

Trading Update

MicroFuze International plc (AIM:MFZ) a provider of innovative surface engineering technology announces the following trading update.

The Company has made progress in the roll out and commercialisation of its microwave diffusion technology as was announced in our first order from Diffusion Technologies. However as a result of the delay in the scale up and purchase of a production microwave your Directors foresee that it will not now be possible to achieve market expectations of sales or profit for the full year to 31 December 2006 and in consequence cash balances at year end are also likely to be lower than expected.

The Board however remains confident in the successful commercialisation of the microwave diffusion technology as the Company works with its customers to provide solutions for their applications. Furthermore, MicroFuze is proactively looking to acquire complementary technologies in order to accelerate sales, gain access to new markets and strengthen its intellectual property portfolio.

For further information:

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