introduce you to my fellow directors here today, Dr. William Johnson, Mr. Chandra Kantamneni and Mr. Greg Cornelsen. We are also joined by the company's CEO Giles Bourne, Chief Technology Officer Dr. Ian Mann, CFO Stuart Uhlhorn, IR Manager Stef Winwood and our Company Secretary Emmanuel Correia. Representatives of our Auditors, Grant Thornton are also present.

The procedure this morning is that I will outline the company's achievements and financial results for the last year and I will then hand over to our CEO, Giles Bourne who will provide an overview of the strategy and commercialisation plans for the year ahead. We will then hear from our Chief Technology Officer, Dr. Ian Mann, who will discuss the technical progress achieved during the year and the next steps which will take our Remote Plasma Chemical Vapour Deposition (RPCVD) technology to market. Following Ian's presentation we will take questions from the floor before proceeding with the formal business of the meeting.

The Year in Review

It was an exciting and challenging financial year that saw not only significant technical achievement but the beginnings of commercialisation discussions with the industry.

In September 2012, BluGlass announced that the claims of one of its key patents was accepted and granted by the US Patent and Trademarks Office. This brought the total granted patent portfolio of the company to 17 international patents in

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five patent families. Also during the year we had two provisional patents convert into further applications in key semiconductor markets, bringing our total pending applications to 17.

Prior to the 2012 AGM we announced that the Company had been successful in bringing key impurity levels (carbon, hydrogen and oxygen) on par with the industry standard process, MOCVD. Overcoming these challenges has enabled the Company to progress the technology performance milestones leading to the demonstration of our proof of concept milestone and proving that our RPCVD technology can produce gallium nitride films at low temperature, that meet industry performance benchmarks. In November of last year, BluGlass announced that it had successfully produced n-GaN films with industry matching electrical properties.

Following on from this breakthrough, in February 2013, BluGlass announced that it had succeeded in producing p-type gallium nitride films with industry equivalent performance properties using its low temperature RPCVD technology when grown on top of MOCVD GaN templates. This is possibly the most significant technical milestone achieved to date; and the Company is now focused on demonstrating improved LED device efficiency using RPCVD grown p-GaN layers to prove the commercial value of a low temperature technology.

BluGlass has initiated discussions with the LED industry with a view to explore the commercialisation of the technology once p-GaN LED performance lift is achieved (our Brighter LEDs milestone).

The Company is expanding its operating capacity following an extensive facilities upgrade and the purchase of two ex-production model Thomas Swan MOCVD systems. One of these systems has recently been commissioned, and will operate as an MOCVD system at Silverwater. This will greatly assist the technology team in achieving our Brighter LEDs milestone. One of the key issues in demonstrating this performance lift has been interrupting the LED growth cycle from the LED supplier, shipping incomplete wafers to Australia and then recommencing growth in Silverwater on a compromised interface, following the extensive interruption and handling. Despite this, the progress that the technology team has been making is very encouraging, so we anticipate that having an MOCVD and RPCVD machine installed side by side in the same lab and addressing these interface issues will enable the Company to hit our next critical milestone and prove the value proposition of our low temperature technology.

In October this year, BluGlass was awarded the top prize at the Australian CleanTech competition, being announced as Australia's leading emerging technology at a gala event in Sydney. This award is a tremendous endorsement of the company and our breakthrough technology but also of our team and commercialisation prospects. Giles has just returned from a Government sponsored trade mission to China to meet with Cleantech investors and other industry participants as part of the prize, he will give you an update on this in his address.

Financial Performance

BluGlass is well placed to achieve its milestones and remains in a strong financial position. Following the successful capital raise in December 2012 that brought an additional \$4.75 million and the cash injection of \$2.3 million through the Research and Development tax rebate, BluGlass ended the year with a strong balance sheet and cash reserves of \$5.6 million. In July 2013, BluGlass announced that it has been awarded a \$2.99 million Clean Technology Innovation Grant, which will significantly assist the research program and development runway.

Total expenses during the year were \$6.4 million, down \$2.27 million on the prior year due to stopping the JV expenditure in the UK and reducing amortisation expenses.

During the year we had zero staff turnover, and we have added two experienced semiconductor equipment engineers to the team to assist BluGlass in reaching our next milestone, but more critically to be completely ready for the commercialisation milestones which include scaling the technology and bringing RPCVD to market upon the delivery of our Brighter LEDs milestone.

With the LED industry set to have its next wave of growth driven by the general lighting market along with the emergence of silicon as a viable alternative to traditional substrates for LEDs, PV and power electronics; the Company expects to commercialise its ground breaking technology during a period of high market growth. 2013 has been a landmark year to date and has positioned BluGlass well for the year ahead; to meet its milestones and commercialise the RPCVD technology.

I would like to thank my colleagues on the Board for their efforts and direction during the course of the past 12 months. I would also like to thank the management and technical teams at BluGlass for their continued passion and dedication to delivering our disruptive technology into rapidly growing end markets.

Now I would like to hand you over to your Chief Executive Officer, Giles Bourne who will discuss the future strategy and the year ahead. Thank you.

About BluGlass: BluGlass Limited is an Australian green technology company formed to commercialise a breakthrough in the Semiconductor Industry. BluGlass has invented a new process using Remote Plasma Chemical Vapour Deposition (RPCVD) to grow semiconductor materials such as gallium nitride (GaN) and indium gallium nitride (InGaN), crucial to the production of high efficiency devices such as next generation lighting technology Light Emitting Diodes (LEDs) with advanced low cost potential.

The RPCVD technology, because of its low temperature and highly flexible nature, offers many potential benefits over existing technologies including higher efficiency, lower cost and greater scalability.

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