ENVIROZEL LIMITED
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ENVIROZEL LIMITED

28 September 2007

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

Dear Sir/Madam

Dividend Policy

The Directors of Envirozel Ltd are pleased to announce that the company has established a Dividend Policy, whereby a fully franked Interim Dividend will be declared in the last quarter of each calendar year, and a fully franked final Dividend will be declared in the last quarter of each financial year.

As a result, the Directors have agreed a fully franked dividend of 0.5 cents per share, will be paid in December 2007, and a further fully franked dividend of 0.5 cents per share will be paid in May 2008.

In association with this Dividend Policy, the company will seek shareholder approval for the introduction of a Dividend Reinvestment Plan at the upcoming Annual General Meeting to be held on Tuesday 27th November 2007. If approved, the Plan will be incorporated with the payment of the first dividend in December 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 five successful businesses, Syfon Systems, Brockman Engineering, Danum Engineering, National Engineering and TSF Engineering. These businesses have strong positions in their respective markets with exceptional growth opportunities. The company's strategy is to grow via organic growth and by an acquisition strategy which targets strong, established and profitable businesses where generational change or succession issues have become a constraint on growth.