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Silex Systems - Board Changes

31 December 2018

- **Retirement of Chair**
- **Retirement of Non-Executive Director**
- **Appointment of new Chair**
- **Appointment of Non-Executive Director**

Silex Systems Limited (Silex) (ASX: SLX) (OTCQX: SILXY) today announced to the ASX the following changes to the Board of Silex:

Retirement of Chair:

Dr Lisa McIntyre is retiring as Chair of the Silex Board, effective from the close of business, today, 31 December 2018. Lisa has been a non-executive Director of Silex since July 2012, and has served as Chair since June 2014. Lisa continues to serve on the Boards of several other well-known organisations, and has decided to step down in order to devote more time to these other commitments.

Retirement of Non-Executive Director:

Mr Robert Lee will also retire from the Silex Board, effective from close of business today. Robert was appointed to the Silex Board in July 2015.

The Board wishes to thank Dr McIntyre and Mr Lee for their strong contribution and guidance provided to Silex during a period of significant challenge, upheaval and transition as the Company undertook a major restructure from 2014, and more recently focused on efforts to restructure the exclusive Licensee of the SILEX technology – GE-Hitachi Global Laser Enrichment LLC (GLE).

Appointment of new Chair:

The Board has appointed Craig Roy to the position of Non-Executive Director and Chair of the Silex Board, effective from 1 January 2019. Craig held the position of Deputy CEO of the CSIRO, Australia's pre-eminent national science and technology organisation from 2010 to 2018, and prior to this held various Director level positions within the organisation from 2003. Craig's extensive experience in research and commercialisation strategy, innovation and entrepreneurship across a wide range of global projects and industry sectors will be an asset to the Silex Board.

Craig has also held various Directorships and Chair positions in several prominent Australian organisations including Data 61, the Australian National Commission of UNESCO and of the University of Technology, Sydney Vice Chancellor's Industry Board. He is currently the Chair of Australian Research Data Commons (ARDC). Craig holds a Master of Science from Royal Roads Military College, Canada and a MBA from Macquarie University. He is also a Fellow of the Australian Institute of Company Directors. Further details on Craig's background are provided in the appendix to this announcement.

Appointment of new Non-Executive Director:

The Board has appointed Melissa Holzberger to the position of Non-Executive Director on the Silex Board, effective from 1 January 2019. Melissa is an experienced company director and commercial lawyer who brings almost two decades of experience in the energy and resources sector to Silex. Melissa is a specialist in international nuclear law, regulatory compliance and trade, and possesses relevant experience in the global uranium market having previously worked with BHP Billiton and Rio Tinto. She also brings extensive experience in legal, corporate governance, and risk oversight. Melissa is currently a member of the Australian Radiation Protection and Nuclear Safety Agency's (ARPANSA) Radiation Health and Safety Advisory Council, a Non-Executive Director of Tyre Stewardship Australia Limited, and a Non-Executive Director of Australian Livestock Export Corporation Limited.

Melissa holds a Master of Laws in Resources Law (Distinction) as a Chevening scholar from the Centre for Energy, Petroleum and Mineral Law and Policy, University of Dundee in Scotland, a Diploma in International Nuclear Law (Hons) as an OECD Nuclear Energy Agency scholar from the University of Montpellier in France; a Graduate Diploma in Legal Practice, and a Bachelor of Laws and Bachelor of Arts from the University of Adelaide. She is a Fellow of the Governance Institute of Australia and a graduate member of the Australian Institute of Company Directors. Further details on Melissa's background are provided in the appendix to this announcement.

Mr Roy and Ms Holzberger will stand for election by shareholders at the Company's 2019 Annual General Meeting in November 2019.

Appendix

Biography – Mr Craig Roy

Craig Roy is an experienced company director and senior executive who has held a number of senior roles in the innovation and technology space. He was the Deputy Chief Executive of CSIRO from 2010 until 2018 and his main responsibilities included organisational strategy, innovation, business development and commercialisation, and growing CSIRO's global presence. Craig also oversaw the organisation's portfolio of science and technology investments that deliver impact in sectors such as mining, agriculture, food, manufacturing, digital, health, energy, water, oceans and biosecurity.

Craig has led major national research programs being the inaugural Director of the Australian National Oceans Research Flagship and he has also been the Executive Director of Strategic Change at CSIRO. His career also includes 20 years' service as an Officer of the Royal Australian Navy during which he held a number of leadership positions including head of oceanography and meteorology, representing Australia in multiple international activities.

Craig has experience as a Board member of the Australian National Commission of UNESCO and of the University of Technology Sydney Vice-Chancellor's Industry Advisory Board. He was the inaugural Chair of Data 61 and is currently the Chair of the Australian Research Data Commons.

Craig's undergraduate degree in Science (Mathematics) was completed at the University of New South Wales and he holds separate Masters Degrees in Business Administration and Science from Macquarie University and the Royal Roads Military College in Canada, respectively. He is also a qualified Meteorologist through the Australian Bureau of Meteorology. Craig is a recipient of the Gold Medal of the Governor General of Canada for academic excellence, a Fellow of the Australian Institute of Company Directors, a Fellow of the University of Technology Sydney and a graduate of Stanford University Senior Executive Program.

Biography – Ms Melissa Holzberger

Melissa Holzberger is an experienced company director and commercial lawyer who brings almost two decades of experience in the energy and resources sector to Silex. Melissa is a specialist in international nuclear law, regulatory compliance and trade and possesses relevant experience in the global uranium market having previously worked with BHP Billiton and Rio Tinto. She also brings extensive experience in legal, corporate governance, and risk oversight.

Melissa is currently a member of the Federal Government's Australian Radiation Protection and Nuclear Safety Agency's (ARPANSA) Radiation Health and Safety Advisory Council, a Non-Executive Director and Chair of the Governance and Risk Committee of Tyre Stewardship Australia Limited, and a Non-Executive Director and member of the Finance, Audit and Remuneration Committee of Australian Livestock Export Corporation Limited.

Melissa holds a Master of Laws in Resources Law (Distinction) as a Chevening scholar from the Centre for Energy, Petroleum and Mineral Law and Policy, University of Dundee in Scotland, a Diploma in International Nuclear Law (Hons) as an OECD Nuclear Energy Agency scholar from the University of Montpellier in France; a Graduate Diploma in Legal Practice, and a Bachelor of Laws and Bachelor of Arts from the University of Adelaide. She is a Fellow of the Governance Institute of Australia and a graduate member of the Australian Institute of Company Directors. She was awarded a Telstra Young Business Woman's Award in 2006 for her leadership in the energy, resources and business community.

Further information on the Company's activities can be found on the Silex website: www.silex.com.au.

Forward Looking Statements and Business Risks:

Silex Systems Limited (Silex) is a research and development company whose primary asset is the SILEX laser uranium enrichment technology, originally developed at the Company's technology facility in Sydney, Australia. The SILEX technology was licensed exclusively in 2006 to GE-Hitachi Global Laser Enrichment LLC (GLE) in the USA. The ensuing development project undertaken by GLE was put on hold in June 2018 due to the failure to restructure GLE, after GE-Hitachi disclosed it was seeking to exit the venture. In view of this and the continuing depressed nuclear fuel market conditions, plans for commercial deployment of the SILEX technology have been significantly delayed, and may not happen at all. The future of the SILEX technology is therefore highly uncertain and any plans for commercial deployment are speculative, at best.

Silex also has an interest in a unique semiconductor technology known as 'cREO™' through its ownership of subsidiary Translucent Inc. The cREO™ technology developed by Translucent has been acquired by IQE Plc based in the UK. IQE is progressing the cREO™ technology towards commercial deployment in various advanced semiconductor products. The outcome of IQE's commercialisation program is also highly uncertain and remains subject to various technology and market risks.

The commercial potential of these two technologies is currently unknown. Accordingly, the statements in this announcement regarding the future of the SILEX technology, the cREO™ technology and any associated 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.

Risk factors that could affect future results and commercial prospects include, but are not limited to: the outcome of the GLE restructure; the future of the SILEX uranium enrichment engineering development program (in particular whether this program will be successfully completed); the market demand for natural uranium and enriched uranium; the potential development of competing technologies; the potential for third party claims against the Company's ownership of Intellectual Property; the potential impact of prevailing laws or government regulations or policies in the USA, Australia or elsewhere; results from IQE's commercialisation program and the market demand for cREO™ products; and the outcomes of various strategies undertaken by the Company.