

AMMTEC LIMITED

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AMMTEC

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6 August 2010

The Manager
Company Announcements Office
ASX Limited

By electronic lodgement

Dear Sir / Madam

**AMMTEC LTD (ASX: AEC) – TAKEOVER BID BY AUSTRALIAN LABORATORY SERVICES PTY LTD –
SUPPLEMENTARY TARGET'S STATEMENT**

We **enclose**, by way of service pursuant to section 647(3) of the *Corporations Act 2001 (Cth)*, a copy of a supplementary target's statement of Ammtec Ltd ACN 063 332 516 (**Ammtec**) in response to the off-market takeover bid by Australian Laboratory Services Pty Ltd ACN 009 936 029 (**Bidder**) for all of the fully paid ordinary shares in Ammtec (**Offer**) (**Supplementary Target's Statement**).

The Supplementary Target's Statement supplements and should be read together with the Target's Statement dated 23 July 2010 (**Target's Statement**) in relation to the Offer.

The Supplementary Target's Statement has been lodged with ASIC and served on the Bidder today.

Yours faithfully

Sharyn Long
Company Secretary

Encl.

For personal use only



Supplementary Target's Statement

This document is a supplementary target's statement dated 6 August 2010 under section 644 of the Corporations Act (**Supplementary Target's Statement**) and was lodged with ASIC on 6 August 2010. Neither ASIC nor any of its officers takes any responsibility for the content of this Supplementary Target's Statement.

This Supplementary Target's Statement is issued by Ammtec Ltd ACN 063 332 516 (**Ammtec**) in relation to an off-market bid by Australian Laboratory Services Pty Ltd ABN 78 000 527 382 (**ALS**) to acquire all of the issued shares in Ammtec (**Offer**), as set out in the bidder's statement dated 5 July 2010 (**Bidder's Statement**).

This Supplementary Target's Statement supplements and should be read together with the Target's Statement dated 23 July 2010 (**Target's Statement**) in relation to the Offer.

Unless the context otherwise requires, terms defined in the Target's Statement have the same meaning in this Supplementary Target's Statement.

On the basis of the information outlined in the Target's Statement and this Supplementary Target's Statement, the Directors continue to unanimously recommend that Ammtec Shareholders REJECT the Offer

UPDATE SINCE LODGEMENT OF TARGET'S STATEMENT

Purpose of supplementary disclosure

The purpose of this Supplementary Target's Statement is to:

- (a) clarify the statements on pages 1, 14 and 17 of the Target's Statement to the effect that Ammtec Shareholders who together control 20.3% of the Ammtec Shares have indicated to Ammtec in writing on a non-binding basis that, subject to no new information becoming available, they will not accept the Offer in its current form; and
- (b) update the market with information on additional Ammtec Shareholders who intend to reject the Offer.

Clarification of statements on pages 1, 14 and 17 of the Target's Statement

Between the date of the Bidder's Statement and the date the Target's Statement was lodged with the ASIC, Ammtec contacted (and was contacted by) a number of Ammtec Shareholders in relation to the Offer (including Ammtec Directors and management). Of those Ammtec Shareholders, 42 of them (holding 20.3% in aggregate of Ammtec's issued Share capital) indicated to the Company that they intend to reject the Offer (**Offer Rejection Statements**).

Of the 42 Ammtec Shareholders who made an Offer Rejection Statement to the Company, 41 did so in the following form:

"The party set out below confirms that, based on its current circumstances (which may change) it does not intend to accept the Offer by Campbell Brothers Limited in its current form. The party below reserves the right to change its intentions at any time (but covenants to provide at least 2 business days' notice to Ammtec Limited).

The party set out below consents to a statement being included in the target's statement to be prepared by Ammtec Limited as set out below (in the form and context in which it is included):

"A number of AEC other shareholders, who hold approximately [x]% of Ammtec shares, have confirmed to Ammtec on a non-binding basis that, subject to no new information becoming available, they will not accept the Campbell Brothers Limited offer. "

The remaining Ammtec Shareholder who made an Offer Rejection Statement (holding 125,000 Ammtec Shares) did so by email to the Company, but declined to provide a statement in the form set out above.

The Ammtec Directors' individual holdings comprise 11 of the 42 shareholdings discussed above, amounting in aggregate to 3.8% of the 20.3%.

Of the remaining 31 shareholdings, the following are controlled by associated parties:

- (a) 2 shareholdings amounting to 1,396,682 shares in aggregate (approximately 3.8%);
- (b) 2 shareholdings amounting to 181,234 Shares in aggregate (approximately 0.5%);
- (c) 2 shareholdings amounting to 118,519 Shares in aggregate (approximately 0.3%);

- (d) 2 shareholdings amounting to 79,195 Shares in aggregate (approximately 0.3%); and
- (e) 2 shareholdings amounting to 27,882 Shares in aggregate (approximately 0.1%).

Other than those discussed above, Ammtec is not aware of any associate relationship between the 42 Shareholders.

Of the 42 Shareholders, the Shareholder with the largest shareholding holds 895,466 Shares, amounting to 2.5% of Ammtec's issued Share capital, and the Shareholder with the smallest shareholding holds 15,000 Shares, amounting to 0.04% of Ammtec's issued Share capital.

Ammtec describes the Offer Rejection Statements as non-binding in the Target's Statement on the basis that Ammtec considers them to be statements of present intention (because the Ammtec Shareholders may change their mind). Notwithstanding this, 41 of the 42 Ammtec Shareholders who made an Offer Rejection Statement have undertaken to provide Ammtec with 2 Business Days' notice if they decide to change their mind, with one of those 41 Ammtec Shareholders reserving the right to not provide such notice where it is impractical to do so due to the terms of certain prime broking and custodial arrangements.

Additional Ammtec Shareholders who intend to REJECT the Offer

Since the lodgement of the Target's Statement with the ASIC on 23 July 2010, a further 4 Ammtec Shareholders who together control 160,607 Shares (amounting to 0.4% of Ammtec's issued Share capital) have made Offer Rejection Statements to Ammtec (in the form set out above).

Including the additional Ammtec Shareholders set out above, a total of 46 Ammtec Shareholders (holding 20.7% in aggregate of Ammtec's issued Share capital) have provided an Offer Rejection Statement to the Company.

AUTHORISATION

This Supplementary Target's Statement has been approved by a resolution passed by the Directors of Ammtec.



Ron Grogan
Executive Director
Signed for and on behalf of
Ammtec Ltd