

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")

30 September 2009

Consolidated statement of cash flows

	Current quarter \$A	Year to date (3 months) \$A
Cash flows related to operating activities		
1.1 Receipts from customers	935,635	935,635
1.2 Payments for		
(a) sales and marketing	(439,016)	(439,016)
(b) research and development	(197,588)	(197,588)
(c) cost of goods sold	(980,899)	(980,899)
(d) other working capital	(487,792)	(487,792)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	456	456
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes received (paid)	-	-
1.7 Other (provide details if material)	10,462	10,462
Net operating cash flows	(1,158,742)	(1,158,742)

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	Current quarter \$A	Year to date (3 months) \$A
1.8 Net operating cash flows (carried forward)	(1,158,742)	(1,158,742)
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	(9,278)	(9,278)
(e) other non-current assets	(43,001)	(43,001)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(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	(52,279)	(52,279)
1.14 Total operating and investing cash flows	(1,211,021)	(1,211,021)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,235,420	1,235,420
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other – cost of share issue	(8,978)	(8,978)
Net financing cash flows	1,226,442	1,226,442
Net increase (decrease) in cash held	15,421	15,421
1.21 Cash at beginning of quarter/year to date	698,268	698,268
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	713,689	713,689

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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	110,417
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Item 1.2 (c) cost of goods sold - For the first time the September 2009 quarter includes a payment of \$209,706 for the supply of a number of High Performance Electrophoresis (HPE) FlatTop Towers that are held as inventory. This product was launched at an international conference in late September and therefore sales of this unit will be recorded post 30 September 2009.

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	350,000	-
3.2	Credit standby arrangements	190,000	-

Three of the directors of Fluorotechnics Limited have agreed to establish a credit draw down facility for Fluorotechnics Limited of up to \$350,000 to be available, if additional funds are required. None of this facility has been used at the time of lodging this document. The terms of this facility, upon drawdown are as follows:

1. Secured portion – First \$300,000 – Secured by fix and floating charge over the assets of FLS
2. Interest rate on secured portion is 7% and remaining unsecured portion is 12%
3. Loan is repayable on demand after 31 January 2010
4. Interest is calculated from date of drawdown and becomes payable on 1 February 2010 and then monthly in arrears from 1 March 2010

Our USA subsidiary has established a line of credit of up to US\$300,000 from a USA based third party, if required. None of this facility has been used at the time of lodging this document. The terms of this facility, upon drawdown are as follows:

1. Fully secured over USA subsidiary's accounts receivable
2. Maximum amount available is capped at the lesser of US\$300,000 or 80% of eligible accounts receivable (As at 25 October 2009 the amount available would be US\$167,000 or approximately A\$190,000).
3. Interest rate is 2% per month on the amount drawn
4. The facility is available for twelve months and on a rolling basis thereafter

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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	713,689	
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	713,689	

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: 30 October 2009

Print name: IAN GILMOUR

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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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