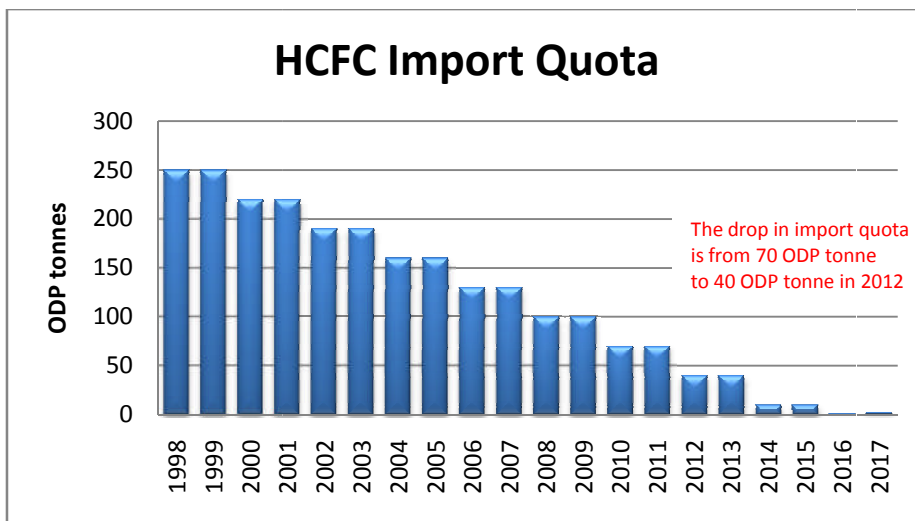


Dear Valued Customers

Australia is nearing the critical period of its phase out of HCFC refrigerants and 2012 will start with a further reduction in import quotas. Each step has been a drop of 30 ODP tonnes commencing more than 10 years ago. The next step down in the HCFC phase out begins in just over one month's time. This reduction will have a more serious impact as the import quota falls around 40% from the current 70 ODP tonnes to 40 ODP tonnes. Whilst this is below our expected national demand Actrol has secured sufficient supply to ensure that our current customers have product to allow for a slow and easy transition over the coming years.



December 1st 2011 sees the next price increase, this time a rise of 12% for all HCFC refrigerants and refrigerant blends, the only exception being R123 which will rise by 25%. This is the beginning of what we anticipate to be a series of much greater price increases in 2012. Importantly, we continue to advise you to be very cautious when quoting future work as the price of refrigerant continues to be volatile with the expectation of sharp rises to come.

For more information and updates please contact your nearest Actrol branch.

Yours faithfully

Andrew Leach
National Sales and Marketing Manager