

# KTL Technologies Limited

ABN 75 009 089 981

24 May 2011

Dear Shareholder

## KTL TECHNOLOGIES LIMITED ANNOUNCES FULLY UNDERWRITTEN RIGHTS ISSUE

KTL Technologies Limited (Company) is pleased to announce a fully underwritten 1 for 1 non-renounceable rights issue at \$0.0025 per share to raise approximately \$1,282,214 (before costs)(Rights Issue).

Existing shareholders will be offered the opportunity to purchase one (1) new share for every one (1) share held by them as at the record date of 2 June 2011 at an issue price of \$0.0025 per share. Shareholders will also receive one (1) free attaching option for every two (2) shares subscribed for, exercisable after 30 June 2012 at \$0.0225 and expiring on 30 June 2016.

The Company will apply to ASX for official quotation of the shares issued pursuant to the Rights Issue.

Based on the Company's current issued capital, the Rights Issue will result in 512,885,462 new shares and 256,442,731 new options being issued.

Two of the Company's shareholders, First Pioneer Holdings Limited (First Pioneer) and KNT International Company Limited (KNT), have committed to fully underwrite the Rights Issue, each having agreed to underwrite 50% of the full subscription amount. Both First Pioneer and KNT have confirmed their intentions to subscribe for their full entitlement under the Rights Issue.

The funds raised from the Rights Issue will be used to develop the Company's sales distribution business of waterproofing and anti-corrosion materials, to identify and pursue other potential business opportunities, to settle existing debt and for and general working capital purposes.

A prospectus containing full details of the Rights Issue was lodged with ASIC on 24 May 2011 and will be despatched to all shareholders on 8 June 2011. The prospectus will be available on the ASX website (ASX code: KTL).

For further information please contact the Company Secretary, Rachel Wong, on +61 2 8216 0937.

Yours faithfully  
KTL TECHNOLOGIES LIMITED

Ms Rachel Wong  
Director and Company Secretary

KTL Technologies Ltd ABN 75 009 089 981

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