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2015 ANNUAL GENERAL MEETING

17th NOVEMBER 2015

CHAIR'S ADDRESS

Good morning, ladies and gentlemen, and fellow shareholders. I am pleased to welcome you to our 2015 Annual General Meeting.

After my opening comments, our Founder, Managing Director and CEO, Dr Michael Goldsworthy will provide an operational update. We are also joined today by our other fellow directors Chris Wilks and Robert Lee, our Chief Financial Officer and Company Secretary, Julie Ducie, and our auditor, Steve Humphries from PwC.

The financial year ended 30 June 2015 was my first full year as Chair of the Silex Board and I am pleased with the progress made over the last 18 months as we implemented the major restructure resulting from the Company's strategic business review announced in June 2014.

You may recall that the strategic review was in part the result of a call for action in response to declining market conditions in the target industries on which our various activities were focused. The aim of the restructure was to return Silex back to a streamlined entity, with a single focus on our core uranium enrichment technology. After 18 months of intense activity, we expect to complete our restructure by the end of this calendar year. To date we have successfully implemented the following:

- The signing of a License and Assignment Agreement for the Translucent semiconductor technology with UK-listed IQE Plc, and the cessation of operations at Translucent's Palo Alto, California facility;
- The closure of the ChronoLogic and Solar Systems businesses in Adelaide and Melbourne respectively. We continue to pursue residual opportunities identified during the divestment process for Solar Systems; and
- A full corporate restructure, resulting in a 50% reduction in headcount, downsizing of our corporate office space in Sydney, a restructure of our Board and a negotiated reduction of the remuneration package of our CEO as we looked to streamline operations and reduce costs across the business.

All of the above activities and outcomes will significantly reduce Silex's cost base and cash burn and provide a sustainable foundation for Silex as we await the inevitable return to growth of the global nuclear power industry.

Although we continue to operate in challenging market conditions, we are disappointed that our share price has not moved from decade lows over the last 12 months. That said, we fully understand that our job is to provide a clear vision and a secure path forward to deliver decisive actions that will enable the company to leverage off a recovery in the nuclear fuel markets and to re-build long-term value in our Company and in our share price.

Whilst we obviously cannot control the pace of recovery of the nuclear industry, our long-term view of a positive future in the nuclear fuel markets has not changed. We still very strongly believe that the merits and long term economic and environmental benefits of nuclear power will once again become widely accepted as the world's growing population demands clean affordable energy.

On this note, we have been encouraged by the restart of two reactors in Japan (Sendai 1 and 2) and the granting of final prefecture approvals for restart of Ikata 3 in early 2016. Another 24 reactors are in the process of obtaining restart approvals. With regard to new nuclear reactor build, around the world there are currently 65 new reactors under construction and another 165 on order or planned, and many more proposed, which will drive demand for nuclear fuel services as these new reactors come online. This underpins our positive long-term view of the nuclear fuel markets.

For the year ahead, we have a program of clear activities and goals with a focus on supporting the commercialisation efforts of the exclusive Licensee of our transformational SILEX laser uranium enrichment technology, GE-Hitachi Global Laser Enrichment LLC (GLE). We remain committed to the nuclear industry and believe that the potentially significant expansion of global nuclear capacity over the next two decades and beyond will provide a strong market for the SILEX Technology.

I sincerely wish to extend my appreciation on behalf of my fellow Directors to Michael Goldsworthy and his team for their hard work in implementing the restructure under difficult circumstances. In addition, I also wish to thank the many talented and dedicated staff who left the Company during the year as a result of our restructure. Finally, thank you to our shareholders for your ongoing support as we work to achieve our goals. As always, we appreciate your feedback on our activities.

With that, I'd like to now handover to our Managing Director and CEO, Dr Michael Goldsworthy.

Further information on the Company's activities can be found on the Silex website: www.silex.com.au or by contacting the persons listed below on +61 2 9704 8888:

- Michael Goldsworthy, CEO / Managing Director; or
- Julie Ducie, CFO / Company Secretary.

About Silex Systems Limited:

Silex Systems Limited (ASX: SLX) (OTCQX: SILXY) (“Silex”) is an Australian high-tech company focused on the delivery of its unique and disruptive ‘SILEX’ laser enrichment technology as the next generation technology for the global uranium enrichment industry. The SILEX Technology has been exclusively licensed to GE-Hitachi Global Laser Enrichment, a business venture of GE (51%), Hitachi (25%) and Cameco (24%) based in Wilmington, North Carolina.

Until recently, Silex also had active interests in solar and semiconductor technologies. Under a restructure announced by the Silex Board in June 2014, a divestment process has been undertaken in order to return the Company’s focus to the SILEX Technology. For more information, refer to the Silex website at: www.silex.com.au.

Forward Looking Statements and Business Risks:

Silex Systems is a research and development Company whose assets are its proprietary rights in various technologies, including, but not limited to, the SILEX technology, Solar Systems technology, and Translucent technology. Several of the Company’s technologies are in the development stage and have not been commercially deployed, and therefore are high-risk. Accordingly, the statements in this announcement regarding the future of the Company’s technologies and commercial prospects are forward looking and actual results could be materially different from those expressed or implied by such forward looking statements as a result of various risk factors.

Some risk factors that could affect future results and commercial prospects include, but are not limited to: results from the SILEX uranium enrichment commercialisation program; the demand for enriched uranium; the outcomes of the Company’s interests in the development of various semiconductor and alternative energy technologies; the time taken to develop various technologies; the development of competing technologies; the potential for third party claims against the Company’s ownership of Intellectual Property associated with its numerous technologies; the potential impact of government regulations or policies; and the outcomes of various commercialisation strategies undertaken by the Company.