

ANNOUNCEMENT TO THE MARKET

November 22, 2010

To: CYNOTECH HOLDINGS LTD CONVERTIBLE PREFERENCE SHAREHOLDERS

Re: Conversion of Cynotech Holdings Ltd Convertible Preference Shares to Cynotech Ordinary Shares

In accordance with the Prospectus dated 21st November, 2007 (and the Memorandum of Amendments dated 23rd November) Cynotech Holdings Ltd Convertible Preference shares convert to Cynotech ordinary shares 3 years from the date of issue.

“Any Convertible Preference shares outstanding 3 years after the Issue date will be converted to ordinary shares (on a one for one basis) by the Company giving notice to each Convertible Preference shareholder at that time.”

The preference shares will convert to ordinary shares on Dec 22nd, 2010 for those on the register on December 21st at 5pm.

The final dividend for the preference shares for the 21 days of December will be paid on December 24th, 2010. As the total amount for this final dividend is only \$1,178 this will be paid together with the November quarterly dividend, also to be paid on this date.

Shareholders will be sent an update of your new shareholding in Cynotech Holdings ordinary shares, and confirming your holding of Cynotech Holdings Ltd convertible preference shares as zero, at this time.

Brett Tawse
Group General Manager

-Ends-