



31 July 2019

Quarterly Appendix 4C Report – 30 June 2019

Australian semiconductor technology developer, BluGlass Limited (ASX: BLG) presents its Appendix 4C for the quarter ended 30 June 2019.

During the period BluGlass completed the expansion and upgrade of its Silverwater facility. It is forecast that approximately \$800,000 will be paid in the September 2019 quarter for work completed in relation to the facility expansion and upgrade. This facility includes two new clean rooms and the supporting infrastructure which houses two additional deposition systems, the BLG-300II and the commercial-scale AIX 2800 G4. The first of these systems, the BLG-300II, is now commissioned and has commenced RPCVD growth runs. These additional systems will significantly increase BluGlass' RPCVD development capacity, increase the RPCVD customer foundry output, and demonstrate the scaling potential of the RPCVD technology.

The scaling project is in collaboration with AIXTRON SE, to implement RPCVD on a commercial scale platform on the AIXTRON AIX G4. This project continues to make good progress and remains on schedule for completion towards the end of calendar year 2019.

A key US Patent has been granted for buried activated p-GaN for tunnel junctions. BluGlass continues to receive strong interest on the performance potential of RPCVD tunnel junctions and cascade LEDs from the industry.

During the quarter, operational and capital expenditure remained in line with the Company's budgeted expectations.

The Company has lodged its R&D tax rebate application for the last financial year and expects to receive approximately \$2 million in the coming quarter.

On 26th August 2019 BluGlass will welcome shareholders, suppliers, partners, media and other stakeholders to the official opening of the upgraded BluGlass Silverwater facility to meet with the board, management and the technology team to discuss progress towards our technical and commercial goals.

About BluGlass

BluGlass Limited (ASX: BLG) is a global leader commercialising a breakthrough technology using Remote Plasma Chemical Vapour Deposition (RPCVD) for the manufacture of high-performance LEDs and other devices. BluGlass has invented a new process using RPCVD to grow advanced materials such as gallium nitride (GaN) and indium gallium nitride (InGaN). These materials are crucial to the production of high-efficiency devices such as power electronics and high-brightness (LEDs) used in next-generation vehicle lighting, virtual reality systems and device backlighting.

The RPCVD technology, because of its low temperature and flexible nature, offers many potential benefits over existing technologies including higher efficiency, lower cost, substrate flexibility (including GaN on silicon), and scalability.

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Bluglass Limited

ABN

20 116 825 793

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	123	478
1.2 Payments for		
(a) research and development	(695)	(2,693)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(31)	(87)
(d) leased assets	(87)	(352)
(e) staff costs	(902)	(3,371)
(f) administration and corporate costs	(294)	(1,130)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	57	236
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives- R&D tax rebate	-	1,987
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,829)	(4,932)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(770)	(4,307)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(770)	(4,307)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	1	1
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1	1

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	8,714	15,354
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,829)	(4,932)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(770)	(4,307)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1	1

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	6,116	6,116

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	38	38
5.2	Call deposits	6,078	8,676
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,116	8,714

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
76
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(700)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(40)
9.4 Leased assets	(80)
9.5 Staff costs	(850)
9.6 Administration and corporate costs	(200)
9.7 Other (Cashflow from investing activities- property plant and equipment)	(800)
9.8 Total estimated cash outflows	(2,670)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Emmanuel Correia
Company secretary

Date: 31 July 2019

Print name: Emmanuel Correia

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.