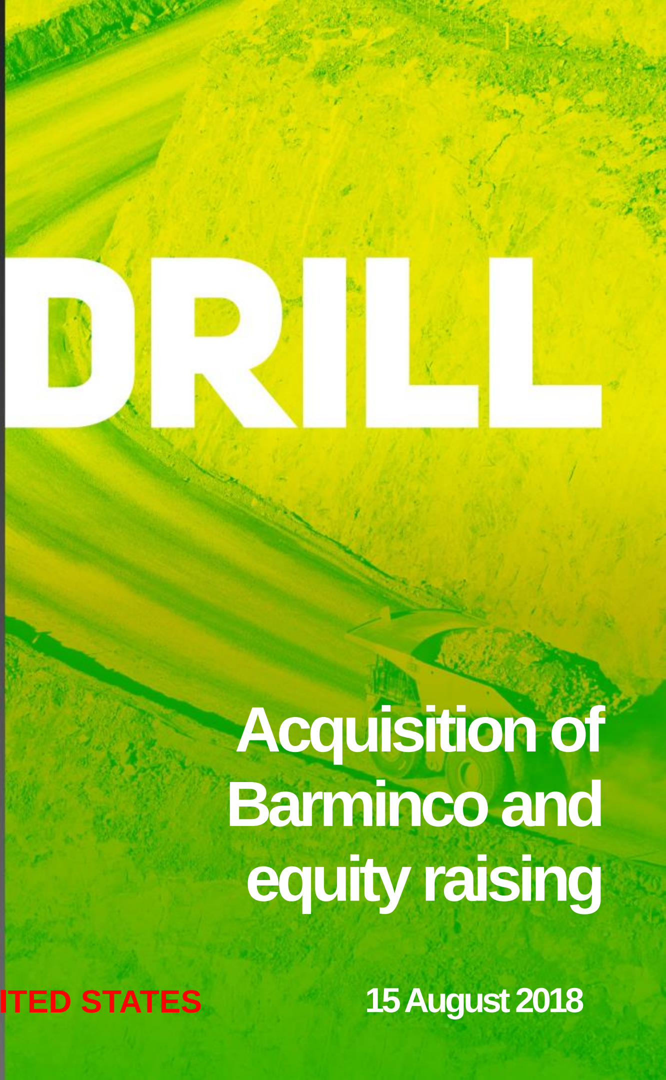

AUSDRILL

Acquisition of Barminco and equity raising

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

15 August 2018

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Similarly, Ausdrill has prepared (and made assumptions in the preparation of) the financial information relating to Barminco (on a stand-alone basis and also to New Ausdrill) included in this Presentation from financial and other information provided by the vendors of Barminco. Ausdrill is unable to verify the accuracy or completeness of all of this information.

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Such non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Although Ausdrill believes these non-IFRS financial measures provide useful information to investors in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this Presentation. The financial information in the Presentation is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by the AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

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All dollar values are in Australian dollars ($) unless stated otherwise. A number of figures, amounts, percentages estimates, calculations of value and other fractions used in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

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Transaction summary

A compelling acquisition for Ausdrill …

… strategically

… financially

… operationally

- ✓ Creates Australia's clear #2, and leading listed pure-play, mining services company
- ✓ Pro forma FY18 underlying EPS(A)[1] accretion of over 28% (excluding synergies)
- ✓ Strengthens market leading position in international underground hard-rock contract mining
- ✓ Balances geographic exposure between Australia and Africa
- ✓ Consolidates African Underground Mining Services ("AUMS"), streamlining governance and providing clear operational control
- ✓ Delivers a lower capital intensity, higher return business
- ✓ Enhances future global growth opportunities
- ✓ Equity consideration creates alignment between Ausdrill and Barminco vendors
- ✓ Equity raising facilitates repayment of the Ausdrill Notes[2] to maintain prudent leverage
- ✓ Strengthens Ausdrill's position in the S&P/ASX200 index

[1] EPS(A) is calculated excluding transaction costs, synergies and amortisation of intangibles. It includes discontinued operations, the impact of the acquisition, issue of shares to Barminco vendors, the equity raising and associated TERP adjustment, pro forma repayment of the Ausdrill Notes[2], utilisation of deferred tax assets and other adjustments. See slides 27 and 28 for further information

[2] Ausdrill's Senior Unsecured Notes due November 2019 ("Ausdrill Notes")

Transaction summary

Barminco overview	▪ Leading provider of underground hard-rock contract mining in Australia and Africa with FY18 proportionately consolidated underlying EBITDA[1] of $167.3m and EBIT(A) of $91.5m ▪ Barminco has been Ausdrill's 50% joint venture partner in AUMS since 2007
Transaction summary	▪ Ausdrill to acquire 100% of equity and equity-like instruments[2] ("Equity") of Barminco Holdings Pty Ltd ("Barminco") ▪ Consideration comprises 150.7m fully-paid ex-dividend Ausdrill ordinary shares and $25.4m cash
Transaction metrics	▪ Values Equity at $271.5m[3], together with $425.5m of net debt, implying an enterprise value of $697.0m ▪ Proportionately consolidated underlying FY18 EV / EBITDA of 4.2x[4] and EV / EBIT(A) of 7.6x[4], discounts to Ausdrill's equivalent multiples of 4.7x[4] and 9.3x[4], respectively
Barminco shareholding	▪ At acquisition completion, Barminco vendors will own approximately 22.1%[5] of New Ausdrill. 100% of the shares issued will be escrowed until the release of Ausdrill's FY19 results (late August 2019) ▪ However, if after the release of Ausdrill's 1H19 results (late February 2019), its share price trades for any five consecutive days at a VWAP[6] of at least $2.04 (a 25% premium to TERP[3]), this escrow will cease to apply with respect to one third of the shares issued ▪ Keith Gordon, currently Chairman of Barminco, will join Ausdrill's board as a director following completion

1 Underlying proportionately consolidated EBITDA and EBIT(A) – see slide 39
2 Including redeemable preference shares and shareholder loan notes
3 Based on an Ausdrill theoretical ex-rights price ("TERP") of $1.63
4 Multiple of underlying proportionately consolidated EBITDA and EBIT(A) – see slides 38 and 39. Ausdrill based on share price of $1.71 per share as of 14 August 2018
5 Share of New Ausdrill post equity raising
6 Volume weighted average price ("VWAP")

Transaction summary (cont'd)

Underwritten equity raising	▪ Concurrent with the acquisition announcement, Ausdrill is undertaking a fully underwritten 1 for 2.13 Accelerated Non-Renounceable Entitlement Offer ("Entitlement Offer") to raise \$250m (before costs) at \$1.47 per new share (10% discount to TERP of \$1.63)
Leverage[1]	▪ Equity raising supports repayment of the Ausdrill Notes as soon as practicable after completion, resulting in lower gross debt for New Ausdrill. The Barminco Notes[2] are expected to remain in place ▪ New Ausdrill pro forma FY18 proportionately consolidated net debt / underlying proportionately consolidated EBITDA of 1.4x[3]
Dividends	▪ Shares issued in the equity raising will be eligible for Ausdrill's 30 June 2018 fully franked final and special dividends totaling 3.5 cents ▪ Shares issued to Barminco vendors will be ex-dividend ▪ Ausdrill dividend policy expected to remain at 40% of underlying NPAT(A) post transaction
Integration	▪ Well developed integration plan designed to manage the transition and assist Ausdrill to realise expected acquisition benefits ▪ Estimated run-rate synergies of approximately \$5.0m per annum[4]
Conditions precedent	▪ Acquisition subject to customary conditions precedent including Ausdrill shareholder approval, no material adverse change to Barminco or Ausdrill, a favourable independent expert's report, continuation of material contracts and required change of control consents[5] ▪ Ausdrill's Directors unanimously support the transaction

1 This represents a statement of current intentions. Ausdrill will make final decisions on which debt instruments are repaid, and when, after consultation with lenders. If the acquisition does not complete, the net proceeds will be used to pay down Ausdrill debt or may be returned to shareholders (subject to any approvals required), or a combination of both

2 Barminco's Senior Secured Notes due May 2022 ("Barminco Notes")

3 See details of use of proceeds on slide 32

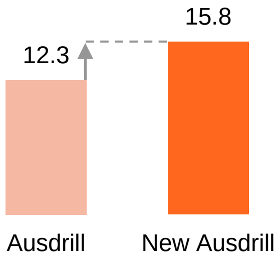
4 Synergy estimates have not been included in FY18 pro forma EPS(A) analysis for New Ausdrill

5 Further detail on conditions precedent is set out in Attachment I to today's ASX announcement

The acquisition is expected to be financially positive[1]

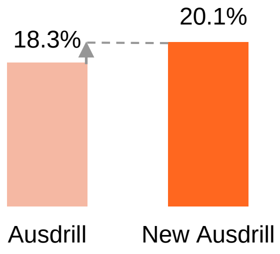
Underlying TERP adj. EPS(A) (cents)[2]

+28%



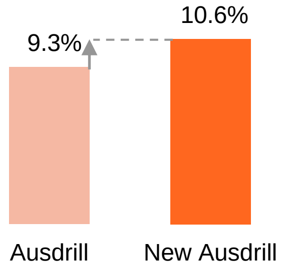
Underlying[3] EBITDA margin (%)

+190bps



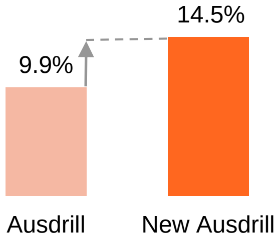
Underlying[3] EBIT(A) margin (%)

+130bps



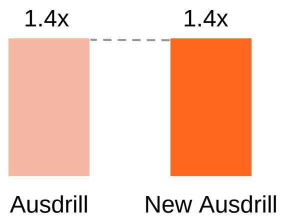
Underlying ROACE (%)[4]

460bps



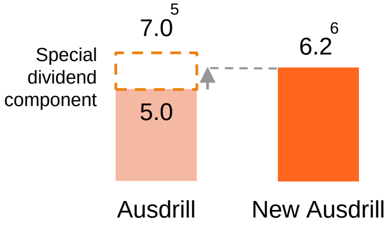
Net debt / Underlying[3] EBITDA (x)

—



DPS (cents)

1.2 cents[7]



FY18 Pro forma FY18

1 New Ausdrill metrics are pro forma including Ausdrill, Barminco and AUMS (100%) post-consolidation

2 EPS(A) is calculated excluding transaction costs, synergies and amortisation of intangibles. It includes discontinued operations, the impact of the acquisition, issue of shares to Barminco vendors, the equity raising and associated TERP adjustment, pro forma repayment of the Ausdrill Notes, utilisation of deferred tax assets and other adjustments. See slides 27 and 28 for further information

3 Ausdrill is on a proportionately consolidated underlying basis (including 50% contribution from AUMS). See slide 38

4 Return on average capital employed = Proportionately consolidated underlying EBIT(A) / sum of average of proportionately consolidated FY17 and FY18 receivables, inventories, PP&E less trade payables. ROACE for New Ausdrill based on pro forma balance sheet as of 30 June 2018

5 Ausdrill's full year dividend of 7.0 cents per share comprises 3.5 cent interim plus 1.5 cent final (for a 5.0 cent per share total ordinary dividend) plus a 2.0 cent per share special dividend

6 Assuming a 40% payout ratio applied to underlying NPAT(A)

7 Excludes FY18 special dividend

Timetable and process

Event	Date/Time (AEST)[1]
Announcement	Wednesday, 15 August 2018
Trading halt	Wednesday, 15 August 2018
Institutional Entitlement Offer closes	Thursday, 16 August 2018
Trading halt lifted	Friday, 17 August 2018
Announcement of results of Institutional Entitlement Offer and record date for the equity raising	Friday, 17 August 2018
Shares recommence trading on an “ex-entitlement” basis	Friday, 17 August 2018
Retail Entitlement Offer closes	5:00pm Wednesday, 5 September 2018
Notice of AGM despatched	Friday, 7 September 2018
Ex-dividend date	Wednesday, 3 October 2018
Annual General Meeting and shareholder vote	Thursday, 25 October 2018
Barminco acquisition completion	Wednesday, 31 October 2018

1 All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time. Ausdrill and the Underwriters reserve the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Ausdrill reserves the right to extend the closing date for the Retail Entitlement Offer, or to accept late applications under the Retail Entitlement Offer without prior notice

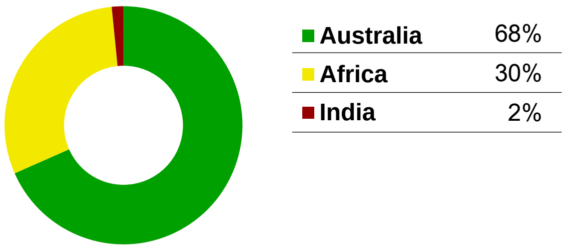
Barminco overview

Barminco is one of the world's leading underground hard-rock contract miners

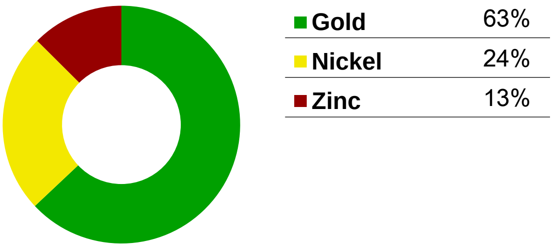
Overview

- Founded in 1989, Barminco provides underground hard-rock contract mining services under its own brand in Australia, Egypt and India
- Headquartered in Perth with 1,800 employees (AUMS employs an additional 1,000 people)
- Owned by a range of institutional and individual shareholders including Gresham, Peter Bartlett (Barminco's founder) and Ron Sayers (Ausdrill's founder)
- Also operates in other parts of Africa through AUMS (Ausdrill's 50% joint venture partner)
- Industry leading safety record with a TRIFR[2] of 7.1 and LTIFR[2] of 0
- Barminco is rated B1/B (Moody's/S&P)

2018 revenue by geography[1]



2018 revenue by commodity[1]



[1] Revenue represented on a proportionately consolidated basis (including 50% contribution from AUMS)

[2] Total Recordable Injury Frequency Rate and Lost Time Injury Frequency Rate, both per million man hours worked for the twelve months ended 30 June 2018

Barminco service offering[1]

Barminco		AFRICAN UNDERGROUND MINING SERVICES (50% JV with Ausdrill)
Underground contract mining	**Diamond drilling/Other[3]**	**AUMS**

Underground contract mining

- Leading underground hard-rock mining services provider operating across Australia, Egypt and India
- Capability and fleet to provide customised solutions for longhole, specialist and production drilling applications
- Production mining services include drilling, charging and blasting, load and hauling to the surface

72% of Revenue — **$530m**

65% of EBITDA[2] — **$108m**

Diamond drilling/Other[3]

- Offers a complete suite of underground diamond drilling services including grade control and orebody definition
- All standard core sizes to 2,000m

8% of Revenue[3] — **$56m**

5% of EBITDA[2,3] — **$9m**

AUMS

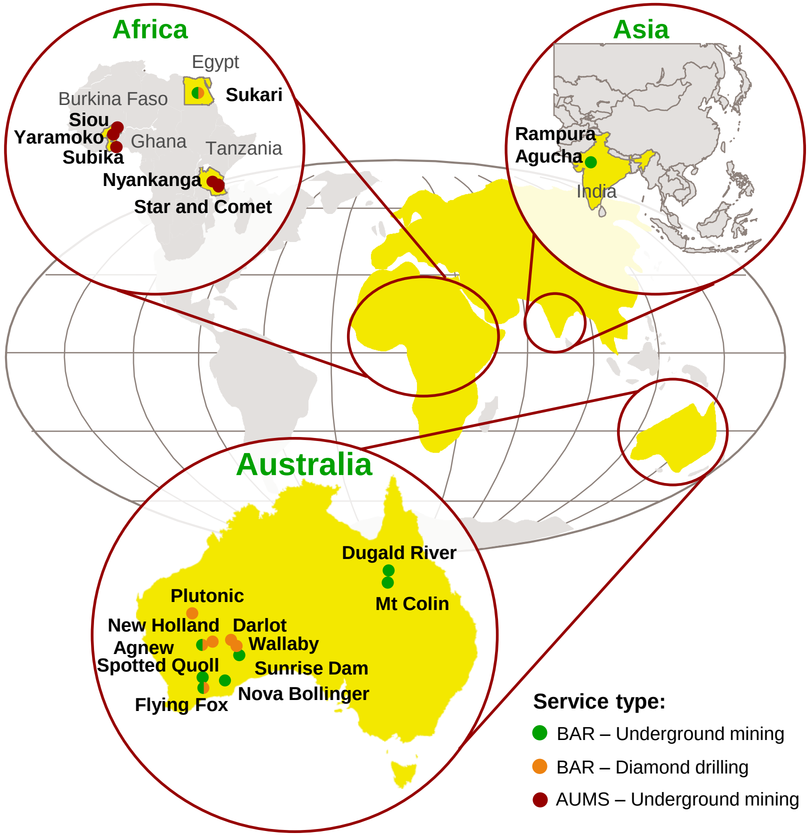
- Provides comprehensive underground mining and mine management services across East and West Africa
- Production mining services include drilling, charging and blasting, load and haul, shotcreting and diamond drilling
- Services predominantly provided to clients engaged in gold mining

20% of Revenue[4] — **$146m**

30% of EBITDA[4] — **$50m**

1. Divisional financials represented on a proportionately consolidated underlying basis for FY18 (including 50% contribution from AUMS)
2. Includes normalisations for shareholder management fees – see slide 39
3. Revenue and EBITDA include contribution from diamond drilling, crushing, shared services and other
4. As per Barminco reporting – see slide 39

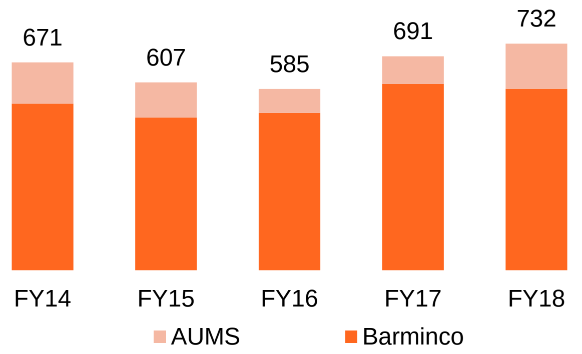
Barminco and AUMS have a diverse international portfolio of contracts



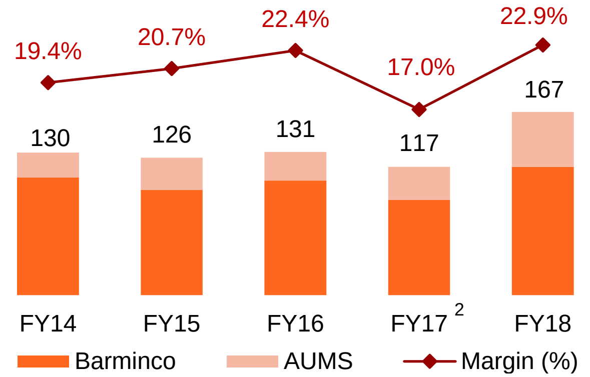
Project	Client	Geog.	Comm.
Australia			
Sunrise Dam	AngloGold Ashanti	WA	Gold
Dugald River	MMG	QLD	Zinc
Mt Colin	Round Oak Minerals	QLD	Copper
Spotted Quoll	Western Areas	WA	Nickel
Nova Bollinger	Independence Group	WA	Nickel
Agnew	Gold Fields	WA	Gold
Flying Fox	Western Areas	WA	Nickel
Plutonic	Billabong Gold	WA	Gold
Wallaby	Gold Fields	WA	Gold
New Holland	Gold Fields	WA	Gold
Darlot	Red 5	WA	Gold
International			
Sukari	Centamin	Egypt	Gold
Rampura Agucha	Hindustan Zinc	India	Zinc
Star & Comet	AngloGold Ashanti	Tanzania	Gold
Nyankanga	AngloGold Ashanti	Tanzania	Gold
Subika	Newmont Ghana Gold	Ghana	Gold
Yaramoko	Roxgold	Burkina Faso	Gold
Siou	SEMAFO	Burkina Faso	Gold

Barminco has evidenced a solid track record through the mining cycle and has delivered strong earnings growth in FY18[1]

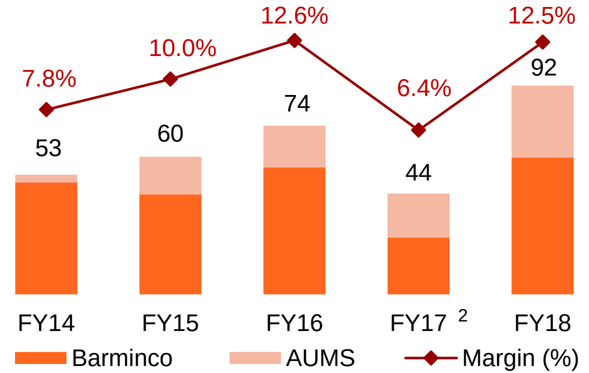
Revenue ($m)



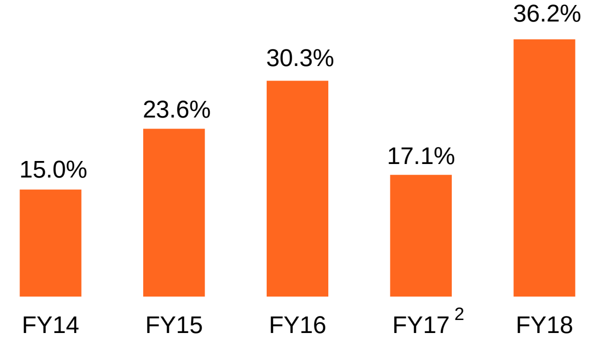
Underlying EBITDA ($m) and margin (%)



Underlying EBIT(A) ($m) and margin (%)



Underlying ROACE (%)[3]



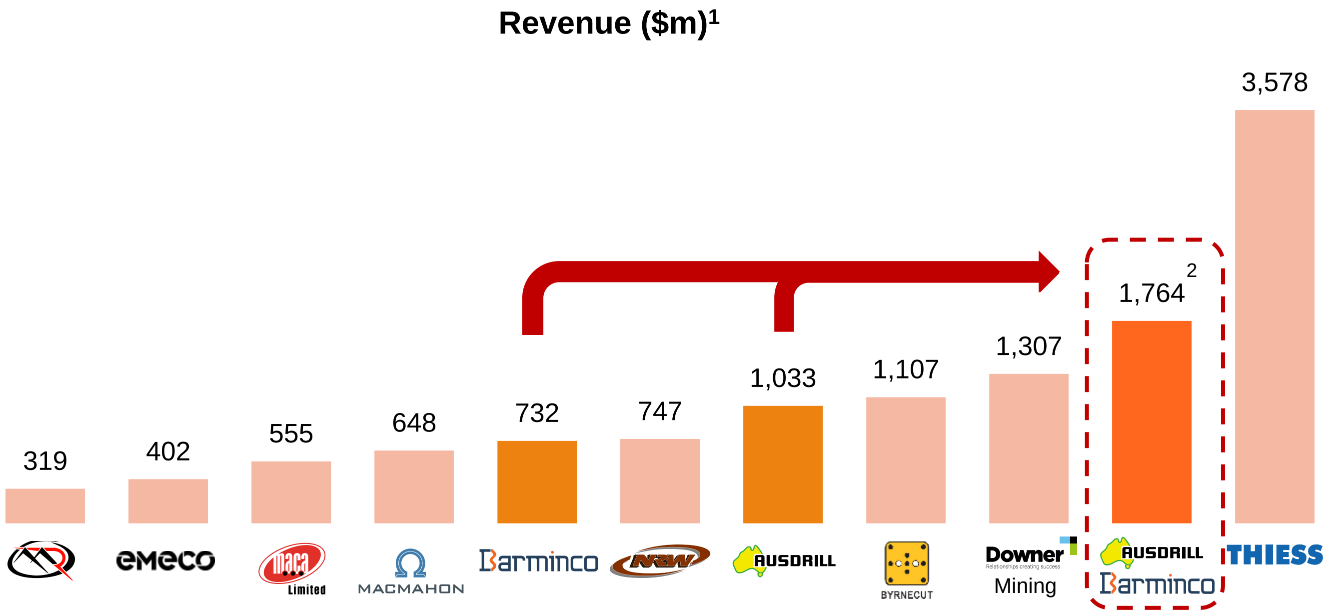
1 All financials reflected on a proportionately consolidated underlying basis (including 50% contribution from AUMS) – see slide 39

2 Barminco's FY17 earnings materially impacted by once-off underperformance of Kundana (now exited) and Rampura Agucha (now rectified) contracts. FY17 excludes onerous contract provision of $3.7m

3 Return on average capital employed = Proportionately consolidated underlying EBIT(A) / sum of average proportionately consolidated current and prior year receivables, inventories, PP&E less trade payables

Strategic rationale

The acquisition positions Ausdrill as the clear #2 Australian mining services provider (and largest listed pure-play)



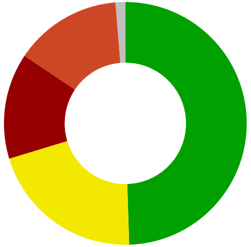
- Creates Australia's clear #2 mining services provider
- Largest listed Australian pure-play mining services company
- Strengthens Ausdrill's position in the S&P/ASX200 index

1 Ausdrill based on sales revenue. Proportionately consolidated revenue for Ausdrill and Barminco. FactSet consensus FY18E revenue for Emeco, MACA, Macmahon and NRW. Byrnecut based on twelve months to 31 December 2017. Downer Mining based on twelve months to 31 December 2017. Mineral Resources based on twelve months to 31 December 2017 for Mining Services & Processing external revenue (comparable total revenue figure is $903m). Thiess based on twelve months to 30 June 2018 for CIMIC Mining & Mineral Processing segment revenue (comparable total revenue figure is $3,420m)

2 Pro forma includes 100% contribution from AUMS

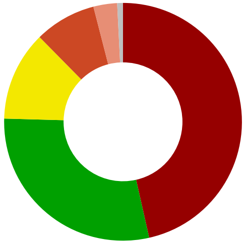
The acquisition delivers a more balanced and diverse revenue portfolio[1]

Revenue by business activity – pre transaction[2]



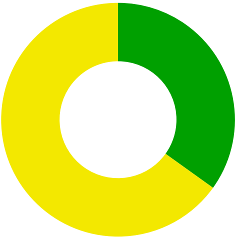
Surface mining	49%
Drilling services	21%
Underground mining[2]	14%
Equipment services	14%
Other	1%

Revenue by business activity – post transaction (pro forma)



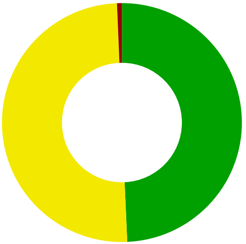
Underground mining[3]	46%
Surface mining	29%
Drilling services	12%
Equipment services	8%
Diamond drilling	3%
Other	1%

Revenue by geography – pre transaction[2]



Australia	35%
Africa	65%

Revenue by geography – post transaction (pro forma)



Australia	48%
Africa	50%
India	1%

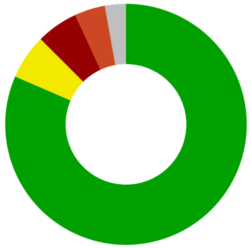
1 Ausdrill based on sales revenue

2 Pre transaction revenue for Ausdrill reflected on a proportionately consolidated basis (including 50% contribution from AUMS)

3 Post transaction revenue is 100% of AUMS and Barminco's underground mining segment

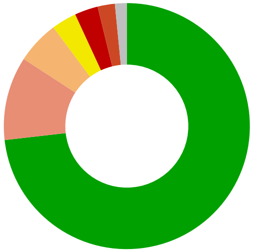
A more diverse project portfolio

Revenue by commodity – pre transaction[1]



Gold/copper	82%
Iron	6%
Coal	6%
Manganese	4%
Other	3%

Revenue by commodity – post transaction (pro forma)



Gold/copper	73%
Nickel	12%
Zinc	6%
Iron	3%
Coal	3%
Manganese	2%
Other	1%

Expanded portfolio of leading mining clients[2]

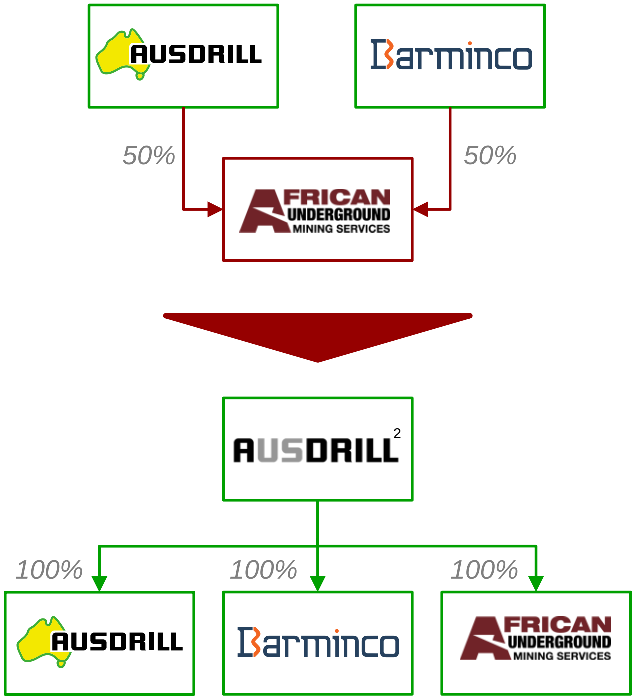
AngloGold Ashanti, BHP, MMG, Peabody Energy, Gold Fields, Hummingbird Resources, Perseus Mining Limited, igo, Mineral Resources, Resolute, Newmont, SEMAFO, Western Areas Ltd, Roxgold, Toro Gold, Superior Gold Inc., Centamin, Red5 Limited, GMC, Hindustan Zinc

1 Pre transaction revenue for Ausdrill reflected on a proportionately consolidated basis (including 50% contribution from AUMS)

2 Not exhaustive. List includes existing clients of Ausdrill, Barminco and AUMS

Consolidation of AUMS – a high margin, high growth business

- Ausdrill and Barminco have been joint venture partners since 2007
- Facilitates 100% ownership of AUMS, the fastest growing, highest margin and highest return on capital business of Ausdrill[1] and Barminco
- Streamlines current governance structure and provides operational control
- Benefit of relative de-gearing of Ausdrill due to earnings consolidation of AUMS
- Ausdrill shareholders increase effective exposure to the fast growing, underground mining business
- Africa presents good organic growth opportunities that enable further portfolio expansion



1 For further details see Ausdrill FY18 annual report

2 Simplified organisational chart

Business rationalisation provides a clear "go to market" strategy

Current brands	New brand strategy
	AUSDRILL
African Underground Mining Services; Barminco	Barminco
AMS African Mining Services; Logistics Direct	AMS
Ausdrill Northwest; Ausdrill; Connector Drilling; Drill Rigs Australia; MinAnalytical Laboratory Services Australia Pty Ltd; Synegex Explosives Direct	AUSDRILL
BTP Parts; BTP Equipment; Supply Direct	BTP

Non-core

Well Control Solutions

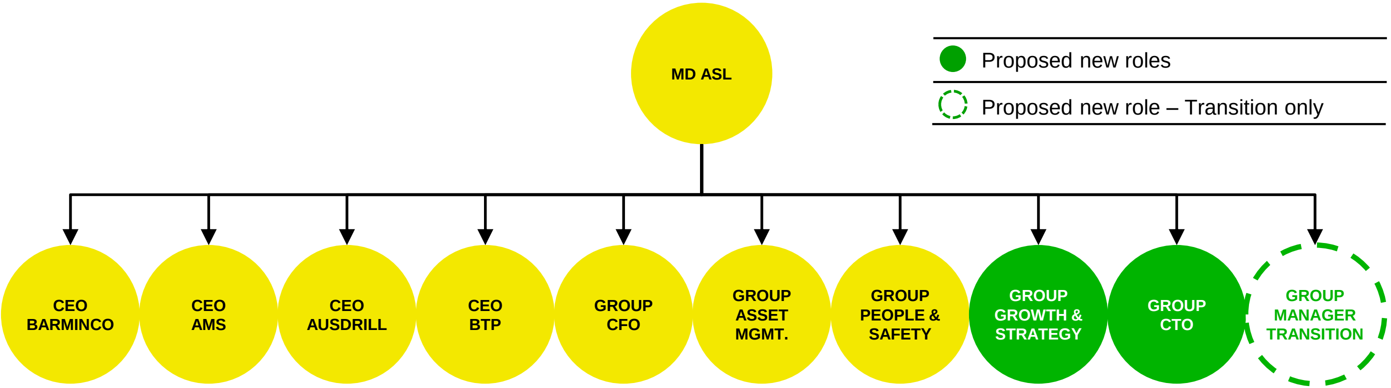
Energy Drilling Australia

Integration guiding principles

An orderly and well resourced integration plan developed to ensure a successful acquisition

Focus on culture	**Unique opportunity to shape culture**	One-time chance to meld best of both cultures
	Leadership	High level of authentic employee touch and communications
	People	With the respective complementary skills across the combined entities we expect little change in management
Best of breed approach	**Brand**	Adopt brands that maximise market share, profit and ROACE
	Structure	Adopt business and organisation structures that best serve clients
	Processes	Adopt best of two equivalent processes
	Systems	Adopt best of three systems

Organisational structure



Rationale

- Organisational structure designed for growth under new Group Managing Director – Mark Norwell[1]
- Operational leadership rationalised under four core businesses – see slide 22
- New functions to enhance capability of a performance and technology driven growth business
- Centralised support services in two regional hubs to support global business to deliver approximately \$5.0m in run-rate cost synergies[2] from duplicated overheads, procurement and other initiatives
- Business critical employees and key relationship managers incentivised to remain through remuneration structures
- Integration planning well progressed – integration team members identified

1 Commences 17 September 2018

2 Synergy estimates have not been included in FY18 pro forma EPS(A) analysis for New Ausdrill

Creates a foundation for pursuing global underground mining growth opportunities

Target markets in underground mining[1]

TIER 1&2[2] targets:

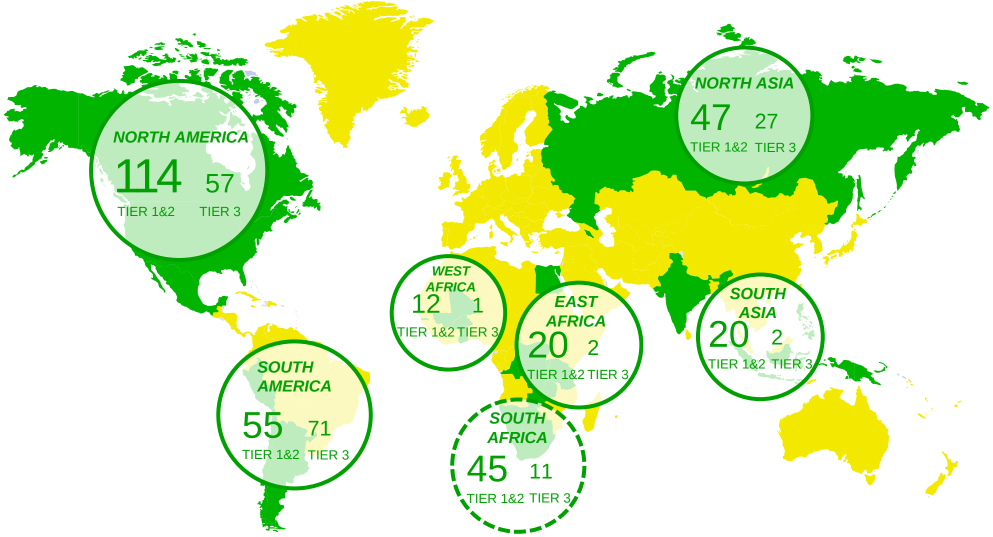
313

TIER 3[3] targets:

171

Target markets

Alternate markets



1 Source: Ausdrill management analysis as of June 2018

2 Tier 1&2 key criteria: Major/mid-tier global mining companies, at least one large operating asset or multiple assets, often multi-market assets and market capitalisation over $500m or similar if private

3 Tier 3 key criteria: Mostly junior miners/exploration companies, mainly private or small entities, smaller sized and few assets, mostly operate in a single market and market capitalisation less than $100m or similar if private

- Transaction creates platform to be a global underground mining player and lays the foundation for global growth and expansion
- Ausdrill evaluates global mine opportunities by assessing level of mining activity, ease of doing business, economic outlook, political stability and security
- A total of 313 Tier 1&2 mine site targets have been identified, with considerable scope for growth for New Ausdrill both within and outside existing geographic areas of operation
- Ausdrill MD Mark Norwell has significant international experience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Financial impact
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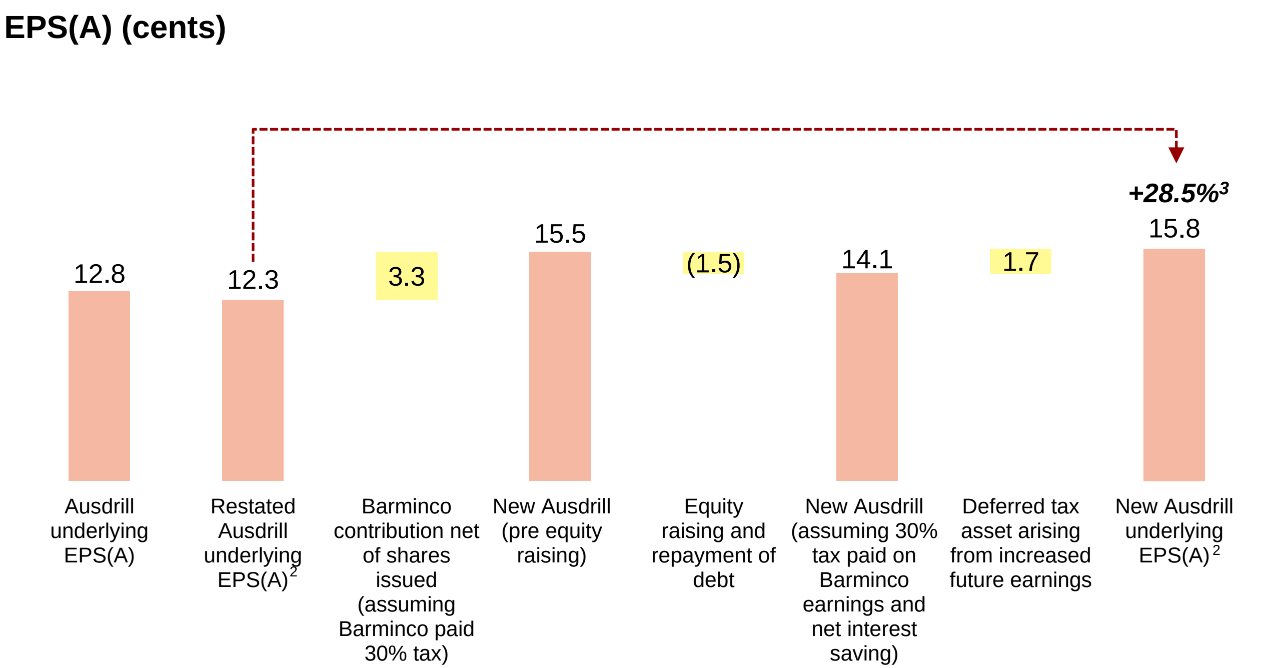
Pro forma FY18 earnings per share impact[1]



1 Pro forma transaction impacts are illustrative only. EPS(A) is calculated excluding transaction costs, synergies and amortisation of intangibles. It includes discontinued operations, the impact of the acquisition, issue of shares to Barminco vendors, the equity raising and associated TERP adjustment, pro forma repayment of the Ausdrill Notes, utilisation of deferred tax assets and other adjustments. Assumes an indicative effective tax rate for Barminco of 30% and net interest savings. See slide 28 for further information

2 In accordance with AASB 133, Ausdrill pre transaction EPS(A) has been restated based on an adjustment factor to take into account the bonus element of the Entitlement Offer

3 These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Ausdrill, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. See slide 2

As Ausdrill and Barminco have independently made positive outlook statements for FY19, pro forma underlying FY19 EPS(A) is expected to be at solid growth on underlying pro forma FY18[3]

Pro forma FY18 income statement

$Million	Ausdrill (A)	Barminco (A)	Elim. of assoc. (B)	AUMS (C)	Trans. adj.	New Ausdrill	Adj. (H)	Underlying New Ausdrill	
Revenue	**887.3[1]**	**586.1**	**-**	**290.4**	**-**	**1,763.8**	**-**	**1,763.8**	**Margin**
EBITDA	**177.4**	**139.6**	**(45.7)**	**99.0**	**-**	**370.2**	**(14.9)**	**355.3**	*20.1%*
EBIT(A)	**102.9**	**82.4**	**(45.7)**	**61.9**	**-**	**201.5**	**(14.9)**	**186.6**	*10.6%*
Customer related amort.	-	(0.9)	-	-	(39.8) D	**(40.8)**	-	**(40.8)**	-
EBIT	102.9	81.4	(45.7)	61.9	(39.8) D	**160.7**	(14.9)	**145.8**	-
Net interest expense	(28.8)	(43.7)	-	(2.5)	22.3 E	**(52.6)**	-	**(52.6)**	-
Tax expense	(14.7)	12.9	-	(14.8)	(13.1) F	**(29.7)**	-	**(29.7)**	-
Profit from disc. operations	1.7	-	-	-	-	**1.7**	-	**1.7**	-
NPAT	61.1	50.7	(45.7)	44.7	(30.6)	**80.1**	(14.9)	**65.2**	-
NPAT(A)	61.1	51.6	(45.7)	44.7	9.2	**120.8**	(14.9)	**105.9**	-
Underlying NPAT(A)	**45.2**	**39.5**	**(45.7)**	**44.7**	**22.3**	**n/a**	**-**	**105.9**	**Change**
Underlying EPS(A) (cents)	**12.8**	**-**	**-**	**-**	**-**	**n/a**	**-**	**15.8**	*22.7%*
Underlying EPS(A) TERP adj.	**12.3**	**-**	**-**	**-**	**-**	**n/a**	**-**	**15.8**	*28.5%*
Indicative DPS[2] (cents)	**5.0[3]**	**-**	**-**	**-**	**-**	**n/a**	**-**	**6.2**	*24.1%*
Shares on issue (m)	351.8[4]	-	-	-	320.7 G	**672.5**	-	**672.5**	-

1 Ausdrill based on sales revenue only

2 Assuming a 40% payout ratio applied to NPAT(A)

3 Ausdrill's full year dividend of 7.0 cents per share comprises 3.5 cent interim, 1.5 cent final and 2.0 cent special dividend. This base component of 5.0 cents per share is the sum of the 3.5 cent interim and 1.5 cent final full year dividends and excludes the special dividend

4 Basic weighted average shares on issue

Pro forma FY18 income statement (notes)

The New Ausdrill pro forma FY18 income statement has been derived from the FY18 audited financial statements of Ausdrill and Barminco, and adjusted to reflect the impact of the acquisition and Entitlement Offer as if both had occurred on 30 June 2017. As a result, the New Ausdrill pro forma FY18 income statement excludes the impact of the one-off gain recognised on acquisition upon remeasurement of Ausdrill's existing 50% share in AUMS and any transaction costs incurred. Both of which would be adjusted in the calculation of New Ausdrill underlying earnings given one-off nature. However, these items have been reflected in the New Ausdrill pro forma 30 June 2018 balance sheet – see following slides for further details

A – Presented on a statutory reported basis, as reflected in each company's respective audited financial statements, i.e. inclusive of equity accounted share of net profit after tax from AUMS

B – Elimination of equity accounted share of net profit after tax from AUMS included in each company's statutory income statement

C – Pro forma adjustment to recognise 100% of AUMS results

D – Indicative customer related amortisation expense that will be recognised upon acquisition of Barminco. Existing Barminco amortisation expense of $0.9m includes $0.4m of other non-customer related amortisation expense which has not been adjusted. Figures are illustrative only and subject to change upon finalisation of purchase accounting post acquisition. See slide 40

E – Pro forma adjustment to reflect impact on net interest expense from interest savings from the repaid Ausdrill Notes, additional interest expense on RCF drawdown, interest income foregone from cash utilised and additional interest expense (non-cash) recognised on fair value remeasurement of the Barminco Notes

F – Reversal of Barminco's $13.1m current year income tax benefit recognised from prior year tax losses, net of tax effect of other pro forma adjustments. This income tax benefit is non-recurring and would not be recognised by New Ausdrill

G – 150.7m shares issued to Barminco vendors and 170.0m shares issued as part of the Entitlement Offer

H – Adjustments to derive underlying earnings – see slides 38 and 39

Pro forma FY18 balance sheet

30 June 2018 $Million	A Ausdrill	A Barminco	B AUMS	C AUMS adj.	Trans. adj.	New Ausdrill
Cash and cash equivalents	137.3	80.3	33.3	-	(110.4) D	**140.4**
Receivables	230.5	83.5	44.5	-	-	**358.4**
Inventories	212.6	20.7	50.1	-	-	**283.4**
Property, plant and equipment	664.3	124.9	90.6	-	-	**879.8**
Intangibles	-	2.1	-	77.4	189.4 E	**268.9**[1]
Goodwill	-	256.9	-	136.5	103.6 F	**497.0**[1]
Deferred tax assets	35.5	63.3	-	-	(9.0) G	**89.8**
Other assets	87.5	75.0	(142.5)	-	-	**20.1**
Total assets	**1,367.8**	**706.6**	**76.0**	**213.9**	**173.5**	**2,537.8**
Payables	122.8	72.6	30.5	-	12.2 H	**238.0**
Interest bearing liabilities[2]	404.6	481.9	41.7	-	(304.8) I	**623.3**
Derivative financial instruments	-	19.7	-	-	-	**19.7**
Deferred tax liabilities	24.9	-	(2.3)	25.9	60.1 J	**108.7**
Employee provisions	39.5	27.5	1.5	-	-	**68.6**
Other liabilities	1.2	10.8[3]	4.6	-	(10.8) K	**5.8**
Total liabilities	**593.0**	**612.4**	**76.0**	**25.9**	**(243.2)**	**1,064.1**
Share capital	624.6	-	-	-	490.4 L	**1,114.9**
Reserves	(12.5)	-	-	-	-	**(12.5)**
Retained earnings	162.6	-	-	188.0 C	20.6 M	**371.2**
Shareholders' equity	**774.8**	-	**-**	**188.0**	**511.0**	**1,473.7**
Net debt[4]	267.3	421.3	8.4	-	(194.4)	**502.6**
Prop. consolidated net debt	271.5	425.5	-	-	(194.4)	**502.6**

1 See slide 40

2 Interest bearing liabilities presented are net of capitalised borrowing costs – see slide 32

3 Includes Barminco shareholder loan as per statutory accounts but will be eliminated on consolidation post acquisition – refer to Note K

4 Net debt inclusive of derivative financial instruments and net of capitalised borrowing costs. See slide 32

Pro forma FY18 balance sheet (notes)

The New Ausdrill pro forma 30 June 2018 balance sheet has been derived from the FY18 audited financial statements of Ausdrill and Barminco, and adjusted to reflect the impact of the acquisition and Entitlement Offer as if both had occurred on 30 June 2018

A – Presented on a statutory reported basis, as reflected in each company's respective audited financial statements, i.e. inclusive of investment in AUMS recognised as an equity accounted joint venture

B – Pro forma adjustment to recognise 100% of AUMS net assets (i.e. on a proportionately consolidated basis) and eliminate investment in equity accounted joint ventures

C – Pro forma adjustment to recognise fair value adjustments on Ausdrill's existing 50% share in AUMS. Under accounting standards, Ausdrill is required to recognise its 50% share of net assets in AUMS at fair value (including recognition of identifiable intangible assets and goodwill) at the acquisition date. The accounting for the step acquisition of Ausdrill's existing 50% share in AUMS results is a gain recognised in Ausdrill's income statement post acquisition of $188.0m based on management's indicative analysis (subject to change based on finalisation of the purchase price accounting ("PPA")). Actual intangibles will be calculated as at completion based upon the then prevailing Ausdrill share price. To the extent that Ausdrill's share price at completion is greater than TERP, it is Ausdrill's intention to impair any additional goodwill created which would be offset by the gain recognised post acquisition by New Ausdrill upon the re-measurement of Ausdrill's existing 50% equity interest in AUMS at fair value

D – Net reduction in cash reflecting the net proceeds from the equity raising (net of approximately $25.5m of transaction costs, including Barminco's transaction costs), partial repayment of the Ausdrill Notes and cash consideration paid to Barminco vendors

E – Indicative customer contract and relationship intangible assets recognised on acquisition of Barminco. This balance is indicative only and subject to change upon finalisation of PPA post acquisition

F – Indicative adjustment to recognise goodwill on acquisition of Barminco. This balance is indicative only and subject to change upon finalisation of PPA post acquisition, including the treatment of transaction costs, duties and management incentives

G – Net reduction in DTA reflecting the de-recognition of Barminco's carried forward tax losses on acquisition, partially offset by the recognition of Ausdrill's carried forward tax losses previously not recognised

H – Contingent liabilities recognised on acquisition of Barminco in accordance with accounting standards, partially offset by a reduction in liabilities to be settled pre-acquisition

I – RCF drawdown for the partial repayment of the Ausdrill Notes and payment of transaction costs, write-off of unamortised borrowing costs, reduction in the Barminco Notes (including associated capitalised borrowing costs) upon re-measurement at fair value on acquisition. The fair value adjustment for the Barminco Notes is indicative only and will be subject to change based on the trading price of the notes and the prevailing AUD:USD exchange rates at completion

J – Deferred tax liabilities in respect of the customer intangibles recognised as part of PPA on acquisition of Barminco

K – Ausdrill will acquire the loan receivable currently held by Barminco vendors as part of the transaction and therefore this balance will eliminate with the Barminco shareholder loan of $10.8m on consolidation

L – $244.3m (net of transaction costs) new shares issued as part of the Entitlement Offer and $246.1m new shares issued to Barminco vendors

M – Net increase in retained earnings of $20.6m from recognition of Ausdrill carried forward tax losses, partially offset by transaction costs (including employee bonus payments) and write-off of unamortised borrowing costs on repayment of the Ausdrill Notes

Pro forma FY18 capitalisation[1]

30 June 2018 $Million	Ausdrill	Barminco	AUMS	Trans. adj.	New Ausdrill
Ausdrill Notes	405.0	-	-	(405.0)	-
Barminco Notes	-	468.0	-	(17.8)[2]	450.3
Revolver (drawn)	-	-[3]	-	106.2[4]	106.2
Other[5]	(0.4)	33.5	41.7	11.8	86.5
Gross debt[6]	**404.6**	**501.6**	**41.7**	**(304.8)**	**643.0**
Cash	(137.3)	(80.3)	(33.3)	110.4	(140.4)
Net debt[6]	**267.3**	**421.3**	**8.4**	**(194.4)**	**502.6**
Shareholders' equity	**774.8**	**n/a**	**n/a**	**699.0**	**1,473.7**
Prop. consolidated gross debt	425.4	522.4	-	(304.8)	643.0
Prop. consolidated net debt	271.5	425.5	-	(194.4)	502.6
Prop. consolidated: Gross debt / underlying EBITDA (x)	2.3x	3.1x	n/a	n/a	1.8x
Prop. consolidated: Net debt / underlying EBITDA (x)	1.4x	2.5x	n/a	n/a	1.4x
Gearing[7]	25.7%	n/a	n/a	n/a	25.4%
Shares on issue (m)	351.8[8]	n/a	n/a	320.7[9]	672.5
Revolver (undrawn)	200.0	71.4[3,10]	-	(106.2)[4]	165.2

1 This represents a statement of current intentions. Ausdrill will make final decisions on which debt instruments are repaid and when after consultation with lenders. If the acquisition does not complete, the net proceeds will be used to pay down Ausdrill debt or may be returned to shareholders (subject to any approvals required), or a combination of both

2 Reduction in the Barminco Notes upon remeasurement at fair value at acquisition in accordance with accounting standards. The fair value adjustment reflects the implied discount based on the SGX traded price of the Barminco Notes and AUD:USD exchange rate as at 30 June 2018

3 No cash currently drawn, however $3.6m of bank guarantees and transaction banking facilities have been applied against this balance

4 Partial repayment of the Ausdrill Notes through revolver drawdown and funding of transaction costs

5 Includes hire purchase liabilities, bank loans, derivative financial liabilities and capitalised borrowing costs

6 Net of capitalised borrowing costs

7 Gearing calculated as net debt / (net debt plus shareholders' equity)

8 Basic weighted average FY18 shares outstanding

9 Comprises 150.7m shares issued to Barminco vendors and 170.0m shares issued in equity raising

10 Ausdrill intends to retain the Barminco revolver in place, subject to a change of control provision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Entitlement Offer
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Overview of the equity raising

Offer structure	▪ Fully underwritten 1 for 2.13 Accelerated Non-Renounceable Entitlement Offer to raise $250m before costs ▪ 170.0m New Shares to be issued (equivalent to 46.9% of existing shares excluding any shares to be issued to Barminco vendors)
Offer price	▪ Entitlement Offer priced at $1.47 per New Share ("Offer Price"), representing: — 14.0% discount to the last traded price of $1.71 on 14 August 2018 — 10.0% discount to TERP[1] of $1.63
Use of proceeds	▪ Net proceeds are intended to be used to partially fund the repayment of the Ausdrill Notes (balance to be repaid from existing cash and revolving credit facility drawdown)[3]
Retail over-subscription	▪ The retail component will include an oversubscription facility under which eligible retail shareholders who take up their full entitlement may apply for additional New Shares to the extent New Shares are not taken up by eligible retail shareholders[4]
Ranking	▪ New Shares issued will rank pari passu with existing shares and will be eligible for the FY18 final dividend of 3.5 cents per share
Director participation	▪ Ausdrill Directors that are shareholders have indicated they will participate in the Retail Entitlement Offer

1 Theoretical ex-rights price ("TERP") is a theoretical calculation only and the actual price at which Ausdrill shares trade immediately following the ex-date for the Entitlement Offer. The actual trading price may be different from TERP

2 Volume weighted average price ("VWAP")

3 This represents a statement of current intentions. Ausdrill will make final decisions on which debt instruments are repaid, and when, after consultation with lenders. If the acquisition does not complete, the net proceeds will be used to pay down Ausdrill debt or may be returned to shareholders (subject to any approvals required), or a combination of both

4 Retail oversubscription facility capped at 25% of entitlement at record date

Equity raising timetable

Event	Date/Time (AEST)[1]
Trading Halt, announcement of acquisition, Institutional Entitlement Offer and opening of Institutional Entitlement Offer	Wednesday, 15 August 2018
Institutional Entitlement Offer closes	Thursday, 16 August 2018
Announcement of results of Institutional Entitlement Offer	Friday, 17 August 2018
Trading halt lifted – Shares recommence trading on an "ex-entitlement" basis	Friday, 17 August 2018
Record Date for Entitlement Offer	7:00pm Friday, 17 August 2018
Retail Offer Booklet despatched and Retail Entitlement Offer opens	Tuesday, 21 August 2018
Settlement of Institutional Entitlement Offer	Friday, 24 August 2018
Issue and normal trading of New Shares under the Institutional Entitlement Offer	Monday, 27 August 2018
Retail Entitlement Offer closes	5:00pm Wednesday, 5 September 2018
Announcement of results of Retail Entitlement Offer	Monday, 10 September 2018
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 12 September 2018
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Thursday, 13 September 2018
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Friday, 14 September 2018

1 All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time. Ausdrill and the Underwriters reserve the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Ausdrill reserves the right to extend the closing date for the Retail Entitlement Offer, or to accept late applications under the Retail Entitlement Offer without prior notice

Appendices

Definitions and basis of preparation of key FY18 financials

	EBITDA EBIT(A)	Other/comments
EBITDA / EBIT	▪ Includes “share of associates net profit after tax” from AUMS and excludes profit from discontinued operations	▪ As reported in statutory accounts. NPAT (and NPAT(A)) includes profit from discontinued operations
Underlying	▪ Ausdrill: EBITDA / EBIT(A) less realised and unrealised FX gains, one-off claim settlement benefit and one-off transaction costs and excludes profit from discontinued operations ▪ Barminco: EBITDA / EBIT(A) less one-off income tax benefit recognised from prior year tax losses (non-cash) and reversal of shareholder management and consultancy fees	▪ Underlying profitability is a more appropriate basis for assessing performance ▪ Discontinued operations excluded in Ausdrill and New Ausdrill EBITDA and EBIT(A), but included in corresponding NPAT and NPAT(A) ▪ See reconciliations on slides 38 – 39
Proportionately consolidated	▪ EBITDA / EBIT(A) less share of associate net profit after tax from AUMS plus 50% of AUMS EBITDA / EBIT(A)	▪ Proportional consolidation for the respective 50% shares of AUMS best reflects the standalone financial profiles of Ausdrill and Barminco
Underlying proportionately consolidated	▪ Ausdrill/Barminco: Proportionately consolidated EBITDA / EBIT(A) as per Underlying (above)	▪ As per Underlying (above)
Net debt / EBITDA		▪ Proportionately consolidated net debt (net of capitalised borrowing costs) divided by proportionately consolidated underlying EBITDA
Underlying ROACE		▪ Proportionately consolidated underlying EBIT(A) / sum of average proportionately consolidated current and prior year receivables, inventories, PP&E less trade payables ▪ New Ausdrill based on pro forma 30 June 2018 balance sheet only

Ausdrill earnings reconciliation: statutory to underlying

FY18 $Million	Sales revenue	EBITDA[1]	EBIT/ EBIT(A)[1]	NPAT[1]
Reported earnings	**887.3**	**177.4**	**102.9**	**61.1**
Less: Share of associates profits	-	(22.3)	(22.3)	(22.3)
Standalone earnings	-	**155.0**	**80.5**	**38.7**
Realised foreign exchange gain	-	(9.6)	(9.6)	(9.6)
Unrealised foreign exchange gain	-	(1.6)	(1.6)	(1.6)
Transaction costs	-	0.6	0.6	0.6
Claim settlement benefit	-	(5.3)	(5.3)	(5.3)
Subtotal	-	**(15.9)**	**(15.9)**	**(15.9)**
Standalone underlying	**887.3**	**139.1**	**64.7**	**22.8**
50% share of AUMS[2]	145.2	49.5	31.0	22.3
Underlying proportionately consolidated	**1,032.6**	**188.6**	**95.6**	**45.2**
Margin (%)	-	*18.3%*	*9.3%*	*4.4%*

1 Discontinued operations is excluded from EBITDA / EBIT(A) and is included in NPAT / NPAT(A)

2 As per Ausdrill reporting – discrepancy to Barminco reporting due to differing treatment in relation to foreign exchange rates and post balance date adjustments

Barminco earnings reconciliation: statutory to underlying

FY18 $Million	Revenue	EBITDA	EBIT / EBIT(A)	NPAT
Reported earnings	**586.1**	**139.6**	**81.4**	**50.7**
Less: Share of associates profits	-	(23.4)	(23.4)	(23.4)
Add: Redundancy costs	-	1.1	1.1	
"Trading" earnings	-	**117.4**	**59.2**	
Less: Redundancy costs	-	(1.1)	(1.1)	
Standalone earnings[1]	-	**116.2**	**58.1**	**27.3**
Shareholder management and consultancy fees[2]	-	1.0	1.0	1.0
Recognised income tax benefit	-	-	-	(13.1)
Subtotal	-	**1.0**	**1.0**	**(12.1)**
Standalone underlying	**586.1**	**117.2**	**59.1**	**15.2**
50% share of AUMS[3]	145.8	50.1	31.6	23.4
Underlying proportionately consolidated	**731.9**	**167.3**	**90.6**	**38.6**
Margin (%)	-	*22.9%*	*12.4%*	*5.3%*
Add: Amortisation of customer intangibles[4]			0.9	
EBIT(A)			**91.5**	
Margin (%)			*12.5%*	

1 "Adjusted Trading EBITDA" and "Statutory Trading EBIT" per Barminco FY18 Results Presentation

2 Item is not an adjustment to underlying earnings in Barminco results (which are therefore $1.0m lower than underlying earnings presented in the table opposite), however these costs will not be incurred post acquisition by New Ausdrill and have therefore been removed

3 As per Barminco reporting – discrepancy to Ausdrill reporting due to differing treatment in relation to foreign exchange rates and post balance date adjustments

4 Existing Barminco amortisation expense of $0.9m includes $0.4m of other non-customer related amortisation expense

Indicative goodwill and intangibles

Total intangibles	▪ Intangible assets and goodwill of approximately $765m[1] in the acquisition arises from — difference between total purchase consideration and Barminco fair value of identifiable assets acquired and liabilities assumed — the re-measurement of Ausdrill's existing 50% equity interest in AUMS at fair value
Surplus intangible write-off	▪ The current intangibles balance is indicative only and calculated assuming the value of Ausdrill equity issued to Barminco vendors is the TERP of $1.63 per share ▪ Actual intangibles will be calculated as at completion based upon the then prevailing Ausdrill share price. To the extent that Ausdrill’s share price at completion is greater than TERP, it is Ausdrill’s intention to impair any additional goodwill created which would be offset by the gain recognised post acquisition by New Ausdrill upon the re-measurement of Ausdrill's existing 50% equity interest in AUMS at fair value
Allocation between intangible assets and goodwill	▪ Intangible assets and goodwill of approximately $765m[1] is indicatively allocated as: — $270m[1] to customer related intangibles, which will be amortised — $495m[1] to goodwill, that will be impairment tested annually
Annual amortisation	▪ Customer related intangible assets will be amortised on a contract life basis ▪ Pro forma FY18 customer related intangibles amortisation is expected to be approximately $40m[1] and remain at a similar level for three years, before declining
No impact on dividend	▪ Dividends are calculated based on NPAT(A) and hence no impact is expected from customer related intangibles amortization
Subject to review	▪ Intangible assets and goodwill are indicative and subject to change upon finalisation of the acquisition and purchase price accounting in the first twelve months

[1] The impact of the purchase price accounting has not been completed, which will impact future depreciation and amortisation charges which impact on Ausdrill’s NPAT

Key risks – Ausdrill and New Ausdrill risks

As Ausdrill and Barminco operate in the same industry, and are joint venture partners in AUMS, many of the key risks that apply to Ausdrill apply equally to Barminco. These overlapping key risks are set out below under the heading “Key risks – Ausdrill and New Ausdrill risks” and will continue to apply to New Ausdrill post-Transaction (although relative risk weightings may change). The next section of this Presentation (“Key risks – Barminco and acquisition risks”) contains specific Barminco risks that Ausdrill is not currently exposed to (but that New Ausdrill will be exposed to post-Transaction), plus risks in relation to the Transaction. Equity raising risks and general risks are set out under the heading “Key risks - Equity raising and general risks”.

The factors identified below are not necessarily listed in order of importance and are not intended as an exhaustive list of all the risks and uncertainties associated with Ausdrill, Barminco, the Transaction, the Entitlement Offer or New Ausdrill. Additional risks and uncertainties not presently known, or that are currently considered to be immaterial or manageable, may adversely affect the businesses of Ausdrill, Barminco or New Ausdrill.

Key risks – Ausdrill and new Ausdrill risks

Ausdrill’s operations and Barminco’s operations are impacted by both global and local factors that have the potential to have a material adverse impact on Ausdrill’s (or New Ausdrill’s) financial condition and results of operations. These factors may arise individually, simultaneously or in combination.

Level of new mining services contracts and contract renewals: Mining services provided under contracts represent a large portion of revenues for services provided for surface and underground contract mining, drill and blast, grade control, equipment hire, water well drilling, diamond drilling and exploration services. Under most mining services contracts the mine operator contracts Ausdrill or Barminco to undertake work in accordance with a work schedule. Mining services contracts, other than equipment hire contracts and exploration contracts, are typically for terms between three and five years. Some contracts, typically exploration contracts, have a shorter term, generally of one year or less, while equipment rental contracts have varying terms from three months to two years.

Generally, in the mining industry, most contracts can be terminated for convenience by the client at short notice and without penalty with the client paying for all work completed to date, unused materials and in most cases demobilisation from the sites and redundancies. As a result, there can be no assurance that work in hand will be realised as revenue in any future period.

Results from operations are affected by the number of new contracts commenced during a period, the number of existing contracts that are renewed during a period and the number of contracts that expire without renewal or extension or which are otherwise terminated during a period.

Contracts are at risk of termination or non-renewal due to the client having no further need for the service such as when the mine has reached the end of its planned life or the operator ceases production because changes in the underlying commodity price or mining costs have rendered continued production from the mine uneconomic. Contracts are also at risk of termination or non-renewal as a result of competition if the client seeks to use an alternative mining services provider to provide the service or if the client decides to bring the contracted services in-house.

Production levels and clients’ mines: Mining services provided in relation to the production phase (including development and rehabilitation work) of a mine represent a large part of Ausdrill’s and Barminco’s sales revenue. Revenues are associated with and influenced by long-term decisions of mine owners to continue producing at their current levels. Ausdrill and Barminco derive most revenues from mines which are already in production and the majority of other services, such as logistics, and assaying, complement production-related services. Under most mining services contracts, mining services revenues are linked to the volume of materials moved or drilled or declines developed and not necessarily to the short-term price of the underlying commodity or short-term fluctuations in the profitability of the underlying mines. Mines in the production phase of their life cycle typically generate stable revenues because production volumes have historically been relatively stable, even during commodity downturns. A downturn in expenditure in the mining sector typically impacts existing production projects last, with areas such as exploration and infrastructure construction services typically cut first. Consequently, Ausdrill and Barminco have limited exposure to the exploration activities market which has been volatile as the level of activity is generally linked to market sentiment surrounding the outlook for commodity prices and also the ability of smaller junior mining companies to fund such activities from capital which is often raised in the equity markets.

Activity levels and results of operations are dependent on production levels at clients’ mines and mining remaining economic to continue production at current mines. Growth is dependent on mine operators seeking to expand production at existing mines or bring new mines into production. If the price of particular commodities falls below the level at which any client’s project is profitable, the owner may suspend or close the project, in which case the mining services contract would likely be terminated. While there may be significant variation among projects as to the commodity price at which a project ceases to be profitable, in the event of a significant fall in the price of the relevant commodity, several projects may close around the same time. Ausdrill is particularly exposed to commodity prices for gold, iron ore and lithium, while Barminco is particularly exposed to commodity prices for gold, nickel, zinc and tin. A significant economic downturn may also impair the ability of clients to pay for mining services and, thus, a portion of receivables could become uncollectible. Consequently, results of operations could fluctuate during an economic downturn.

Key risks – Ausdrill and New Ausdrill risks (cont'd)

The achievement of production targets depends on many factors, many of which are outside of Ausdrill's and Barminco's control. These factors include, but are not limited to the ability to use the anticipated mining methods; the presence of pre-existing and/or defective drill holes; the accuracy of representations made by the mine-owner regarding the mine site; or the lack of ventilation and/or availability of power in the mine. If Ausdrill or Barminco is unable, whether due to factors within or beyond Ausdrill's control, to achieve the production targets set in their mining contracts, they could face the risk of liability for the damages suffered by the mine-owner or other contracting party, and their business, results of operations and financial position could be adversely and materially affected thereby.

Contract termination / reduction in scope: Ausdrill's and Barminco's revenues are subject to underlying contracts with varying terms. If obligations are not performed in accordance with the terms of the contract or the client's expectations, then there is a risk that the contract will be terminated. Any such performance issue may result in contract guarantees being relied upon by clients and could also adversely affect Ausdrill's or Barminco's reputation in the marketplace which could adversely impact their ability to secure new contracts.

There is a risk that contracts may be cancelled or may not be renewed if clients decide to reduce their levels of spending, potentially reducing Ausdrill's or Barminco's revenue. In the event of a contract termination, assets and resources used on that project may not be able to be redeployed to other projects on the same terms or at all and there may be downtime between demobilisation and redeployment. Any of these factors could materially adversely affect margins and results of operations.

Contract operations are vulnerable to the risk of interruption as a result of a variety of factors, which may be beyond Ausdrill's or Barminco's control, including the following: (i) accidents or unsafe conditions; (ii) equipment breakdowns; (iii) industrial relations issues; (iv) geological instability, including strong seismic activity, landslides, mudslides, rock falls, cave-ins, or conditions that threaten to result in such an event; (v) prolonged heavy rainfall or cyclone; (vi) scarcity of materials and equipment; and (vi) variations to reduce scope of works. Interruptions to existing operations or delays in commencing operations experienced by clients may result in lost revenue and, in some circumstances, result in Ausdrill or Barminco incurring additional costs, which may have a material adverse effect on their business, results of operations and financial condition.

Competition and pricing: The mining services industry is highly competitive and is subject to increasing competition which is fast-paced and fast-changing. Ausdrill and Barminco have a competitive advantage through experience and expertise gained through long-standing and successful relationships with clients in their business sectors. However, due to the intense competition faced, there is a risk that Ausdrill and Barminco may not compete as successfully in the future as they have in the past. Mining companies have recently been focused on cost reductions. This has resulted in an even more competitive environment which impacts pricing and revenue. Mining services contracts are generally awarded following a competitive tender process where price is one of the most important factors that a client will consider in evaluating tenders. Even for those projects that are not put out to tender, Ausdrill and Barminco still must negotiate the pricing of the contract with the client. In determining the price and other terms on which a tender or proposal will be submitted to a potential client, Ausdrill and Barminco undertake modelling of the contract pricing based on a series of assumptions made about a range of factors such as the type and amount of equipment to be deployed, length of contract, life of mine, location of mine, mine cost curve position, the utilisation rates, reliability and maintenance costs of equipment, mining consumables expenditure, the amount of labour required to support the project and labour productivity levels.

If any of the assumptions made during this modelling subsequently turn out to be materially incorrect, then Ausdrill or Barminco could be locked into a long-term contract with unfavourable economics that could adversely affect its margins and results of operations. There may be no right to renegotiate the contract with the client should the economics become unfavourable. In some cases clients will appoint Ausdrill or Barminco as "preferred contractor" pending award of a contract. However, being appointed as "preferred contractor" does not provide any assurance that a contract will ultimately be awarded, nor does it give any indication of the final scope of work to be undertaken if a contract is awarded.

Performance of new contracts: New contracts typically underperform during their ramp up phase compared to mature contracts and may even operate at a loss for a period of time. This is due to additional expenses associated with mobilising equipment and labour, training, and commitment of additional staff while operations are transitioning to Ausdrill or Barminco. Such operating issues are usually resolved within six months from the commencement of a new contract but can take longer depending on the mine plan and structure of the contract. When work commences under new contracts, a number of risks associated with the transition of mining operations from the owner or other mining services company to Ausdrill or Barminco can result in unexpected costs for a period of time. These risks include delays in the delivery of equipment to site due to manufacturer or logistical constraints, shortages of skilled labour during contract start-up and unanticipated issues with mine infrastructure and ground conditions.

Key risks – Ausdrill and New Ausdrill risks (cont'd)

Purchasing of equipment by clients: Some of Ausdrill's and Barminco's mining services contracts give the client an option (exercisable on default or, in the case of some of Barminco's contracts, on termination for convenience) to purchase the equipment used to perform mining services at its operation, at an agreed market price. The price at which equipment can be purchased by a client in these circumstances varies according to the particular contract, but is often the greater of the equipment's market value or the written down value. Even if the purchase price is above market value for such equipment, this could have an adverse impact on Ausdrill's or Barminco's revenues and profits since there is a substantial lead time to obtain new equipment and this would also reduce Ausdrill's and Barminco's available fleet of unutilised equipment to service other existing or new clients.

Scale of operations and mix of activities: The scale of operations and the mix of activities undertaken during a period also impact results of operations, due to the differing margins on different business segments. The activity mix depends in part on client demand for existing services as well as the ability to offer new services that are developed or acquired.

Currency fluctuations: Ausdrill and Barminco denominate their consolidated financial statements in Australian dollars. Broadly speaking, Australian operations are Australian dollar denominated and African operations are U.S. dollar and Euro denominated. Revenue, profit, expenses, debt servicing requirements, assets and liabilities of Ausdrill and Barminco may be adversely exposed to fluctuations in the value of the Australian dollar versus other currencies because consolidated financial results are reported in Australian dollars. If Ausdrill or Barminco generate sales or earnings or have assets and liabilities in other currencies, the translation into Australian dollars for financial reporting purposes can result in a significant increase or decrease in the amount of those sales or earnings and net assets. Ausdrill does not generally hedge translated foreign currency exchange rate exposure. Barminco has hedged the currency risk in relation to its US dollar denominated notes to Australian dollars. Fluctuations in foreign currency exchange rates may also make period to period comparisons of results of operations difficult. As the operations in Africa grow, foreign exchange translation risk will change.

The African operations often bid on contracts in U.S. dollars but a portion may be paid in local currency and are therefore exposed to transaction risk. If the U.S. dollar strengthens against the local currency during the term of the contract, the revenue earned may be affected where rise and fall mechanisms in the contracts are not perfectly correlated. Where revenue is earned in a local currency, it is exposed to exchange rate risk from time of invoice to the time of converting the local currency back to U.S. dollars. In addition, capital equipment is purchased in various currencies. Ausdrill does not generally hedge its normal operating foreign exchange exposures. However, Ausdrill does sometimes hedge trade receivables that are generated where products are exported from Australia and those receivables are denominated in a currency that is foreign to functional currency.

Ausdrill may also hedge large capital expenditure items acquired in a foreign currency. In respect of other monetary assets and liabilities held in currencies other than Australian dollars, Ausdrill ensures that the net exposure is kept to an acceptable level by matching foreign denominated financial assets with financial liabilities and vice versa. Ausdrill does not engage in any speculative trading activities.

Labour costs and availability: Ausdrill's and Barminco's ability to remain productive, profitable and competitive and to effect their planned growth initiatives depend on their ability to attract and retain skilled labour. Mining services projects are often in remote locations and sometimes require employees to endure harsh conditions or to "fly-in, fly-out" from a city to a remote location. As a result, there can be shortages of labour that make it challenging to recruit employees with relevant industry and technical experience who are willing to relocate or endure such conditions. Tightening of the labour market in key regions due to a shortage of skilled labour, combined with a high industry turnover rate and growing number of competing employers for skilled labour, may inhibit the ability to hire and retain employees and may lead to exposure to increased labour costs in markets where the demand for labour is strong. A shortage of skilled labour could limit growth prospects or lead to a decline in productivity and an increase in training costs and could adversely affect safety records. Changes to labour laws, regulations and enforcement policies (including, for example, in relation to maximum hours of service rules such as the Ghanaian Minerals Commission employment regulations (8 hour rule)) may limit productivity and increase costs of labour. Each of these factors could materially adversely impact revenues and, if costs increase or productivity declines, operating margins.

Industrial relations risks: Industrial relations issues may be faced in connection with employees and the employees of suppliers, including strikes, work stoppages, work slowdowns, grievances, complaints and claims of unfair practices or other industrial activity. Any such activity could cause production delays, increased labour costs and adversely impact the ability to fulfil existing contracts or win new contracts. As a result, operating results may be materially adversely affected. Ausdrill's and Barminco's workforces are regulated by common law contract arrangements, awards, Enterprise Bargaining Agreements, and local national workforce legislation.

Key risks – Ausdrill and New Ausdrill risks (cont'd)

Dependence upon key personnel: Ausdrill and Barminco depend substantially on their directors, senior management and key personnel to oversee day-to-day operations and the strategic management of their businesses. Loss of key personnel could have a detrimental impact on Ausdrill and Barminco if directors or employees cease their employment.

Business risks in Africa: Ausdrill's and Barminco's African operations are subject to business risks, including health risks such as the Ebola outbreak (2014), political instability, war or civil disturbance such as the Mali coup and the subsequent French military intervention (2012/2013), terrorism, abduction, expropriation, import and export restrictions, exchange controls, inflationary economies, currency risks, legal and taxation risks, risks related to the restrictions on repatriation of earnings or proceeds from liquidated assets of foreign subsidiaries, increasing requirements for local content and local participation, workforce instability, harsh environmental conditions and remote locations. New mining projects in Africa are increasingly occurring in countries where these risks are significant, which means an increasing portion of Ausdrill's and Barminco's business may be subject to these risks. Ultimately, these risks may cause Ausdrill and Barminco to cease doing business in certain high growth markets.

New technology: The introduction of new competing technologies by competitors, or the threat that they may do so, means Ausdrill and Barminco must stay current with technological trends in the mining industry in order to remain responsive to the technological expectations and needs of clients. The successful development and implementation of current technologies on a timely basis requires an understanding of clients' needs and the potential technological solutions for such needs, identification of emerging technological trends and prompt response to technological changes by competitors. Delays in completing the development and implementation of technological innovations could cause revenues to decline. If Ausdrill and Barminco fail to effectively address the changing demands of clients and to maintain their competitive advantage, their businesses, results of operations and financial condition could be materially adversely impacted.

Insurance and uninsured Risks: Ausdrill's and Barminco's operations are subject to many hazards inherent in the mining services industry, including blowouts, cratering, explosions, fires, loss of hole, damages or lost equipment and damage or loss from inclement weather or natural disasters. Any of these hazards could result in personal injury or death, damage to or destruction of equipment and facilities, suspension of operations, environmental damage and damage to the property of others. Additionally, warranty and indemnity provisions in mining services contracts could leave Ausdrill and Barminco exposed to the risk and liability associated with the services performed under such contracts. Protection for certain of these risks is sought through insurance and insurance coverage is maintained for employees, as well as professional indemnity, product liability, third party liability, and insurance against claims for certain property damage. Ausdrill and Barminco review their insurance requirements periodically. However, such insurance or any indemnification received from third parties may not adequately protect Ausdrill and Barminco against liability from all of the consequences of the hazards described above. The occurrence of an event not fully insured or indemnified against, or the failure of a third party or an insurer to meet its indemnification or insurance obligations, could result in substantial losses, which may adversely affect financial position and performance. In addition, insurance may not be available to cover any or all of these risks, or, even if available, may not be adequate. Insurance premiums or other costs may rise significantly in the future, so as to make such insurance prohibitively expensive or uneconomic. In future insurance renewals, Ausdrill and Barminco may choose to increase self-insurance retentions (and thus assume a greater degree of risk) in order to reduce costs associated with increased insurance premiums.

Operational risk: Ausdrill's and Barminco's operations may be subject to delays in obtaining equipment and supplies and the availability of transportation for the purpose of mobilising equipment, particularly where equipment or mines are located in remote areas with limited infrastructure support. In addition, Ausdrill's and Barminco's operations are subject to adverse weather conditions, natural disasters and mine accidents or unscheduled stoppages or closings. If operations are interrupted or suspended for a prolonged period as a result of any such events, revenues could be adversely affected.

Interruption in supply: Whenever new contracts are entered into, new capital equipment may need to be acquired if existing equipment is not available. Ausdrill and Barminco rely on preferred suppliers to source new equipment and related parts to perform under existing and new contracts. Any change in preferred supplier relationships may result in a shortage of equipment and parts which could constrict the ability to enter new contracts or fulfil existing contracts and adversely impact earnings and financial performance. To meet contractual obligations, Ausdrill and Barminco depend on the availability of critical pieces of equipment which will sometimes be put out of service unexpectedly as a result of failures, unplanned maintenance or otherwise. The nature of Ausdrill's and Barminco's operations requires the availability of equipment and spare parts, the supply of which can sometimes be insufficient to deal with production capacity and demand. An inability to secure an uninterrupted supply of all such necessary equipment at prices and times assumed within mine plans could, if supply disruptions persist, lead to an increase in costs and a slowdown in production and development.

Key risks – Ausdrill and New Ausdrill risks (cont'd)

Environment: Environmental management and compliance is an important part of a number of the businesses of Ausdrill's and Barminco's clients. These clients' operations are subject to numerous laws, regulations and guidelines relating to the protection of the environment, including those governing the management, transportation and disposal of hazardous substances and other waste materials. These include laws relating to spills, releases, emissions and discharges of hazardous substances or other waste materials into the environment, requiring removal or remediation of pollutants or contaminants and imposing civil and criminal penalties for violations. Additionally, operations may be conducted in or near ecologically sensitive areas, such as wetlands, which are subject to special protective measures and which may lead to exposure to additional operating costs and liabilities for non-compliance with applicable laws. Onsite, Ausdrill and Barminco work together with their clients to ensure that their equipment and maintenance services operate in alignment with their onsite policies, management systems and procedures. Ausdrill's or Barminco's actions or failure to act may result in the client incurring environmental liability, regulatory penalties, or having licenses suspended, cancelled or subjected to additional conditions.

Litigation: Ausdrill and Barminco are exposed to the risk of actual or threatened litigation or legal disputes in the form of client claims, personal injury claims, employee claims, subcontractor claims and other litigation and disputes. If any claim was successfully pursued it may adversely impact the financial performance, financial position or cash flow of Ausdrill or Barminco. Ausdrill and Barminco are often required to provide contract guarantees which can be called as part of a legal dispute or given the normal unconditional nature of most guarantees for any other reason (although usually for breach or non-performance).

Regulatory compliance and change of laws: Ausdrill and Barminco must meet regulatory requirements which are subject to continual review including inspection by regulatory authorities. Failure to continuously comply with regulatory requirements, or failure to take satisfactory corrective action in response to adverse inspection, could result in enforcement actions and have adverse financial consequences. Ausdrill and Barminco are also subject to changes to laws and regulations in all jurisdictions in which they operate, which changes can have a significant effect on operations and compliance costs.

Reputational risk: The reputation of Ausdrill and Barminco and their services are important in attracting and retaining existing business and obtaining new business and key employees. Reputational damage could arise due to a number of circumstances, including errors or defects, inadequate services or unsatisfactory client outcomes. Negative publicity could adversely impact the reputation of Ausdrill or Barminco which may potentially result in a fall in the number of clients seeking the products and services of Ausdrill and Barminco.

Safety management: Ausdrill's and Barminco's ability to retain existing clients and attract new business is dependent on many factors including Ausdrill's ability to demonstrate that Ausdrill and Barminco can reliably and safely deliver services. Existing and potential clients consider the safety record of their service providers to be of high importance in their decision to award service contracts. Some of Ausdrill's and Barminco's activities are by their nature among the higher risk activities undertaken. If one or more accidents were to occur at an operating site, the affected client may terminate or cancel the relevant mining services contract and may be less likely to continue to use Ausdrill's or Barminco's services.

Since clients require reporting of safety metrics to them as part of the bidding process and because the majority of Ausdrill's and Barminco's clients are companies with high safety standards, a general deterioration in Ausdrill's or Barminco's safety record could have a material adverse impact on the ability to bid for new contracts and renew existing contracts. Ausdrill and Barminco could also be subject to liability for damages as a result of such accidents and could incur penalties or fines for violations of applicable safety laws and regulations. In addition, any safety incidents or a deterioration in Ausdrill's or Barminco's safety record could adversely impact its ability to attract and retain qualified employees.

Margins and operating costs: Cost overruns, unfavourable contract outcomes, serious or continued operational failures, disruption at key facilities, disruptions to communication systems or safety incidents have the potential to have an adverse financial impact on margins. Ausdrill and Barminco are also exposed to input costs through their operations, such as the cost of fuel and energy sources, equipment and personnel. To the extent that these costs cannot be passed on to customers in a timely manner, at full cost, or at all, financial performance could be adversely affected.

Earnings guidance: Ausdrill and Barminco have provided earnings guidance on the basis of assumptions and forecasts which may subsequently prove to be incorrect, resulting in different actual results. Earnings guidance is not a guarantee of future performance, and involves known and unknown risks, many of which are beyond the control of Ausdrill and Barminco. Key identified risks that may result in a failure to meet earnings guidance include the other risk factors summarised in this section, termination of key contracts, variability in cost and productivity assumptions, and inability to recover claims and variations from clients.

Key risks – Ausdrill and New Ausdrill risks (cont'd)

Level of indebtedness: Ausdrill and Barminco have a significant amount of indebtedness. After the repayment of Ausdrill's Senior Unsecured Notes due November 2019 ("Ausdrill Notes") which are currently intended to be repaid shortly after completion of the Transaction (using the proceeds of the Entitlement Offer), it is anticipated that New Ausdrill's leverage will be lower than Ausdrill's existing leverage as at the date of this Presentation. New Ausdrill is also likely to have capacity to take on further debt if required (subject to limitations under Ausdrill's and Barminco's existing financing facilities and notes). While Ausdrill considers that the level of debt is appropriate given the nature and size of New Ausdrill's operations, a high level of debt could result in a significant portion of New Ausdrill's cash flows being dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes. High debt levels could also increase Ausdrill's vulnerability to general adverse economic and industry conditions and expose Ausdrill to the risk of increased interest rates as certain of Ausdrill's borrowings are at variable rates of interest. New Ausdrill's ability to make scheduled payments on or refinance its debt obligations will depend on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond New Ausdrill's control. The terms of Ausdrill's financing facilities and Barminco's Senior Secured Notes due May 2022 ("Barminco Notes") will restrict New Ausdrill's current and future operations through restrictive covenants that impose significant operating and financial restrictions. These include restrictions on relevant group members' ability to incur additional indebtedness, pay dividends, make other distributions, sell assets, enter into transactions with affiliates, or alter their business. In addition, the facilities and notes will require New Ausdrill to maintain specified financial ratios and satisfy other financial condition tests, some of which can be affected by events beyond New Ausdrill's control. A breach of the covenants or restrictions could result in an event of default under the applicable indebtedness, which could allow a creditor to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. Also, some of the cash that appears on New Ausdrill's balance sheet may need to be retained within certain group members and may not be available for use in all of New Ausdrill's business or to meet its debt obligations.

Future financing requirements: Ausdrill and Barminco may require further financing support in the future to support additional capital expenditure or to meet future objectives. Despite their capital raising track record, there is no certainty that they will be successful in obtaining the financing required as and when needed, on favourable terms or at all. Failure to obtain future financing on a timely basis may compromise their ability to commence new contracts, perform existing contracts or may prevent them from achieving other objectives.

Anti-corruption laws: Ausdrill and Barminco operate in a number of countries, including some countries that rank poorly in published indices of perceived public corruption. In these and other countries, Ausdrill's and Barminco's operations may be subject to anti-corruption laws (including laws in Australia relating to corruption and U.S. and other foreign laws), which generally prohibit companies or their agents and employees from providing anything of value to a foreign official for the purposes of influencing any act or decision of these individuals in their official capacity to help obtain or retain business, direct business to any person or corporate entity, or obtain any unfair advantage. Ausdrill's and Barminco's activities in these countries create the risk of unauthorised payments or offers of payments by one of their employees, agents or distributors that could be in violation of applicable anti-corruption laws, even though these parties are not always subject to Ausdrill's or Barminco's control. As Ausdrill and Barminco continue to evaluate existing and new anti-corruption laws, regulations and local laws, Ausdrill and Barminco may cease conducting business in certain high risk countries where these types of payments may often be required to operate. This could significantly affect Ausdrill's and Barminco's revenue if mining clients continue to pursue new exploration projects in areas where Ausdrill and Barminco decide not to conduct business.

Tax: Ausdrill and Barminco provide services in a number of countries. Therefore, they are subject to tax regimes of many different countries and are subject to risks of changes in taxes, or interpretation or enforcement. Certain of these countries have tax regimes in which the rules may not be clear, may not be consistently applied and may be subject to sudden change.

This is especially true with regard to international transfer pricing. Ausdrill's and Barminco's earnings could be reduced by the uncertain and changing nature of tax in these foreign locations. In addition, given the number of jurisdictions in which they operate, the tax positions Ausdrill and Barminco have taken or tax attributes of their contracts could be challenged and this could have a material adverse impact on their business, financial condition and results of operations.

Information technology systems: Ausdrill and Barminco rely on computer, information, and communications technology and related systems in order to properly operate the administrative and operational aspects of their business. If they are unable to regularly deploy software and hardware, effectively upgrade their systems and network infrastructure, and take other steps to maintain or improve the efficiency and efficacy of their systems, then the operation of such systems could be interrupted or result in the loss or corruption of data. In addition, Ausdrill's and Barminco's computer systems are subject to the risks of unauthorised access, computer hackers, computer viruses, malicious code, organised cyber-attacks and other security problems and system disruptions, including possible unauthorised access to clients' proprietary or classified information. Any of these events could damage Ausdrill's and Barminco's reputation and have a material adverse effect on their business, results of operations and financial condition.

Key risks – Barminco and acquisition risks

As noted above, as Ausdrill and Barminco operate in the same industry, and are joint venture partners in AUMS, many of the key risks that apply to Ausdrill apply equally to Barminco and these overlapping risks are described above. Set out below are some additional key risks which are associated with Barminco's business (but do not currently apply to Ausdrill) and with the acquisition of Barminco.

Operations in Egypt and India: Barminco currently has operations in Egypt and India (in addition to AUMS' operations in Ghana, Mali, Burkina Faso and Tanzania). Countries in Africa in particular have experienced political instability and humanitarian crises in the past. Disruptions may occur in the future, and losses caused by these disruptions may occur that will not be covered by insurance. For example, in Egypt (in 2011) Barminco demobilised expatriate staff at the Sukari gold project for 14 days as a precautionary measure due to the civil unrest, although Barminco's operations in Egypt were not otherwise affected.

Barminco takes out political risk insurance when operating overseas whenever it is available. Barminco has political risk insurance in Egypt. These insurance policies typically cover the expropriation, deprivation or forced abandonment of the plant and equipment, and loss due to riot, terrorism or war.

Even in countries where Barminco has political risk insurance, there can be no assurance that such insurance will cover all relevant contingencies or will adequately compensate Barminco for losses Barminco may suffer as a result of operating in these foreign countries, nor can there be any assurance that such insurance will continue to be available in the future on a cost-effective basis or at all. Risk assessments may also categorise threats as serious enough to require resort to public security forces, such as national police or military units on a near-permanent basis. In the event that the continued operation in some countries compromises Barminco's security or business principles, Barminco may withdraw from these countries on a temporary or permanent basis. This could have a material adverse impact on Barminco's business, financial condition and results of operations.

Exchange rate risks: In addition to the exchange rate risks outlined above, Barminco is exposed to exchange rate risks in Egypt and India. At Barminco's Egyptian operations, its revenue and certain of its costs are Australian dollar denominated, however costs related to its local workforce in Egypt and other locally incurred costs are denominated in Egyptian pounds, U.S. dollars and Euros. At Barminco's Indian operations, a percentage of its revenue and certain costs are Australian dollar denominated, however costs related to its local workforce in India and other locally incurred costs are denominated in Indian Rupees. In addition, Egypt and India have regulations that may restrict Barminco's ability to send cash out of the country. As a result, cash in Egypt and India may not be available to meet obligations incurred in other countries.

Hedging risks: Barminco hedges some of its foreign exchange and interest rate risks. While such activities may provide downside risk protection for Barminco, it is also possible that such activities may limit its upside benefit potential or give rise to potential losses. No assurances can be given as to the effectiveness of Barminco's hedging arrangements and policies. These hedging arrangements may give rise to additional risk, including additional market risk and risk of default by counterparties to derivative transactions. Barminco does not engage in any speculative trading activities.

Due diligence and reliance on information: Ausdrill undertook a due diligence process in respect of Barminco, which relied in part on the review of financial and other information provided by the vendors of Barminco. Despite making reasonable efforts, Ausdrill has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Ausdrill has prepared (and made assumptions in the preparation of) the financial information relating to Barminco (on a stand-alone basis and also to Ausdrill post-acquisition of Barminco) included in this Presentation from financial and other information provided by the vendors of Barminco. Ausdrill is unable to verify the accuracy or completeness of all of this information. If any of the data or information provided to and relied upon by Ausdrill in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Barminco and New Ausdrill may be materially different to the financial position and performance expected by Ausdrill and reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition of Barminco have been identified and avoided or managed appropriately. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on Ausdrill. This could materially adversely affect the operations or financial performance or position of Ausdrill. The information reviewed by Ausdrill includes forward looking information. While Ausdrill has been able to review some of the underlying source data and assumptions for the forward looking information relating to Barminco, forward looking information is inherently unreliable and based on assumptions that may change in the future.

Conditions precedent: Completion of the Transaction is conditional on a number of conditions being met, including various Ausdrill shareholder approvals, no material adverse change in the underlying Barminco business or the underlying Ausdrill business, satisfactory change of control consents from material Barminco clients and other counterparties and any regulatory approvals (if any) being obtained. If any of these conditions are not obtained, there is a risk that the Acquisition will not complete. In some circumstances, failure to complete could trigger a break fee of $5,000,000 payable by Ausdrill.

Key risks – Barminco and acquisition risks (cont'd)

Financial capacity and recourse to vendors and warranty and indemnity insurance: Ausdrill has purchased warranty and indemnity insurance for the Transaction. If the Transaction completes and if a warranty or other claim is made under the share sale agreement, to the extent that warranty and indemnity insurance does not cover the particular claim, Ausdrill will (in most cases) not be able to bring a claim against the vendors for breach of that warranty. An inability to recover amounts claimed could materially adversely affect Ausdrill's financial position.

Integration risk: Whilst Ausdrill does not foresee any issues in integrating Barminco into New Ausdrill (given the similarities in approach and culture and in light of the good working relationships developed through the AUMS joint venture), the integration of a business of the size of Barminco carries risk, including potential delays or additional costs in implementing necessary changes, difficulties or unexpected costs in integrating systems or operations and costs relating to alignment of pay rates or retention of key staff. While synergies were not a key driver of the Transaction, there is a risk that any actual synergies able to be realised as part of the Transaction may be less than expected or delayed.

Historical liabilities: Following the acquisition of Barminco, New Ausdrill will become directly or indirectly liable for any liabilities that Barminco has incurred in the past, including liabilities which were not identified during Ausdrill's due diligence or which are greater than expected, for which insurance may not be adequate or available, and for which Ausdrill may not have post-completion recourse under the share sale agreement. These could include liabilities relating to contractual claims, environmental claims, breaches or contamination, current or future litigation, tax liabilities or audits, regulatory actions, occupational health and safety claims and other liabilities. Such liabilities may adversely affect the financial performance or position of New Ausdrill post-acquisition.

Acquisition accounting: Ausdrill is required to undertake an assessment of the fair value of the tangible and intangible assets acquired as well as the actual and contingent liabilities of Barminco at the date of acquisition. Accounting Standards provide twelve months from completion for this assessment to be finalised. The outcome of this assessment could give rise to different values being applied than those used in the pro-forma financial information contained in this Presentation. Such an outcome will impact the values of assets and liabilities reported in the consolidated balance sheet by New Ausdrill. There will also be differences in the depreciation and amortisation charges recognised in the consolidated profit or loss account which may impact reported profit before tax and net profit after tax.

Key risks – equity raising and general risks

Market price of the New Shares: The market price of Ausdrill Shares may fluctuate over time as a result of a number of factors including the financial performance and prospects of Ausdrill, prevailing market conditions, general investor sentiment in those markets, inflation, interest rates, commodity prices and the liquidity and volume of shares being bought or sold at any point in time. It should be noted that there can be no guarantee that there will be an active or liquid market in shares traded on ASX and there is no guarantee that the New Shares will trade at or above the issue price. It should also be noted that the historic share price performance of Ausdrill Shares does not necessarily provide any guidance as to the future share price performance.

Underwriting risk: Ausdrill has entered into an underwriting agreement pursuant to which Deutsche Bank AG and UBS AG ("**Underwriters**") have agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the underwriting agreement ("**Underwriting Agreement**"). The Underwriters' obligations to underwrite the Entitlement Offer are conditional upon certain customary matters, including (but not limited to) Ausdrill delivering certain certificates, due diligence documentation, opinions and shortfall certificates, and despatching to its shareholders the notice of meeting seeking shareholder approvals required in connection with the Transaction. Further, if certain events occur, some of which are beyond the control of Ausdrill (and some of which having regard to the materiality of the relevant event), the Underwriters may terminate the Underwriting Agreement. These events include:

- the agreement for the Transaction is terminated, amended in a material respect without the Underwriters' consent, becomes void or voidable or is materially breached;
- ASX approval for the official quotation of the New Shares is refused, modified or withdrawn;
- Ausdrill ceases to be admitted to the official list of ASX or its shares are delisted or suspended from quotation;

Key risks – Equity raising and general risks

- Ausdrill or a material subsidiary of Ausdrill is or becomes insolvent;
- Ausdrill withdraws all or any part of the Equity Raising;
- a director of Ausdrill is charged with an indictable offence, disqualified from managing a corporation under the Corporations Act 2001 (Cth) or a Governmental Agency commences, or announces an intention to commence, any public action against an Ausdrill group member or any of its directors (in that capacity);
- the documentation for the Equity Raising (or any due diligence documentation prepared in connection with the Equity Raising and supplied to the Underwriters) does not comply with the Corporations Act or a material matter required to be included is omitted from the documentation;
- ASIC makes an application for an order, or commences an investigation or hearing, in relation to the Entitlement Offer or the offer documents and such application, investigation or hearing becomes public or is not withdrawn within two business days after it is made or commenced;
- ASIC or any other government agency makes an order or determination which prevents or is likely to prevent Ausdrill from proceeding with the Entitlement Offer in accordance with the timetable.
- an event specified in the timetable for the Entitlement Offer is delayed without the prior consent of the Underwriters;
- an adverse change occurs in respect of the assets, liabilities, financial position or performance of an Ausdrill group member;
- there is a change in the Ausdrill board or certain specified senior management personnel of Ausdrill;
- a representation, warranty, undertaking or obligation contained in the Underwriting Agreement on the part of Ausdrill is breached, becomes not true or correct or is not performed;
- the Underwriting Agreement is breached by Ausdrill;
- a statement in a certificate provided by Ausdrill for the purposes of the Underwriting Agreement is misleading, inaccurate or untrue or incorrect;
- Ausdrill reduces, reorganises or otherwise alters or restructures its capital structure (excluding the repayment of any financing instruments of Ausdrill or Barminco);
- there is an outbreak or major escalation of hostilities or a significant terrorist act is perpetrated involving any of Australia, the United Kingdom or the United States or a national emergency is declared by any of those countries;
- there is a general moratorium on commercial banking activities in Australia, the United Kingdom or the United States.
- trading in all securities quoted or listed on ASX, New York Stock Exchange or London Stock Exchange is suspended or limited in a material respect of a day (or a substantial part of a day) on which that exchange is open for trading; and
- there is an adverse change or disruption to the political or economic conditions or financial markets of Australia, the United Kingdom or the United States or the international financial markets or any change or development involving a prospective adverse change in a national or international political, financial or economic conditions.

Termination of the Underwriting Agreement may have an adverse impact on the amount of proceeds raised under the Offer and Ausdrill's ability to fund the early repayment of the Ausdrill Notes. The Transaction is not conditional on the Entitlement Offer or on the Underwriting Agreement remaining in place (so the Transaction could proceed even though the Entitlement Offer does not raise the funds Ausdrill is proposing to raise, in which case New Ausdrill will be more highly geared than anticipated and Ausdrill may need to undertake a further equity fundraising to reduce debt levels to a level the Board is comfortable with.

Risk of dilution: Investors who do not participate in the Entitlement Offer, or do not take up all of their entitlement under the Entitlement Offer, will have their percentage security holding in Ausdrill diluted by not participating to the full extent in the Entitlement Offer. Investors may also have their investment diluted by those who take up additional Ausdrill Shares pursuant to the Retail Oversubscription facility or by future capital raisings by Ausdrill. Ausdrill may issue new shares to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest. Ausdrill will only raise equity if it believes that the benefit to investors of conducting the capital raising is greater than the short-term detriment caused by the potential dilution associated with a capital raising.

Accounting standards: Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside Ausdrill's control. Changes to accounting standards issued by AASB could materially adversely affect the reported financial performance and position reported in Ausdrill's financial statements.

Economic risk: General economic conditions may negatively affect Ausdrill's performance and the performance of Ausdrill's shares. Any protracted slow-down in economic conditions or factors such as movements in inflation or interest rates and industrial disruption may have a negative impact on Ausdrill's costs and revenue.

Key risks – Equity raising and general risks (cont'd)

Interest rate risk: Changes in interest rates will affect borrowings which bear interest at floating rates to the extent Ausdrill and Barminco have not hedged against this interest rate risk. An increase in interest rates will affect the costs of servicing these borrowings, which may adversely impact Ausdrill's and Barminco's business, financial condition and financial performance.

Market risks: The price at which Ausdrill Shares trade on the ASX may be determined by a range of factors including movements in local and international equity and bond markets, general investor sentiment in those markets, inflation, interest rates, general economic conditions and outlook and changes in the supply of, and demand for, mining service securities. The market for Ausdrill Shares may also be affected by a wide variety of events and factors, including variations in Ausdrill's operating results, movements in commodity prices, recommendations by securities analysts, inclusion in market indices and the operating and trading price performance of other listed mining service entities that investors consider to be comparable to Ausdrill. Some of these factors could affect Ausdrill's share price regardless of Ausdrill's underlying operating performance.

Taxation risks: Changes to the rate of taxes imposed on Ausdrill (including in overseas jurisdictions in which Ausdrill operates now or in the future) or tax legislation generally may affect Ausdrill and its Shareholders. In addition, an interpretation of tax laws by the Australian Taxation Office or a foreign taxing entity that differs to Ausdrill's interpretation may lead to an increase in Ausdrill's tax liabilities and a reduction in Shareholder returns. Personal tax liabilities are the responsibility of each individual investor. Ausdrill is not responsible for tax or tax penalties incurred by investors.

Other risks: There may be other risks other than those set out above. Other risks not specifically referred to above may be materially adverse to Ausdrill and its shares in the future.

International selling restrictions

This document does not constitute an offer of entitlements ("Entitlements") and offer of New Shares of Ausdrill in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the entitlements and New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces): This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 - Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such New Shares. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

Ausdrill as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon Ausdrill or its directors or officers. All or a substantial portion of the assets of Ausdrill and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgement against Ausdrill or such persons in Canada or to enforce a judgement obtained in Canadian courts against Ausdrill or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission: Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Ausdrill if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Ausdrill. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Ausdrill, provided that (a) Ausdrill will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation ; (b) in an action for damages, Ausdrill is not liable for all or any portion of the damages that Ausdrill proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

International selling restrictions (cont'd)

Certain Canadian income tax considerations: Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the transaction, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada: Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

European Economic Area – Belgium, Denmark, Germany, Luxembourg, Netherlands and Spain: This document has been prepared on the basis that all offers of Entitlements and New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to publish a prospectus for offers of securities.

An offer to the public of Entitlements and New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in the Relevant Member State:

- to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000;(ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC. MiFID); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID

France: This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Artic le L.411-1of the French Monetary and Financial Code (Code monetaire et financier) and Articles 211-1et seq. of the General Regulation of the French Autorite des marches financiers ("AMF"). The Entitlements and the New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the Entitlements and the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France. Such offers, sales and distributions have been and shall only be made in France to qualified investors (invest issuers qualifies) acting for their own account, as defined in and in accordance with Articles L.411-2-11-2, D.411-1, L.533-16, L.533-20, D.533-11,D.533-13, D.744-1, D.754-1and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Entitlements and the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Hong Kong: Warning: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

International selling restrictions (cont'd)

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland: The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the "Prospectus Regulations"). The New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Regulation 2(1) of the Prospectus Regulations.

Italy: The offering of the Entitlements and the New Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (CommissioneNazionaleper le Societàe la Borsa, "CONSOB") pursuant to the Italian securities legislation and, accordingly, no offering material relating to these securities may be distributed in Italy and these securities may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(t) of Legislative Decree No. 58 of 24 February 1998, as amended ("Decree No. 58"), other than:

- to qualified investors ("Qualified Investors"), as defined in Article 100 of Decree No. 58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999, as amended ("Regulation No. 1197l"); and
- in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of Entitlements and New Shares or distribution of any offer document relating to the New Shares in Italy (excluding placements where a Qualified Investor solicits an offer from the issuer) under the paragraphs above must be:

- made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 (as amended) and any other applicable laws;
- in compliance with Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and
- in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.

Investors should also note that, in any subsequent distribution of Entitlements or New Shares in Italy, Article 100-bis of Decree No. 58 may require compliance with the law relating to public offers of securities. Furthermore, when such securities are placed solely with Qualified Investors and are then systematically resold on the secondary market at any time in the 12 months following such placing, purchasers of such securities who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and, in addition, to claim damages from any authorised person at whose premises such securities were purchased, unless an exemption under Decree No. 58 applies

Japan: The Entitlements and the New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires Entitlements or New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Entitlements or New Shares is conditional upon the execution of an agreement to that effect.

Korea: Ausdrill is not making any representation with respect to the eligibility of any recipients of this document to acquire the Entitlements or the New Shares under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. These securities have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea ("FSCMA") and therefore may not be offered or sold (directly or indirectly) in Korea or to any resident of Korea or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Accordingly, the Entitlements and the New Shares may not be offered or sold in Korea other than to "accredited investors" (as defined in the FSCMA).

International selling restrictions (cont'd)

Malaysia: No approval from, or recognition by, the Securities Commission of Malaysia ("Commission") has been applied for or will be obtained in relation to any offer or sale, invitation for subscription or purchase of the New Shares under the Malaysian Capital Markets and Services Act 2007 ("CMSA"). As such, the New Shares may be offered only to persons specified in paragraph 10 of Schedule 5 of the CMSA and through a holder of Capital Markets Services Licence who carries on the business of dealing in securities ("Accredited Investors"). No prospectus or other offering material or in connection with the offer or sale, invitation for subscription or purchase of the New Shares has been or will be registered with the Commission as a prospectus under the CMSA. Neither will a copy of this document will be deposited with the Commission under Section 229(4) and 230(4) of the CMSA for the purpose of the offer or sale, invitation for subscription or purchase of the New Shares in Malaysia. Accordingly, this document may not be circulated or distributed in Malaysia. Any reproduction or distribution of this document in Malaysia, in whole or in part, or the disclosure of its contents in Malaysia, without the issuer's prior written consent, is prohibited.

New Zealand: This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Ausdrill with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway: This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

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Notification under Section 309B(1)(c) of the SFA - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the **CMP Regulations 2018**), Ausdrill has determined the classification of the entitlements and the New Shares as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

International selling restrictions (cont'd)

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