

Restructure of Silex Solar

16th August, 2011

Silex Systems Limited's (ASX:SLX) wholly owned subsidiary Silex Solar Pty Ltd today announced a restructure of its silicon PV panel business based at Sydney Olympic Park. The restructure involves management and operational changes intended to enhance the business' competitiveness.

"Silex Solar has made significant progress over the past year, but more is needed in order for it to realise its potential in a very tough market," Dr Michael Goldsworthy, Silex CEO said.

Key changes include the appointment of a CEO with considerable operational, sales and marketing experience, and replacing cells made by Silex with third party cells from a new strategic partner. The latter will involve approximately 30 redundancies.

"These are important changes that are needed to better position Silex Solar as a key player in the Australian PV panel solar industry – both in the residential rooftop market and the growing medium-scale commercial market," Dr Goldsworthy added.

Silex Solar will continue to manufacture PV panels at its Sydney Olympic Park plant, including its new premium "Black Series" high performance PV panels whose rating of up to 275 Watts per panel is one of the highest in the world in terms of peak power density. These panels have been well received by the market to date.

Further details concerning the business re-structure will be included in the Silex Systems full-year result, to be released to the ASX on 26th August 2011.

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.

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Forward Looking Statements and Business Risks:

Silex is a research and development Company whose assets are its proprietary rights in technologies, including, but not limited to, the SILEX technology, the Silex Solar technology and business, Translucent technology and ChronoLogic 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 uranium enrichment development program and the stable isotopes program; the demand for enriched materials including uranium, silicon, oxygen, carbon and others; the business risks associated with Silex Solar's manufacturing and marketing activities; the outcomes of the Company's interests in the development of various semiconductor, photonics 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.