
KTL TECHNOLOGIES LIMITED

ABN 75 009 089 981

NOTICE OF GENERAL MEETING

A General Meeting of the Company will be held at the Royal Automobile Club of Australia, Phillip Room, Level 2, 89 Macquarie Street, Sydney NSW 2000 on 22 January 2010 at 2.30pm (AEST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 2 8216 0937.

KTL TECHNOLOGIES LIMITED

ABN 75 009 089 981

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of KTL Technologies Limited (**Company**) will be held at the Royal Automobile Club of Australia, Phillip Room, Level 2, 89 Macquarie Street Sydney NSW 2000 AUSTRALIA on 22 January 2010 at 2.30pm (AEST).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered as Shareholders at 7pm on 21 January 2010 (AWST).

Terms and abbreviations used in this Notice are defined in Schedule 1 of the Explanatory Memorandum.

AGENDA

1. Resolution 1 – Sale of KTLU Shares

To consider, and if thought fit, to pass, with or without amendment, as an ordinary resolution, the following:

"That, in accordance with Listing Rule 11.2 and for all other purposes, Shareholders approve and authorise the Company to dispose of the KTLU Shares to Artemis Resources Limited on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Artemis Resources Limited and a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if this Resolution is passed, or any associates of Artemis Resources Limited.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD

Ms Rachel Wong
Director and Company Secretary
Dated: 22 December 2009

KTL TECHNOLOGIES LIMITED

ABN 75 009 089 981

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting to be held at the Royal Automobile Club of Australia, Phillip Room, Level 2, 89 Macquarie Street Sydney NSW 2000 on 22 January 2010 at 2.30pm (AEST).

This Explanatory Memorandum should be read in conjunction and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to approve the Resolution set out in the Notice.

A proxy form is located at the end of the Explanatory Memorandum.

2. Action to be Taken by Shareholders

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolution.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

3. Resolution 1 – Sale of KTLU Shares

3.1 Background

The Company seeks Shareholder approval under Listing Rule 11.2 for the disposal of all of the shares (**KTLU Shares**) in its wholly owned subsidiary, KTL Uranium Limited (**KTLU**) to Artemis Resources Limited (**Artemis**) (the **Transaction**). KTLU owns 80% of West Australian exploration licence EL 08/1609, a uranium, copper and lead project located 170km south-southeast of Onslow in Western Australia and 1,000km north of Perth known as the Mundong Well Project (**Mundong Well Project**).

The Company and Artemis executed an agreement on 2 October 2009 whereby it was agreed that KTL would sell and Artemis would purchase the KTLU Shares for \$400,000 (**Sale Agreement**).

As part of the Agreement Artemis will also receive the benefit of a farm-in and joint venture letter agreement dated 21 August 2006 between Mundong Well Redport Pty Ltd (being the holder of the remaining 20% of the Mundong Well Project) and the Company (**JV Interest**). This will occur by KTL assigning the JV Interest to KTLU prior to completion of the Sale Agreement.

The completion of the Sale Agreement is subject to the following conditions precedent:

- (a) Artemis being satisfied with the results of its due diligence in relation to the KTLU Shares and the JV Interest;
- (b) The Company providing to Artemis, in a form satisfactory to Artemis, evidence of the assignment by the Company of the JV Interest, to KTLU; and
- (c) The Company obtaining Shareholder approval for the sale of the KTLU Shares.

If any of the conditions listed above are not satisfied (or waived by the parties) on or before 31 January 2010 (or such other date as the parties agree in writing) the Sale Agreement automatically terminates. At the date of this Notice, none of the conditions have been satisfied however it is expected that the first two conditions will be satisfied prior to the date of the Meeting. Shareholders will be advised via announcements in this regard. The Company has undertaken to use its best endeavours to satisfy the conditions precedent prior to 31 January 2010.

In the Sale Agreement the Company gives various warranties including warranties in respect to:

- (a) its capacity to enter into the Agreement;
- (b) its title to the KTLU Shares and the Mundong Well Project;
- (c) the good standing of the exploration tenement EL 08/1609; and
- (d) the financial statements of KTLU.

3.2 Listing Rule 11.2 - Substantial asset and main undertaking

Listing Rule 11.2 provides that a company may not dispose of its main undertaking (that is, its main asset or business) without the approval of its shareholders. The sale of the KTLU Shares requires the approval by way of an ordinary resolution of the Company's Shareholders.

The Company is a diversified group which invests in the development and manufacture of specialist technologies and selected mineral prospects. The proceeds from the sale of KTLU shares will be used as working capital to facilitate:

- (a) the development of strategic alliance with China Railway Materials Commercial Corporation to acquire mineral projects; and
- (b) current confidential negotiations for the acquisition of interests in Australian and/or overseas mineral tenements and other investment projects.

3.3 Financial Information

The impact of the Transaction on the financial position of the Company as at 30 November 2009 (unaudited) is summarised as follows:

Calculation of Accounting Loss on Sale of KTLU Shares

Cash from sale of KTLU Shares	400,000
Exploration and evaluation assets	<u>(486,536)</u>
Total Accounting Loss on Sale	<u>(86,536)</u>

The unaudited balance sheet of the Company as at 30 November 2009 and the pro forma financial position at this date after the sale of the KTLU Shares is in Schedule 2.

3.4 Proposed Timetable

A timetable for implementation of the Transaction is set out below. It should be noted that the date for completion is indicative only and subject to change.

Date to determine eligibility to vote at the EGM	7pm on 21 January 2010
Latest date for return of proxies	2.30pm on 20 January 2010
Meeting Date	2.30pm on 22 January 2010
Completion of Transaction	31 January 2010

3.5 Advantages and disadvantages of the Transaction

The advantages and disadvantages to Shareholders of the proposed Transaction are as follows:

(a) Advantages

- (i) Management of the Company will be able to focus on the Company's other assets.
- (ii) The Directors are satisfied that they have achieved the best possible price attainable for the KTLU Shares and the sale proceeds of a total of \$400,000 will provide a welcome cash injection to the Company.
- (iii) Eliminate the working capital outflow that has had a negative impact on the Company's ability to achieve its exploration and development objectives.

(b) Disadvantages

- (i) The Company will cease to retain any upside exposure to the Mundong Well Project.
- (ii) There is a risk that the Company may not be able to locate and acquire suitable new projects.
- (iii) ASX may require the Company to meet the requirements in Chapters 1 and 2 of the Listing Rules (as if the Company were applying for admission to the Official List of ASX) if following the Transaction the Company has no activities or only residual activities and undertakes any new activities.

3.6 Other Material Information

There is no other information material to the making of a decision by a Shareholder whether or not to approve Resolution 1 (being information that is known to any of the Directors and which has not been previously disclosed to Shareholders in the Company) other than as disclosed in this Explanatory Memorandum.

3.7 Directors' Recommendation and voting

Recommendation

After considering all relevant factors, the Directors unanimously recommend the Shareholders vote in favour of Resolution 1 for the following reasons:

- (a) after a full and proper assessment of all available information they believe that the proposed Transaction is in the best interests of the Shareholders and the Company; and
- (b) in the opinion of the Directors, the advantages of the proposed Transaction outweigh its disadvantages.

Voting of Directors' Shares

All of the Directors intend to vote all of their Shares in the Company in favour of Resolution 1.

Schedule 1 – Terms and Definitions

In this Explanatory Memorandum and Notice of General Meeting:

AEST means Australian Eastern Standard Time.

Artemis means Artemis Resources Limited ACN 107 051 749.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Company means KTL Technologies Limited ACN 009 089 981.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Explanatory Memorandum means the explanatory memorandum to the Notice.

JV Interest has the meaning in paragraph 3.1 of the Explanatory Memorandum.

KTLU means KTL Uranium Limited ACN 115 922 275.

KTLU Shares means the entire issued share capital of KTLU.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Mundong Well Project has the meaning in paragraph 3.1 of the Explanatory Memorandum.

Notice means this notice of meeting.

Proxy Form means the proxy form attached to this Notice.

Resolution means a resolution contained in this Notice.

Sale Agreement has the meaning in paragraph 3.1 of the Explanatory Memorandum.

Schedule means a schedule to this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Transaction has the meaning in paragraph 3.1 of the Explanatory Memorandum.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 2 - Proforma Accounts

KTL TECHNOLOGIES LIMITED PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2009 (UNAUDITED)

	As at 30 November 2009	Adjustment for disposal of KTLU Shares	Proforma 30 November 2009
	\$	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	535,914	390,000	535,158
Trade and other receivables	15,095		7,440
Inventories	-		-
Other financial assets	1,546,110		637,826
Total current assets	2,097,119	390,000	1,180,424
NON-CURRENT ASSETS			
Property, plant and equipment	34,640		-
Other financial assets	2,112,289		4,485,781
Exploration and evaluation expenditure	476,678		-
Intangible assets	113,898		113,898
Total non-current assets	2,737,505		4,599,679
TOTAL ASSETS	4,834,624		5,780,103
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	311,107		311,107
Interest-bearing loan	-		-
Total current liabilities	311,107		311,107
NON CURRENT LIABILITIES			
Interest-bearing loan	-		-
Total non-current liabilities	-		-
TOTAL LIABILITIES	311,107		311,107
NET ASSETS	4,523,517		5,468,996
EQUITY			
Share capital	7,624,963		7,624,963
Option reserve	408,804		408,804
Foreign exchange translation reserve	1,017,483		-
Accumulated losses	(4,527,733)		(2,564,771)
Total equity attributable to equity holders of the Company	4,523,517		5,468,996
Minority interest	-		-
TOTAL EQUITY	4,523,517		5,468,996

KTL TECHNOLOGIES LIMITED

ABN 75 009 089 981

P R O X Y F O R M

The Company Secretary
KTL Technologies Limited ("Company")

By delivery/post:

Level 34 AMP Centre, 50 Bridge Street
SYDNEY NSW 2000

By email:

Level 34 AMP Centre, 50 Bridge Street
SYDNEY NSW 2000

By facsimile:

+61 2 8216 0701

I/We

¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____

votes in the Company, hereby appoint ² _____

or failing such appointment the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf and to act generally at the Extraordinary General Meeting of the Company to be held at the Royal Automobile Club of Australia, Phillip Room, Level 2, 89 Macquarie Street Sydney NSW 2000 Australia on 22 January 2010 at 2.30pm (AEST). and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * []% of the Shareholder's votes*/ [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request). The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1 below.

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

	For	Against	Abstain
Resolution 1 Approval of Sale of KTLU Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹ Insert name and address of shareholder

² Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person or a corporation as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the meeting must produce the appropriate Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Sydney office of the Company (Level 34 AMP Centre, 50 Bridge Street, Sydney NSW 2000, or Facsimile (02) 8216 0701 if faxed from within Australia or +612 8126 0701 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (AEST).