

ASX Announcement

26 July 2022



DDH1 DELIVERS RECORD FY22 PERFORMANCE

Leading global specialist drilling company, DDH1 Limited (ASX: DDH1) (“DDH1” or “the Company”) is pleased to release its preliminary full year unaudited results for the 2022 financial year (FY22) ended 30 June 2022. The unaudited pro-forma results released, include Swick Mining Services’ Drilling Division (“Swick”) for all current and comparative reporting periods. Unaudited statutory results include Swick from 1 February 2022. DDH1 is continuing to perform strongly and is delivering on its organic and inorganic growth strategy.

FY22 Pro-Forma Operational Highlights (percentages compared to FY21 unless indicated otherwise)

- Strong safety performance with TRIFR¹ decreasing 21.4% to 8.65 (FY21 - 11.01)
- Added 15 quality rigs to end the year with 183 rigs, a further 11 are on order or under build
- 87% of revenue generated from production and resource definition projects
- Shifts increased 10.2% to 91,228
- Rig utilisation of 77.4%, up 2.4 percentage points
- Annualised revenue per rig of \$2.9m, up 6.9%
- Annual revenue per shift of \$5,556, up 3.4%
- Above average industry Return on Invested Capital of 27%
- Post year end, announced share buy-back program of up to 34,280,468 shares, which will commence after this results release
- Completed transformative Swick Mining Services transaction, creating a global scale mineral drilling company and an international platform for expansion

Preliminary Unaudited FY22 Financial Highlights

	Pro-Forma (unaudited)			Statutory (unaudited)		
	FY22	FY21	YoY %	FY22	FY21	YoY %
Revenue (\$m)	506.9	444.7	14.0	415.5	294.6	41.0
Underlying EBITDA (\$m) ²	113.6	103.3	10.0	97.2	74.6	30.3
Underlying EBITDA (%)	22.4%	23.2%	(0.8)	23.4%	25.3%	(1.9)
Operating EBITDA (\$m) ³	111.3	103.3	7.7	94.9	74.6	27.2

¹ Total Recordable Injury Frequency Rate

² Underlying FY22 EBITDA equals Statutory EBITDA adjusted for acquisition costs for Swick, profit on the sale of assets, non-cash revaluation of listed investments, redundancy costs and amounts provisioned for outstanding amounts owed by Wiluna Mining Corporation and equity holding in Wiluna Mining Corporation

³ Operating FY22 EBITDA equals Statutory EBITDA adjusted for acquisition costs for Swick, profit on the sale of assets, non-cash revaluation of listed investments and redundancy costs



Operating EBITDA (%)	22.0%	23.2%	(1.2)	22.8%	25.3%	(2.5)
Net (Debt) / Cash (\$m)	(16.8)	(2.2)	(\$15.0m)	(16.8)	9.6	(\$26.4m)

Commenting on the FY22 results, DDH1 Managing Director and CEO Sy van Dyk said:

“All of our operational teams should be acknowledged for their tireless dedication to our business and each other, and for delivering on our growth strategy. Our can-do culture and the team’s willingness to meet the requirements of our broad customer base is exceptional.

Demand for our Company’s specialised services from mine producers and explorers continued at record levels across our four brands – DDH1, Ranger, Strike and Swick. This was reflected in our metres drilled, a record for the company at 3.49 million metres.

We achieved record results notwithstanding increases in underlying costs, particularly related to managing headcount in light of COVID requirements. Pleasingly we are successfully managing to meaningfully increase rates as contract renewals roll over, although the timing difference between immediate cost increases and our strategy of rate increases at renewal or with new tenders has temporarily reduced operating margin. Our EBITDA margins are still remarkable.

The successful and transformative acquisition of Swick was a highlight. Importantly, Swick’s underground capabilities complement our service offering and provide opportunities for expansion into the North American and Western European markets for our surface drilling operations.”

DDH1 Chairperson Diane Smith-Gander highlighted the strength of the underlying business and its diversified revenue profile:

“DDH1 has again delivered to expectation during FY22 reflecting the strength and commitment of the managerial and operational teams. This performance is noteworthy considering the operating environment of employee mobility challenges due to travel restrictions, COVID absenteeism and the inflationary environment.

The Board is especially pleased that the business has improved safety performance whilst growing organically and inorganically. The business is well set to pursue it’s growth aspiration and deliver significant free cash flows for capital management purposes.

On behalf of the Board, I thank our staff for their contribution.”

Capital Management

DDH1 announced an on-market share buy-back program on 1 July 2022. The proposed number of shares to be acquired over a 12-month period is up to 34,280,468 shares, or approximately 8% of DDH1's current share capital. The program will commence following this release of the Company's preliminary unaudited results.

The Board considers the price for DDH1 shares significantly undervalues the Company given its strong performance. DDH1 has a sustainable dividend policy with a payout ratio of 30% – 50% of operating NPATA. The buy-back program should not impact this policy due to the Company's robust operating cash flows.

Operational Overview

Demand for DDH1's full suite of services from mine producers and explorers continued at record levels across its four brands. Accordingly, DDH1 added 15 rigs, which increased the fleet size to 183 at the end of FY22. A further 11 rigs are currently on order or under build.

FY22 revenue per shift increased by 3.4%. FY22 rig utilisation of 77.4% was up on FY21 by 2.4 percentage points (FY21 75.0%). Rig utilisation was however impacted due to labour movement restrictions and COVID related absenteeism. The easing of mobility restrictions has alleviated staffing pressure for entry level roles during 4Q FY22. Skilled operators remain in high demand within the drilling industry. DDH1 is confident it has the right operating environment, best-in-class equipment, customer exposure and growth opportunities to continue to attract and retain the most skilled operators within the drilling industry.

During FY22 inflationary pressures were evident, notably on wages, repairs and maintenance and consumables. The Company is working to offset input costs and has a history of diligently managing all aspects of its business. Concurrently, DDH1 is working with clients to increase drilling rates in a tight supply market.

DDH1 continued to drive a financially disciplined strategy of organic and inorganic growth. DDH1 successfully completed its acquisition of Swick (Drilling Division) on 16 February 2022, a leading international underground diamond drilling provider. Swick complements and extends DDH1's service offering. Importantly, Swick provides established access to the highly prospective international markets in North America and Western Europe. DDH1 is imposing its capital discipline to Swick's strong market position to ensure EBITDA manifests into strong cash flows.

Focus for FY23 and Outlook

For the balance of FY23 DDH1 will remain focused on:

- Increasing margins with continued focus on rate increases

- Cash flow generation
- Integration of Swick and extracting synergies from the transaction
- Being a leader at the forefront of renewable transition given such a high correlation of DDH1's focused commodities and their criticality in the transition from fossil fuels
- Disciplined investing in any additional capacity

The outlook for FY23 is positive. Despite the macroeconomic factors that are currently impacting market sentiments, the fundamentals driving demand for DDH1's services remain compelling.

Key drivers are summarised below:

- The majority of DDH1 revenue is derived from production and resource definition drilling programs. In FY22 87% of revenue was generated from this segment
- Exploration and resource companies remain well-funded and have strong balance sheets to undertake drilling programs
- There is a strong need for exploration to maintain diminishing mining reserves
- Increasing demand for battery metals, which require commodities that DDH1 drill for and are found in abundance in Australia, and
- The need for deeper drilling is resulting in larger drilling programs and an increasing demand for specialist drilling

DDH1 will provide a further operational update with the release of its audited full year results on 30 August 2022.

Investor Presentation

An Investor Presentation titled "Preliminary FY22 Unaudited Results" is attached with this announcement that provides additional information. Accordingly, this announcement should be read in conjunction with the presentation.

Investor Briefing

DDH1 will be holding an investor briefing on Tuesday, 26 July 2022 at 9:30am AWST / 11.30 AEST. See below for the Pre-Registration Link:

<https://s1.c-conf.com/diamondpass/10024033-pdslfsh772.html>

This announcement has been approved for lodgement by the Board of Directors.

For further information, please contact:

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About DDH1 Limited

DDH1 is a quality global drilling company.

The Company has four strong and well-established brands: DDH1 Drilling, Ranger Drilling, Strike Drilling and Swick Mining Services. Together they create a global scale mineral drilling company with operations throughout Australia, North America and Western Europe.

The Company has 183 rigs and one of the top five largest fleets globally (approx. 60% surface and 40% underground). DDH1 maintains a modern fleet with best-in-class technology to deliver optimal productivity, value and safety for clients.

The Company offers a broad range of specialty drilling services across the mining value chain and has a reputation for quality and service delivery. Approximately 80% of DDH1's clients are repeat business.

The Company revenue is predominately derived from the production and resource definition phase, which is less cyclical. DDH1's drilling services are commodity agnostic and it has exposure to a diverse range of commodities including gold, iron ore, nickel, copper and other critical metals. DDH1 has no exposure to coal.

DDH1 prioritises safety and is investing in automation and rigs of the future to minimise perceived high-risk operations and impact on the environment.

The Company has an experienced leadership team and a best-in-class workforce. Together they maintain a quality-focused culture and are driving its organic and inorganic growth strategy for shareholders.

For more information, please visit www.ddh1.com.au



DDH1 LIMITED PRELIMINARY FY22 UNAUDITED RESULTS

26 JULY 2022
DDH1.COM.AU



IMPORTANT NOTICE AND DISCLAIMER

This presentation and these materials (together the “**Presentation**”) have been prepared by DDH1 Limited ABN 48 636 677 088 (ASX Code: DDH) (“**DDH1**”) as a summary of DDH1’s operations and results for the purposes of a presentation to existing or potential investors in DDH1. By participating in this Presentation or reviewing or retaining these materials, you acknowledge and represent that you have read, understood, and accepted the terms of this Important Notice and Disclaimer.

This Presentation should be read in conjunction with DDH1’s Prospectus dated 10 February 2021, the HY22 half-year financial statements and FY21 annual financial statements of DDH1 Limited and FY20 annual financial statements of DDH1 Holdings Pty Ltd, and other periodic and continuous disclosure announcements that have been lodged by DDH1 with the ASX.

This Presentation is not intended as an offer, invitation, solicitation, or recommendation with respect to the purchase or sale of any security in the United States or any other jurisdiction.

Financial Data: All dollar values are in Australian Dollars unless stated otherwise.

Non-IFRS Information: DDH1’s financial reporting complies with Australian Accounting Standards and International Financial Reporting Standards (“IFRS”). This Presentation includes material that contains non-IFRS measures that are not subject to audit. The non-IFRS information has not been audited. DDH1 believes this non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of DDH1. The non-IFRS financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information and ratios included in this presentation. Such non-IFRS financial information is unaudited.

Forward-Looking Statements and Risks: This Presentation may contain forward looking statements concerning activities which are or may be undertaken, outlook or other matters. Any such forward-looking statements are based on assumptions, which may differ materially from the actual circumstances which may arise. Actual results may differ from projections and such variations may be material. You should not place undue reliance on any projections, which are based only on information currently available to DDH1. DDH1 undertakes no obligation to update any forward-looking statements for events or circumstances that occur subsequent to the date of this Presentation or to keep current any of the information provided. Past performance is no guarantee of future performance.

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This Presentation contains statements that are subject to risk factors associated with DDH1’s industry as well as unknown risks and uncertainties (both general and specific), many of which are outside the control of DDH1. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables, some of which are outside DDH1’s control, which could cause actual results or trends to differ materially, including but not limited to earnings, capital expenditure, cash flow and capital structure risks and general business risks. Given this, recipients are strongly cautioned not to place undue reliance on any Projections and forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic.

Disclaimer: Other than as required by law, neither DDH1 nor any other person (including any director, officer or employee of any member of the Group) gives any representation, warranty or assurance (express or implied) in relation to the accuracy or completeness of any forward-looking statement or that the occurrence of any event, results, performance or achievement will actually occur. Except as required by applicable laws or regulations, DDH1 expressly disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this presentation to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.



- The DDH1 Group focuses on providing accurate information to our international clients in the most efficient and cost-effective manner which underpins our sustained best-in-class operating margins and cash generation.

We provide a complete range of specialised surface and underground drilling solutions to our mining and exploration clients.

We aspire to be the world's leading driller through innovation and a continued focus on high quality reliable services.

FY22 RESULTS AGENDA

The background of the slide is a photograph of an oil rig at sunset. The sky is a warm orange and yellow. In the foreground, there are several white trucks and a tall yellow light tower. The rig itself is a complex structure of red and black metal, with a ladder and various pipes. An Australian flag is flying from a pole on the rig.

FY22 PROFORMA
OPERATIONAL
HIGHLIGHTS*

FY22 PROFORMA
FINANCIAL HIGHLIGHTS*

FINANCIAL
PERFORMANCE*

INDUSTRY &
MARKET UPDATE

BUSINESS
OVERVIEW

GROWTH &
OUTLOOK

**Preliminary full year unaudited results*

FY22 PROFORMA OPERATIONAL HIGHLIGHTS



✓ **21.4%**

IMPROVED ROLLING
12-MONTH TRIFR¹

30 JUNE 2022 – 8.65
30 JUNE 2021 – 11.01

↑ **2.4%**

RIG
UTILISATION

FY22 – 77.4%
FY21 – 75.0%

↑ **10.2%**

SHIFTS

FY22 – 91,228
FY21 – 82,782

+ **15**

QUALITY RIGS

RIGS AT 30 JUNE 22 – 183
RIGS AT 30 JUNE 21 – 168

+ **SWICK**

TRANSFORMATIVE
TRANSACTION

70 RIGS
608 SKILLED EMPLOYEES

↑ **258**

EMPLOYEES

FY22 – 1,863
FY21 – 1,605

“We achieved record results notwithstanding a challenging operating environment of employee mobility challenges due to COVID restrictions and COVID absenteeism”

FY22 PROFORMA FINANCIALS



↑ **14.0%**

REVENUE

FY22 \$506.9M
FY21 \$444.7M

↑ **6.9%**

ANNUALISED
REVENUE PER RIG

FY22 – \$2.9M
FY21 – \$2.7M

↑ **10.0%**

UNDERLYING
EBITDA¹

FY22 – \$113.6M
FY21 – \$103.3M

22.4% MARGIN

↑ **7.7%**

OPERATING EBITDA²

FY22 \$111.3M
FY21 \$103.3M

22.0% MARGIN

\$16.8M

NET DEBT³

(\$2.2M) AT 30 JUNE 21

27%

STRONG ROIC

AT 30 JUNE 22

“We achieved record results notwithstanding increases in underlying costs, particularly related to managing headcount considering COVID requirements.

Pleasingly we are successfully managing to meaningfully increase rates as contract renewals roll over, which will positively impact margin going forward”

Note – Preliminary full year unaudited results. Results are on a proforma basis, as they include Swick Mining Services’ Drilling Division (Swick Results) for all the current and comparative reporting periods

¹ Underlying EBITDA equals Statutory EBITDA adjusted for acquisition costs for Swick, profit on the sale of assets, non-cash revaluation of listed investments, redundancy costs and amounts provisioned for outstanding amounts owed by Wiluna Mining Corporation and equity investment in Wiluna Mining Corporation (refer page 9 for reconciliation)

² Operating EBITDA equals Statutory EBITDA adjusted for acquisition costs for Swick, profit on the sale of assets, non-cash revaluation of listed investments and redundancy costs (refer page 9 for reconciliation)

³ Net Cash (Debt) excludes AASB 16 Right of Use liabilities

FINANCIAL PERFORMANCE*



FY22 KEY METRICS*



	PROFORMA (UNAUDITED)			STATUTORY (UNAUDITED)		
	FY22	FY21	VAR (%)	FY22	FY21	VAR (%)
Revenue	506.9	444.7	14.0%	415.5	294.6	41.0%
Underlying EBITDA (\$m) ¹	113.6	103.3	10.0%	97.2	74.6	30.3%
Underlying EBITDA (%)	22.4%	23.2%	(0.8%)	23.4%	25.3%	(1.9%)
Operating EBITDA (\$m) ²	111.3	103.3	7.7%	94.9	74.6	27.2%
Operating EBITDA (%)	22.0%	23.2%	(1.2%)	22.8%	25.3%	(2.5%)
Underlying EBITA (\$m) ³	76.4	67.5	13.1%	67.4	53.1	27.1%
Underlying EBITA (%)	15.1%	15.2%	(0.1%)	16.2%	18.0%	(1.8%)
Operating EBITA (\$m) ⁴	74.0	67.5	9.6%	65.1	53.1	22.7%
Operating EBITA (%)	14.6%	15.2%	(0.6%)	15.7%	18.0%	(2.3%)
Net (Debt) / Cash (\$m)	(16.8)	(2.2)	(\$15.0m)	(16.8)	9.6	(\$26.4m)

- Proforma revenue increased by 14% as a result of adding 15 quality rigs to the fleet to meet the strong market demand, increased utilisation and ability to increase rates in a tight supply market
- Proforma EBITDA margins impacted by COVID, particularly WA border shut downs and staff absenteeism
- Competitive labour market has required remuneration adjustments across all business units to ensure retention of best-in-class workforce
- The Group remains lightly leveraged at 0.15x underlying proforma EBITDA

* Preliminary full year unaudited results. Proforma numbers include Swick Mining Services' Drilling Division (Swick Results) for all the current and comparative reporting periods

¹Underlying EBITDA equals Statutory EBITDA adjusted for acquisition costs for Swick, profit on the sale of assets, non-cash revaluation of listed investments, redundancy costs and amounts provisioned for outstanding amounts owed by Wiluna Mining Corporation and equity holding in Wiluna Mining Corporation (refer page 9 for reconciliation)

²Operating EBITDA equals Statutory EBITDA adjusted for acquisition costs for Swick, profit on the sale of assets, non-cash revaluation of listed investments and redundancy costs (refer page 9 for reconciliation)

³ Underlying EBITA equals Underlying EBITDA adjusted for depreciation

⁴ Operating EBITA equals Operating EBITDA adjusted for depreciation

NON – IFRS INFORMATION*

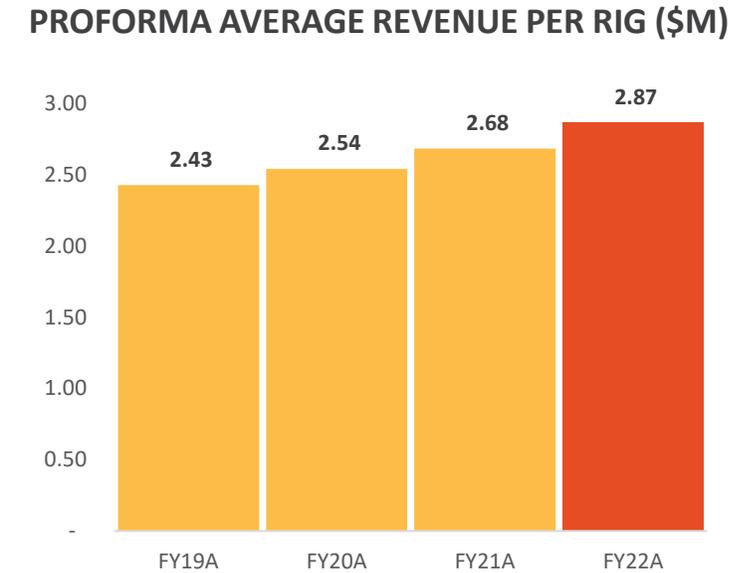
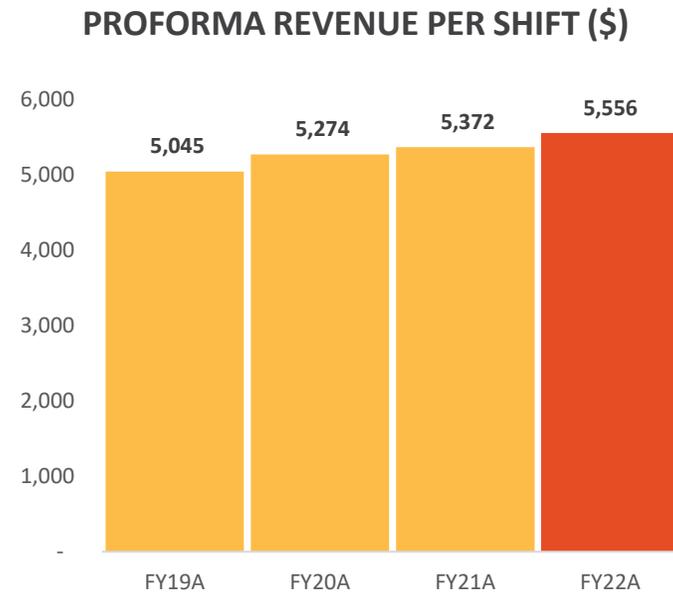
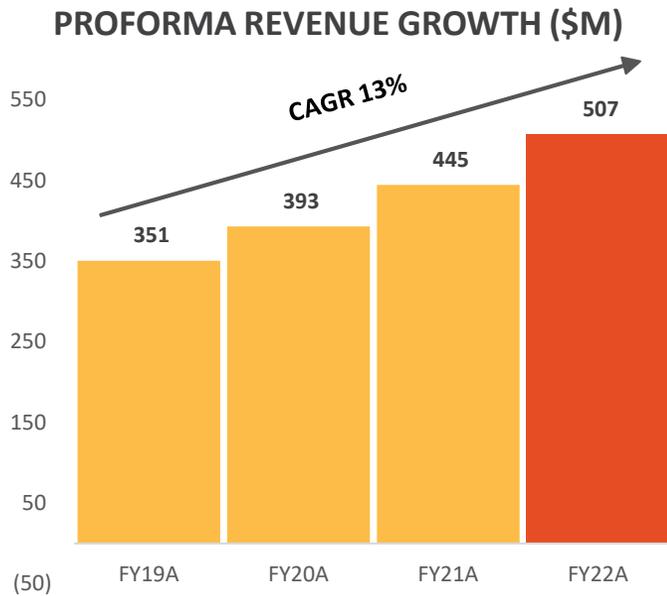
30 JUNE 2022

\$M

Underlying EBITDA	97.2
Provision for Wiluna Mining bad debt	(0.7)
Provision for investment in Wiluna Mining	(1.6)
Operating EBITDA	94.9
Swick acquisition costs	(3.8)
Movement in equity value of shares	(0.2)
Profit on sale of assets	0.2
Restructuring costs	(0.2)
Statutory EBITDA	90.9
Depreciation	(29.8)
Statutory EBITA	61.1



STRONG REVENUE GROWTH*



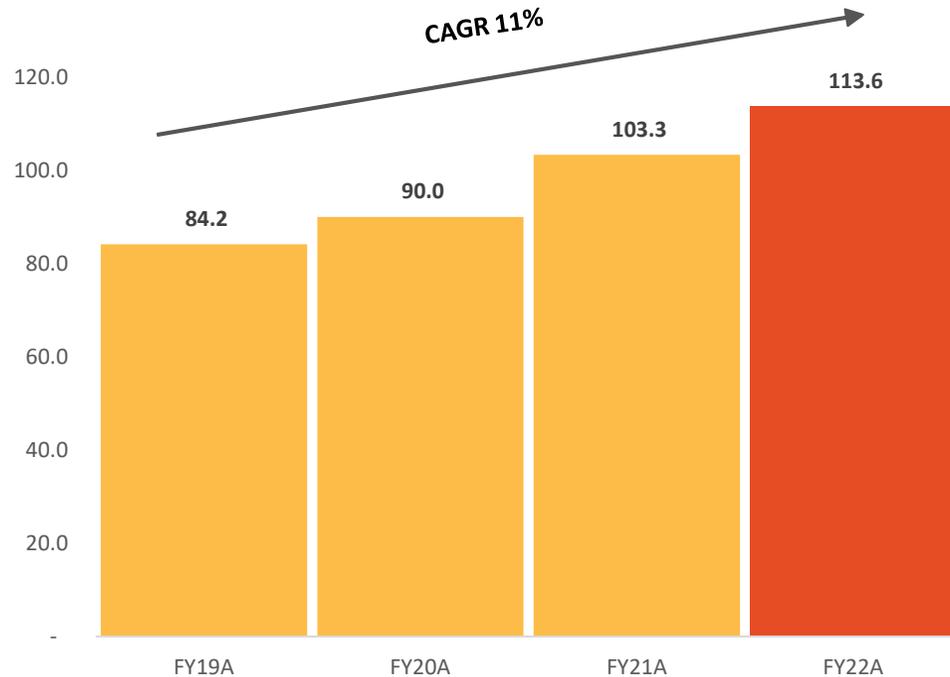
- Organic rig growth across all brands (DDH1, Strike, Ranger and Swick) due to strong demand in all regions globally
- Rig utilisation increased to 77.4%, despite industry wide labour challenges
- Proforma revenue per shift increased 3.4%, reflecting our ability to increase rates in a tight supply market
- Proforma average revenue per rig increased 6.9%, reflecting higher utilisation and increasing rates

* Preliminary full year unaudited results. Results are on a proforma basis, as they include Swick Mining Services' Drilling Division (Swick Results) for all the current and comparative reporting periods

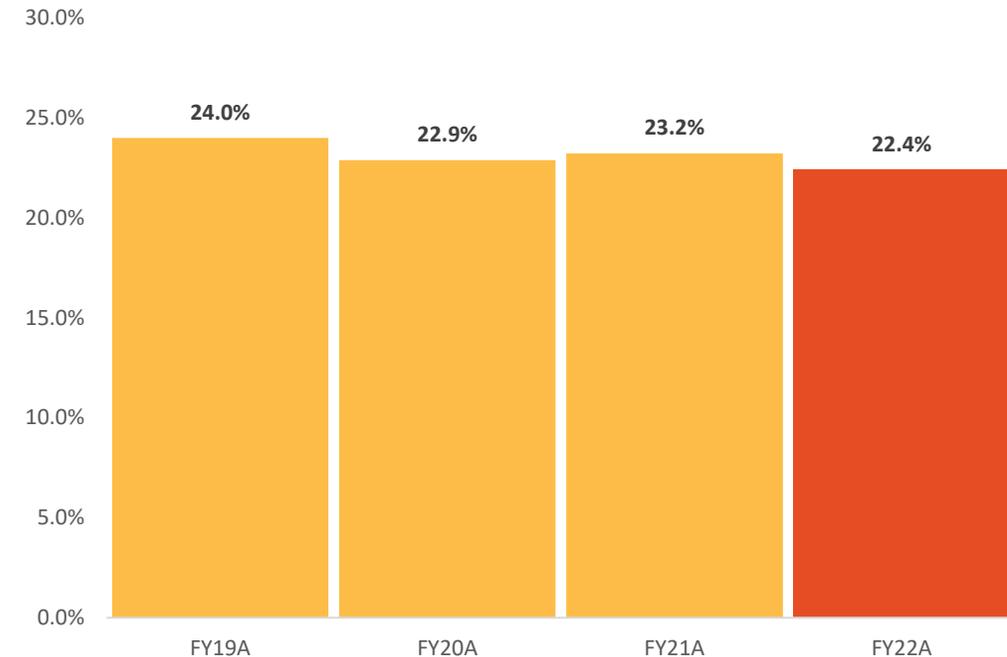
STRONG EARNINGS GROWTH*



PROFORMA UNDERLYING EBITDA GROWTH (\$M)



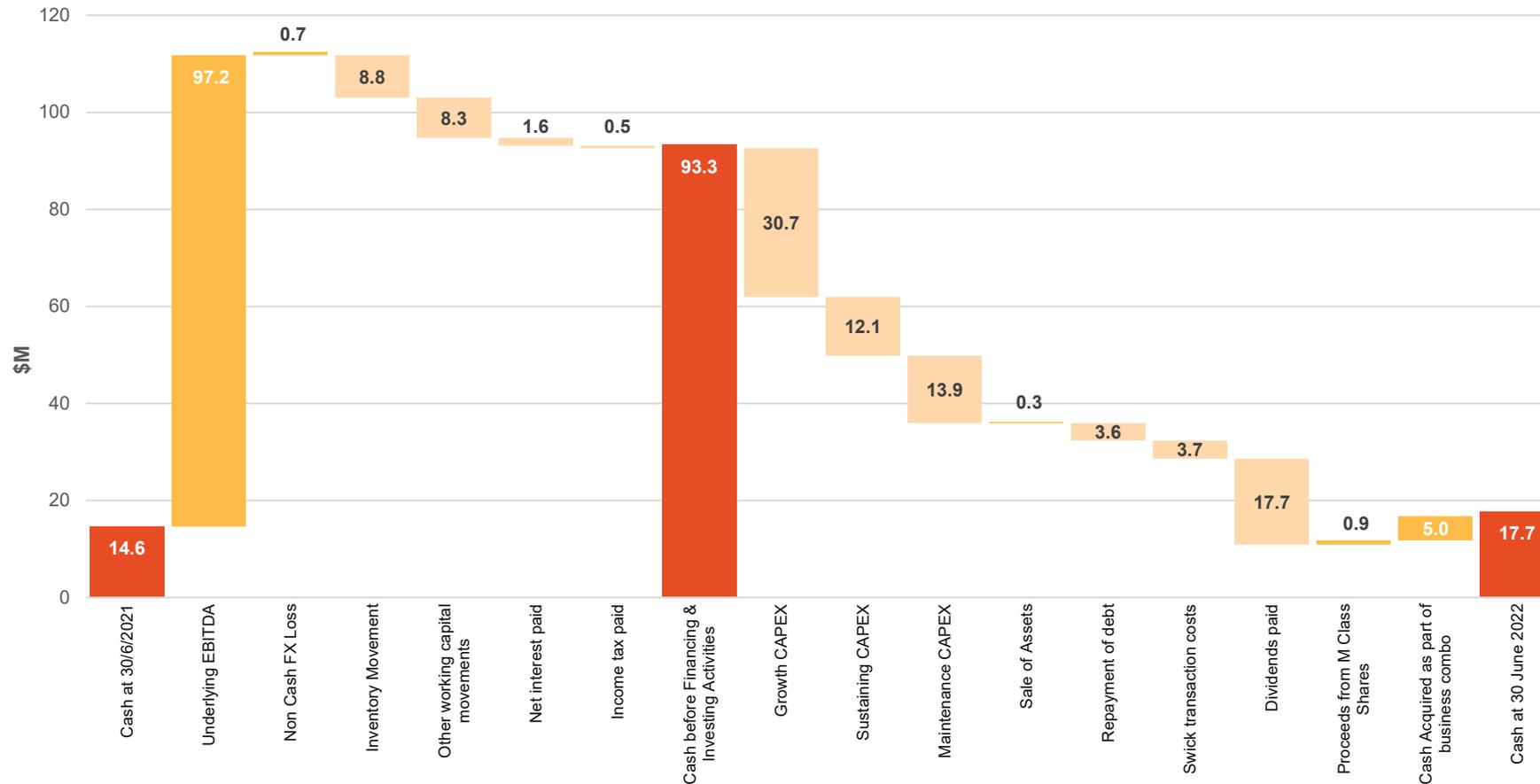
PROFORMA UNDERLYING EBITDA MARGIN %



- Strong trend of proforma underlying EBITDA growth
- Proforma underlying EBITDA margins impacted in short-term by COVID-19 border closures and employee absenteeism, as well as cost inflation particularly in wages
- Rate increases achieved with clients has partly offset the COVID-19 operating challenges and the cost inflation

* Preliminary full year unaudited results. Proforma results as they include Swick Mining Services' Drilling Division (Swick Results) for all of the current and comparative reporting periods

CASH FLOW WATERFALL *



- Cashflow from operations before financing and investing activities of \$93.3M, at a conversion rate of 83% of underlying EBITDA
- \$8.8M invested in inventory to mitigate short-term supply chain risk and meet increasing demand
- \$30.7 invested in growth CAPEX
- \$17.7M returned to shareholders in dividends
- Undrawn facilities of \$60.5m

* Note: Preliminary full year unaudited results.

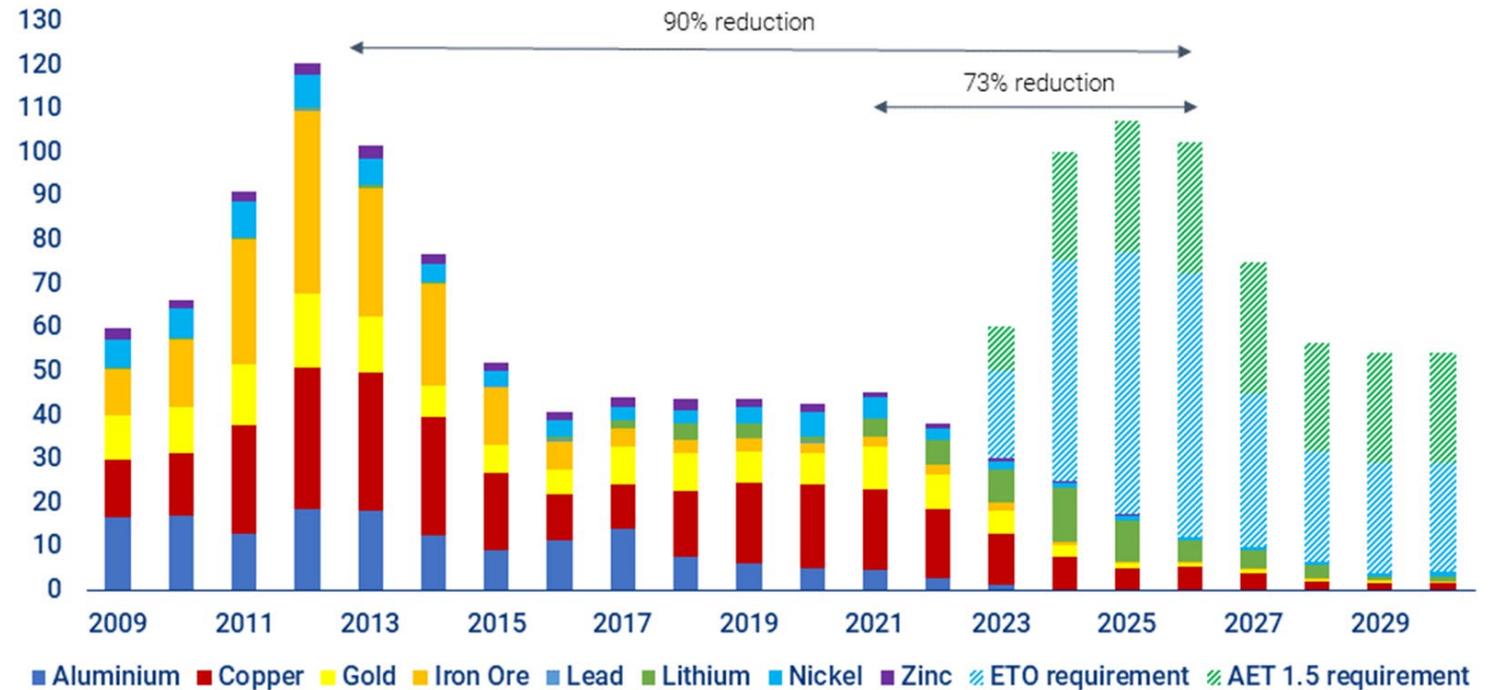
INDUSTRY & MARKET UPDATE



RENEWABLE DEMAND TO INCREASE

- CAPEX remains at well below the absolute levels of the peak of the last cycle in 2012
- A sustained production cycle needs increased exploration spend to ensure mining reserves are not diminished further
- The trend towards decarbonisation continues to gain momentum and the energy transition will be a multi-decade process
- Battery metals are found in abundance in Australia where DDH1 has a strong presence

METALS AND MINING COMMITTED INVESTMENT CAPEX AND REQUIRMENTS (US\$B)

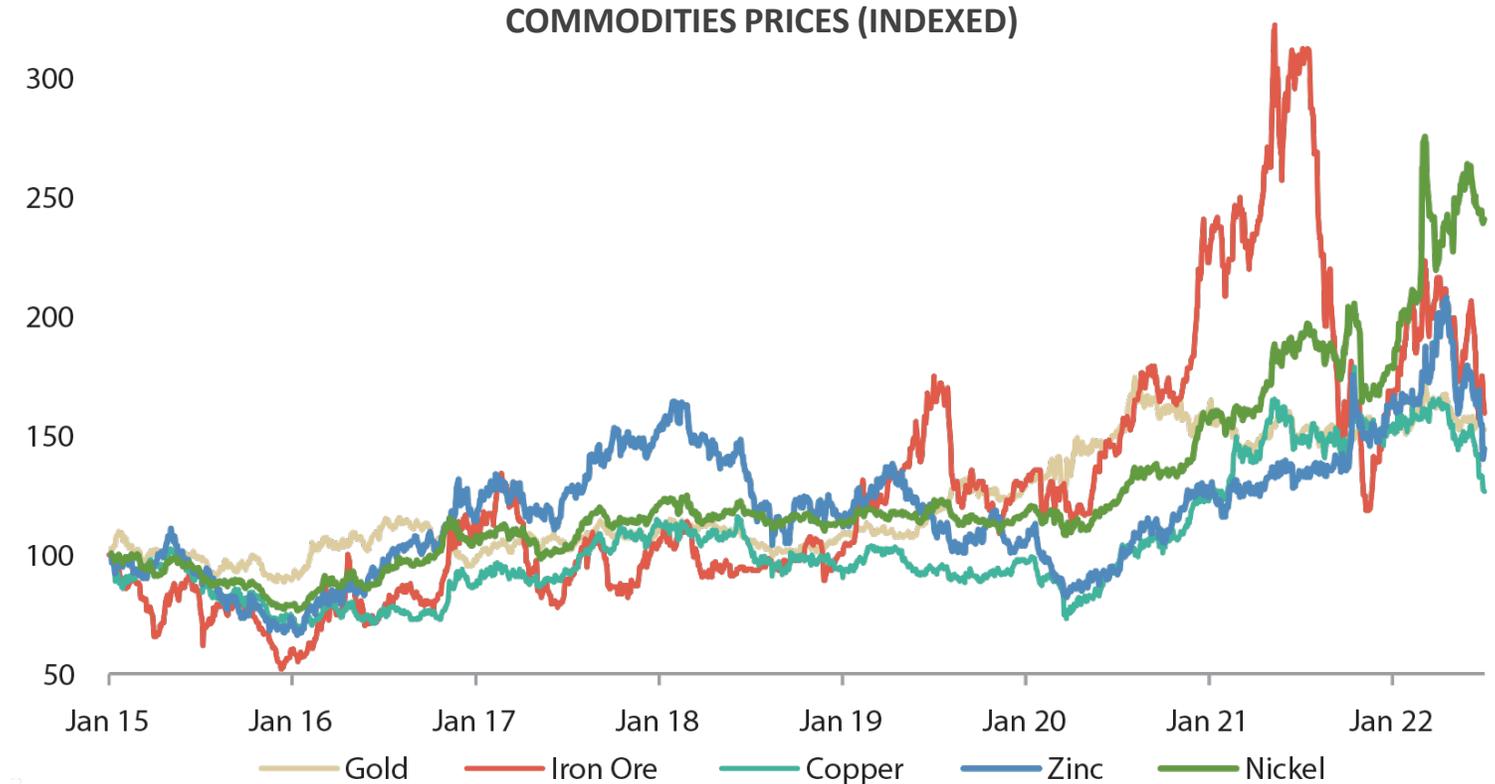


AET 1.5 - Accelerated Energy Transition 1.5-Degree Scenario
 ETO - 2019 Energy Transition Outlook

Source: Wood Mackenzie Corporate Service

COMMODITY PRICES REMAIN ROBUST

- Commodity markets are typically 25% to 50% larger in 2022 than in 2012
- Commodity prices are relatively high compared to the previous 5 years
- The increasing price of coal will drive drilling demand for coal and decrease capacity in the broader non-coal markets in which DDH1 operates in. DDH1 doesn't operate within the coal sector

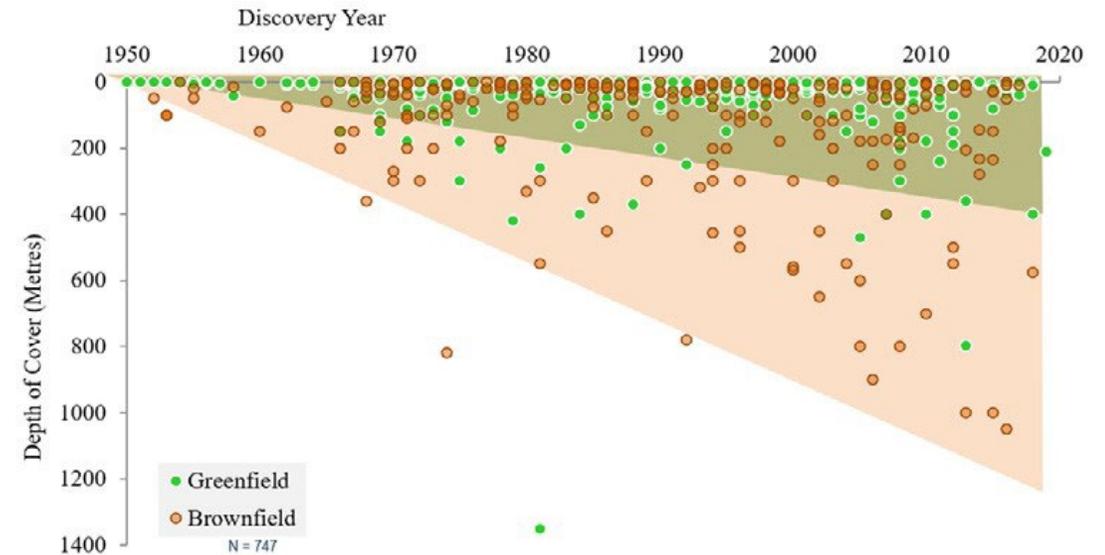


Source: IRESS, Jefferies

INCREASING DEMAND FOR SPECIALISED DRILLING



- Mining industry transitioning from shallower to deeper deposits:
 - More complex geology requiring more detailed information for mine planning
 - Increased drilling requirements to locate mineral deposits
- Development of mining technologies improving capability to mine at greater depths
- DDH1 drill fleet capability and technical expertise can deliver deeper, more complex drill programs
- Directional drilling capability contributes to:
 - Increased accuracy of geological information for development and planning
 - Time and financial savings attributed to drilling multiple branch holes from one main hole



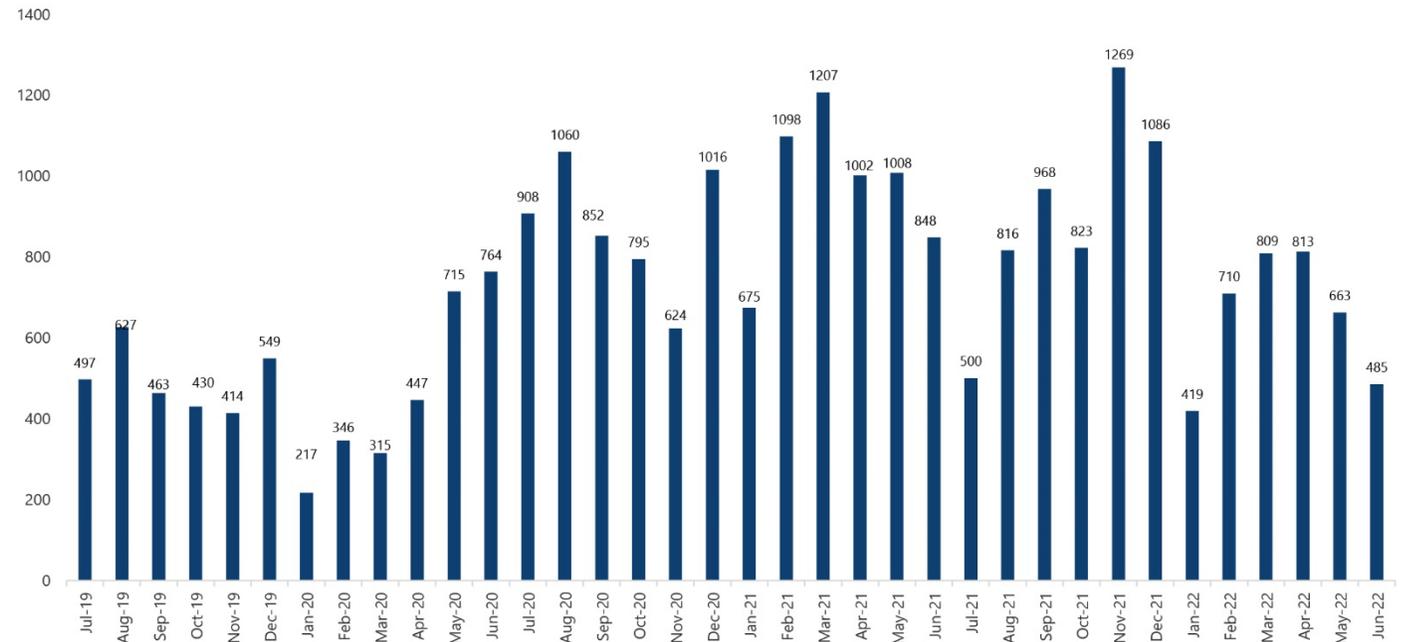
Source: MinEx Consulting.

INDUSTRY REMAINS WELL-FUNDED



- Exploration and resource companies have strong balance sheets and cash balances
- DDH1 works closely with its broad client base and has clear visibility for FY23 demand
- Most clients have indicated they intend to prosecute planned drilling programs

MONTHLY JUNIOR MINER CAPITAL RAISINGS (US\$M)



Source: Factset, Jefferies

OUR RESPONSE TO CURRENT INDUSTRY CHALLENGES



Labour

- Access to labour has improved since the opening of the WA borders in early March
- Focus on enhancing the employee value proposition is successfully attracting sufficient employee numbers
- Successfully using social media as a recruitment tool and able to source staff from New Zealand with open borders
- Turnover remains low for critical driller level positions
- On track to reach full employee capacity in Q1 FY23, but COVID disruptions continues to be a risk

Inflation

- Contracts have been structured with the ability to on-charge many consumables at cost plus
- Shorter-term contracts are being renewed with rate increases to offset higher costs
- Longer-term contracts include rise and fall mechanisms

Rig Availability

- Lead times for surface rigs remain between about 8-12 months (excluding automation features)
- 11 surface rigs currently on order for FY23 with 4 arriving in Q1 FY23
- Strong relationship with OEMs resulting in first call option when build slots become available or low-hour second-hand rigs become available

Underground Rig Manufacturing Capability

- Swick manufacturing capability enables an underground rig build to be completed in 6-8 weeks
- Current manufacturing capacity can deliver up to 20 rigs per year
- Underground segment is not constrained by rig availability

BUSINESS OVERVIEW



OUR LEADING GLOBAL DRILLING BUSINESS



A proven track record of performance and service delivery across our portfolio

A full suite of specialised drilling services

Global scale with established operations in Australia, America and Europe

183* rigs, one of the top five largest drill fleets globally



- Established in 2006
- Diamond core
- All stages of mine cycle
- Multi-commodity
- 74 surface and underground rigs
- Australia wide operations



- Established in 2013
- Air core and reverse circulation
- Exploration
- Multi-commodity
- 14 rigs including 7 dual purpose
- Australia wide operations

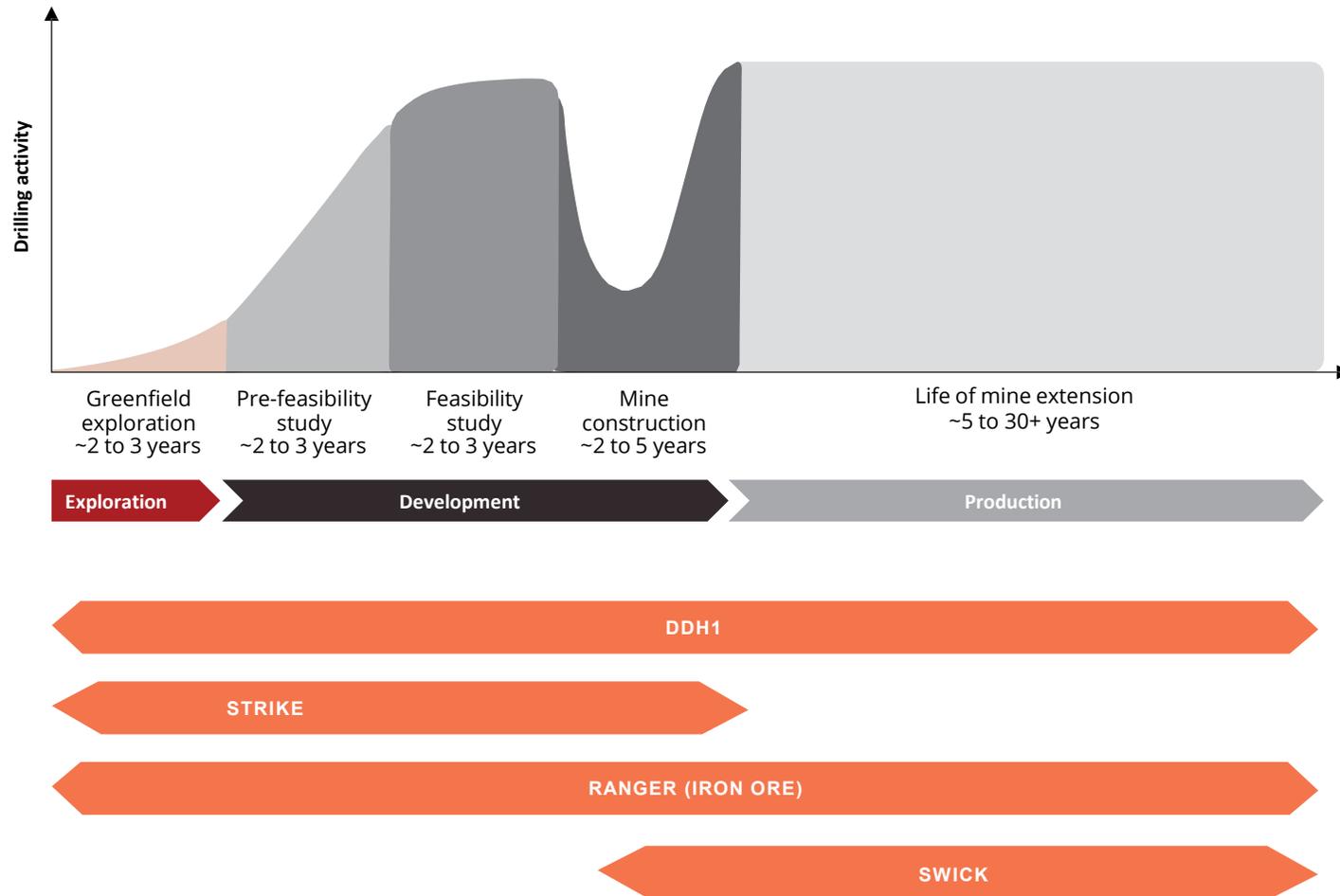


- Established in 2005
- Reverse circulation
- All stages of mine cycle
- Iron ore
- 22 rigs
- Western Australian based operations



- Established in 1997
- Underground diamond core
- Development and production
- Multi-commodity
- 73 rigs
- Australia, Spain, North America, Portugal

OUR SERVICES ACROSS THE MINING VALUE CHAIN

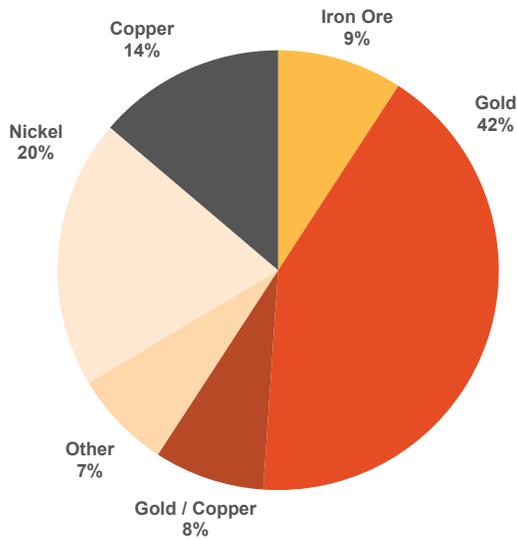


- Focusing on mine development and production phases, less cyclical
- Selective exposure to highly prospective earlier stage greenfields exploration drilling
- Extending services to existing customers, who often have multiple mine sites – surface and underground
- Leveraging existing experience and understanding of site geology to provide drilling efficiencies to mine operators

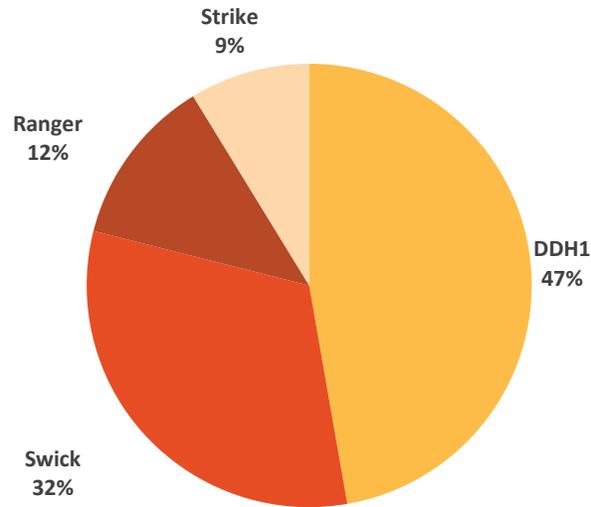
OUR DIVERSIFIED QUALITY REVENUE BASE*



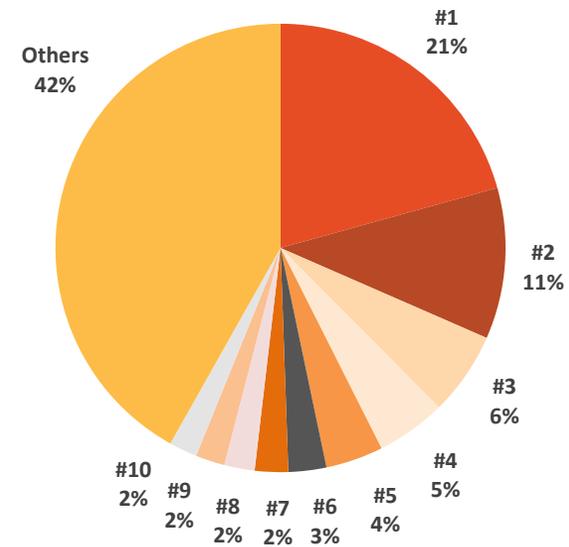
BY COMMODITY



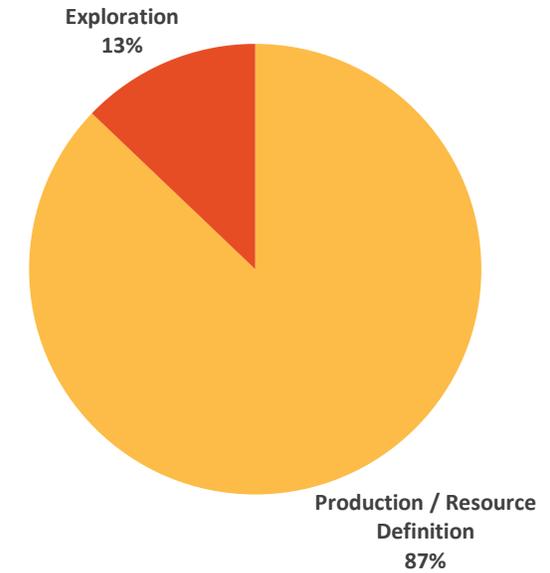
BY BRAND



BY CUSTOMER



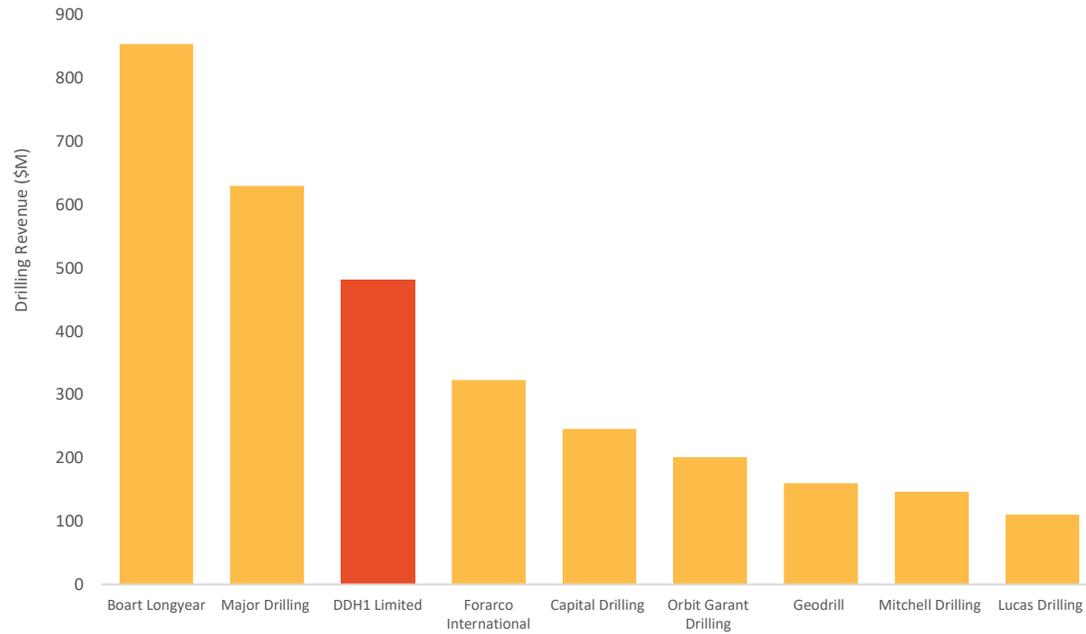
BY PRODUCTION EXPOSURE



* Preliminary full year unaudited results. Results are on a proforma basis, as they include Swick Mining Services' Drilling Division (Swick Results) for all current and comparative reporting periods

OUR GLOBAL SCALE

TOTAL DRILLING REVENUE (\$M) V KEY GLOBAL PEERS*



- Largest drilling service provider within Australia by rig fleet size
- Significant and growing presence within global markets, third largest drilling service provider by revenue

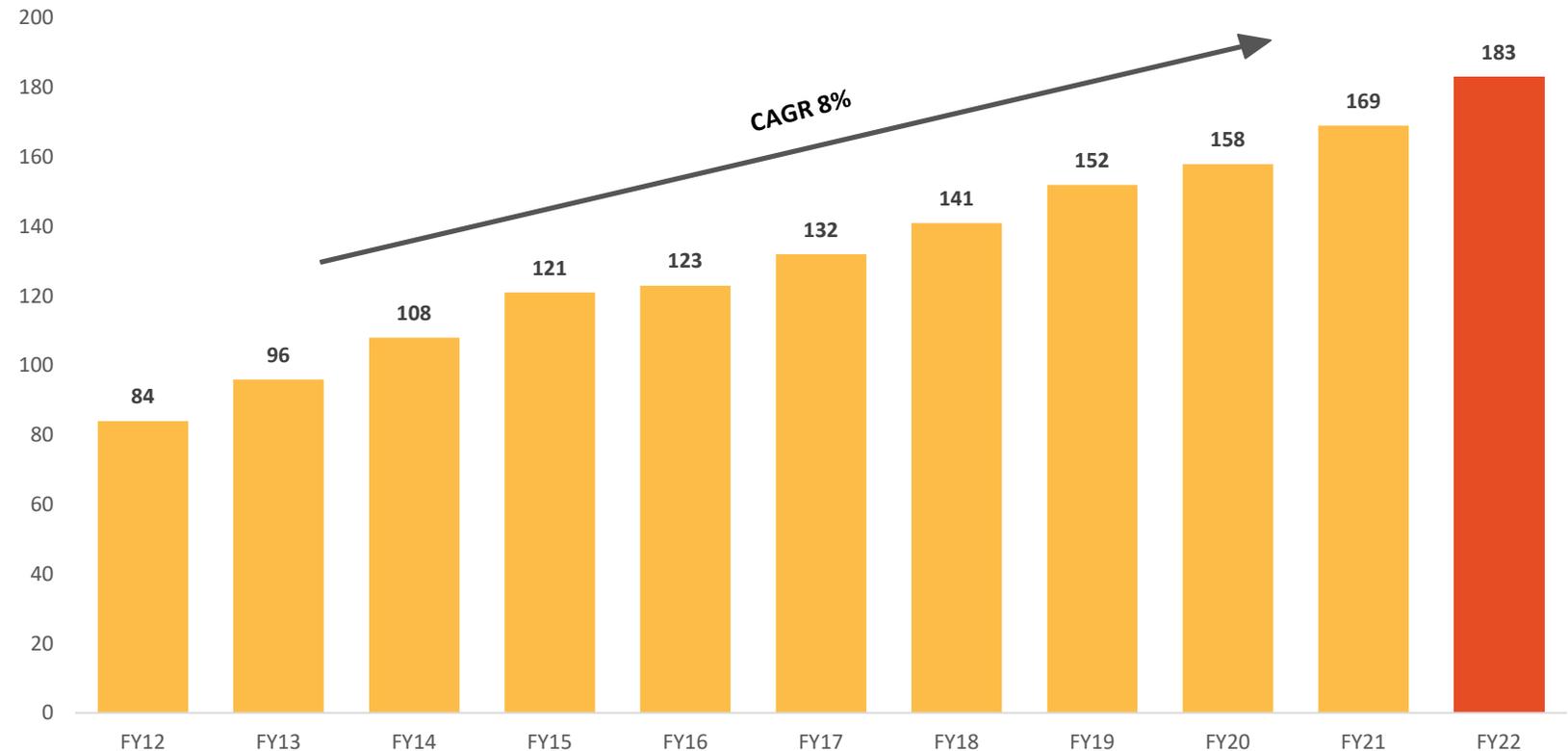
*Revenue data for 12 months ended 31 December 2021 (excluding Major Drilling, data at 31 January 2022 and the 12 months ended 31 January 2022).
Source – Refer to Appendix



WELL POSITIONED TO INCREASE RIG UTILISATION



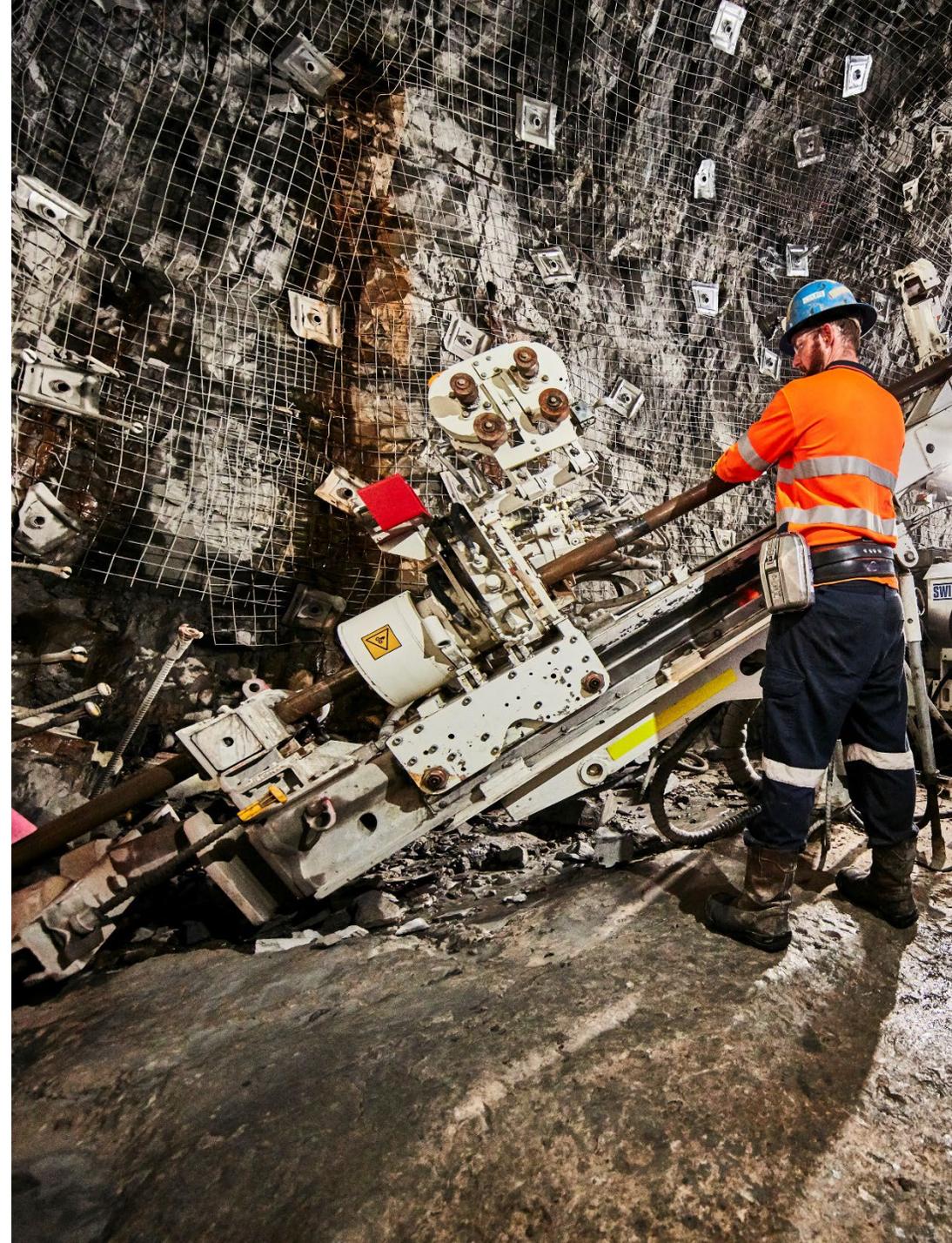
- DDH1 fleet of 183 rigs* is the largest in the Australian market and fifth largest in the world
- 11 rigs currently on order or under build
- Combined fleet has grown at a CAGR of 8% for the last 10 years
- Ability to invest in additional rigs in response to strong industry demand
- Organic fleet growth positions DDH1 to leverage industry fleet shortfall, meet increased demand and maintain high rig utilisation



* At 30 June 2022

SWICK SYNERGIES UPDATE

- Swick integration is on track and progressing well
- Swick is now incorporated into DDH1's divisional business operating structure alongside DDH1 Drilling, Strike Drilling and Ranger Drilling
- Anticipated cost synergies of \$4.8M include \$1.3M per annum of immediate savings and an additional \$3.5M to be realised over 12 months
- Savings are derived from corporate overhead and operational and procurement synergies



OUR STRENGTHS



WELL-ESTABLISHED GLOBAL OPERATIONS

- 15+ YEARS EXPERIENCE
- PRESENCE IN KEY MINING REGIONS
- 87% LONG-TERM PRODUCTION CONTRACTS

TRACK RECORD OF STRONG FINANCIAL PERFORMANCE

- PROFORMA REVENUE CAGR 13%
- STRONG ROIC
- STRONG CASH GENERATION AND ABILITY TO DRIVE GROWTH STRATEGY
- SUSTAINABLE DIVIDEND POLICY

QUALITY SPECIALIST DRILLING PROVIDER

- FULL SUITE OF SERVICES ACROSS MINING VALUE CHAIN
- DEEP AND DIRECTIONAL DRILLING SPECIALISTS
- COMMODITY AGNOSTIC (BUT WE DON'T OPERATE IN THE COAL MARKET)

EXPERIENCED & DISCIPLINED LEADERSHIP TEAM

- STRONG QUALITY AND SAFETY FOCUSED CULTURE - IMPROVING TRIFR*
- BEST-IN-CLASS WORKFORCE
- COMMITTED TO ENHANCING ESG DISCLOSURE

LARGE MODERN DRILL FLEET

- IN-HOUSE ENGINEERING CAPABILITIES
- INVESTING IN AUTOMATION AND BEST-IN-CLASS TECHNOLOGY
- YOUNG FLEET v ECONOMIC LIFE OF 20+ YEARS

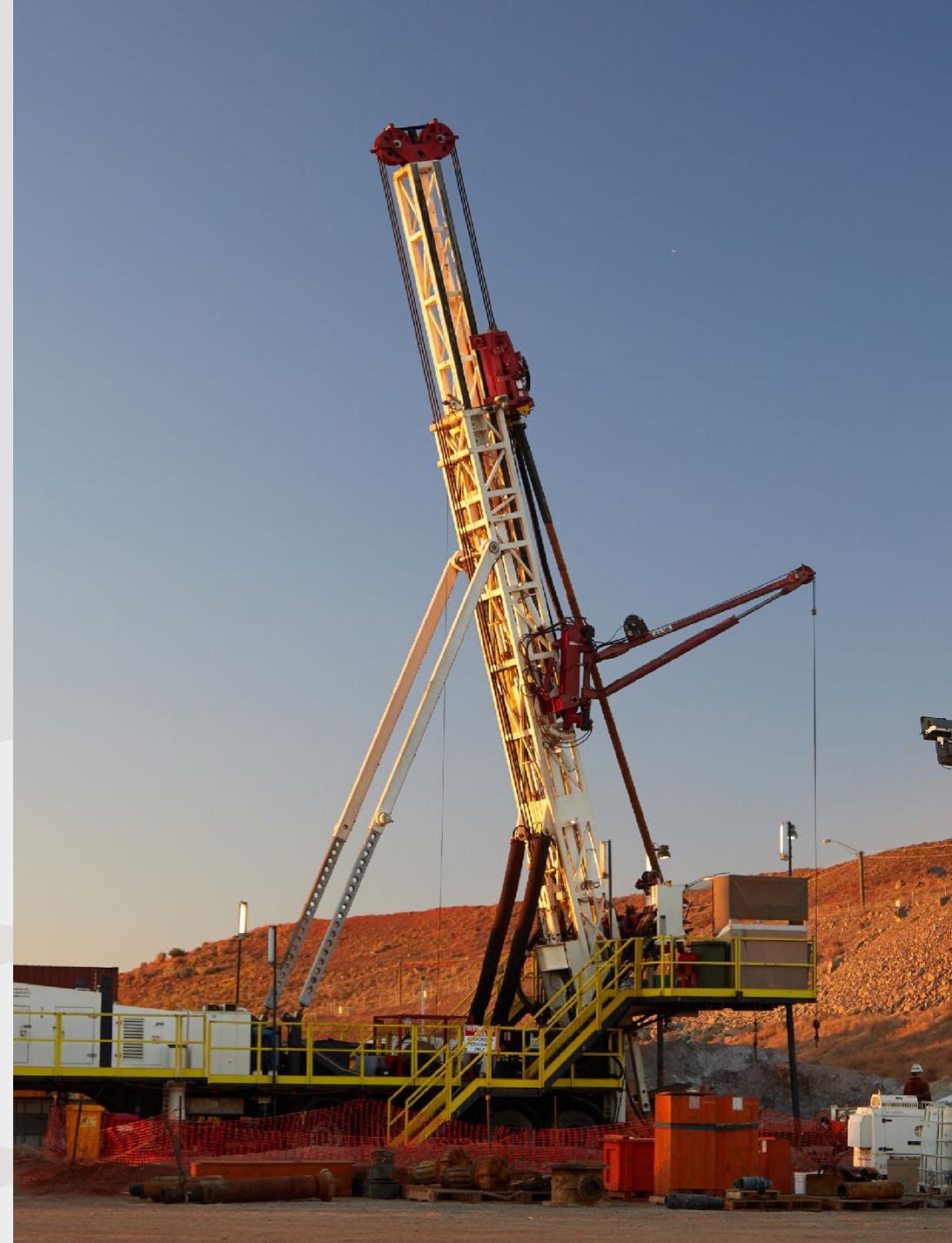
LONG-TERM INDUSTRY GROWTH DRIVERS

- DIMINISHING MINERAL RESERVES
- INCREASING DEMAND FOR BATTERY METALS
- INCREASING DEMAND FOR SPECIALIST QUALITY DRILLING

* At FY22

DDH1 LIMITED

GROWTH & OUTLOOK



STRATEGIC FOCUS



**EXPAND LONG-TERM
EXCLUSIVE
FULL-SERVICE DRILLING
RELATIONSHIPS**

**ACQUIRE HIGH QUALITY
AND COMPLEMENTARY
DRILLING BUSINESSES
THAT BRING
ADDITIONAL DIVERSITY**

**LEVERAGE SWICK'S
INTERNATIONAL
PRESENCE AS A SOLID
FOUNDATION FOR
INTERNATIONAL
EXPANSION**

**PURSUE ORGANIC
GROWTH VIA FLEET
EXPANSION, RATE
INCREASES AND HIGHER
UTILISATION**

**TAKE ADVANTAGE OF
INCREASING DEMAND
SUPPORTED BY THE
CLEAN ENERGY
TRANSITION**

FOCUS AREAS FOR FY23

- Increasing margins with continued focus on rate increases
- Cash flow generation
- Integration of Swick and extracting synergies from the transaction
- Being a leader at the forefront of renewable transition given such a high correlation of DDH1's focused commodities and their criticality in the transition from fossil fuels
- Disciplined investing in any additional capacity



WELL POSITIONED TO DELIVER SUSTAINABLE RETURNS

- Robust demand and visibility outlook for FY23
- Solid industry fundamentals remain
- Strong core business with a consistent track record of leading service delivery
- Skilled workforce and modern fleet
- Quality recurring production-based revenue and a strong balance sheet
- Pursuing disciplined organic and acquisitive growth
- Dividend Policy of 30% – 50% of Operating NPATA
- Commencing share buy back program of up to 34,280,468 shares
- Increasing rates to maintain margins



THANK YOU

An aerial photograph of a mining or construction site during sunset. The sun is low on the horizon, creating a bright glow and long shadows across the landscape. In the foreground, there is a large piece of yellow drilling equipment, a white truck, and a yellow trailer. To the left, there are several large piles of material and a small structure. In the middle ground, a white truck is parked on a dirt road. The background shows a vast, flat landscape under a cloudy sky.

INVESTOR RELATIONS

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GLOBAL PEER INFORMATION

PEER NAME	EXCHANGE	DRILLING REVENUE AUD (\$M) ¹	12 MONTHS ENDED	SOURCE
Boart Longyear Group Limited	ASX	854	31 Dec 2021	2021 Annual report signed 25 February 2022 available on company website
Major Drilling Group International Inc	TSX	630	31 Jan 2022	Q3 Quarterly statement dated 3 March 2022 available on company website
Foraco International S.A	TSX	323	31 Dec 2021	Segment information Q4 2021 Financial statements available on company website
Capital Limited	LSE	246	31 Dec 2021	Revenue note 2021 Annual report dated 9 March 2021 available on company website
Orbit Garant Drilling Inc	TSX	201	31 Dec 2021	Q2 Quarterly report dated 9 February 2022 available on company website Q1 Quarterly report dated 11 November 2021 available on company website Q3 Quarterly report dated 12 May 2021 available on company website 2021 Annual report dated 28 September available on company website
Mitchell Services Limited	ASX	194	31 Dec 2021	Directors report contained within 2021 half year report dated 24 February available on company website
Geodrill Limited	TSX	160	31 Dec 2021	2021 Annual report dated 4 March 2022 available on company website
AJ Lucas Group Limited	ASX	110	31 Dec 2021	2021 Half year report dated 25 February 2022 available on company website 2021 Annual report dated 27 August available on company website

¹ Where presented in USD, an average rate of \$0.72 was used to convert to AUD for comparative purposes. Where presented in CAD, an average rate of \$0.93 was used to convert to AUD for comparative purposes.