



Ausdrill Limited
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21 October 2010

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

NOTICE OF ANNUAL GENERAL MEETING

Enclosed is a copy of the Notice of Meeting and Proxy Form for the Ausdrill Limited Annual General Meeting to be held on Wednesday 24 November 2010.

The Notice of Meeting and Proxy Form will be distributed to all shareholders and will also be available from the Company's website.

Yours faithfully
Ausdrill Limited

Domenic Santini
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING 2010

Notice is hereby given that the Seventeenth Annual General Meeting of Ausdrill Limited will be held at the Hyatt Regency Perth Hotel, 99 Adelaide Tce, Perth at 4.00pm (WST) on Wednesday 24 November 2010.

Agenda

Ordinary Business

Reports and Accounts

To receive and consider the financial report for the year ended 30 June 2010 and the related Directors' Report, Directors' Declaration and Auditors' Report.

Resolution 1 – Adopt Remuneration Report

To consider the Company's Remuneration report for the year ended 30 June 2010 as included in the Directors' Report within the Annual Report and, if thought fit, to pass the following non-binding advisory resolution as an ordinary resolution in accordance with section 250R(2) of the Corporations Act 2001 (Cwth):

"That the Remuneration Report for the year ended 30 June 2010 be adopted."

Note - the vote on this resolution is advisory only, and does not bind the Directors or the Company.

Resolution 2 - Re-election of Mr Terrence John Strapp

To consider and, if thought fit, to pass the following ordinary resolution:

"To re-elect as a Director Mr T J Strapp who retires in accordance with Article 60 of the Company's Constitution and, being eligible, offers himself for re-election."

Resolution 3 - Re-election of Mr Mason Gordon Hills

To consider and, if thought fit, to pass the following ordinary resolution:

"To re-elect as a Director Mr MG Hills who retires in accordance with Article 59.2 of the Company's Constitution and, being eligible, offers himself for re-election."

Special Business

Resolution 4 – Ratification of issue of Shares under Placement

To consider and, if thought fit, to pass the following ordinary resolution:

"That for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue by the Company of 30,960,000 Shares on 9 April 2010, as described in the Explanatory Statement accompanying this Notice of General Meeting, is approved and ratified."

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any of their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Other Business

To transact any other business that may be properly brought before the meeting in accordance with the Company's Constitution.

By order of the Board



Domenic Santini

Company Secretary

Dated: 21 October 2010

NOTICE OF ANNUAL GENERAL MEETING 2010

Explanatory Statement

Resolution 1 – Adopt Remuneration Report

Section 250R(2) of the Corporations Act requires that the Company's members vote on whether or not the Remuneration Report should be adopted. The resolution is advisory only and does not bind the Company or the Directors. Accordingly, the resolution will not affect the employment arrangements in place for employees of the Company and its subsidiaries.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

Resolution 2 – Re-election of Mr Terrence John Strapp

Article 60 of the Company's Constitution requires one-third of the Directors (excluding the Managing Director and Directors appointed by the Directors under article 59.1 to fill a casual vacancy or as an additional Director), or if their number is not a whole multiple of three (3) then the number nearest to but exceeding one-third, to retire from office at each Annual General Meeting. Article 60.1 states that "a retiring Director shall act as a Director throughout the meeting at which he retires".

Mr Terrence John Strapp, who is required to retire in accordance with Article 60, has been a non-executive Director since 21 July 2005 and is Chairman of the Audit Committee. Mr Strapp was last re-elected as a Director at the Annual General Meeting held on 16 November 2007.

Mr Strapp has extensive experience in banking, finance and corporate risk management and has been actively involved in the mining industry for 30 years. He is a Certified Practising Accountant (CPA), a Fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors.

Mr Strapp has been a non-executive director of The Mac Services Group Limited since 2007 and was previously Chairman of Mercator Gold PLC from 2004 to 2008.

Being eligible, Mr Strapp offers himself for re-election as a Director.

The Board (other than Mr Strapp, who abstained) unanimously recommends that shareholders vote in favour of this resolution.

Resolution 3 – Re-election of Mr Mason Gordon Hills

Article 59.2 of the Company's Constitution provides that any person appointed as a Director by the Directors to fill a casual vacancy or as an additional Director holds office only until the conclusion of the next general meeting of the Company and is eligible for re-election at that meeting.

Mr Mason Gordon Hills was appointed as a non-executive Director on 24 February 2010 and holds office only until the conclusion of the 2010 Annual General Meeting (unless re-elected).

Mr Hills is a Partner of Resource Capital Fund, which holds approximately 3% of the Shares in the Company following the merger between Brandrill Limited and the Company. Mr Hills has practised extensively in corporate finance and resources law. He was a partner of Wright Legal, a niche resources and industry focused banking and corporate law firm, before joining Resource Capital Fund in 2006. Mr Hills' practice included acquisitions, public offerings, corporate and securities regulation, project development and corporate and project finance acting for mining and mining services companies, financial institutions and government bodies both in Australia and overseas. Mr Hills is also a director of Talison Lithium Limited, an alternate director of Bannerman Resources Limited and was formerly a non-executive director of Brandrill Limited.

Mr Hills has a Bachelor of Economics from the University of Western Australia and a Bachelor of Laws with First Class Honours from Murdoch University.

The Board (other than Mr Hills, who abstained) unanimously recommends that shareholders vote in favour of this resolution.

Resolution 4 – Ratification of issue of Shares under Placement

On 29 March 2010, the Company announced a capital raising to raise gross proceeds of \$103.67 million, consisting of:

- a placement of 30,960,000 fully paid ordinary shares in Ausdrill (**Shares**) at a price of \$2.00 per Share marketed chiefly into Australia, New Zealand, Hong Kong and Singapore to raise \$61.92 million before costs (**Placement**); and
- a subsequent fully underwritten non-renounceable pro-rata entitlement offer to existing eligible shareholders on the basis of 1 new Share for every 10 Shares (1:10) held at the record date at the same price of \$2.00 to raise a further approximately \$41.75 million before costs.

On 9 April 2010, the Placement was completed and 30,960,000 Shares were issued pursuant to the Placement. The entitlement offer was subsequently completed on 7 May 2010.

ASX Listing Rule 7.1 provides, in summary, that a listed company may not issue equity securities in any 12 month period which exceed 15% of the number of issued ordinary securities at the beginning of the 12 month period, except with the prior approval of shareholders in general meeting. ASX Listing Rule 7.4 provides an exception to ASX Listing Rule 7.1 such that where a company in general meeting subsequently approves a previous issue of securities made without approval under ASX Listing Rule 7.1, those securities are deemed to have been issued with shareholder approval for the purpose of ASX Listing Rule 7.1 (provided the issue did not breach ASX Listing Rule 7.1).

The issue of Shares under the Placement has restricted the Company's ability to issue further equity securities without shareholder approval. Shareholder approval is sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue equity securities representing up to 15% of its issued ordinary capital, if required, without prior shareholder approval.

For the purposes of ASX Listing Rule 7.5, the following information is provided to shareholders:

- (a) the total number of securities allotted under the Placement was 30,960,000 Shares;
- (b) the Shares were issued at an issue price of \$2.00 per Share, to raise a total of \$61.92 million before issue costs;
- (c) the Shares were issued on the same terms as all other fully paid ordinary shares in the Company, except that the Shares were not entitled to receive the interim 5 cent dividend paid by the Company on 30 April 2010;
- (d) the allottees of the Shares were existing sophisticated and professional investors in the Company, and also certain clients of Argonaut Securities Pty Ltd and Patersons Securities Limited (the joint lead managers in relation to the Placement);
- (e) as announced to ASX on 29 March 2010, the combined funds raised through the Placement and the entitlement offer are being used to provide working capital and for capital expenditure to fund the growth of the Company's business following the acquisition of Brandrill Limited, and the expected growth of the Company going forward; and
- (f) as mentioned in the Notice of General Meeting, the Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any of their associates. However, the Company need not disregard a vote if:
 - it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Board unanimously recommends that shareholders vote in favour of this resolution.

Notes

Point at which voting rights are determined

In accordance with the Company's Constitution and the Corporations Regulations 2001 (Cwlth) the Board has determined that the members entitled to attend and vote at the meeting shall be those persons who are recorded in the register of members at 4.00 pm (WST) on Monday 22 November 2010.

Voting by Proxy

If you are unable to attend and vote at the meeting and wish to appoint a person who is attending as your proxy, please complete the attached form of proxy.

Information for voting by proxy:

- Each member entitled to attend and vote at the meeting may appoint not more than two proxies to attend and vote instead of such member.
- Where more than one proxy is appointed each proxy must be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion of the member's voting rights each proxy may exercise half of the member's voting rights.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing, or if such appointor is a corporation as required by its constitution or the hand of its attorney.
- A proxy need not be a member of the Company.
- In the case of joint holders each holder should sign the proxy form.
- Should you wish to direct your proxy how to vote please indicate your direction in the appropriate box(es) on the proxy form otherwise your proxy will have a discretion to vote as he/she thinks fit.
- Where the chairman is appointed proxy he will vote in accordance with the member's directions as specified on the proxy form or, in the absence of direction, in favour of the resolutions contained in this notice.
- Proxies should be returned as follows:

By Mail to:

Computershare Investor Services Pty Ltd
GPO Box 242
Melbourne Victoria 3001
Australia

By Facsimile Transmission to:

1800 783 447 (within Australia) or
+61 3 9473 2555 (outside Australia)

By Hand to:

Computershare Investor Services Pty Ltd
Level 2
45 St George's Terrace
Perth, Western Australia 6000

Online:

www.investorvote.com.au


**Intermediary Online Subscribers
(Custodians)**


www.intermediaryonline.com

- To be effective a completed proxy form and the power of attorney (if any) under which the proxy form is signed (or a certified copy of the power of attorney) must be received by 4.00 pm WST on Monday 22 November 2010 (being 48 hours before the meeting).

000001 000 ASL
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 367 027
(outside Australia) +61 3 9946 4421

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding**

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 4:00pm (WST) Monday 22 November 2010**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Ausdrill Limited hereby appoint

the Chairman of the meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Ausdrill Limited to be held at the Hyatt Regency Hotel, 99 Adelaide Terrace, Perth, Western Australia on Wednesday, 24 November 2010 at 4:00pm (WST) and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Terrence John Strapp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Mr Mason Gordon Hills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of Issue of Shares under Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____