

ASX Announcement

3 October 2022



Notice of Annual General Meeting

DDH1 Limited (**ASX: DDH**) (**DDH** or **the Company**) provides the attached Notice of Annual General Meeting (**Notice of AGM**), Proxy Voting Form and letter to shareholders regarding the Notice of AGM.

The AGM will be held on Friday, 4 November 2022, at 2:00 pm (Perth time) at Level 8 Exchange Tower, 2 The Esplanade, Perth, Western Australia.

The Notice of AGM will be sent today to shareholders consistent with their elections. Any shareholders that have not made an election to receive a hard copy of the Notice of AGM will receive a letter with details on where the Notice of AGM can be accessed together with a personalised Proxy Voting Form. For shareholders who have elected to receive a hard copy, the Notice of AGM will be dispatched by post today.

The Company's Notice of Meeting and 2022 Annual Report are available on the Company's website at www.ddh1.com.au.

This ASX announcement has been authorised for release by Sy van Dyk, Managing Director and CEO of DDH1 Limited.

For further information, please contact:

Sy Van Dyk

Managing Director & CEO

DDH1 Limited

(08) 9435 1700

investor.relations@ddh1.com.au

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 184 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





ABN 48 636 677 088

2022 Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of DDH1 Limited will be held on Friday, 4 November 2022 at 2.00pm (Perth time) at Level 8 Exchange Tower, 2 The Esplanade, Perth, Western Australia.



Your Invitation to Attend Our Annual General Meeting of Shareholders

Dear Shareholder,

On behalf of the Board of Directors, I am pleased to invite you to the 2022 Annual General Meeting (AGM) of DDH1 Limited (DDH1).

The AGM will be held on **Friday, 4 November 2022 at 2.00pm (Perth time)** at Level 8 Exchange Tower, 2 The Esplanade, Perth, Western Australia.

Our meeting will be held in person this year in light of the easing of restrictions associated with the COVID-19 pandemic. We are also providing shareholders who are unable to join us in person at the AGM with the ability to participate in the AGM via a teleconference facility that will allow shareholders to listen to the meeting and ask questions. If it becomes necessary or appropriate to make alternative arrangements for the meeting, we will provide further information through the ASX Market Announcements Platform.

We encourage shareholders to vote and submit questions in advance of the meeting. Further details are set out in this Notice of Meeting and the accompanying guide on participating in the AGM and voting.

Information on the Company's performance is provided in our 2022 Annual Report, which is available on DDH1's website ddh1.com.au/investors/

On behalf of the Board, I thank you for your continued support, and I look forward to welcoming you to our second AGM.

Yours sincerely,



Diane Smith-Gander AO

Chairperson

3 October 2022



KEY DATES

Deadline for lodgement of voting instructions

2:00pm (Perth time) on 2 November 2022

Determination of voting eligibility

4:00pm (Perth time) on 2 November 2022

Annual General Meeting

2:00pm (Perth time) on Friday, 4 November 2022

QUERIES

If you have any queries regarding the matters contained in the Meeting documents, please call the Company Secretary on +61 8 9435 1700

LOCATION OF MEETING





Participating in the AGM

The DDH1 Limited (**Company**) Annual General Meeting (**AGM**) will be held at **2:00pm (Perth time) on Friday, 4 November 2022, at Level 8 Exchange Tower, 2 The Esplanade, Perth, Western Australia.**

Attendance in Person

The AGM will be held as a physical meeting in Perth, Western Australia.

Appropriate social distancing measures will be in place to comply with any applicable restrictions for physical gatherings.

We will be closely monitoring the evolving COVID-19 situation. If it becomes necessary to make alternative arrangements for holding the AGM, the Company will give Shareholders as much notice as practicable.

Listening by Teleconference

Shareholders and other investors may listen to the AGM using the teleconference facilities to give them an opportunity to ask questions.

Pre-Registration Link:

<https://s1.c-conf.com/diamondpass/10025664-q9h4iu.html>

The teleconference facilities will enable participants to view the AGM presentation materials, listen to the AGM live, and ask questions after the close of the AGM business items. To participate in the teleconference, you should register at least 15 minutes before the meeting.

Technical or Other Difficulties

If technical or other difficulties arise during the course of the Meeting, then the Chairperson has discretion as to whether and how the Meeting should proceed. In exercising this discretion, the Chairperson will have regard to the number of Shareholders impacted and the extent to which participation in the business of the AGM is affected.

Where the Chairperson considers it appropriate, the Chairperson may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, Shareholders are encouraged to appoint a proxy and submit a directed proxy vote, even if they plan to participate in the Meeting.

If it becomes necessary to make further alternative arrangements for holding the Meeting, the Company will give Shareholders as much notice as practicable.

How to Ask Questions – Before and at the AGM

The Company is committed to ensuring that all Shareholders have a reasonable opportunity to participate in the Shareholder meetings.

Questions can be submitted in advance of the meeting by emailing questions to DDH1's Company Secretary at investor.relations@ddh1.com.au

Shareholders present at the Meeting can also ask questions on the day of the AGM.

Written questions (including questions to the Auditor) should be submitted no later than Tuesday, 1 November 2022. Written questions to the Auditor should relate to the content of the Auditor's Report and the conduct of the Audit. The Auditor will also be in attendance at the AGM.

The Chairperson of the Meeting will endeavour to address as many of the more frequently raised relevant questions and comments as possible during the course of the Meeting. However, there may not be sufficient time available at the Meeting to address all the questions and comments raised.

Please note that individual responses will not be sent to Shareholders.

How to Submit Your Vote in Advance of the Meeting

Shareholders may appoint a proxy to vote on their behalf through the voting website investorvote.com.au

Proxy votes must be received by **2:00pm (Perth time) on Wednesday, 2 November 2022.**

Instructions on how to appoint a proxy are available at investorvote.com.au and under "Voting by Proxy" on page 4 of this Notice.



How to Vote at the AGM

Eligibility to Vote

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have determined that the shareholding of each Shareholder for the purpose of ascertaining voting entitlements for the AGM will be as it appears in the Company's share register at **4:00pm (Perth time) on Wednesday, 2 November 2022**

A Shareholder can attend and vote at the Meeting. Alternatively, Shareholders may appoint a proxy to attend and vote at the Meeting. See below **Voting by Proxy**.

All Resolutions will be Conducted by Poll

Voting on all resolutions will be conducted by a poll as determined by the Chairperson of the Meeting, subject to the requirements of the Corporations Act and the Company's Constitution.

The Chairperson of the Meeting will open the poll at the beginning of the Meeting, and the poll will remain open until declared closed at the end of the Meeting.

Voting by Corporate Representatives

Any corporate Shareholder wanting to appoint a person to act as its representative at the AGM must provide Computershare Investor Services Pty Limited (Computershare) with a formal notice of appointment signed as required by section 127 of the Corporations Act or the constitution of the corporation in advance of the meetings. A form of notice of appointment can be obtained from Computershare or downloaded from investorvote.com.au

Voting by Proxy

A Shareholder can appoint a representative or the Chairperson as a proxy to vote for the Shareholder. A representative can be a natural person and does not need to be a Shareholder of the Company.

If the representative is a proxy, the proxy can be appointed in respect of some or all of the votes held by the Shareholder. A Shareholder can appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If the proportion or number of votes is not specified, each proxy may exercise half the votes. On a poll, each proxy may only exercise votes in respect of those voting rights the proxy represents.

Online: All Shareholders can appoint a proxy to vote on their behalf online at investorvote.com.au by following the instructions set out on the website.

Shareholders who elected to receive their Notice of Meeting electronically will have received an email with a link to the Computershare site.

For all other Shareholders, you will receive a letter by direct mail with instructions on how to vote online, which includes a specific six-digit Control Number to vote online.

To take effect, the proxy appointment must be received by Computershare no later than **2.00pm (Perth time) on Wednesday, 2 November 2022**.

By mail: If Shareholders are unable to complete an online proxy appointment, a proxy form can be requested by contacting Computershare on 1300 850 505 (within Australia) or +61 (03) 9415 4000 (outside Australia).

Completed proxy forms (together with any authority under which the proxy was signed or a certified copy of the authority) must be returned to Computershare no later than **2:00pm Perth time on Wednesday, 2 November 2022**. The proxy form and authority must be returned as set out below:

- **by post to:** Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, Australia 3001, or
- **by facsimile to:** Computershare Investor Services Pty Limited 1300 850 505 (within Australia) or +61 (03) 9415 4000 (outside Australia).

Voting Exclusions

Certain voting restrictions apply to resolution 1 (adoption of Remuneration Report) and resolution 4 (grant of Performance Rights to the Managing Director & CEO). If you wish to appoint a member of the KMP (which includes each of the directors and the Chairperson) as your proxy or attorney, please read the voting exclusions carefully. Shareholders are encouraged to direct their proxies on how to vote.

How the Chairperson Intends to Vote Available Proxies

The Chairperson of the Meeting intends to vote all available proxies in favour of the resolutions set out in this Notice. Any directed proxies that are not voted on a poll at the Meeting will automatically default to the Chairperson of the Meeting, who is required to vote proxies as directed.

Notice of Annual General Meeting 2022

Notice is hereby given that the Annual General Meeting of Shareholders of DDH1 Limited will be held on Friday, 4 November 2022 at 2:00pm (Perth time) at Level 8 Exchange Tower, 2 The Esplanade, Perth, Western Australia.

Items of Business

Financial Reports

To receive and consider the Financial Report, Directors' Report, and Auditor's Report contained within DDH1's Annual Report for the year ended 30 June 2022.

No vote is required on this item.

Resolution 1 - Adoption of the Remuneration Report

To consider and, if appropriate, pass the following non-binding resolution:

"That the Remuneration Report for the year ended 30 June 2022 be adopted."

Voting restrictions apply to this resolution (see page 6). The vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 - To Re-Elect Ms Andrea Sutton as a Director

To consider and, if appropriate, pass the following as an ordinary resolution:

"That Ms Andrea Sutton, an Independent Non-Executive Director of the Company who retires in accordance with Rule 6.1(f) of the Company's Constitution and Listing Rule 14.4, and being eligible, is re-elected as Director of the Company."

Resolution 3 - To Re-Elect Mr Murray Pollock as Director

To consider and, if appropriate, pass the following as an ordinary resolution:

"That Mr Murray Pollock, a Non-Executive Director of the Company who retires in accordance with Rule 6.1(f) of the Company's Constitution and Listing Rule 14.4, and being eligible, is re-elected as Director of the Company."

Resolution 4 - Grant of Performance Rights to the Managing Director & CEO, Mr Sy van Dyk

To consider and, if appropriate, pass the following as an ordinary resolution:

"That approval is given for the purposes of ASX Listing Rule 10.14 and all other purposes, for the grant to the Managing Director & CEO, Mr Sy van Dyk of 349,112 Performance Rights under the DDH1 Long-Term Incentive Plan, on the terms summarised in the Explanatory Notes."

Voting restrictions apply to this resolution (see page 6).

Resolution 5 - Approval of Financial Assistance re Swick Acquisition

To consider and, if appropriate, pass the following as a special resolution:

"That for the purposes of section 260B(2) of the Corporations Act 2001 (Cth), approval is given for financial assistance to be provided by Swick Mining Services Pty Ltd (Swick), Swick Engineering Pty Ltd, Swick Mining Services (Indonesia) Pty Ltd, SMS Asset Holdings Pty Ltd, and SMS Operations Pty Ltd (together Swick Guarantors) in connection with DDH1 Limited's acquisition of Swick, as described in the Explanatory Notes accompanying this Notice."

Other Business

To transact any other business that may be appropriately brought before the AGM in accordance with the Company's Constitution or the law.

Explanatory Notes

This Notice should be read in conjunction with the Explanatory Notes on pages 7 to 17, which provides further information on each of the business items.

The Explanatory Note form part of this Notice. Terms and abbreviations used in this Notice and Explanatory Note are defined in the definitions section on page 15.

By order of the Board



Diane Smith-Gander AO

Chairperson

3 October 2022

Notice of Annual General Meeting 2022 continued

Voting Exclusions Statement

Resolution 1 – Adoption of the Remuneration Report

Voting Prohibition: A vote on resolution 1 must not be cast (in any capacity):

- a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, votes will not be disregarded if they are cast as a proxy for a person entitled to vote on resolution 1 in accordance with a direction as to how to vote on the proxy.

The restriction on voting undirected proxies does not apply to the Chairperson of the Meeting acting as a proxy for a person entitled to vote on resolution 1 because DDH1's proxy appointment expressly authorises the Chairperson of the Meeting to exercise undirected proxies.

Resolution 4 - Grant of Performance Rights to the Managing Director & CEO, Mr Sy van Dyk

Voting Prohibition: A vote on resolution 4 must not be cast (in any capacity):

- a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, votes will not be disregarded if they are cast as a proxy for a person entitled to vote on resolution 4 in accordance with a direction as to how to vote on the proxy.

The restriction on voting undirected proxies does not apply to the Chairperson of the Meeting acting as a proxy for a person entitled to vote on resolution 4 because the Company's proxy appointment expressly authorises the Chairperson of the Meeting to exercise undirected proxies.

Voting Exclusion: The Company will disregard any votes cast in favour of resolution 4 by Mr Sy Van Dyk or his nominee, or any associates, and as required by ASX Listing Rule 10.15 resolution as set out in the table in ASX Listing Rule 14.11 a person referred to in ASX Listing Rule 10.14.1 who is eligible to participate in the Company's Long-Term Incentive Plan.

However, this does not apply to a vote cast in favour of the resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- b) the Chairperson of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairperson to vote on the resolution as the Chairperson decides; or
- c) a holder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting and is not an associate of a person excluded from voting on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Special Resolution

Resolution 5 - Approval of Financial Assistance re Swick Acquisition

Under the provisions of section 260B(2) of the Corporations Act, the proposed Financial Assistance requires Shareholder approval by way of a special resolution.

A special resolution must be passed by at least 75% of the votes cast by Shareholders entitled to vote on resolution 5.

Explanatory Note

This Explanatory Note has been prepared for Shareholders to outline information concerning the resolutions and assist Shareholders in assessing the merits of approving the proposed resolutions in the Notice.

The Directors consider that this Explanatory Note contains all information known to the Company that would be material to the Shareholders in deciding how to vote on the proposed resolutions other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the Shareholders of the Company.

The Directors recommend that Shareholders read this Explanatory Note in full before making any decision in relation to the resolutions.

Terms and abbreviations used in this Explanatory Notes are defined in the definitions section on page 15.

Financial Statements and Reports

In accordance with the Corporations Act, the Financial Report and the Directors' and Auditor's Reports for the year ended 30 June 2022 will be put before the Meeting. These reports are contained within the Company's 2022 Annual Report.

At the Meeting, the Chairperson will give Shareholders a reasonable opportunity to ask questions about and make comments on these reports.

The Auditor, Deloitte, will also be available at the Meeting, and a reasonable opportunity will be given to Shareholders to ask questions of the Auditor relevant to the conduct of the Audit, the preparation and content of the Auditor's Report, the accounting policies adopted in relation to the preparation of the financial statements, and the independence of the Auditor in relation to the conduct of the Audit.

Shareholders may also submit written questions to the Auditor on the content of the Auditor's Report or the conduct of its Audit for the year ended 30 June 2022. Such questions must be received by 4:00pm Perth time on Tuesday, 1 November 2022. The Auditor is not required to provide written answers.

There is no requirement for a formal resolution on this matter. Accordingly, there will be no vote put to this Meeting.



The Company's **2022 Annual Report** was made available to Shareholders on 30 August 2022 and is available on DDH1's website ddh1.com.au/investors/

Resolution 1 – Adoption of the Remuneration Report

In accordance with section 250R of the Corporations Act, Shareholders are asked to consider and vote on the adoption of the Remuneration Report for the year ended 30 June 2022, as presented on pages 74 to 93 of DDH1's 2022 Annual Report.

At the Meeting, the Chairperson will give Shareholders a reasonable opportunity to ask questions about and make comments on the Remuneration Report.

The vote on the adoption of the Remuneration Report is advisory only and does not bind the Company or its Directors. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing remuneration policies and practices for future years.



The **Remuneration Report** contains information about the remuneration policy of the Company and the remuneration arrangements for Non-Executive Directors, the Managing Director and other Key Management Personnel for the financial year ended 30 June 2022.

Board Recommendation – The Directors unanimously recommend that Shareholders vote in favour of resolution 1, the adoption of the Remuneration Report.

The Chairperson intends to vote undirected proxies in favour of resolution 1.

The Chairperson intends to vote undirected proxies in favour of resolution 2.

Resolution 2 – Re-election of Ms Andrea Sutton as an Independent Non-Executive Director



Andrea Sutton

Independent Non-Executive Director

Andrea brings over 20 years of operational, technical and corporate experience within the mining and minerals industry.

Andrea's prior roles include non-executive director of Energy Resources of Australia, Managing Director and Chief Executive of Energy Resources of Australia, and within Rio Tinto, Andrea has been the Head of Health, Safety, Environment and Security, Managing Director with the Support Strategy Review team, General Manager – Operations at the Bengalla mine and General Manager – Infrastructure within Iron Ore.

Andrea is a member of the Australasian Institute of Mining and Metallurgy (**AusIMM**), Engineers Australia, the Australian Institute of Company Directors (**AICD**) and Chief Executive Women (**CEW**).

Board Recommendation – On the basis of Ms Sutton’s qualifications, experience, and contributions to the Board’s activities, the Directors (with Ms Sutton abstaining) unanimously recommend that Shareholders vote in favour of resolution 2, the re-election of Ms Sutton.

Resolution 3 – Re-election of Mr Murray Pollock as a Non-Executive Director



Murray Pollock
Independent Non-Executive Director

Murray Pollock is a Co-Founder of DDH1 and has been instrumental in the establishment and development of the Company.

Murray has over 50 years of experience within the mineral drilling sector. He is a pioneer of multiple intersection directional drilling and has introduced many of the engineered safety solutions that are now standard on multi-purpose drill rigs throughout Australia.

Murray also helped form Corewell in 1979, which was listed on the ASX in 1987 with ten rigs. Murray also formed Western Deephole in 1990 and sold it to Drillcorp in 1997. He was also a Board member in Catalpa Mining until their merger with Conquest Gold which formed Evolution Mining.

Murray is a member of the Australian Institute of Company Directors (AICD).

Board Recommendation – On the basis of Mr Pollock’s qualifications, experience, and contributions to the Board’s activities, the Directors (with Mr Pollock abstaining) unanimously recommend that Shareholders vote in favour of resolution 3, the re-election of Mr Pollock.

Resolution 4 – Issue of Performance Rights to the Managing Director & CEO, Mr Sy van Dyk

Background

Shareholder approval is being sought for the proposed grant of 349,112 Performance Rights to the Managing Director & CEO, Mr Sy van Dyk, under the Company’s Long-Term Incentive Plan on the terms set out below.

The Board considers that the issue of proposed Performance Rights to Mr Van Dyk is in the Company’s interests as it further aligns the interests of Mr Van Dyk with the interests of Shareholders to maximise Shareholder value. The grant of Performance Rights forms part of the Company’s remuneration strategy, which seeks to build a performance-oriented culture that:

- supports the achievement of the Company’s strategic vision, growth and progression as one of Australia’s leading drilling companies; and
- attracts, retains and motivates executives by providing market competitive fixed remuneration and incentives.

The proposed grant of Performance Rights forms part of Mr Van Dyk’s remuneration package for the financial year ending 30 June 2023.

If Shareholders’ approval is obtained, it is anticipated that the Performance Rights will be granted to Mr Van Dyk shortly after the Meeting.

Long-Term Incentive Plan

The Performance Rights will be granted under, and subject to, the Company’s Long-Term Incentive Plan, as set out in the Company’s Prospectus dated 10 February 2021.

The Company’s Long-Term Incentive Plan provides executives with the opportunity to earn variable awards through the achievement of performance targets over the relevant performance period. The Plan is designed to reward executives for long-term performance, encourage shareholding and deliver long-term value creation for all Shareholders.

Performance Rights do not provide the full benefits of ownership (such as dividends and voting rights) unless the Performance Rights vest and Shares are allocated to Mr Van Dyk.

If the performance conditions are satisfied, the Performance Rights will automatically vest. The Board has the discretion to grant cash payments of equivalent value at the end of the performance period, however, it is the Board’s current intention to settle any vested Performance Rights in DDH1 Shares.

Summary of the Material Terms of Performance Rights

Each Performance Right proposed to be granted to Mr Van Dyk will give him the right to receive one Share in DDH1 subject to the Performance Right vesting at the end of a three-year performance period beginning on 1 July 2022 and ending on 30 June 2025 (**Performance Period**).

The number of Performance Rights to be granted is calculated based on Mr Van Dyk’s maximum long-term incentive opportunity (\$295,000) divided by the \$0.845 per Share being the closing price of DDH1 Shares on 24 August 2022.

No value will be received if the performance conditions are not met or the Performance Rights lapse.

Performance Conditions

The Performance Rights are subject to the achievement of two performance conditions comprising Earnings Per Share (**EPS**) and Total Shareholder Return (**TSR**).

EPS is a measure of the Company’s profitability after tax divided by the number of Shares it has outstanding. EPS indicates how much money the Company makes for each Share held and is a widely used metric for estimating corporate value.

TSR is a measure of the performance of the Company’s Shares over a defined period. It combines, over a defined period, share price appreciation and dividends paid to show the total return to the Shareholders expressed as a percentage. The use of TSR is well accepted by the market.

The Performance Rights will be weighted as follows:

- 70% of the Performance Rights will be subject to a performance measure based on the Company's EPS compound annual growth rate (**CAGR**) over the Performance Period (**EPS Performance Rights**); and
- 30% of the Performance Rights will be subject to a TSR performance measure over the three-year Performance Period (**TSR Performance Rights**).

Performance Conditions - EPS Performance Rights

The EPS CAGR that must be met for 100% of the EPS Performance Rights to vest has been set by the Board at 20%, with straight line pro-rata vesting between the threshold of 7.5% and stretch of 20% EPS CAGR.

Details of the vesting schedule for EPS Performance Rights are set out below:

EPS CAGR over the 3-year Performance Period	% of EPS Performance Rights that Vest
Less than 7.5% EPS CAGR	Nil
At 7.5% EPS CAGR	33%
Between 7.5% and 20% EPS CAGR	Straight line pro-rata between 33% and 100%
At or above 20% EPS CAGR	100%

EPS is calculated using statutory net profit after tax (**NPAT**) divided by the weighted average number of Shares on issue.

Performance Conditions - TSR Performance Rights

The TSR CAGR that must be met for 100% of the TSR Performance Rights to vest has been set by the Board at 25%, with straight line pro-rata vesting in between the threshold of 15% and stretch of 25% TSR CAGR.

Details of the vesting schedule for TSR Performance Rights are set out below:

TSR CAGR over the 3-year Performance Period	% of TSR Performance Rights that Vest
Less than 15% TSR CAGR	Nil
At 15% TSR CAGR	50%
Between 15% and 25% TSR CAGR	Straight line pro-rata between 50% and 100%
At or above 25% TSR CAGR	100%

Vesting of Performance Rights

The Board will assess the Company's overall performance at the end of the Performance Period and determine the extent of the vesting of the Performance Rights.

The Performance Rights lapse if the performance conditions are not met at the end of the relevant Performance Period.

There is no re-testing of Performance Rights after the vesting date.

Material Terms under the Long-Term Incentive Plan

The proposed grant of Performance Rights to Mr Van Dyk will be made under the terms of the Company's Long-Term Incentive Plan. A summary of the material terms of the Long-Term Incentive Plan is set out in **Annexure A**.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that, subject to certain exceptions, a listed company must not permit a Director (or certain other persons) to acquire equity securities under an employee incentive scheme unless it obtains the approval of its Shareholders.

The proposed grant of Performance Rights and the subsequent acquisition of Shares by Mr Van Dyk falls within ASX Listing Rule 10.14 and therefore requires Shareholders' approval unless an exception applies.

It is currently intended that the Company will purchase the Shares required to satisfy any award that vests in respect of the Performance Rights on-market, and ASX Listing Rule 10.16 provides that ASX Listing Rule 10.14 does not apply to securities purchased on-market by, or on behalf of, Directors or their associates under an employee incentive scheme, where the terms of the scheme permit such purchases (as is the case under the terms of the Long-Term Incentive Plan). Accordingly, the Company is not required to seek Shareholder approval in respect of the proposed grant of Performance Rights to, and subsequent acquisition of Shares by, Mr Van Dyk. However, in the interests of good governance, transparency, and to preserve flexibility in case, for any reason, it is ultimately considered in the Company's best interests to issue new Shares, rather than acquire them on-market, resolution 4 seeks Shareholder approval in respect of the grant of 349,112 Performance Rights to Mr Van Dyk, and the subsequent issue, transfer or allocation of, and acquisition by Mr Van Dyk of Shares in respect of those Performance Rights, under the Long-Term Incentive Plan for the purposes of ASX Listing Rule 10.14 and all other purposes.

Information Required by ASX Listing Rule 10.15

For the purposes of the Shareholder approval sought under ASX Listing Rule 10.14 and in accordance with the requirements of ASX Listing Rule 10.15 and for all other purposes, the following information is provided to Shareholders in respect of the proposed grant of Performance Rights.

- The person to acquire the Performance Rights under the Long-Term Incentive Plan is Mr Sy Van Dyk.
- Mr Van Dyk, being Managing Director & CEO of the Company, falls within Listing Rule 10.14.1.
- Mr Van Dyk will acquire a maximum of 349,112 Performance Rights under the Long-Term Incentive Plan, which may vest into a maximum of 349,112 Shares after they vest and are exercised by Mr Van Dyk.
- Mr Van Dyk's total remuneration package is set out below and in the Company's FY22 Remuneration Report.

- e) As of the date of this Notice, 409,090 Performance Rights (previously approved by Shareholders) have been granted under the Long-Term Incentive Plan to Mr Van Dyk for nil cash consideration.
- (i) 204,545 Performance Rights vest subject to achievement of defined performance conditions over the performance period 9 March 2021 to 30 June 2023; and
- (ii) 204,545 Performance Rights vest subject to achievement of defined performance conditions over the performance period 1 July 2022 to 30 June 2024.
- f) The proposed grant of Performance Rights is being used as an incentive, motivation, and retention tool for Mr Van Dyk to link remuneration to performance. Performance Rights are used because they provide greater alignment with Shareholders' interests by requiring that the Performance Rights are held until they vest and are exercised into Shares. Use of Performance Rights also provides the Board with the opportunity to consider clawback when approving vesting at the time when the Performance Rights become eligible to vest.
- g) The indicative total value of the Performance Rights to be issued to Mr Van Dyk is \$295,000, based on the market value of DDH1 Shares of \$0.845 per Share, which was the closing price of DDH1 Shares on 24 August 2022.
- h) It is proposed that Mr Van Dyk be issued the Performance Rights as soon as practicable after the date of the Meeting, or no later than 12 months after the date of the Meeting or such longer period as ASX allows.
- i) Subject to the terms of the Company's Long-Term Incentive Plan, the satisfaction of performance conditions and other conditions attached to Performance Rights, each Performance Right entitles Mr Van Dyk to be issued, transferred, or allocated one Share in the Company for nil consideration. Under the Long-Term Incentive Plan, Shares will only be issued, transferred, or allocated to Mr Van Dyk (and value received) upon the vesting of relevant Performance Rights and exercise into Shares. Under the terms of the Long-Term Incentive Plan, the Shares to be provided on vesting and exercise of the Performance Rights may be issued by the Company or acquired on-market by the Company (or any trustee of the Plan) and transferred or allocated to the holder of the Performance Right.
- j) A summary of the material terms of the Long-Term Incentive Plan and the Performance Rights is set out above.
- k) No loan will be provided in relation to the acquisition of the Performance Rights.
- l) Mr Van Dyk is the only director currently eligible to participate in the Long-Term Incentive Plan. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Long-Term Incentive Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under that rule.
- m) Details of any Performance Rights issued to Mr Van Dyk will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Mr Van Dyk is prohibited from hedging the security price exposure in respect of Performance Rights during the performance period applicable to those Performance Rights.

If approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

Total Remuneration Package for Mr Van Dyk

The ASX Listing Rules require this Notice to include details of Mr Van Dyk's current total remuneration package.

Mr Van Dyk's remuneration package for the financial year ending 30 June 2023 is:

- Fixed remuneration of \$590,000 plus statutory superannuation of \$25,292;
- Short-Term incentive maximum opportunity (at-risk) of \$354,000 (60% of fixed remuneration); and
- Long-Term maximum incentive opportunity (at-risk) of \$295,000 (50% of fixed remuneration) in Performance Rights the subject to Shareholder approval under resolution 4.

The proposed issue of Performance Rights represents 50% of Mr Van Dyk's fixed remuneration, excluding superannuation, for FY23. The Board has determined that the grant of Performance Rights is within the range of market practice for similar roles in comparable ASX listed companies and is, therefore reasonable remuneration.

The Directors are therefore comfortable that the grant of the proposed Performance Rights would constitute reasonable remuneration for the purposes of section 211 of the Corporations Act, and no separate approval is being sought under Chapter 2E of the Corporations Act in relation to the grant of proposed Performance Rights to Mr Van Dyk.

No exercise price will be payable in relation to the Performance Rights when they vest and are exercised, and the Company will not raise any funds from the grant of the Performance Rights to Mr Van Dyk.



Refer to the **Remuneration Report** (within the 2022 Annual Report) for full details of Mr Van Dyk's remuneration for FY22.



Shareholding in DDH1 held by Mr Van Dyk

Details of Mr Van Dyk's shareholding in the Company are as follows:

- 4,965,886 Ordinary fully paid shares;
- 909 Ordinary fully paid shares, which are subject to the terms of the Employee Share Plan and a three-year trading restriction expiring 3 March 2023; and
- 409,090 Performance Rights subject to satisfaction of certain vesting conditions.

Other Considerations

No funds will be raised from the grant of Performance Rights or the issue, transfer, or allocation of Shares to Mr Van Dyk following the vesting and exercise of the Performance Rights. If Shares will be transferred or allocated, rather than issued upon vesting and exercise, funds will be expended by the Company to acquire shares on-market.

Australian International Financial Reporting Standards require the Performance Rights to be expensed in accordance with AASB 2 – Share-Based Payments. Expensing Performance Rights will have the effect of increasing both the expenses and contributed equity of the Company.

There are no significant opportunity costs to the Company or benefits foregone by the Company in granting Performance Rights.

The grant of Performance Rights to Mr Van Dyk under the Long-Term Incentive Plan will not dilute the percentage interest of Shareholders' holdings if following the vesting and exercise of the Performance Rights the Shares transferred or allocated to Mr Van Dyk are acquired on-market.

What happens if the resolution is approved or not approved?

If resolution 4 is approved by Shareholders, the issue of Performance Rights will not be included in calculating the Company's capacity to issue Equity Securities equivalent to 15% of the Company's ordinary securities under Listing Rule 7.1.

If resolution 4 is not approved by Shareholders, the proposed grant of Performance Rights will not proceed. In these circumstances, the Board will need to consider alternative remuneration arrangements such as cash payments equal to the value of the Performance Rights.

Voting Exclusion

A voting exclusion statement in respect of resolution 4 is set out in the Notice.

Board Recommendation

The Directors (with Mr Van Dyk abstaining) consider that the grant of Performance Rights to Mr Van Dyk to be appropriate in all circumstances, form part of the remuneration for Mr Van Dyk and is part of a reasonable remuneration package considering the Company's circumstances and Mr Van Dyk's role.

The Directors (other than Mr Van Dyk, who abstains) unanimously recommend that Shareholders vote in favour of resolution 4, the grant of Performance Rights to Mr Van Dyk.

The Chairperson intends to vote undirected proxies in favour of resolution 4.

Resolution 5: Approval of Financial Assistance re Swick Acquisition

Background

On 7 February 2022, DDH1 via its wholly-owned subsidiary DDH1 Finco Pty Ltd acquired all of the shares in Swick Mining Services Limited (**Swick**) and thereby acquired all of the shares in the Swick group of companies. The acquisition was made under a Scheme Implementation Agreement dated 21 October 2021 between DDH1, DDH1 Finco Pty Ltd and Swick (**Swick Acquisition**).

The Swick Acquisition was funded by DDH1 by a combination of Shares, cash and borrowings.

DDH1 and certain other Group companies are parties to a Facilities Agreement. Pursuant to the Facilities Agreement, certain Group companies are guarantors under the Facility Agreement.

Swick Mining Services Pty Ltd (ACN 112917905), Swick Engineering Pty Ltd (ACN 126053209), Swick Mining Services (Indonesia) Pty Ltd (ACN 163995677), SMS Asset Holdings Pty Ltd (ACN 107371540), and SMS Operations Pty Ltd (ACN 008736543) (together **Swick Guarantors**) did not at the time of the acquisition become and have not as yet become, guarantors under the Facilities Agreement.

It is proposed, subject to Shareholders' approval to resolution 5, that the Swick Guarantors become guarantors under the Facilities Agreement and related finance documents, as described below.

Financial Assistance Prohibition

Pursuant to section 260A(1) of the Corporations Act a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the company or its shareholders; or
 - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

The requirements for Shareholders' approval of financial assistance are described below.



Shareholder Approval of Financial Assistance

Under section 260B(1) of the Corporations Act, for a company to financially assist a person to acquire shares in itself or a holding company of the company, the financial assistance must be approved by its shareholders by:

- (a) a special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or
- (b) a resolution agreed to, at a general meeting, by all ordinary shareholders.

If, immediately after the acquisition, the company will be a subsidiary of another:

- (a) domestic corporation that is listed in Australia (**Listed Australian Holding Company**); or
- (b) domestic corporation that is not listed in Australia and is not itself a subsidiary of another domestic corporation (**Ultimate Australian Holding Company**),

then the financial assistance must also be approved by a special resolution passed under section 260B(2) (in the case of a Listed Australian Holding Company) or section 260B(3) (in the case of an Ultimate Australian Holding Company) of the Corporations Act at a general meeting of that corporation.

The Company is the Listed Australian Holding Company, accordingly, on completion of the Swick Acquisition, the Company became the Listed Australian Holding Company of the Swick and its subsidiaries (**Swick Group**).

Facility Agreement

The Company, amongst other certain subsidiaries of the Company, and the DDH1 Finco Pty Ltd, (the **Borrower**) entered into a Facility Agreement dated 2 March 2021 as amended most recently by a Deed of Amendment dated 14 February 2022 with Bankwest, a division of Commonwealth Bank of Australia (the **Lender**) with facilities provided under this agreement to an aggregate principal amount of \$95.9 million (the **Facility Agreement**).

The Swick Group and Swick Guarantors are not parties to the Facilities Agreement.

Facility Limit and Term

The facilities provided under the Facility Agreement have a combined limit of \$95.9 million (the **Facilities**) and are divided into separate facilities as set out below.

1. a multi-option facility with an aggregate principal amount of \$85 million (**Multi-Option Facility**) consisting of:
 - a) a corporate facility (the **Corporate Facility**) which is repayable in full five years from 15 February 2022;
 - b) overdraft facility (**Overdraft Facility**) which is repayable in full five years from 15 February 2022; and

- c) bank guarantee facility (**Bank Guarantee Facility**) which is repayable in full five years from 15 February 2022;

2. an Asset Finance Facility with an aggregate principal amount of \$10 million under which the available commitment is subject to the Lender's discretion at all times; and
3. a Credit Card Facility with an aggregate principal amount of \$900,000 is subject to the Lenders' general standard terms and conditions and any other conditions that apply to this facility.

Amounts repaid under the Multi-Option Facility may be redrawn during the term of the facility.

Purpose of Facilities

The Facilities have been or may be drawn for the following purposes:

- the Corporate Facility is available to fund the capital expenditure of the Group and the permitted acquisitions (including any related fees, costs and expenses);
- the Overdraft Facility is available for general corporate purposes, including capital expenditure, and working capital for the Group;
- the Bank Guarantee Facility is available for the provision of bank guarantees required by the Group;
- the Asset Finance Facility is available to assist with equipment purchases and capital expenditure requirements, including any related fees, costs, and expenses, as set out in the master asset finance agreement; and
- the Card Facility is available for general corporate purposes.

Borrower

The Facilities are provided to the Company, DDH1 Finco Pty Ltd and certain other Group companies.

Once the Swick Guarantors joined the Facility Agreement as guarantors and security providers, Swick and SMS Operations Pty Ltd trading as Swick Mining Services will also be entitled to use the Facilities.

Other Terms of Facilities

The Facility Agreement includes events of default, undertakings, representations and warranties from the borrower and guarantors consistent with a facility of this nature or as required by the lenders due to the particular circumstances of this transaction. The undertakings include a negative pledge; undertakings not to acquire or dispose of assets; undertakings not to incur financial obligations; and undertakings not to make distributions to shareholders, in each case subject to agreed exceptions.

Hedging Agreements

The Company intends to enter into hedging arrangements with the Lender to hedge its interest rate and foreign exchange exposure (the **Hedging Agreement**).

Guarantees

The Facility Agreement contains guarantees and indemnities in respect of the facilities and related hedging.

The initial guarantors to the Facilities Agreement include the Company, DDH1 Finco Pty Ltd, DDH1 Group Holdings Pty Ltd (ACN 636 839 613), DDH1 Holdings Pty Limited (ACN 625 946 321), DDH1 MidCo Pty Limited (ACN 625 959 908), DDH1 Drilling Pty Ltd (ACN 154 493 008), Strike Drilling Pty Ltd (ACN 164 225 656), Ranger Exploration Drilling Pty Ltd (ACN 617 982 680) (together the **Initial Guarantors**).

It is a condition of the Facility Agreement that the Swick Guarantors will accede as guarantors to the Facility Agreement, the Hedging Agreement, the related guarantees, security documents, and all other related documents (**Finance Documents**).

Security

The Initial Guarantors have provided security over some or all of their assets to the Lender.

It is a condition of the Facility Agreement that the Swick Guarantors provide security over their assets to the Lender upon accession to the Finance Documents.

Accession to the Finance Documents

It is proposed that, pursuant to the terms of the Facility Agreement, the Swick Guarantors accede as guarantors to the Facility Agreement pursuant to an Accession Deed under the Facility Agreement (each a **Subsidiary Deed of Accession**).

Upon execution of each of the Subsidiary Deeds of Accession, the Swick Guarantors would (among other things) become bound by the guarantees, indemnities and undertakings and give the representations and warranties referred to above.

In addition, it is proposed that the Swick Guarantors will grant security over their assets and undertakings to the Lender as security for the obligations of all borrowers and guarantors under the Finance Documents (the **Security**). The Security may take the form of a fixed and floating charge over all assets of the relevant Swick Guarantor, a registered mortgage in respect of any land owned by the relevant Swick Guarantor and/or such other form as may be agreed with the relevant financiers.

Other support

In addition, the Swick Guarantors may, or may be required to:

- (a) subordinate intercompany claims;
- (b) transfer assets to, or assume other liabilities of, the Company, or DDH1 Finco Pty Ltd or other subsidiaries or related parties of the Company;

- (c) make available directly or indirectly their cash flows (whether through dividends, capital distributions, intercompany loans or otherwise) or other resources in order to enable the Company and the other guarantors to comply with their payment and other obligations in respect of the Financing;
- (d) consent or agree to amendments to the Finance Documents, including amendments that make their obligations more onerous;
- (e) provide additional support which may include incurring additional obligations and/or providing additional guarantees, mortgages and/or charges on the same or different terms to the Security; and
- (f) provide other financial assistance in connection with the Swick Acquisition including, without limitation, in connection with any refinancing.

Other subsidiaries of Swick may in the future also provide or be required to provide financial assistance in connection with the Facility on the same form as that to be provided by the Swick Guarantors or in another form.

Financial Assistance Resolution

Financial assistance approvals

The entry by the Swick Guarantors into, and the performance by each Swick Guarantor of its rights and obligations under the Finance Documents and the Security and the participation by the Swick Guarantors in the funding arrangements and other transactions, all as described above, constitutes the giving of financial assistance in connection with the Swick Acquisition, within the meaning of Part 2J.3 of the Corporations Act.

Pursuant to section 260B of the Act, it is proposed that the giving by the Swick Guarantors of the financial assistance be approved by:

- (a) a resolution agreed to by all shareholders of each Swick Guarantor pursuant to section 260B(1) of the Corporations Act; and
- (b) the Financial Assistance Resolution pursuant to section 260B(2) of the Corporations Act.

The approval referred to in paragraph (b) will also approve the giving of financial assistance by other subsidiaries of Swick if required in the future.

The approval referred to in paragraph (a) will be sought from the shareholders of each Swick Guarantor in accordance with section 260B(1) of the Corporations Act. Where financial assistance is required to be given by subsidiaries of Swick other than the Swick Guarantors in the future, the approval of shareholders of the relevant subsidiaries under section 260B(1) of the Corporations Act will be sought at that time.

Reasons for giving financial assistance

The reason for the giving of the financial assistance described above is to enable the Company, DDH1 Finco Pty Ltd and each other guarantor under the Facility Agreement to comply with certain of its obligations under the Finance Documents.

If such obligations are not complied with an 'Event of Default' will occur under the Finance Documents and the funding under the Finance Documents may be required to be repaid.

Effect of financial assistance

As the Company and DDH1 Finco Pty Ltd, through which the Company has acquired its interest in the Swick Guarantors, is already liable for the amounts payable under the Finance Documents, the giving of the financial assistance described in this memorandum by the Swick and its subsidiaries is unlikely to have any adverse effect on the Company, except that the operations of the Swick and its subsidiaries will be restricted by the representations and undertakings given by them under the Finance Documents.

The substantial effect of the financial assistance on the Swick Guarantors is that each Swick Guarantor will have guaranteed all amounts payable under the Finance Documents and granted security for such obligations over its assets and undertaking. The operations of the Swick Guarantors will also be restricted by the representations and undertakings given by them under the Finance Documents.

The Directors of the Company do not currently believe that either the Company, DDH1 Finco Pty Ltd, the other original guarantors or any of the Swick Guarantors are likely to default in their obligations under the Finance Documents.

Advantages of the Proposed Resolution

The advantage to the Company of the proposed resolution is that the Swick Guarantors will be able to accede to the Finance Documents and so avoid an Event of Default occurring under the Finance Documents. If an Event of Default occurred, the financiers may require immediate repayment of the amounts due under the Finance Documents and the Security Trustee would be able to enforce the security it holds over the assets of the Company and its subsidiaries. This may include a disposal of the shares acquired by DDH1 Finco Pty Ltd in Swick Guarantors at less than the value that the Company would otherwise expect to be achieved.

The advantages of the proposed resolution to the Swick Guarantors include:

- (a) the Company will be able to maintain its ownership of the Swick Group. The Directors of the Company believe that this is in the interests of the Swick Guarantors because:
 - (i) the Swick Guarantors will have greater access to funding in the bank and capital markets as a result of integration in the Group;

- (ii) the Swick Guarantors will benefit from synergies, cost savings and greater growth potential through that integration with the Group; and
 - (iii) the Swick Guarantors will be able to retain existing management expertise and will have access to new management expertise provided by the Company and its affiliates.
- (b) the Directors of the Company believe that the financing is the most efficient form of financing available to finance the Swick Acquisition; and
 - (c) the Swick Guarantors will have access to additional working capital facilities either directly by becoming a borrower under the Facilities or indirectly by greater access to funds available in the market.

The Directors of the Company believe that approving the financial assistance contemplated by this Notice and Explanatory Note is in the best interests of the Company.

Disadvantages of the Proposed Resolution

DDH1 Finco Pty Ltd, through which the Company has its interest in Swick and Swick Guarantors, is already liable for and has provided security over its assets to secure the amounts due under the Finance Documents, the Directors of the Company do not believe there are any disadvantages to the Company of the proposed resolution, except that the operations of the Swick and its subsidiaries will be restricted by the representations and undertakings given by them under the Finance Documents.

The disadvantages of the proposed resolution for the Swick Guarantors include the following:

- (a) they will become liable for the amounts due under the Finance Documents;
- (b) their assets will be subject to security and their operations will be restricted by the representations and undertakings given by them under the Finance Documents;
- (c) the Borrower may default under the Facilities and/or the Hedge Agreement;
- (d) the financiers may make a demand under the guarantees provided by the Swick Guarantors requiring immediate repayment of the amounts due under the Finance Documents; and
- (e) the Lender may enforce the guarantee and/or security granted by the Swick Guarantors to recover the amounts due.

A demand made under the guarantees may result in the winding up of the Swick Guarantors and a sale of the Swick Guarantors' assets by the Lender upon enforcement of the Security may result in a return to the Company (and ultimately its shareholders) significantly lower than could have been achieved by the Company had those assets been sold in the ordinary course of business or had the Swick Guarantors continued trading.



Special Resolution Required to Pass Financial Assistance

Resolution 5 in respect of financial assistance will be passed if 75% of the eligible Shareholders vote in favour of the resolution.

The Shareholders may vote either for or against the financial assistance resolution.

Prior notice to the Australian Securities & Investments Commission

As required by section 260B(5) of the Corporations Act, copies of the Notice and this Explanatory Note as sent to the Shareholders were lodged with the Australian Securities & Investments Commission (ASIC) prior to its dispatch to Shareholders.

Board Recommendation

The Directors unanimously recommend that the Shareholders vote in favour of resolution 5.

The Chairperson intends to vote undirected proxies in favour of resolution 5.

Definitions

In the Notice and this Explanatory Note :

words importing the singular include the plural.

\$ means Australian dollars.

AGM means annual general meeting.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2022 for the Company.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the Auditor's report as set out in the Annual Report.

Board means the board of Directors of DDH1.

Chairperson means the person appointed to chair the Meeting or any part of the Meeting.

Closely Related Party has the meaning given in section 9 of the Corporations Act.

Company or **DDH1** means DDH1 Limited ABN 48 636 677 088.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Directors mean the directors of the Company.

Equity Securities means a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Financial Report means the annual financial report (prepared under chapter 2M of the Corporations Act) of the Company and its controlled entities.

Group means DDH1 and its wholly-owned subsidiaries.

Key Management Personnel or KMP means those persons named in the Company's Remuneration Report, who have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this Notice of Annual General Meeting.

Option means an Option to subscribe for a Share.

Performance Right means a right convertible for a Share issued pursuant to the Long-Term Incentive Plan.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Company's 2022 Annual Report.

Share means a fully paid ordinary share in the capital of DDH1 Limited.

Shareholder means a holder of a Share.

Swick means Swick Mining Services Pty Ltd (ACN 112917905).

Swick Group means each of Swick Mining Services Pty Ltd (ACN 112917905); Swick Engineering Pty Ltd (ACN 126053209); Swick Mining Services (Indonesia) Pty Ltd (ACN 163995677); SMS Asset Holdings Pty Ltd (ACN 107371540); and SMS Operations Pty Ltd (ACN 008736543), and Swick's overseas entities, including Swick Mining Services (USA) Inc, Swick Drilling Europe Ltd (8284271), Swick Drilling Portugal LDA (510 595 510), and Swick Drilling Portugal Unipessoal LDA (Spanish Branch).

Swick Guarantors means each of Swick Mining Services Ltd (ACN 112917905); Swick Engineering Pty Ltd (ACN 126053209); Swick Mining Services (Indonesia) Pty Ltd (ACN 163995677); SMS Asset Holdings Pty Ltd (ACN 107371540); and SMS Operations Pty Ltd (ACN 008736543).

VWAP means the volume weighted average market price of a Share as defined Chapter 19 of the Listing Rules.

AWST or Perth time means Western Australia Standard Daylight Time, being the time in Perth, Western Australia.



Annexure A – Material Terms of the Long-Term Incentive Plan

The following is a summary of the material terms of Long-Term Incentive Plan (**Plan**), under which it is proposed to grant Performance Rights to Mr Sy Van Dyk (resolution 4).

Maximum Number of Securities

The maximum number of securities that may be issued under the Plan to eligible participants is 5% of the total number of Shares on issue (including Shares that may be issued as a result of offers under the Plan made during the preceding three-year period or any other relevant employee incentive scheme).

The Plan also includes an overall limit of 10% of the total number of Shares on issue at the time an Offer is made.

Offers under the Plan

The Board has the discretion to determine:

- a) when awards are granted; and
- b) the quantum of awards to be made. The Plan provides flexibility for the Company to grant rights, options and/or Shares as equity-based incentives. The current equity instrument used is Performance Rights.

Performance Rights are not transferable and will not be quoted on the ASX.

Exercise of Vested Performance Rights

One Performance Right entitles the participant to acquire one Share, subject to the achievement of the relevant performance criteria.

The Company must give a participant a vesting notice upon the performance conditions relating to the Performance Rights having been satisfied, or waived by the Board.

Vested Performance Rights can be exercised by the participant into Shares at any time from the date of the relevant vesting date and ten years after the grant date.

No amount is payable by the participant on vesting of Performance Rights.

Voting and Dividends

Performance Rights do not carry dividend or voting rights unless and until the Performance Rights are exercised, and Shares are issued upon such exercise.

Shares issued upon vesting of Performance Rights carry the same dividend and voting rights as other Shares.

Restricted Dealings

As part of the Company's Securities Trading Policy, participants must not sell, transfer, encumber, hedge or otherwise deal with Performance Rights granted, unless the Board consents or the dealing is required by law.

Participants will be free to deal with vested Shares, subject to the Company's Securities Trading Policy.

Cessation of Employment

If a participant ceases employment due to special circumstances (including death, terminal illness or permanent disablement) or due to the participant's resignation or termination, unless the Board determines otherwise and is subject to applicable laws, unvested Performance Rights will automatically lapse.

If a participant ceases employment after Performance Rights have vested but not exercised, the participant may continue to hold such vested Performance Rights depending on the circumstances of the cessation of employment.

Takeover or other change of control of DDH1

In the event of a takeover or other change of control, which is triggered by a person who did not control the Company at the time of the Performance Rights are issued, the Board may determine that some or all unvested Performance Rights should vest: if a person acquires a relevant interest in more than 50% of the Company's issued capital; if a takeover bid is made to acquire more than 50% of the Company's issued share capital; if a person becomes bound or entitled to acquire shares under section 414, Chapter 6A or section 444GA of the Corporations Act; if a court orders a meeting to consider (or shareholders approve) a scheme of arrangement which would result in a person holding more than 50% of the Company's issued share capital; if the Company is wound up; or if the Company is delisted or disposes of all or substantially all of its business or assets.

Forfeiture

The Board may determine that all or any portion of Performance Rights held by a participant will lapse if the Board determines that, among other things, the participant has:

- a) been dismissed or removed from office for a reason which entitles a member of the DDH1 Group to dismiss the participant without notice;
- b) been convicted on indictment of an offence against the Corporations Act in connection with the affairs of a member of the DDH1 Group; or
- c) committed an act of fraud, defalcation or gross misconduct in relation to the affairs of a member of the DDH1 Group (whether or not charged with an offence).



Clawback

The Board has clawback powers, which it may exercise if:

- a) there has been a material misstatement in DDH1's financial statements;
- b) a participant has acted fraudulently or with malfeasance; or
- c) some other event has occurred,

which, as a result, means that the performance criteria in respect of any vested Performance Rights were not, or should not have been determined to have been, satisfied.

Issue of Shares on Exercise, or Cash Payment

Subject to the ASX Listing Rules, the Board may acquire on-market and/or allocate to the participant the number of Shares that are exercised in relation to vested Performance Rights within 15 Business Days after receiving the relevant exercise notice.

On receiving an exercise notice for any vested Performance Rights, the Board may in its absolute discretion, as an alternative to providing Shares provide a cash payment of equivalent value to those Shares that would be issued. The cash payment shall be calculated based on the equal to the market price of DDH1 shares. Market Price means an amount equal to the volume weighted average price of DDH1 shares traded on the ASX over the 5 trading days immediately preceding the relevant exercise date. The cash payment shall be paid net-of-tax and within 30 days of exercise.

The Board may determine that disposal restriction apply to Shares issued or transferred on exercise of Performance Rights.

Participation in New Issues, Capital Reconstructions and Winding Up

Performance Rights do not confer any right to participate in new securities such as bonus issues or entitlement issues.

In the event of a capital reconstruction (including a consolidation, subdivision, reduction or return), subject to any provision in the Listing Rules, the Board may adjust any or all of the number of Shares issued pursuant to the offer to a participant as the Board deems appropriate.

In the event of a winding up, the Performance Rights do not confer any right to a return of capital or participate in surplus profits or assets of the Company upon a winding up.

Board Discretions

Under the Plan rules, the Board has a number of other discretions in relation to Performance Rights. This includes the ability to exercise malus and clawback powers and amend the terms of the Plan Rules in certain circumstances.

The Board also has the discretion to reduce or waive in whole or in part the performance conditions, including or excluding any items from earnings or calculations or to take into account unforeseen circumstances.

Other

The Company may arrange for a trustee to subscribe for Performance Rights or purchase and hold Shares to be held on trust on behalf of a participant (or his nominee).

Offers of securities under the Plan will be made in accordance with the requirements of Division 1A of Part 7.12 of the Corporations Act.



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Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Wednesday, 2 November 2022.**

Proxy Form

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 or abstain as they choose (to the extent permitted by law). 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.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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 DDH1 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of DDH1 Limited to be held at Level 8 Exchange Tower, 2 The Esplanade, Perth, WA 6000 on Friday, 4 November 2022 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4 by marking the appropriate box in step 2.

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 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 To Re-Elect Ms Andrea Sutton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 To Re-Elect Mr Murray Pollock as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Grant of Performance Rights to the Managing Director & CEO, Mr Sy van Dyk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval of Financial Assistance re Swick Acquisition	<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. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

DDH

999999A



Computershare





3 October 2022

Dear Shareholder,

DDH1 LIMITED – NOTICE OF 2022 ANNUAL GENERAL MEETING OF SHAREHOLDERS

DDH1 Limited (ASX: DDH) (**DDH1** or the **Company**) is pleased to invite you to attend the 2022 Annual General Meeting of shareholders (**AGM**)

The AGM will be held on Friday, 4 November 2022, at 2.00pm (Perth time) at Level 8 Exchange Tower, 2 The Esplanade, Perth, Western Australia.

In accordance with the *Corporations Act 2001 (Cth)*, the Company will not be sending hard copies of the Notice of AGM (**Notice of Meeting**) or its 2022 Annual Report to Shareholders unless a Shareholder has requested to receive these documents from the Company in physical form. The Company's Notice of Meeting and 2022 Annual Report can both be viewed and downloaded from the Company's website at: <https://ddh1.com.au/investors/>.

The Notice of Meeting and its accompanying explanatory memorandum should be read in its entirety. If a Shareholder is in doubt about how to vote, that Shareholder should seek professional advice before voting.

A copy of your personalised proxy form is enclosed for your convenience. If you would like to vote by proxy instead of attending the AGM, please ensure that your proxy form is completed and lodged before 2:00pm (AWST) on Wednesday, 2 November 2022, per the instructions on the enclosed proxy form.

Shareholders can also submit and are encouraged to submit any questions in advance of the AGM by emailing the questions to the Managing Director at investor.relations@ddh1.com.au no later than 2:00pm (AWST) on Wednesday, 2 November 2022.

If the above arrangements concerning the AGM change, Shareholders will be updated via the ASX Market Announcements Platform at www.asx.com.au and on the Company's website at <https://www.ddh1.com.au/investors/> before the commencement of the AGM.

Further information about the AGM is contained in the Notice of Meeting. If you have difficulties obtaining a copy of the Notice of Meeting, please get in touch with Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (overseas).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Diane Smith-Gander'.

Diane Smith-Gander AO
Chairperson