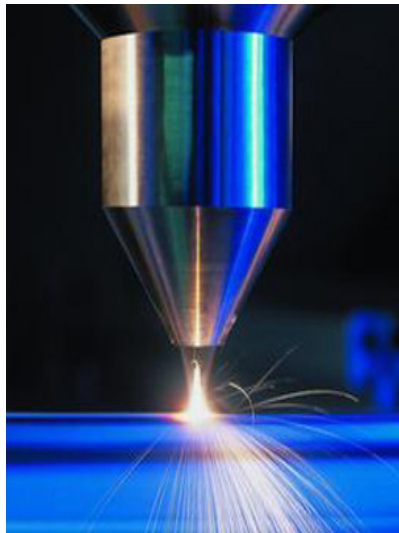
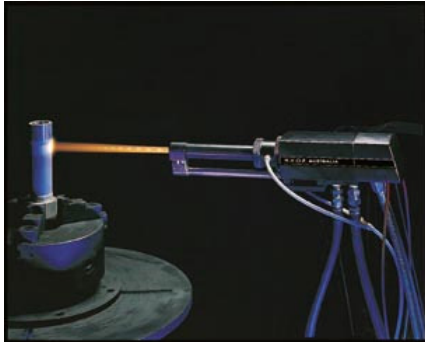




LASER BONDTM

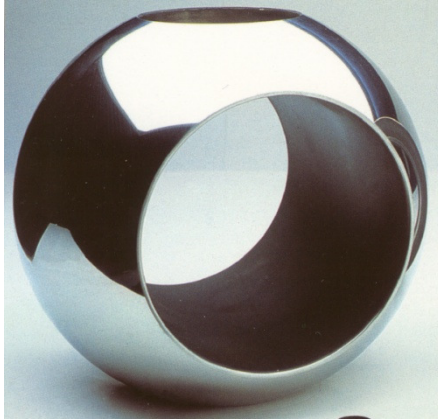
EXTENDING MACHINERY LIFE WITH
ADVANCED SURFACE ENGINEERING

INVESTOR UPDATE
December 2008



LaserBond's Mission:

- Expand nationally and internationally through Joint Ventures, Licensing, Acquisitions and the continued development of core clients
- Create wealth for shareholders through share price appreciation
- Embrace and develop new metallurgical and application technologies



- **Mining**
- **Pump Components**
- **Steel Production and Processing**
- **Aluminium Production and Processing**
- **Power Generation**
- **Petrochemical/Refining**
- **Pulp and Paper**
- **Plastics**
- **Automotive and Marine Propulsion**
- **Timber**

CUSTOMERS




bhpbilliton **ALCOA** **BUCYRUS**
Slurry Equipment Solutions **WEAR MINERALS** **BLUESCOPE STEEL** **LOY YANG power** **DBT** **tyco** *a vital part of your world* **Rio Tinto**
VISY **HALLIBURTON** *Unleash the energy.™* **SMITH TECHNOLOGIES**
Berendsen Fluid Power **SMORGONSTEEL** **ITT**
Macquarie Generation **SPX Process Equipment** **GRUNDFOS**
PILKINGTON **ACL Automotive Components Limited** **CSR**
JOY MINING MACHINERY **Eickhoff**
FLOWSERVE **News Corporation** **UnitedGroup Limited**

RECENT DEVELOPMENTS



- Acquisition of Peachey's Engineering in Gladstone, Qld completed
- Alcoa Australia – 5 Year Agreement
- Malaysia -Tanjung Services license agreement for HVOF system
- Letter of Intent from Global Aluminum Manufacturer - USA
- Ingleburn core business up 23% (sales) over YTD 30 Nov 2008.
- Approvals received to expand Ingleburn facility.

PEACHEY'S - ACQUISITION



- Gladstone based - family owned and run business, trading since 1981,
- Sales \$6.8M for FYE 2008
- Consistent growth, infrastructure projects and high value components
- EBIT \$1.4m for FYE 2008



- Terms of the deal - \$3m plus earn-out over 2 years consisting of \$2.5m cash, \$0.5m in shares (at \$0.15), earn out priced on 3.5x incremental EBIT up to maximum earn-out of \$2.2m
- 35 Staff, key employees on contract
- Machine shop and Fabrication shop, total of 3,000m² in two purpose built facilities, with significant space for further expansion and incorporation of LaserBond's technology



	<u>2008</u>
	(Actual)
Sales	6.8m
EBIT	1.4m
%	<u>20.6%</u>

LASERBOND LIMITED

2008 (proforma 30 June)

	\$m	
Sales- Ingleburn	3,591	
Sales- Gladstone	6,788	
Total Sales	<u>10,379</u>	
EBIT	<u>1,615</u>	<u>15.6%</u>

Note : Proforma Sales had Peachey's had been in the LaserBond group for the 12 months ended 30 June 2008. Acquisition date: 24 November 2008.

WHY GLADSTONE?



“A growing global industrial base”

Gladstone is home to some of the largest and lowest cost mineral and metal producers and has a growing reputation as Australia’s economic powerhouse. A number of major international industries are located in Gladstone. These include:

- Queensland Alumina (QAL) – the world’s largest alumina refinery;
- Boyne Smelters Ltd (BSL) – Australia’s largest aluminium smelter;
- Cement Australia (CA) – Australia’s largest manufacturer of cement;
- Orica Australia – large producer of sodium cyanide
- Rio Tinto Aluminium Yarwun (RTAY) – the world’s first greenfield alumina refinery to be constructed since 1985.
- NRG power station – 1680MW – Queensland’s largest

All of these are existing customers of Peachey’s Engineering and all have potential applications for Laserbond’s surfacing technology.



“A growing global industrial base” - Energy

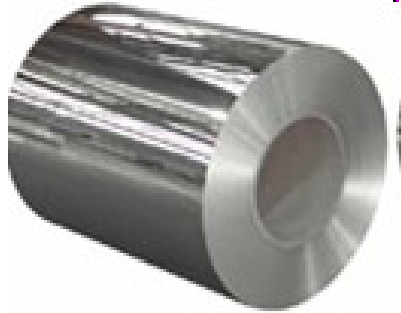
- Wiggins Island Coal terminal will add 70Mtpa exporting capacity
- Total capacity being boosted to 140Mtpa (including RG Tanna), making Gladstone the largest coal export port in the world
- Expansion of port, wharves, and massive dredging projects
- Expansion of rail facilities - new rail lines, loops, receival stations
- Gladstone is within reasonable access of the Bowen & Surat Basins
- Queensland Gas/British Gas operation to be installed on Curtis Island will produce up to 12 million tonnes p.a. of LNG
- Origin/ConocoPhillips – proposed 14 million tonnes p.a. of LNG
- Santos/Petronas – Gladstone LNG project

[Sources: Queensland Gas Company: www.qgc.com.au

Oil & Gas Journal: www.ogj.com/display_article/344083/120/ARTCL/none/Trasp/1/Origin.-ConocoPhillips-finalize-CSM-fed-LNG-venture/

Central Queensland Ports Authority: www.networkaccess.qr.com.au/Images/PortTalk_Oct_2005_tcm10-11867.pdf

Santos: www.santos.com/Archive/NewsDetail.aspx?p=121&np=78&id=1090]



Alcoa - Australia

- 5 year contract for the exclusive supply of coated rolls for the production of high quality sheet material, initially supplying to rolling mills at Pt Henry (Vic), soon to be supplemented by Yennora (NSW)
- Coating development carried out in full co-operation with Alcoa's Technical Centre in Pittsburgh, USA
- Potential for many more applications

Tanjung Maintenance Services - Malaysia

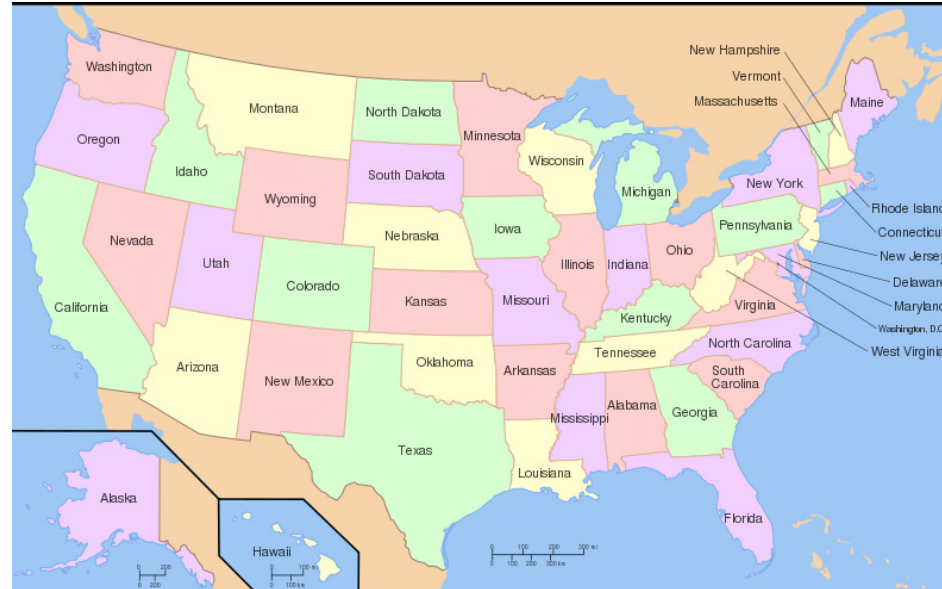


- Acquisition of HVOF equipment - US\$528k
- License Agreement – US\$50k for 3 years
- About Tanjung:

Tanjung is a subsidiary of Tanjung Offshore Service which is publicly listed on the Malaysian Stock Market, with operations in 3 centres in Kemaman, Labuan & Miri, providing the following :

 - Services, repair, overhaul & test various types of rotating equipment
 - Services, repair, retrofit & test all types of valves
 - Fabrication parts and machining
 - Metal coating or metal spray
 - Service, repair, overhaul and test internal combustion engines
- There are likely to be further opportunities to provide technology to Tanjung in the future

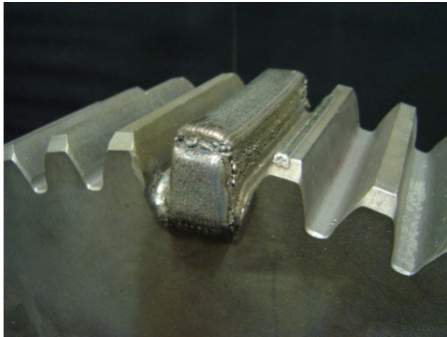
US EXPANSION



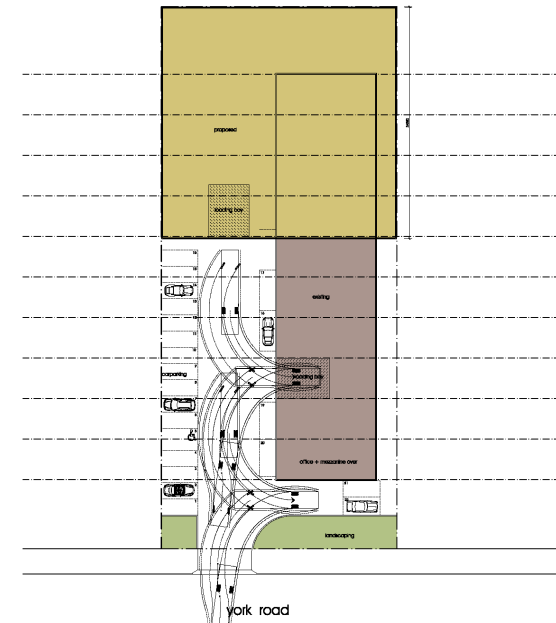
US Opportunity

- Letter of Intent in place with global aluminum manufacturer - USA
- Substantial plant capacity compared to Australian operators
- In plant trial of coated roll to begin within weeks.
- LaserBond solution based on proprietary technology and significant know-how.

INGLEBURN EXPANSION



- Existing facility is 900m²
- Extension will double workshop area and significantly increase capacity
- Improved crane access for large components (e.g. Alcoa)
- Extension funded by landlord, rent increase appropriate to market conditions
- DA submitted and pending approval



CAPITAL STRUCTURE

	<u>Shares</u>	<u>Options</u>
Existing Issued Shares	65,000,400	6,000,000 ¹
Performance Options		6,000,000 ²
Peachey's Consideration	3,333,334	
Total	<u>68,333,734</u>	<u>12,000,000</u>

1. 5 million options are exercisable at \$0.25 each and expire 31 August 2009. 1 million options are exercisable at \$.20 each and expire 30 August 2010.
2. Performance Options are exercisable at \$0.25 and expire 30 August 2012. Strike price must trade at \$0.40 for 30 days.

WHY INVEST?



- Well established and profitable Company with experienced management team and workforce
- Industry leader in the field with significant technical and commercial barriers to entry
- Current economic conditions provide corporate opportunities:
 - Reduced capital for new equipment
 - Production costs under pressure
 - Liquidity issues limiting spares inventory
 - Time and resources available for trials
 - Attractive conditions for businesses like LaserBond
- Many applications for the Company in the mining, and materials processing industries.



LASER BOND™

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ADVANCED SURFACE ENGINEERING

Thank You