

10 August 2015

ASX ANNOUNCEMENT

PROPOSAL FOR ON MARKET BUY-BACK AND CANCELLATION OF UP TO 15% OF THE ISSUED SHARES OF THE COMPANY

The Company announces that at the special general meeting of the shareholders to be held on the 15 September 2015 it will seek shareholder approval to commence an on market buy-back of up to 15% of its issued shares. The buy-back is intended to provide an opportunity for shareholders to realise their investment in the Company.

The Company is satisfied that the buy-back will not have any material adverse affect on the cash flow of the Company.

Taylor Collison Limited will be appointed to act on the Company's behalf in the buy-back.

The Company provides the following additional information about the proposed buy-back:

1. Type of buy-back – on market;
2. Class of shares – ordinary fully paid shares;
3. Number of shares on issue 17,288,045 as at 10 August 2015;
4. On the assumption that the Company completes the current on market buy-back of 10% of its issued shares, the number of shares on issue at the date of the meeting will be 15,805,860;
5. The current on market buy-back commenced Monday 3 August 2015. Since then the Company has bought back 241,100 shares;
6. The Company will be seeking approval from its shareholders to approve the further buy-back of up to 2,370,879 shares, being 15% of the shares on issue, assuming that the Company buys back 1,756,206 shares in the current on market buy-back;
7. If approved, the period of time during which the Company intends to buy-back shares is from the 16 September 2015 to the 16 October 2015;
8. The further buy-back is conditional upon the approval of a meeting of shareholders at the special general meeting on 15 September 2015; and
9. Shareholders should refer to the Notice of Meeting and Explanatory Memorandum for the general meeting which will be dispatched to shareholders on 14 August 2015 for all other relevant information material to a shareholder's decision to accept the offer.

ABOUT SCANTECH

Scantech is a world leader in process control technologies, specialising in the minerals, cement and coal industries.

Its award-winning technology measures the composition and quality of bulk materials as they pass through its analysers on conveyor belts.

Detailed analysis is provided in real time, enabling quick decisions that can result in improved process control, significant cost savings, longer plant life and substantial environmental benefits.

Scantech analysers are designed and manufactured in Adelaide, South Australia
The company is listed on the ASX (ASX: SCD).

For enquiries refer to Valerie Steer on (08) 8350 0200.

A handwritten signature in black ink, appearing to read 'V. Steer'. The signature is stylized with a large, sweeping 'V' and a cursive 'Steer'.

Company Secretary