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24 July 2013

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

CHAIRMAN'S ADDRESS TO SCHEME MEETING

ISS Group Limited (ISS) (ASX:ISS) will hold a meeting of its shareholders at 11.00am (Perth time) today (24 July 2013) to vote on a proposed scheme of arrangement under which P2ES Holdings, Inc. will acquire all of the outstanding ISS shares on issue for a cash consideration of \$0.33 per ISS share.

Attached is a copy of the address to be given to the meeting by ISS's Chairman, Evan Cross.

Contacts

Name	Company	Contact
Evan Cross	Chairman ISS Group Limited	+61 8 9241 0300
Richard Pang	Chief Executive Officer ISS Group Limited	+61 8 9241 0300

About ISS Group Limited

ISS Group delivers operational management software solutions to the global Oil and Gas, Mining, Metals, Minerals and Manufacturing industries. ISS Group was established in 1995 and listed on the ASX in 2004. The Company has offices in Australia, US, Europe and Asia and has a blue chip client base including Chevron, BHP Billiton, Woodside, Santos, Rio Tinto, Shell, BG Group, BP, Hess Corporation, Maersk Oil, Petronas, PTTEP and Fortescue Metals.

The BabelFish™ product suite comprises a number of integrated modules that enable operations to capture, validate, analyse and report against business critical data and workflows. BabelFish™ provides an efficient and integral decision making and problem solving environment for personnel in operations, engineering and business management.

Please visit the ISS Group website www.issgroup.com.au for further information.

ISS Group Limited (ABN 27 109 443 852)

Scheme of Arrangement

Chairman's Address

For: the Scheme Meeting of members of ISS Group Limited called to approve a proposed scheme of arrangement under which P2ES Holdings, Inc would acquire all of the fully paid ordinary shares in the capital of ISS and ISS shareholders will receive 33 cents per ISS share.

Held: Suite 1, 40 Hasler Road, Osborne Park, WA 6017 on 24 July 2013, commencing at 11.00am (Perth time).

Opening

Good morning ladies and gentlemen, I am Evan Cross, Non Executive Chairman of ISS Group Limited. The Court orders convening this meeting state that I am to be chairman of today's meeting.

I would like to begin by welcoming you to today's Scheme Meeting and thank you for your attendance. I would also like to acknowledge my fellow board members, the management, staff, and shareholders for their commitment to the Company since its listing on the Australian Securities Exchange in 2004.

Today is a significant day in the history of ISS. Today, shareholders will be asked to vote on a proposed scheme of arrangement under which P2ES Holdings, Inc would acquire all of the fully paid ordinary shares in the capital of ISS and ISS shareholders will receive 33 cents per ISS share (the **Scheme**).

A copy of the orders of the Federal Court of Australia made on 20 June 2013 have been distributed. Additional copies of the orders are available at the front of the meeting room for ISS shareholders who have not received a copy.

Business of Meeting

The purpose of this meeting is to seek the agreement of shareholders to the Scheme.

It is past 11.00am (being the scheduled start time for the meeting) and now time to commence the Scheme Meeting.

Scheme Meeting

I am advised that a quorum is present and I therefore declare the Scheme Meeting open.

Before I introduce your Directors, I will outline the conduct of today's meeting.

I remind everyone that this is a shareholders' meeting and only shareholders, appointed proxies, corporate representatives and attorneys have the right to speak and vote at the meeting. We have allowed visitors and press into the meeting.

Emergency exits are located around the room. In the event of an emergency, please make your way to an exit.

As outlined in ISS's scheme booklet dated 20 June 2013 (**Scheme Booklet**), the resolution to be voted on by shareholders at today's meeting will be decided by a poll.

Board

I would now like to introduce to you my fellow ISS Directors. They are:

- Mr Richard Pang – Managing Director and Chief Executive Officer;
- Mr Shane Atwell – Non-Executive Director; and
- Mr Colin Yamey – Non-Executive Director.

Overview of the Scheme

Ladies and Gentlemen, the purpose of this meeting is to consider and, if thought fit, to pass a resolution to approve the proposed merger of the Company with P2ES Holdings, Inc. by way of a scheme of arrangement.

Before putting the resolution to the meeting, I will now provide an overview of the proposed Scheme and an update as to the satisfaction or otherwise of conditions precedent to the Scheme.

On 4 June 2013, ISS announced that it had entered into a Merger Implementation Agreement with P2 under which they agreed to merge by way of a members' scheme of arrangement. If approved and implemented, the Scheme will result in P2 acquiring all of the issued fully paid shares in the capital of ISS with ISS shareholders receiving 33 cents for each share they hold in ISS. The Scheme implies a value for ISS of approximately \$45,000,000.

As noted in the Scheme Booklet, P2 is one of the largest independent providers of software and data solutions exclusively serving the upstream oil and gas industry and provides a leading integrated data and software suite that enables mission-critical upstream oil and gas workflows, including land management, financial accounting, environmental, health and safety compliance and oil and gas well life-cycle management.

The Scheme consideration represents a substantial premium to ISS's historical trading prices and accordingly, the ISS Directors believe that the Scheme warrants serious consideration by ISS shareholders. While ISS continues to have a positive outlook as an independent ASX-listed company, the ISS Directors believe that the Scheme consideration is attractive, and appropriately recognises the inherent value in ISS's products and growth opportunities in the medium term. The Scheme also provides certain cash proceeds for your ISS shares at a time of high equity market volatility and uncertainty surrounding the global economic outlook.

Implementation of the Scheme is conditional on, amongst other things:

- the approval by ISS shareholders of the resolution to be considered at today's meeting; and
- the Federal Court of Australia approving the Scheme at the second court hearing which is scheduled to be held in Perth on Friday 26 July 2013 at 2:15pm.

There are a number of other conditions to the Scheme set out in the Merger Implementation Agreement and the Scheme Booklet. With the exception of the approval of ISS shareholders and Court approval, the other conditions have now been met or are expected to be met before the second court hearing.

Further details in relation to the Scheme are set out in the Scheme Booklet which was made available to shareholders in accordance with Court orders.

Independent Expert's Report

To assist ISS shareholders in making a decision on P2's proposal, your board appointed

RSM Bird Cameron Corporate Pty Ltd as independent expert to assess the merits and benefits of the proposed Scheme. The independent expert's report – published in the Scheme Booklet – concludes that the Scheme is in the best interests of ISS shareholders. RSM Bird Cameron assessed the fair value of an ISS share on a control basis at between \$0.24 and \$0.28. The Scheme consideration of \$0.33 per ISS share implies a premium to the assessed fair value of an ISS share of between 17.9% and 37.5%.

Board Recommendation

Your ISS Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a superior proposal for the following reasons:

- The independent expert has concluded that the Scheme is in the best interests of ISS shareholders;
- The Scheme consideration of \$0.33 per ISS share represents a significant premium to ISS's historical trading prices;
- ISS shareholders will receive certain value for their investment;
- Since the announcement of the Scheme, no alternative proposal has emerged;
- The ISS share price is likely to fall if the Scheme is not implemented; and
- No brokerage or stamp duty will be payable on the transfer of your ISS shares under the Scheme.

Although the Scheme is unanimously recommended by your ISS Directors and the independent expert has concluded that the Scheme is in the best interests of ISS shareholders, factors which may lead you to consider voting against the Scheme include:

- you may disagree with your ISS Directors and the independent expert and believe that the Scheme is not in your best interests;
- if the Scheme proceeds, you will no longer be an ISS shareholder and you will not participate in any potential upside that may result from being an ISS shareholder;
- the tax consequences of the Scheme for you may not be suitable to your financial position; and
- you may consider that there is potential for a superior proposal to be made in relation to ISS in the foreseeable future.

Questions

I will now take questions from the floor in relation to the proposed Scheme.

If you wish to ask a question, please stand and an attendant will take your name and introduce you for the benefit of the other attendees of this meeting.

Please have your pink shareholder voting card or green proxyholder voting card available. I remind you that only those persons holding pink or green cards are eligible to ask questions at the meeting and I ask that you show your card to the attendant before he or she introduces you.

Are there any questions in relation to the proposed Scheme?

(Take questions)

I believe there are no further questions in relation to the Scheme and I therefore conclude discussion on this item of business.

I will now move on to the formal part of the business of this meeting.

Notice of Scheme Meeting

The notice of scheme meeting dated 20 June 2013 was sent to all ISS shareholders in the mail as part of the Scheme Booklet. With the consent of the meeting, I will take the notice of scheme meeting as read.

Resolution

Shareholders are being asked to approve a resolution that the Company merge with P2ES Holdings, Inc. by way of a scheme of arrangement.

I hereby move that:

'That, pursuant to and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between ISS Group Limited and the holders of its ordinary shares, as contained in and more particularly described in the scheme booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Federal Court of Australia to which ISS Group Limited and P2ES Holdings, Inc. agree.'

In order for the resolution to be passed, it must be agreed to by:

- unless the Court orders otherwise, a majority in number (more than 50%) of shareholders of ISS present and voting at the meeting (either in person or by proxy, attorney or, in the case of corporate ISS Shareholders, corporate representative); and
- at least 75% of the total number of votes cast on the resolution at the meeting by shareholders of ISS present and voting at the meeting (either in person or by proxy, attorney or corporate representative).

Proxy Position

The proxy position for the proposed resolution to agree to the Scheme will now appear on the screen behind me.¹

Voting

We will now proceed to vote on the resolution to agree to the Scheme as set out in the notice of meeting. I will now put the resolution to the meeting and as required by the order of the Court, I now direct that the proposed resolution be determined by a poll.

Lily Wang of Advanced Share Registry and their staff have been appointed to act as returning officer for the purposes of this poll.

I will now read out the voting procedures to you.

As set out in further detail in the notice of meeting, people entitled to vote on this poll are shareholders, proxyholders, attorneys and corporate representatives of shareholders.

To be eligible to vote,

- **if you are a shareholder**, you would have been issued with a pink voting card and white poll ballot slip when registering for the meeting;
- **if you are a proxyholder**, you should have received a green voting card when registering for the meeting.

If there is any person present who believes they are entitled to vote but does not have a voting card, would you please raise your hand and an Advanced Share Registry staff member will assist you.

If you are a proxyholder and only have directed votes (for and/or against) you should have also received a spreadsheet report summarising the amount of shareholders who have appointed you as proxyholder and the directed votes (for and/or against) of such shareholders along with a green poll ballot slip. All you need to do is complete the green poll ballot slip and lodge it in a ballot box. If you have been directed to abstain from voting, you should not complete or lodge the green poll ballot slip.

If you are a proxyholder with open votes, when registering for the meeting you should have also received a spreadsheet report summarising the amount of shareholders who have appointed you as proxyholder and the amount of discretionary votes you can use to vote in the poll along with a white poll ballot slip. You will need to mark a box beside the resolution on the white poll ballot slip to indicate how you wish to cast the open votes (for or against) and lodge it in the ballot box. If you wish to abstain you should not complete or lodge your white poll ballot slip.

All other people who have a white poll ballot slip also need to mark a box beside the resolution to indicate how you wish to cast the open votes (again, for or against). If you wish to abstain you should not complete or lodge your poll ballot slip.

Please ensure that you sign the poll ballot slip or report. When you have finished filling in your poll ballot slip or report, please lodge it in the ballot box. Your vote cannot be counted unless it is lodged – this includes any proxyholder who only has directed votes.

¹ Refer to Appendix A for summary of proxy position.

If you require any assistance, Advanced Share Registry staff are here to assist you. Please raise your hand if you require assistance.

(Pause here whilst voting papers are completed)

Would you please indicate by raising your hand if you require more time to complete your voting paper?

Thank you, Advanced Share Registry staff will now collect the voting papers.

(Pause here while Advanced Share Registry staff collect voting papers)

I believe all voting papers have now been collected and I declare the poll closed.

The share registry will now count the votes. This may take 15 or 20 minutes.

While counting is occurring, I propose to stand the meeting over and ask you to join us for refreshments at the back of the room.

Following that we hope to have the results of the poll and I will recommence the meeting and declare the results.

Accordingly, I declare that the meeting is stood over at [say time] while Advanced Share Registry collates the votes and reviews the results of the poll.

If you do not wish to wait to hear the results of the poll, the results will be announced to the ASX in the usual manner.

(Meeting stood over)

I now continue the meeting at [say time] to declare the poll results,

The results of the poll are as follows:

- [say percentage]% of votes cast in favour of the resolution; and
- [say percentage]% of the number of shareholders voting (either in person or by proxy) in favour of the resolution.

The resolution has been carried by the requisite majorities for the purposes of the Corporations Act.

Ladies and gentlemen, I now declare the meeting closed at [say time]. I would like to thank you all for your attendance.

Close

Appendix A

Summary of Proxy Position

Resolution	Number of Shareholders		Number of Votes	
For	197	81.7%	80,918,714	77.8%
Proxy's discretion	31	12.9%	7,307,929	7.0%
Against	13	5.4%	15,830,807	15.2%
Abstain	0	0.0%	0	0.0%
Total	241	100.0%	104,057,450	100.0%