2024 ANNUAL GENERAL MEETING

Chair's Address

22 November 2024

Good morning, and welcome to Silex Systems Limited's 2024 Annual General Meeting. It has been another big year for Silex and today, I'd like to highlight what we have achieved over the last few years and more recently to execute our plans to bring the SILEX uranium enrichment technology to market. Our achievements, together with the efforts of our US-based exclusive licensee, Global Laser Enrichment LLC (GLE), and our joint venture partner, Cameco Corporation, coupled with the very positive outlook in the global nuclear power industry, are putting the Company in a strong position to be a major contributor to the nuclear fuel cycle.

It has been less than four years since we finalised the restructure of exclusive licensee and US-based commercialisation joint venture, GLE. In that time, the global nuclear fuel industry has undergone fundamental change. Demand has significantly increased in the face of climate change and energy security imperatives, and the power requirements of AI, data centres, electric vehicles, and other industrial uses of electricity. On top of that, potential supply disruptions driven by geopolitical events have emerged. As a consequence, GLE continues to execute its commercialisation plans in order to position itself to address the 'Triple Opportunity' that is materialising in the global nuclear fuel supply chain.

The 'Triple Opportunity' could involve the production of three different grades of nuclear fuel – at the planned Paducah Laser Enrichment Facility (PLEF) in Kentucky, in the US. This is underpinned by the 2016 agreement between GLE and the US Department of Energy for the acquisition of legacy depleted uranium inventories. The PLEF has the potential to equate to a 'Tier 1' uranium mine, producing up to 5 million pounds U_3O_8 equivalent per year for up to 30 years – ranking in the top 10 of today's uranium mines.

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Importantly, GLE's depleted uranium feed and natural grade uranium output from the PLEF is in the form of UF_6 (uranium hexafluoride) and therefore includes the value of the conversion process step, a critical component of the nuclear fuel supply chain, and one that is also facing significant supply constraints. And then there is enrichment, and the potential for GLE to further enrich UF_6 to produce LEU and LEU+, as well as HALEU in the future.

So, what have we achieved over the past four years? Together with GLE and Cameco, we have:

- successfully restructured GLE under Silex/Cameco ownership and appointed a highly credible and experienced leadership team at GLE;
- assembled highly skilled and dedicated GLE and Silex technology teams, leveraging off the deep capabilities of our long-serving experts;
- advanced the technology maturation – we're currently undertaking the pivotal TRL-6 demonstration of the SILEX uranium enrichment technology, and we have already commenced preliminary activities for plant scale technology maturation in TRL-7, and manufacturing readiness preparation activities in parallel;
- completed GLE's new facility in Wilmington earlier this year, providing ~70,000 square feet for the continued growth of the GLE team, commercial activities, and in-house classified manufacturing capability;
- progressed the acquisition of the 665-acre Paducah, KY site for the planned PLEF – strategically situated adjacent to the DOE's former first-generation Paducah Gaseous Diffusion Plant, at which the legacy depleted uranium inventories (PLEF feedstock) are located. Substantial site characterisation work recently commenced on site;
- started preparations for the NRC (Nuclear Regulatory Commission) commercial plant licence for the PLEF, including the deployment of a highly experienced regulatory team to support the required safety and environmental assessments and licence application documentation; and
- last but not least, solidified key relationships with the US Government and industry to support GLE's path to market. Notably, the GLE team also submitted a bid for the US Department of Energy's LEU Enrichment Acquisition Request for Proposal in September 2024.

While it has been a multi-year run up to get us to where we are today, substantial momentum has been built over 2024.

The US is the world's largest producer of nuclear power, and is expected to remain the largest nuclear power generator for years to come. With the Triple Opportunity in view, GLE is positioning itself as a key US domestic enrichment company, with the unique single site product offering of natural grade uranium, conversion capacity, and LEU, LEU+, and HALEU – all potentially produced at the PLEF with the SILEX uranium enrichment technology.

The primary short-term focus is the completion of the full-scale pilot demonstration project for the SILEX laser-based uranium enrichment technology. Success in this project would largely de-risk the technology. This will enable us to focus on taking the technology to market in the most effective way possible, and this is our priority. We intend for GLE to provide a next generation solution and become a reliable and sustainable supply of nuclear fuel for the global nuclear power industry. This will help support Western energy security, the provision of reliable, safe, and clean electricity, contributing to global decarbonisation efforts.

As you are aware, our laser enrichment technology has applications across multiple global markets, including for Quantum-Silicon (Q-Si) production and for the potential production of medical isotopes. Our Q-Si Production Project aims to commercially deploy the SILEX technology for the manufacture of ultra-pure enriched materials for next-generation silicon quantum computing.

We achieved numerous key milestones across our projects this year, advancing technology de-risking and commercial deployment plans for the SILEX technology in all three fields, including strong engagement with our various commercialisation partners and potential customers.

Our Outlook

Our growth and opportunities are made possible by the utility of the SILEX technology and the exceptionally talented Silex and GLE team members, who are at the core of our activities and achievements. As we continue to scale, we will recruit talented people with the right skills and expertise to put us in a position to deliver on our priorities and ultimately to create long-term value for shareholders. We also continue to invest for success. As evidenced by our achievements and the expansion at GLE this year, we are preparing for future success.

In conducting our business, we are wholly committed to our core values, and no more so than in the highest prioritisation of the health and safety of our people. We also place a premium on environmental sustainability, reinforced by the exposure we provide to clean energy generation and the planned re-use and clean-up of legacy depleted uranium, and undivided attention to risk management and prudent governance.

Governance

And this brings me to your Board. I am delighted to lead a very committed and focussed Board, which together aids in the navigation of our Company's commercialisation strategy and operations in complex, cross-border, and highly-regulated environments, all with a classified technology. We maintain an active program of Board and director assessment to ensure that we continually improve our governance and have the right breadth of competencies.

Today, we are pleased to welcome Susie Corlett to the Board, and Susie is standing for election today. Susie joins the Board with extensive experience in global mining finance, project development and operations, and governance and risk management. Susie will be a valuable addition to our Board as we move to the next phase of commercialisation of the SILEX laser-based enrichment technology.

As you will have read, Helen Cook's retirement from the Silex Board will take effect at the conclusion of today's meeting. Helen has been a truly valued member of the Silex Board. Many of you will know Helen as a nuclear power advocate, and we have benefited from her experience within the global nuclear industry and networks. Helen, on behalf of the Board and the Silex team, I thank you for your valuable contributions during your time as a director and I wish you all the very best in your future endeavours.

Before handing over to Michael, I'd like to thank my fellow directors for their commitment to the Company, and for their leadership and stewardship. Our progress and achievements during the year are also testament to the relentless dedication of our CEO, Michael Goldsworthy, our executives, Julie Russell and Geordie Graetz, and the hard-working Silex and GLE teams.

I would also like to thank you all again for your support of Silex.

Authorised for release by the Silex Board of Directors.

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

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Forward Looking Statements and Risk Factors:

About Silex Systems Limited (ASX: SLX) (OTCQX: SILXY)

Silex Systems Limited ABN 69 003 372 067 (Silex) is a technology commercialisation company whose primary asset is the SILEX laser enrichment technology, originally developed at the Company's technology facility in Sydney, Australia. The SILEX technology has been under development for uranium enrichment jointly with US-based exclusive licensee Global Laser Enrichment LLC (GLE) for a number of years. Success of the SILEX uranium enrichment technology development program and the proposed Paducah commercial project remain subject to a number of factors including the satisfactory completion of the TRL-6 pilot demonstration program, nuclear fuel market conditions, industry and government support, project feasibility and commercial plant licensing, and therefore remains subject to associated risks.

Silex is also at various stages of development of additional commercial applications of the SILEX technology, including the production of 'Quantum Silicon' for the emerging technology of silicon-based quantum computing. The 'Quantum Silicon' project remains dependent on the outcomes of the project as well as the successful development of silicon quantum computing technology by third parties, and is therefore subject to various risks. Silex is also conducting research activities in its Medical Isotope Separation Technology (MIST) Project, which is early-stage and subject to numerous risks. The commercial future of the SILEX technology in application to uranium, silicon, medical and other isotopes is therefore uncertain and any plans for commercial deployment are speculative.

Forward Looking Statements

The commercial potential of the abovementioned technologies and activities is currently unknown. Accordingly, no guarantees as to the future performance of these technologies can be made. The nature of the statements in this Announcement regarding the future of the SILEX technology as applied to uranium enrichment, Quantum Silicon production, medical and other isotope separation projects, and any associated commercial prospects are forward-looking and are subject to a number of variables, including but not limited to, known and unknown risks, contingencies and assumptions which may be beyond the control of Silex, its directors and management. You should not place reliance on any forward-looking statements as actual results could be materially different from those expressed or implied by such forward-looking statements as a result of various risk factors. Further, the forward-looking statements contained in this Announcement involve subjective judgement and analysis and are subject to change due to management's analysis of Silex's business (including project outcomes), changes in industry trends, government policies and any new or unforeseen circumstances. The Company's management believes that there are reasonable grounds to make such statements as at the date of this Announcement. Silex does not intend, and is not obligated, to update the forward-looking statements except to the extent required by law or the ASX Listing Rules.

Risk Factors

Risk factors that could affect future results and commercial prospects of Silex include, but are not limited to: ongoing economic and social uncertainty, including in relation to global economic stresses such as interest rates and inflation; geopolitical risks, in particular relating to Russia's invasion of Ukraine and tensions between China and Taiwan which may impact global supply chains; uncertainties related to the effects of climate change and mitigation efforts; the results of the GLE/SILEX uranium enrichment pilot demonstration (TRL-6) program; the market demand for natural uranium and enriched uranium; the outcome of the project for the production of Quantum Silicon for the emerging technology of silicon-based quantum computing; the outcome of the MIST program; the potential development of, or competition from alternative 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; actions taken by the Company's commercialisation partners and other stakeholders that could adversely affect the technology development programs and commercialisation strategies; and the outcomes of various strategies and projects undertaken by the Company.