

ASX Release

1 June 2022



DUG Agrees Two Year Extension of Banking Facilities

Highlights

- Extension of Commonwealth Bank of Australia facilities to 1 July 2024
- Repayment of US\$7 million on Term Loan Facility, reducing the facility to US\$4.5 million by 30 June 2022
- Continuation of working capital facilities with an A\$1 million overdraft and US\$1 million bank guarantee facility
- Flexibility to finance new asset purchases

DUG Technology Ltd (ASX: DUG) (“**DUG**” or the “**Company**”) is pleased to announce the extension of its primary banking facilities with Commonwealth Bank of Australia. A credit approved term sheet has been agreed to extend the facility by two years to 1 July 2024.

DUG has agreed to make a principal debt repayment of US\$7 million by 30 June 2022 and further quarterly repayments of US\$0.5 million from 30 September 2022 until fully repaid. Working capital facilities, including an overdraft facility of A\$1 million and bank guarantees of US\$1 million are retained.

Importantly, the extension agreement includes flexibility for DUG to obtain funding from alternative lenders for the purchase of new equipment to support the Company’s just-in-time capital purchase approach to compute and storage equipment.

The extension of the facility is subject to legal agreement which is expected to be completed before 30 June 2022.

Commenting on the extension of facilities, Dr Matthew Lamont said: “This extension is an important step for DUG and a reflection of the banks confidence in our ability to perform across all business lines and to capitalise on a rapidly improving oil and gas market.

The Company expects to generate positive operating cash flows over the second half of the 2022 financial year following savings identified in the recent restructure¹. The arrangement provides the agility that supports DUG’s growth whilst retaining a strong balance sheet.”

This ASX Announcement has been approved for release by the Board of DUG Technology Ltd.

ENDS

¹ Refer ASX Announcement “Restructure of Services Business Line” released on 2 November 2021

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About DUG

DUG is an ASX listed technology company, headquartered in Australia, that specialises in analytical software development and reliable, green, high-performance computing (HPC). The company is built on a strong foundation of applied science and a history of converting research into practical, real-world solutions. DUG delivers innovative software products and cost-effective, cloud-based HPC as a service backed by bespoke support for technology onboarding. DUG's expertise in algorithm development and code optimisation enables clients to leverage big data and solve complex problems.

DUG is a global company with offices in Perth, London, Houston and Kuala Lumpur, supporting a diverse industrial client-base that includes radio-astronomy, biomedicine and meteorology, as well as the resource, government and education sectors. DUG designs, owns, and operates a network of some of the largest and greenest supercomputers on Earth. The company continues to invest and innovate at the forefront of software and HPC, working towards a climate-positive future.

To learn more, please visit www.dug.com.