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Modular supercomputer business opens new horizons for DUG Technologies

WA-based DUG Technologies believes that the opportunities for its modular supercomputer arm could dwarf its existing business, supporting applications such as AI inferencing or retrieval-augmented generation using access to sensitive behind-the-firewall or air-gapped sources of data. The DUG Nomad business is still new, acting CFO Daniel Lamont, but “some of the conversations are honestly mind-blowing.”

Lamont said that employing DUG’s own immersion cooling technology the company was able to pack up to 2 petaflops of processing power into a 10-foot shipping container, with only an external power feed to operate.

In excess of 80% of DUG’s current revenue is related to seismic data processing, with around 4% of its revenue in 2024 from its high-performance computing as a service business. However, last month the company announced the first commercial deployment of a DUG Nomad product, signing a three-year lease agreement with a Petronas subsidiary to deploy a container to Malaysia.

The product was originally developed to support work for customers in jurisdictions with strict data residency requirements as an alternative to setting up a fully fledged data centre, Lamont said.

“So what we started looking at was a containerised version basically so that we could go into a region, we could process the data set, do a project, land some people with it potentially if it's needed, but then be able to move on to what's next,” he told CommsDay. “Once we did that, we realised there's actually probably a much broader application here. That's where DUG Nomad was born as an independent business unit.”

Although there is a strong opportunity in the company’s traditional resources sector, there are also broader applications around AI inferencing, data sovereignty and data protection in general.

For example DUG already works with the WA-based Harry Perkins Institute of Medical Research. Being able to deploy compute capacity on-site without an Internet connection can eliminate some concerns around processing patient data, Lamont said.

The company has a range of reference architectures for the product to give customers an idea of the kind of configurations that are possible, but it can be heavily modified to meet different needs.

The 10-foot DUG Nomad 10 can be kitted out with around 70-80 Nvidia H100 GPUs, delivering close to 2 petaflops. On the storage side it’s capable of fitting over 50PB, he said. “So the density you can achieve is mind-blowing” within a 60-80KW power envelope, Lamont said.