

ASX Announcement 3 August 2010

SOLCO SECURES EXCLUSIVE SUPPLY DEAL WITH CHINESE SOLAR MANUFACTURER

Solco Limited (**ASX: SOO**, "Solco" or "the Company") has secured an exclusive agreement with leading Chinese solar company, Astronergy (also known as Chint Solar) to be the exclusive distributor of Astronergy solar modules throughout Australia, New Zealand, Papua New Guinea, Nauru and other Oceania nations.

With the availability of supply being a major concern for other players in the solar industry, this deal effectively secures and underpins Solco's growth and development strategy.

Solco's Chief Executive Officer, Mark Norman believes the partnership with Astronergy is crucial towards securing a continuous supply of products for its customers.

"One of the major obstacles concerning the solar industry today is the availability of a steady supply of high quality solar products," said Mr Norman.

"This agreement with Astronergy will allow us to drive revenue and earnings growth through our unique access to a growing supply of products from China. This will undoubtedly enhance our operations and future development opportunities".

"We firmly believe this is the opening phase of our strong and expanding relationship with Astronergy and its global parent, the Chint Group. Astronergy products consistently achieve an excellent level of quality and performance."

Solco will distribute Astronergy's entire line of solar products, including monocrystalline solar PV, polycrystalline solar PV, and high-efficiency thin film PV. The high quality modules will be used across the complete range of solar applications including PV systems for residences, government and schools as well as larger scale projects.

Increased demand in the Australian Pacific market and the addition of more sales channels in the region has already made its impact on the Companies' joint efforts. It is expected that this year's shipment volume will double the original amount outlined in the contract.

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About Astronergy

Astronergy is a subsidiary of global electrical equipment company, the Chint Group. CHINT is a leading international player in the low-voltage electrical, power transmission and distribution industries. With over 16,000 employees, its sales turnover reached US\$2 Billion by the end of 2006.

In 2006, CHINT ranked 15th in the list of top 100 companies released by Forbes, which evaluated all private companies (both those listed as public and not) in China.

Astronergy, based in Zhejiang Province, specialises in cutting-edge research, development and production of solar modules. It is the first large scale producer of high-efficiency thin film PV modules in mainland China, and has been a trusted provider of monocrystalline and polycrystalline PV modules since its founding in 2006.

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