

31 January 2012

Australian Securities Exchange
Sydney

Dear Sir / Madam,

Appendix 4C – quarter ended 31 December 2011

Please find attached the Appendix 4C for Fluorotechnics Ltd for the quarter ended 31 December 2012.

As additional information and as part of the continuing restructuring of the business, we advise that an Administrator was appointed by the Amtsgericht Tübingen for our German subsidiary company Gelcompany GmbH. The administration process will include seeking the sale of the assets of Gelcompany GmbH, with proceeds used to pay creditors, to the extent possible. The process is likely to take several months.

The company is continuing to actively review other opportunities in the resources sector.

Yours faithfully,

Richard Trevillion
Chairman and Managing Director



Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Fluorotechnics Limited

ABN

27 099 098 192

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

	Current quarter \$A	Year to date (6 months) \$A
Cash flows related to operating activities		
1.1 Receipts from customers	-	3,525
1.2 Payments for		
(a) sales and marketing	-	-
(b) research and development	-	(4,177)
(c) cost of goods sold	(15,074)	(17,012)
(d) other working capital	(159,694)	(449,242)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3,172	4,748
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes received (paid)	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(171,596)	(462,158)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A	Year to date (6 months) \$A
1.8 Net operating cash flows (carried forward)	(171,596)	(462,158)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	1,100
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	-	1,100
1.14 Total operating and investing cash flows	(171,596)	(461,058)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings – convertible notes	-	615,000
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other – cost of share issue	-	-
Net financing cash flows	-	615,000
Net increase (decrease) in cash held	(171,596)	153,942
1.21 Cash at beginning of quarter/year to date	514,816	189,278
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	343,220	343,220

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.24	Aggregate amount of payments to the parties included in item 1.2	-
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	-	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
n / a
- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest
n / a

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A	Amount used \$A
3.1	Loan facilities	200,000	200,000
3.2	Credit standby arrangements	-	-

During the December 2009 quarter some directors of Fluorotechnics Limited agreed to establish a credit draw down facility for the group of up to \$350,000. During 2009/2010 the \$350,000 was used by Fluorotechnics Limited. In the December 2010 quarter \$150,000 of this facility was repaid, with the unsecured portion repaid and the balance reducing the secured portion. The terms of this facility include:

1. The loan is repayable on demand subsequent to the settling of a potential liability in relation to certain entitlements of a former employee. Further, the loan repayment is to be reduced by any payments that may be made to the former employee.
2. The loan holders have agreed that repayment will be capped and deferred until the raising of sufficient capital or other funding.

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A	Previous quarter \$A
4.1 Cash on hand and at bank	343,220	514,816
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	343,220	514,816

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	n / a	n / a
5.2 Place of incorporation or registration	n / a	n / a
5.3 Net cash consideration for acquisition	n / a	n / a
5.4 Total net assets	n / a	n / a
5.5 Nature of business	n / a	n / a

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: _____
(Company secretary)

Date: 31st January 2012

Print name: IAN GILMOUR

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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