

29 March 2010

Company Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Ausdrill Limited (ASX Code: ASL): Notice under section 708AA(2)(f) of the Corporations Act

This notice is given by Ausdrill Limited (**Ausdrill**) under section 708AA(2)(f) of the Corporations Act 2001 (Cwlth) (**Act**) as modified by Australian Securities and Investments Commission Class Order [CO 08/35] (**CO 08/35**).

Ausdrill today announced a fully underwritten non-renounceable rights issue (**Rights Issue**) of its fully paid ordinary shares (**New Shares**) to Ausdrill shareholders who have a registered address in Australia or New Zealand on Thursday 8 April 2010 at 5.00 pm (Perth time) (**Eligible Shareholders**).

An offer document for the Rights Issue will be dispatched to all Eligible Shareholders on or before Wednesday 14 April 2010.

Ausdrill confirms that:

- (a) Ausdrill will offer the New Shares under the Rights Issue for issue without disclosure to investors under Part 6D.2 of the Act;
- (b) this notice is given by Ausdrill under section 708AA(2)(f) of the Act, as modified by CO 08/35;
- (c) as at the date of this notice, Ausdrill has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to Ausdrill; and
 - (ii) section 674 of the Act;



- (d) as at the date of this notice, there is no excluded information of the type referred to in subsections 708AA(8) and (9) of the Act; and
- (e) the potential effect the Rights Issue will have on the control of Ausdrill, and the consequences of that effect, will depend on a number of factors, including investor demand. However, given the structure of the Rights Issue as a pro rata issue, the absence of any existing holders with voting power of greater than 20%, and the fact that the Rights Offer is being conducted on the basis of 1 New Share for every 10 shares held at the record date, the Rights Issue is not expected to have any material effect or consequences on the control of Ausdrill.

Yours sincerely

Domenic Santini
Company Secretary