

20th November 2008

ASX Announcements Platform

Solco Ltd – Annual General Meeting Presentation

In accordance with Listing Rule 3.13.3, Solco Ltd attaches the Chairman's Address and CEO presentation that will be made to shareholders during the Annual General Meeting today,

Should you have any queries please contact the Company on (08) 9334 8100.

Darren Crawte
Company Secretary

SOLCO LIMITED AGM 2008

CHAIRMAN'S ADDRESS

Dear Shareholders,

I welcome you along to today's Annual General Meeting of Solco Limited and have pleasure in speaking to you concerning Solco's performance over the 2007/2008 financial year. I note that more detailed commentary on operational and financial issues is covered in the Solco Annual Report 2008 and will also be covered in the CEO's presentation to this meeting that will follow my address.

However, it would be remiss of me not to comment upon two significant financial highlights for Solco:

- Group revenue for 2007/2008 was up by 63% to \$16.8 million;
- Group net profit for 2007/2008 was a modest, but historically significant, maiden profit of around \$100,000.

Over 2007/2008 the Board's focus for the Company's attention included:

- the rationalisation of areas of operation which were considered not to be part of the Group's future;
- improving the efficiency of business operations and supply chain management;
- identifying and pursuing business growth opportunities;
- focussing on product quality and managing residual product warranty issues;
- recapitalising the Company and restructuring the Board and executive team;
- bringing quality practices and sound corporate governance to bear;
- strategically positioning the Group for the future.

I will defer to our CEO's address to speak to you on a number of industry and global issues which have impacted (some favourably, some negatively), the Group's operations and to also speak to Solco's strategic direction going forward. I note that the Company is continuing to develop its business plans to verify and assure the outcome of its strategic direction. At the same time, the Company is alert to any "left field" opportunities which may arise in the enviro-renewable energy and water market sector that can deliver solid shareholder value.

There are two other items upon which I would like to make comment:

1. The impact of the global financial/credit and securities market crisis.

Your Company and its operations have been impacted by this crisis, like almost every other company and business in the world. In particular, this has manifested itself in:

- downward share price pressure;
- foreign exchange risk accentuation;
- supply chain pricing risks, especially with imported products customarily being denominated in US dollars;
- credit control risks;
- reduced depth of available debt and equity markets to fund working capital and business growth initiatives.

Particularly over recent months, your Board has been actively engaged in supporting management to address these issues and manage these downside risks. We are pleased with Solco's underlying business responses to these challenges, and through the diligence of the Solco team, we believe these challenges are in hand for Solco.

2. New CEO/Managing Director

We welcome Mark Norman as our new CEO and Managing Director after the departure of Alex Lamond in September 2008. Mark enjoys the trust and respect of the entire Solco team and we look forward to the benefits of his technical and business acumen to lead Solco on its forward journey.

In conclusion, with the continuing support of all its stakeholders, on behalf of the Board of Solco, Mark Norman (Managing Director and CEO), David Richardson (Non Executive Director), Ian Campbell (Non Executive Director) and myself (Chairman), we look forward to applying our capabilities to ensuring that Solco's future is a prosperous one.

Steven Cole
Chairman

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