



QSOLAR LIMITED

FOR IMMEDIATE RELEASE

QSOLAR REACHES MILESTONE EVENT TO MAKE QSOLAR SOLAR PANELS PROJECT BANKABLE

Calgary, Alberta, Canada – December 27, 2012 (CNSX:QSL) – QSolar Limited (“QSolar” or the “Corporation”) is pleased to announce that its wholly owned subsidiary, QSolar Ltd., has received a confirmed offer for Willis Electronic Plus Photovoltaic Power Plant insurance (“Willis insurance”), a unique insurance product, for its range of solar panels from German insurer Gaede & Glauerdt, Assecurateur GMBH & Co KG, Hamburg, Germany through insurance broker, Willis GMBH & Co KG, Frankfurt, Germany. The significance of QSolar Ltd. executing this performance warranty insurance is that this will allow for QSolar photovoltaic (“PV”) solar panels to be project bankable by third party purchasers and installers of QSolar products. Upon execution of definitive contracts by QSolar, the Willis insurance offering will expand the Corporation’s potential selling market and allowing QSolar to compete for larger projects and sales orders. The insurance on QSolar’s range of solar panel products may be offered to the project end user, and if accepted by the end user’s financial institution, will provide in many cases, sufficient collateral for end user PV power plant financing. It ultimately gives operators of solar projects additional economic security in the event of an unforeseen loss in performance of the PV modules and installation. This event marks another major developmental milestone for the Corporation.

Willis Group Holdings plc (NYSE: WSH) (“Willis”) is one of the world’s leading global insurance broker and risk consultants with more than 400 offices in nearly 120 countries and a global team of approximately 20,000 associates, serving clients in virtually every part of the world. Willis, through its subsidiaries, including Willis GMBH & Co. KG, provides a range of insurance brokerage, reinsurance and risk management consulting services to its worldwide clients, both directly and indirectly through its associates. Additional information on Willis may be found at <http://www.willis.com>. Willis Electronic Plus insurance provides solar panel manufacturers, developers and dealers with all-risk insurance protection against property or revenue losses caused by property damage. It also puts in place cover against yield reduction due to a lower outcome of the forecast annual energy yield.

As solar power grows in popularity, photovoltaic businesses, and in particular banks and investors, are looking for comprehensive all-risk insurance in addition to cover for financing risks like the liquidation of a manufacturer or developer. Willis Electronic Plus coverage was developed and when offered by Willis, is placed for up to 10 years and is not cancellable, giving lending institutions a greater degree of confidence when it comes to financing photovoltaic projects.

QSolar Ltd. offers a performance guarantee on the power output of its PV module, and now together with Willis, the power output is not only guaranteed but is also insured. The insurer will indemnify for any reduction in power from QSolar’s warranted energy output. Additionally the insurance also covers expenses which might become necessary when recovering the formerly certified energy output. PV module satisfaction is also tied to replacement in the event of incorrect manufacture. QSolar guarantees their modules are defect free as a result of manufacture for a specified period, additional insurance is provided to third party end users within the new product solution.

Willis has created a further benefit to solar system buyers by combining an "All-Risks" cover, together with this guarantee insurance. This additional insurance covers risks which might lead to damage, destruction or loss of insured property due to e.g. operating errors, vandalism, theft, natural disasters.

Furthermore it not only covers property damage but also resulting business interruption claims. The "All-Risks" cover is initiated by QSolar for two years, after which, third party end user purchasers can extend this two-year "All-Risks" cover for an attractive premium.

This benefit will be further enhanced by a so-called "less revenue insurance", covering revenue losses (on the basis of a survey), not caused by willful intent or gross negligence. Consequently, this coverage does not require property damage in comparison to the usual products.

This unique insurance guarantees to the end user customer and their financial institutions that QSolar PV panels will perform during the entire life of the product, and thus it opens up the financing of any size installations using QSolar products. The majority of large solar panel projects require financing mainly from financial institutions, which in turn require bankable products as security. QSolar will now be able to offer this security through the unique Willis insurance product, thus opening up the marketability of QSolar products' for large projects.

QSolar's unique solar panel products, coupled with bankability create an extremely attractive option, in a solar panel market that most other products on offer are identical in every respect, with the differentiation established on price. For QSolar end user purchasers, the installed system may be insured to provide the predicted financial returns of PV modules performance, allowing greater business certainty and giving operators of solar power projects the opportunity to deploy QSolar modules to finance photovoltaic installations more easily and with increased flexibility.

QSolar 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.

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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.