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The Manager

Company Announcements Office

ASX Limited

## SPTS INVESTS \$5.2M AS CORNERSTONE INVESTOR AND ANNOUNCES JOINT VENTURE WITH BLUGLASS

-  BluGlass signs joint venture agreement with SPP Process Technology Systems (SPTS), a rapidly growing semiconductor process equipment company wholly owned by Sumitomo Precision Products (SPP) Co., Ltd (TYO : 6355).
-  BluGlass will receive AUD \$ 5.2 million investment from SPTS for a subscription of ordinary shares at \$0.11 per share
-  SPTS to become a cornerstone 19.9% shareholder in BluGlass

Australian green technology innovator BluGlass Limited (ASX : BLG) today announced that it has entered a Joint Venture (JV) agreement with SPTS, a global supplier of advanced capital equipment and process technologies for the semiconductor and related device industries. The purpose of the JV is to complete the development and commercialisation of BluGlass' proprietary Remote Plasma Chemical Vapour Deposition (RPCVD) technology.

SPTS is a leading provider of plasma based process equipment to tier-1 and tier-2 manufacturers of LEDs, semiconductors, and other electronics globally. SPTS, with over 400 employees and 35 locations worldwide is seeking to expand its product portfolio into adjacent process equipment sectors.

SPTS President and Chief Executive Officer, William Johnson said today BluGlass has developed promising technology that fits well with SPTS' technical roadmap and product/customer base.

"Through this joint venture, SPTS and BluGlass intend to bring the RPCVD technology to market on field-proven production platforms, offering significant competitive advantages for customers in the rapidly expanding high brightness LED industry". Dr. Johnson said. "We are delighted to partner with BluGlass and look forward to collaborating on the commercialisation of this potentially disruptive technology" he added.



In establishing this strategic partnership, SPTS will become a cornerstone investor in BluGlass Limited, subscribing for approximately 47.7 million fully paid ordinary shares of BluGlass at an issue price of \$0.11 per share to give SPTS a post placement holding of 19.9% of the expanded issued ordinary share capital of BluGlass. This investment involves two tranches. The initial tranche, 23,297,379 shares (subscription amount: \$2,562,712) is to be placed within 5 days of this announcement. The balance of SPTS's subscription (24,431,780 million shares for a subscription amount of \$2,687,496) exceeds the Company's placement capability and requires the approval of shareholders of BluGlass, to be sought at the Company's AGM to be held on 1 November 2010.

BluGlass has also agreed to offer SPTS the right to participate in any future issue of securities, to the extent necessary to maintain its holding at the time, and SPTS will have an ongoing right to nominate a representative to the BluGlass board (on the condition that SPTS has more than 10% in BluGlass).

BluGlass Chairman, George Venardos today said as part of our new strategic relationship with SPTS, I am delighted that the BluGlass Board will be unanimously recommending William Johnson as a nominee for a board seat at the upcoming 2010 AGM.

BluGlass CEO Giles Bourne added today SPTS' existing plasma deposition equipment manufacturing expertise and capabilities, along with its substantial customer base are enormously complementary and synergistic to BluGlass' commercial goals.

"SPTS is the perfect fit partner for our technology and its commercialisation and we are delighted to announce this Joint Venture agreement with this dynamic company. This is a major commercial milestone for BluGlass" he continued.

RPCVD will potentially offer cost, throughput and efficiency advantages for the production of nitride semiconductors. The Joint Venture will be co-capitalised by the two parties exclusive and additional to the initial \$5.2 million investment into BluGlass by SPTS. BluGlass will maintain a majority stake of the equipment JV with 51% ownership and will also retain 100% ownership of device (such as LEDs and solar cell) intellectual property.

The JV will focus exclusively on the development of the RPCVD equipment portfolio and sales. BluGlass will exclusively license its RPCVD intellectual property for the purposes of the JV with SPTS. SPTS has existing manufacturing capability in plasma based process equipment, and both companies bring complementary intellectual property and know-how into the venture. BluGlass will continue to operate its Silverwater facility and through the JV it will establish RPCVD development and demonstration equipment at SPTS facilities.

"SPTS is already a global leader in the supply of specialist semiconductor production equipment. We believe that this Joint Venture will enable BluGlass and SPTS to emerge as a front runner in supplying process equipment for the LED and PV-solar industries" finished Mr. Bourne today.

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#### About SPP Process Technology Systems

SPP Process Technology Systems was established in October 2009 as the vehicle for the merger of Surface Technology Systems and acquired assets of Aviza Technology. The company is a wholly-owned subsidiary of Sumitomo Precision Products Co., Ltd, and designs, manufactures, sells, and supports advanced semiconductor capital equipment and process technologies for the global semiconductor industry and related markets. These products are used in a variety of market segments, including R&D, data storage, MEMS and nanotechnology, advanced 3-D packaging, LEDs, and power integrated circuits for communications.

For more information about SPTS, please visit [spp-pts.com](http://spp-pts.com)

#### About Sumitomo Precision Products Co., Ltd:

Sumitomo Precision Products Co., Ltd, headquartered in Amagasaki (Japan), have, over the past 90 years, expanded from their core field of aerospace products into such diverse areas as heat-exchangers and heat-control systems, industrial machinery employing hydraulic control, equipment for semiconductor and flat panel display production, ozone generators for protecting the environment and unique motion sensors.

For more information about SPP, please visit [spp.co.jp](http://spp.co.jp)

#### About BluGlass:

BluGlass Limited is an Australian green technology company developed 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 significant low cost potential. BluGlass, through its subsidiary, BluSolar is now exploring the process' viability in photovoltaic (solar) applications. The BluGlass process is a low temperature and low cost technology with the potential for scalability. Contact: Stefanie Winwood 02 9334 2302, 0433 307 853 [swinwood@bluglass.com.au](mailto:swinwood@bluglass.com.au)