



Ausdrill Limited

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Company Announcements Office
ASX Limited
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SYDNEY NSW 2000

ISSUE OF SHORTFALL SHARES – ENTITLEMENT OFFER

Ausdrill Limited (ASX:ASL) (**Ausdrill**) confirms that it has received subscription funds of \$15,060,038 (before costs) from the underwriters and sub-underwriters of its non-renounceable entitlement offer announced to ASX on 29 March 2010. Ausdrill has today issued 7,530,019 fully paid ordinary shares (**Shares**) to (or at the direction of) those underwriters and sub-underwriters, bringing the total number of Shares on issue to 261,820,159.

Secondary trading notice given for Ineligible Foreign Shares pursuant to paragraph 708A(5)(e) of the Corporations Act

Of the 7,530,019 Shares issued today, 684,312 Shares (the **Ineligible Foreign Shares**) represent the “entitlements” of shareholders with registered addresses outside of Australia and New Zealand. These Ineligible Foreign Shares were not offered to persons under the rights issue and do not fall within the disclosure exemption and secondary trading exemption relating to rights issues. Accordingly, the following secondary trading notice is given in respect of the Ineligible Foreign Shares only. Upon giving this notice, a sale of the Ineligible Foreign Shares within 12 months of their issue will fall within the exemption in section 708A(5) of the Act.

Ausdrill hereby notifies ASX that:

1. Ausdrill issued the Ineligible Foreign Shares without disclosure to investors under Part 6D.2 of the Act;
2. this notice is given by Ausdrill under paragraph 708A(5)(e) of the Act;
3. as at the date of this notice, Ausdrill has complied with the provisions of Chapter 2M of the Act as they apply to Ausdrill, and section 674 of the Act; and
4. as at the date of this notice, there is no excluded information of the type referred to in subsections 708A(7) and (8) of the Act.

Yours faithfully

AUSDRILL LIMITED

DOMENIC SANTINI
Company Secretary