

PRESS RELEASE

Bitterfeld/Thalheim, 7th June 2004

Announcing the birth of a new PV company

The former employees of Pacific Solar Pty Ltd of Sydney, Australia, have formed a new company to commercialise the Crystalline Silicon on Glass photovoltaic technology that they have been developing since 1995.

The new company, CSG Solar AG, is based in the German state of Saxony-Anhalt, where plans call for the construction of a factory to manufacture modules based on the CSG technology by mid-2006. Ownership of the CSG technology has been acquired from Pacific Solar Pty Ltd.

CSG Solar AG has formed a wholly owned R&D subsidiary, CSG Solar Pty Ltd, which will operate in the Sydney suburb of Botany using pilot-line equipment purchased from Pacific Solar. The first stage of the Company's Business Plan calls for the Australian subsidiary to make final preparations for manufacturing.

The Managing Directors of the new company are David Hogg (CEO), Dr. Paul Basore (CTO) and Dawn Mills (CFO). The twenty former employees of Pacific Solar own a substantial share of the company and are represented on the Supervisory Board by Prof. Martin Green of UNSW (University of New South Wales).

The new venture is made possible by financial and strategic support from Q-Cells AG (Thalheim, Germany) and Renewable Energy Corporation (Høvik, Norway), plus financial backing from IBG Beteiligungsgesellschaft Sachsen-Anhalt mbH (Magdeburg, Germany). Factory construction will be managed by IB Vogt (Berlin, Germany).

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Q-Cells is Europe's largest and fastest growing producer of crystalline silicon solar cells

Renewable Energy Corporation is a multinational producer of silicon products from silane to sliced wafers

IBG Beteiligungsgesellschaft Sachsen-Anhalt mbH is a state-backed venture capital for development in Saxony-Anhalt

IB Vogt is a process engineering and project management company for manufacturing