

25 OCTOBER 2018

BARMINCO SHAREHOLDER VOTE

Diversified mining services company Ausdrill Limited (ASX:ASL) ("**Ausdrill**") is pleased to announce that shareholders at its Annual General Meeting today elected to vote in favour of the proposed acquisition of leading underground hard-rock mining contractor Barmenco.

The positive shareholder vote satisfies a major condition in completing the acquisition, with Ausdrill working towards satisfying all remaining conditions for completion by 31 October 2018.

Ausdrill Chairman, Ian Cochrane said: "The Board is delighted that shareholders have backed what will be a transformative deal for Ausdrill.

"The two businesses are a great fit and by bringing Barmenco into Ausdrill we will create Australia's second largest mining services company by revenue, which has a unique combination of surface and underground technical expertise.

"We are now working through the few remaining conditions and look forward to updating the market when the acquisition is completed, anticipated to be in the coming week."

Ausdrill announced on 15 August 2018 that it would acquire Barmenco, one of Australia's leading underground hard-rock mining contractors and Ausdrill's existing joint venture partner in African Underground Mining Services. Under the deal, Ausdrill will acquire all of the equity and equity-like instruments in Barmenco in exchange for 150.7 million fully paid ordinary ex-dividend Ausdrill shares and \$25.4 million in cash.

Ausdrill's Board of Directors unanimously recommended that shareholders vote in favour of the acquisition and an Independent Expert's Report by Ernst & Young Transaction Advisory Services Limited concluded that it was fair and reasonable to Ausdrill's shareholders.

The acquisition is expected to be materially earnings per share accretive for Ausdrill, with underlying pro-forma FY18 earnings indicating EPS(A) accretion of over 28 per cent (excluding synergies), enhanced operating margins and improved return on average invested capital, while maintaining consistent gearing metrics.

About Ausdrill

Ausdrill (ASX: ASL) is a diversified mining services company. Since its formation in Kalgoorlie in 1987, Ausdrill has grown significantly and now has operations across Australia, Africa and the United Kingdom. Ausdrill is a leader in providing services in contract mining, grade control, drill & blast, exploration, mineral analysis, procurement and logistics. The Ausdrill Group employs over 5,000 staff worldwide.

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