ENVIROZEL LIMITED
ABN 87 010 550 357
ACN 010 550 357
Level 7, 410 Collins Street
Melbourne VIC 3000
Australia
PO Box 237
Collins Street West
Melbourne VIC 8007
Tel: +61 3 9670 4545
Fax: +61 3 9670 6670
www.envirozel.com

27 November 2007

Manager Companies,
Australian Stock Exchange
20 Bond Street
Sydney NSW 2000

Dear Sir,

CHAIRMAN'S ADDRESS AT ANNUAL GENERAL MEETING

At the Annual General Meeting of Envirozel Limited held on 27th November 2007, Chairman, Mr Gordon McKern, made the following address:

"Envirozel Limited's achievement in the 2007 financial year is the direct result of a successful, clearly articulated and reported acquisition strategy.

During the financial year EVZ acquired the businesses of Danum Engineering and National Engineering. Subsequent to balance date the business of TSF Engineering joined the EVZ stable.

EVZ has become a viable industrial group, which holds a portfolio of specialist businesses operating in the infrastructure, water and engineering industries.

EVZ's operations currently encompass five successful businesses and it is my pleasure to introduce the Managing Director of each of them:

- ***Mr Adam Bellgrove from Syfon Systems***
- ***Mr Don Forbes from Brockman Engineering and Mr Max Goddard, Managing Director Designate for Brockman Engineering***
- ***Mr Vaz Juchima from Danum Engineering***
- ***Mr Dave Williams from National Engineering, and***
- ***Mr Andrew Green newly appointed General Manager of TSF Engineering. In due course we expect Andrew to assume the position of Managing Director of TSF.***

All of these businesses hold strong and profitable positions in their respective markets. More importantly all businesses have exceptional growth opportunities.

EVZ reported a 2007 financial year after tax profit of $6 million on the back of turnover in excess of $48 million.

The after tax profit represents a 230% increase on the previous financial year's maiden reported profit of $1.8 million.

To further support the financial strength of the Group the net cash inflows provided by operating activities were $7.2 million.

The 2007result was not just the result of current year acquisitions. Syfon Systems our very first acquisition in 2004 continues to go from financial strength to financial strength. Syfon's turnover increased by 19% for the year and it returned a 9% increase in its pre tax profit to $2.5million.

Brockman Engineering, acquired in 2006 has been an exceptional acquisition for the Group. That business generated pre tax profits of $3.1 million for 06/07 on turnover of $18.5million.

For the 2008 financial year EVZ anticipates, based on its current stable of businesses, an annualised turnover in excess of $100million.

The result for 2008 will be underpinned by a full year's contribution from both Danum and National and the inclusion of TSF Engineering.

The Future

All of this ensures a successful future for the EVZ Group.

Not only will the Group have full year contributions from four of the businesses, the TSF Engineering business should contribute significantly to the overall Group performance.

The Directors have also recognised it is an appropriate time to consolidate its achieved position and status. The Group has significantly bolstered its corporate team to provide support and vision for the Group.

The Group is looking to maximise synergies and pursue opportunities within existing EVZ businesses. A strengthening and merging of the Group's abilities, skills and entrepreneurial abilities will allow it to pursue projects which will be bigger in terms of: time, dollars, labour and profitability than it has in the past.

This is not to say that the EVZ Group will not continue its acquisition strategy. EVZ will continue to consider acquisitions:

- *which support the strengths of the Group*
- *which are appropriately priced*
- *which have the opportunity for expansion*
- *which will add value to the Group going forward and*
- *which are complimentary to other businesses in the Group.*

It is interesting to note that EVZ does not actively seek acquisitions, those acquisitions now come to EVZ.

The Directors confidence in the future of EVZ is reinforced by the recent Dividend Policy announcement which dictates a half cent fully franked dividend payment in the 2nd and 4th quarters of the calendar year.

Our maiden dividend of half a cent per ordinary share will be paid on 9th January 2008 based on a record date of 18th December 2007.

We expect shortly to come to a decision on an appropriate percentage of after tax profits which will be distributed annually via dividends to our shareholders.

The Group now employs more than 400 people, almost all of whom are skilled tradesman or apprentices. These people continue to be our best asset and to reward them for their skills and loyalty we have initially issued to them $1000 worth of EVZ shares under the company's employee share scheme. Many of our employees also hold shares in addition to the shares they obtained via the employee share scheme.

It is with sadness that the EVZ wishes to announce the retirement of Mr Don Forbes. Don is the Managing Director of EVZ's subsidiary Brockman Engineering, which has continued to be an extremely profitable contributor to the Group. Whilst Don's shoes will be difficult to fill, the Directors believe they have a ready made replacement in Mr Max Goddard who has acted as Don's deputy over a number of years. Therefore, no slowing in the momentum of Brockman is anticipated. The Directors and staff of EVZ wish Don Forbes all the best in his retirement years.

EVZ is a much different vehicle than 3 years ago when the current Board assumed control of it. The Directors are in no doubt a solid and stable foundation has been set for the continued future prosperity in the Group."

Yours faithfully

Ian Wallace
Company Secretary

For further information, please contact:

Gordon McKern
Executive Chairman
Envirozel Limited
Tel: +61 3 9670 4545
Mobile: 0408 509 084
E:gordon.mckern@envirozel.com

About Envirozel Limited

EVZ 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.