



ASX / JSE ANNOUNCEMENT

26 July 2022

SETTLEMENT OF ELIKHULU SUB-CONTRACTOR (FRASER ALEXANDER) CLAIMS

DRA Global Limited (ASX / JSE: DRA) (“DRA” or “the Company”) provides an update in respect of the arbitration between DRA Projects (SA) Pty Ltd (“DRA Projects”) and Fraser Alexander (Pty) Ltd (“Fraser Alexander”) regarding the Elikhulu Gold Tailings Retreat Project.

Without impacting Fraser Alexander’s contractual liability for latent defects, DRA Projects and Fraser Alexander have, prior to the arbitration hearing commencing, reached a settlement in respect of all claims between the parties.

Claim and settlement

DRA Projects appointed Fraser Alexander as a subcontractor for the Elikhulu Gold Tailings Retreat Project. Details of the claim are set out in section 9.20.2 of the Company’s IPO prospectus dated 28 May 2021.

Fraser Alexander initiated arbitration proceedings against DRA Projects. The aggregate value of all claims (including in respect of works allegedly executed, an extension of time, preliminary charges, disruption and escalation) was R502 million.

The parties have executed documentation to give effect to the settlement, with DRA Projects agreeing to pay Fraser Alexander R118,430,551.60 within 7 working days.

The settlement is considered a favourable outcome to DRA as it settles a material claim, reduces litigation risk and avoids a costly arbitration process with an uncertain outcome.

Financial impact

DRA recorded a provision of R153 million in its FY21 financial statements in respect of these claims. The settlement will result in a provision reversal and benefit to EBIT for the DRA Group of approximately \$3.6million in its 30 June 2022 half year financial statements.

- ENDS –

This announcement was approved for release by the Interim Chief Executive Officer of DRA Global Limited.

For further information, please contact:

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JSE Announcement Disclosures

DRA Global Limited

(Incorporated in Australia under the *Corporations Act 2001* (Cth))

ACN 622 581 935

ASX / JSE Share Code: DRA

ISIN: AU0000155814

("DRA" or "the Company")

JSE Sponsor: Pallidus Exchange Services Proprietary Limited

About DRA Global Limited

DRA Global Limited (ASX: DRA | JSE: DRA) (DRA or the Company) is a multi-disciplinary consulting, engineering, project delivery and operations management group predominantly focused on the mining and minerals resources sector. DRA has an extensive global track record, spanning more than three decades and more than 7,500 studies and projects as well as operations, maintenance and optimisation solutions across a wide range of commodities.

DRA has expertise in mining, minerals and metals processing and related non-process infrastructure including sustainability, water and energy solutions for the mining industry. DRA delivers advisory, engineering and project delivery services throughout the capital project lifecycle from concept through to operational readiness and commissioning as well as ongoing operations, maintenance and shutdown services.

DRA, headquartered in Perth, Australia, services its global customer base through 16 offices across Asia-Pacific, North and South America, Europe, Middle East and Africa.

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