

Dear Shareholder

28th February 2006

BENEFIT FROM OUR MARKET LEADING SystemST CERAMIC BRAKE DISCS ON YOUR HIGH PERFORMANCE CAR

Over the last 18 months we have regularly received requests from owners of high performance cars to install our SystemST carbon ceramic brake discs onto their vehicles. Such has been the positive response from owners, that we are now looking to formally extend this service to the broader – and highly lucrative - “UK aftermarket” to complement our direct activity with car manufacturers (OEM's).

To mark the launch of this initiative, we are delighted to offer our shareholders the opportunity to have our market leading SystemST brake discs installed onto their vehicles at an attractive, introductory discounted rate. For example, the cost of a comparable system installed on to a Porsche 996 series by a Porsche dealer would be in the region of £11,000 exc VAT, and £16,000 for a 355-360 model Ferrari. Through this shareholder offer, a four wheel SystemST carbon ceramic brake system will cost just £6,800 instead of the normal price of £8,500 for a Porsche and £8000 instead of £10,000 for a Ferrari. (Both prices exclude VAT)

For driving enthusiasts, the key benefits of the SystemST ceramic brake system over conventional steel brake systems are:

- a 25% increase in stopping power
- improved handling and driving ease arising from reduced rotating, unsprung weight of the car.
- reduced disc wear – ceramics having a potential lifetime of over 100,000 miles – up to 5 times that for steel brake systems.
- A four wheel ceramic brake system reduces the unsprung weight of a car by approximately 22 kgs – improving fuel efficiency.

To register your interest in participating in this offer, please call Antoni Sznerch at Surface Transforms on 0151-472-3733 before 30 April 2006 or e-mail him on as@surface-transforms.com. Please note that to be eligible you must have been a shareholder in the Company prior to 1 February 2006 and your vehicle needs to be registered in the UK.

We expect initially that the greatest interest in this offer will arise from Porsche and Ferrari users but existing shareholders have already fitted SystemST to a classic Jaguar C-Type and a Ferrari F48. To learn more about some of the amazing vehicles on which SystemST carbon ceramic brakes have been installed – please visit the ceramic brake website, www.SystemST.com *

We look forward to helping you get more out of your high performance car.

Yours sincerely,

Kevin Johnson
Managing Director

- *Marques already fitted/tested on include Audi, BMW, Ferrari, Jaguar, TVR, Porsche*

Surface Transforms plc, Cheshire Innovation Park, Ince, Cheshire, United Kingdom, CH2 4NU
Telephone +44 (0) 151-472-3733 Facsimile +44 (0) 151-472-3734 www.surface-transforms.com

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