

KTL Technologies Limited

ABN 75 009 089 981

2 June 2011

Dear Shareholder

KTL TECHNOLOGIES LIMITED ANNOUNCES AMENDMENT OF ENTITLEMENT OFFER TERMS

KTL Technologies Limited (KTL or Company) has given consideration to feedback from shareholders and decided to amend the terms of its entitlement offer announced on 24 May 2011.

The offer will be priced at 0.3 cents per share and a shortfall facility will be available to existing shareholders (on the record date). The facility will be on terms that existing shareholders will be entitled to lodge applications for shortfall and, to the extent that those applications are received, they will have priority to any shortfall applications received from third parties, including the underwriter. Existing shareholders will also have the opportunity to nominate a third party to take up a shareholders entitlement, using the shortfall facility. The final determination of the placement of the shortfall will be made by the Directors in consultation with the underwriter, and will be subject to the requirements of the Corporations Act.

The Company will prepare a replacement or supplementary prospectus to reflect these changes and will lodge that document shortly.

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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