

27 July 2010

Australian Securities Exchange
20 Bridge Street
SYDNEY

Dear Sir / Madam,

Appendix 4C – quarter ended 30 June 2010

Please find attached the Appendix 4C for Fluorotechnics Limited for the quarter ended 30 June 2010.

As additional information, we hereby confirm that during the June 2010 quarter the company raised \$1,625,044 under a non-renounceable rights issue. The rights issue shortfall was \$558,129.

The company is currently seeking expressions of interest in relation to additional capital raising activities as well as investigating other strategic initiatives to fully optimise the roll out of the recently launched HPE FlatTop system.

Further updates will be provided as these activities progress.

Yours faithfully,



Ian Gilmour
Company Secretary



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 June 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (12 months) \$A
1.1 Receipts from customers	1,030,055	3,652,895
1.2 Payments for		
(a) sales and marketing	(311,821)	(1,345,742)
(b) research and development	(123,017)	(915,919)
(c) cost of goods sold	(1,203,578)	(4,480,010)
(d) other working capital	(350,723)	(1,844,940)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3,503	17,051
1.5 Interest and other costs of finance paid	(4,906)	(12,665)
1.6 Income taxes received (paid)	-	71,301
1.7 Other (provide details if material)	80,811	153,275
Net operating cash flows	(879,676)	(4,704,754)

+ See chapter 19 for defined terms.

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

	Current quarter \$A	Year to date (12 months) \$A
1.8 Net operating cash flows (carried forward)	(879,676)	(4,704,754)
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	(7,497)	(32,932)
(e) other non-current assets	-	(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	(7,497)	(75,933)
1.14 Total operating and investing cash flows	(887,173)	(4,780,687)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,600,413	4,641,216
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	361,118	824,998
1.18 Repayment of borrowing	(361,118)	(475,178)
1.19 Dividends paid	-	-
1.20 Other – cost of share issue		(8,978)
	-	
Net financing cash flows	1,600,413	4,982,058
Net increase (decrease) in cash held	713,240	201,371
1.21 Cash at beginning of quarter/year to date	186,399	698,268
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	899,639	899,639

+ 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	50,000
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

n/a

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	350,000
3.2	Credit standby arrangements	353,815	-

As explained last quarter, the directors of Fluorotechnics Limited agreed to establish a credit draw down facility for the group of up to \$350,000 to be available, if required. During the year, the \$350,000 was used by Fluorotechnics Limited.

1. Interest rate is 7% on the \$300,000 secured portion, and 12% on the remaining unsecured portion of \$50,000.
2. Loan is repayable on demand after 31 January 2010.
3. Interest is calculated from date of drawdown and becomes payable on 1 February 2010 and then monthly in arrears from 1 March 2010. Directors have agreed that interest payments will be deferred.

As previously explained, our USA subsidiary established a line of credit of up to US\$300,000 from a USA based third party, if required. During the current quarter this facility was accessed and fully repaid by 30 June 2010.

1. Interest rate is 2% per month on the amount drawn
2. The facility is available for twelve months and on a rolling basis thereafter.

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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	899,639	186,399
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	899,639	186,399

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
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: 27 July 2010

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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