

# The West Australian

Mining Contracting

## Oaktree buys into DDH1 Drilling

**Peter Williams** The West Australian  
Mon, 17 July 2017 2:28PM



📷 A DDH1 Drilling gunpowder track rig.



US investment giant Oaktree Capital Management has taken a stake in private WA mining contractor DDH1 Drilling.

The terms of the deal with DDH1 founders Murray Pollock and Matt Thurston have not been disclosed.

The Canning Vale-based provider of deep directional drilling services said the Oaktree investment would allow the 11-year-old company to expand and target acquisitions.

“DDH1 will continue to be managed by its founding directors and long-term staff, and we remain committed to our strategy of being the drilling contractor and employer of choice in the mining and exploration industry,” Mr Pollock said.

“With the support of Oaktree’s capital and expertise, we intend to focus on growing our business organically, and we will also carefully consider consolidating similar niche operators to gain expanded capacity and provide our customers with enhanced drilling services as industry demand recovers.”

Oaktree managing director Byron Beath said during the mining downturn there had been significant underinvestment in the drilling services industry because of low demand, competitive pricing and insolvencies.

“During this period, DDH1 has continued to invest in its capacity and has consolidated its market-leading position in its targeted service,” Mr Beath said.

“The fact that DDH1 has been able to survive and emerge stronger during the recent downturn is a validation of the high quality and essential service that DDH1 provides to its clients,” he said.

DDH1 was advised by Sydney-based Novo Capital.

Distressed asset specialist Oaktree’s other investments in Australia include Nine Entertainment and Billabong. It has emerged as a potential bidder for Network Ten.