

Third Quarter FY 2015 – Quarterly Report & Appendix 4C

Third Quarter Highlights

- **Tasnee Exercises A\$6 Million Investment Option**
- **10% Efficiency Milestone Achieved with Porous Carbon Design**
- **Turkish Development Bank Issues Letter of Intent to Fund Scale-Up to Mass Production**
- **A\$8.1 Million Cash-At-Bank**

Corporate and Operational

Tasnee has now exercised the final tranche of its investment option. In response to the exercise and payment of \$6 million, Dyesol has issued 33,333,333 shares to Tasnee at \$0.18 per share. The relationship between the two companies has further strengthened with Tasnee increasing its board presence with the appointment of a second director, Dr Rob McIntyre at the invitation of Dyesol. Tasnee's other representative is Ms Lynette McDonald, replacing Mr Tony Shirfan, who continues as an alternate director. Dr Rob McIntyre is also a member of the Technical Advisory Board, chaired by Professor Michael Graetzel. During the quarter, Tasnee also appointed a new CEO, Mr Mutlaq H. Al Morished and Dyesol looks forward to further co-operation with the new senior management.

The next 12 to 18 months will have a clear focus on prototyping in what is known internally as the Major Area Demonstration Project. Dyesol has been conducting extensive due diligence in both Asia and Europe to identify potential engineering partners for the project. The ideal partner will have substrate process expertise and also see this as an opportunity to partner in the roll-out of the technology globally. It is very encouraging to see such strong development interest in the new perovskite based technology. Glass and steel panel manufacture are expected to use different process flow, thus dictating the establishment of more than one engineering relationship. The interest is also coincident with a recent strong global performance in the solar sector and an improving manufacturing outlook in the UK and Europe.

HOPV 2015 is being held in Rome between May 10 and 13. Dyesol is a lead sponsor and will have speakers and sales representatives in attendance. During the quarter we continued to extend our material product range and now boast the largest product portfolio of liquid and solid-state DSC materials available.

Dyesol is pleased to announce the appointment of Ms Tracy Benillouz in the role of Investor Relations and Marketing Manager. Her key activity is to build clear and concise channels of communication with all major Dyesol stakeholders.

Research & Development

The 5th Quarterly Milestone of 10% test cell efficiency was achieved using a Dyesol variation on the Porous Carbon Design. Efficiencies were as high as 12% which provides confidence in achieving that level or higher for industrial applications in the future. The architecture in question does not use Spiro as a hole-transport-material and exhibits superior levels of stability. Related stability testing is ongoing at headquarters and at the EPFL in Lausanne and is the subject of subsequent 2015 milestones. A Technical Advisory Board meeting held on April 24 confirmed the achievement of the 5th Quarterly Milestone.

Dyesol's Technology Development Plan has a clear objective to translate these test and strip cell efficiencies to larger modules, with the Major Area Demonstration Project a preliminary step to pilot line manufacture.

Manufacturing and Technical Collaborations

Dyesol has been working closely with Nesli DSC in Turkey to establish a fully funded project for the production of glass substrate panels. The Turkish Development Bank (TKB) has confirmed its interest in a Letter of Intent to fund some or all of that through the provision of grants and low interest loans. The current business plan for Turkey, expressed in a confidential information memorandum to TKB, projects the establishment of a pilot line followed by mass manufacture in a 600 MW facility at Mersin. The proposed joint venture of Dyesol and Nesli DSC will now work with TKB to complete the prototype phase and finalise a more detailed business plan. Mr Bahattin Sekkin, Deputy CEO of TKB, has taken a strong interest in perovskite based solar PV and considers it strategic in addressing Turkey's reliance on imported fossil fuel energy.

Dyesol has a number of other important grant applications being processed in Australia and Europe and will inform on progress at the earliest opportunity.

Financials

The net operating monthly cash burn (Sec 1.8) for the third quarter average \$776k, and the YTD monthly average was \$564k including the \$2.5m receipt for the FY2014 R&D Tax Incentive rebate.

33,333,333 Dyesol shares at 18 cents per share were issued to Tasnee pursuant to Tasnee exercising its \$6 million investment option in Dyesol. As a result Tasnee investment in Dyesol has increased to 33.5%.

At the end of the quarter cash reserves totalled \$8.1 million.

About DYESOL LIMITED

Dyesol is a renewable energy supplier and leader in Solid State Dye Solar Cell (ssDSC) technology – 3rd Generation photovoltaic technology that can be applied to glass, metal, polymers or cement. Dyesol manufactures and supplies high performance materials and is focussed on the successful commercialisation of ssDSC photovoltaics. It is a publicly listed company: Australian Securities Exchange ASX ([DYE](#)), German Open Market ([D5I](#)), and the USA's OTCQX market ([DYSOY](#)). Learn more at www.dyesol.com and subscribe to our mailing list in English and German.

About DYE SOLAR CELL TECHNOLOGY

Solid State Dye Solar Cell (ssDSC) technology is a photovoltaic technology based on applying low cost materials in a series of ultrathin layers encapsulated by protective sealants. Dyesol's technology has lower embodied energy in manufacture, produces stable electrical current, and has a strong competitive advantage in low light conditions relative to 1st and 2nd Generation PV technologies. This technology can be directly integrated into the building envelope to achieve highly competitive building integrated photovoltaics.

The key material layers include a hybrid organic-inorganic halide-based perovskite light absorber, a nano-porous metal oxide of titanium oxide, and an organic semiconductor. Light striking the absorber promotes an electron into the excited state, followed by a rapid electron transfer and collection by the titania layer. Meanwhile the remaining positive charge is transferred to the organic semiconductor, thereby generating an electrical current.

- Ends -

Media & Investor Relations Contacts:

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

DYESOL LIMITED

ABN

92 111 723 883

Quarter ended ("current quarter")

31 MARCH 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from customers	213	785
1.2	Payments for		
	(a) staff costs	(1,255)	(3,844)
	(b) advertising and marketing	(156)	(381)
	(c) research & development	(703)	(2,124)
	(d) leased assets	(147)	(565)
	(e) other working capital	(490)	(1,937)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	40	165
1.5	Interest and other costs of finance paid	(5)	(11)
1.6	Income taxes received/(paid) (R&D Tax rebate)	-	2,476
1.7	Other (R&D grant)	175	358
Net operating cash flows		(2,328)	(5,078)

		Current quarter \$A'000	Year to date (9 months) \$A'000
1.8	Net operating cash flows (carried forward)	(2,328)	(5,078)
Cash flows related to investing activities			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(46)	(264)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	15
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (Investment in term deposits (proceeds on maturity))	1,000	2,200
	Net investing cash flows	954	1,951
1.14	Total operating and investing cash flows	(1,374)	(3,127)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc (net)	6,000	6,000
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	245
1.18	Repayment of borrowings	(30)	(60)
1.19	Dividends paid	-	-
1.20	Other (Treasury shares purchased)	-	(46)
	Net financing cash flows	5,970	6,139
	Net increase/ (decrease) in cash held	4,596	3,012
1.21	Cash at beginning of quarter/year to date	3,534	5,179
1.22	Exchange rate adjustments to item 1.21	6	(55)
1.23	Cash at end of quarter	8,136	8,136

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	151
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	<u>1.24</u> Directors and associates remuneration	151

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	NIL	NIL
3.2	Credit standby arrangements	NIL	NIL

Reconciliation of cash

	Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	8,136	2,034
4.2	Deposits at call	-	1,500
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.23)	8,136	3,534

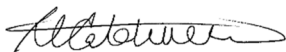
Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.

Sign here:



Date: 30 April 2015

Print name:

Richard Caldwell, *Managing Director*

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.