24 July 2020

RESTATEMENT OF 31 DECEMBER 2019 ACCOUNTS – NO IMPACT TO LIQUIDITY OR REPORTED EBITDA

Boart Longyear Limited (ASX: BLY) (the Company or Boart Longyear) announces that following the amendment to the Senior Secured Notes as announced to the ASX on 19 June 2020 it has become aware that it has not been accounting correctly for the Applicable Premium following its addition to the Senior Secured Notes as part of the 2017 Debt Restructure.

The Applicable Premium was negotiated into the terms of the Senior Secured Notes as part of the settlement with First Pacific Advisors as announced to the market on 9 August 2017 and becomes payable at the maturity of the notes due December 2022 (as well as in certain circumstances if the Senior Secured Notes are redeemed prior to maturity). The Applicable Premium had not been considered in determining the finance costs and Loans and Borrowings for the periods ended 31 December 2017 through to 31 December 2019.

After due consideration, the Board is of the view that it is preferable to restate the affected comparative financial information, which will appear in the Company’s 2020 Half-Year Financial Statements to be released on Thursday 27 August 2020 and the Company’s 2020 Full Year Financial Statements to be released prior to 28 February 2021.

The correction will not impact the Company’s current cash liquidity or EBITDA as reported for prior periods.

The correction will see an increase in Non-Current Loans and Borrowings in the Consolidated Statement of Financial Position as at 31 December 2018 to $726.4M and 31 December 2019 to $793.4M.

Finance costs reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income has therefore increased in the half-year ended 30 June 2019 by $5.4M and year ended 31 December 2019 by $11.2M.

Authorised for lodgement by:
Robert Closner,
Company Secretary
About Boart Longyear

Established in 1890, Boart Longyear is in its 130th year as the world’s leading provider of drilling services, orebody-data-collection technology, and innovative, safe and productivity-driven drilling equipment. With its main focus in mining and exploration activities spanning a wide range of commodities, including copper, gold, nickel, zinc, uranium, and other metals and minerals, the Company also holds a substantial presence in the energy, oil sands exploration, and environmental sectors.

The Global Drilling Services division operates for a diverse mining customer base with drilling methods including diamond coring exploration, reverse circulation, large diameter rotary, mine dewatering, water supply drilling, pump services, production, and sonic drilling services.

The Geological Data Services division utilises innovative scanning technology and down-hole instrumentation tools to capture detailed geological data from drilled core and chip samples. This valuable orebody knowledge gives mining companies the ability to make timely decisions for more efficient exploration activities.

The Global Products division offers sophisticated research and development and holds hundreds of patented designs to manufacture, market, and service reliable drill rigs, innovative drill string products, rugged performance tooling, durable drilling consumables, and quality parts for customers worldwide.

Boart Longyear is headquartered in Salt Lake City, Utah, USA, and is listed on the Australian Securities Exchange in Sydney, Australia (ASX:BLY). More information about Boart Longyear can be found at www.boartlongyear.com. To get Boart Longyear news direct, follow us on Twitter, LinkedIn and Facebook.

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