

Solar Systems receives \$10 million Victorian Government grant for Mildura Solar Plant

4 October 2012, Melbourne

Solar Systems Pty Ltd, a wholly owned subsidiary of Silex Systems Ltd (ASX:SLX), announced it has today received a \$10 million grant from the Victorian State Government for Stage Two of its Large-Scale Solar Power Generation Demonstration Project.

The Hon. Michael O'Brien, Minister for Energy and Resources, visited the Solar Systems' Concentrating Photovoltaic (CPV) Power Station in Bridgewater, central Victoria, to inspect the facility and officially sign the grant deed for Stage Two.

Stage One of the project was completed in June 2012 with the opening of a 600 kilowatt capacity solar generating plant at Bridgewater. Stage Two will result in 2 megawatts (MW) of demonstration capacity, with an additional 1.5 MW facility being built at Mildura. This will lay the foundation for Stage Three, a 100 MW CPV Solar Power Station in Mildura.

Silex CEO Dr Michael Goldsworthy said, "Our vision is to establish Solar Systems' technology as the world's leading utility scale solar power generating system, and the grant provided by the Victorian State Government today advances our unique and innovative technology to the next scale of deployment. The commercial prospects for Solar Systems are very exciting, and we continue to see strong domestic and overseas interest from companies seeking to develop large scale solar power station projects."

Solar Systems also expect to build additional large-scale solar power stations in key offshore markets, including the USA and the Middle East. A demonstration facility is currently under construction in Saudi Arabia.

Solar Systems' technology is suited to large utility-scale electrical power generation using the proprietary 'Dense Array' CPV solar conversion system. The technology is being prepared for commercial deployment in the burgeoning global utility-scale solar power station market which is forecast to grow rapidly over the next decade. The unique advantages of this technology include the use of advanced 'triple junction' solar cells currently capable of operating at over 40% conversion efficiency – approximately double the efficiency of today's best silicon-based cells, and the use of active cooling to maximize power output and lifetime performance from the solar cells.

Further Information

Solar Systems: www.solarsystems.com.au.

Silex Systems Limited: www.silex.com.au

Contacts: Michael Goldsworthy or Julie Ducie on + 61 2 9532 1331

Media: Alan Jury or Suk Hee Lee (FTI Consulting) on +61 2 8298 6100

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, Solar Systems technology, 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 the development of Solar Systems technology, its manufacturing 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.