

The Manager

Market Announcements Platform

ASX Limited

28 October 2016

INSTITUTIONAL PLACEMENT & SHARE PURCHASE PLAN

BluGlass Limited (ASX: BLG) is pleased to announce that it has received commitments for a placement of new fully paid ordinary shares (Shares) to raise A\$5 million (Placement). The placement was well supported by existing investors and the Company is also delighted to welcome a number of new institutional investors to the register.

BluGlass proposes to issue 15.625 million Shares at A\$0.32 per Share when the Placement is settled, which is expected to occur within the next 5 business days. The Placement issue price of \$0.32 per Share represents a discount of 18.36% to the 5 day VWAP Share price to 27 October of \$0.392 per Share.

Shareholders on BluGlass' register at 5 pm (AEDST) on 27 October 2016 with registered addresses in Australia and New Zealand will also be given the opportunity to apply for up to A\$15,000 worth of BluGlass' Shares (subject to any scale-back determined by BluGlass' directors) at \$0.32 per Share, the same price as under the Placement, without incurring brokerage or transaction costs, via a Shareholder Share Purchase Plan (SPP). BluGlass will seek to raise A\$2 million under the SPP.

The purpose of the Placement and SPP is to provide funds for;

- continuation of current industry collaboration and evaluation agreements with Lumileds, HC SemiTek, and Veeco;
- capital expenditure for new equipment and resources to accelerate work with the current industry partners as well as enabling the RPCVD technology to be applied to other applications;
- identification and engagement with potential future collaboration partners; and
- general working capital purposes.

Further details in relation to the proposed SPP will be provided in the SPP Offer Booklet and Application Form, which is expected to be sent to eligible shareholders next week. The placement was managed by Shaw and Partners.

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