

18 March 2015

RayGen Resources Pty Ltd
15 King Street
Blackburn Victoria Australia 3130

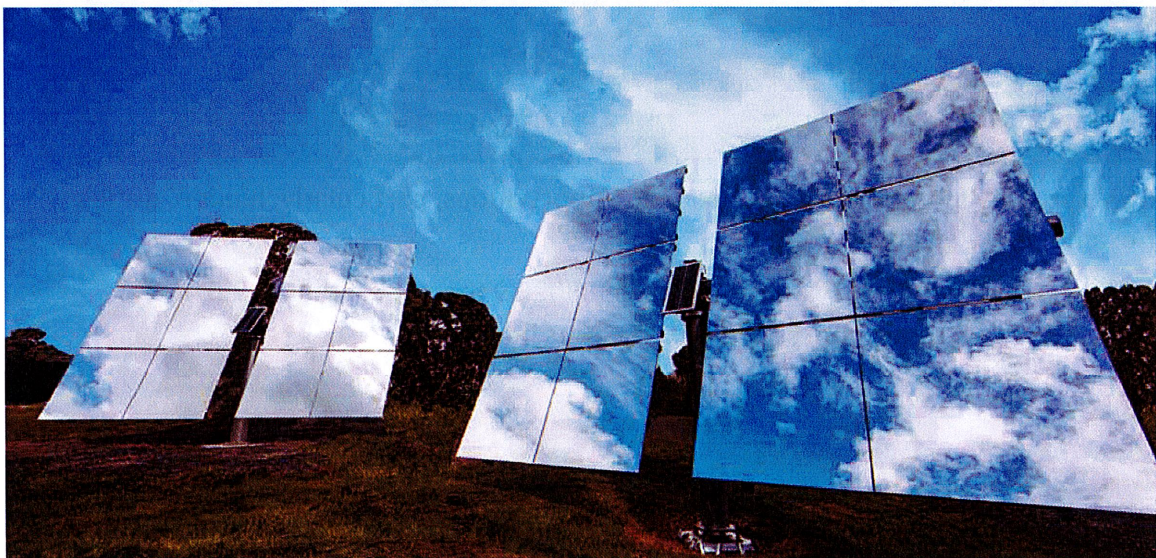
Submission to Department of Foreign Affairs and Trade
Australia-India Comprehensive Economic Cooperation Agreement (AICECA) Negotiations

Dear DFAT

The global energy industry is in the midst of its most dramatic transformation ever. The need to fulfil requirements of new energy demand in developing countries, plus replacement of retired generation assets everywhere will require an estimated \$10,000 billion to be spent solely on new generation sources by 2030. It is estimated by the International Energy Agency that around two-thirds of this will be on renewable energy, with solar taking the largest share. **This is the largest market opportunity in the history of markets.**

In India approximately 60GW in Utility solar projects are expected to be installed by 2020, almost 8GW in high DNI locations that are highly suitable to RayGen's technology.

RayGen is a Victorian company founded in 2010 by the world's leading concentrating solar technologist Dr. John Lasich, and successful Californian cleantech CEO Bob Cart.





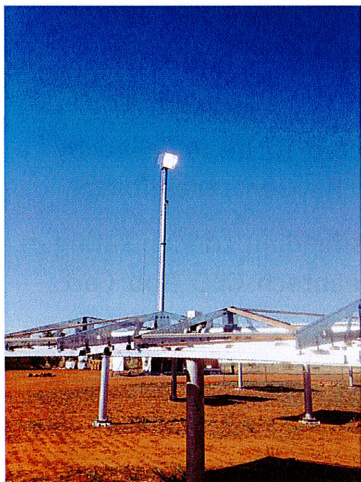
The Power of Concentration

The company has grown to 25 employees, all based in Victoria. Over \$US300m has been invested in the technology and the team has deployed over 10MW globally, and 2GW of renewable energy in China.

Conventional PV panels combine two functions - collecting sunlight and converting it into power. RayGen separates them. It uses simple, low cost mirrors to collect sunlight and concentrate it onto a separate receiver, rather like an industrial-sized magnifying glass, before converting the sunlight into power. The result is highest efficiency and lowest cost. RayGen collaborated with UNSW to set the world record in PV system efficiency in November 2014.

RayGen's business model is to focus on its core IP, delivering rapidly scalable low-cost solar to its customers and achieve exponential sales growth. Specifically RayGen manufactures world-leading solar modules in Victoria for export, representing <1% of the system bulk, and outsources the balance of plant to overseas suppliers for lowest cost global supply chain. RayGen sells the system through local country distributors with an initial focus on large exponential growth countries - China, India, GCC.

Following the Australian Trade mission to China in 2014, RayGen signed a \$60m export agreement for the Chinese market. RayGen also participated in the Australian Trade mission to India in January, and a follow-on Victorian VIP investment program discussion in March, and is now in advanced negotiation with a large Indian company for 500MW in exports by 2020.



RayGen's primary interest is the reduction in import duties, particularly 'hidden' duties. Four examples are given below;

- (1) Raygen CSPV system Tariff code 8502 39 the import duty is 7.5%
The real total import duty is 26.428% as below:

Structure of Duty for selected Tariff

Customs Tariff Head :85023990 C.Excise Tariff Head :85023990 Country of Origin :

Customs Duty	Rate of Duty (Tariff)	Specific Duty	Unit	Notification -S/no	Rate of Duty (Effective)	Specific Duty	Unit
Basic Customs Duty	7.5			Select Exemption Notn. (if any) ▾	7.5		
Education Cess	2			Select Exemption Notn. (if any) ▾	2		
Secondary and Higher Edu. Cess	1				1		
Other Duties							
Countervailing Duty (CVD)	12.5			Select Exemption Notn. (if any) ▾	12.5		
Cex Education Cess	0			Select Exemption Notn. (if any) ▾	0		
Cex Secondary and Higher Edu. Cess	0				0		
Additional CVD	4			Select Exemption Notn. (if any) ▾	4		
RSP Detail				Notification -S/no	Abatement Rate		
Abatement Details				049/2008	35		
Overall Duty							
Total Duty	26.428				26.428		
Duty Calculator							
Sample calculation for Assessable value Rs. 100000	26428			Press Enter after entering Assessable value	26428		
Enter your Assessable value in INR				0	0		

(2) Module import duty is 0,

Actual import duty is 17.39%

Structure of Duty for selected Tariff

Customs Tariff Head :85414090 C.Excise Tariff Head :85414090 Country of Origin :AUSTRALIA

Customs Duty	Rate of Duty (Tariff)	Specific Duty	Unit	Notification -S/no	Rate of Duty (Effective)	Specific Duty	Unit
Basic Customs Duty	0			024/2005-23 Select Exemption Notn. (if any) ▾	0		
Preferential Notification				Select Exemption Notn. (if any) ▾	0		
Education Cess	0			Select Exemption Notn. (if any) ▾	0		
Secondary and Higher Edu. Cess	0				0		
Other Duties							
Countervailing Duty (CVD)	12.5			Select Exemption Notn. (if any) ▾	12.5		
Cex Education Cess	0			Select Exemption Notn. (if any) ▾	0		
Cex Secondary and Higher Edu. Cess	0				0		
Additional CVD	4			Select Exemption Notn. (if any) ▾	4		
RSP Detail				Notification -S/no	Abatement Rate		
Abatement Details				049/2008	35		
Overall Duty							
Total Duty	17.39				17.39		
Duty Calculator							
Sample calculation for Assessable value Rs. 100000	17390			Press Enter after entering Assessable value	17390		
Enter your Assessable value in INR				0	0		

(3) Balance of the receiver

Balance of the receiver 8541 9000 duty is 0

Actual total duty is 17.39%



The Power of Concentration

Structure of Duty for selected Tariff

Customs Tariff Head :85419000 C.Excise Tariff Head :85419000 Country of Origin :AUSTRALIA

Customs Duty	Rate of Duty (Tariff)	Specific Duty	Unit	Notification -S/no	Rate of Duty (Effective)	Specific Duty	Unit
Basic Customs Duty	0			024/2005-23 Select Exemption Notn. (if any) ▾	0		
Preferential Notification				Select Exemption Notn. (if any) ▾	0		
Education Cess	0			Select Exemption Notn. (if any) ▾	0		
Secondary and Higher Edu. Cess	0				0		
Other Duties							
Countervailing Duty (CVD)	12.5			Select Exemption Notn. (if any) ▾	12.5		
Cex Education Cess	0			Select Exemption Notn. (if any) ▾	0		
Cex Secondary and Higher Edu. Cess	0				0		
Additional CVD	4			Select Exemption Notn. (if any) ▾	4		
RSP Detail				Notification -S/no	Abatement Rate		
Abatement Details				049/2008	35		
Overall Duty							
Total Duty	17.39				17.39		
Duty Calculator							
Sample calculation for Assessable value Rs. 100000	17390			Press Enter after entering Assessable value	17390		
Enter your Assessable value in INR				0	0		

(4) Heliostat import duty is 7.5%

Actual import duty is 26.428%

Structure of Duty for selected Tariff

Customs Tariff Head :90138090 C.Excise Tariff Head :90138090 Country of Origin :AUSTRALIA

Customs Duty	Rate of Duty (Tariff)	Specific Duty	Unit	Notification -S/no	Rate of Duty (Effective)	Specific Duty	Unit
Basic Customs Duty	7.5			Select Exemption Notn. (if any) ▾	7.5		
Preferential Notification				Select Exemption Notn. (if any) ▾	7.5		
Education Cess	2			Select Exemption Notn. (if any) ▾	2		
Secondary and Higher Edu. Cess	1				1		
Other Duties							
Countervailing Duty (CVD)	12.5			Select Exemption Notn. (if any) ▾	12.5		
Cex Education Cess	0			Select Exemption Notn. (if any) ▾	0		
Cex Secondary and Higher Edu. Cess	0				0		
Additional CVD	4			Select Exemption Notn. (if any) ▾	4		
Overall Duty							
Total Duty	26.428				26.428		
Duty Calculator							
Sample calculation for Assessable value Rs. 100000	26428			Press Enter after entering Assessable value	26428		
Enter your Assessable value in INR				0	0		

Sincerely,

Mike Hodgkinson
Chief Operations Officer