

15 AUGUST 2019

EXPIRY OF BARMINCO ESCROW PERIOD AND RESIGNATION OF NOMINEE DIRECTOR

Diversified mining services company Ausdrill Limited (**ASX: ASL**) (**Ausdrill**) is pleased to provide an update in relation to the consideration shares issued to certain Barmenco vendors on the acquisition of the leading underground hard rock mining contractor in 2018.

Under that acquisition, Barmenco vendors received 150,666,463 Ausdrill shares representing approximately 22.1 percent of the enlarged Ausdrill group. Those vendors agreed to enter into voluntary escrow arrangements which expire the day after the release of Ausdrill's FY2019 results, which are scheduled to be announced on 29 August 2019. These consideration shares will therefore be released from escrow on 30 August 2019.

Ausdrill has recently been in discussions with the larger Barmenco vendors about their intentions in relation to their Ausdrill shares upon release from escrow.

Gresham Private Equity and its associated entities (**Gresham**) (Barmenco's former majority owner and Ausdrill's largest shareholder with a relevant interest of 9.0 percent) has advised Ausdrill that, of the 61,787,133 shares in which Gresham has a relevant interest, beneficial holders of 13,741,900 shares (2.0 percent of Ausdrill shares) have elected to have Ausdrill shares transferred or distributed to them in-specie rather than being sold on-market to realise cash returns.

Also, certain wholesale investors have requested that a further 36,915,791 shares (a further 5.4 percent of Ausdrill shares) held by Gresham as custodian be transferred to those wholesale investors to hold directly.

Based on this, it appears to Ausdrill that the current intention of those beneficial holders and wholesale investors referred to above, who will collectively hold 7.4 percent of Ausdrill's total shares on issue, is to continue to hold their investment in Ausdrill.

In addition, Ausdrill founder Ron Sayers, who controls 24,687,087 shares (3.6 percent of Ausdrill shares) and Barmenco founder Peter Bartlett, who controls a further 24,687,087 shares (3.6 percent of Ausdrill shares), have each advised Ausdrill that they have no current intention of disposing of the Ausdrill shares in their control.

**BRINGING MORE
TO MINING**

Ausdrill Chairman Ian Cochrane said the abovementioned intentions demonstrated a strong vote of confidence in Ausdrill and its growth prospects and also diversified the Gresham holding into the hands of a number of smaller individual parties.

“The acquisition of Barmenco has been a resounding success, with the business successfully integrated into the Ausdrill group and with the group winning approximately \$3.2 billion of new work and extensions since the deal was announced one year ago,” Mr Cochrane said.

“As a global mining services provider, the transformed Ausdrill is a more diverse and less capital intensive business, with the group well placed to continue to grow in FY20 and beyond.”

Nominee director resignation

Gresham has also notified Ausdrill that the appointment arrangement with Mr Keith Gordon has now ceased, such that Mr Gordon is no longer a nominee director of Gresham.

Accordingly, and in accordance with the appointment arrangements announced to ASX on 1 November 2018, Mr Gordon will resign as a Non-Executive Director of Ausdrill with effect from 1 September 2019.

On behalf of the Board, Mr Cochrane thanked Mr Gordon for his contribution to Ausdrill over the past ten months.

“Keith’s knowledge of the Barmenco business, as its former chairman, and his general business acumen and knowledge were invaluable in assisting the group through this transitional period and in ensuring the successful integration of the Ausdrill and Barmenco businesses. I wish him all the best in his other ventures,” Mr Cochrane said.

-ends-

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, India and the United Kingdom. Ausdrill is a leader in open-cut and underground contract mining, diamond drilling, grade control, drill & blast, exploration, mineral analysis, procurement and logistics. The Ausdrill Group employs over 8,000 staff worldwide.

For further information, please contact:

Investors

Engelbert Bets
General Manager – Corporate Finance & Investor Relations
Ausdrill Limited
Tel: +61 8 6350 9113

Media

Adrian Watson
Senior Director
FTI Consulting
Tel: +61 8 9321 8533