

16 October 2009

The Manager
Company Announcement Office
Australian Securities Exchange

By Electronic Lodgement

Dear Sir

NOTICE OF ANNUAL GENERAL MEETING

Please find attached the Notice of Annual General Meeting which has been dispatched to shareholders today.

Yours faithfully



Darren Crawte
Company Secretary

SOLCO LTD

ABN 27 084 656 691

126 Sheffield Road, Welshpool, WA 6106 P.O. Box 37, Welshpool, Western Australia 6986
Office: 61-8-9334 8108 Freecall 1800 454 161 Fax: 61-8-9334 8199 Web: www.solco.com.au

16 October 2009

Dear Shareholder,

Please find accompanying this letter your notice of the 2009 Annual General Meeting for Solco. The financial year 2008/09 was a significant year of achievement for Solco and your attendance at the meeting is encouraged.

From a personal perspective, and in accordance with regulatory requirements concerning the rotational retirement of directors, I am required to retire from office, with the opportunity to stand for re-election.

I have chosen not to stand for re-election, and it is proposed that David Richardson will assume the Chairmanship of Solco, with continuing support from Ian Campbell (non-executive) and Mark Norman (CEO).

Over the last 2 to 3 years I have been proud to be part of an able Board which has led Solco to a record profit and the payment of a maiden dividend for the year ending 30 June 2009.

In 2006/2007 Solco had major unresolved issues and risks, many of which could have been terminal for Solco's future. David Richardson's financial and personal commitment to the cause over this period was significant. My own professional experience and skills lent themselves well to assisting in dealing with Solco's corporate stress and turnaround.

As at 2009/2010, Solco now presents as a sound and profitable corporate business, underpinned by principled corporate governance, and ready to move on to its next stage of strategic evolution.

Other corporate roles in which I am currently, and in the future will be, engaged are scheduled to take a considerable part of my time over the next year or two, leaving me short of time to properly apply myself in the Chairman's role in furtherance of Solco's affairs. David Richardson, Solco's major shareholder, has agreed to succeed me as Chairman of Solco, and take a more active and engaged role in defining and delivering Solco's future.

I thank you for the opportunity to have served Solco, and as a continuing shareholder, I share your hopes for the future of Solco to be a prosperous one.

Yours sincerely,



Steven Cole
Chairman

SOLCO LTD

ABN 27 084 656 691

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Office: 61-8-9334 8108 Freecall 1800 454 161 Fax: 61-8-9334 8199 Web: www.solco.com.au



SOLCO LIMITED

ACN 084 656 691

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT AND

PROXY FORM

TIME: 12.30 pm

DATE: 16 November 2009

PLACE: Solco Offices,
126 Sheffield Road,
Welshpool WA 6106

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9321 3514.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 12.30 pm on 16 November 2009 at:

Solco Offices,
126 Sheffield Road,
Welshpool WA 6106

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Solco Limited, 126 Sheffield Road, Welshpool WA 6106; or
- (b) facsimile to the Company on facsimile number +61 8 9334 8199.

so that it is received not later than 12.30 pm on 14 November 2009.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 12.30 pm on 16 November 2009 at The Solco Offices, 126 Sheffield Road, Welshpool WA 6106.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00 pm on 12 November 2009.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. ANNUAL REPORT

To receive and consider the financial report of the Company together with the reports of the directors and the auditor for the financial year ended 30 June 2009.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the financial year ended 30 June 2009 be adopted”.

The vote on this resolution is advisory only and does not bind the directors of the Company.

3. ROTATIONAL APPOINTMENT OF DIRECTORS

In accordance with regulatory requirements concerning the rotational retirement of directors, Steven Cole is required to retire from office, with the opportunity to stand for re-election. Due to other corporate commitments which will intrude upon the time available for Steven Cole to properly devote himself to Solco's affairs, Steven Cole has chosen not to stand for re-election. Please refer to the Chairman's letter which accompanies this Notice.

DATED: 5 OCTOBER 2009

BY ORDER OF THE BOARD

DARREN CRAWTE
COMPANY SECRETARY

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 12.30 pm on 16 November 2009 at The Solco Offices, 126 Sheffield Road, Welshpool WA 6106.

The purpose of this Explanatory Statement is to provide information which the directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

Section 317 of the Corporations Act requires the reports of the directors and of the auditors and the Annual Report, including the financial statements to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2009 Annual Report is available at www.solco.com.au. Those holders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

Section 300A of the Corporations Act sets out the information that should be included in the Remuneration Report. Section 250R(2) of the Corporations Act requires that a resolution that the Remuneration Report be adopted and be put to a vote of Shareholders at the Company's Annual General Meeting. The vote on this resolution is only advisory to the Company and does not bind the Board.

The Remuneration Report is set out in and forms part of the Director's Report within the Annual Report. The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive directors and senior executives of the Company;
- discusses the relationship between such policy and the Company's performance; and
- sets out remuneration details for each director.

Under section 250SA of the Corporations Act, Shareholders will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The directors consider that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the performance of the Company and the individual. On that basis, the directors unanimously recommend that members vote in favour of this advisory resolution.

3. ENQUIRIES

Shareholders are required to contact the Company Secretary on (+ 61 8) 9321 3514 if they have any queries in respect of the matters set out in these documents.

Glossary

\$ means Australian dollars.

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Solco Limited (ACN 084 656 691).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current Directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the explanatory statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

SOLCO LIMITED

ACN 084 656 691

PROXY FORM

The Company Secretary
Solco Offices,
126 Sheffield Road,
Welshpool WA 6106

Ph (+61 8) 9334 8100
Fax (+61 8) 9334 8199

ANNUAL GENERAL MEETING

I/We

being a member(s) of Solco Limited and entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person/body corporate so named or, if no person/body corporate is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting of the Company to be held at 12.30 pm, on 16 November 2009 at The Solco Offices, 126 Sheffield Road, Welshpool WA 6106, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of the Resolution.

Voting on Business of the General Meeting

Resolution 1 – Adoption of the Remuneration Report

FOR
☐

AGAINST
☐

ABSTAIN
☐

OR

☐

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of Resolution 1 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolution 1 and that votes cast by the Chair of the Annual General Meeting for Resolution 1 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolution 1 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 1.

If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

Signed this _____ day of _____ 2009 _____ %

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

Instructions for Completing Proxy Form

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Solco Limited, 126 Sheffield Road, Welshpool WA 6106; or
 - (b) facsimile to the Company on facsimile number +61 8 9334 8199

so that it is received not later than 12.30 pm on 14 November 2009.

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