

Geoff McGrath  
Chairman  
Campbell Brothers Limited

Annual General Meeting  
11am on 27 July 2010

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Good morning ladies and gentlemen and welcome to the Campbell Brothers annual general meeting for 2010.

On behalf of the Board, I'd like to thank you for your attendance today and your continued support of the Company.

While Greg will provide a detailed overview of operational performance of the Company, I would like to make comment on some areas of note.

Although the Company turned in a lower profit than the previous years' record result, the Company continued its strategy of business expansion and diversification in laboratory testing and inspection services.

## Developments during the year

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- Two strategic acquisitions
  - Ecowise Environmental
  - PearlStreet Limited
- Rights issue raising \$192 million
- Takeover bid for Ammtec Limited

In November and December last year, ALS made two strategic acquisitions in Australia - Ecowise Environmental and PearlStreet Limited.

Both of these acquisitions were targeted to access new markets for the Company - the Ecowise acquisition expanding ALS's profile in the Australian water services market, whilst the PearlStreet acquisition enabled ALS to broaden its technical service capabilities into non-destructive testing and asset care.

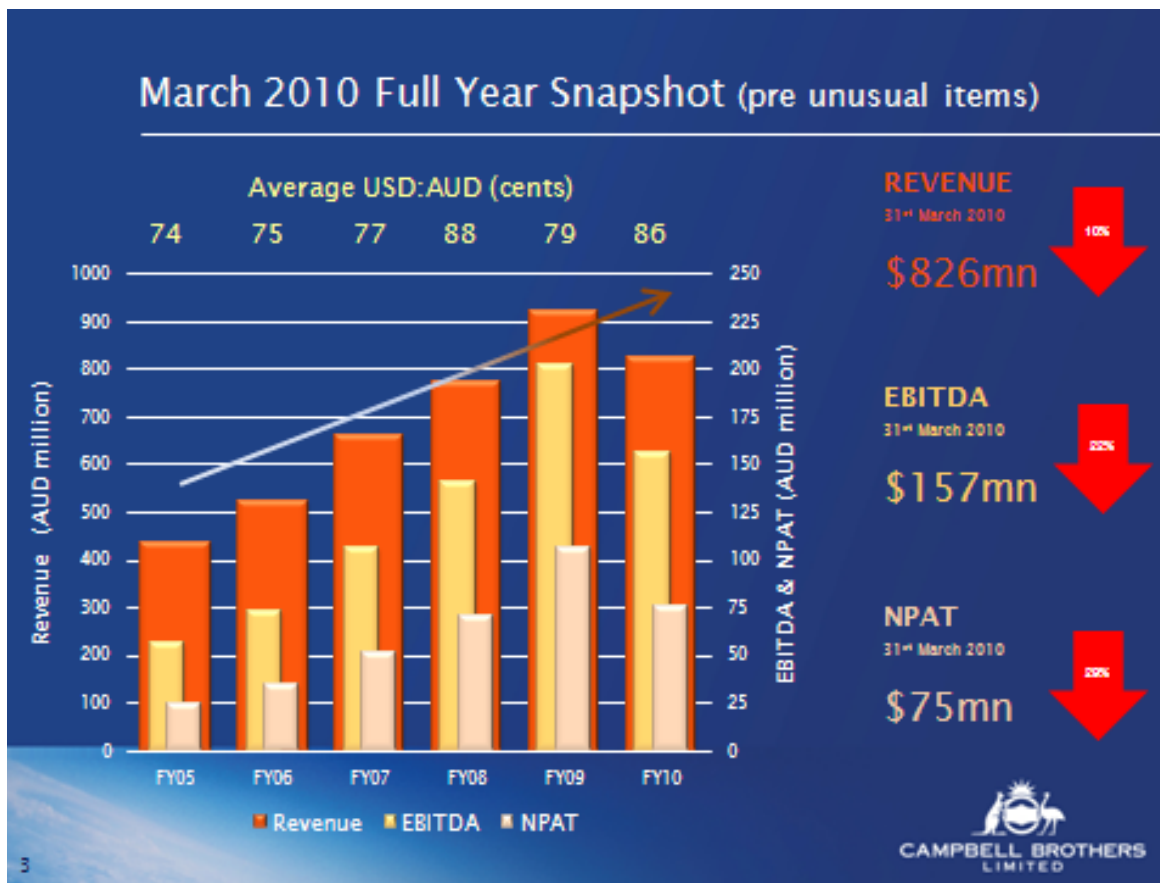
Also in November last year, the Company raised 192 million dollars in net proceeds from a highly successful rights issue. This assisted in providing funding for the aforementioned acquisitions.

The rights issue was well supported by existing shareholders, and I thank the shareholders for their continuing support.

In May this year, the Company announced a takeover offer for Ammtec Limited, a Perth-based metallurgical and mineral testing services company. This offer is in keeping with the Company's strategy to expand the market segments in which our Laboratory Services Division operates. Importantly it provides an opportunity to leverage off our international presence, and the world class systems and procedures that have been fundamental to the success of ALS.

Our offer of \$3.35 cents per share or 2 Campbell Brothers shares for every 17 Ammtec shares held, values Ammtec at approximately \$123 million dollars. On 19 July, the Company dispatched its Bidders Statement to Ammtec shareholders. The offer is conditional on the bid reaching 90 percent acceptance level. We believe our offer provides substantial value to existing shareholders of Ammtec and Greg will elaborate further on this initiative in his address.

Now I'd like to give you an overview of the past years' results.



Net profit after tax for the full year ended 31st March 2010 was 75 million dollars, a decrease of 29 per cent on the record 106 million dollars profit achieved in the 2008-09 year.

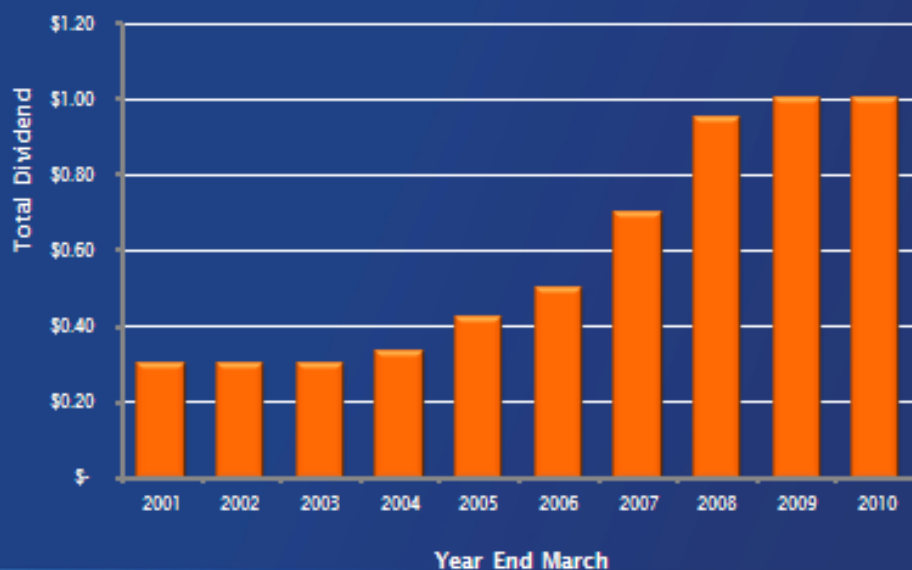
Earnings before interest, tax, depreciation and amortisation were 157 million dollars, a decrease of 22 per cent on the previous year.

Revenue was down 10 per cent to 826 million dollars.

It is worth noting that the after tax profit produced last year is the second highest profit reported in the history of Campbell Brothers. This is a commendable result as it was achieved under the shroud of the GFC. In historical terms, both revenue and profit compare very favourably with that achieved two years ago in 2008.

I will leave it to Greg to provide you with a more detailed review of divisional results.

## Maintaining Dividend Amount



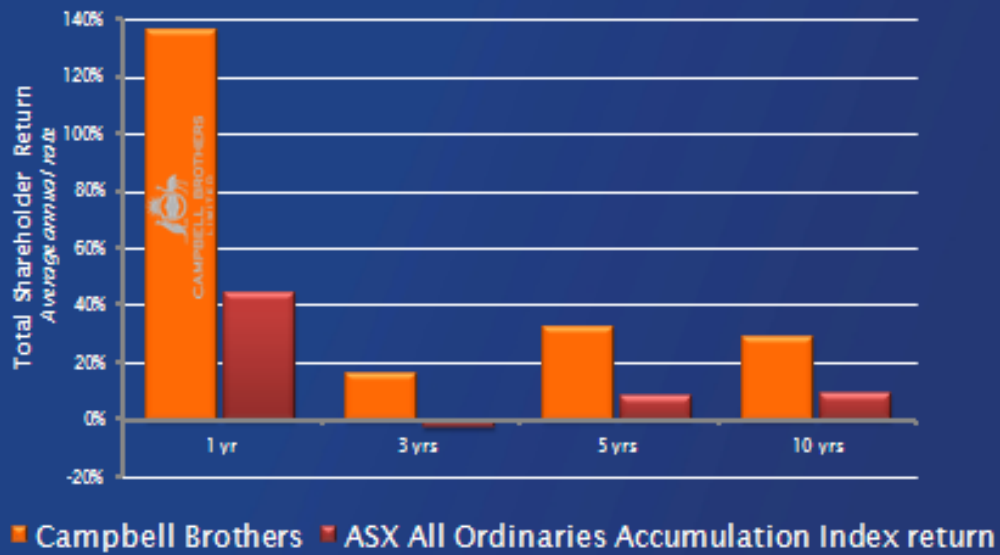
Earnings per share decreased 34 per cent to \$1.29 per share, in line with the reduced profit.

The weighted average number of shares on issue increased 7 per cent to almost 58 million shares as a result of the rights issue in November.

A final dividend of 55 cents per share, franked to 50 percent, was declared and paid on 1 July this year. This brought the total dividend paid to \$1.00 per share, franked to 50 percent. This maintained the dividend at the same level as the previous year.

Directors are mindful of the percentage of earnings generated overseas and the impact that this has on the ability of the Company to frank dividends into the future. The two Australian acquisitions undertaken during the year have gone some way to increase Australian taxable income to balance the earlier overseas expansion. Directors are hopeful of maintaining the current 50 percent franking for at least the next few years.

## Total Shareholder Return



Campbell Brothers shares over the past 10 years have achieved an average annual rate of return of 28.4 percent, significantly higher than the 8.8 percent return from the All Ordinaries Accumulation index over the same period. As of today Campbell Brothers is ranked 106 by market capitalization in the list of Australian ASX companies.

## Funding Strength

Debt Facilities Summary						
\$AUD million	Dec-10	Feb-11	May-11	Nov-11	May-12	Total
Committed	60	30	90	120	40	340
Drawn Mar 10	45	24	25	110	0	204
Available	15	6	65	10	40	136



I would now like to turn your attention to the current funding position of Campbell Brothers. By any measure, our funding position is very strong. Gearing, defined as net debt to net debt plus equity, was 19 percent at the end of the financial year. Interest cover was 10.5 times, a very conservative ratio.

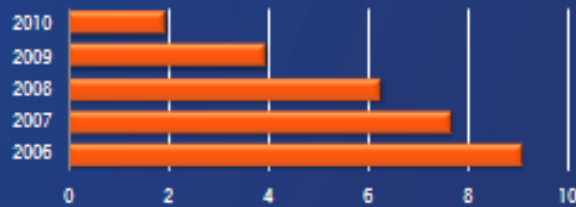
Finance facilities currently undrawn are \$136 million dollars, which provides the Company with enough funds for the Ammtec acquisition.

Apart from borrowings, another important measure of funding is free cash flow. Despite the challenging economic environment experienced last year, we continued to produce strong cash flows. The company generated 56.4 million dollars in free cash flow after interest, tax and capital expenditure. The ratio of capital expenditure to depreciation was 108 percent. This is a very low ratio in a company that has shown our exceptional growth over many years. In summary we are in a very strong financial position, and well placed to take advantage of any future opportunities as they might arise.

# Compliance and Risk Program

- Achieved LTIFR of 2 across the Group
  - ALS South America - 0 LTIFR
  - ALS Minerals (Australia) - 0 LTIFR
  - Reward Group - 0 LTIFR
- TRIFR down from 28 in 2006 to 9 in 2010
- Client recognition
  - Alcoa Kwinana site - ALS Industrial 8 years incident free
  - Chevron - ALS Indonesia 6 years incident free

Group LTIFR



**OPERATION SUSTAINABILITY- Adding value to your business**

Campbell Brothers recognizes that adopting sustainable business practices is essential to its long-term success. Operation Sustainability is a globally coordinated program that will be rolled out through the Campbell Brothers Group of companies to address sustainable practices into our operations. Sustainability is good for both the business bottom line and for the environment.

**VALUE CREATION**

With over 100 sites in the US, group, across small changes that are implemented on a local site level can have a significant impact on our productivity and our impact on the environment.

**Stage 1: AUDIT ENERGY & WASTE USAGE**

**Stage 2: CHANGE OPERATIONAL PRACTICES**

**Stage 3: FINE TUNE FOR LONG-TERM EFFICIENCY**

Operation Sustainability - Think Globally, Act Locally!

- Launch of Operation Sustainability drove waste and energy saving initiatives:
  - Coordinated energy and waste audits
  - Carbon footprint program
  - Identification of key operational practices for each site review
- Implementation of "Think Globally - Act Locally" resulted in completion of "green" projects:
  - Controls over air conditioning and electric motors
  - Installation of energy efficient lighting
  - Upgrade of waste treatment plants
  - Recycling programs
  - Adoption of energy efficient concepts in design of new buildings

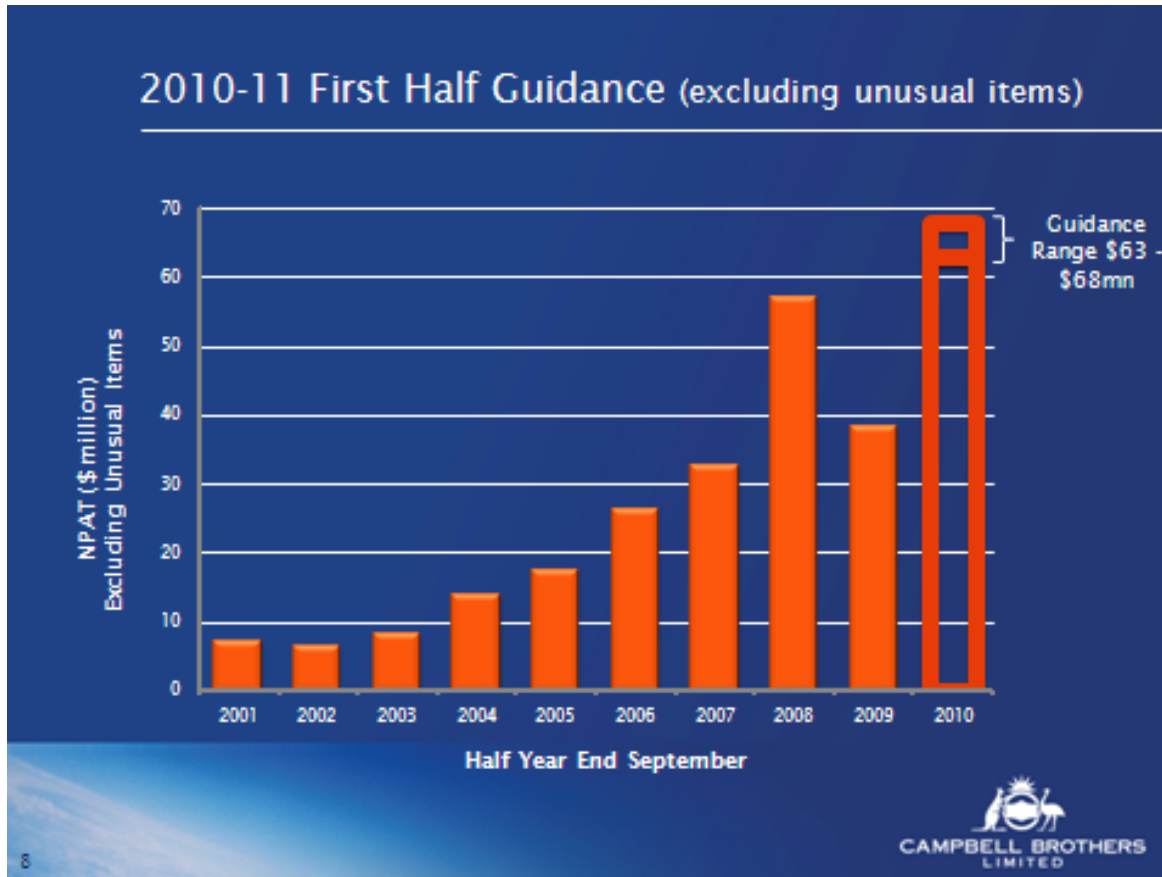


Campbell Brothers recognizes that its people are one of its most valuable assets and must ensure that it provides a safe workplace for all employees. In this regard, Campbell Brothers has set itself high standards in ensuring the safety of all its employees. A review of the performance of the company in regards to safety over the last few years provides testament to the success of this work and remains an ongoing focus. Last year the safety performance as measured by the Lost Time Injury Frequency Rate was reduced from 4 to 2.2. This is an exceptional result, bearing in mind that several years ago the lost time injury rate for the company was 14.

To put our safety record in context I wish to share the following data with you. In June 2009, Citi Group published statistics in relation to the safety performance of the 41 ASX 100 listed companies that publish their LTIFR results. Campbell Brothers LTIFR would place us in the top ten best performing companies when compared to that group. An outcome in which we can rightly feel proud.

As advised at last years' AGM, Mel Bridges was appointed to the Board on 29 September 2009 as a non-executive director, replacing Tony Love who retired after last year's AGM.

Later in this meeting, Mel will be offering himself for election. The Board will be seeking your support for Mel's election.



Before finishing, I would like to confirm the Company's profit guidance for the half year ending 30 September. The Board expects underlying net profit after tax for the six months ending 30th September to be in the range of 63 to 68 million dollars. This will be a record half year result.

In conclusion, I would like to pay tribute to the management of the company. Their efforts over the last eighteen months should not be understated. We are a company that is used to, and expects, well above average performance. This is relatively easy in growing markets, but is truly tested in tougher times. Over the last twelve months we have successfully completed two very strategic acquisitions to build for the future. We have not just weathered the GFC, but come through that period even stronger, when many companies were found to be wanting. Our minerals business shone in what was shaping up as the darkest of times and we had the second best year in the history of the company. To Greg, his executive team, our managers around the world, including those at this meeting and all of our staff, congratulations on a job well done

I would also like to thank you, the shareholders, for your continued support and my fellow directors for their stewardship throughout the year.

I now ask the Managing Director, Greg Kilmister, to present a more detailed overview of the Company's operational performance for the past financial year.

Thank you.