



DUG Newsletter

28 March 2022

Dear DUG Shareholders,

Following our first investor newsletter in December 2021, I am pleased to provide an update on some exciting developments that are currently unfolding at DUG.

We are seeing some fantastic results from DUG Wave—our revolutionary full waveform inversion imaging software. This new technology enables our clients to access superior subsurface images in a much faster timeframe than traditional seismic data-processing methods. This creates significant value for our clients by allowing earlier, more considered decision making with respect to exploration, development and drilling. The technology is ready for commercialisation and we are currently in the midst of a global marketing push.

We will be hosting a webinar to showcase DUG Wave’s capabilities on Monday 4 April 2022 at 1pm AWST. Please register to attend via this [link](#).

DUG’s high-performance computing as a service (HPCaaS) business line is going from strength to strength with a record revenue month in January 2022 followed by a strong February 2022.

It was a great start to the year with the signing of the Australian National University, School of Computing, further cementing the DUG McCloud solution in the tertiary education sector.

This month DUG entered into an agreement with LatConnect 60, an Australian smart satellite provider, to help enable their high-resolution Earth observation analytics services. Our HPCaaS experts recently completed a proof of concept involving terabytes of historical satellite imagery data provided by LatConnect 60. With our bespoke professional services, such as code onboarding and optimisation, the data was migrated to our HPC environment and analyses were completed within hours. CEO of LatConnect 60 Venkat Pillay welcomed the partnership saying: “The team and I at LatConnect 60 have been thoroughly impressed by the speed and scale at which DUG’s HPC offering has been able to support our agriculture analytics services. Data-processing tasks which took us weeks in the past can now be completed in a few hours. This is a game-changing development for us.”

As mentioned in our February 2022 Investor Presentation we continue to make good progress towards ISO9001 and ISO27001 certification. We have now successfully completed the Stage 1 audits and are awaiting the results of Stage 2. A number of physical and cyber-security upgrades have been successfully completed and we have passed all security-related scrutiny that has arisen from contractual requirements as well as external penetration testing. I will keep you updated as our security journey continues to mature.

With the resumption of global travel, we are also excited to continue our in-person attendance at key conferences and industry events. These events provide meaningful opportunities to showcase our new technology, as well as serve as a platform for us to expand business development within other crucial sales areas such as Military and Space.

Our next Quarterly Activities Report will be lodged with the ASX on or before 30 April 2022 at which point, we’ll provide an update on business performance and the refinancing process. The macroeconomic situation is now more favourable with increasing oil prices and a renewed focus on data and resource sovereignty. This is stimulating business activities and enquiries, and translating to important contract signings in our Services business line.

Best regards
Matt

Matt Lamont Ph.D.
Managing Director

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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.