



19 June 2017

Dear Shareholder,

**ANNUAL GENERAL MEETING 2017**

The 2017 Annual General Meeting of ALS Limited will be held at **The Pullman Hotel, King George Square, Cnr Roma and Ann Streets, Brisbane, Qld 4000** at **10.00am (AEST) on Thursday, 20 July 2017**.

The meeting will cover the ordinary business transacted annually and any other business which may be brought before the Meeting in accordance with the Company's Constitution.

Shareholders will be asked to support several resolutions being put at the meeting, namely the re-elections of Grant Murdoch and John Mulcahy for a further three-year term, adoption of the remuneration report and grant of performance rights to the incoming Managing Director and CEO, Raj Naran.

Further information on these resolutions can be found in the Explanatory Notes section of the enclosed Notice of Meeting.

Your participation at the Meeting will be both welcome and appreciated by your Directors and shareholders are invited to join the Board for light refreshments at the conclusion of the meeting.

If you are unable to attend the meeting, a proxy voting form is enclosed for your use. Online proxies and proxy voting forms must be received **no later than 10.00am AEST Tuesday 18 July 2017**.

Voting on all resolutions will be determined by a poll rather than a show of hands. The Meeting will be webcast.

If you plan to attend the meeting, please bring your proxy voting form to help facilitate your registration.

Enclosed is a Shareholders Questions form which may be completed and sent back to the Company before the meeting.

I look forward to seeing you then.

Yours sincerely

**Bruce Phillips**  
Chairman



# Notice of Annual General Meeting 2017

Notice is hereby given that the 66th Annual General Meeting of the shareholders of ALS Limited (**Company** or **ALS**) will be held at **The Pullman Hotel, King George Square, Cnr Roma and Ann Streets, Brisbane, Qld 4000** at **10.00am (AEST)** on **Thursday, 20 July 2017 (Meeting)**.

## BUSINESS OF THE MEETING

**1. Presentations by the Chairman, Managing Director and incoming MD/CEO**

**2. Re-election of Directors**

i. To consider and, if thought fit, to pass the following ordinary resolution:

*"That **Grant Murdoch**, a non-executive Director retiring in accordance with clause 63.4 of the Company's Constitution, who offers himself for re-election and being eligible for election, be re-elected as a non-executive Director of the Company."*

ii. To consider and, if thought fit, to pass the following ordinary resolution:

*"That **John Mulcahy**, a non-executive Director retiring in accordance with clause 63.4 of the Company's Constitution, who offers himself for re-election and being eligible for election, be re-elected as a non-executive Director of the Company."*

**3. Remuneration Report**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That the Remuneration Report contained in the Company's 2017 Annual Report in respect of the financial year ended 31 March 2017, be adopted."*

*(This resolution is advisory only and does not bind the directors or the Company)*

(Refer to Explanatory Notes for Voting Exclusions applying to this resolution).

**4. Grant of Performance Rights to the incoming Managing Director/CEO**

To consider and, if thought fit, to pass the following ordinary resolution:

*"That, for the purposes of the Corporations Act 2001 and ASX Listing Rules, and for all other purposes, approval is hereby given for the grant of 117,010 Performance Rights (incorporating the right to acquire shares in the Company) to the incoming Managing Director and CEO, Raj Naran under the Company's Long Term Incentive Plan (LTIP), which is constituted and administered in accordance with the Rules of the LTIP, as described in the Explanatory Notes to this Notice of Meeting."*

(Refer to Explanatory Notes for Voting Exclusions applying to this resolution)

**5. Financial Statements and Reports**

To receive and consider the Financial Report of the Company and the reports of the Directors and Auditor in respect of the financial year ended 31 March 2017.

## OTHER BUSINESS

To transact any other business which may legally be brought before the Meeting in accordance with the Company's Constitution.

The Explanatory Notes attached to this Notice are incorporated into and form part of this Notice. A detailed explanation of the background and reasons for the proposed resolutions are set out in the Explanatory Notes.

By Order of the Board

Tim Mullen  
Company Secretary  
12 June 2017

## EXPLANATORY NOTES

The following explanatory notes (including any annexures) have been prepared to provide information to shareholders about the items of business set out in the Notice of Annual General Meeting and form part of that Notice.

### Item 2 Re-election of Directors (Resolutions 1 and 2)

The ASX Listing Rules and clause 63 of the Company's Constitution provide that at each AGM, an election of directors must be held. As well, a director cannot go more than three years without submitting themselves for re-election. The directors to retire are determined by length of time in office, with those having spent the longest time in office retiring. Each retiring director is eligible for re-election in accordance with ASX Listing Rules and the Company's Constitution.

At the Meeting, Grant Murdoch and John Mulcahy, having each held office as a non-executive director for a continuous period of three years since their last re-election to the Board, retire and, being eligible, offer themselves for re-election as non-executive directors of the Company.

The Board, as the Nominations Committee, has reviewed the performance of both directors and is satisfied that they continue to bring valuable expertise and experience to the Board.

Their respective details are:

#### **GRANT MURDOCH M COM (Hons), FAICD, FCA Independent Non-Executive Director Age 65**

Grant Murdoch was appointed a non-executive director of the Company in 2011. He was formerly a Partner of Ernst & Young and Divisional Director of Ernst & Young Transaction Advisory Services Limited in Queensland. He has more than 37 years of chartered accountancy experience, specialising in mergers, acquisitions, takeovers, corporate restructures and share issues.

Grant is a non-executive director of Redbubble Limited (appointed February 2016), OFX Group Limited (formerly OzForex Limited) (appointed October 2013) and is a director of Queensland Investment Corporation (QIC) and UQ Holdings Ltd. He is a senator of the University of Queensland, an Adjunct Professor at the University of Queensland Business School and a member on the Queensland Council of the Australian Institute of Company Directors. He was previously a non-executive director of Cardno Limited (January 2013 – November 2015).

He is Chairman of the Audit and Risk Committee.

#### **Recommendation**

*Each of your directors (other than Grant Murdoch who is seeking re-election) recommends you vote in favour of the re-election of Grant Murdoch as a non-executive Director of the Company.*

*The Chairman of the Meeting intends to vote all 'open' proxies in favour of this resolution.*

#### **JOHN MULCAHY PhD, BE (Civil Eng) (Hons), FIE Aust Independent Non-Executive Director Age 67**

John Mulcahy was appointed a non-executive director of the Company in 2012. He is Chairman of Mirvac Group Limited (appointed November 2009 and Chair September 2013) and Orix Australia Corporation Limited, an unlisted public company (appointed March 2016), and Deputy Chairman of GWA Group Limited (appointed November 2010). John was previously a director and Chairman of Coffey International Limited (September 2009 – January 2016). He is a former Guardian of the Future Fund of Australia and former Managing Director and Chief Executive Officer of Suncorp-Metway Limited. Prior to Suncorp, John held a number of senior executive roles at the Commonwealth Bank and Lend Lease Corporation.

He is Chairman of the People Committee.

#### **Recommendation**

*Each of your directors (other than John Mulcahy who is seeking re-election) recommends you vote in favour of the re-election of John Mulcahy as a non-executive Director of the Company.*

*The Chairman of the Meeting intends to vote all 'open' proxies in favour of this resolution.*

### Item 3 Remuneration Report (Resolution 3)

Section 250R of the *Corporations Act 2001* (Cth) (**Corporations Act**) requires listed companies to put to their shareholders a resolution to adopt the Remuneration Report as set out on pages 21 to 39 of the Company's Annual Report.

The Remuneration report sets out the Board's policies for director and executive remuneration, including discussion of the relationship of remuneration to the Company's performance and other information required by the Corporations Act.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on this report.

#### **Recommendation**

*Each of your directors recommends you vote in favour of adoption of the Remuneration Report.*

*The Chairman of the Meeting intends to vote all 'open' proxies (where the Chairman has been appropriately authorised) in favour of this resolution.*

### Item 4 Grant of Performance Rights to the incoming Managing Director/CEO (Resolution 4)

#### **Managing Director/CEO transition**

As announced to the market on 27 February 2017, the Board has appointed Raj Naran as Managing Director and CEO (Elect) with effect from the close of the Meeting (replacing Greg Kilmister who will retire from the Company at that time).

As part of Raj's employment services agreement as Managing Director and CEO (ESA), he is entitled to participate in the Company's Long Term Incentive Plan (LTIP). The key terms and conditions of the ESA were released to the market on 27 February 2017. The main

components of Raj's 2017/18 ESA relating to this resolution are as follows:

- Total Fixed Remuneration (**TFR**) is US\$1,000,000 (including pension and health care benefits);
- Long Term Incentive (**LTi**) up to 60% of TFR (or US\$600,000) in value of Performance Rights under the LTIP, with vesting dependent on achievement of the EPS, TSR, ROCE and EBITDA performance hurdles detailed below, measured over a three-year period.

The Board is seeking approval of shareholders for the issue of 117,010 Performance Rights (being US\$600,000 in value) under the LTIP for the purposes of all applicable requirements under the Corporations Act and ASX Listing Rules, including ASX Listing Rule 10.14, which require shareholder approval for a director to acquire securities under an employee incentive scheme.

The Company's LTIP forms a key element of the Company's incentive and retention strategy for key executives, including Raj Naran as the incoming Managing Director and CEO.

#### Basis of LTIP grant (Resolution 4)

Raj Naran's Performance Rights offer this year is 117,010 Performance Rights (being US\$600,000 in value, equivalent to AUD\$785,135) under the Company's LTIP, being the maximum potential allocation under the LTIP in relation to his total remuneration package for 2017-18.

The number of Performance Rights proposed to be granted to Raj Naran was determined based on the volume weighted average price (**VWAP**) of shares in the Company calculated over the 10 trading days following the date of announcement of the final full year audited results on 23 May 2017, being AUD\$6.71. The USD currency amount was converted to Australian dollars during the allocation process. The exchange rate used was the mid-market rate as at 31 March 2017, being USD/AUD0.7642.

Raj will receive the Performance Rights at no cost to him.

Performance Rights will vest dependent on the Company meeting or exceeding its performance hurdles during the specified three-year performance period of 1 April 2017 to 31 March 2020. The basis of the grant to Raj Naran is as follows:

Twenty five percent (25%) of the Performance Rights are subject to an Underlying Earnings per Share (**EPS**) measurement, twenty five percent (25%) are subject to an Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (**EBITDA**) margin measurement, twenty five percent (25%) of the Performance Rights are subject to a Total Shareholder Return (**TSR**) measurement and twenty five percent (25%) are subject to a Return on Capital Employed (**ROCE**) measurement. The performance hurdles and vesting proportions for each measure that will apply to the grant of Performance Rights this year are as follows:

| Compound annual diluted Underlying EPS growth | Proportion of performance rights that may be exercised if Underlying EPS growth hurdle is met |
|---|---|
| Less than 5% per annum                        | 0%  |
| Between 5% and 9% per annum                   | Straight line vesting between 12.5% and 25% of total grant                                    |
| 9% or higher per annum                        | 25% of total grant  |

| Underlying EBITDA margin of ALS relative to Underlying EBITDA margin of comparator peer companies | Proportion of performance rights that may be exercised if Underlying EBITDA hurdle is met |
|---|---|
| Less than the 50 <sup>th</sup> percentile   | 0%  |
| Between the 50 <sup>th</sup> and 75 <sup>th</sup> percentile                                      | Straight line vesting between 12.5% and 25% of total grant                                |
| 75 <sup>th</sup> percentile or higher   | 25% of total grant  |

The Underlying EBITDA margin measurement is contingent upon performance of the Company against a group of comparator peer companies, which include:

Bureau Veritas (France), Core Laboratories (USA), Eurofins (France), Intertek (UK), SGS (Switzerland), Mistras (USA) and Applus (Spain).

| TSR of ALS relative to TSR of companies in ASX 100 Index over the performance period | Proportion of performance rights that may be exercised if TSR hurdle is met |
|--|---|
| Less than the 50 <sup>th</sup> percentile  | 0%  |
| Between 50 <sup>th</sup> percentile and 75 <sup>th</sup> percentile                  | Straight line vesting between 12.5% and 25% of total grant                  |
| 75 <sup>th</sup> percentile or higher  | 25% of total grant  |

The TSR measurement is contingent upon performance of the Company against companies comprising the ASX 100 Index at the start of the performance period.

| ROCE Performance (3 year average) | Proportion of performance rights that may be exercised if ROCE hurdle is met |
|-----------------------------------|--|
| Below 12.2%                       | 0%   |
| Between 12.2% and 17.2%           | Straight line vesting between 0% and 25% of total grant                      |
| At or above 17.2%                 | 25% of total grant   |

The respective ROCE thresholds are set at 2% and 7% above the March 2017 Weighted Average Cost of Capital (WACC) of 10.2%<sup>(1)</sup>.

ROCE is calculated as Underlying Earnings before Interest and Tax (EBIT) over the three (3) year performance period divided by Capital Employed expressed as a percentage.

Capital Employed = Total Shareholders' Equity + Net Debt (the sum of the simple averages of the balances at the beginning and end of each year during the performance period<sup>(2)</sup>).

(1) Based on March 2017 Pre-tax Nominal WACC (midpoint) as calculated by Merrill Lynch

(2) If material funding transactions (e.g. significant additional borrowings, equity issuances or asset impairments) occur such that the simple average for any year during the performance period is not representative of capital actually employed, the average capital employed for the year may be adjusted for the effect of these transactions.

### Treatment of Performance Rights on cessation of employment

The LTIP Rules provide that all unvested Performance Rights will lapse in the event of an employee's resignation or termination for cause. In all other circumstances, a pro-rata number of Performance Rights, calculated in accordance with the proportion of the LTIP performance period worked, will remain on foot, and will vest at the end of the performance period, subject to satisfaction of the original performance conditions and any applicable holding lock. The remaining unvested Performance Rights will lapse on the employment cessation date. The LTIP Rules further provide that the Board has an overriding discretion to adjust LTIP vesting outcomes.

### Change of control

Upon a change of control event e.g. company takeover, the Performance Rights vest as follows: if within first six months of the performance period - zero of the Performance Rights vest; from six months onwards - 100% of the Performance Rights vest.

### No hedging

Participants are not allowed to enter into any hedging arrangements in relation to any unvested Performance Rights.

### Other required information (per ASX Listing Rule 10.15A)

Previously, a total of 467,011 Performance Rights were granted to the retiring Managing Director, Greg Kilmister, which remain unvested: 97,015 on 29 July 2014 valued

at \$8.71 per right, relating to the three year performance period 1 April 2014 to 31 March 2017; 153,213 on 30 July 2015 valued at \$6.07 per right, relating to the three year performance period 1 April 2015 to 31 March 2018; and 216,783 on 26 July 2016 valued at \$4.29 per right, relating to the three year performance period 1 April 2016 to 31 March 2019. Such grants were approved by shareholders at the respective AGM's in 2014, 2015 and 2016.

Raj Naran (when appointed as Managing Director and CEO at the close of the Meeting) and Greg Kilmister (the retiring Managing Director) are the only directors eligible to be granted Performance Rights under the LTIP. No other person (other than Greg Kilmister) who requires approval to participate in the LTIP under Listing Rule 10.14 has been or will be issued with Performance Rights until such approval is obtained.

No loans will be granted to Raj Naran in relation to his participation in the LTIP.

Performance Rights do not carry any dividend or voting rights prior to vesting.

Shares allocated on vesting of Performance Rights will rank equally with shares in the same class.

A summary of the LTIP is set out in **Schedule 1** attached to this notice.

Details of any Performance Rights issued under the LTIP (and shares issued upon their vesting) will be published in each annual report of the Company relating to the period in which they have been issued, together with a note that approval of the issue was obtained under Listing Rule 10.14.

Additional persons:

- who become entitled to participate in the LTIP after this resolution is approved;
- who were not named in this notice of meeting; and
- who are directors of the Company, associates of a director of the Company or persons to whom ASX considers this criteria should apply,

will not participate in the LTIP unless approval is obtained under Listing Rule 10.14.

Allocation of Performance Rights to Raj Naran will be made no later than 12 months after the date of the Meeting.

Any issue of shares to Raj Naran under this approval will be made no later than 3 years after the date of the Meeting.

This item is not a resolution to grant any Performance Rights to Raj Naran. It is an authority for the Board of the Company to grant the Performance Rights.

The Board considers that Raj Naran's participation in the LTIP is a critical mechanism by which to incentivise performance in line with shareholder interests. If shareholders do not approve the grant of Performance Rights at the Meeting, it is intended that the equivalent LTIP award will be provided in cash, subject to the same performance, service, vesting and other conditions as



described in this notice, in order to ensure that Raj Naran is entitled to participate in the LTIP in 2017.

#### **Recommendation**

*Each of your current directors recommends the approval of the grant of equity-based performance rights to Raj Naran. None of the current directors has an interest in the outcome of this resolution.*

*The Chairman of the Meeting intends to vote all 'open' proxies (where the Chairman has been appropriately authorised) in favour of this resolution.*

#### **Item 5 Financial Statements and Reports**

Section 317 of the *Corporations Act* requires the Company to lay its Financial Report, the Directors' Report and the Auditor's Report for the last financial year before the Annual General Meeting.

There is no requirement for the Financial Statements and Reports (excluding the Remuneration Report) to be formally approved by shareholders.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports and on the business, operations and management of the Company. The Company's external auditor, KPMG, will be in attendance to respond to questions in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

#### **ENTITLEMENT TO VOTE**

For the purposes of the Meeting, the Board has determined, in accordance with Regulation 7.11.37 of the *Corporations Regulations 2001*, that a shareholder's voting entitlement will be taken to be the entitlement of that person as shown in the register of members **as at 7.00pm (AEST) on Tuesday, 18 July 2017**. Accordingly, those persons are entitled to attend and vote at the Meeting.

#### **VOTING EXCLUSIONS**

The *Corporations Act* and the ASX Listing Rules require that voting restrictions apply to the Company's key management personnel (KMP) and their closely related parties on several of the resolutions to be considered at the meeting. These voting exclusions are described below:

##### **Item 3 - Remuneration Report**

A vote must not be cast, and the Company will disregard any votes cast, on the resolution proposed in item 3 (**Resolution 3**) by or on behalf of a member of the KMP for the ALS Limited consolidated group (**ALS Group**) (and their closely related parties) in any capacity, including as a proxy if their appointment does not specify the way in which the proxy is to vote.

However, a vote can be cast, and the Company will not disregard a vote as a result of these restrictions if it is cast by the Chair of the meeting as undirected proxy for a person entitled to vote and the Chair has received express authority to exercise the proxy as the Chair sees fit even if Resolution 3 is connected directly or indirectly with the remuneration of a member of the KMP.

##### **Item 4 - Grant of Performance Rights to the incoming Managing Director/CEO**

A vote must not be cast, and the Company will disregard any votes cast on the resolution proposed in item 4 (**Resolution 4**):

- by or on behalf of Raj Naran and any director who is eligible to participate in the LTIP or any of their associates, in any capacity; or
- as a proxy by any member of the KMP (and their closely related parties) if their appointment does not specify the way in which the proxy is to vote.

However, a vote can be cast, and the Company will not disregard a vote as a result of these restrictions if it is cast by the Chair of the meeting as undirected proxy for a person entitled to vote and the Chair has received express authority to exercise the proxy as the Chair sees fit even if Resolution 4 is connected directly or indirectly with the remuneration of a member of the KMP.

For the purposes of these Voting Exclusions, the terms:

- 'key management personnel' or 'KMP' for the ALS Group are the directors and certain senior executives whose remuneration details are included in the Remuneration Report for the year ended 31 March 2017;
- 'closely related party' of a member of KMP means:
  - a spouse or child of the member;
  - a child of the member's spouse;
  - a dependant of the member or of the member's spouse;
  - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the ALS Group; or
  - a company the member controls.
- the relevant interpretation of 'associate' is in accordance with the ASX Listing Rules.

#### **PROXIES**

1. A shareholder entitled to vote at the Meeting is entitled to appoint not more than two proxies to attend and vote at the Meeting on his or her behalf.
2. Where more than one proxy is appointed each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.
3. A proxy need not be a shareholder of the Company.
4. It is not necessary to fill in the name of the person to be appointed proxy unless it is desired to appoint a person other than the Chairman.
5. If a shareholder appoints one (1) proxy only, that proxy is entitled to vote on a show of hands or on the taking of a poll.
6. Where a proxy and the shareholder both attend the meeting, the shareholder is not entitled to speak or vote, either on a show of hands or on the taking of a poll, unless notice in writing of the revocation of the proxy's authority was received by the Chairman or at the place for deposit of proxies before the proxy exercises the right to speak or vote.

## DIRECT VOTING

1. Direct voting enables shareholders to vote on resolutions considered at the meeting by lodging their votes directly with the Company prior to the meeting.
2. Direct voting enables shareholders to exercise their voting rights without needing to attend the meeting or appoint a proxy.
3. A direct vote cast by a shareholder will not be counted on a show of hands but will be counted on a poll.
4. A shareholder who has cast a direct vote may attend the meeting, but their attendance will cancel the direct vote, unless the shareholder instructs the Company or the Company's securities registry otherwise.

## LODGEMENT OF VOTING FORM

The **Voting Form** (and a certified copy of the power of attorney or other authority (if any) under which it is signed) must be received by the Company's share registrar **no later than 10am (AEST) on Tuesday, 18 July 2017 (being at least 48 hours before the Meeting)** at the address below or submitted electronically:

Boardroom Pty Limited  
GPO Box 3993, Sydney, NSW, 2001  
Level 12, 225 George Street, Sydney, NSW, 2000  
Fax: +61 2 9290 9655  
Lodge electronically by going online at:  
[www.votingonline.com.au/alsagm2017](http://www.votingonline.com.au/alsagm2017)

If you require an additional Voting Form, contact Boardroom Pty Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia), who will supply it on request.

## CORPORATE REPRESENTATIVES

Corporations are reminded that to enable a representative to vote on their behalf at the Meeting they must appoint a representative under section 250D of the *Corporations Act*. Alternatively, a valid Voting Form must be lodged at the above address or submitted electronically.

## POLL

Voting on all items will be determined by a poll at the Meeting rather than a show of hands. Shareholders and proxy holders attending the Meeting will be provided with poll voting cards. Shareholders not attending the Meeting may use the enclosed voting form or vote online.

## SHAREHOLDER QUESTIONS

Shareholders are able to submit written questions in advance of the Meeting. To submit a written question, please complete and return the accompanying form, or submit the question online, in accordance with the instructions on the form. The form must be received by

the Company **no later than Thursday 13 July 2017** (five business days before the meeting date). Questions should relate to matters that are relevant to the business of the meeting as outlined in the Notice of Meeting.

## WEBCAST

A webcast of the Meeting will be available on the Company's website at [www.alsglobal.com](http://www.alsglobal.com).

## RESULTS OF THE MEETING

Voting results will be announced on the Australian Securities Exchange (ASX) as soon as practicable after the Meeting and will also be made available on the Company's website at [www.alsglobal.com](http://www.alsglobal.com).

### Schedule 1

#### Summary of LTIP

Under the LTIP, the Board, at its discretion, may offer employees, including executive directors, conditional rights to be issued ordinary shares of the Company ("Performance Rights").

The Performance Rights will be granted and ordinary shares issued (or in limited cases cash payments made) at no cost to the employees, if the Performance Rights vest. The LTIP is designed as a three-year rolling plan with participation being determined on an annual basis to ensure the plan is targeted at the appropriate employees.

The LTIP is aligned to shareholder interests as Performance Rights only vest if certain Earnings per Share ("EPS"), Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") margin, Total Shareholder Return ("TSR") and Return on Capital Employed ("ROCE") targets are achieved.

#### Participation

The maximum eligibility in the LTIP for the 2017 offer is set at the same maximum percentage of total fixed remuneration as the executive's STI maximum potential percentage.

The price used to determine an individual's allocation of Performance Rights will be the weighted average price of the Company's shares during the 10 trading days following the date of announcement of the final full year results (i.e. end of May) for the financial year preceding the period to which the grant of Performance Rights relate (although an alternative calculation measure may be undertaken if unusual circumstances arise to deem this calculation inappropriate).

In jurisdictions where the securities or other legislation makes the issue of shares difficult, the individual would be given access to a cash equivalent of the same value of the Performance Rights.

Subject to any applicable 'good leaver' provisions in the LTIP Rules, the employee must be employed in the ALS Group on the vesting date to be eligible for issue of the shares (subject to EPS, EBITDA margin, TSR and ROCE performance criteria being met).

Employees will not be allowed to enter into any hedging arrangements in relation to any unvested Performance Rights.



ABN 92 009 657 489

#### All Correspondence to:

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

Level 12, Grosvenor Place,  
225 George Street  
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEST) on Tuesday 18 July 2017.**

### 🖨 TO VOTE ONLINE

**STEP 1: VISIT** [www.votingonline.com.au/alsagm2017](http://www.votingonline.com.au/alsagm2017)

**STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**

**STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



**PLEASE NOTE:** For security reasons it is important you keep the above information confidential.

Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE VOTING FORM

The voting form can be used to either vote directly (Section 1) OR appoint a proxy to vote on your behalf (Section 2).

#### SECTION 1: DIRECT VOTING

If you wish to vote directly, you should clearly mark the box in Section 1 and the boxes in Section 3 to indicate your voting instruction for each item. Please only mark either "For" or "Against" for each item. If you mark "Abstain" for an item, your vote for that item will not be counted. If no direction is given on an item, or if you complete both the boxes in Section 1 and 2, your vote will be passed to the Chairman of the Meeting (or the person named in Section 2) as your proxy. Securityholders, custodians and nominees may identify on the Voting Form the total number of votes in each of the categories "For" and "Against" and their votes will be valid. The Chairman's decision as to whether a direct vote is valid is final and conclusive.

If you have lodged a direct vote, and then attend the Meeting, your direct vote will be cancelled unless you instruct the Company or the Company's securities registry otherwise.

#### SECTION 2: APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Section 2. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the Company. Do not write the name of the Company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Voting Form may be obtained by contacting the Company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Voting Forms. On each Voting Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### SECTION 3: VOTING DIRECTIONS

To cast your direct vote or to direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you have appointed a proxy and do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid. However, if you wish to appoint as your proxy a director or other member of the key management personnel of the ALS Group (other than the Chair of the Meeting), or their closely related parties, you must specify how they should vote on Resolutions 3 and 4 by marking the "For", "Against" or "Abstain" boxes opposite each of those items of business. If you do not do that, your proxy will not be able to exercise your vote on your behalf for those items.

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the Company's securities registry.

#### SECTION 4: SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Please indicate the office held by signing in the appropriate place.

#### LODGE MENT

Voting Forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEST), Tuesday 18 July 2017**. Any Voting Form received after that time will not be valid for the scheduled meeting.

**Voting forms may be lodged using the enclosed Reply Paid Envelope or:**

🖨 **Online** [www.votingonline.com.au/alsagm2017](http://www.votingonline.com.au/alsagm2017)

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Level 12, 225 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.



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#### Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## VOTING FORM

### SECTION 1: DIRECT VOTING

I/We being a Securityholder/s of **ALS Limited** (Company) and entitled to attend and vote hereby elect to vote directly at the Annual General Meeting of the Company to be held at **The Pullman Hotel, King George Square, Cnr Roma & Ann Streets, Brisbane QLD 4000 on Thursday 20 July 2017 at 10:00am (AEST)** and at any adjournment of that meeting.

☐

(To cast a vote, you should mark either "For" or "Against" for each item in Section 3 below.)

### SECTION 2: APPOINTMENT OF PROXY

I/We being a Securityholder/s of **ALS Limited** (Company) and entitled to attend and vote hereby appoint:

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the **Chair of the Meeting** (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **The Pullman Hotel, King George Square, Cnr Roma & Ann Streets, BRISBANE QLD 4000, on Thursday 20 July 2017 at 10:00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

**Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters:** If I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 3 and 4), I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of Resolutions 3 and 4 (except where I/we have indicated a different voting intention below), even though Resolutions 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel for the ALS Group, which includes the Chair of the Meeting.

**The Chair of the Meeting intends to vote all undirected proxies in favour of all Resolutions (including Resolutions 3 and 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.**

### SECTION 3: VOTING DIRECTIONS

\* If you have appointed a proxy and you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called. If you are direct voting and you mark the Abstain box for an item, your vote for that item will not be counted in calculating the required majority if a poll is called.

|                             |   | For                      | Against                  | Abstain*                 |
|-----------------------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1<br>(Item 2 i)  | Re-election of Director – Grant Murdoch                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2<br>(Item 2 ii) | Re-election of Director – John Mulcahy                    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3<br>(Item 3)    | Adoption of Remuneration Report                           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4<br>(Item 4)    | Grant of Performance Rights to Incoming Managing Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

### STEP 4 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary / Sole  
Director (no Company Secretary)

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2017



ABN 92 009 657 489

All correspondence and enquiries to:

**BoardRoom**  
Smart Business Solutions

Boardroom Pty Limited  
ABN 14 003 209 836  
GPO Box 3993  
Sydney NSW 2001

Tel: 1300 737 760 (within Australia)  
Tel: +61 2 9290 9600 (outside  
Australia) Fax: +61 2 9290 9655  
[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)  
[enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

## QUESTIONS FROM SHAREHOLDERS

Please use this form to submit any questions about ALS Limited (Company) that you would like us to respond to at the Company's 2017 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Notes.

You may also use this form to submit a written question to the Company's auditor if the question is relevant to the content of the auditor's report, or the conduct of the audit of the financial report, for the financial year ended 31 March 2017.

This form must be received by the Company's share registrar, Boardroom Pty Limited, **by Thursday, 13 July 2017**. The form may be lodged with Boardroom Pty Limited at GPO Box 3993, Sydney NSW 2001 or by facsimile to (02) 9290 9655 in Australia or (+61 2) 9290 9655 if you are overseas. A return envelope is also provided.

Questions will be collated. During the course of the Annual General Meeting, the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

### Question(s)

1. Question is for the ☐ Chairman, or ☐ Auditor

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2. Question is for the ☐ Chairman, or ☐ Auditor

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3. Question is for the ☐ Chairman, or ☐ Auditor

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All correspondence to

**BoardRoom**  
Smart Business Solutions

GPO Box 3993  
Sydney NSW 2001

Tel +612 9290 9600  
Fax +612 9290 9655

ABN 14 003 209 836  
[enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)  
[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)