THE MERGER AGREEMENT

The following summary describes certain material provisions of the Merger Agreement, which is attached as Annex A to this proxy statement/prospectus and which is incorporated by reference herein. The description in this section and elsewhere in this proxy statement/prospectus is qualified in its entirety by reference to the Merger Agreement. This summary does not purport to be complete and may not contain all of the information about the Merger Agreement that is important to you. Granite and Layne encourage you to read carefully the Merger Agreement in its entirety before making any decisions regarding the Merger because it is the principal document governing the Merger.

The Merger Agreement and this summary of its terms have been included to provide you with information regarding the terms of the Merger Agreement. Factual disclosures about Granite or Layne contained in this proxy statement/prospectus or in Granite's or Layne's public reports filed with the SEC may supplement, update or modify the factual disclosures about Granite or Layne contained in the Merger Agreement and described in this summary. The representations, warranties and covenants made in the Merger Agreement by Granite, Layne and Merger Sub were qualified and subject to important limitations agreed to by Granite, Layne and Merger Sub in connection with negotiating the terms of the Merger Agreement and may be subject to a contractual standard of materiality which may differ from what may be viewed as material by investors. In particular, in your review of the representations and warranties contained in the Merger Agreement and described in this summary, it is important to bear in mind that the representations and warranties were negotiated with the principal purposes of establishing the circumstances in which a party to the Merger Agreement may have the right not to close the Merger if the representations and warranties of the other party prove to be untrue due to a change in circumstance or otherwise, and allocating risk between the parties to the Merger Agreement, rather than establishing matters as facts. Information concerning the subject matter of the representations and warranties, which do not purport to be accurate as of the date of this proxy statement/prospectus, may have changed since the date of the Merger Agreement.

The Merger

Subject to the terms and conditions of the Merger Agreement and in accordance with the DGCL, at the Effective Time, Merger Sub, a wholly owned subsidiary of Granite and a party to the Merger Agreement, will merge with and into Layne. Layne will survive the Merger as a wholly owned subsidiary of Granite, and the separate corporate existence of Merger Sub will cease.

Effective Time; Closing

The Merger will become effective upon the filing of a certificate of merger with the Secretary of State of the State of Delaware or at such later time as is agreed upon by Granite and Layne and specified in such certificate of merger. The closing of the Merger will occur as soon as practicable (but no later than two business days) following the day on which the last to be satisfied or waived of the conditions to the Merger set forth in the Merger Agreement and described in this proxy statement/prospectus (other than conditions which by their terms are required to be satisfied or waived at the closing, but subject to the satisfaction or waiver of such conditions) has been satisfied or waived in accordance with the Merger Agreement, or at such other time and place as agreed upon by Granite and Layne (but in no event later than September 30, 2018).

Although Granite and Layne expect to consummate the Merger as soon as possible following the Special Meeting (in the event Layne's stockholders adopt the Merger Agreement), neither Granite nor Layne can specify when or make any assurances that Granite and Layne will satisfy or waive all of the conditions to the Merger. See " *—Conditions to the Merger* " beginning on page 100 of this proxy statement/prospectus.

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Merger Consideration

Layne Common Stock

At the Effective Time, each share of Layne Common Stock then issued and outstanding (other than shares (a) held in treasury of Layne or (b) directly or indirectly owned by Granite, Merger Sub or a wholly owned subsidiary of Layne) will be cancelled and converted based on the Exchange Ratio, into 0.27 validly issued, fully paid and non-assessable shares of Granite Common Stock. No fractional shares of Granite Common Stock will be issued in the Merger and Layne's stockholders will receive cash in lieu of any fractional share. Granite expects that it will issue approximately 5.4 million shares of Granite Common Stock in the Merger, excluding any shares that may subsequently be issued in connection with conversion of the 8.0% Convertible Notes.

Treatment of Layne Stock Options, Layne RSUs and Layne PSUs

Layne Stock Options

Each Layne Stock Option that is outstanding immediately prior to the Effective Time (whether vested or unvested) shall, immediately prior to the Effective Time, automatically and without any action on the part of any holder of Layne Stock Option be cancelled and, in exchange therefor, converted into the right to receive an amount of cash, if any, equal to the product of (a) the number of shares of Layne Common Stock issuable upon the exercise of the Layne Stock Option, multiplied by (b) the excess, if any, of (1) the Layne Equity Award Consideration, over (2) the exercise price of the Layne Stock Option. Such cash amount, net of applicable withholding tax, will be paid to the holder as soon as practicable following the Effective Time.

Layne RSUs

Each Layne RSU that is outstanding immediately prior to the Effective Time (whether vested or unvested) shall automatically and without any action on the part of any holder of any Layne RSU, be cancelled and, in exchange therefor, converted into the right to receive an amount of cash (without interest) equal to the product of (a) the number of shares of Layne Common Stock in respect of the Layne RSU, multiplied by (b) the Layne Equity Award Consideration. Such cash amount, net of applicable withholding tax, will be paid to the holder at the earliest time permitted under the terms of the award, such that it does not result in tax penalties.

Layne PSUs

Each Layne PSU that is outstanding and unvested immediately prior to the Effective Time shall, immediately prior to the Effective Time of the Merger, vest, and the underlying number of Layne shares earned be determined based on the maximum level of achievement of the applicable performance goals.

All Layne PSUs that are vested immediately prior to the Effective Time (including the Layne PSUs that vest pursuant to the terms of the Merger Agreement) shall automatically and without any action on the part of any holder of any Layne PSU, be cancelled and, in exchange therefor, converted into the right to receive an amount of cash (without interest) equal to the product of (a) the number of shares of Layne Common Stock earned in respect of the Layne PSU, multiplied by (b) the Layne Equity Award Consideration. Such cash amount, net of applicable withholding tax, will be paid to the holder as soon as practicable following the Effective Time, such that it does not result in tax penalties.

Withholding

Granite, Layne, Merger Sub, the Surviving Corporation and the exchange agent will be entitled to deduct and withhold from the consideration otherwise payable pursuant to the Merger Agreement such amounts or securities as are required to be deducted and withheld with respect to the making of any such payment under applicable tax law. Prior to the Effective Time, Granite, Merger Sub or the exchange agent shall provide

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commercially reasonable notice to Layne upon becoming aware of any withholding obligation (other than with respect to Layne Stock Options, Layne RSU or Layne PSU) and shall cooperate with Layne to the extent reasonable to obtain reduction of or relief from such withholding. Amounts withheld and timely paid to the appropriate governmental authority will be treated for purposes of the Merger Agreement as having been paid to the person in respect of which such deduction or withholding was made.

Dividends and Distributions

No dividends or other distributions declared or made with respect to shares of Granite Common Stock issued in connection with the Merger will be paid to the holder of any unsurrendered shares of Layne Common Stock until such shares of Layne Common Stock are surrendered. Following surrender and subject to applicable law, the record holder of the shares of Granite Common Stock issued in exchange for such shares of Layne Common Stock shall be paid, without interest, (a) all dividends and other distributions payable in respect of any such shares of Granite Common Stock with a Record Date after the Effective Time and a payment date on or prior to the date of such surrender and not previously paid, and (b) at the appropriate payment date, the dividends or other distributions payable with respect to such shares of Granite Common Stock with a Record Date after the Effective Time but with a payment date subsequent to such surrender. For purposes of dividends or other distributions in respect of shares of Granite Common Stock, all shares of Granite Common Stock to be issued pursuant to the Merger will be entitled to dividends pursuant to the above terms as if issued and outstanding as of the Effective Time.

Conditions to the Merger

The obligations of Granite, Merger Sub and Layne to effect the Merger are subject to the satisfaction or waiver of the following conditions:

- the Merger Agreement must have been adopted by the affirmative vote of the holders of a majority of the issued and outstanding shares of Layne Common Stock;
- the waiting period (and any extension thereof) applicable to the Merger under the HSR Act must have expired or termination thereof must have been granted (early termination of the waiting period under the HSR Act granted on March 12, 2018);
- no temporary restraining order, preliminary or permanent injunction or other order issued by any governmental authority or court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Merger may be in effect; nor may there be any statute, rule, regulation or order enacted, entered, or enforced that prevents or prohibits the consummation of the Merger;
- the registration statement of which this proxy statement/prospectus forms a part must have been declared effective by the SEC and must not be the subject of any stop order, and no proceedings for such purposes may be pending before or threatened by the SEC; and
- the shares of Granite Common Stock to be issued to Layne stockholders in the Merger must have been approved for listing on NYSE, subject to official notice of issuance.

In addition, Granite's and Merger Sub's obligations to effect the Merger are subject to the satisfaction or waiver of the following additional conditions:

- the representations and warranties of Layne relating to organization and qualification; governing documents; capital structure; the authority, validity and effect of agreements; approval by the Layne Board of the Merger, the Merger Agreement and related determinations; receipt of the opinion of Layne's financial advisor; brokers' fees and expenses; and compliance with applicable anti-takeover laws must be true and correct in all respects as of the date of the Merger Agreement and as of the closing date of the Merger as though made at and as of such time (or if made as of a specific date, at and as of such date);

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- all other representations and warranties of Layne contained in the Merger Agreement must be true and correct (without regard to any qualifications therein as to materiality or material adverse effect), as of the date of the Merger Agreement and as of the closing date of the Merger as though made at and as of such time (or, if made as of a specific date, at and as of such date), except for such failures to be true and correct as would not reasonably be expected to have, individually or in the aggregate, a Layne material adverse effect;
- Layne must have performed in all material respects all obligations and agreements required to be performed by it under the Merger Agreement prior to or on the closing date of the Merger;
- since the date of the Merger Agreement, there must not have occurred a Layne material adverse effect;
- Layne must have delivered to Granite an officer's certificate certifying that the preceding conditions have been satisfied; and
- the receipt of an opinion from Jones Day, or if Jones Day is unable or unwilling to deliver this opinion, from Latham & Watkins, dated as of the closing, to the effect that the Merger will qualify for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Code.

In addition, Layne's obligations to effect the Merger are subject to the satisfaction or waiver of the following additional conditions:

- the representations and warranties of Granite and Merger Sub relating to organization and qualification; the authority, validity and effect of agreements; accuracy of the information supplied by Layne for inclusion in this proxy statement/prospectus; business combinations with an "interested stockholder"; valid authorization of shares to be issued; and brokers' fees and expenses must be true and correct in all respects as of the date of the Merger Agreement and as of the closing date of the Merger as though made at and as of such time (or if made as of a specific date, at and as of such date);
- all other representations and warranties of Granite and Merger Sub contained in the Merger Agreement must be true and correct (without regard to any qualifications therein as to materiality or material adverse effect), as of the date of the Merger Agreement and as of the closing date of the Merger as though made at and as of such time (or, if made as of a specific date, at and as of such date), except for such failures to be true and correct as would not reasonably be expected to have, individually or in the aggregate, a Granite material adverse effect;
- Granite and Merger Sub must have performed in all material respects all obligations and agreements required to be performed by it under the Merger Agreement prior to or on the closing date of the Merger;
- since the date of the Merger Agreement, there must not have occurred a Granite material adverse effect;
- Granite must have delivered to Layne an officer's certificate certifying that the preceding conditions have been satisfied; and
- the receipt of an opinion from Latham & Watkins, or if Latham & Watkins is unable or unwilling to deliver this opinion, from Jones Day, dated as of the closing, to the effect that the Merger will qualify for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Code.

As defined in the Merger Agreement, Layne "material adverse effect" means (a) a material adverse effect on the business, assets, results of operations or financial condition of Layne and its subsidiaries, taken as a whole, or (b) an effect that prevents or materially impairs the ability of Layne to perform its obligations under the Merger Agreement or consummate the transactions contemplated thereby, other than, for the purposes of clause (a), any effect arising out of or resulting from any of the following: (1) a decline in the market price, or a change in the trading volume of, the shares of Layne Common Stock (*provided* that clause (1) shall not preclude any effect,

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event, occurrence, development, state of facts or change that may have contributed to or caused such changes and is not excluded by clauses (2)—(7) of this definition from being taken into account in determining whether a Layne material adverse effect has occurred); (2) general water management and services industry, economic, market or political conditions; (3) acts of war, sabotage or terrorism, natural disasters, acts of God or comparable events; (4) changes in applicable law, GAAP or other applicable accounting standards following the date of the Merger Agreement; (5) the negotiation, execution, announcement, pendency or performance of the Merger Agreement or the transactions contemplated thereby or the consummation of the transactions contemplated thereby (*provided* that this clause (5) shall not preclude any breach of the representations and warranties made in Layne's no conflicts representation from being taken into account in determining whether a Layne material adverse effect has occurred); or (6) any failure to meet revenue or earnings projections, in and of itself, for any period ending on or after the date of the Merger Agreement (*provided* that this clause (6) shall not preclude any effect, event, occurrence, development, state of facts or change that may have contributed to or caused such failure to meet revenues or earnings projections from being taken into account in determining whether a Layne material adverse effect has occurred); or (7) any specific action taken (or omitted to be taken) by Layne that is expressly required or contemplated by the terms of the Merger Agreement; *provided, however* , in the case of clauses (2), (3) and (4), except to the extent that Layne and its subsidiaries, taken as a whole, are disproportionately adversely affected relative to other participants in the industries in which Layne and its subsidiaries participate.

As defined in the Merger Agreement, Granite "material adverse effect" means (a) a material adverse effect on the business, assets, results of operations or financial condition of Granite and its subsidiaries, taken as a whole, or (b) an effect that prevents or materially impairs the ability of Granite or Merger Sub to perform its obligations under the Merger Agreement or consummate the transactions contemplated thereby, other than, for the purposes of clause (a), any effect arising out of or resulting from any of the following: (1) a decline in the market price, or a change in the trading volume of, the shares of Granite Common Stock (*provided* that clause (1) shall not preclude any effect, event, occurrence, development, state of facts or change that may have contributed to or caused such changes and is not excluded by clauses (2)—(7) of this definition from being taken into account in determining whether a Granite material adverse effect has occurred); (2) general construction industry, economic, market or political conditions, or the financing, banking, currency or capital markets generally, including with respect to interest rates or currency exchange rates; (3) acts of war, sabotage or terrorism, natural disasters, acts of God or comparable events; (4) changes in applicable law, GAAP or other applicable accounting standards (or the interpretation or enforcement thereof) following the date of the Merger Agreement; (5) the negotiation, execution, announcement, pendency or performance of the Merger Agreement or the transactions contemplated thereby or the consummation of the transactions contemplated thereby (*provided* that this clause (5) shall not preclude any breach of the representations and warranties made in Granite's and Merger Sub's no conflicts representation from being taken into account in determining whether a Granite material adverse effect has occurred); (6) any failure to meet revenue or earnings projections, in and of itself, for any period ending on or after the date of the Merger Agreement (*provided* that this clause (6) shall not preclude any effect, event, occurrence, development, state of facts or change that may have contributed to or caused such failure to meet revenues or earnings projections from being taken into account in determining whether a Granite material adverse effect has occurred); or (7) any specific action taken (or omitted to be taken) by Granite that is expressly required or contemplated by the terms of, the Merger Agreement; *provided, however* , in the case of clauses (2), (3) and (4), except to the extent that Granite and its subsidiaries, taken as a whole, are disproportionately affected relative to other participants in the industries in which Granite and its subsidiaries participate.

The Special Meeting

Layne has agreed to call a Special Meeting for the purpose of obtaining the adoption of the Merger Agreement by Layne stockholders as promptly as practicable after the definitive proxy statement is cleared by the SEC for mailing to Layne stockholders (but in no event later than 45 calendar days following the date of such clearance).

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Unless the Layne Board has effected an adverse recommendation change (as described in " *—No Solicitation of Acquisition Proposals* " below), Layne must recommend that the holders of shares of Layne Common Stock vote in favor of the adoption of the Merger Agreement, include in such proxy statement such recommendation and solicit proxies from Layne's stockholders in favor of and use its reasonable best efforts to obtain adoption of the Merger Agreement by Layne's stockholders.

Layne may, in its sole discretion, adjourn or postpone the Special Meeting (a) to ensure any supplement or amendment to the proxy statement required under applicable law is timely provided to Layne stockholders within a reasonable amount of time, in the good faith judgment of the Layne Board (after consultation with its outside counsel and Granite), in advance of the Special Meeting, (b) if required by law or a request from the SEC or its staff, or (c) if, on the date for which the Special Meeting is scheduled, Layne has not received proxies representing a sufficient number of shares of Layne Common Stock to obtain the adoption of the Merger Agreement by Layne stockholders, whether or not a quorum is present; *provided* that (a) the duration of any such adjournment or postponement is limited to the minimum duration reasonably necessary to remedy the circumstances giving rise to such adjournment or postponement, (b) no single such adjournment or postponement may be for more than five business days except as required under applicable law, and (c) in the case of clause (c), the Special Meeting shall not be postponed to later than the date that is 10 business days after the date for which the Special Meeting was originally scheduled without the prior written consent of Granite.

No Solicitation of Acquisition Proposals

The Merger Agreement contains detailed provisions prohibiting Layne from seeking an alternative transaction to the Merger. Under these "no solicitation" provisions, Layne has agreed that, from the time of the execution and delivery of the Merger Agreement until the earlier of the Effective Time or the termination of the Merger Agreement in accordance with its terms, Layne will not and will cause its subsidiaries and its directors, officers, employees, financial advisors, attorneys, accountants or other advisors, agents or representatives not to:

- solicit, initiate, cause or knowingly facilitate or encourage (including by way of furnishing information) the submission of any inquiries, proposals or offers or any other efforts or attempts that constitute or may reasonably be expected to lead to any "acquisition proposal" (as described below);
- engage in any discussions or negotiations or otherwise cooperate with or assist or participate in, or knowingly facilitate or encourage, any inquiries, proposals, discussions or negotiations of any acquisition proposal or resolve to or publicly propose to take any of the above actions;
- approve or recommend, or resolve to or publicly propose to approve or recommend, any acquisition proposal;
- enter into any Merger Agreement, agreement-in-principle, letter of intent, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar agreement relating to an acquisition proposal or enter into any letter of intent, agreement or agreement-in-principle requiring Layne (whether or not subject to conditions) to abandon, terminate or fail to consummate the Merger;
- withdraw, modify or qualify in a manner adverse to Granite or Merger Sub the Layne Board's recommendation regarding the Merger Agreement, or the approval or declaration of advisability by the Layne Board of the Merger Agreement, as well as the Merger and the other transactions contemplated in connection with the Merger; or
- approve or recommend, or resolve to or publicly propose to approve or recommend, any acquisition proposal.

The Merger Agreement requires Layne to, and to cause its subsidiaries and its directors, officers, employees, financial advisors, attorneys, accountants or other advisors, agents and representatives to immediately (a) cease and terminate, or cause to be terminated, any and all discussions, solicitations, encouragements or

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negotiations with any person with respect to an acquisition proposal or any inquiry, proposal or request for information that may reasonably be expected to lead to an acquisition proposal, (b) terminate all physical and electronic data room access previously granted to any person or its representatives, and (c) request (or, to the extent Layne is contractually permitted to do so, require) the return or destruction of all copies of confidential information previously provided to such parties by or on behalf of Layne, its subsidiaries or its directors, officers, employees, financial advisors, attorneys, accountants or other advisors, agents or representatives.

Notwithstanding these restrictions, the Merger Agreement also provides that if, at any time after execution of the Merger Agreement, Layne receives a bona fide acquisition proposal which did not result from a breach of the non-solicitation provisions of the Merger Agreement, Layne is permitted to contact the person or group of persons who made the acquisition proposal to clarify terms for the sole purpose of the Layne Board informing itself about such acquisition proposal. In the event that the Layne Board determines in good faith, after consultation with its financial advisor (s) and outside legal counsel, that such acquisition proposal constitutes or is reasonably likely to lead to a "superior proposal" (as described below) and that failure to take such action would be inconsistent with the directors' fiduciary duties under applicable law, then Layne is also permitted to:

- furnish confidential information with respect to Layne and its subsidiaries to the person making such acquisition proposal; and
- participate in discussions or negotiations with the person making such acquisition proposal regarding such acquisition proposal.

However, Layne (a) cannot and cannot allow its directors, officers, employees, financial advisors, attorneys, accountants or other advisors, agents or representatives to disclose any non-public information to such person unless Layne first enters into an acceptable confidentiality agreement with such person, (b) promptly (and in any event within 24 hours) provides to Granite notice of its intention to enter into such confidentiality agreement, and (c) will provide to prior to or substantially concurrent with the time it is provided to such person any non-public information not previously provided to Granite. Layne may, following receipt of an acquisition proposal or an inquiry, proposal or request for information that may reasonably be expected to lead to an acquisition proposal, contact the person that made such acquisition proposal, inquiry, proposal or request to clarify the terms and conditions thereof solely to the extent necessary to enable the Layne Board to determine whether such acquisition proposal, inquiry, proposal or request constitutes or is reasonably likely to lead to, or result in, a "superior proposal" (as described below), and to inform such person of the provisions of the Merger Agreement.

Layne has also agreed in the Merger Agreement that it will promptly (and in any event within 24 hours) notify Granite, orally and in writing, if Layne, its subsidiaries or any of their respective representatives receives any (a) acquisition proposal or indication by any person that it is considering making an acquisition proposal, (b) request for non-public information in contemplation of an acquisition proposal, or (c) inquiry or request for discussions or negotiations regarding any acquisition proposal. Such notice must include the identity of the person making the proposal, offer, request or inquiry and the other material terms and conditions of any such proposal or offer and copies of all relevant documents relating thereto. In addition, Layne has agreed to keep Granite reasonably informed on a current basis (and in any event no later than 24 hours after the occurrence of any material changes, developments, discussions or negotiations) as to the status of any acquisition proposal, indication, inquiry or request (including the material terms and conditions thereof and of any material modification thereto), and any developments, discussions and negotiations, including furnishing copies of any written inquiries, correspondence and draft documentation, and written summaries of any oral inquiries or discussions.

As defined in the Merger Agreement, the term "acquisition proposal" means any inquiry, proposal, offer or indication of interest (whether or not in writing) from any person or group of persons (other than Granite or Merger Sub) providing for:

- any direct or indirect acquisition or purchase (including by any license or lease) by any person of (a) assets (including equity securities of any of Layne's subsidiaries) or businesses that constitute or

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generate 20% or more of the revenues, net income or assets of Layne and its subsidiaries on a consolidated basis or (b) beneficial ownership of 20% or more of any class of equity securities of Layne or any of its subsidiaries, the assets or business of which constitutes or generates 20% or more of the revenues, net income or assets of Layne and the its subsidiaries on a consolidated basis;

- any purchase or sale of, or tender offer or exchange offer by any person for, equity securities of Layne or any of its subsidiaries that, if consummated, would result in any person beneficially owning 20% or more of any class of equity securities of Layne or any of its subsidiaries, the assets or business of which constitutes or generates 20% or more of the revenues, net income or assets of Layne and its subsidiaries on a consolidated basis;
- any recapitalization, liquidation or dissolution of Layne or any of its subsidiaries, other than a wholly owned subsidiary of Layne; or
- any merger, consolidation, business combination, joint venture, share exchange or similar transaction involving any of Layne's subsidiaries, the assets or business of which constitutes or generates 20% or more of the revenues, net income or assets of Layne and its subsidiaries on a consolidated basis, or involving Layne, if, as a result of any such transaction, Layne's stockholders, as a group, immediately prior to the consummation of such transaction would hold less than 80% of the surviving or resulting entity of such transaction immediately after the consummation of such transaction.

As defined in the Merger Agreement, "superior proposal" means any bona fide acquisition proposal made by any person that:

- if consummated, would result in such person owning, directly or indirectly, more than 50% of the equity securities of Layne, or more than 50% of the consolidated assets or business (as determined by reference to either consolidated revenues or consolidated net income) of Layne and its subsidiaries;
- is otherwise on terms that the Layne Board has determined in good faith (after consultation with its financial advisors and outside counsel and after taking into account such legal, financial, regulatory and other aspects of the proposal, including the financing terms thereof, as the Layne Board deems appropriate in the exercise of its fiduciary duties) is superior from a financial point of view to the Merger (including the terms of any proposal by Granite to modify the terms of the Merger); and
- the Layne Board has determined in good faith (after consultation with its financial advisors and outside counsel and after taking into account all legal, financial, regulatory and other aspects of the proposal as the Layne Board deems appropriate in the exercise of its fiduciary duties) is reasonably capable of being consummated.

Further, the Layne Board may, at any time after the date of the Merger Agreement and prior to the adoption of the Merger Agreement by Layne's stockholders, in response to a superior proposal that did not result from a breach of the non-solicitation provisions of the Merger Agreement, effect an adverse recommendation change and/or terminate the Merger Agreement to accept the superior proposal (after paying the termination fee as described below) if the Layne Board determines in good faith, after consultation with its financial advisor(s) and outside legal counsel, that failing to take any such action would be inconsistent with the directors' fiduciary duties under applicable law, and if certain other conditions which are described elsewhere in the Merger Agreement and in this proxy statement/prospectus are satisfied. In such an event, Layne may be required to pay Granite a termination fee of $16.0 million. However, the Layne Board may not effect an adverse recommendation change or terminate the Merger Agreement unless:

- Layne did not materially breach the non-solicitation provisions of the Merger Agreement;
- Layne has provided prior written notice to Granite of the Layne Board's intention to take such action at least five business days in advance of taking such action (such period, the "notice period" as defined in the Merger Agreement), which notice shall specify the material terms of the superior proposal and shall include a copy of the relevant proposed transaction agreement with, and the identity of, the person

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making the superior proposal, and copies of any other written materials to the extent such materials contain any financial terms, conditions or other terms relating to such superior proposal;

- after providing such notice and prior to taking any such action, Layne shall have, and shall have caused its financial advisors, outside counsel, directors, officers, employees, attorneys, accountants or other advisors, agents and representatives to, negotiate with Granite in good faith (to the extent Granite desires to negotiate) during such five business day period to make such adjustments in the terms and conditions of the Merger Agreement so that such acquisition proposal ceases to constitute a superior proposal; and
- following any such negotiation, such acquisition proposal (provided that Layne has complied with the non-solicitation provisions of the Merger Agreement) continues to constitute a superior proposal.

In the event of any material revisions to the terms of an acquisition proposal after the start of the notice period, Layne must deliver a new written notice to Granite and must again comply with the negotiation obligations described in the preceding bullet points with respect to any such modified acquisition proposal, and the notice period is deemed to re-commence on the date of such new notice.

Further, the Layne Board may, at any time after the date of the Merger Agreement and prior to the adoption of the Merger Agreement by Layne's stockholders, in response to an intervening event that did not result from a breach of the non-solicitation provisions of the Merger Agreement, effect an adverse recommendation if the Layne Board determines in good faith, after consultation with outside counsel, that in light of the existence of such intervening event, the failure to make an adverse recommendation change would be inconsistent with the directors' fiduciary duties under applicable law. However, the Layne Board may not effect an adverse recommendation change in light of the existence of an intervening event unless:

- Layne has provided prior written notice to Granite of the Layne Board's intention to take such action at least four business days in advance of taking such action, which notice shall specify, in reasonably detail, the facts underlying the Layne Board's determination that an intervening event has occurred and the rationale and basis for such adverse recommendation change;
- after providing such notice and prior to taking any such action, Layne shall have, and shall have caused its financial advisors, outside counsel, directors, officers, employees, attorneys, accountants or other advisors, agents and representatives to, negotiate with Granite in good faith (to the extent Granite desires to negotiate) during such four business day period to make such adjustments in the terms and conditions of the Merger Agreement so as to obviate the need for an adverse recommendation change as a result of the intervening event; and
- following any such negotiation, the Layne Board determines in good faith, after consultation with outside counsel, that the failure to make such adverse recommendation change in light of such intervening event (taking into account any changes to the terms of the Merger Agreement agreed to or proposed by Granite in connection with the negotiations required above) would be inconsistent with its fiduciary duties to Layne stockholders under applicable law.

In the event any material change to the circumstances relating to the intervening event occurs or if a new intervening event occurs, Layne is required to deliver a new written notice to Granite and must again comply with the negotiation obligations described in the preceding bullet points with respect to any such new or modified intervening event.

As defined in the Merger Agreement, an "intervening event" means any material development or change in circumstances in the business, results of operations or financial condition of Layne and its subsidiaries (other than and not related to an acquisition proposal) that was neither known to nor reasonably foreseeable by the Layne Board (assuming, for such purpose, reasonable consultation with the executive officers of Layne) on or prior to the date of the Merger Agreement that occurs or arises after the date of the Merger Agreement and prior to the Special Meeting.

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The Merger Agreement permits the Layne Board to take and disclose to Layne stockholders a position contemplated by Rule 14e-2(a), Rule 14d-9 or Item 1012(a) of Regulation M-A promulgated under the Exchange Act. However, any disclosure other than (a) a "stop, look and listen" or similar communication of the type contemplated by Rule 14d-9(f) under the Exchange Act, (b) an express rejection of any applicable acquisition proposal, or (c) an express reaffirmation of the Layne Board recommendation on the Merger Agreement, together with a factual description of the events or actions leading up to such disclosure that have been taken by Layne and that are permitted under the Merger Agreement or actions taken or notices delivered to Granite by Layne that are required under the Merger Agreement will be deemed to be an adverse recommendation change.

Efforts to Consummate the Merger; Regulatory Matters

Prior to the Effective Time, Layne and Granite have each agreed to use reasonable best efforts to obtain any consents, approvals or waivers of governmental authorities, and of third parties with respect to any contracts to which Layne or any of its subsidiaries is a party, as may be necessary for the consummation of the transactions contemplated by the Merger Agreement or required by the terms of any contract as a result of the execution, performance or consummation of transactions contemplated by the Merger Agreement.

Granite, Layne and Merger Sub have each agreed, as promptly as practicable and subject to the terms and conditions of the Merger Agreement, to use its reasonable best efforts to take, or cause to be taken, all actions and do, or cause to be done, all things necessary, proper or advisable under applicable law prior to the Effective Time to consummate the transactions contemplated by the Merger Agreement prior to September 30, 2018, including:

- making all filings required under the HSR Act, as promptly as practicable, but in no event later than 10 business days after the date of the Merger Agreement;
- using reasonable best efforts to obtain as promptly as practicable the termination or expiration of any waiting period under the HSR Act prior to September 30, 2018; and
- cooperating and consulting with each other in (a) determining which material consents, approvals, permits, notices or authorizations are required to be obtained prior to the Effective Time from governmental authorities in connection with the execution and delivery of the Merger Agreement and related agreements and consummation of the transactions contemplated thereby and (b) timely seeking all such consents, approvals, permits, notices or authorizations.

In addition, in connection with the efforts referenced above but without limiting them, each of Layne, on the one hand, and Granite and Merger Sub, on the other hand, will:

- cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party;
- keep the other party reasonably and promptly informed of any communication received by such party (including, to the extent not prohibited by law, providing copies of all written correspondence) from, or given by such party to, the FTC, the Antitrust Division of the DOJ or any other governmental authority and of any communication received or given in connection with any proceeding by a private party, in each case regarding the transactions contemplated by the Merger Agreement; and
- permit the other party to review any communication to be given by it to, and consult with each other in advance of any meeting or conference with, the FTC, the Antitrust Division of the DOJ or any other governmental authority or, in connection with any proceeding by a private party, with any other person, and to the extent permitted by the FTC, the Antitrust Division of the DOJ or such other applicable governmental authority or other person, give the other party the opportunity to attend and participate in such meetings and conferences.

If any objections are asserted with respect to the transactions contemplated by the Merger Agreement under any antitrust law or if any suit is instituted (or threatened to be instituted) by the FTC, the Antitrust Division of

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the DOJ or any other applicable governmental authority or any private party challenging any of the transactions contemplated by the Merger Agreement as violative of any antitrust law or which would otherwise prevent, materially impede or materially delay the consummation of the transactions contemplated by the Merger Agreement, each of Granite, Merger Sub, and Layne will use its reasonable best efforts to resolve any such objections or suits so as to permit consummation of the transactions contemplated by the Merger Agreement prior to September 30, 2018, including in order to resolve such objections or suits which, in any case if not resolved, could reasonably be expected to prevent, materially impede or materially delay the consummation of the transactions contemplated by the Merger Agreement.

In the event that any administrative or judicial action or other proceeding (public or private) by or before, or otherwise involving, any governmental authority is instituted (or threatened to be instituted) by a governmental authority or private party challenging the Merger or any other transaction contemplated by the Merger Agreement, each of Granite, Merger Sub, and Layne have agreed to cooperate in all respects with each other and use its respective reasonable best efforts to contest and resist any such action or proceeding and to have vacated, lifted, reversed or overturned any decree, decision, injunction, judgment, order, ruling or verdict entered, issued, made or rendered by any court, administrative agency or other governmental authority, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the transactions contemplated by the Merger Agreement.

Granite is entitled to direct the defense of the Merger or any other transactions contemplated by the Merger Agreement, or negotiations with, any governmental authority or other person relating to the Merger or regulatory filings under applicable antitrust laws. Layne acknowledges that Granite shall control and direct, and Layne will reasonably cooperate with such direction and control, regarding the filings, strategies, process, negotiation of settlements (if any), and related action or other proceeding (public or private) by or before, or otherwise involving, any governmental authority contemplated by the Merger Agreement.

Further, the Merger Agreement provides that none of Granite, Merger Sub or Layne are obligated by the Merger Agreement to agree to (and, without the prior consent of Granite, in no event shall Layne or any of its subsidiaries agree to):

- sell, hold separate or otherwise dispose of all or a portion of its respective business, assets or properties, or conduct its business in a specified manner;
- pay any amounts (other than the payment of filing fees and expenses and fees of counsel), or grant any counterparty to any contract any accommodation or other concession;
- commence or defend any action or claim in respect of any threatened action;
- limit in any manner whatsoever the ability of such entities to conduct, own, operate or control any of their respective businesses, assets or properties or of the businesses, properties or assets of Layne and its subsidiaries; or
- waive any of the conditions to the Merger.

Termination

The Merger Agreement may be terminated and the transactions contemplated under the Merger Agreement may be abandoned at any time prior to the Effective Time, whether before or after obtaining Layne's stockholders' approval, by Granite and Layne under the following circumstances:

- by mutual written consent of Granite and Layne at any time prior to the Effective Time whether before or after Layne's stockholders have adopted the Merger Agreement;
- if the Merger is not consummated on or before September 30, 2018, provided, however, that this right to terminate the Merger Agreement will not be available to any party whose failure to fulfill any obligation under the Merger Agreement caused the failure of the Effective Time to occur on or before such date;

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- if any governmental authority shall have (1) enacted, issued, promulgated or enforced any law that makes consummation of the Merger illegal or otherwise prohibited or (2) enacted, issued, promulgated, enforced or entered any order which has the effect of making the consummation of the Merger illegal or otherwise preventing or prohibiting consummation of the Merger; or
- if the Special Meeting (including any adjournment or postponement thereof) has concluded and Layne's stockholders approval was not obtained; provided, however, that the right to terminate the Merger Agreement shall not be available to Layne if it has not materially complied with certain of the covenants relating to the conduct of its business and the proxy statement and the holding of the Special Meeting.

In addition, Layne may terminate the Merger Agreement at any time prior to the Effective Time under the following circumstances:

- if there should have occurred any effects, events, occurrences, developments, state of facts or changes that, individually or in the aggregate, would reasonably be expected to have, individually or in the aggregate, a Granite material adverse effect (as described herein), or Granite has breached any representation or warranty of Granite has become untrue, in each case, such that the conditions to closing relating to the accuracy of Granite's representations and warranties or the performance by Granite of its obligations under the Merger Agreement could not be satisfied as of the earlier of September 30, 2018 or the date that is 30 days following written notice thereof; provide, however, Layne may not terminate the Merger Agreement if Layne is then in material breach of any representation, warranty or covenant of Layne; or
- prior to adoption of the Merger Agreement by Layne's stockholders, in order to enter into a definitive written agreement providing for a superior proposal in compliance with the non-solicitation provisions of the Merger Agreement.

In addition, Granite may terminate the Merger Agreement at any time prior to the Effective Time under the following circumstances:

- if there should have occurred any effects, events, occurrences, developments, state of facts or changes that, individually or in the aggregate, would reasonably be expected to have, individually or in the aggregate, a Layne material adverse effect, or Layne has breached any representation, warranty, covenant or agreement contained in the Merger Agreement, or if any representation or warranty of Layne has become untrue, in each case, such that the conditions to closing relating to the accuracy of Layne's representations and warranties or the performance by Layne of its obligations under the Merger Agreement could not be satisfied as of the earlier of September 30, 2018, or the date that is 30 days following written notice thereof; provide, however, neither Granite nor Merger Sub may terminate the Merger Agreement if Granite or Merger Sub is then in material breach of any representation, warranty or covenant of Granite or Merger Sub, as applicable;
- if Layne (a) withdraws, modifies or qualifies in a manner adverse to Granite or Merger Sub the Layne Board's recommendation of the Merger or the approval or declaration of advisability by the Layne Board of the Merger Agreement and the transactions contemplated thereby (including the Merger) or (b) approve or recommend, or resolve to or publicly propose to approve or recommend, any acquisition proposal;
- the Layne Board or any committee of the Layne Board (a) has not rejected any acquisition proposal within seven days of the making thereof (including, for these purposes, by taking no position with respect to the acceptance by Layne's stockholders of a tender offer or exchange offer, which shall constitute a failure to reject such acquisition proposal) or (b) has failed, pursuant to Rule 14e-2 promulgated under the Exchange Act or otherwise, to publicly reconfirm the Layne Board's recommendation of the Merger within four days after receipt of a written request from Granite that it do so if such request is made following the making by any person of an acquisition proposal; or

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- Layne has violated or breached in any material respect any of its obligations in the no solicitation provisions of the Merger Agreement described under " *—No Solicitation of Acquisition Proposals* ."

If the Merger Agreement is terminated in accordance with the requirements described above, it will become void, and there shall be no liability thereunder on the part of any party thereto, subject to certain exceptions including any obligation to pay the termination fees described below. No such termination, however, will relieve any party hereto from liability for any intentional breach of any of its representations, warranties, covenants or agreements set forth in the Merger Agreement prior to such termination.

Termination Fee; Reverse Breakup Fee and Expenses

Each party will generally pay its own fees and expenses in connection with the Merger, whether or not the Merger is consummated, including all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties incurred by a party in connection with the negotiation and effectuation of the terms and conditions of the Merger Agreement and the transactions contemplated thereby. However, Granite and Layne have agreed that (a) the expenses incurred in connection with the filing and printing of the registration statement of which this proxy statement/prospectus is a part and for mailing it to Layne's stockholders shall be borne equally by Layne, on the one hand, and Granite and Merger Sub, on the other hand and (b) all required filing fees under HSR Act shall be borne by Granite.

Layne will be required to pay a termination fee of $16.0 million to Granite if:

- Layne terminates the Merger Agreement, prior to the adoption of the Merger Agreement by Layne's stockholders, because it enters into a definitive agreement with respect to a superior proposal;
- Granite terminates the Merger Agreement because the Layne Board makes an adverse recommendation change;
- Granite terminates the Merger Agreement because the Layne Board or any committee thereof (a) has not rejected any acquisition proposal within seven business days of the making public thereof or (b) has failed, pursuant to Rule 14e-2 promulgated under the Exchange Act or otherwise, to publicly reconfirm the Layne Board's recommendation of the Merger within four days after receipt of a written request from Granite that it do so if such request is made following the making by any person of an acquisition proposal;
- Granite terminates the Merger Agreement because Layne has violated or breached in any material respect any of its obligations in the no solicitation provisions of the Merger Agreement described under " *—No Solicitation of Acquisition Proposals;* "
- Granite or Layne terminates the Merger Agreement pursuant to the termination provision described above relating to the failure of the Merger to close by September 30, 2018; or
- Granite terminates the Merger Agreement pursuant to the termination provision described above relating to (a) a material adverse effect or a breach or inaccuracy of any of Layne's representations, warranties, covenants or agreements contained in the Merger Agreement or (b) the failure to obtain the stockholder approval after the stockholder meeting (including any adjournment or postponements) has concluded.

For the purposes of the fifth and sixth bullets above:

- in order for the termination fee to be payable, (a) at or prior to the date of termination, an acquisition proposal must have been made known to Layne or must have been made directly to Layne's stockholders generally or any person must have publicly announced an intention to make an acquisition proposal (whether or not conditional or withdrawn), and (b) concurrently with such termination or within 12 months following such termination, Layne must have entered into an alternative acquisition agreement to consummate or have consummated a transaction contemplated by any acquisition proposal;

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- all references in the definition of "acquisition proposal" to "20%" and "80%" will be deemed to be references to "50%"; and
- Layne will pay the termination fee to Granite upon the earlier of its entry into of alternative acquisition agreement or the consummation of such acquisition proposal.

Layne has agreed to pay the termination fee as directed by Granite in writing in immediately available funds promptly following (and in any event within two business days after) the date of the event giving rise to the obligation to make such payment. However, if Layne terminates the Merger Agreement because it enters into a definitive agreement with respect to a superior proposal, then Layne must pay the termination fee to Granite in immediately available funds concurrently with such termination.

In the event that Layne fails to pay the termination fee required when due, such termination fee shall accrue interest for the period commencing on the date when it became past due, at the rate of interest per annum equal to the "Prime Rate" as set forth on such date in The Wall Street Journal "Money Rates" column plus 350 basis points.

In addition, if Layne fails to pay such termination fee when due, Layne has agreed pay to Granite all of its costs and expenses (including attorneys' fees) in connection with efforts to collect such termination fee.

Conduct of Business Pending the Merger

In the Merger Agreement, Layne and Granite have agreed that until the earlier of the Effective Time or the termination of the Merger Agreement, subject to certain exceptions in the Merger Agreement and the matters contained in the disclosure letters Layne and Granite delivered in connection with the Merger Agreement, Layne and Granite will, and will cause each of its subsidiaries to, conduct its business in the ordinary course consistent with past practice and to use its reasonable best efforts to:

- preserve intact in all material respects the assets, including manufacturing facilities, and business organization of Layne, Granite and each of its subsidiaries;
- preserve the current beneficial relationships of Layne, Granite and each of its subsidiaries with any persons or entities (including suppliers, partners, contractors, distributors, sales representatives, customers, licensors and licensees) with which Layne, Granite or any of its subsidiaries has material business relations;
- comply in all material respects with all applicable laws and the requirements of all material contracts to which Granite or any of its subsidiaries are bound;
- keep in full force and effect all material insurance policies maintained by Granite and its subsidiaries, other than changes to such policies made in the ordinary course of business; and
- Layne will further retain the services of the present officers and key employees of Layne and each of its subsidiaries.

In addition, without limiting the requirements described above, subject to certain exceptions set forth in the Merger Agreement and the matters contained in the disclosure letters Layne and Granite delivered in connection with the Merger Agreement, that until the earlier of the Effective Time or the termination of the Merger Agreement without the other party's written consent (which cannot be unreasonably withheld, conditioned or delayed) Layne will not, and will cause each of its subsidiaries not to:

- amend the Layne Charter or the Layne Bylaws or any other comparable organizational documents;
- issue, deliver, sell, grant, dispose of, pledge or otherwise encumber any shares of capital stock of any class or any other ownership interest of Layne, or any rights, warrants, options, calls, commitments or any other agreements of any character to purchase or acquire any such securities, or any securities or

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rights convertible into, exchangeable or exercisable for, or evidencing the right to subscribe for, any such securities, provided that Layne may issue shares of its common stock solely upon the exercise or settlement of Layne compensatory equity awards issued under its equity plans that are outstanding on the date of the Merger Agreement in accordance with their terms as of the date of the Merger Agreement;

- adjust, split, combine, subdivide or reclassify any shares of capital stock of any class or any other ownership interest of Layne or any of its subsidiaries;
- enter into any contract with respect to the sale, voting, registration or repurchase of shares of Layne Common Stock or any other shares of capital stock of any class or any other ownership interest of Layne or any of its subsidiaries;
- except as required by the terms of the Merger Agreement, amend (including by reducing an exercise price or extending a term) or waive any of its rights under, or accelerate the vesting under (except as required by the terms of any Layne Equity Plan in effect on the date of the Merger Agreement), any provision of any Layne Equity Plan or any agreement evidencing any outstanding options to acquire shares of Layne Common Stock, Layne RSUs, Layne PSUs or any similar or related contract;
- directly or indirectly acquire or agree to acquire in any transaction (including by merger, consolidation or acquisition of stock or assets) (a) the equity interest in any person or division or business of any person or (b) the properties or assets of any person, provided, however, that after providing Granite at least five days' prior notice (including providing Granite with all information reasonably requested by Granite) of, and consulting with and considering Granite's view on, any such transaction, Layne or its subsidiaries can effect any such transaction so long as the aggregate value of all such transactions does not exceed $9.0 million;
- sell, pledge, dispose of, transfer, abandon, allow to lapse or expire, lease, license, mortgage or otherwise encumber or subject to any lien (other than a permitted lien), any properties, rights or assets (including shares of Layne Common Stock or any other shares of capital stock of any class or any other ownership interest of Layne or any of its subsidiaries), except:
  - sales of inventory in the ordinary course of business consistent with past practices; and
  - transfers among Layne and its subsidiaries;
- sell, pledge, dispose of, transfer, abandon, allow to lapse or expire, lease, license, mortgage or otherwise encumber or subject to any lien (other than a permitted lien), any of Layne's intellectual property that is material, individually or in the aggregate, to Layne and its subsidiaries, taken as a whole;
- except in the ordinary course of business and consistent with past practice, fail to pay any required filing, prosecution, maintenance, or other fees, or otherwise fail to make any document filings or payments required to maintain any of Layne's registered intellectual property in full force and effect or to diligently prosecute applications for registration of any of Layne's registered intellectual property owned by Layne or one of its subsidiaries or otherwise for which Layne or one of its subsidiaries is responsible for such activities;
- declare, set aside, make or pay any dividend or other distribution, whether payable in cash, stock, property or otherwise, in respect of the shares of Layne Common Stock or any other shares of capital stock of any class or any other ownership interest of Layne or any of its subsidiaries, other than dividends by any of Layne's direct or indirect subsidiaries only to Layne or any of its wholly owned subsidiaries in the ordinary course of business consistent with past practice;
- increase in any manner the compensation of any of Layne's directors, officers or employees or enter into, establish, amend or terminate, or increase any compensation or benefits under any employment,

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consulting, compensation or benefit plan, policy, agreement, trust, fund or arrangement with, for or in respect of, any director, officer, other employee or consultant, other than:

- as required pursuant to applicable law; or
- increases in salaries, wages and benefits of employees (other than officers or directors) made in the ordinary course of business and in amounts and in a manner consistent with past practice, provided that in the case of the exception in this second bullet, Layne provides written notice to Granite of Layne's intent to increase such salary, wages or benefits at least five business days prior to making such change and provides Granite the opportunity to review the proposed change and consult with Layne with respect to such proposed changes;

- grant any severance or termination benefits to any director, officer, employee, independent contractor or consultant of Layne or any of its subsidiaries, except as required under the terms of any employee benefit plan, employment agreement, independent contractor agreement or other similar agreement or as required by applicable law;
- take any action to accelerate the vesting or payment, or fund or in any other way secure the payment of, compensation or benefits under any employee benefit plan, employment agreement, independent contractor agreement or other similar agreement to the extent not required by the terms of such agreement as in effect on the date of the Merger Agreement;
- enter into, establish, amend or terminate any employee benefit plan, employment agreement, independent contractor agreement or other similar agreement, policy, agreement, trust, fund or arrangement with, for or in respect of any director, officer, other employee, or consultant of Layne or any of its subsidiaries;
- change any actuarial or other assumptions used to calculate funding obligations with respect to any employee benefit plan, employment agreement, independent contractor agreement or other similar agreement or change the manner in which contributions to such agreements are made or the basis on which such contributions are determined;
- except as required by applicable law, enter into any, or amend any existing, collective bargaining agreement or other agreement with a labor union, works council or similar organization;
- announce, implement or effect any reduction in force, lay-off, early retirement program, severance program or other program or effort concerning the termination of employment of employees of Layne or any of its subsidiaries;
- offer employment to, hire or promote any person at or to a level, or who will have duties of, vice president or higher, except to replace any terminated employee at such level, provided Layne shall consult with Granite prior to offering employment to, hiring or promoting any such replacement;
- communicate in a writing that is intended for broad dissemination to Layne's employees regarding compensation, benefits or other treatment they will receive in connection with or following the Merger, unless any such communications are (a) consistent with prior guidelines, or (b) mutually agreed upon by Layne and Granite in writing;
- incur, create, assume or otherwise become liable for any indebtedness (including the issuance of any debt security and the assumption or guarantee of obligations of any person), other than (a) through borrowings under any of Layne's existing credit facilities or (b) in connection with a refinancing of the Layne's existing Indebtedness on the terms no less favorable to Layne and its subsidiaries, taken as a whole, than the terms in existence prior to such refinancing;
- enter into a "keep well" or similar agreement, or issue or sell options, warrants, calls or other rights to acquire any debt securities of Layne or any of its subsidiaries;
- make any election to take any action with respect to 4.25% Convertible Notes due 2018, and 8.0% Convertible Notes;

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- make any changes in financial accounting methods, principles or practices (or change an annual accounting period), except insofar as may be required by GAAP, applicable law or regulatory guidelines;
- write up, write down or write off the book value of any assets, except in accordance with GAAP consistently applied;
- release, assign, compromise, settle or agree to settle any action or claim in respect of any threatened action (including any action or claim in respect of any threatened action relating to the Merger Agreement or the transactions contemplated by the Merger Agreement), other than a settlement not fully covered by insurance and solely for monetary damages (without any admission of liability or other adverse consequences or restriction on Layne, Granite, Merger Sub or the Surviving Corporation) not in excess of $0.5 million individually or $1.0 million in the aggregate;
- (a) make, change or revoke any material tax election or adopt or change any method of tax accounting, (b) enter into any material "closing agreement" as described in Section 7121 of the Code, as amended (or any comparable or similar provisions of applicable law), (c) settle or compromise any liability with respect to material taxes or audit related to material taxes or surrender any claim for a refund of taxes, (d) file any materially amended tax return, (e) consent to any extension or waiver of the limitations period applicable to any claim or assessment with respect of material taxes, or (f) except in the ordinary course and consistent with past practice or otherwise in connection with the Merger, take any action that reduces the amount of Layne's net operating losses as of the date of the Merger Agreement;
- make or commit to any capital expenditures that (a) involve the purchase of real property or (b) are not within the aggregate amount of capital expenditures budgeted for in Layne's current annual capital plan;
- enter into any new, or agree to any extension of any, capital equipment lease or any contract for the lease of assets (including real property) that is not terminable by Layne or any of its subsidiaries 12 months from the date of such contract without payment of penalty or acceleration of payment obligations;
- (a) enter into any material contract or terminate any material contract, (b) materially modify, amend, waive any right under or renew any material contract, other than in the ordinary course of business consistent with past practice, (c) enter into or extend the term or scope of any contract that purports to restrict Layne, or any of its subsidiaries or affiliates or any successor thereto, from engaging or competing in any line of business or in any geographic area or (d) enter into any contract that would be breached by, or require the consent of any other person in order to continue in full force following, consummation of the transactions contemplated by the Merger; provided, however, that Layne and its subsidiaries will not be prevented from entering into material contracts with customers or suppliers in the ordinary course of business consistent with past practice;
- except for purchase orders in the ordinary course of business consistent with past practice, enter into any development agreement regarding the creation of any material intellectual property, technology or products;
- make any investment (by contribution to capital, property transfers, purchase of securities or otherwise) in, or loan or advance (other than travel and similar advances to its employees in the ordinary course of business consistent with past practice) to any person other than a direct or indirect wholly owned subsidiary of Layne in the ordinary course of business and consistent with past practice;
- enter into, amend or cancel any insurance policies other than (a) in the ordinary course of business consistent with past practice or (b) with respect to any request for a quote or proposal for any directors' or officers' liability insurance to be obtained pursuant to the terms of the Merger Agreement;
- take any action that (a) would reasonably be expected to impose any material delay in the obtaining of, or significantly increase the risk of not obtaining, any authorizations, consents, orders, declarations or

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approvals of any governmental authority necessary to consummate the transactions contemplated by the Merger Agreement or the expiration or termination of any applicable waiting period or (b) would be reasonably expected to increase the risk of any governmental authority entering an injunction or other legal restraint prohibiting or impeding the consummation of the transactions contemplated by the Merger Agreement;

- merger or consolidate Layne or any of its subsidiaries with any person or adopt a plan of complete or partial liquidation or resolutions providing for a complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization of Layne or any of its subsidiaries; or
- authorize any of, or commit, resolve, propose or agree in writing or otherwise to take any of, the foregoing actions.

In addition, without limiting the requirements described above, subject to certain exceptions set forth in the Merger Agreement and the matters contained in the disclosure letters Layne and Granite delivered in connection with the Merger Agreement, that until the earlier of the Effective Time or the termination of the Merger Agreement without the other party's written consent (which cannot be unreasonably withheld, conditioned or delayed) Granite will not, and will cause each of its subsidiaries not to:

- amend the Granite Charter or the Granite Bylaws;
- (a) issue, deliver, sell, grant, dispose of, pledge or otherwise encumber any Granite Securities (1) any Granite Securities pursuant to any Granite equity plan, or (2) any shares of Granite Common Stock upon the exercise, settlement or conversion of any outstanding Granite Securities; (b) adjust, split, combine, subdivide or reclassify any Granite Securities; or (c) repurchase or otherwise acquire Granite Common Stock or any other Granite Securities, unless (1) in the ordinary course of business consistent with past practice or (2) not effected prior to closing;
- take any action that (a) would reasonably be expected to impose any material delay in the obtaining of, or significantly increase the risk of not obtaining, any authorizations, consents, orders, declarations or approvals of any governmental authority necessary to consummate the transactions or the expiration or termination of any applicable waiting period or (b) would reasonably be expected to increase the risk of any governmental authority entering any injunction or other legal restraint prohibiting or impeding the consummation of the transaction;
- adopt a plan of complete or partial liquidation or resolutions providing for a complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization of Granite or any of its subsidiaries; or
- authorize any of, or commit, resolve, propose or agree in writing or otherwise to take any of, the foregoing actions.

Public Announcements

Granite and Layne agree no public release or announcement, press conference, conference call with investors or analysts or other public statement concerning the Merger Agreement or the transactions contemplated by the Merger Agreement (or that could reasonably be expected to relate to the Merger Agreement or the transactions contemplated by the Merger Agreement) shall be issued, held or made by a party or its subsidiaries without the prior consultation with and the prior consent of the other party (which consent shall not be unreasonably withheld, conditioned or delayed), except as would violate applicable law or securities exchange rules, in which case the party required to make the release or announcement will use its commercially reasonable efforts to allow the other party reasonable time to comment on such release or announcement in advance of such issuance, and the relevant party will consider such comments in good faith.

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Access to Information; Confidentiality

From the date of the Merger Agreement hereof until the earlier to occur of the Effective Time and the termination of the Merger Agreement in accordance with its terms, subject to certain exceptions, Layne has agreed to, and to cause its subsidiaries and representatives to afford Granite, Merger Sub and their respective representatives reasonable access during normal working hours upon reasonable advance notice to the officers, employees, agents, assets, properties, offices, plants and other facilities, books and records of Layne or any of its subsidiaries, provided, however, that none of Granite or Merger Sub, or their respective representatives, may access or enter onto any property, office, plant or other facility, or otherwise inquire about or investigate Layne's or any of its subsidiaries operations, for purposes of conducting any environmental site visit, assessment, investigation (including any testing, sampling or intrusive measures) without the prior, express written consent of Layne.

Layne may withhold any document or information the disclosure of which (a) would cause a violation of applicable law or (b) would be reasonably likely to risk a loss of legal privilege (provided that Layne will use its reasonable best efforts to allow for such access or disclosure (or as much as possible) in a manner that would not be reasonably likely to risk a loss of legal privilege). If any material is withheld by Layne pursuant to the immediately preceding sentence, it will, to the extent possible without violating law or risking a loss of legal privilege, inform Granite as to the general nature of what is being withheld. All such information obtained by Granite or its representatives will be held confidential in accordance with the terms of the Confidentiality Agreement.

Subject to certain exceptions, Granite shall not be required to provide to Layne or any of its subsidiaries or their respective representatives, before, on or after the closing of the Merger, any right to access or to review any tax return or tax workpaper of Granite or any of its affiliates.

Additional Agreements

Anti-Takeover Laws. If any anti-takeover law is or may become applicable to any transaction contemplated by the Merger Agreement, (a) the parties shall use reasonable best efforts to take such actions as are reasonably necessary so that such transactions may be consummated as promptly as practicable on the terms contemplated by the Merger Agreement and (b) the Layne Board shall take all actions necessary to render such statutes inapplicable to any such transaction.

Notification of Certain Matters. Layne has agreed to give prompt notice to Granite and Merger Sub and Granite and Merger Sub have agreed to give Layne prompt notice of:

- any written notice or other communication received from any person alleging that the consent of such person is required in connection with the transactions contemplated by the Merger Agreement;
- any notice from any governmental authority in connection with the transactions contemplated by the Merger Agreement;
- any actions or claims commenced or, to such party's knowledge, threatened against, relating to or involving or otherwise affecting such party or any of its subsidiaries that relate to the transactions contemplated by the Merger Agreement;
- the discovery of any fact or circumstance, or the occurrence or non-occurrence of any event, that would cause any representation or warranty made by such party contained in the Merger Agreement to be, with respect to Layne, untrue or inaccurate such that the condition to the obligations of Granite and Merger Sub contained in the Merger Agreement with respect to certain representations and warranties of Layne would not be satisfied, and with respect to Granite and Merger Sub, untrue or inaccurate in any material respect; and
- any material failure of such party to comply with or satisfy any covenant or agreement to be complied with or satisfied by it under the Merger Agreement.

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Any notice provided with respect to the above matters will not (a) cure any breach of, or non-compliance with, any other provision of the Merger Agreement or (b) limit the remedies available to the party receiving such notice.

SEC Reports. Each of Granite and Layne has agreed to timely file with the SEC all forms, reports, schedules, registration statements, definitive proxy statements and other documents (including all exhibits) required to be filed by Granite or Layne, as applicable, under the Exchange Act or the Securities Act until the Effective Time. Each of Granite and Layne has also made other agreements regarding the compliance of such filings with the applicable requirements of the Exchange Act and the Securities Act and the accuracy and completeness of such filings.

Certain Tax Matters . Layne, Granite and each of its subsidiaries have agreed not to take or cause to be taken any action that prevents or impedes, or could reasonably be expected to prevent or impede, the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

Layne and Granite have further agreed to cooperate and use their respective reasonable best efforts to obtain the Granite Tax Opinion, the Layne Tax Opinion and any other tax opinion required to be filed with the SEC, including by delivering to the applicable counsel certain representation letters.

Nasdaq De-List and NYSE Listing . Pursuant to the Merger Agreement, Layne and Granite have agreed to take all actions necessary to delist Layne Common Stock from the Nasdaq and terminate the registration of Layne Common Stock under the Exchange Act.

Granite has further agreed to use its reasonable best efforts to cause the shares of Granite Common Stock to be issued in connection with the Merger to be listed on NYSE.

Convertible Notes . The Merger Agreement provides that prior to the Effective Time, Layne will comply in all material respects with its obligations under the terms of the indentures governing the Convertible Notes, including the delivery of any notices required by the consummation of the Merger. Further, upon the direction of Granite, Layne will make elections required by such indentures regarding the settlement of the Convertible Notes in accordance with the terms of the indentures. Prior to the Effective Time, Layne will promptly (and in any event within 24 hours) provide Granite with copies of any notices received by Layne from (a) a trustee under any of the indentures governing the Convertible Notes or (b) a counterparty to any contract related to indebtedness of Layne.

Granite has further agreed that it will not (and will not permit any of its subsidiaries to) settle any conversion of the 4.25% Convertible Notes following the Effective Time in any manner other than a Cash Settlement (as defined in the applicable indenture governing the Convertible Notes as of the date of the Merger Agreement).

Governance of the Surviving Corporation

The Merger Agreement provides that Merger Sub's directors and officers immediately prior to the Effective Time will be the directors and officers, respectively, of the Surviving Corporation until their respective successors are duly elected or appointed and qualified or until the earlier of their death, resignation or removal. At the Effective Time, the Layne Charter and the Layne Bylaws will be amended in the Merger to read as the certificate of incorporation and bylaws of Merger Sub as in effect immediately prior to the Effective Time, except that in each case the name of the Surviving Corporation will be "Layne Christensen Company" and, as so amended, will be the certificate of incorporation and bylaws of the Surviving Corporation until thereafter further amended as provided therein or by applicable law.

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Granite Board Following the Merger

The Merger Agreement provides that Granite shall take such actions as are necessary for the Granite Board to expand the size of the Granite Board and appoint one current non-employee director of Layne who is a director prior to the Effective Time to be designated by Granite to fill such vacancy, effective as to the Effective Time, to serve until the 2019 annual meeting of Granite stockholders or such person's earlier death, retirement, resignation or removal by Granite's stockholders.

Indemnification; Directors' and Officers' Insurance

Granite has agreed to cause the Surviving Corporation, to the fullest extent permitted by applicable law, to honor all of Layne's obligations to indemnify and hold harmless each person who is now, or has been at any time prior to the date of the Merger Agreement or who becomes prior to the Effective Time an officer or director of Layne or any of Layne's subsidiaries as provided in the Layne Charter or the Layne Bylaws, in each case, as in effect on the date of the Merger Agreement, or pursuant to any other agreements in effect on the date of the Merger Agreement, including provisions relating to the advancement of expenses incurred in the defense of any action or as permitted under applicable law.

Granite's obligation to indemnify and hold harmless such persons will survive the Merger and will remain in full force and effect for a period of not less than six years after the Effective Time. During such period, Granite will guarantee the obligations of the Surviving Corporation with respect to any and all amounts payable in connection with its indemnification and other obligations set forth below with respect to such persons.

Granite has agreed to purchase prior to the Effective Time a "tail" officers' and directors' liability insurance policy, which by its terms shall survive the Merger and shall provide such directors and officers with coverage for not less than six years following the Effective Time on terms and conditions no less favorable than the terms of the current directors' and officers' liability insurance policy currently maintained by Layne in respect of actions or omissions of such officers and directors prior to the Effective Time in their capacities as such. In no event will Granite or the Surviving Corporation be required to pay more than 300% of the current annual premium paid by Layne for such policy to purchase the "tail" policy, but if such maximum payment amount is not sufficient to purchase the required coverage, then Layne will purchase such lesser coverage as may be obtained with such maximum payment amount.

The obligations of Granite and the Surviving Corporation relating to indemnification and "tail" insurance set forth above will survive the consummation of the Merger and will not be terminated or modified in any way that would adversely affect the directors and officers entitled to the protection of these provisions without the consent of such persons. Such person will have the right to enforce these provisions and are express third-party beneficiaries of these provisions for this purpose.

Employee Benefit Matters

From the Effective Time until December 31, 2018, Granite has agreed to cause the compensation and benefits package provided to each employee of Layne and its subsidiaries as of the Effective Time and pursuant to the plans listed on a schedule included in the disclosure letter to the Merger Agreement to be no less favorable in the aggregate than the compensation and benefits package, in the aggregate, provided to such Layne employees as of immediately prior to the Effective Time, including for purposes of this comparison any defined benefit plans listed on a schedule included in the disclosure letter to the Merger Agreement and any retiree medical benefits listed on a schedule included in the disclosure letter to the Merger Agreement, and excluding for purposes of this comparison any equity-based compensation and change of control, sale or similar bonuses provided by Layne and its subsidiaries prior to the Effective Time. For purposes of eligibility, vesting and, solely with respect to severance and vacation, level of benefit entitlement (but in no event for purposes of benefit accrual or eligibility for retiree medical or other retiree welfare benefits) under Granite's employee benefit plans,

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Granite has agreed that each such employee will, subject to applicable law and applicable tax qualification requirements, be credited with his or her years of service with Layne and its subsidiaries and their respective predecessors before the Effective Time, to the same extent as such employee was entitled, before the Effective Time, to credit for such service under any similar plans in which such employee participated or was eligible to participate immediately prior to the Effective Time; provided, however, that the foregoing shall not apply to the extent that its application would result in a duplication of benefits.

For purposes of each such Granite employee benefit plan providing medical, dental, pharmaceutical or vision benefits to any such employee, Granite has agreed to cause all pre-existing condition exclusions and actively-at-work requirements of such Granite employee benefit plan to be waived, for such employee and his or her covered dependents, unless such conditions would not have been waived under a similar plan in which such employee participated immediately prior to the Effective Time and Granite has agreed to cause any eligible expenses incurred by such employee and his or her covered dependents under the plans during the portion of the plan year of the Granite employee benefit plan ending on the date such employee's participation in the corresponding Granite employee benefit plan begins to be taken into account under such Granite employee benefit plan, for purposes of satisfying all deductible and maximum out-of-pocket requirements applicable to such employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such Granite employee benefit plan.

Upon Granite's election, Layne has agreed that it will terminate, effective as of the day immediately preceding the Effective Time, any and all 401 (k) plans sponsored or maintained by Layne. In such event, Layne has agreed to provide Granite evidence that such plan(s) and/or program(s) have been terminated pursuant to resolutions of the Layne Board or a committee thereof (the form and substance of which shall be subject to review and approval of Granite), effective as of the day immediately preceding the Effective Time. As soon as practicable following the Effective Time, Granite shall permit each Layne employee who is a participant in any terminated 401(k) plan(s) to roll over his or her account balance(s) and outstanding loan balance(s), if any, thereunder into a Granite plan that is intended to qualify under Section 401(k) of the Code, as amended.

Representations and Warranties

The Merger Agreement contains representations and warranties by Layne, Granite and Merger Sub that are subject, in some cases, to specified exceptions and qualifications contained in the Merger Agreement or in the disclosure letters delivered by Granite and Layne in connection with the Merger Agreement.

These representations and warranties relate to, among other things:

- corporate organization, valid existence, good standing and qualification and similar corporate matters;
- certificate of incorporation, bylaws and certain corporate records;
- capital structure;
- corporate power and authority to execute and deliver the Merger Agreement and to consummate the transactions contemplated by the Merger Agreement;
- the absence of any violation of, or conflict with, either of Granite's or Layne's governing documents, applicable law or rules of NYSE or Nasdaq, as applicable and certain contracts as a result of the execution and delivery of the Merger Agreement and the consummation of the Merger;
- Granite's and its subsidiaries' compliance with applicable legal requirements since January 1, 2015 and Layne's and its subsidiaries' compliance with applicable legal requirements since February 1, 2015;
- the filing of required reports and other documents by Granite with the SEC since January 1, 2015 and by Layne with the SEC since February 1, 2015, the compliance of such reports and documents with the applicable requirements of the federal securities laws, rules and regulations and the Sarbanes-Oxley Act of 2002, and the absence of any outstanding or unresolved comments received by either Granite or Layne from the SEC;

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- the preparation of financial statements included in reports and documents filed with the SEC in accordance with GAAP;
- compliance with the Sarbanes-Oxley Act of 2002 and the listing and other rules and regulations of NYSE or Nasdaq, as applicable;
- maintenance of internal control over financial reporting and disclosure controls and procedures;
- the absence of undisclosed liabilities;
- the absence of any event, occurrence, condition, change, development, state of facts, or circumstance that has had or would reasonably be expected to have, individually or in the aggregate, a Layne material adverse effect or a Granite material adverse effect, in each case, from the most recent Layne balance sheet or the most recent Granite balance sheet, in each case, to the date of the Merger Agreement;
- matters related to employee benefit plans;
- tax matters;
- environmental matters;
- insurance policies;
- compliance with the U.S. Foreign Corrupt Practices Act and other anti-corruption laws;
- the accuracy of the information supplied in connection with this proxy statement/prospectus;
- certain pending and threatened litigation;
- the inapplicability of any state takeover or similar statute or regulation to the Merger Agreement and the Merger; and
- the absence of any undisclosed brokers' fees and expenses.

Additional representations and warranties made only by Layne relate to, among other things:

- subsidiaries' organization, valid existence, good standing and qualification and similar corporate matters;
- approval of the Layne Board of the Merger and the Merger Agreement;
- the enforceability of the Merger Agreement against both Granite and Layne;
- the consents, approvals, notices and other similar actions with respect to governmental entities required as a result of the execution and delivery of the Merger Agreement and the consummation of the Merger;
- matters related to employee benefit plans;
- labor and employment matters;
- intellectual property matters;
- matters with respect to certain material contracts;
- title to material properties and tangible assets;
- real property;
- interested party transaction matters;
- customers and suppliers;
- warranties; and
- the opinion of Greentech.

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Additional representations and warranties made only by Granite and Merger Sub relate to, among other things, ownership of Merger Sub and share issuance of Granite Common Stock pursuant to the Merger Agreement.

The representations and warranties in the Merger Agreement of each of Layne, Granite and Merger Sub will not survive the consummation of the Merger or the termination of the Merger Agreement pursuant to its terms.

Extension, Waiver and Amendment of the Merger Agreement

Granite, Layne and Merger Sub may amend the Merger Agreement at any time prior to consummation of the Merger. However, after the adoption of the Merger Agreement by Layne's stockholders, no amendment can be made without further stockholder approval which, by law or in accordance with applicable securities exchange rules, requires further approval by such stockholders.

Layne, on the one hand, and Granite or Merger Sub, on the other hand, may (a) extend the time for performance of any of obligation or other act of the other parties under the Merger Agreement, (b) waive any inaccuracy in the representations and warranties of the other party contained in the Merger Agreement or in any document delivered pursuant to the Merger Agreement and (c) waive compliance with any agreement of the other party or any condition to its own obligations contained in the Merger Agreement.

The waiver by any party of a breach of any provision of the Merger Agreement shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision of the Merger Agreement. The failure of any party to assert any of its rights under the Merger Agreement or otherwise shall not constitute a waiver of those rights.

Governing Law; Jurisdiction; Waiver of Jury Trial

The parties have agreed that all disputes, claims, or controversies arising out of or relating to the Merger Agreement or the negotiation, validity, or performance of the Merger Agreement, or the transactions contemplated thereby will be governed by Delaware law, without regard to its rules of conflicts of laws.

Each party has submitted to the exclusive jurisdiction of the Delaware Court of Chancery (unless the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, in which case any federal court within the State of Delaware) in any dispute, claim or cause of action arising out of or relating to the Merger Agreement. Each party has further irrevocably and unconditionally waived any right such party may have to a trial by jury with respect to any litigation directly or indirectly arising out of, under, or in connection with the Merger Agreement or the transactions contemplated by the Merger Agreement.

Specific Performance

The Merger Agreement provides that irreparable damage would occur in the event that any provision of the Merger Agreement were not performed in accordance with the terms of the Merger Agreement and that money damages would not be a sufficient remedy for any breach of the Merger Agreement. The Merger Agreement permits each party to enforce specifically the performance of the terms and provisions thereof, including the right of a party to cause the other parties to consummate the Merger, this being in addition to any other remedy to which they are entitled at law or in equity. The parties also agreed not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to applicable law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy.

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THE VOTING AGREEMENTS

In connection with entering into the Merger Agreement, Granite entered into the Voting Agreements, with each of the Voting Stockholders. The Voting Stockholders together own, in the aggregate, approximately % of the outstanding shares of Layne Common Stock as of the date of this proxy statement/prospectus. The following summary of the Voting Agreements does not purport to be complete and are subject to, and qualified in its entirety by reference to, the Form of Voting Agreement attached to this proxy statement/prospectus as Annex B.

Pursuant to the Voting Agreements, each Voting Stockholder has agreed during the Agreement Period (as defined in the Voting Agreements) to vote their shares of Layne Common Stock (a) in favor of the Merger and the adoption of the Merger Agreement at every meeting of the stockholders of Layne at which such matters are considered and at every adjournment or postponement thereof; (b) in approval of any proposal to adjourn or postpone any meeting to a later date if there are not sufficient votes to adopt the Merger Agreement, (c) any other matter necessary for consummation of the Merger considered at any such meeting, and (d) against (1) any acquisition proposal, including any superior proposal (as such terms are defined in the Merger Agreement), (2) any action, proposal, transaction or agreement that would reasonably be expected to result in a breach of any covenant, representation or warranty or any other obligation or agreement of Layne under the Merger Agreement or of such stockholder under such Voting Agreement, (3) any liquidation, dissolution, recapitalization, extraordinary dividend or other significant corporate reorganization of Layne, and (4) any action, proposal, transaction or agreement that would reasonably be expected to impede, interfere with, delay, discourage, adversely affect or inhibit the timely consummation of the Merger or the fulfillment of Granite's, Layne's or Merger Sub's conditions under the Merger Agreement or change in any manner the voting rights of any class of shares of Layne (including any amendments to the Layne Charter or the Layne Bylaws).

The Voting Agreements will terminate upon the earliest to occur of (a) the Effective Time, (b) the date on which the Merger Agreement is terminated in accordance with its terms, (c) the termination of the Voting Agreement by the mutual written consent of Granite and the Voting Stockholders, (d) the date of any material modification, waiver or amendment of the Merger Agreement that affects adversely the consideration payable to stockholders of Layne, and (e) the date on which the Layne Board effects an adverse recommendation change (as described in " *The Merger Agreement—No Solicitation of Acquisition Proposals* " beginning on page 103 of this proxy statement/prospectus) in light of the existence of an intervening event (as described in " *The Merger Agreement—No Solicitation of Acquisition Proposals* " beginning on page 103 of this proxy statement/prospectus).

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