

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Ausdrill Limited (ASX: ASL)

ACN/ARSN 009 211 474

1. Details of substantial holder (1)

Name Ausdrill Limited (ASX: ASL) (Ausdrill) and subsidiaries of Ausdrill as set out in Annexure A (referred to together as the Ausdrill Group)

ACN/ARSN (if applicable) 009 211 474

The holder became a substantial holder on 31 / 10 / 2018

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary Shares	150,666,463	150,666,463	22.1%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Ausdrill	Restrictions on disposal of shares under voluntary escrow deeds disclosed in Ausdrill's notice of meeting dated 3 September 2018 gives Ausdrill a technical "relevant interest" in its own shares pursuant to section 608(1)(c) of the Corporations Act 2001 (Cth). However, Ausdrill has no right to acquire these shares or to control the voting rights attached to these shares. To the extent that Ausdrill's voting power exceeds 20%, the relevant interest is acquired by virtue of section 609(7) and is conditional on an ASIC modification as contemplated by ASIC Regulatory Guide 5. A copy of the pro forma escrow deed is contained in Annexure C.	150,666,463 ordinary shares
Other members of the Ausdrill Group	Pursuant to sections 608(1)(b), 608(1)(c) or 608(3)(b) of the Corporations Act or as associates	150,666,463 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
The Ausdrill Group	Those holders listed in Annexure B	Those holders listed in Annexure B	150,666,463 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Ausdrill has provided the consideration to the Barmingo Vendors as set out in its notice of meeting dated 3 September 2018. Ausdrill has no right to acquire the shares that are subject to the escrow agreements.

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
See Annexure A	Bodies corporate controlled by Ausdrill


7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
All members of the Ausdrill Group	6-12 Uppsala Place, Canning Vale, Western Australia 6155

Signature

print name Efstratios Gregoriadis capacity Company Secretary

sign here  date 11/11/2018

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A

This is Annexure A of 2 pages, referred to in Form 603 (Notice of initial substantial holder) given by Ausdrill Limited and its subsidiaries.


Efstratios Gregoriadis
Company Secretary

1 / 11 / 2018
Date

Entity Name	Australian Business Number (Where applicable)
ACN 103534087 Pty Ltd	32 103 534 087
African Mining Services (Ghana) Pty Ltd	32 076 301 472
African Mining Services Burkina Faso SARL	
African Mining Services Mali SARL	
African Mining Services Guinee SARL	
African Mining Services Senegal SUARL	
AMCG Ltd	
Ausdrill Finance Pty Ltd	90 159 906 395
Ausdrill (Ghana) Pty Ltd	67 053 575 518
Ausdrill International & Management Services Pty Ltd	68 074 414 387
Ausdrill International Pty Ltd	49 069 769 811
Ausdrill Northwest Pty Ltd	58 103 661 374
Ausdrill Properties Pty Ltd	92 104 659 074
Ausdrill Tanzania Limited	
Ausdrill Utilities Pty Ltd	99 103 016 771
BTP Equipment Pty Ltd	55 128 386 201
BTP Parts Pty Ltd	28 096 533 283
Connector Drilling Pty Ltd	14 148 853 561
Drill Rigs Australia Pty Ltd	99 128 786 603
Energy Drilling Australia Pty Ltd	74 137 680 221
Golden Plains Pty Ltd	79 006 307 179
Logistics Direct Ltd	
MinAnalytical Holdings Pty Ltd	21 147 048 075
MinAnalytical Laboratory Services Australia Pty Ltd	54 146 875 774
Mining Technology and Supplies Ltd	

Entity Name	Australian Business Number (Where applicable)
Power Solutions Africa SUARL	
Supply Direct Pty Ltd	29 059 611 862
Supply Direct South Africa Pty Ltd	70 087 063 303
SynegeX Holdings Pty Ltd	11 103 420 971
West African Mining Services Ltd	
African Mining Services Cote d'Ivoire SARL	
Underground Mining Alliance Limited	
Barmenco Holdings Pty Ltd	85 126 398 276
Barmenco Finance Pty Limited	83 126 398 267
Barmenco Limited	32 109 439 894
Barholdco (EIS) Pty Limited	
SLR Australia Pty Limited	52 120 338 810
Barmenco India Holdings Pty Ltd	82 614 539 098
Barmenco India Investments Pty Ltd	99 614 539 105
Barmenco AUMS Holdings Pty Limited	49 163 310 549
Barmenco Egypt LLC	
Barmenco Egypt Underground Mining Services S.A.E.	
African Underground Mining Services Limited	
African Underground Mining Services Mali SARL	
African Underground Mining Services Burkina Faso SARL	
AUMS (T) Limited	
Barmenco Indian Underground Mining Services LLP	
Barmenco South Africa (Proprietary) Limited	

Annexure B

This is Annexure B of 1 page, referred to in Form 603 (Notice of initial substantial holder) given by Ausdrill Limited and its subsidiaries.


Efstratios Gregoriadis
Company Secretary

1 / 11 / 2018
Date

The 150,666,463 ordinary shares were issued to the Barmenco Vendors, being certain present and former members of management of Barmenco Holdings Pty Limited and the following entities:

No.	Barmenco Vendor
1	Perpetual Corporate Trust Limited (ABN 99 000 341 533) as custodian for Gresham Funds Management Limited (ACN 109 020 153) in its capacity as responsible entity of the Gresham Private Equity Co-Investment Fund
2	Gresham Nominees 1 Pty Limited (ACN 095 975 965) in its capacity as trustee of the Gresham Private Fund No. 2a
3	Gresham Nominees 2 Pty Limited (ACN 107 377 060) in its capacity as trustee of the Gresham Private Fund No. 2b
4	Gresham Partners Capital Limited (ACN 003 004 279) in its capacity as custodian of its wholesale investors
5	Gresham Private Equity Limited (ACN 084 509 946) in its capacity as custodian for the Plan Members in the Gresham Private Fund No. 2 Co-Investment Plan
6	Bremerton Pty Ltd (ACN 009 141 682) in its capacity as trustee of the PM Bartlett Family Trust
7	Bremerton Pty Ltd (ACN 009 141 682) in its capacity as bare trustee for Nebraska Pty Ltd as trustee of the R.G. Sayers Family Trust

Annexure C

This is Annexure C of 13 pages, referred to in Form 603 (Notice of initial substantial holder) given by Ausdrill Limited and its subsidiaries.



Efstratios Gregoriadis
Company Secretary

1 / 11 / 2018
Date

Ausdrill Limited

[Escrowed Party]

Voluntary Escrow Deed

JOHNSON WINTER & SLATTERY
L A W Y E R S

Level 4, 167 St Georges Terrace
PERTH WA 6000
T +61 8 6216 7222 | F +61 8 6216 7200
www.jws.com.au

SYDNEY | PERTH | MELBOURNE | BRISBANE | ADELAIDE
LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION (AUSTRALIA-WIDE EXCEPT IN TASMANIA)

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Voluntary Escrow Deed

Date

Parties

- 1 Ausdrill Limited (ABN 95 009 211 474) (Company)**
Address: 6-12 Uppsala Place, Canning Vale, Western Australia 6155
Email: stratig@ausdrill.com.au
Fax: +61 (8) 9311 5667
Contact: Strati Gregoriadis, General Counsel and Company Secretary
- 2 [insert name of Escrowed Party] ([insert registration details]) (Escrowed Party)**
Address: [insert]
Email: [insert]
Fax: [insert]
Contact: [insert]

Recitals

- A** The Vendors, Barmenco and the Company are parties to the Share Sale Agreement.
- B** Subject to Completion under the Share Sale Agreement, the Company will issue the Escrowed Shares to the Escrowed Party.
- C** The Escrowed Party has agreed to hold the Escrowed Shares on the terms set out in this deed.

Operative part

1 Definitions and interpretation

1.1 Definitions

ASL Capital Raising has the meaning given in the Share Sale Agreement.

ASX means ASX Limited (ABN 98 008 624 691) or, if the context requires, the financial market operated by it.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

Barmenco means Barmenco Holdings Pty Limited (ABN 85 126 398 276) of 390 Stirling Crescent, Hazelmere, Western Australia 6055.

Business Day means a day on which trading banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.

CHESS means the Clearing House Electronic Subregister System established and operated by ASX Settlement.

Completion has the meaning given in the Share Sale Agreement.

Corporations Act means the *Corporations Act 2001* (Cth).

Dealing means, in respect of an Escrowed Share, to:

- (a) Dispose of, or agree or offer to Dispose of, that Escrowed Share;
- (b) create, or agree or offer to create, any security interest in that Escrowed Shares; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Escrowed Share,

and **Deal** has a corresponding meaning.

Dispose has the meaning given to that term in the Listing Rules, and **Disposal** has a corresponding meaning.

Escrow Period means the period which commences on the date of issue of the Escrowed Shares and ends on the earlier of:

- (a) 1 September 2019; and
- (b) 1 Business Day after the date on which the Company releases to the ASX its full year results to 30 June 2019.

Escrowed Shares means those Shares set out in respect of the Escrowed Party in Schedule 1.

Holdback Amount has the meaning given in the Share Sale Agreement.

Holding Lock has the meaning given to that term in the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given to that term in the Listing Rules.

Listing Rules means the Listing Rules of ASX.

Share Sale Agreement means the share sale agreement dated 15 August 2018, between the Vendors, Barrinco and the Company.

Shares means fully paid ordinary shares in the capital of the Company.

TERP has the meaning given in the Share Sale Agreement.

U.S. Securities Act means the U.S. Securities Act of 1933 as amended.

Vendors has the meaning given in the Share Sale Agreement.

VWAP has the meaning given in the Share Sale Agreement.

1.2 Interpretation

- (a) Headings are for convenience only, and do not affect interpretation.
- (b) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a "**party**" is a reference to a party to this deed;
 - (iv) a party to this deed or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
 - (v) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (vi) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
 - (d) A word which suggests one gender includes the other genders.
 - (e) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
 - (f) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
 - (g) The word "**agreement**" includes an undertaking or other binding arrangement or understanding, whether or not in writing.
 - (h) The expression "**this deed**" includes the agreement, arrangement, understanding or transaction recorded in this deed.
 - (i) This deed is not to be interpreted against the interests of a party merely because that party proposed this deed or some provision in it or because that party relies on a provision of this deed to protect itself.
 - (j) A reference to time is to the time in Perth, Western Australia.
 - (k) Words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules.

1.3 Business Days

If the day on or by which a person must do something under this deed is not a Business Day the person must do it on or by the next Business Day.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and

- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.
-

2 Escrow restrictions

2.1 Restriction

- (a) Subject to clauses 2.2 and 2.3:
 - (i) the Escrowed Party must not Deal in any Escrowed Share at any time prior to the expiry of the Escrow Period; and
 - (ii) the Escrowed Shares must be held on the Company's Issuer Sponsored Subregister until the expiry of the Escrow Period.
- (b) The Escrowed Party represents and warrants to the Company that it has not done, or omitted to do, and will not do, or omit to do, any act which would breach this clause 2.1.

2.2 Exceptions

During the Escrow Period, the Escrowed Party may Deal in the Escrowed Shares to enable:

- (a) the Escrowed Party to accept an offer under a takeover bid made under Chapter 6 of the Corporations Act for Shares;
- (b) the Escrowed Shares to be transferred or cancelled as part of a scheme of arrangement under Part 5.1 of the Corporations Act;
- (c) the Escrowed Party to participate in an:
 - (i) equal access share buyback;
 - (ii) equal access capital return; or
 - (iii) equal access capital reduction,in each case made in accordance with the Corporations Act;
- (d) a Disposal of some or all of the Escrowed Shares to a company or an entity controlled by, managed by or affiliated with the Escrowed Party (including any funds managed by the Escrowed Party) (a **Transferee**), provided the Transferee also enters into an escrow arrangement with the Company in respect of those Escrowed Shares under substantially the same terms as this deed for the remainder of the Escrow Period; or
- (e) a Dealing required by applicable law (including the Listing Rules, the Corporations Act and an order of a court of competent jurisdiction),

provided that:

- (f) in the case of an off-market takeover bid for the Shares, if the offer is conditional or proportional, the Escrowed Party agrees in writing (in a form acceptable to the Company acting reasonably) that the Holding Lock will be applied for each Escrowed Share that is not bought by the bidder under the off-market bid; and
- (g) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Escrowed Party agrees in writing (in a form acceptable to the

Company acting reasonably) that the Holding Lock under this deed will be applied to the Escrowed Shares if the merger does not take effect.

2.3 Release of Escrowed Shares

During the Escrow Period, where, following the release of the Company's half-year results to 31 December 2018 (in late February 2019), the 5-day VWAP of the Company's shares is 25% or more above TERP for 5 consecutive ASX trading days (**Trade Up**), the Company agrees to release one-third of the Escrowed Shares on the Business Day following the occurrence of the Trade Up, in accordance with clause 3.3(a)(ii).

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.3, during the Escrow Period, the Escrowed Party acknowledges and agrees:

- (a) that the Escrowed Shares will be held on the Company's Issuer Sponsored Subregister;
- (b) to the application of a Holding Lock to the Escrowed Shares; and
- (c) that the Company may apply the Holding Lock to the Escrowed Shares and prevent a transfer of the Escrowed Shares by either or both:
 - (i) requesting its share registrar to apply the Holding Lock; and
 - (ii) refusing to register a paper-based transfer document in respect of the Escrowed Shares.

3.2 Company to inform Escrowed Party

If the Company applies a Holding Lock (or requests the application of a Holding Lock) in respect of the Escrowed Shares or refuses to register a transfer of the Escrowed Shares in accordance with clause 3.1, the Company must (in accordance with Listing Rules 8.10.2 and 8.10.3) inform the Escrowed Party in writing of such request or refusal and the reason(s) for it within five Business Days of the request or the date on which the transfer was lodged.

3.3 Release of Holding Lock

The Company will do all things necessary to ensure that the Holding Lock is released:

- (a) to the extent necessary to permit:
 - (i) Dealings in the Escrowed Shares permitted by this deed; or
 - (ii) the release of Escrowed Shares in accordance with clause 2.3; and
- (b) in full on the Business Day when the Escrow Period expires,

including notifying the ASX that the Escrowed Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Certain rights not restricted

Subject to clause 7.2, nothing in this deed restricts the Escrowed Party from exercising rights attaching to, or afforded to the Escrowed Party in respect of, the Escrowed Shares, to:

- (a) receive notices of meetings of holders of Shares;
- (b) exercise any voting rights attaching to the Escrowed Shares;
- (c) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrowed Shares; or
- (d) receive or participate in any rights or bonus issue in connection with the Escrowed Shares.

5 Termination

5.1 *Expiry of Escrow Period*

Subject to clause 5.2, this deed terminates at the expiry of the Escrow Period.

5.2 *Holdback Amount*

This deed terminates upon written notice from the Escrowed Party to the Company in the event that the Company breaches its obligations in relation to the release of the Holdback Amount in accordance with clause 8 of the Share Sale Agreement.

6 Representations and warranties

6.1 *Escrowed Party's representations and warranties*

The Escrowed Party represents and warrants that:

- (a) (power) it has the power to enter into and comply with all of the terms and conditions of this deed applicable to it;
- (b) (authority) all necessary actions and authorisations to permit it to enter into this deed and to observe all of its terms have been taken and obtained and have not since been rescinded or varied;
- (c) (deed effective) this deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (d) (US) it is not in the United States and is not acting for the account or benefit of a person in the United States;
- (e) (offshore transaction) it is acquiring the Escrowed Shares in an "offshore transaction" (as defined in Rule 902(h) of Regulation S under the U.S. Securities Act);
- (f) (no directed selling efforts) it has not acquired the Escrowed Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S under the U.S. Securities Act);
- (g) (ADR program) it will not deposit the Escrowed Shares into any unrestricted depositary receipt facility established or maintained by a depositary bank until 40 days after the later of Completion or completion of the ASL Capital Raising; and
- (h) (no registration) it understands that the Escrowed Shares have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States and that, therefore, the Escrowed Shares cannot be offered, sold, pledged, transferred or otherwise disposed of without registration under the U.S. Securities Act (which it acknowledges and agree that

the Company has no obligation to do or procure) or unless the Escrowed Shares are offered, sold, pledged, transferred or otherwise disposed of in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws. Notwithstanding the foregoing, after the Escrow Period has expired, it may sell such Escrowed Shares in standard (regular way) brokered transactions on the ASX if neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a person in the United States.

6.2 Reliance on representations and warranties

The Escrowed Party acknowledges that the Company has executed this deed and has issued Shares to the Escrowed Party in reliance on the representations and warranties that are made in this clause.

7 Consequences of breaching this deed

7.1 Prevention of breach

If it appears to the Company that the Escrowed Party may breach this deed, the Company must take all steps necessary to prevent the breach or to enforce this deed.

7.2 Consequence of breach

If the Escrowed Party breaches this deed, each of the following applies:

- (a) the Company must take the steps necessary to enforce this deed, or to rectify the breach;
- (b) the Company must refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Escrowed Shares. This is in addition to other rights and remedies of the Company; and
- (c) the Escrowed Party will cease to be entitled to any dividends, distributions or voting rights while the breach continues.

[Drafting note: Where the Escrowed Party enters this agreement in the capacity as a trustee, appropriate trustee limitation of liability provisions to be inserted.]

8 Miscellaneous

8.1 Consent

For the purposes of section 231 of the Corporations Act and for all other purposes the Escrowed Party hereby consents to becoming a member of the Company upon being registered as the registered holder of the Escrowed Shares and agrees to be bound by the constitution of the Company (as amended from time to time).

8.2 Variation and waiver

A provision of this deed or a right created under it may not be waived or varied except in writing, signed by the party or parties to be bound.

8.3 Further steps

Each party agrees, at its own expense, to do, or arrange for others to do, anything the other party reasonably asks (such as providing instructions to the Company's share registrar, obtaining consents, signing and producing documents and getting documents completed and

signed) as may be reasonably necessary or desirable to give full effect to the provisions of this deed and the transactions contemplated by it.

8.4 Notices

All notices to a party must be:

- (a) in writing and in English;
- (b) addressed to the recipient at the address or fax number for that party set out in this deed or to such other address or fax number as that party may notify in writing to the other party;
- (c) signed by or on behalf of the party giving the notice; and
- (d) sent to the recipient by hand, fax or prepaid post (airmail if to or from a place outside Australia).

Without limiting any other means by which a party may prove that a notice has been received, a notice is deemed to be received:

- (a) if sent by hand, when left at the address of the recipient; or
- (b) if sent by prepaid post, five Business Days (if posted within Australia to an address in Australia) or seven Business Days (if posted from one country to another) after the day of posting; or
- (c) if sent by fax, at the time that the whole fax was sent as stated in a report generated by the sender's fax machine,

but if a notice would otherwise be deemed to be received by a party on a day which is not a Business Day, or after 5.00 pm (local time at the receiving party's address) on a Business Day, the notice is deemed to be received by the party at 9.00 am (local time at its address) on the first Business Day after that day.

8.5 Entire agreement

This deed constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

8.6 Governing Law

This deed is governed by the Law in force in Western Australia. Each party submits to the non-exclusive jurisdiction of the courts of that place.

8.7 Counterparts

This deed may consist of a number of copies (including facsimile and electronic copies), each signed by one or more parties to this deed. If there are a number of signed copies they are treated as making up the one document.

Schedule 1 – Escrowed Shares

[x] Shares

Execution

EXECUTED as a deed

Executed by Ausdrill Limited in accordance
with section 127 of the *Corporations Act 2001*
(Cth) by:

Director signature

Director/Secretary signature

Director full name
(BLOCK LETTERS)

Director/Secretary full name
(BLOCK LETTERS)

[Insert execution block for Escrowed Party]

Ausdrill Limited

[Escrowed Party]

Voluntary Escrow Deed

JOHNSON WINTER & SLATTERY
L A W Y E R S

Level 4, 167 St Georges Terrace
PERTH WA 6000
T +61 8 6216 7222 | F +61 8 6216 7200
www.jws.com.au

SYDNEY | PERTH | MELBOURNE | BRISBANE | ADELAIDE
LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION (AUSTRALIA-WIDE EXCEPT IN TASMANIA)

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Voluntary Escrow Deed

Date

Parties

- 1 Ausdrill Limited (ABN 95 009 211 474) (Company)**
Address: 6-12 Uppsala Place, Canning Vale, Western Australia 6155
Email: stratig@ausdrill.com.au
Fax: +61 (8) 9311 5667
Contact: Strati Gregoriadis, General Counsel and Company Secretary
- 2 [insert name of Escrowed Party] ([insert registration details]) (Escrowed Party)**
Address: [insert]
Email: [insert]
Fax: [insert]
Contact: [insert]

Recitals

- A** The Vendors, Barmenco and the Company are parties to the Share Sale Agreement.
- B** Subject to Completion under the Share Sale Agreement, the Company will issue the Escrowed Shares to the Escrowed Party.
- C** The Escrowed Party has agreed to hold the Escrowed Shares on the terms set out in this deed.

Operative part

1 Definitions and interpretation

1.1 Definitions

ASL Capital Raising has the meaning given in the Share Sale Agreement.

ASX means ASX Limited (ABN 98 008 624 691) or, if the context requires, the financial market operated by it.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

Barmenco means Barmenco Holdings Pty Limited (ABN 85 126 398 276) of 390 Stirling Crescent, Hazelmere, Western Australia 6055.

Business Day means a day on which trading banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.

CHESS means the Clearing House Electronic Subregister System established and operated by ASX Settlement.

Completion has the meaning given in the Share Sale Agreement.

Corporations Act means the *Corporations Act 2001* (Cth).

Dealing means, in respect of an Escrowed Share, to:

- (a) Dispose of, or agree or offer to Dispose of, that Escrowed Share;
- (b) create, or agree or offer to create, any security interest in that Escrowed Shares; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Escrowed Share,

and **Deal** has a corresponding meaning.

Dispose has the meaning given to that term in the Listing Rules, and **Disposal** has a corresponding meaning.

Escrow Period means the period which commences on the date of issue of the Escrowed Shares and ends on the earlier of:

- (a) 1 September 2019; and
- (b) 1 Business Day after the date on which the Company releases to the ASX its full year results to 30 June 2019.

Escrowed Shares means those Shares set out in respect of the Escrowed Party in Schedule 1.

Holdback Amount has the meaning given in the Share Sale Agreement.

Holding Lock has the meaning given to that term in the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given to that term in the Listing Rules.

Listing Rules means the Listing Rules of ASX.

Share Sale Agreement means the share sale agreement dated 15 August 2018, between the Vendors, Barmingo and the Company.

Shares means fully paid ordinary shares in the capital of the Company.

TERP has the meaning given in the Share Sale Agreement.

U.S. Securities Act means the U.S. Securities Act of 1933 as amended.

Vendors has the meaning given in the Share Sale Agreement.

VWAP has the meaning given in the Share Sale Agreement.

1.2 Interpretation

- (a) Headings are for convenience only, and do not affect interpretation.
- (b) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this deed) or agreement, or a provision of a document (including this deed) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a "**party**" is a reference to a party to this deed;
- (iv) a party to this deed or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
- (v) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
- (vi) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) A word which suggests one gender includes the other genders.
- (e) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (f) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (g) The word "**agreement**" includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (h) The expression "**this deed**" includes the agreement, arrangement, understanding or transaction recorded in this deed.
- (i) This deed is not to be interpreted against the interests of a party merely because that party proposed this deed or some provision in it or because that party relies on a provision of this deed to protect itself.
- (j) A reference to time is to the time in Perth, Western Australia.
- (k) Words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules.

1.3 Business Days

If the day on or by which a person must do something under this deed is not a Business Day the person must do it on or by the next Business Day.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and

- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.
-

2 Escrow restrictions

2.1 Restriction

- (a) Subject to clauses 2.2 and 2.3:
 - (i) the Escrowed Party must not Deal in any Escrowed Share at any time prior to the expiry of the Escrow Period; and
 - (ii) the Escrowed Shares must be held on the Company's Issuer Sponsored Subregister until the expiry of the Escrow Period.
- (b) The Escrowed Party represents and warrants to the Company that it has not done, or omitted to do, and will not do, or omit to do, any act which would breach this clause 2.1.

2.2 Exceptions

During the Escrow Period, the Escrowed Party may Deal in the Escrowed Shares to enable:

- (a) the Escrowed Party to accept an offer under a takeover bid made under Chapter 6 of the Corporations Act for Shares;
- (b) the Escrowed Shares to be transferred or cancelled as part of a scheme of arrangement under Part 5.1 of the Corporations Act;
- (c) the Escrowed Party to participate in an:
 - (i) equal access share buyback;
 - (ii) equal access capital return; or
 - (iii) equal access capital reduction,in each case made in accordance with the Corporations Act;
- (d) a Disposal of some or all of the Escrowed Shares to a company or an entity controlled by, managed by or affiliated with the Escrowed Party (including any funds managed by the Escrowed Party) (a **Transferee**), provided the Transferee also enters into an escrow arrangement with the Company in respect of those Escrowed Shares under substantially the same terms as this deed for the remainder of the Escrow Period; or
- (e) a Dealing required by applicable law (including the Listing Rules, the Corporations Act and an order of a court of competent jurisdiction),

provided that:

- (f) in the case of an off-market takeover bid for the Shares, if the offer is conditional or proportional, the Escrowed Party agrees in writing (in a form acceptable to the Company acting reasonably) that the Holding Lock will be applied for each Escrowed Share that is not bought by the bidder under the off-market bid; and
- (g) in the case of a merger by scheme of arrangement under Part 5.1 of the Corporations Act, the Escrowed Party agrees in writing (in a form acceptable to the

Company acting reasonably) that the Holding Lock under this deed will be applied to the Escrowed Shares if the merger does not take effect.

2.3 Release of Escrowed Shares

During the Escrow Period, where, following the release of the Company's half-year results to 31 December 2018 (in late February 2019), the 5-day VWAP of the Company's shares is 25% or more above TERP for 5 consecutive ASX trading days (**Trade Up**), the Company agrees to release one-third of the Escrowed Shares on the Business Day following the occurrence of the Trade Up, in accordance with clause 3.3(a)(ii).

3 Holding Lock

3.1 Agreement to Holding Lock

Subject to clause 3.3, during the Escrow Period, the Escrowed Party acknowledges and agrees:

- (a) that the Escrowed Shares will be held on the Company's Issuer Sponsored Subregister;
- (b) to the application of a Holding Lock to the Escrowed Shares; and
- (c) that the Company may apply the Holding Lock to the Escrowed Shares and prevent a transfer of the Escrowed Shares by either or both:
 - (i) requesting its share registrar to apply the Holding Lock; and
 - (ii) refusing to register a paper-based transfer document in respect of the Escrowed Shares.

3.2 Company to inform Escrowed Party

If the Company applies a Holding Lock (or requests the application of a Holding Lock) in respect of the Escrowed Shares or refuses to register a transfer of the Escrowed Shares in accordance with clause 3.1, the Company must (in accordance with Listing Rules 8.10.2 and 8.10.3) inform the Escrowed Party in writing of such request or refusal and the reason(s) for it within five Business Days of the request or the date on which the transfer was lodged.

3.3 Release of Holding Lock

The Company will do all things necessary to ensure that the Holding Lock is released:

- (a) to the extent necessary to permit:
 - (i) Dealings in the Escrowed Shares permitted by this deed; or
 - (ii) the release of Escrowed Shares in accordance with clause 2.3; and
- (b) in full on the Business Day when the Escrow Period expires,

including notifying the ASX that the Escrowed Shares will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

4 Certain rights not restricted

Subject to clause 7.2, nothing in this deed restricts the Escrowed Party from exercising rights attaching to, or afforded to the Escrowed Party in respect of, the Escrowed Shares, to:

- (a) receive notices of meetings of holders of Shares;
- (b) exercise any voting rights attaching to the Escrowed Shares;
- (c) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrowed Shares; or
- (d) receive or participate in any rights or bonus issue in connection with the Escrowed Shares.

5 Termination

5.1 *Expiry of Escrow Period*

Subject to clause 5.2, this deed terminates at the expiry of the Escrow Period.

5.2 *Holdback Amount*

This deed terminates upon written notice from the Escrowed Party to the Company in the event that the Company breaches its obligations in relation to the release of the Holdback Amount in accordance with clause 8 of the Share Sale Agreement.

6 Representations and warranties

6.1 *Escrowed Party's representations and warranties*

The Escrowed Party represents and warrants that:

- (a) (power) it has the power to enter into and comply with all of the terms and conditions of this deed applicable to it;
- (b) (authority) all necessary actions and authorisations to permit it to enter into this deed and to observe all of its terms have been taken and obtained and have not since been rescinded or varied;
- (c) (deed effective) this deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (d) (US) it is not in the United States and is not acting for the account or benefit of a person in the United States;
- (e) (offshore transaction) it is acquiring the Escrowed Shares in an "offshore transaction" (as defined in Rule 902(h) of Regulation S under the U.S. Securities Act);
- (f) (no directed selling efforts) it has not acquired the Escrowed Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S under the U.S. Securities Act);
- (g) (ADR program) it will not deposit the Escrowed Shares into any unrestricted depositary receipt facility established or maintained by a depositary bank until 40 days after the later of Completion or completion of the ASL Capital Raising; and
- (h) (no registration) it understands that the Escrowed Shares have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state or other jurisdiction of the United States and that, therefore, the Escrowed Shares cannot be offered, sold, pledged, transferred or otherwise disposed of without registration under the U.S. Securities Act (which it acknowledges and agree that

the Company has no obligation to do or procure) or unless the Escrowed Shares are offered, sold, pledged, transferred or otherwise disposed of in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws. Notwithstanding the foregoing, after the Escrow Period has expired, it may sell such Escrowed Shares in standard (regular way) brokered transactions on the ASX if neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a person in the United States.

6.2 *Reliance on representations and warranties*

The Escrowed Party acknowledges that the Company has executed this deed and has issued Shares to the Escrowed Party in reliance on the representations and warranties that are made in this clause.

7 Consequences of breaching this deed

7.1 *Prevention of breach*

If it appears to the Company that the Escrowed Party may breach this deed, the Company must take all steps necessary to prevent the breach or to enforce this deed.

7.2 *Consequence of breach*

If the Escrowed Party breaches this deed, each of the following applies:

- (a) the Company must take the steps necessary to enforce this deed, or to rectify the breach;
- (b) the Company must refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Escrowed Shares. This is in addition to other rights and remedies of the Company; and
- (c) the Escrowed Party will cease to be entitled to any dividends, distributions or voting rights while the breach continues.

[Drafting note: Where the Escrowed Party enters this agreement in the capacity as a trustee, appropriate trustee limitation of liability provisions to be inserted.]

8 Miscellaneous

8.1 *Consent*

For the purposes of section 231 of the Corporations Act and for all other purposes the Escrowed Party hereby consents to becoming a member of the Company upon being registered as the registered holder of the Escrowed Shares and agrees to be bound by the constitution of the Company (as amended from time to time).

8.2 *Variation and waiver*

A provision of this deed or a right created under it may not be waived or varied except in writing, signed by the party or parties to be bound.

8.3 *Further steps*

Each party agrees, at its own expense, to do, or arrange for others to do, anything the other party reasonably asks (such as providing instructions to the Company's share registrar, obtaining consents, signing and producing documents and getting documents completed and

signed) as may be reasonably necessary or desirable to give full effect to the provisions of this deed and the transactions contemplated by it.

8.4 Notices

All notices to a party must be:

- (a) in writing and in English;
- (b) addressed to the recipient at the address or fax number for that party set out in this deed or to such other address or fax number as that party may notify in writing to the other party;
- (c) signed by or on behalf of the party giving the notice; and
- (d) sent to the recipient by hand, fax or prepaid post (airmail if to or from a place outside Australia).

Without limiting any other means by which a party may prove that a notice has been received, a notice is deemed to be received:

- (a) if sent by hand, when left at the address of the recipient; or
- (b) if sent by prepaid post, five Business Days (if posted within Australia to an address in Australia) or seven Business Days (if posted from one country to another) after the day of posting; or
- (c) if sent by fax, at the time that the whole fax was sent as stated in a report generated by the sender's fax machine,

but if a notice would otherwise be deemed to be received by a party on a day which is not a Business Day, or after 5.00 pm (local time at the receiving party's address) on a Business Day, the notice is deemed to be received by the party at 9.00 am (local time at its address) on the first Business Day after that day.

8.5 Entire agreement

This deed constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

8.6 Governing Law

This deed is governed by the Law in force in Western Australia. Each party submits to the non-exclusive jurisdiction of the courts of that place.

8.7 Counterparts

This deed may consist of a number of copies (including facsimile and electronic copies), each signed by one or more parties to this deed. If there are a number of signed copies they are treated as making up the one document.

Schedule 1 – Escrowed Shares

[x] Shares

Execution

EXECUTED as a deed

Executed by **Ausdrill Limited** in accordance
with section 127 of the *Corporations Act 2001*
(Cth) by:

Director signature

Director/Secretary signature

Director full name
(BLOCK LETTERS)

Director/Secretary full name
(BLOCK LETTERS)

[Insert execution block for Escrowed Party]