



SilexSolar
Australian Clean Energy



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SilexSolar Enters New Research Partnership with Suntech Power and the University of NSW

Partnership receives \$5 million R&D funding grant from Australian Solar Institute

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SilexSolar Pty Ltd., a wholly owned subsidiary of Silex Systems Ltd (Silex), has entered into a collaborative research and development partnership with the University of NSW's ARC Photovoltaics Centre of Excellence (UNSW) and Suntech Power Holdings Co. Ltd (Suntech), to develop advanced technologies aimed at breakthrough improvements to the power conversion efficiencies of crystalline silicon solar cells. The three-year collaborative research project today received a A\$5 million grant from the Australian Solar Institute (ASI), the largest award given to any of the 87 grant applicants in the ASI's first competitive funding round.

"This is a great result for SilexSolar and a fantastic opportunity to pool together some of the world's best solar technology talent to develop higher efficiency solar cells and ultimately lower the cost of solar power for all Australians and consumers in off-shore markets," Dr Michael Goldsworthy, Silex CEO said today. "This is the most effective way to catapult SilexSolar into the top group of solar technology companies who are leading the industry towards a sustainable and profitable future. The partnership will allow SilexSolar to achieve its first goal – to achieve maximum performance and economic benefit from conventional silicon-based solar cell technology. We will then be well-placed to further our second goal of developing new materials and ever-higher performance from solar technology," he added.

"SilexSolar and UNSW are ideal partners for this solar research project, made possible by the vision and leadership of the Australian Solar Institute. Our long-term research collaborations with Australian organizations are central to driving solar innovation," said Dr. Zhengrong Shi, Chairman and CEO of Suntech, a graduate of UNSW, as well as a fellow at the Australian Academy of Technological Sciences and Engineering (ATSE). "As our earth suffers under the strains of fossil fuel energy production, we are empowering individuals and communities in Australia and around the world to look up and harness nature's cleanest and most abundant energy resource."

The ASI's Executive Director Mark Twidell said today: "The ASI, through funding from the Australian Commonwealth Government, invests in Australian research innovation that aims to reduce the costs of solar energy and promote Australian-based solar technology in both the domestic and off-shore markets. The ASI is pleased to support the world leading photovoltaics team at UNSW in collaboration with its industry partners SilexSolar and Suntech Power through this ground-breaking project,"

In addition to the A\$5 million research grant from the ASI, both SilexSolar and Suntech will each contribute a total of more than A\$6 million in direct funding and in-kind research resources over the next three years to support research operations. The cash contribution from SilexSolar will total \$1.2 million over the three year project.

“This promising research collaboration will hopefully generate additional enhancements to our industry-leading photovoltaic cells,” said Dr. Stuart Wenham, Chief Technology Officer for Suntech and Director of the Centre of Excellence for Advanced Silicon Photovoltaics and Photonics at UNSW. “Our goal, by the end of this collaborative project, is to drive solar electricity generation past grid parity against retail electricity prices in more than 50% of the world’s markets.”

SilexSolar is the only Australian manufacturer of crystalline silicon solar cells and panels, and has a strong commitment to Australian solar technology innovation, Australian-based manufacturing and green-job creation. SilexSolar’s plant in Sydney Olympic Park is the largest solar cell manufacturing facility in the Southern Hemisphere, with over 50MW of solar cell production and up to 15MW of module production capability under 24/7 operations. With increasing cell efficiency and a modest capital expenditure the plant is estimated to have the capacity to expand to approximately 200MW in cells and 50MW in panels.

Having a workforce comprising highly experienced researchers, engineers and technicians spanning 25 years of photovoltaic manufacturing, together with modern production test facilities and a world class development laboratory, SilexSolar is well placed to partner UNSW and Suntech in solar research project.

“Our collaboration with UNSW and Suntech will ensure that the work of Australian researchers and scientists will stay in Australia and benefit the Australian solar manufacturing industry and the associated distribution and installation businesses,” said Dr. Goldsworthy, a graduate and former academic of UNSW. “With the solar industry currently valued at approximately US\$40 billion per annum and growing at over 20% per year over the past decade, the ‘solar industry pie’ is so vast that we can only see a win-win situation resulting from our collaboration with Suntech and UNSW” Dr Goldsworthy added.

The ASI sponsored research project will focus on improving the power producing efficiency of solar cells and reducing the cost of solar modules on Australian rooftops by minimising the losses in converting sunlight to electricity. The research team will target the development of advanced solar cell device designs and innovative high volume cell manufacturing processes to achieve significant performance improvements and cost reduction breakthroughs. All three parties will equally share any intellectual property created through the collaboration. SilexSolar sees the potential technology developments arising from the collaboration as being complementary with its existing suite of photonic technologies and an important component of the technology roadmap to high performance and low cost photovoltaic power products for the burgeoning global solar industry.

SilexSolar Flagship Bid Omitted from Shortlist:

The Thiess-SilexSolar Flagship Project consortium has been omitted from the Flagships program shortlist announced by the Federal Government last night. At this point the company will not make further comment until the reasons for this omission are understood.

Further information on the Company's activities can be found on the Silex website: www.silex.com.au or by contacting Dr Michael Goldsworthy on (02) 9532 1331, or Mr Chris Wilks on (02) 9855 5404.

About SilexSolar:

SilexSolar is a wholly-owned subsidiary of Silex Systems Limited, an ASX-listed public company which has several cutting edge technologies under development (<http://www.silex.com.au>). Silex's solar division comprises SilexSolar and Solar Systems. SilexSolar was established in July 2009 following Silex's acquisition of the Sydney Olympic Park (SOP) solar manufacturing facility from BP Solar. SilexSolar is now the largest integrated photovoltaic (PV) cell and solar panel manufacturing facility in the southern hemisphere, and the only commercial manufacturer of solar cells and panels in Australia. For further information on SilexSolar, please visit: <http://www.silexsolar.com>

In March 2010, Silex acquired the assets and business of Melbourne-based Solar Systems Pty Ltd (SSPL). In contrast to SilexSolar's conventional panel business which also serves the residential and commercial rooftop solar panel market, SSPL's technology is specifically applicable to large utility-scale solar power generation using its patented "Dense Array" concentrating photovoltaic (CPV) solar conversion technology. This technology utilises ultra-high efficiency PV cells (initially developed for space applications) and is ideally suited to the burgeoning utility scale solar power station market. SSPL's technology is in the final stages of development and is expected to be available for commercial deployment in 2011, starting with a ~150MW solar power project planned for Mildura, Victoria – potentially the largest single solar power station in the world. For additional information on Solar Systems Pty Ltd, please visit: <http://www.solarsystems.com.au>

About the Australian Solar Institute:

The Australian Solar Institute is a \$100 million commitment by the Australian Government to support solar thermal and solar photovoltaic research and development. This commitment will foster greater collaboration between solar researchers in universities, research institutions and industry and help forge strong links with peak overseas solar research organisations.

The ASI aims to drive collaborative, focused research and development that will have a major impact on the efficiency and cost-effectiveness of solar technologies. It will also disseminate the results and learnings from solar research for the benefit of the Australian and global solar communities and the Australian public and will act as a catalyst and champion for Australia's leadership strengths in solar research and development. Further information about the ASI is available at <http://www.australiansolarinstitute.com.au>

About Suntech Power:

Suntech Power Holdings Co., Ltd. (NYSE: STP) is the world's leading solar energy company as measured by production output of crystalline silicon solar modules. Suntech designs, develops, manufactures, and markets premium quality, high-output, cost-effective and environmentally friendly solar products for electric power applications in the residential, commercial, industrial, and public utility sectors. Suntech offers an extensive range of customer-centric innovations, including its patent-pending Pluto technology for crystalline silicon solar cells, which improves power output by up to 12% compared to conventional production methods, its Reliathon™ module and platform, the industry's first fully integrated utility-scale solar platform, and its broad range of building-integrated solar products.

Suntech designs and delivers residential, commercial and utility-scale solar power systems in China and the United States. With regional headquarters in China, Switzerland and San Francisco and sales offices worldwide, Suntech is passionate about improving the environment we live in and dedicated to developing advanced solar solutions that enable sustainable development. For more information, please visit <http://www.suntech-power.com>.

Forward Looking Statements and Business Risks:

Silex Systems is a research and development Company whose assets are its proprietary rights in various technologies, including, but not limited to, the SILEX technology, the SilexSolar technology and business, Solar Systems technology and business, Translucent technology and ChronoLogic technology. Several of the Company's technologies are in the development stage and have not been commercially deployed, and therefore are high-risk. Accordingly, the statements in this announcement regarding the future of the Company's technologies and commercial prospects are forward looking and actual results could be materially different from those expressed or implied by such forward looking statements as a result of various risk factors.

Some risk factors that could affect future results and commercial prospects include, but are not limited to: results from the SILEX uranium enrichment development program and the stable isotopes program; the demand for enriched materials including uranium, silicon, oxygen, carbon and others; the business risks associated with SilexSolar's manufacturing and marketing activities; the risks associated with the development of Solar Systems technology and related marketing activities; the outcomes of the Company's interests in the development of various semiconductor, photonics and alternative energy technologies; the time taken to develop various technologies; the development of competing technologies; the potential for third party claims against the Company's ownership of Intellectual Property associated with its numerous technologies; the potential impact of government regulations or policies; and the outcomes of various commercialisation strategies undertaken by the Company.

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