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**Investments That Solve
Environmental Problems**



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manufacture, potentially giving it another commercial application.

Although solar cells are a natural progression for BluGlass, development of the LED business remains the company's main focus, he said.

BluGlass described the term sheet with BLK as a significant advance in the commercialisation of the RPCVD technology and the first step towards a full customer agreement. BLK will have an exclusive license for Korea for an initial two years.

The term sheet also outlines the acquisition of a BluGlass BLG-150 deposition tool. BLK plans to establish an RPCVD pilot manufacturing plant in Gwangju Technology Park, the centre of the LED industry in Korea. The company intends to produce gallium nitride based LEDs on the BluGlass technology to gain access to the major LED manufacturers of Korea.

BluGlass said the Korean government is developing the countries semiconductor manufacturing capabilities in both LED and solar manufacture, and has committed 540.1 billion won (A\$542.5 million) to assist in the establishment of eco friendly segments such as LED manufacture over the next five years.

The South Korean LED market was worth over US\$1.5 billion in 2006 and is forecast to reach US\$15 billion by 2015.

Gwangju is officially designated as South Korea's 'LED Valley' and 70 LED companies are slated to set up in the district. This will involve significant spending on manufacturing capability including the purchase of new deposition tools and equipment for new fabrication plants.

BLK is a newly established LED company formed in 2008 by CNT International to accelerate the commercialisation of the BluGlass technology.

Carnegie Simplifies Ownership of Wave Technology

Wave energy developer Carnegie Corporation (ASX: CNM) is to acquire 100 per cent ownership of the intellectual property and global development rights for the CETO wave technology under a Heads of Agreement with Renewable Energy Holdings Plc (REH).

Under the deal, Carnegie will also purchase REH's potential CETO project site pipeline and assume REH's rights and obligations under its joint venture license agreement with French company EDF EN to own and operate CETO projects in the northern hemisphere. Carnegie is already the southern hemisphere licensee of the CETO technology.

Consideration is 252 million fully paid Carnegie shares, which will make REH Carnegie's largest shareholder with 35 per cent ownership. REH said it intends to be long term strategic shareholder. Jeff Harding has joined the Carnegie board as a non-executive director and REH's nominee. From 1995 to 2005 Mr Harding was managing director of renewable energy company Pacific Hydro Ltd, and is currently the chairman of Ceramic Fuel Cells.

Carnegie's managing director, Dr Michael Ottaviano, said "This transaction will deliver significant value to Carnegie shareholders in opening up Northern Hemisphere opportunities for Carnegie in the United States, Europe and across Asia. It simplifies the CETO ownership structure and allows Carnegie for the first time to have 100 per cent ownership of CETO."

"Whilst the Southern Hemisphere has a superior wave resource, approximately 90 per cent of global power consumption occurs in the Northern Hemi-

sphere. Additionally, many locations in the Northern Hemisphere have very attractive markets for renewable energy including some with targeted wave energy feed-in tariffs. We look forward to working closely with EDF EN in developing these Northern Hemisphere markets."

The deal is subject to shareholder approval. In the meantime, Carnegie has raised \$5.75 million via a placement to institutions and sophisticated investors at 22 cents per share. \$0.75 million was oversubscriptions after scalebacks.

The new capital fulfils Carnegie's requirement under the CETO IP acquisition to have enough cash to cover the remaining 2009 CETO operating budget, which is expected to be around \$2 million. The placement will be applied to the final phase of the CETO technology development and for working capital.

Meanwhile, CFU's application for a Renewable Energy Demonstration Program grant has moved to the next stage and will undergo a full assessment with an announcement due from August.

Water Treatment Gets Busy

Water treatment company Phoslock (ASX: PHK) says European sales of its product have grown substantially since the formation of its European operation, Phoslock Europe GmbH, in September last year.

Combined Australian and European sales for the March quarter were over \$300,000 and sales for the June quarter are expected to be between \$400,000 and \$2 million depending on a large order. The company says business in Europe, Canada, China and Australia is very high with a number of new projects.

The company has completed its largest project in