

Development Bank of Turkey – Letter of Intent

Queanbeyan, 30 March 2015 – Today, Dyesol has received a non-binding Letter of Intent (LOI) from the Development Bank of Turkey (TKB) in relation to its plans to fund and commercialise its revolutionary perovskite based photovoltaic technology in Turkey.

The Letter of Intent is the result of several meetings between Dyesol, Nesli DSC and TKB, both in Ankara and Adana, over the past 2 years where detailed plans for development and commercialisation of Dyesol's perovskite based photovoltaic technology were shared in confidence. In an information memorandum recently provided to TKB, Dyesol detailed plans to take its technology through the important development stages of prototype, pilot line and mass production in Turkey. The end goal is to construct a 600 mega-watt plant at Mersin and employ up to 2,500 technical, manufacturing, installation and maintenance staff. Mersin is an important transport hub, well suited for the manufacture and distribution of finished goods.

In the Letter of Intent, Mr Bahattin Sekkin, Deputy CEO of TKB, outlined the strategic importance of introducing renewable energy technology to Turkey. The conditions for the proliferation of solar technology in Turkey and its neighbouring countries are very favourable. Turkey is a G20 country and a fast growing economy with a need to strongly diversify away from its current reliance on foreign energy sources, which negatively impact its current account. TKB is focused on developing internal manufacturing capacity and minimising the import of foreign energy products. It has indicated it stands ready to provide the required project finance at suitable conditions upon its own appraisal of the project. Further, TKB will consider taking a strategic equity interest in Dyesol at terms to be considered and agreed by the Dyesol Board. In addition, it can provide a tax shelter in the early years of development and favourable terms for the employment of labour to ensure the enterprise has a strong prospect of commercial success.

The pre-conditions to forming a binding funding agreement include the establishment of a 50/50 joint stock company (JSC) with Nesli DSC, satisfactory completion of the US\$1.9 million prototype facility in Mersin and submission of a detailed business plan to TKB. Dyesol and Nesli DSC will submit a detailed business plan to TKB before the end of 2015 in readiness for the funding and construction of a pilot line commencing in 2016. Mass production of glass substrate panels is scheduled to commence in 2018 and plans are to address utility, rooftop and stand-alone installations in the first instance and fully building integrated applications (BIPV) in subsequent development stages.

Dyesol considers the Letter of Intent as a strong welcome to develop and commercialise its technology in Turkey based on the consideration of the relevant technical and business factors. Dyesol has plans to form similar partnerships in strategic geographical locations around the world and is currently involved in at least one similar negotiation for substantial and attractive project finance. Dyesol's strategy is to form joint-ventures which will provide high-quality and high-volume routes to market for technology that has been principally researched and developed in Australia.

Dyesol also continues to make pleasing progress in the scale-up of the perovskite based technology and looks forward to reporting the status of its next technical milestone next month.

Managing Director, Richard Caldwell remarked:

“We are very excited about our commercialisation prospects in Turkey. In particular, the Turkish Development Bank appreciates the inherent risks in the scale-up to mass production of our revolutionary solar technology and we have every confidence in securing their substantial financial support. It is gratifying that the Turkish Development Bank has identified our technology as a leader in the field of next-generation renewables.”

About Dyesol Limited

Dyesol is a renewable energy supplier and leader in Solid State Dye Solar Cell (ssDSC) technology – 3rd Generation photovoltaic technology that can be applied to glass, metal, polymers or cement. Dyesol manufactures and supplies high performance materials and is focused on the successful commercialisation of ssDSC photovoltaics. It is a publicly listed company: Australian Securities Exchange ASX ([DYE](#)), German Open Market ([D5I](#)). Learn more at www.dyesol.com and subscribe to our mailing list in English and German.

About Dye Solar Cell Technology

Solid State Dye Solar Cell (ssDSC) technology is a photovoltaic technology based on applying low cost materials in a series of ultrathin layers encapsulated by protective sealants. Dyesol's technology has lower embodied energy in manufacture, produces stable electrical current, and has strong competitive advantage in low light conditions relative to 1st and 2nd Generation PV technologies. This technology can be directly integrated into the building envelope to achieve highly competitive building integrated photovoltaics (BIPV).

The key material layers include a hybrid organic-inorganic halide-based perovskite light absorber, a nano-porous metal oxide of titanium oxide, and an organic semiconductor. Light striking the absorber promotes an electron into the excited state, followed by a rapid electron transfer and collection by the titania layer. Meanwhile the remaining positive charge is transferred to the organic semiconductor, thereby generating an electrical current.

About Development Bank of Turkey

In accordance with the purpose of achieving development and sustainable growth of the country, the mission of the Bank is: to increase employment, income and welfare, by supporting investments of the enterprises incorporated as joint stock companies, through providing loans secured from national and international sources, or directly participating into the leader / model firms; by providing technical assistance to the investors; and by making contribution to the improvement of the capital markets.

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