

17 March 2009

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Dear Shareholder

Non-Renounceable Rights Issue

I am pleased to advise that Fluorotechnics Limited (**Company**) announced yesterday a non-renounceable 1:11 rights issue of fully paid ordinary shares at an issue price of \$0.70 per new share.

The purpose of the rights issue will be to strengthen the Company's balance sheet and fund ongoing sales and marketing costs. If all new shares are taken up, the Rights Issue will raise approximately \$1.5 million.

Only Fluorotechnics shareholders registered at 7.00pm (Sydney time) on Tuesday, 24 March 2009 (**Record Date**) will be entitled to participate in the Rights Issue (**Eligible Shareholders**).

Due to costs and regulatory constraints, the Offer will only be available to Fluorotechnics shareholders with a registered address in Australia or New Zealand. This approach is permissible under the ASX listing rules.

The Directors and Senior Managers have committed to take up 43% of the shares available under the Offer through a commitment to take up their entitlements and an Underwriting of a portion of the shortfall. No underwriting fees will be payable by the Company. Together with the underwriting, the Company has received commitments for \$940,000.

Eligible Shareholders may also elect to participate in the Shortfall Facility by applying for new shares in excess of their pro rata entitlement. The shortfall may also be placed with third parties at the Board's discretion.

Offer Document available online

Full details of the Rights Issue are contained in the Rights Issue Offer Document (**Offer Document**) lodged with the ASX on 16 March 2009. The Offer Document, Cleansing Notice and the Appendix 3B are available on the ASX's company announcement platform at www.asx.com.au and at www.fluorotechnics.com.

Your Entitlement

The Offer Document together with an Entitlement and Acceptance Form will be despatched to all Eligible Shareholders no later than Wednesday 25 March 2009.



How to Apply

Application for new shares under the Rights Issue may only be made by lodging a completed Entitlement and Acceptance Form with the applicable application money by the close of the Rights Issue at 5.00pm (Sydney time) on Wednesday 8 April 2009.

Shareholders eligible to participate in the Rights Issue should read the Offer Document carefully and consult their professional advisor before making any investment decision.

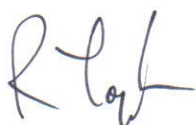
Indicative Timetable

Announcement of Offer	Monday, 16 March 2009
Lodgment of Appendix 3B, Offer Document and Cleansing Notice with ASX	Monday, 16 March 2009
Despatch of notices to Shareholders informing them of the Offer	Tuesday, 17 March 2009
Shares quoted on ex-entitlement basis	Wednesday, 18 March 2009
Record Date for determining Entitlements	7pm, Tuesday, 24 March 2009
Offer opens - despatch of Offer Document and Entitlement and Acceptance Form	Wednesday, 25 March 2009
Offer Closing Date	5pm, Wednesday, 8 April 2009
Shares quoted on deferred settlement basis	Thursday, 9 April 2009
Company notifies the ASX of under-subscriptions	Thursday, 9 April 2009
Allotment and issue of New Shares & despatch of holding statements	Monday, 20 April 2009
Trading of New Shares on ASX expected to commence	Tuesday, 21 April 2009

This timetable is indicative only and subject to change. The Directors reserve the right to vary these dates, including the closing date without prior notice, subject to the Listing Rules. Any extension of the closing date will have a consequential effect on the anticipated date for allotment and issue of the new shares.

If you have any questions, then please contact Ian Gilmour via email at igilmour@fluorotechnics.com or by telephone on +61 (0)401 700 106.

For and on behalf of
Fluorotechnics Limited



Rick Taylor
Non-Executive Chairman