



17 August 2018

Dear Shareholder

## **Ausdrill Limited \$250 million accelerated non-renounceable pro-rata entitlement offer**

### **Ineligible shareholder letter**

On Wednesday, 15 August 2018 Ausdrill Limited (ABN 95 009 211 474) (ASX: ASL) announced a fully underwritten pro-rata accelerated non-renounceable entitlement offer (**Equity Raising**) of 1 fully paid ordinary share in Ausdrill (**New Share**) for every 2.13 fully paid ordinary shares in Ausdrill held as at 7.00pm (Sydney time) on Friday, 17 August 2018 (**Record Date**).

The Equity Raising is being made by Ausdrill without a disclosure document under section 708AA of the *Corporations Act 2001* (Cth) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Corporations Act**).

The Equity Raising is fully underwritten.

The Equity Raising comprises an offer to Eligible Institutional Shareholders (as defined below) (**Institutional Entitlement Offer**) and Eligible Retail Shareholders (as defined below) (**Retail Entitlement Offer**).

As the Equity Raising is non-renounceable, entitlements under the Entitlement Offer cannot be sold, traded on the ASX or on any other exchange, nor can they be privately transferred.

Documents relating to the Retail Entitlement Offer were lodged with ASX today and will be despatched to Eligible Retail Shareholders on Tuesday, 21 August 2018.

### **Eligibility Criteria**

Eligible Institutional Shareholders are those persons who:

- were identified as an Institutional Shareholder (as defined in the Retail Offer Booklet lodged with ASX today) by Ausdrill;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States unless they are an Approved U.S. Shareholder;
- are eligible under all applicable securities laws to receive an offer under the Institutional Entitlement Offer; and
- have successfully received an offer under the Institutional Entitlement Offer.





Eligible Retail Shareholders are those persons who:

- are registered as holders of existing Ausdrill fully paid ordinary shares as at 7:00pm (Sydney time) on the Record Date;
- have a registered address on Ausdrill's share register in Australia or New Zealand;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Institutional Shareholders who do not qualify as an Eligible Institutional Shareholder are ineligible institutional shareholders and are unable to participate in the Institutional Entitlement Offer.

Shareholders who do not qualify as an Eligible Retail Shareholder are ineligible retail shareholders and are unable to participate in the Retail Entitlement Offer.

The restrictions upon eligibility to participate in the Entitlement Offer arise because of:

- the legal and regulatory requirements in countries other than Australia or New Zealand (in connection with the Retail Entitlement Offer) or certain other jurisdictions in which Ausdrill decides to extend the Institutional Entitlement Offer;
- the potential costs to Ausdrill of complying with these legal and regulatory requirements compared with the relatively small number of Ausdrill shareholders in those countries;
- the relatively small number of existing Ausdrill shares the shareholders in those countries hold; and
- the relatively low value of New Shares to which those shareholders would otherwise be entitled under the Institutional Entitlement Offer or the Retail Entitlement Offer (as applicable).

Ausdrill has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act, that it would be unreasonable to make or extend offers to Ausdrill shareholders in certain countries under the Equity Raising.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Institutional Shareholder or an Eligible Retail Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Ausdrill wishes to advise you that it will not be extending the Equity Raising to you and you will not be



able to subscribe for New Shares under the Equity Raising. You will not be sent the documents relating to the Institutional Entitlement Offer or Retail Entitlement Offer and you will not receive any value for the New Shares to which you would otherwise have been entitled.

You are not required to do anything in response to this letter.

For further information on the Entitlement Offer or if you have any questions you can call the Ausdrill Shareholder Information Line on 1300 367 027 (within Australia) or +61 (03) 9415 4000 (outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday (excluding public holidays). If you have any further questions you should contact your stockbroker, solicitor, accountant or other professional adviser.

Thank you for your ongoing support of Ausdrill.

Yours faithfully,

Strati Gregoriadis  
Group Legal Counsel and Company Secretary  
**AUSDRILL LIMITED**

### **Important Information**

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Neither the entitlements nor the New Shares to be offered and sold in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933 (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be exercised or taken up by, and the New Shares may not be offered or sold, directly or indirectly, to, persons in the United States or acting for the account or benefit of persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States.