

2 June 2009

Australian Securities Exchange  
20 Bridge Street  
SYDNEY

**CEO Remuneration Package – Mr. James Walker**

Attached is a summary of the significant components of the CEO's remuneration package, following Mr. Walker's appointment as CEO in March 2009.

The delay in finalizing the package resulted from the impacts of a concurrent relocation of Mr. Walker to USA that is currently taking place.

Rick Taylor  
Chairman



## **Fluorotechnics Limited (ASX code:FLS) 2 June 2009**

### **CEO James Walker – Remuneration**

On 5 March this year Mr James Walker was promoted to the position of CEO and the purpose of this announcement is to disclose details of his current remuneration. It is noted that his remuneration will be reviewed annually.

#### **Base Salary**

Mr Walker's base salary is unchanged at A\$200K p.a.

#### **Short term Salary Incentives**

His salary may increase by up to 25% through to 30 June 2010 based on sales performance thresholds being achieved.

The Board has the discretion to set other incentives.

#### **Bonuses**

If sales of A\$4.1M are achieved in the 2009 financial year, Mr Walker will receive a performance based bonus of up to 20% of his current base salary.

For the 2010 financial year, Mr Walker may receive bonuses based on sales achieved. Total bonuses will be between 0 – 75% of his current base salary depending on sales achieved during the year.

In the event of a termination of Mr Walker's employment the bonus accrued at that time will be paid in the same manner as if Mr Walker remained employed.

#### **Senior management equity based remuneration**

In his prior role as COO/CFO Mr Walker was issued with 676,000 options to acquire Fluorotechnics Limited shares at A\$1.00 per share. No further options have been issued.

The terms of the options were disclosed in the IPO Prospectus dated 11 September 2008 for the company.

Performance hurdles apply to determine the number of options that may vest.

## **Termination of Employment**

Mr Walker's employment contract provides for an initial term through to 31 October 2010 during which the notice period to be given by the company or Mr Walker is for the longer of:

- The time to 31 October, or
- 6 months,

unless a shorter notice applies as discussed below.

After this initial term, the notice period is 6 months.

The company may terminate Mr Walker's employment immediately in certain events including serious misconduct and material breach of contract.

## **Non Competition and Non Solicitation**

Mr Walker is restricted for a period of 1 year after termination from competing with Fluorotechnics. Similarly, he is restricted for 1 year from soliciting customers or employees away from Fluorotechnics.