

Chairman's Address to Annual General Meeting
Monday 28th November 2011, 10.30 am Sydney time

Good Morning Ladies & Gentlemen,

Thank you for participating in our Annual General Meeting and thank you to all shareholders who sent proxies due to their inability to attend today.

I would like to provide you with a brief review of the last year.

The consolidated loss shown in the financial statements is \$935,781. This figure was impacted by the taking up of option issue expenses of \$912,980. If this non cash item was excluded then the Company would have achieved a marginal profit. This is a significant turnaround from the loss of \$1,537,307 made in financial year ended 30 June 2010.

The Australian operations have delivered a strong result with sales up 18.4%. Our trading profit also showed a big improvement from a loss in excess of \$550,000 last year to a profit of almost \$200,000 in this financial year excluding the option issue expenses mentioned above.

Sales for the current year are also trending upwards and we are confident that with some of the new projects we are working on that we can further improve Bronson turnover and profitability.

The US operation has been impacted by the difficult economic conditions in that country. Sales of our Desert's Sand Cat Litter which occupied a premium price position have been naturally affected. The Board is actively looking at several options to minimize our losses and to launch new products as a way of increasing Company revenue and profit. We hope to report to you very soon on the outcome of these efforts. The Board remains optimistic about the future prospects for the US operation.