



**Chairman's Presentation at the 2006 Annual General Meeting**  
**on 23 November 2006**

Ladies and Gentlemen,

I would like to take this opportunity to provide you with a brief account of the company progress as it is today.

Although we had a disappointing year for the year ending 2005/2006, it is somewhat pleasing to inform you that we are performing positively again and are expecting to have a successful year for the year ending 2006/2007.

As per our recent market update announcement which was released to the stock exchange last week, we have just commissioned our state of the art lead acid battery recycling plant at Unanderra.

The commissioning stage has gone well and now we are in the process of transferring to the full scale production stage. We are already producing our lead products, which are the upgraded feed for overseas smelters. The products will be shipped to our smelter clients before the end of the month. We expect this project to generate a strong cash flow on a sustainable basis.

We are also performing well with our EAF dust project, treating dust from Smorgon & Comsteel. We are also looking for new and innovative market outlets for our product zinc sulphate, primarily as flotation reagent and also as clean feed materials to zinc electrowinning refineries to produce high grade zinc metals. We intend to capitalise on today's high zinc price.

Our Selenium and Tellurium projects in Tomago are also performing well. Both demand and price for selenium have stabilised on the world market. We currently have guaranteed feed materials from our clients and have also established product sales agreements.

We are also in the process of negotiating additional and attractive feed sources mainly low grade and complex type feed materials, which are difficult for other processors.

Again we'd like to capitalise on our technical strengths and uniqueness in processing those materials. We are gradually becoming a very credible processor in this field at international level. There are a number of worldwide opportunities for our company with major overseas smelting operations with whom we are exploring to grow our business in the future.

Today we are generating revenues from multiple sources, which include lead, selenium, tellurium, zinc sulphate and treatment fees and revenues from other by-products. We believe we have now established a strong sustainable foundation for future growth.

Finally I would like to say thank you to our shareholders for your patience and support.

Our Managing Director, Mr Greg Wrightson will present a detailed presentation about the company's activities and I would now like to invite Greg to do so.

Thank you once again.

A handwritten signature in black ink, appearing to read 'Lakshman Jayaweera', with a long horizontal stroke extending to the right.

Dr Lakshman Jayaweera  
Chairman/Technical Director