



**BOART
LONGYEAR**
External Communications Policy

Effective Date: Date of admission of Boart Longyear Group Ltd. to the Official List of the ASX

Boart Longyear Group Ltd. (Ontario Corporation No. 002854330 / ARBN 652 848 103) (the “Company”) believes that shareholders, regulators and the investment community should be informed of all major business risks and events that influence the Company in a factual, timely and widely available manner. In particular, the Company recognises its continuous disclosure obligations under ASX Limited (“ASX”) Listing Rules and the *Corporations Act 2001* (Cth) and any other applicable rules and regulations it may be subject to, from time to time.

The Company is generally required to immediately disclose to the ASX all information concerning the Company and its related entities that it is, or becomes, aware of that a reasonable person would expect to have a material effect on the price or value of the Company’s securities. This Policy records the Company’s external communications practices, which have been adopted to serve the interests of the Company’s shareholders.

The Board and the Company have adopted this Policy to set out how staff should deal with potentially price sensitive information and communications with the ASX, media, shareholders and the wider community in order to ensure that the Company meets its obligations under the ASX Listing Rules and the Corporations Act and observes the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council.

This policy also is directed at ensuring that, where the Company does disclose price sensitive information, it does so in accordance with the ASX Listing Rules and in a non-selective (i.e. public) manner to ensure the market as a whole is fully informed and that all investors are in the same position regarding price sensitive information about the Company.

A failure by the Company to make a timely disclosure in circumstances where continuous disclosure is required by ASX Listing Rule 3.1, or otherwise, may result in civil liability for the Company, its directors and executive officers.

1. PERSONS TO WHOM THIS POLICY APPLIES

This policy applies to:

- all directors of the Company; and
- all employees, consultants or contractors of the Company and its related entities, including, in particular, all management at a director or vice-president level, all regional and financial management and all other senior management.

All such persons must be familiar with and observe the requirements of this Policy and, in particular, the notification procedure set out in Section 3.4 of this Policy.

2. ASX DISCLOSURE OBLIGATIONS

2.1 Obligation

Subject to the exceptions contained in the ASX Listing Rules, once the Company is, or becomes, aware of any information concerning its business that a reasonable person would expect to have a material effect on the price or value of the Company's securities, the Company must immediately disclose to the ASX such information. Such information includes, without limitation, all matters concerning the performance and prospects of the Company.

The Company must not release this information to any other person until it has given the information to the ASX and received an acknowledgment that the ASX has released the information to the market.

If any material information disclosed to the market becomes or is found to be incorrect, the Company must release an announcement correcting or updating the information disclosed.

2.2 Exceptions

Disclosure is not required by ASX Listing Rule 3.1 while all of the following are satisfied:

- (i) a reasonable person would not expect it to be disclosed; and
- (ii) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- (iii) one or more of the following applies:
 - it would be a breach of the law to disclose the information; or
 - the information concerns an incomplete proposal or negotiation; or
 - the information comprises matters of supposition or is insufficiently definite to warrant disclosure; or
 - it is generated for internal management purposes; or
 - it is a trade secret.

2.3 Correcting a False Market

Where requested by the ASX, the Company will provide the ASX with any information necessary to correct or prevent a false market in the Company's securities.

2.4 Awareness of Information

The Company is, or is deemed to be, "aware" of information whenever a director or executive officer of the Company has, or ought reasonably to have, come into

possession of the information in the course of the performance of their duties as a director or executive officer of the Company.

2.5 Materiality of Information

A reasonable person is taken to expect information to have a “material effect” on the price or value of the Company’s securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities. Materiality is therefore to be assessed by reference to more than just the likely impact on reported profits. Further materiality guidelines are set out in an appendix to this Policy.

2.6 Generally Available Information

There is no requirement for the Company to disclose information which is generally available.

2.7 Method of Disclosure

Where any price sensitive information is required to be disclosed, the Company will notify the market immediately by disclosing the relevant information to the ASX and, as soon as possible after receiving formal confirmation from the ASX that the information disclosed to the ASX has been released to the market, the Company will make the information available on its website and will promptly also disseminate the information in other manners, such as press releases to news services.

2.8 Trading Halts

In the interests of maintaining a fully informed, fair and transparent market, or where confidentiality of price sensitive information is lost and the Company is unable to make immediate disclosure, it may be necessary for the Company to request a trading halt from the ASX. The Disclosure Committee will make all decisions relating to a trading halt.

3. **CONTINUOUS DISCLOSURE PROCEDURE**

3.1 Appointment of Continuous Disclosure Leads

The persons who have primary responsibility for the administration of the Company’s disclosure requirements under ASX Listing Rule 3.1 are the:

- Vice President of Investor Relations; and
- General Counsel; and, in their absence, the:
- Chief Financial Officer and Regional General Counsel, Asia Pacific,
(together the "Continuous Disclosure Leads"). .

The responsibilities of the Continuous Disclosure Leads include:

- making sure that the Company complies with its continuous disclosure obligations;

- overseeing and co-ordinating disclosure of information to the ASX, analysts, brokers, shareholders, media and public; and
- educating directors and employees about the Company's disclosure obligations and raising awareness of the principles underlying continuous disclosure.

The Company Secretaries have also been appointed as the persons responsible for communication with the ASX in relation to ASX Listing Rules matters pursuant to ASX Listing Rule 12.6. Finally, the Company Secretaries shall maintain a record of all matters reviewed by the Disclosure Committee and those disclosed to the ASX.

3.2 Establishment of Disclosure Committee

The Company has established a Disclosure Committee that is comprised of:

- the members of the Company's Management Executive Committee (being the Chief Executive Officer, Chief Financial Officer, General Counsel and Chief Human Resources Officer) (the "Management Executive Committee");
- Vice President, Global Products;
- Vice President, Global Drilling Services;
- Regional General Counsel, Asia Pacific; and
- Vice President of Investor Relations,

(together forming the "Disclosure Committee").

The primary responsibilities of the Disclosure Committee and its members are to ensure that this Policy and the procedure for making timely disclosures of material information to the ASX are operating properly and to deliberate over any matters for which the need for disclosure is unclear.

It is specifically acknowledged that where a continuous disclosure obligation arises, disclosure cannot be delayed to accommodate the availability of members of the Disclosure Committee.

3.3 Board Review of Continuous Disclosure Matters

As a standing agenda item at each Board meeting, the directors will raise and consider any information that potentially may require disclosure and each Board report will contain a section dealing with continuous disclosure issues. The Board report will include the minutes of the Disclosure Committee's meetings.

3.4 Notification Procedure

All persons subject to this Policy are expected to be familiar with its requirements so that they can promptly identify events or matters which may require disclosure to the ASX. Such persons must immediately inform their business unit or regional leader of all such matters. All business units and regional leaders are required immediately to pass on information and matters referred to them that they think should, or may need to, be disclosed in accordance with the Company's continuous disclosure obligations

to the Vice President of Investor Relations, General Counsel or Regional General Counsel, Asia Pacific, who will then determine whether to refer it to the Disclosure Committee for consideration.

4. **EXTERNAL COMMUNICATIONS GENERALLY**

All external communications by the Company will:

- be factual and subject to internal review and authorisation before issue by the Disclosure Committee;
- not omit material information; and
- be timely and expressed in a clear and objective manner.

4.1 Authorised Spokespersons

In general, comments relating to the Company's corporate activities such as the Company's results, the outlook for the Company's earnings, or the market for the Company's shares should only be made by the:

- Chairman;
- Chief Executive Officer;
- Chief Financial Officer;
- General Counsel; or
- Vice President of Investor Relations,

(together the "Authorised Spokespersons").

These Authorised Spokespersons will liaise with the Vice President of Investor Relations to ensure all proposed public announcements are already in the public domain and avoid commenting on price sensitive information.

4.2 Group and Divisional Information

Only the Management Executive Committee and divisional heads are authorised to communicate about overall group-wide or division-wide issues. They and other senior executives may discuss the activities of the Company or a division in general discussion with customers and suppliers if such information is publicly available or not price sensitive.

4.3 Non Material Events

As a general rule, Boart Longyear employees are not authorized to communicate with the press. Although press representatives may demand immediate response, employees are under no obligation to provide a reply to them. In the event that the press does communicate with an employee and requests a response, the employee must immediately notify both their Regional Vice President and Corporate Communications.

Under no circumstances should any employee initiate contact with the press. All communication initiated with external parties will be handled by Corporate Communications.

There may be rare instances when a Regional Vice President or Global Business Unit Leader (i.e., Global Vice President, Drilling Services, Global Vice President, Products or President, E&I) will determine that a press inquiry is non-material in nature (refer to the Appendix to this Policy for general guidelines) and that an urgent response is required. The Regional Vice President or Global Business Unit Leader may use his or her discretion to respond to the press. However, no response should be made until the Regional Vice President or Global Business Unit Leader has consulted with regional counsel in his or her respective region or the General Counsel. Furthermore, all subsequent contact with the press after the initial response should be referred to Corporate Communications. The foregoing authorizes only Regional Vice Presidents or Global Business Unit Leaders— and not other employees— to respond to non-material inquiries.

Any communication that involves financial information, the Company's outlook, or other price-sensitive information must be referred to the Vice President of Investor Relations.

4.4 Leaks, Rumours and Speculation

The Company's policy is generally not to comment on speculation, and staff should not be drawn into a discussion of leaks, rumours or speculation. Staff should refer enquiries to the Vice President of Investor Relations (shareholders/analysts enquiries) and Director of Corporate Communications (media enquiries), and such enquiries will be dealt with in accordance with this Policy.

4.5 Meetings with Investors and Analysts

The Company hosts briefing sessions for investors and analysts on its half and full year results and other times, as deemed necessary. In addition, as part of the Company's commitment to broaden its investment base, management presents at various investment conferences and conducts investor visits during the year. All material presentations are lodged with the ASX and are made available on the Company's website.

All legitimate requests for information will be treated equally, regardless of whether the request is from an institutional investor, a private individual investor, a buy-side analyst or a business journalist. Without prejudicing this principle, requests for one-on-one meetings will be considered on their merits.

The Vice President of Investor Relations will keep file notes of all meetings and briefings with analysts and investors.

4.5.1 Meetings with Individual Analysts or Shareholders

In one-on-one meetings with analysts or shareholders, management will only discuss information that is in the public domain or information that may not be in the public domain but is not price sensitive and thus where subsequent formal disclosure is not required.

Such one-on-one meetings will be used only to provide background information and elaborate on previously disclosed information related to subjects such as:

- vision and strategy;
- management;
- financial and operational matters;
- business risks;
- industry trends and issues; and
- assumptions related to earnings and other types of forecasts.

In one-on-one meetings, particular care is required when dealing with analyst questions that raise issues outside the intended scope of the discussion. If a question can only be answered by disclosing price sensitive information, an answer should be declined or it should be taken on notice and consideration given to whether formal disclosure to the market is appropriate before responding.

4.5.2 Group Briefings

No price sensitive information will be discussed at group briefings without formal prior disclosure and dissemination of that information, in accordance with this Policy. Any slides and presentations used in briefings will be provided to the ASX for immediate release to the market prior to the start of the group briefing, and this same information should be posted on the Company website and disseminated accordingly, immediately after the ASX has acknowledged receipt.

4.5.3 Responding on financial projections and reports

The Company may review financial projections or reports prepared by analysts, but will confine any comments to errors in factual information or underlying assumptions. No statements will be made which suggest that the Company's or the market's current projections are incorrect.

4.5.4 Blackout Periods

To protect against inadvertent disclosure of price sensitive information, the Company imposes communication blackout periods for financial information between the end of the financial reporting periods (30 June and 31 December and including any other scheduled reporting period, from time to time) and 24 hours following the announcement of results to the market. Any briefings or media contact in this period will not include discussion of the pending financial results of the Company.

4.6 Other Disclosure and Inadvertent Disclosures

As a general rule, staff may only refer to publicly available information when speaking to external parties.

If any price sensitive information is inadvertently released by a staff member in discussions with any party outside the Company, the Vice President of Investor

Relations, General Counsel or Regional General Counsel, Asia Pacific is to be notified immediately, and the relevant price sensitive information will be subject to immediate disclosure in accordance with this Policy.

Breaches by employees of these Policies may lead to disciplinary action including dismissal in serious instances.

5. MEDIA RELEASES AND OTHER DEALINGS WITH THE MEDIA

The Corporate Communications Division is responsible for overseeing media relations in Australia and overseas.

5.1 Media Releases

All media releases require approval from the Management Executive Committee or from the Vice President of Investor Relations prior to being distributed externally. If customers or other third parties are mentioned in the release, they should also approve the relevant parts of the release.

All media releases must be forwarded to the Vice President of Investor Relations prior to their release. This is necessary to ensure the release contains no price sensitive information or, if it does contain information that should be disclosed to the market, a release can first be made to the ASX.

All major media releases, including all containing price sensitive information should be circulated as draft to the Board for comment prior to release.

5.2 Comments to the Media

Only the Authorised Spokespersons are authorised to speak to the media about Company issues.

5.3 Inadvertent Disclosures

If any price sensitive information is inadvertently disclosed by any person in discussions with the media, the Vice President of Investor Relations, General Counsel or Regional General Counsel, Asia Pacific is to be immediately notified, and the relevant information will be subject to immediate disclosure in accordance with this Policy.

6. COMMUNICATIONS WITH SHAREHOLDERS

6.1 Reports to Shareholders

The Company produces two sets of financial reports annually for shareholders:

- interim report for the six months to 30 June; and
- the Annual Report for the year to 31 December.

Shareholders may elect to be sent each of these documents automatically by mail. They may also choose instead to be notified by e-mail when these documents are available from the Company's website. The Company may produce financial reports

more frequently if necessary to comply with requirements in other jurisdictions in which it may become a reporting issuer, or subject to the listing requirements of another exchange.

6.2 Annual General Meeting ("AGM")

The date, time and venue of the AGM each year will be notified to the ASX on or around the date on which the Preliminary Financial Report is lodged.

The Company will choose a date, time and venue that is considered to be convenient to the greatest number of its shareholders. The notice of meeting will be accompanied by explanatory notes on the items of business and together they will seek to clearly and accurately explain the nature of the business of the meeting. A full copy of the most recent Notice of Meeting will be placed on the Company's website.

Shareholders are encouraged to attend the meeting, or if unable to attend, to vote on the motions proposed by appointing a proxy. The proxy form included with the Notice of Meeting will seek to explain clearly how the proxy form is to be completed and submitted.

The Company will require its auditor to attend each AGM and be available to answer questions about the conduct of the audit and the preparation and contents of the auditor's report.

6.3 Website

The Company will maintain a Website providing information on its products and services as well information useful to shareholders and market participants. The website contains an Investor section which directs shareholders directly to information likely to be of greatest interest to them.

The Company will post all recent information material to its shareholders and market participants on its website, including:

- annual and interim reports;
- financial reports;
- the Chairman's address to the last AGM;
- recent Investor presentations;
- share price information;
- most recent Notice of General Meeting;
- a summary of historical financial data;
- the Company's Constitution;
- a summary of Corporate Governance practices in the Company;
- dividend history;

- calendar of events relevant to shareholders and investors;
- a link to the Company's share registry; and
- a link to the ASX website and Company announcements to the ASX.

Investors are also invited to register to receive information electronically as it is posted to the Company's website. The registration form is provided on the website.

6.4 Shareholder/Investor Queries

Shareholders with questions about their holdings of Company securities should contact the Company's share registry. Questions about the Company, its performance and other general investor inquiries should be directed to the Company's Investor Relations. Contact details for the share registry and investor relations will be provided on the Company's website and in the annual report. All shareholder queries are to be dealt with courteously, objectively and expeditiously.

7. **COMPLIANCE**

The Vice President of Investor Relations and the Disclosure Committee will arrange for regular training sessions to be conducted for executives and other employees to provide information about the Company's continuous disclosure obligations, to describe the operation of this Policy and to raise awareness of the principles underlying continuous disclosure.

8. **CONFIDENTIAL INFORMATION**

Staff must not make unauthorised disclosures of confidential information or use it for purposes other than those for which it was disclosed except as required by law. Requirements imposed by a confidentiality agreement or undertaking with a third party imposed by law, or specified in the Company's policies, procedures or rules must be followed.

Where confidential information is to be provided to another party, staff must ensure that measures are in place to maintain the confidentiality of that information, such as a legally binding confidentiality agreement.

9. **REVIEW OF THIS POLICY**

This policy will be reviewed regularly by the Disclosure Committee to reflect current regulatory, community and investor requirements.

The Disclosure Committee will:

- conduct a regular review of the adequacy of this Policy and the procedures established under it to ensure the Company identifies in a timely manner all material disclosure events and that the Company's disclosure obligations are being met;
- conduct a regular review of the adequacy of the materiality thresholds and, through the Chief Executive Officer, recommend changes to the Board;

- ensure that all potential continuous disclosure matters are immediately identified and considered on a case-by-case basis as to whether disclosure is required under the Company's legal obligations; and
- maintain a record of matters considered for disclosure and further develop policies that promote a considered and consistent approach to disclosure.

This Policy has been adopted by the Board and any amendment to this Policy can only be approved by the Board.

10. **REVISIONS**

Revision	Date	Comments

Appendix – Materiality Guidelines

1. Introduction

The following guidelines are provided to assist directors and employees in identifying information or matters that may require disclosure. The purpose of these guidelines is to identify matters which can then be considered more fully, with a view to determining whether disclosure is required.

All of the matters which will require consideration under these guidelines will not necessarily require disclosure. Conversely, it is important to remember that a matter may be disclosable even if it does not come within any of the following categories.

2. Materiality Thresholds

- **Thresholds**

The thresholds are:

- i. qualitative; and
- ii. quantitative.

- **Qualitative test**

By way of example, these qualitative matters (some of which are drawn from a note to ASX Listing Rule 3.1) may include, but are not limited to, matters:

- i. that might affect the Company's ability to carry on business;
- ii. that might have a material effect on the future business activities of the Company;
- iii. that might have a material effect on income, cash flow or the ability to generate profits (including where there would be a long term effect even if the effect in any one year is not material);
- iv. involving any significant changes in technology or the application of technology which could affect the Company's business;
- v. involving any proposed change in regulation or law that could materially affect the Company's business;
- vi. involving a significant allegation of any breach of the law, whether civil or criminal, by the Company or any of its employees;
- vii. involving a material change in the Company's financial forecasts or expectations;
- viii. involving a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets (normally an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case);

- ix. involving the appointment of a receiver, manager, liquidator or administrator to the Company or an event which could result in the Company or an affiliate entity becoming insolvent;
- x. involving a declaration of a dividend or a decision that a dividend will not be declared;
- xi. involving an agreement between the Company (or a related party or affiliate entity) and a director (or a related party of a director);
- xii. involving a change in directors, executive personnel or structure;
- xiii. that may have a materially adverse effect on the Company's reputation;
- xiv. concerning material information regarding the beneficial ownership of the Company's securities obtained under the Corporations Act;
- xv. relating to the giving or receiving of a notice of intention to make a takeover;
- xvi. concerning any rating applied by a rating agency to the Company or any of its securities, and any change to such a rating;
- xvii. involving a material change in accounting policy adopted by the Company;
- xviii. material changes in capital structure;
- xix. involving a proposal to change the Company's auditor; and
- xx. that is in some other way onerous, unusual or so outside the ordinary course of business that it ought to be considered.

Disclosure of any of these matters would be required if a reasonable person would expect it to have a material effect on the price or value of the Company's securities.

- **Quantitative test**

The following matters will need to be considered to determine if disclosure is required:

- i. matters which potentially may affect the Company's profit (loss) before tax in any one year by more than US\$5 million;
- ii. matters which potentially may affect the assets or liabilities of the Boart Longyear group by more than US\$10 million; and
- iii. matters involving any claim against the Company or a company controlled by the Company exceeding US\$5 million.

- **Examples in ASX Listing Rule 3.1**

ASX Listing Rule 3.1 provides the following specific examples of matters that may need to be disclosed under ASX Listing Rule 3.1:

- i. a change in the Company's financial forecast or expectation;
- ii. any declaration in relation to a dividend;
- iii. a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the Company's consolidated assets (usually an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case);
- iv. giving or receiving a notice of intention to make a takeover; and
- v. any agreement between the Company (or a related party or subsidiary) and a director.