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Greatcell Solar – Appointment of Administrators

Queanbeyan, 11 December 2018 – The Directors of Greatcell Solar Limited (ASX: GSL) regretfully advise that the decision was taken yesterday to appoint administrators to the Greatcell Solar group of companies following sustained, but ultimately unsuccessful, attempts to secure re-financing for its activities. Greatcell Solar Limited, Greatcell Solar Industries Pty Ltd and Greatcell Solar Australia Pty Ltd were placed into voluntary administration. The decision follows a series of unfortunate and unwelcome developments in recent weeks, including the untimely death of Chief Scientist, Dr Hans Desilvestro in a mountaineering accident on 10 November.

The most recent ASX update provided by the Company on 9 November referred to short-term initiatives based on the issue of a secured convertible note of $600,000 and grant support of $425,000 from Australian government funding agencies. These payments resulted in an additional $1,025,000 being made available to the Company to achieve key R&D milestones that supported its scale-up objectives, maintained its workforce in Australia and internationally, as well as helped meet statutory obligations.

As previously indicated, the Company has also been seeking more substantial, long-term funding to undertake its Major Area Demonstration (MAD) prototype project as a critical validation step towards successful commercialisation. This project is valued at $25 million and was expected to be funded with a mix of equity investment and government grants. Despite a global search and chasing down every potential funding opportunity, GSL has not been able to attract sufficient long-term equity investment. The situation has been exacerbated by the position of Tasnee, its strategic shareholder, which has recently advised that it is not in a financial position to contribute to the Company's ongoing endeavours.

This is an extremely disappointing outcome for Greatcell Solar, its directors, employees and shareholders given the considerable investment already undertaken over many years to achieve an advanced, pre-commercialisation status for its 3rd generation photovoltaic technology. The Company is widely considered amongst its international peers to be pre-eminent in the field of Perovskite Solar Cell PV technology.

More recently the Company's funding model has been adversely affected due to highly conditional access to available government assistance because of increasing amounts of 'red-tape' and changes to ATO R&D rebate entitlement that disregard previously accepted methodologies. Unsurprisingly, banks are becoming increasingly cautious about lending in such an uncertain regulatory environment. Greatcell Solar has also been adversely affected in its refinancing efforts by the Federal Government energy policy settings that are unsupportive of renewable energy investment. This predicament has made access to the Australian equity capital markets for renewable energy technology companies very challenging.

With the appointment of Administrators, BRI Ferrier, the outlook for shareholders is uncertain at best.

The Directors apologise unreservedly to all stakeholders for failing to have the technology sufficiently developed to make it a compelling investment case at this time. We consider all known options for the survival of Greatcell Solar as it is currently structured have been exhausted. However, we do not believe that the operations of our 50% subsidiary, Greatcell Solar Materials, a manufacturer of specialty chemicals, will be affected by these developments.

Please contact Kira Yu of BRI Ferrier on kyu@brifnsw.com.au or +612 82632300 if you have any queries regarding the Administration or have an interest in supporting the future of the Company.

About GREATCELL SOLAR LIMITED

Greatcell Solar is a global leader in the development and commercialisation of Perovskite Solar Cell (PSC) technology – 3rd Generation photovoltaic technology that can be applied to glass, metal, polymers or cement. Greatcell Solar manufactures and supplies high performance materials and is focused on the successful commercialisation of PSC photovoltaics. It is a publicly listed company: Australian Securities Exchange ASX (GSL) and German Open Market (D5I). Learn more at www.greatcellsolar.com and subscribe to our mailing list in English and German.

About PEROVSKITE SOLAR CELL TECHNOLOGY

Perovskite Solar Cell (PSC) technology is a photovoltaic (PV) technology based on applying low cost materials in a series of ultrathin layers encapsulated by protective sealants. Greatcell Solar's technology has lower embodied energy in manufacture, produces stable electrical current, and has a strong competitive advantage in low light conditions relative to incumbent 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 and nano-porous metal oxide of titanium oxide. 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 opposite electrode, thereby generating an electrical current.

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