



March 14th, 2011

Light-Based Technologies Investor Update

Dear LBT Shareholders:

Following up on our successful display at Strategies in Light, we have kept busy over the past weeks meeting with clients and exploring potential opportunities. In addition we are preparing for our Annual General Meeting coming up March 30th. We are also continuing to work with the team in Torrance to make sure that our technology will be available in the market by the fall.

Our Annual General Meeting will be held March 30th at 2pm in the Caribou Room of the Accent Inns, at 3777 Henning Drive, Burnaby. At this meeting we will be reviewing the financial statements, electing the board of directors, and appointing auditors. You may choose to vote by proxy, whether or not you attend the meeting. If so, please complete the proxy form that was sent to you last week and mail, fax or email the form to the company's head office no later than 10:00am on March 29th, 2011.

The Torrance team is working very hard to deliver driver designs based on the LB4. With the knowledge and experience they possess we expect to have samples available in May. These will represent a significant leap forward in supporting less technically able customers as these designs will be product ready.

As always, we are working hard to move the LB4 towards its final release. We continue to work on customer specific projects, while narrowing our focus on key opportunities with major industry players. We continue to make progress on the major customer opportunity that we have been following over the past few months. The customer pushed out the release date to later in the year, as they were not confident of being ready for spring tradeshow.

If you have any questions, or comments, please don't hesitate to contact me.

All the best,

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