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31 May 2007

Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

### **Profit Forecast 30 June 2007**

Envirozel Limited (ASX: EVZ) reported in February 2007 a profit before tax of \$2.038 million for the six months ended 31 December 2006.

In continuing to reflect Envirozel's status as a profitable, growth company, the Directors of Envirozel expect to announce a profit before tax in the range of \$4.9 million and \$5.2 million for the full year to 30 June 2007.

This anticipated result will include a full year contribution from Brockman Engineering and 6 months contribution from Danum Engineering. The result will reflect solid trading from all businesses.

Envirozel expects the annualised revenue from its combined businesses, following the successful acquisition of National Engineering, which was announced recently, to be in excess of \$70 million.

The Directors will continue to negotiate acquisitions which fit the Envirozel acquisition criteria so that it achieves its stated target minimum annualised revenue of \$100 million.

The Directors take this opportunity to repeat their previously announced intention, subject to achieving profit forecasts, to declare a fully franked maiden dividend in the second half of this year.

Full year results will be released to the ASX in late August 2007.

Yours faithfully

**Ian Wallace**  
**Company Secretary**

For further information, please contact:

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#### About Envirozel Limited

**Envirozel** is an emerging industrial group with a portfolio of specialist businesses operating in the infrastructure, water and engineering industries. The company's operations currently encompass four successful businesses, Syfon Systems, Brockman Engineering, Danum Engineering and National Engineering. These businesses have strong positions in their respective markets with exceptional growth opportunities. The company's strategy is to grow by acquisition targeting strong, established and profitable businesses where generational change or succession issues have become a constraint on growth.

For further information, please visit: [www.envirozel.com.au](http://www.envirozel.com.au)