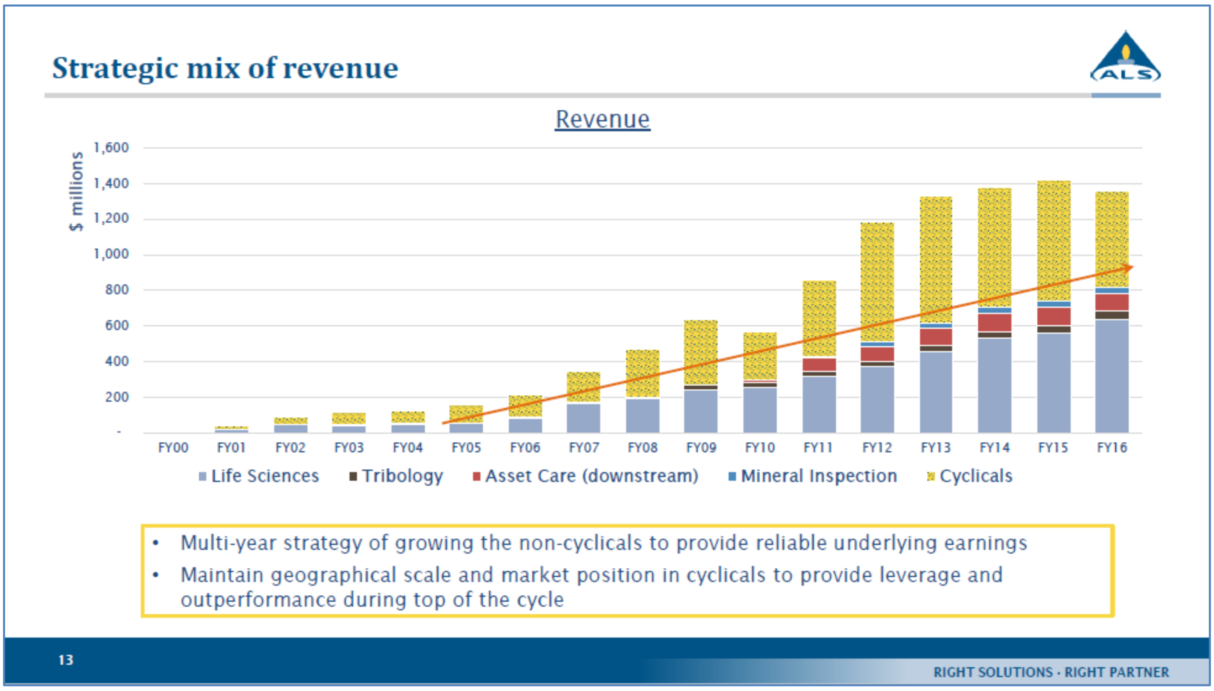
Greg Kilmister
Managing Director
ALS Limited

Annual General Meeting
11am on 26 July 2016

Thank you Bruce.

Ladies and gentlemen.

The year under review was far from our best performance as we saw a continuation of the profit decline of the previous three years. That performance was mainly a reflection of the ongoing poor trading conditions in the resources sector where we have seen low investment in exploration & development and an oversupply of services leading to lower pricing for those services. Producers in the resources sector have also been very frugal with their spend on development, asset care, environmental monitoring and other services that we offer, as they repair Balance Sheets on the back of slightly improving commodity prices.



These conditions put further pressure on our operations producing mixed outcomes. Whilst our non-cyclical businesses; Environmental, Food, Pharmaceutical, Tribology and Mineral Inspection all produced record results, the drag from our cyclical businesses offset that performance to produce a result down on the previous year.

Last year I spent considerable time explaining the Company's strategy around cyclical and non-cyclical markets, and our journey on geographical and end market diversification.

I will not reiterate those strategies today except to say that the strategies are working as we bounce along the bottom of the current commodity cycle and, as I will shortly show, those strategies are positioning us strongly for the inevitable upturn, which may be closer than we think.

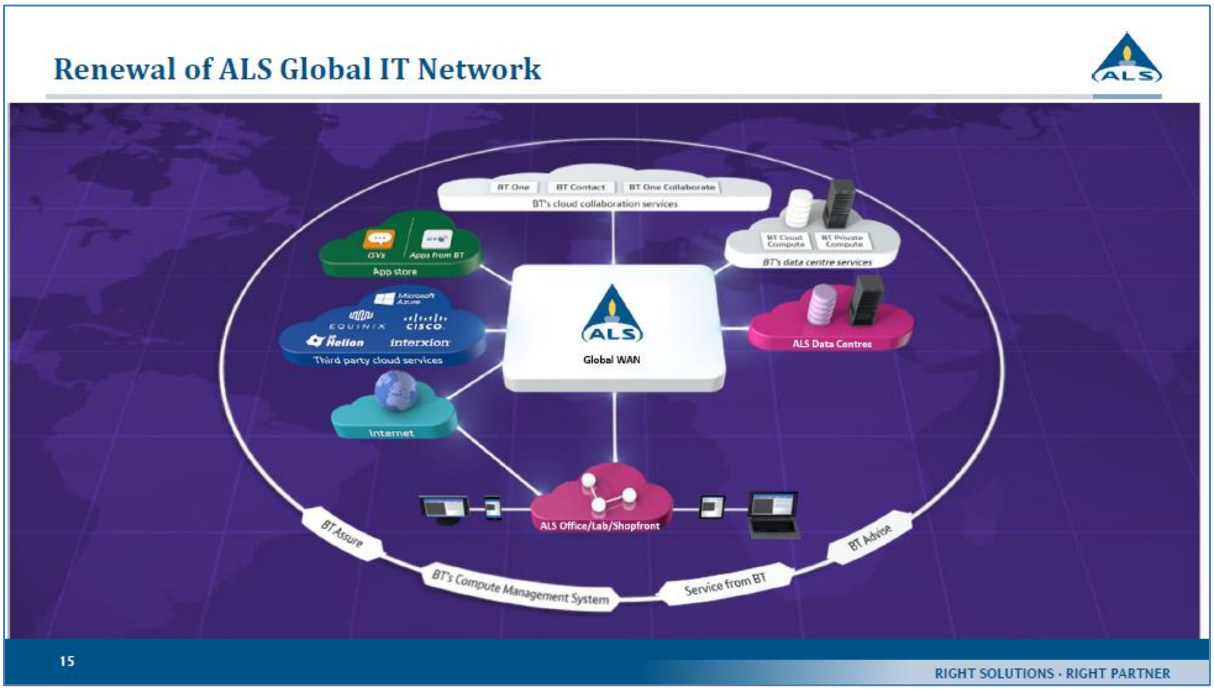
As I stated last year, managing a company is not about bemoaning market conditions or competitor activity. It is about dealing with the reality of today and executing strategies that build value into the future, regardless of market conditions. We are doing that. During the year we grew our Food/Pharma revenues by 34 percent. We significantly expanded our air monitoring capabilities in Canada, the USA and Asia. We brought some exciting new technologies into all of our businesses including hyperspectral scanning in our geochemistry business. We expanded the services of our Asset Care business in the USA and although the conditions in the Oil & Gas sector could not be worse, we did open a world class Oil & Gas laboratory in Houston as part of our longer term strategy. We have developed more intuitive mobile apps to make it easier and more cost effective for clients to do business with us. All of these things are part of executing long term strategies without losing our way just because of short term head winds in current markets. Dealing with the reality of today but also building for the future.

In her address, the Chairman provided an overview of our safety performance last year. Safety is a journey and during the year we made further progress on that journey of ensuring safety is embedded in the thinking and behaviour of every single employee. Investment in training and creating a safety focus is being recognised by clients and is generating a safety record we can take some comfort in.

Safety is at the very centre of ALS' Core Values and I would like to acknowledge Michael Burcham and his small but dedicated global team who steer us on that safety journey and ensure safety is part of our DNA and not just a slogan or poster on a wall. They continue to do an outstanding job.

Hand in hand with safety is ALS's commitment to social responsibility and sustainability. Whether that be reducing waste, reducing our environmental footprint, supporting local communities or just participating in local activities, ALS strives to be a good corporate citizen in every region of the world in which we operate.

This is important to clients and local communities, but more so to our own staff. If we want to attract the very best and engender loyalty from staff then we need to ensure they are proud to be associated with ALS. It is very important to staff that ALS behaves in a socially responsible manner; consistently and globally. There is always more we can do in this area but we are making progress and are well down that journey.



The digital economy is rapidly changing with disruptive innovation taking place in every industry and region. Businesses and users are connected today through any device anywhere. All companies recognise the key to the future is data and ALS is no exception. The heart of ALS' business is our ability to network operations anywhere in the world and deliver data and data analytics to clients in an efficient reliable consistent manner. The key to that is a reliable, efficient global IT network.

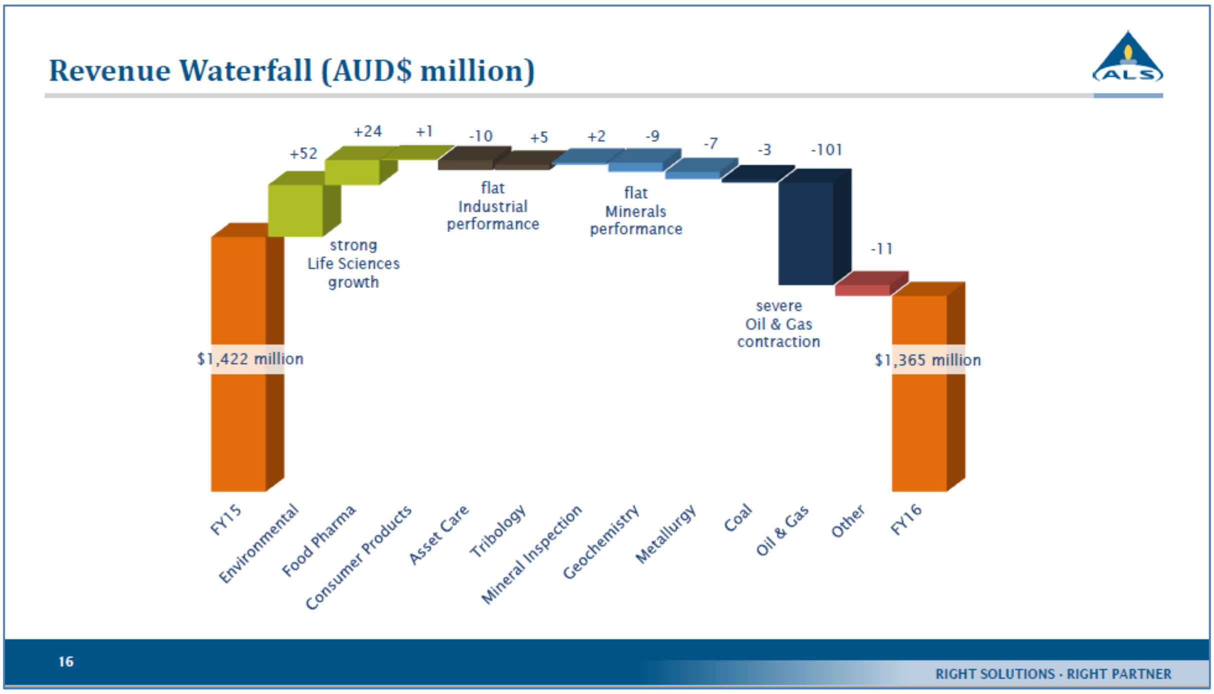
ALS has engaged British Telecom to undertake a network transformation project that will deliver to ALS a highly available, resilient, global network that can flex to meet the changing business needs across all regions. Whether it is merging new sites through acquisitions or consolidating existing sites when investment is needed in new or larger facilities. British Telecom will provide a global network backbone to enable high speed connectivity between the ALS data centres and cloud based systems, site based appliances to enable robust backup and recovery and advanced threat monitoring and management of our cybersecurity needs.

British Telecom is recognised as the leading global network service provider with the infrastructure, technology, people and experience to meet the needs of ALS.

This is a multi-year agreement with the initial transformation phase running through to May 2017. During this time, British Telecom will take over or replace equipment and services managed by ALS. Where it is cost effective, British Telecom will provide site data services allowing ALS to reduce the number of individual service providers currently involved in the global network.

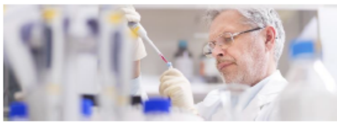
This transformation will cost us money but it is an essential building block for the future of the company. The expected additional cost this year will be around $4.5 million with ongoing annual cost around $5.3 million, which will be partly offset by cancellation of existing service providers and a reduction in the cost of maintaining multiple data centres and aging server infrastructure supporting site based applications.

Future savings will come from our ability to use the network to exploit more cloud based systems and utilising on-network voice and video features that contribute to reduce national and international call charges. Following on closely behind the network transformation is our move to the Microsoft Office 365 cloud and the introduction of user productivity tools to enhance communication, collaboration and innovation that is the cornerstone of ALS capability as a leading Testing Inspection and Certification company.

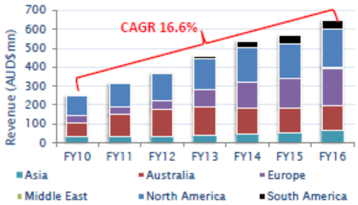


The Chairman has given an overview of the Group result so let me address some comments around the performance of the underlying businesses; how they performed last year and current market conditions.

Life Sciences Division



	2016	2015	Change
Revenue	$634mn	$557mn	+14%
EBITDA	$145mn	$130mn	+12%
EBIT	$110mn	$98mn	+12%
EBIT Margin	17.4%	17.6%	-20bps



Overview

- revenue and EBIT growth in all regions
- Life Sciences revenue up by 14%, with Food/Pharma revenue up 34%
- strong recovery in margin in Australia due to increased market share and cost control initiatives
- new chemistry hub in Chatteris (UK) commissioned and new pharmaceutical hub in Ely (UK) close to completion
- three acquisitions completed during the year
- ControlVet acquisition successfully integrated – Iberian Hub
- acquired outstanding 20% shareholding in Latin America Life Science business in January 2016

Outlook

- continuing organic growth
- bolt on acquisitions in Europe and USA
- investment in South America in anticipation of further market growth
- global cost initiatives to drive margin improvement
- further development in "gate to plate" food strategy

17 *Note:- EBIT and EBITDA are underlying measures*

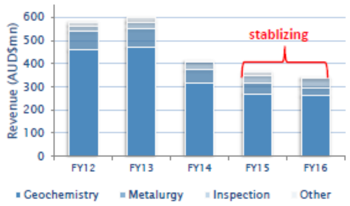
RIGHT SOLUTIONS · RIGHT PARTNER

Our Life Sciences businesses now account for approximately 50% of our total revenue and have been a strong growth focus for us for the last decade. Over the last nine years we have gone from 34 to 155 sites globally and seen revenue grow from 165 million dollars per year to 634 million dollars; an annual growth rate of 16 percent. We are the number one provider of environmental analytical services in the world and are actively accelerating the growth of our food and pharmaceutical business. In the year under review our Life Sciences increased revenue by 14 percent and generated a record operating profit of $110 million. And our growth strategy for this sector continues to pay dividends

Of particular note was the performance of our Food business where during the year we saw revenues increase by 34% to $105 million as we established a presence in Portugal, Spain, Norway, Denmark and Poland. The EBITDA margin for this business was strong at 22%. Growth in this sector is being maintained. In the first quarter of the current year we have seen revenue growth in Food/Pharma of 17 percent compared to the first quarter last year and EBITDA growth of 27 percent. We are also preparing to put a stronger focus on the pharmaceutical part of our business; having just completed building a new laboratory in Ely in central England that will allow us to quadruple the size of that business.

Minerals Division

	2016	2015	Change
Revenue	$343mn	$367mn	-7%
EBITDA	$82mn	$97mn	-15%
EBIT	$59mn	$73mn	-19%
EBIT Margin	17.2%	20.0%	-280bps



Overview:

- Geochemistry underlying EBIT margin 19%
- Metallurgy Markets challenging in all regions
- Inspection EBIT margin improved to 27% - some price pressure realised in H2
- Mine Site pipeline continued to grow however project timeline extensions delayed awards.

Outlook:

- focus remains on Cost Base and Market Share Growth
  - cost base improvements have facilitated price positioning and expect to generate further market share growth
  - new emphasis on Productivity and Efficiency with both incremental and step change programs in place
- price pressure easing in some Geochemistry markets in line with increased seasonal activity, but remains in Metallurgy sector and is increasing in Inspection.
- closer operational relationship between coal and mineral Inspection Service lines expected to deliver growth opportunities via expanded footprint.

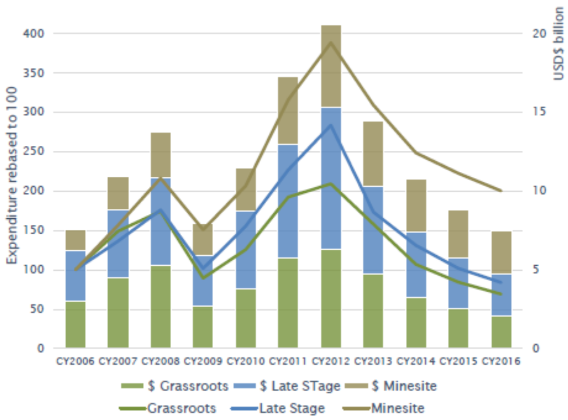
Note:- EBIT and EBITDA are underlying measures

RIGHT SOLUTIONS · RIGHT PARTNER

Our minerals businesses continued to operate in challenging market conditions as the global exploration markets cycle down from the 2012 peak. For the year under review our Minerals Division saw revenue decline by 7 percent to $343 million and operating profit decline 19% to $59 million.

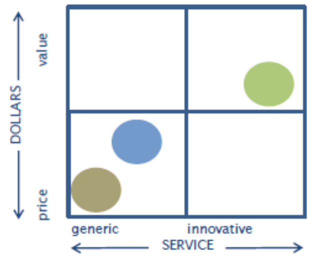
Global Mineral Exploration Market

Market Trends



Source: SNL Data

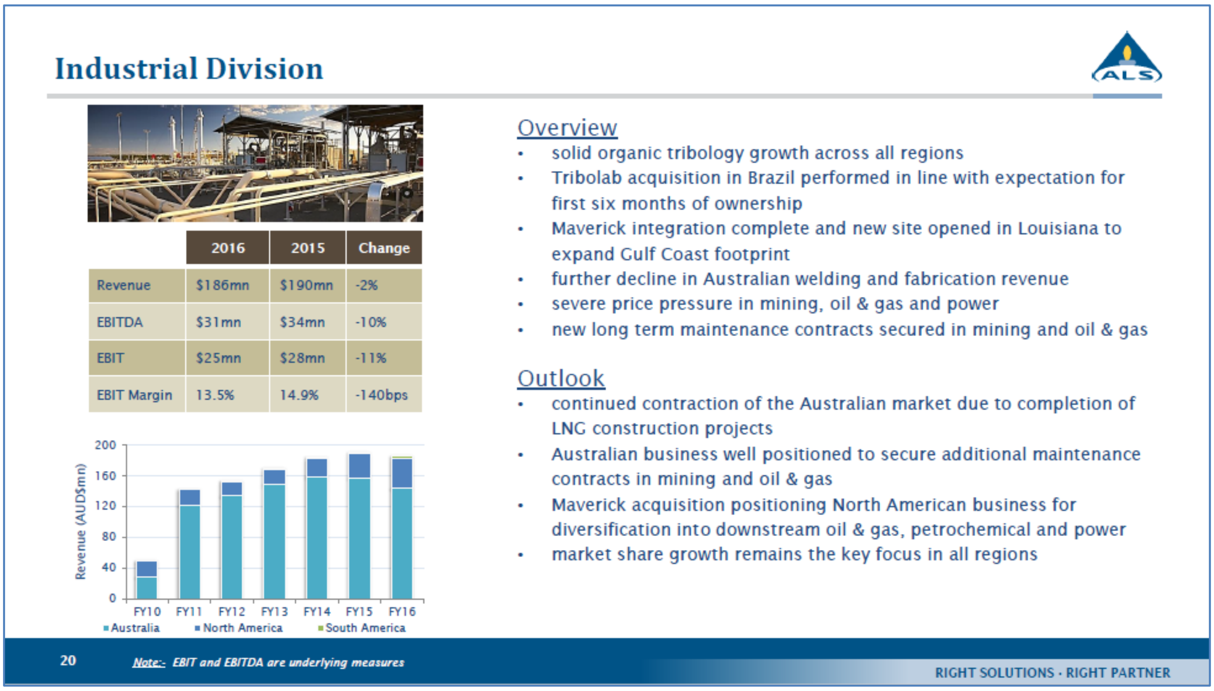
Analytical Spend Drivers



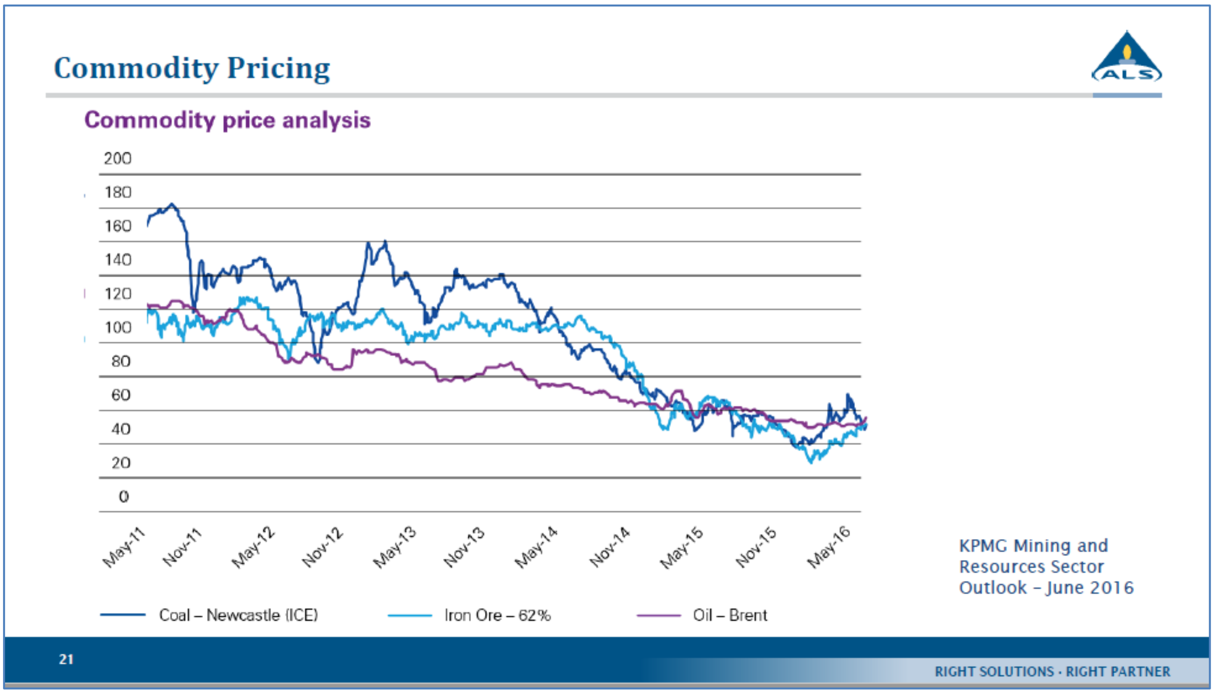
- ALS continued investment to maintain technical capabilities and feed innovation to high end value added services
- ALS focus on systems, productivity and cost base to maintain volume in generic services market sector

RIGHT SOLUTIONS · RIGHT PARTNER

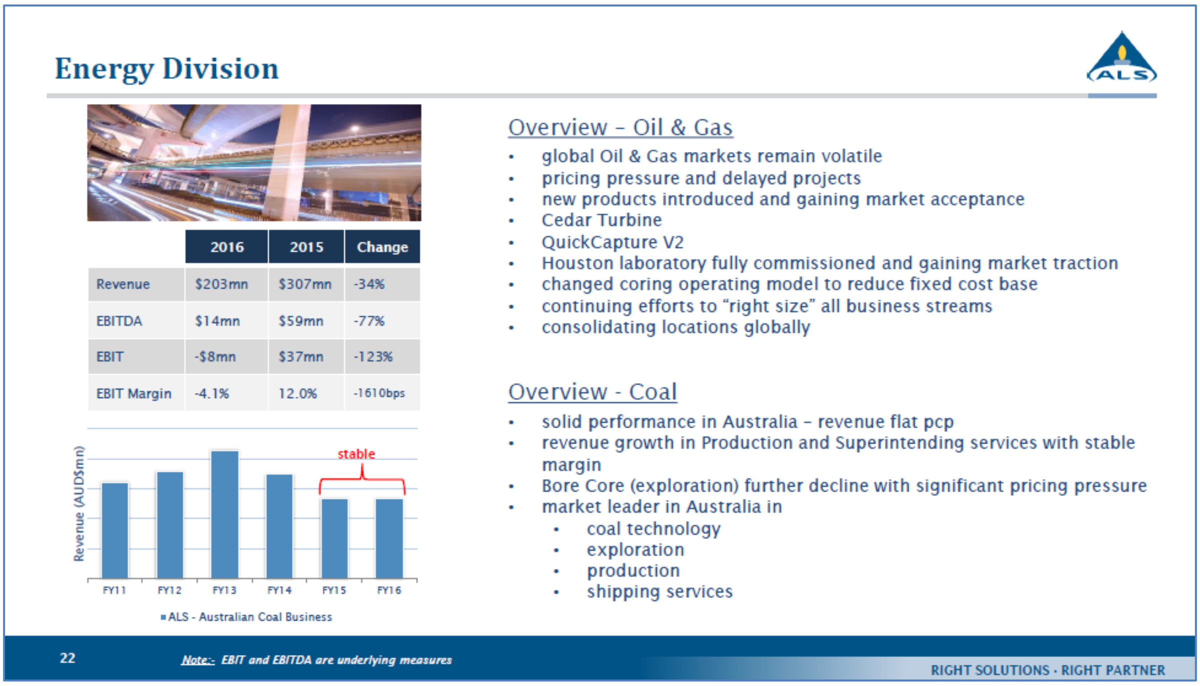
In the current market conditions our global geochemistry business performed well achieving an operating profit margin of 19 percent. Our mineral inspection business had a very strong year on the back of healthy global commodity trading achieving revenue growth of 6 percent at a healthy operating profit margin of 27 percent. Our metallurgy business provides services to new mine development and optimisation of existing mines. The nature of our work in this sector is very project driven and we have significant fixed costs in the business relating to maintaining technical expertise across a broad range of commodities and the associated pilot plant and testing capacity required. The metallurgy business ran at a slight loss last year but I am pleased to advise that activity levels are picking up on the back of the strong gold price. We expect to see a better performance from our metallurgy businesses this year although a full recovery is still a few years away as any uptick in activity will lag the recovery in the exploration sector.



Our Industrial Division includes Asset Care and Tribology businesses. The division saw revenue decrease slightly to $186 million and operating profit decline from $28 million in the previous year to $25 million in the year under review. This was not unexpected as in previous years the company had benefited from the large CSG and LNG capital developments in Australia and those projects started to unwind through the year as that infrastructure transitioned into production. Whilst the Tribology business is the smaller part of our Industrial Division, it had a very good year with revenue growth in excess of 10 percent and a further improvement in what was already a very solid operating margin. To offset the decline in CAPEX related asset care activity in Australia, this part of the division is actively pursuing diversification and geographical growth in the Gulf States in the USA.



And finally our Energy Division. The slide on the screen shows what has happened to iron ore, coal and oil prices over the last five years. Such price movements have a significant impact on the sector; both producers and associated service providers. Volume reduction, severe pricing pressure from both clients and competitors, and services previously considered essential now seen as discretionary, now define these markets. We are not immune to these market forces and that is reflected in our results.



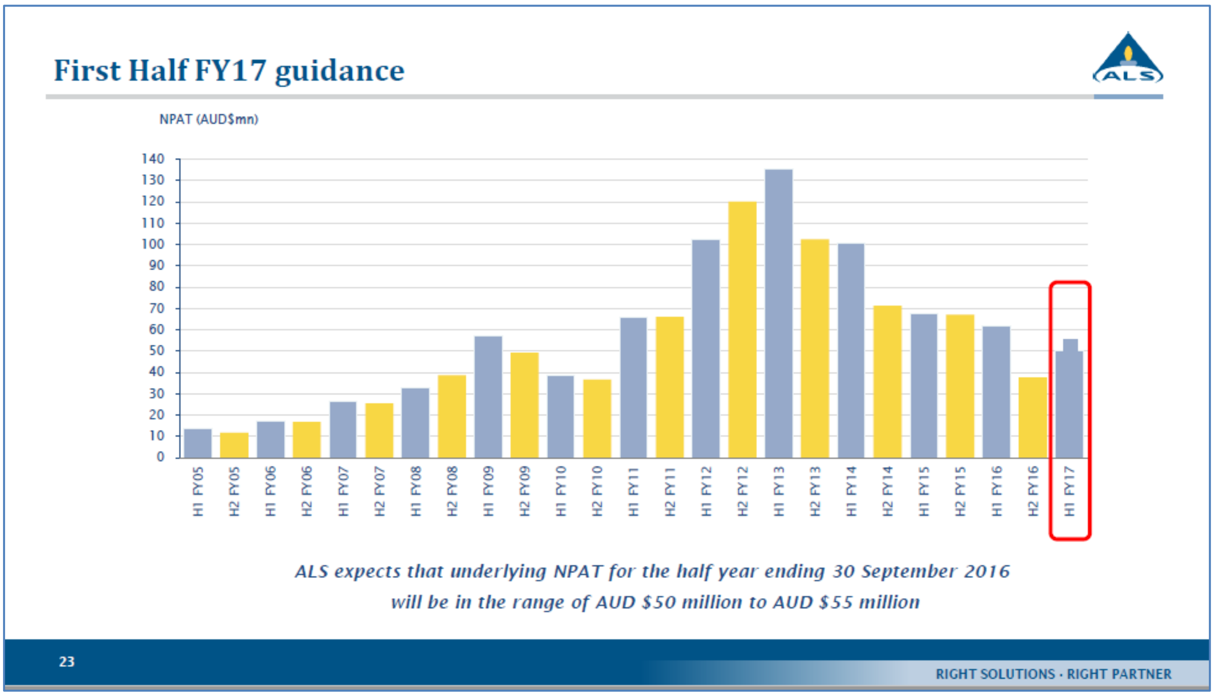
	2016	2015	Change
Revenue	$203mn	$307mn	-34%
EBITDA	$14mn	$59mn	-77%
EBIT	-$8mn	$37mn	-123%
EBIT Margin	-4.1%	12.0%	-1610bps

All that said, I believe our Coal business did a great job in the environment they had to deal with. They diversified their business mix bringing innovative solutions to mines. They further rationalised and optimised our internal operations. They remained very focused on the challenges at hand and in that environment increased our market share. Revenue in the year only fell by 5 percent and whilst pricing for our services declined considerably during the year, we still managed to produce an operating margin in excess of 13 percent. A solid outcome considering conditions.

Our Oil & Gas business had what can only be described as a terrible year. Activity levels in the sector are at a decades low point; pricing pressure is very intense as service providers fight for revenue streams to keep operating; and producers continue to postpone or cancel planned activity. We have worked very hard in trying to drive out cost and right size the business, having stripped in excess of 4 million dollars per month of costs out of the business in the last 12 months; including in excess of $2 million in wages costs per month. But all of this has not been enough as revenues continued to fall at a rate in excess of our ability to right size the businesses and last year the Oil & Gas business generated an underlying loss of nearly $17 million.

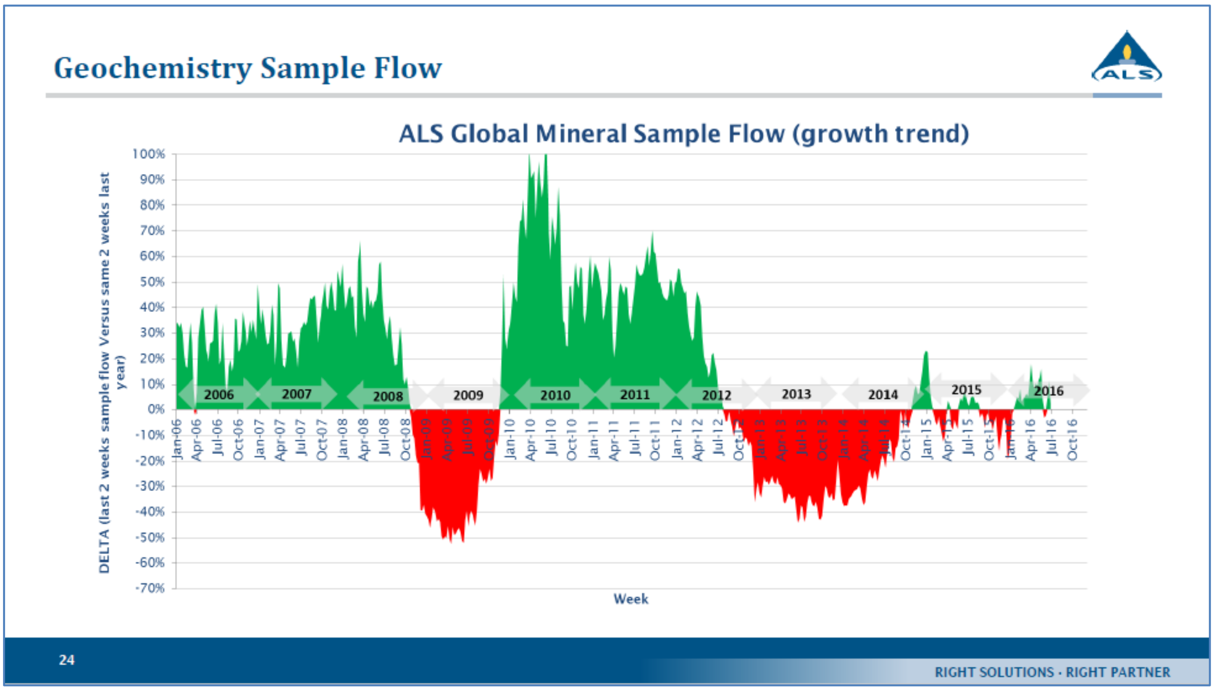
The business continues to make losses today but the executives in the business are working hard to stabilise revenues and reduce the cost base. They remain confident that if the oil price stabilises around US$50 per barrel, the businesses can be brought back to profitability.

There can be no argument that our timing in entering the Oil & Gas markets could not have been worse but I remain convinced that it is a sector in which ALS can be successful, and the size of the market remains attractive.



Let me now turn your attention to current market conditions and the guidance provided by our new Chairman. The guided range of $50 to $55 million in underlying after tax profit is down on last year but let me put it into the context of each of our operating businesses because there are many positive signs for the future.

Firstly our Life Sciences businesses. All business streams in this division, environmental, food, pharmaceuticals and consumer products, will show both revenue and operating profit improvement over the first half of last year. Our food/pharma businesses continue to grow at the same rate as we saw last year, and that is translating into increased operating profit margin. Our environmental business is being impacted by market conditions and competitor pricing erosion in Canada but globally the business is increasing both its revenue and operating profit with Asia, Europe and the Middle East all showing double digit revenue growth through the first quarter. Our fledgling Consumer Products business in Asia is also showing positive signs of improvement following a management change late last year.



The underlying businesses in our Minerals Division are showing mixed performance. The bell weather business for both our Minerals Division and historically the whole of ALS, is our geochemistry business where we are the global leader. The stronger gold price, improving investor sentiment in the sector, and future expectations around base metal pricing are leading to improved activity for our laboratories. Gold focused regions such as Western Australia, West Africa, Eastern Canada, and Nevada in the USA are all showing stronger sample flows compared to last year.

As shown in the chart on the screen sample flows through the current calendar year have shown consistent improvement over the same week in the previous year. That growth may be small but the consistency is encouraging, and pleasingly as was expected, we are seeing the leverage effect of our hub and spoke model with any slight increase in revenue flowing strongly into profit. For the first quarter of the new financial year we have seen a 280 bps margin improvement over the same period last year. Early days but certainly an encouraging sign.

Our global metallurgical business continues to operate at breakeven. As I said earlier this is a high fixed cost business as we maintain technical capability, processing capacity and pilot plant facilities. We are seeing a significant increase in project pricing requests compared to twelve months ago. This is positive, but the projects are small. Our expectation is that the business will improve but full recovery will lag the geochemistry recovery by 12 to 18 months.

The mineral inspection business has shown very strong growth over more recent years but we are seeing a reversal in that growth due to changing dynamics in the underlying markets, especially in Africa where work volumes have reduced significantly.

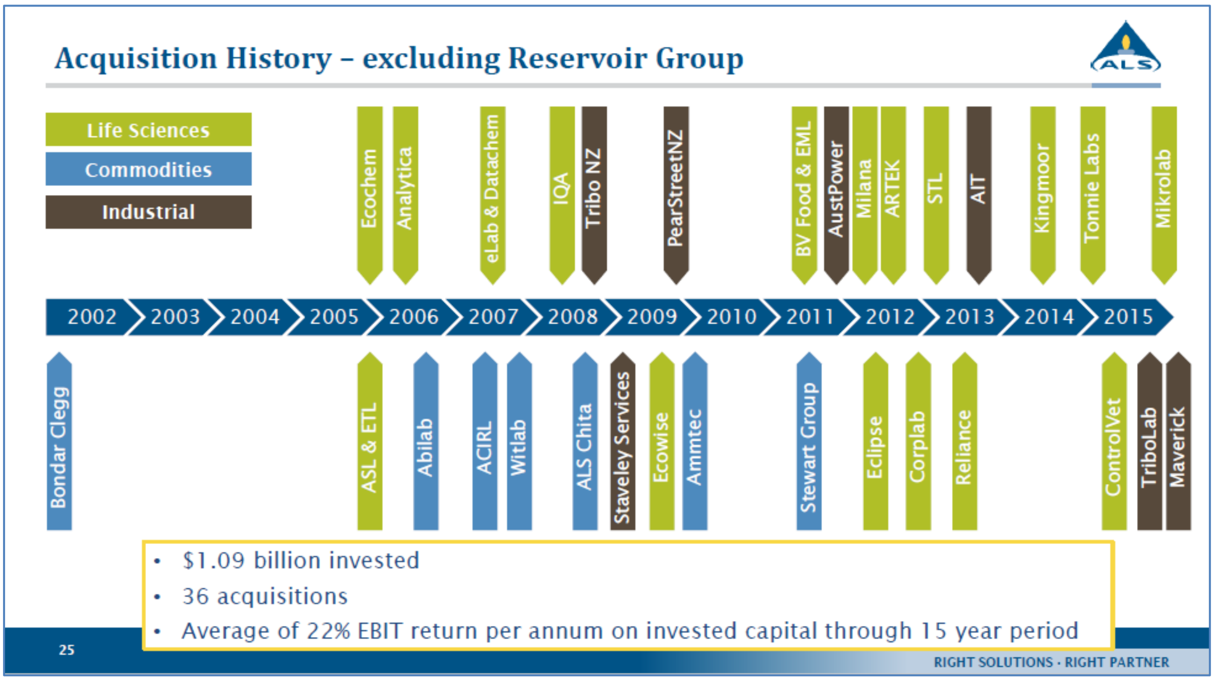
In the Industrial Division we expect a slight improvement compared to last year with Tribology growing in line with recent years and Asset Care flat on a global basis until we can get momentum in the USA with more recent strategic initiatives.

Our Coal business continues to improve as the cost initiatives of the last few years flow through the operations. Whilst revenue in the first half will decline, operating profit will be flat as margins improve.

Our Oil & Gas business has had a poor first quarter with the losses in the second half of last year continuing into the new year as a result of further revenue declines offsetting cost base reduction. We are expecting a first half operating loss in Oil & Gas of approximately $14 million compared to the breakeven position in the first half last year. Such losses are not sustainable. The oil price has been relatively stable at above US$45 per barrel for the last three months with expectations that it will remain around US$50 for the next 18 months. This is positive for the industry and we are seeing signs of some normality returning to the market for our services, especially in North America. Our observations are in line with recent commentary from Halliburton and Core Laboratories.

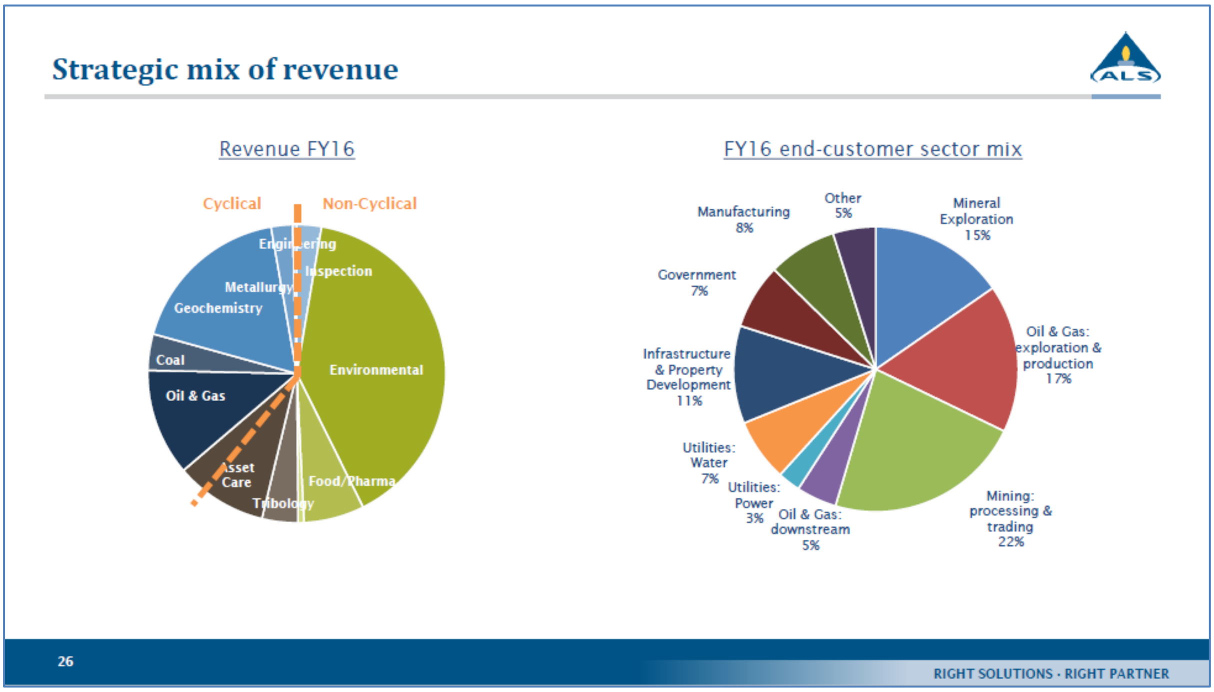
Whilst pricing for our services remains subdued, our expectation is that the ALS Oil & Gas business will show a small profit in the third quarter of this financial year and a few million dollars of operating profit in the last quarter of this year. However the market remains uncertain and we do have contingency plans should the oil price fall below expectations.

Corporate costs for the half year are expected to increase by $2 million due to the IT infrastructure project previously discussed.



I now want to turn your attention to acquisitions. In the last 15 years, excluding the acquisition of the Reservoir Group, ALS has made 36 acquisitions where we can still isolate the earnings from those acquisitions today at a total investment of $1.09 billion. The average EBIT return on all of those acquisitions over that 15 year period is 22% per annum. An enviable track record that has been tarnished by the Reservoir Group acquisition. However, making well researched strategic acquisitions should remain part of our strategy into the future. The lessons from the Reservoir acquisition are about acquisition size; better understanding of the dynamics of the mid-term behaviour of new markets we wish to enter; and staying truer to our central core competencies in laboratory services. We have learnt those lessons in the harshest of ways but we must move forward.

We have Balance Sheet capacity to invest approximately $200 million in growing this company. We need to put those funds to work, but only in a disciplined way. Ensuring that we can bring real value to any acquisition by either improving the margin or significantly growing the revenue. We are very active in looking for opportunities, principally in the Life Sciences space, but are very mindful of not overpaying for assets simply to be successful in the acquisition process.



Analysts and proxy advisers have various views on what makes a director independent and the appropriate tenor for a director. Today we are acknowledging the retirement of our Chairman, Nerolie Withnall. Nerolie has been a director of this company for 22 years. A long period but a period in which she has consistently and diligently carried out her duties. Joining the Board initially because of her background as a lawyer, she has brought much more than that to this company. In both good and more challenging times she has been a steady hand in helping guide the company and her commercial approach to advice and being in tune with the culture and vision for this company as opposed to being a text book director has been invaluable; none more so than in dealing with the recent takeover approach.

Nerolie as you now move into genuine retirement, remember that you will always be a member of the ALS family. Thank you for your support and sage advice. We are a better company because of your input and I ask all shareholders to show their appreciation.

In closing I would like to say that I am appreciative of shareholder support, especially over the last four years as we have had to deal with the commodity down-cycle. Rest assured that everyone in ALS is working diligently not just to navigate current market conditions but more importantly to position the company for future growth. The executives, managers and staff believe in this company, are aligned to our values and have a passion to succeed. I am blessed with a truly great team, a number of whom are present in this room today, and I thank them for their efforts.

And again to the Board, I thank you for your guidance and support in what has been a most difficult year.

Thank you.