

**LaserBond 2015 Annual General Meeting
Chairman's Address**

It remains an honour to serve as your Chairman.

I'm inspired by what LaserBond offers our customers, the quality of the technology available and being developed within the company. Through the strategic and corporate review work undertaken this past year it's clear that what we deliver in surface engineering is saving our capital intensive, resource and heavy industry customers significant operating costs.

We also see that our strategy fully aligns with the productivity, innovation and conservation that is headlined in current policies of our governments.

The pathway to delivering this opportunity has required LaserBond to embrace some organisational changes over the past year, which will take time to embed. The executive team is taking on the goals we have set out for the next few years.

To improve focus and facilitate growth LaserBond has 'divisionalised' its approach to our market opportunities.

- 'Services' represents our historical repair, refurbish and contact manufacturing work we undertake for customers who seek the cost saving benefits of our advanced surface engineering. We have recruited and are training staff, so we can establish facilities, like SA.
- 'Products' represents the embedding of our technologies into industrial components that can benefit from a substantial change in wear-life performance. We are building our sales and distribution systems to accommodate this business.
- Through our 'Technologies' division we will package and licence our near 25 years of surface engineering knowledge as licenses into new markets. We are pursuing these opportunities as they arise.

Wayne will provide more detail of where further operational and commercial opportunities are available to LaserBond and how they are being realised.

Greg leads our research and development activities that yielded two patent applications in the past year. We are justly proud of the game-changing work being undertaken in what we believe is a strong growth pathway for the company. He will shortly provide more insights on other initiatives and areas where LaserBond's technology can be extended to the benefit of our business.

The focus of our customer base remains on enhancing productivity, increasing efficiency and improving environmental outcomes, which we now recognise in our refreshed corporate image and positioning statement; Productivity | Innovation | Conservation.

Where our surface engineering solutions are applied, we typically deliver our customers a 3 – 7 times wear life improvement, most often with performance gains. Through new trade show, website and print collateral we are now promoting a customer centric view of these benefits, with a heavy emphasis on "Case Studies", which are our history, our success stories; how we save time, money and improve machinery performance for our customers across a range of industries.

The new website has been very well received as a resource tool; with increased visits and importantly with extended time per visit. It also becomes the primary location for our investor community seeking access to information about the company and its operations.



With our primary customer base remaining within the resources industries, which itself remains volatile, LaserBond is noticing there is a warming of confidence in the future tempered with cautious expenditure for our products and services.

During the year we had the good fortune to have the (too short) service of Nigel deVeth as a Non-Executive Director. It's unfortunate that time to support his own business interests prevented an ongoing contribution, for which we thank him.

I would also like to acknowledge the extended support that our announced strategies have received from the wider investor community. Your Board is aware that pursuing these strategies requires dedication, belief and patience. We are committed to success.

After we complete the more formal part of today's meeting, Wayne and Greg will share their more detailed perspectives on the business and outlook in a presentation.

Your Board appreciates the backing of the company and looks forward to a fresh growth period as FY2016 unfolds.

Thank you

Allan Morton
Chairman

