

**Enviro
Mission**
EnviroMission Limited
ABN: 52 094 963 238

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6 May, 2008

Mr Greg Coulson
Adviser, Issuers, Perth
Australian Stock Exchange Limited
GPO Box D187
PERTH WA 6840

By email

Dear Mr Coulson,

**EnviroMission Limited (the "Company")
Quarterly Report – Appendix 4C - ASX Response**

I refer to your letter of 2 May 2008 regarding the quarterly report of EnviroMission Limited (Appendix 4C) for the period ended 31 March 2008.

In response to your questions I provide the following information:

1. Current cash reserves are sufficient to meet EnviroMission's operating costs for the quarter ending 30 June 2008, following receipt of AUD\$37,664 in April, as reported in Appendix 4C.

Additional funds are available to EnviroMission via a loan facility from SolarMission Technologies Inc that can be drawn down, on an as need basis, to meet ongoing requirements.

The term of the SolarMission financing facility up to AUD\$500,000 has been extended to 30 September 2008, to meet EnviroMission's obligations prior to finalisation of the US\$4,000,000 capital raising.

Revenue of approximately AUD\$95,000 from the 2007/8 Research and Development Tax Rebate area also expected late in the June or early September quarter.

2. The proposed share exchange with SolarMission Technologies, Inc, announced to the market on 11 March 2008, is not expected to impact on the Company's ability to access the AUD\$500,000 financing facility from SolarMission Technologies, Inc, within the next 6 months.
3. US financiers have confirmed their intention to invest US\$4million in EnviroMission; US\$2 million of this transaction has been committed and the balance is expected to be raised via a combination of debt and equity as a requirement before funds will be made available to EnviroMission.
4. Whilst EnviroMission expects to have negative operating cash flow subsequent to the March 2008 quarter, successful completion of the US\$4 million facility (response 3.) and the facility with SolarMission Technologies, Inc (response 2.) will provide the Company with sufficient funds prior to and beyond 30 September 2008.
5. & 6. Company operations, revenues and expenses as reported are in accordance with expectations.
7. Refer matters detailed in response 1. and 3. respectively.
8. On behalf of the Directors of EnviroMission, I confirm that the Company is in compliance with the listing rules, and in particular, Listing Rule 3.1.
9. On behalf of the Directors of EnviroMission, I confirm that the Company is in compliance with Listing Rule 12.2.

I trust this satisfies the questions raised in your letter.

Yours sincerely,



Roger Davey
Executive Chairman
Chief Executive Officer



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2 The Esplanade
Perth WA 6000

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2 May 2008

Mr Roger Davey
Chief Executive Officer
EnviroMission Limited
3 Raglan Street
SOUTH MELBOURNE VIC 3205

Dear Mr Davey

EnviroMission Limited (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 4C for the period ended 31 March 2008, released to ASX Limited ("ASX") on 30 April 2008, (the "Appendix 4C").

ASX notes that the Company has reported the following.

1. Receipts from customers of Nil.
2. Net negative operating cash flows for the quarter of \$10,000.
3. Cash at end of quarter of \$2,000.

In light of the information contained in the Appendix 4C, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 4C, the Company will have insufficient cash to fund its activities for the next quarter and will need to either raise funds or draw down on the loan facility held with SolarMission Technologies Inc and/or the \$20m equity line of credit facility. Does the Company intend to raise funds or draw down on the loan arrangements or are there other factors that should be taken into account in assessing the Company's position?
2. On any further draw down on the loan facility held with SolarMission Technologies Inc please advise whether the proposed share exchange announced to ASX on 11 March 2008, with SolarMission Technologies Inc, will have any bearing on the ability of the Company to access these funds going forward?
3. Please advise the status of the US\$4m transaction to raise working capital via a combination of senior debt and equity. As included in the notes to the Appendix 4C US\$2m of these funds have successfully been raised to date. If this is the case can the Company please explain why this funding is not recorded within the Appendix 4C for the quarter and the terms of the fund raising to date released to ASX?
4. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?

5. To what extent have the Company's actual revenues and expenses in the quarter, as reported in the Appendix 4C, matched the Company's anticipated revenues and expenses for that reporting period?
6. If the Company's actual revenues and expenses are not substantially in accordance with the Company's anticipated revenues and expenses, when did the Company become aware that its revenues and expenses would not substantially match the anticipated revenues and expenses? You may wish to outline any circumstances that may have had an effect on the Company's revenues and expenses.
7. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
8. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
9. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me either by e-mail to greg.coulson@asx.com.au or by facsimile to (08) 9221 2020 by no later than 5.00pm W.S.T on Tuesday 6 May 2007 unless the information is required immediately under listing rule 3.1 where a response is requested as soon as possible. The response should not be sent to the Company Announcements Office.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,



Greg Coulson
Adviser, Issuers (Perth)

Direct Line: (08) 9224 0035