ASX Release

25 February 2026

Update on legal proceedings

DUG Technology Ltd (ASX: DUG) (“**DUG**” or the “**Company**”) refers to its ASX announcement dated 29 July 2025 regarding proceedings commenced by a supplier against a subsidiary of DUG, DownUnder GeoSolutions (America) LLC (“**DUG US**”), in the United States District Court for the Southern District of Texas (“**Court**”), in relation to a disputed supplier invoice received under an energy management services agreement (“**Agreement**”).

The Company advises that following the trial of the proceedings in October 2025, the jury returned a verdict on the supplier’s claim that DUG US was liable to the supplier for breach of the Agreement and awarded the supplier c. US$270 thousand in damages (“**Damages**”). The Damages awarded were significantly less than the US$2.4 million (plus interest) being claimed by the supplier. The jury also returned a verdict on DUG US’s counterclaim that the supplier was not liable to DUG US for breach of a related agreement. The supplier subsequently filed a motion for attorney’s fees, court costs and other expenses. DUG US opposed the motion as excessive, given the supplier’s limited recovery of damages at trial and other legal factors weighing in favour of a reduced fee award.

Following consideration of the jury’s verdict and the subsequent motion, the Court has now entered its final judgment ordering DUG US to pay to the supplier the Damages, c. US$1.85 million in attorney’s fees, and c. US$8 thousand in court costs and expenses.

DUG US intends to file post-trial motions seeking to have the judgment set aside. Pending the outcomes of those motions, DUG US intends to appeal the decision. The Company will continue to keep the market informed of any material developments in relation to this matter in accordance with its continuous disclosure obligations.

This ASX Announcement has been approved for release by the Board of DUG Technology Ltd.

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About DUG

DUG Technology represents the convergence of scientific excellence and sustainable computing innovation. The company's journey from applied physics specialists to global technology leaders has been marked by continuous breakthroughs in geoscientific computing, including its revolutionary elastic multi-parameter FWI imaging solution. DUG enables organisations worldwide to tackle their most complex data challenges through its reliable cloud-based network of high performance computing facilities, proprietary software solutions, energy-efficient immersion cooling systems and tailored geoscience services.

Delivering a comprehensive geoscience offering backed by over two decades of experience, bespoke support, and a focus on R&D, DUG maximises the value of seismic data enabling clients to minimise risk and make more-informed decisions.

The company's novel immersion cooling technology is sold globally as part of an exclusive licence agreement and is the cornerstone of DUG's mobile, edge-computing solution.

Headquartered in Australia, with offices in Perth, London, Houston, Kuala Lumpur and Abu Dhabi, DUG continues to expand its impact across six continents and diverse industries, remaining committed to delivering sophisticated innovations that drive scientific progress, environmental sustainability and commercial success for its customers.

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