

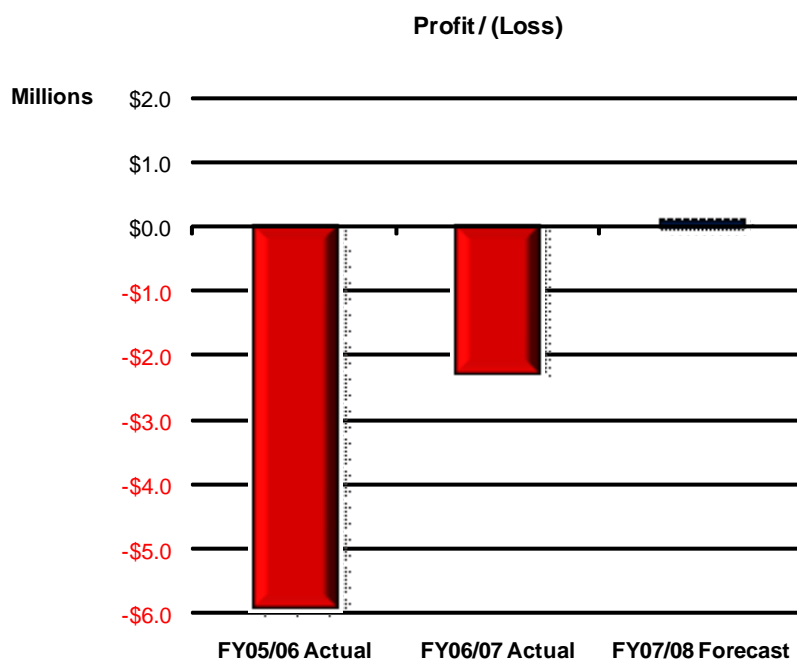
30th June 2008

ASX Announcements Platform

Solco Forecasts Maiden Operating Profit for Financial Year Ending 30 June 2008

After more than a decade, and due to the new business disciplines and strong governance that are now a feature of Solco's continuing operations, Solco Ltd (SOO) is forecasting a maiden operating profit for the financial year ending 30 June 2008.

CEO Alex Lamond says, "It is pleasing to be able to inform our loyal shareholders that the turnaround we have been pursuing over the past 18 months is maturing, and is continuing to achieve milestones. This forecasted operating profit, whilst modest at around \$100,000 (subject any end of year audit adjustments or extraordinary items), represents a turnaround from losses of \$5.9M in 2006 and \$2.3m in 2007."



"The result is a reflection of the hard work undertaken by our dedicated staff. In particular, the diligence and application of our previous CEO and director, David Richardson, during the critical period of September 2006 to December 2007 and the commitment and tenacity of John Cooper, Gary Deam and Mark Norman over this period, are of special note, as are the efforts from many other team members."

"The continuity of leadership and drive from all our Board members, including guidance from our Chairman Steven Cole, and the addition of new Director Ian Campbell have been vital to this business turnaround. "

Along with the forecasted maiden operating profit and complementary strong cashflows, Solco also announces that it has a sound cash at bank position of approximately \$3M.

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