



QSOLAR LIMITED

FOR IMMEDIATE RELEASE

QSOLAR ANNOUNCES RECEIPT OF \$37.4 MILLION LETTER OF INTENT FROM GERMAN DISTRIBUTOR, ENERSUS GMBH & CO. KG

Calgary, Alberta, Canada – October 16, 2012 (CNSX:QSL) – QSolar Limited (“QSolar” or the “Corporation”) is pleased to announce that it has received a \$37.4 million Letter of Intent (“LOI”) from its German distributor, Enersus GmbH & Co. KG (“Enersus”). Enersus is a distributor located in Dienheim, Germany and is engaged in the business of importing and selling many types of solar components and particularly solar panels throughout Europe and emerging countries throughout the world.

Pursuant to the Corporation’s news release of September 6, 2012, Enersus executed a 5 year exclusive distributorship agreement with QSolar covering ten countries. Enersus has already purchased in the quarters ending June 30 and September 30, 2012, approximately 2,000 modules from QSolar for evaluation testing and pilot installations to their clients. It is following this initial evaluation of QSolar’s products that Enersus has executed an LOI for \$37.4 million for QSolar QliteX photovoltaic modules utilizing the Corporation’s proprietary Spraytek®99 encapsulation technology. The LOI sets out definitive terms for pricing, payment terms and conditions. Deliveries will commence this month and are to be completed by December 31, 2013.

QSolar Shanghai has sufficient manufacturing capacity in its Shanghai, China manufacturing facility to produce the current order requirements of Enersus under the LOI. QSolar Shanghai is currently running one single shift of workers at full capacity on an expanded production line in expanded space within the facility. QSolar Shanghai is continuing to train additional employees as it continues to ramp up, currently subject to financing constraints for employee overhead and inventory purchasing. Management anticipates adding a partial second shift of trained employees within its current financial resources during the fourth quarter and is currently training for that purpose. QSolar currently has approximately 76 factory employees. Subject to obtaining adequate financial resources during the fourth quarter for inventory purchases and factory employee overhead, management anticipates ramping up operations to a full second shift during the first quarter 2013.

The Corporation trades under the symbol QSL on the Canadian National Stock Exchange (“CNSX”).

About QSolar Limited

QSolar Limited and its wholly-owned subsidiary, QSolar Ltd., and its wholly-owned subsidiary, QSolar (Shanghai) Photovoltaic Technology Co. Ltd., develop patented and proprietary solar related processes and technologies, and manufacturing and sell proprietary solar products. The Corporation currently manufactures solar photovoltaic (PV) panels in its new manufacturing facilities in Shanghai, China and in a contracted manufacturing facility in Shenzhen, China using its proprietary patent pending Spraytek®, Kruciwatt® and ESS process and its own QLite designs. QSolar products were initially introduced by QSolar in July 2010 and have attracted significant interest, orders and letters of intent from European and U.S. markets generated by its sales office representatives. QSolar Spraytek® panels offer several advantages over competing products as they have significantly lower losses in hot climates due to their design, offer superior solar cell encapsulation for better protection, significant weight savings over existing competitors PV modules, longer life and cost less than equivalent solar products, and are now offered in various sizes and colors. In addition, QSolar offers solar panels with positive tolerance which means that the customer will get a guaranteed output which can be up to 5% more than the actual specifications.

Additional information on the operations or financial results of QSolar Limited are included in reports on file with applicable securities regulatory authorities and may be accessed through the CNSX website (www.cnsx.ca) and Sedar website (www.sedar.com) under the profile for QSolar.

FOR FURTHER INFORMATION PLEASE CONTACT:

Andreas Tapakoudes, Chief Executive Officer
QSolar Limited
Telephone: 011-44-7534-711-503
email: andreas@QSolar-Limited.com

Preston J. Maddin, CFO
QSolar Limited
Telephone: 403-617-0000
email: cfo@qsolar-limited.com

The CNSX has neither approved nor disapproved the contents of this press release. The CNSX does not accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements included in this report and the documents that we incorporate by reference, are forward-looking statements and can generally be identified by words such as "will," "allow," "outlook," or the negative of these terms, and other comparable terminology.

Various risks and other factors could cause actual results, and actual events that occur, to differ materially from those contemplated by the forward looking statements, such as whether QSolar Limited is able to meet price, performance, quality and delivery requirements. Although QSolar believes that the expectations represented by any forward-looking statements and forward-looking information contained herein are reasonable based on the information available to them on the date of this document, management cannot assure investors that actual results, performance or achievements will be consistent with these forward-looking statements or forward-looking information. QSolar undertakes no obligation to update the information in this press release to reflect events or circumstances after the date hereof or to reflect the occurrence of anticipated or unanticipated events.