

ASX Release

10 September 2021



Share Purchase Plan opens

DUG Technology Ltd (ASX: DUG) ("**DUG**" or the "**Company**") is pleased to announce that the Share Purchase Plan ("**SPP**") is now open.

As announced on 7 September 2021, the Company is offering all existing eligible shareholders the opportunity to apply for up to \$30,000 worth of new shares via a SPP. The SPP Shares will be issued at a price of A\$0.90 per Share, being the same price paid by institutional investors under the Placement (also announced on 7 September 2021), without paying any brokerage costs, commissions or other transaction costs.

The SPP will be open to those shareholders of the Company on the share register as of the Record Date (6 September 2021) and with a registered address in Australia and New Zealand ("**Eligible Shareholders**").

Attached is a letter which is being dispatched to Eligible Shareholders today. Also attached is the SPP Booklet (containing full details of the SPP) and a sample application form.

Eligible Shareholders wishing to participate in the SPP should carefully read the SPP Booklet. A copy of the SPP Booklet, along with instructions on how to apply for the SPP and submit payment, is available online at <https://dugspp.thereachagency.com/>.

The Company encourages Eligible Shareholders who wish to participate in the SPP to act promptly in submitting their applications. The SPP will close on Thursday, 14 October 2021, however, the Company reserves the right to close the offer early or extend the closing date.

For further information on the SPP please call the Offer Information Line on 1300 850 505 (callers within Australia) or +61 3 9415 4000 (callers outside Australia) between 8.30am and 5.00pm (AEST), Monday to Friday.

Authorised for release by the Board of DUG Technology Ltd.

ENDS

For more information:

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About DUG

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

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

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



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

Dear Shareholder

Invitation to participate in Share Purchase Plan

On behalf of the Board of DUG Technology Ltd (ASX: DUG) ("**DUG**" or the "**Company**"), I am pleased to offer you the opportunity to participate in the DUG share purchase plan ("**SPP**") which was announced on 7 September 2021. The SPP provides you with an opportunity to acquire up to A\$30,000 worth of DUG's ordinary shares ("**SPP Shares**") without paying any brokerage costs, commissions or other transaction costs. DUG is targeting to raise up to approximately A\$5 million under the SPP. However, DUG may decide to accept applications (in whole or in part) that result in the SPP raising more or less than that target amount at its absolute discretion.

The SPP is part of a wider capital raising being undertaken by DUG. As announced on 7 September 2021 the Company received strong support via binding commitments to raise A\$15 million (before costs) in a two-tranche placement to eligible institutional, sophisticated and professional investors ("**Placement**"). The first tranche of the Placement is anticipated to be complete on 14 September 2021 and the second tranche is anticipated to complete on 20 October 2021, subject to shareholder approval.

Proceeds of the Placement and the SPP will be used for the following purposes:

- Military and Space business development;
- Renewable initiatives;
- Building a structure "Sales Areas" oriented global sales team;
- Purchasing computer equipment; and
- Working capital/debt repayment.

SPP Booklet

The SPP is subject to the terms and conditions set out in the SPP Booklet. A copy of the SPP Booklet was lodged with ASX today. The Company encourages you to carefully read the SPP Booklet in full before making your investment decision, noting that you will be bound by the terms and conditions in the SPP Booklet if you choose to participate.

A copy of the SPP Booklet, along with instructions on how to apply for the SPP and submit your payment, is available online at <https://dugspp.thereachagency.com/>

About the SPP

You may apply for SPP Shares in increments of A\$1,000 from the minimum A\$1,000 to a maximum of A\$30,000 (in aggregate) (subject to discretionary scale-back by the Company). All SPP Shares issued under the SPP will rank equally with existing Shares. If you apply for less than A\$1,000 of SPP Shares, the Company will not allot any SPP Shares to you and will refund your Application Monies.

If you decide to participate in the SPP, you will have the opportunity to increase your DUG shareholding at a price of A\$0.90 per Share, being the same price paid by institutional investors under the Placement announced on 7 September 2021.

Participation in the SPP is optional and is open to eligible shareholders who are registered holders of Shares on the Record Date (being 5.00pm WST on 6 September 2021) with a registered address on the register in Australia or New Zealand ("**Eligible Shareholders**"). Certain Eligible Shareholders who are custodians holding Shares on behalf of certain beneficiaries are also invited to participate in the SPP on the terms and conditions set out in the SPP Booklet.

Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including trustees, custodians and nominees) who hold Shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

DUG will not issue new Shares to an applicant if those Shares, either alone or in conjunction with the issue of Shares under other applications received by DUG, would contravene any law or the ASX Listing Rules.

Important information regarding potential scale-back in the SPP

DUG is targeting to raise up to approximately A\$5 million under the SPP. However, DUG may decide to accept applications (in whole or in part) that result in the SPP raising more or less than that target amount at its absolute discretion.

A scale-back may be applied to the extent and in the manner the Company sees fit, which may include taking into account a number of factors, such as the size of an applicant's shareholding at the Record Date, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant has multiple registered holdings, the date on which the application was made and the total applications received from eligible shareholders (subject to any minimum dollar allocation determined by DUG at its absolute discretion).

In the event of a scale-back, you may be allocated Shares to a value which is significantly less than the parcel for which you applied. Should this happen, the balance of any application monies not applied to acquire Shares under the SPP will be refunded to you, without interest.

How to apply

The SPP is subject to the terms and conditions set out in the SPP Booklet. A copy of the SPP Booklet, along with instructions on how to apply for the SPP and submit a payment by BPAY (for Eligible Shareholders with a registered address in Australia) is available online at <https://dugspp.thereachagency.com/> (you do not need to return an Application Form under this option).

If you are an Eligible Shareholder with a registered address in New Zealand, or an Eligible Shareholder with a registered address in Australia who is unable to pay by BPAY, please telephone the Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) to obtain alternative payment instructions.

The SPP is scheduled to close on Wednesday, 13 October 2021, however, the Company reserves the right to close the offer early or extend the closing date. We must receive your application and payment by 5.00pm (WST) on Wednesday, 13 October 2021. The Company encourages Eligible Shareholders who wish to participate to act promptly in submitting their applications.

I encourage you to read the SPP Booklet carefully and in its entirety before making a decision on whether to participate in the SPP. You should be aware that the future market price of the Shares is uncertain and may rise or fall. This means the price you pay for Shares under the SPP may be either higher or lower than the Share price trading on the ASX at the time Shares are issued to you under the SPP.

Further questions

Shareholders who have any questions regarding the SPP should telephone the Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Yours faithfully



Matthew Lamont Ph.D.
Managing Director

About DUG

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

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

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



DUG TECHNOLOGY LIMITED

ACN 169 944 334

SHARE PURCHASE PLAN BOOKLET

10 SEPTEMBER 2021

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

1. Key Events and Dates

Event	Date
Record Date	Monday, 6 September 2021
SPP Offer Booklet lodged with ASX	Friday, 10 September 2021
SPP Offer Opening Date	Friday, 10 September 2021
SPP Offer Closing Date	Wednesday, 13 October 2021
Announcement to market of results of Share Purchase Plan	Thursday, 14 October 2021
Issue of SPP Shares under the SPP Offer	Tuesday, 19 October 2021
Expected date for ASX to grant quotation of SPP Shares issued under SPP Offer	Wednesday, 20 October 2021

Note: This timetable is indicative only and subject to change. DUG reserves the right to alter the above dates at its discretion and without notice to you, subject to the ASX Listing Rules and the Corporations Act.

2. Important Information

This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters. Cooling off rights do not apply to the acquisition of DUG shares.

The offer of SPP Shares under the SPP is made in accordance with the *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, which grants relief from the requirement to issue a disclosure document for the SPP. Accordingly, this offer is not a prospectus and does not require the types of disclosure required under the Corporations Act and has not been lodged with ASIC.

Offering restrictions

The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Accordingly, the Company has determined that it is not practical for Shareholders who are not resident in Australia or New Zealand to participate in the SPP. The SPP does not constitute an offer of Shares for sale in any other jurisdiction.

Not for distribution or release in the United States

The SPP Shares offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, you are not eligible to participate in the SPP if you are in the United States or are acting for the account or benefit of a person in the United States. If you are acting for the account or benefit of a person in the United States, you are not permitted to apply for or acquire SPP Shares for, or for the account or benefit of, that person.



Important information for Eligible Shareholders in New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of SPP Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

For personal use only

3. Key SPP Information

You should read this section in conjunction with the terms and conditions of the SPP set out on page 7. Capitalised terms have the meaning provided in the glossary set out on page 15.

1. **What is the SPP?**
The SPP gives Eligible Shareholders the opportunity to subscribe for up to \$30,000 worth of SPP Shares at the Issue Price without incurring brokerage or other transaction costs.
The Company is targeting to raise approximately \$5 million under the SPP. However, the Company may decide to accept applications (in whole or part) that result in the SPP raising more or less than the target amount at its absolute discretion.
2. **Is participation in the SPP compulsory?**
No. Participation in the SPP is voluntary.
Before you decide whether to participate in the SPP, the Company recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.
3. **What is the issue price of the SPP Shares?**
The Issue Price under the SPP is \$0.90 per Share, being the same price paid by sophisticated and institutional investors under the Placement announced on 7 September 2021.
4. **Who is eligible to participate in the SPP?**
Each Shareholder with a registered address in Australia or New Zealand as at 5.00pm (AWST) on Monday, 6 September 2021.
You are eligible to participate in the SPP Offer if you:
 - were registered on the Company's share register (Register) as a holder of one or more ordinary shares in the Company at 5:00pm (AWST) on Monday, 6 September 2021 (Record Date);
 - have a registered address in either Australia or New Zealand; and
 - are not in the United States and are not acting for the account or benefit of a person in the United States.

The SPP Offer is not made to holders of Shares with a registered address outside of Australia and New Zealand. Any shareholders who hold shares on behalf of persons who are in the United States or who act for the account or benefit of a person in the United States are not entitled to participate in the SPP.

The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of Eligible Beneficiaries on the terms and conditions provided in this Booklet.
5. **Can my SPP Offer be transferred to a third party?**
The SPP Offer is non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.

6. **How much can I invest under the SPP?**

Eligible Shareholders must apply for SPP Shares in increments of \$1,000 from the minimum \$1,000 to a maximum of \$30,000.

If you apply for less than \$1,000 of SPP Shares, the Company will not allot any SPP Shares to you and will refund your Application Monies.

The Company, in its absolute discretion, may accept oversubscriptions above the targeted amount (\$5 million) or may scale-back applications for SPP Shares (**Scale-Back**). If a scale-back takes place, you may receive less than the parcel of SPP Shares for which you applied.

7. **Why can I only subscribe for up to \$30,000 worth of SPP Shares?**

ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 restricts the value of SPP Shares that can be issued to you or a Custodian on your behalf under any similar arrangement to \$30,000 per Eligible Shareholder in any 12 consecutive months.

8. **How do I apply for SPP Shares?**

If you wish to participate in the SPP, you need to do one of the following:

Option 1: Apply online at

<https://dugspp.thereachagency.com/> and Pay via BPAY®.

To pay via BPAY you will need to:

- be an account holder with an Australian financial institution;
- use the personalised reference number shown online or on your Application Form, which is required to identify your shareholding; and
- ensure that your payment is received by the Registry before the Closing Date. Shareholders should be aware that their own financial institution may implement an earlier cut-off time for processing BPAY payments.

If you are applying online and paying via BPAY there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.

Option 2: For Eligible Shareholders with a registered address in New Zealand or for Eligible Shareholders with a registered address in Australia who are unable to Pay via BPAY® or access the website to complete the online application.

Please contact Computershare via the Information Line on 1300 850 505 (callers within Australia) or +61 3 9415 4000 (callers outside Australia) between 8.30am and 5.00pm (EDST), Monday to Friday, to obtain Electronic Funds Transfer "EFT" payment instructions.

Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time and any associated fees with processing a funds transfer.

Please ensure you use your unique payment reference number located on the Application Form. This will ensure your payment is processed correctly.



Your unique payment reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such SPP Shares for which you have paid.

Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight) and it is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

9. **What are the rights attached to the SPP Shares issued under the SPP?**

The SPP Shares will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements from the Issue Date.
10. **What costs are associated with the SPP?**

There are no brokerage, commissions or other transaction costs payable by Eligible Shareholders in relation to the application for and the issue of, SPP Shares.
11. **What do I do if I am a Custodian?**

The SPP is being extended to Eligible Shareholders who are Custodians and who wish to apply for SPP Shares on behalf of certain Eligible Beneficiaries and/or on the instructions of a Downstream Custodian.

If you wish to apply as a Custodian under the SPP to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate that contains further certifications and details (as required under the terms of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* before your Application will be accepted.

Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit. Custodians are not permitted to participate in the SPP on behalf of, and must not distribute this Booklet or any documents (including the Application Form) relating to this SPP to, any person in the United States.

4. Terms and Conditions of SPP

Important Notice: If you participate in the SPP by applying online and making payment by BPAY or completing and returning the Application Form and making payment by BPAY or EFT, you are accepting the risk that the market price of Shares may change between the opening date of the SPP Offer and the date that any Shares are allotted to you as a result of your acceptance of the SPP Offer. This means that, up to and/or after the Issue Date, you may be able to buy Shares on the ASX at a lower price or higher price (depending on the market price of Shares on the relevant day) than the Issue Price.

Please read these terms and conditions carefully, as you will be bound by them in participating in the SPP. Shareholders accepting the SPP Offer will also be bound by the Constitution.

The key dates set out in section 1, above, and the key SPP information set out in section 3, above, form part of these terms and conditions. Capitalised terms have the meaning provided in the glossary set out in section 5, below, unless the context requires otherwise.

4.1 The SPP Offer

- (a) DUG offers each Eligible Shareholder the opportunity to purchase a parcel of SPP Shares valued in increments of \$1,000 from the minimum \$1,000 to a maximum of \$30,000 (in aggregate) under the SPP subject to and in accordance with these terms and conditions (**SPP Offer**).
- (b) The SPP Offer opens Friday, 10 September 2021 and closes at 5.00pm (AWST) on Wednesday, 13 October 2021 (or at such other time as DUG determines, in its absolute discretion) (**Closing Date**).
- (c) If you choose not to participate in the SPP, your right to participate lapses at the Closing Date (or such other date as the Company determines).
- (d) The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.
- (e) The SPP Offer to each Eligible Shareholder (whether as a custodian or on its own account) is made on the same terms and conditions.
- (f) All references to \$ or dollars in this Booklet are references to Australian dollars unless otherwise specified.

4.2 Eligible Shareholders

- (a) You are eligible to apply for the SPP Shares (Eligible Shareholder) if, and only if:
 - (i) your registered address in the Company's register of members is in Australia or New Zealand;
 - (ii) you were registered as a holder of Shares in the Company as at the Record Date (being 5pm AWST on Monday, 6 September 2021);
 - (iii) you are not in the United States and is not acting for the account or benefit of a person in the United States in the United States; and
 - (iv) you do not hold Shares on behalf of another person who resides outside Australia and New Zealand.

4.3 Joint Holders/Custodians

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Subject to these terms and conditions, Eligible Shareholders who are Custodians may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian is holding Shares.

4.4 Applying for SPP Shares

- (a) Eligible Shareholders may apply for a parcel of SPP Shares in increments of \$1,000 from the minimum \$1,000, up to a maximum of \$30,000 (in aggregate) (subject to discretionary scale-back by the Company as described in clause 4.9 of this section 4).
- (b) No brokerage or other transaction costs will apply to the acquisition of SPP Shares.
- (c) Eligible Shareholders who wish to apply for SPP Shares must either:
 - (i) apply online at <https://dugspp.thereachagency.com/> and make a payment via BPAY in accordance with the online instructions, so that payment is received prior to the Closing Date; or
 - (ii) contact Computershare via the Information Line on 1300 850 505 (callers within Australia) or +61 3 9415 4000 (callers outside Australia) to obtain Electronic Funds Transfer "EFT" payment instructions and making a payment via EFT so that payment is received prior to the Closing Date.
- (d) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity or in different registered holdings) may not apply for SPP Shares with an aggregate value of more than \$30,000.
- (e) If you wish to subscribe for SPP Shares as a Custodian for one or more Eligible Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* before your Application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. Contact the Registry on 1300 850 505 (callers within Australia) or +61 3 9415 4000 (callers outside Australia) to receive the Custodian Certificate.

The Company, its officers and agents, may accept or reject your Application for SPP Shares at its discretion in whole or in part including, without limitation, if:

- (i) your Application does not comply with these terms and conditions;
- (ii) it appears you are not an Eligible Shareholder;
- (iii) your application and/or BPAY or EFT payment is not received by the Registry by the Closing Date;
- (iv) if you apply on behalf of an Eligible Beneficiary but do not provide a signed Custodian Certificate;

- (v) if you apply on behalf of an Eligible Beneficiary but provide an incomplete or incorrectly completed Custodian Certificate;
 - (vi) payment via BPAY or EFT is dishonoured or has been incorrectly completed;
 - (vii) you have applied for less than \$1,000 worth of SPP Shares;
 - (viii) it appears that you are applying to purchase more than \$30,000 worth of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a custodian or nominee arrangement) in the 12 months period prior to making the Application; or
 - (ix) payment of the Application Monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian financial institution.
- (f) If the Company rejects your Application in whole or in part, the Company will (in its sole discretion):
- (i) refund the amount of your Application Monies applied to payment for SPP Shares; or
 - (ii) allot to you the number of SPP Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your Application Monies and refund to you the excess amount of your Application Monies.
- (g) If you are entitled to a refund of all or any of your Application Monies, the refund will be paid to you, without interest, as soon as is practicable, by direct credit or cheque to your address shown on the Register, in accordance with the requirements of the Corporations Act.

4.5 Issue Price of SPP Shares under the SPP Offer

- (a) The Issue Price under the SPP is \$0.90 per Share, being the same price paid by sophisticated and institutional investors under the Placement announced on 7 September 2021.
- (b) For the purposes of paragraph 7(e)(i) of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, the Issue Price was calculated by reference to the Issue Price paid by investors under the Placement.
- (c) For the purposes of ASX Listing Rule 7.2 (exception 5), the Issue Price (\$0.90) represents a 16.7% discount to the volume weighted average market price of Shares on ASX during the 5 trading days on which trades in the Shares were made immediately prior to the announcement date of the SPP Offer.
- (d) You acknowledge that the market price of the Shares in the Company may rise and fall between the opening date of the SPP Offer and the date that any SPP Shares are allotted to you as a result of your acceptance of the SPP Offer.
- (e) The current Share price can be obtained from the ASX.
- (f) You agree to pay the Issue Price per SPP Share for the number of SPP Shares you have applied for or, if there is a scale-back, the number of SPP Shares calculated under clause 4.9(b) of this section 4.5.

4.6 Number of SPP Shares to be issued

- (a) If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your Application is accepted, the Company will divide the value of your Application Monies by the Issue Price in order to determine the number of SPP Shares that, subject to scale-back, will be issued to you.
- (b) If this calculation produces a fractional number, the number of SPP Shares issued will be rounded down to the nearest whole SPP Share.

4.7 Issue of SPP Shares

- (a) SPP Shares will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights and other entitlements.
- (b) The Company will apply to ASX for quotation of SPP Shares. It is anticipated that the SPP Shares will be quoted on or shortly after the Issue Date.

4.8 Acknowledgements

By completing an application and making a payment via BPAY or EFT, you:

- (a) irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form (if applicable) and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your Application are true and complete and not misleading; agree that your Application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (c) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (d) acknowledge that no interest will be paid on any Application Monies held pending the issue of SPP Shares or subsequently refunded to you for any reason;
- (e) acknowledge that the Company, its officers and agents are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (f) acknowledge and agree that:
 - (i) you are not in the United States and are not acting for the account or benefit of a person in the United States (in the event that you are acting for the account or benefit of a person in the United States, you are not applying for, or acquiring, any SPP Shares for the account or benefit of that person);
 - (ii) the SPP Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the SPP Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and any applicable US state securities laws;
 - (iii) you have not, and will not, send this Booklet or any materials relating to the SPP to any person in the United States or elsewhere outside Australia and New Zealand;

- (iv) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in regular way for transactions on the ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- (g) if you are acting as a trustee, nominee or Custodian, each Eligible Beneficiary on whose behalf you are applying for and acquiring SPP Shares is resident in Australia or New Zealand and is not in the United States, and you have not sent this Booklet, or any materials relating to the SPP to any person outside one of the permitted jurisdictions.
- (h) if you are applying on your own behalf (and not as a Custodian) acknowledge and agree that:
- (i) you are not applying for SPP Shares with Application Monies of more than \$30,000 under the SPP (including by instructing a Custodian to acquire SPP Shares on your behalf under the SPP);
 - (ii) the total of Application Monies for the following does not exceed \$30,000:
 - A. the SPP Shares the subject of the Application;
 - B. any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the Application;
 - C. any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - D. any other Shares issued to a Custodian in the 12 months before the Application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the SPP;
 - (iii) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - A. you are a Custodian (as that term is defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*);
 - B. you held Shares on behalf of the Eligible Beneficiary or Downstream Custodian as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this Booklet;
 - C. you are not applying for SPP Shares on behalf of any Eligible Beneficiary or Downstream Custodian with Application Monies of more than \$30,000 under the SPP and similar arrangement in the 12 months before this Application; and
 - D. the information in the Custodian Certificate submitted with your Application is true, correct and not misleading;

- (iv) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (v) agree to be bound by the Constitution (as amended and as it may be amended from time to time in the future);
- (vi) acknowledge that none of the Company, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (i) you authorise the Company, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (j) you acknowledge that the Company may at any time irrevocably determine that your Application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- (k) you authorise the Company, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application by the insertion of any missing minor detail.

4.9 Scale-Back

- (a) In the event that subscriptions for more than \$5 million are received for the SPP, the Company may decide in its absolute discretion to conduct a scale-back of applications.
- (b) The scale-back may be applied to the extent and in the manner the Company sees fit, which may include taking into account a number of factors, such as the size of an applicant's shareholding at the Record Date, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant has multiple registered holdings, the date on which the application was made and the total applications received from eligible shareholders.
- (c) If there is a scale-back you may receive less than the parcel of SPP Shares for which you have applied.
- (d) If a scale-back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be allotted will be rounded down to the nearest whole number of SPP Shares.
- (e) In the event of a scale-back the difference between the Application Monies received, and the number of SPP Shares allocated to you multiplied by the issue price, will be refunded to you without interest by direct deposit (to your nominated account as recorded on the register of the Company) or by cheque, without interest, as soon as practicable following the issue of the SPP Shares.
- (f) Any Application Monies received that are to be refunded, must be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

4.10 Shortfall

The offer under the SPP is not underwritten. To the extent that there is a shortfall in the subscription for SPP Shares under the SPP (**Shortfall**), the Directors of the Company reserve the right to issue the SPP Shares that comprises of the Shortfall to institutional investors at their absolute discretion, to the extent that any such Placement of SPP Shares under the Shortfall can be made by the Company having regard to the ASX Listing Rules.

4.11 Cost of Participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and the issue of, Shares under the SPP.

4.12 Waiver, Amendment, Suspension and Withdrawal

- (a) DUG may, at its discretion, waive compliance with any provision of these SPP Terms and Conditions, amend or vary these SPP Terms and Conditions, or suspend or withdraw the SPP Offer at any time. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where the Company does not notify you of the event.
- (b) In the event that the SPP is withdrawn or terminated, all Application Monies will be refunded as soon as practicable in accordance with the requirements of the

4.13 Governing Law

- (a) These terms and conditions are governed by the laws in force in Western Australia.
- (b) Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of Western Australia.
- (c) By accepting the SPP Offer, you agree to submit to the non-exclusive jurisdiction of the courts in Western Australia.
- (d) Other terms and conditions, rights and obligations of SPP Shares are contained in the Constitution of the Company.
- (e) The terms and conditions of the SPP prevail to the extent of any inconsistency with the Application Form.

4.14 Privacy policy

- (a) Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a shareholder.
- (b) The Company and the Registry may collect personal information to process your Application, implement the SPP and administer your Shareholding. The personal information contained in the Register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.

- (c) Your personal information may be disclosed to joint investors, the Registry, to securities brokers, to third party service providers, including print and mail service providers, technology providers and professional advisers, to related entities of the Company and its agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.
- (d) The Registry's privacy policy is available on its website

5. Glossary

Application	your application for SPP Shares under this SPP.
Application Form	your personalised application form enclosed with this Booklet.
Application Monies	the monies received from each Eligible Shareholder.
ASIC	Australia Securities & Investments Commission.
ASX	Australian Securities Exchange
ASX Listing Rules	the official listing rules of ASX, as amended or replaced from time to time.
AWST	Australian Western Standard Time
\$	Australian dollars
Beneficiary	either or both of the following: <ul style="list-style-type: none"> • one or more persons on whose behalf a Custodian holds Shares; and/or • another custodian (a Downstream Custodian) on whose behalf a Custodian holds Shares where the Downstream Custodian holds the beneficial interests in the Shares on behalf of one or more persons.
Booklet	this SPP offer booklet.
Closing Date	5.00pm (AWST) on Wednesday, 13 October 2021, or such other date as the Company determines.
Company	DUG Technology Limited ACN 169 944 334
Constitution	the constitution of the Company as amended or replaced from time to time.
Corporations Act	the <i>Corporations Act 2011</i> (Cth)
Custodian	a custodian as defined in clause 4 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Custodian Certificate	a certificate complying with clause 8(3) of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Director	a director of the Company.
Downstream Custodian	a downstream custodian as defined in clause 8 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Eligible Beneficiary	a Beneficiary of a Custodian with a registered address in either Australia or New Zealand as at the Record Date, provided that such Beneficiary is not in the United States.



Eligible Shareholder	a Shareholder who is a registered holder of Shares on the Record Date with a registered address in either Australia or New Zealand unless such Shareholder is in the United States or is acting for the account or benefit of a person in the United States (in which case such Shareholder will not be eligible to participate in respect of the SPP Shares held for the account or benefit of that person in the United States)
Issue Date	19 October 2021, or such other date as the Company determines.
Issue Price	\$0.90, being the price per SPP Share.
Opening Date	10 September 2021.
Placement	the two-tranche placement of new Shares to raise \$15 million, announced on 7 September 2021.
Record Date	6 September 2021.
Registry	Computershare Investor Services Pty Limited (ABN 48 078 279 277)
Securities Act	the United States Securities Act 1933, as amended or replaced from time to time.
Share	a fully paid ordinary share in the Company.
Shortfall	has the meaning in clause 4.10 of section 4 of this Booklet.
SPP	the share purchase plan offer made to Eligible Shareholders under this Booklet.
SPP Offer	the offer for Eligible Shareholders to purchase up to \$30,000 worth of SPP Shares under the SPP on the terms set out in this Booklet.
SPP Shares	the new Shares offered under the SPP.



DUG Technology Ltd
ACN 169 944 334

For all enquiries:



Phone:

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



Web:

www.investorcentre.com/contact

Entitlement No:



CLOSING DATE:

**Your payment must be received
by 5:00pm (AWST) Wednesday,
13 October 2021**

Share Purchase Plan Application Form

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details above. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of DUG Technology Ltd and that the submission of this payment constitutes an irrevocable offer by you to subscribe for DUG Technology Ltd shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of this Application form; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$30,000.

DUG Technology Ltd may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by DUG Technology Ltd will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. DUG Technology Ltd reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where DUG Technology Ltd does not notify you of that event.

Registration Name & Offer Details

Details of the shareholding and the Offer are shown above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

BPAY

Make your payment via **BPAY®** either online or by phone with your bank using the payment details above. If you are unable to pay via **BPAY**, please call the Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) to obtain alternative payment instructions.

Neither Computershare Investor Services Pty Limited (CIS) nor DUG Technology Ltd accepts any responsibility for loss incurred through incorrectly completed **BPAY** payments. It is the responsibility of the applicant to ensure that funds submitted through **BPAY** are received by the closing date. Eligible Shareholders should use the customer reference number shown on this Application Form when making a **BPAY** payment.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.

Make Your Payment:

Note that shares may be purchased in increments of \$1,000 subject to purchase of the minimum value and not exceeding the maximum value. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.



Billers Code: 360123
Ref No:

Offer Details:

Minimum value available to purchase:	\$1,000
Maximum value available to purchase:	\$30,000

Record Date:

Monday, 6 September 2021