

ASX ANNOUNCEMENT (ASX:BLY)

31 January 2022

BOART LONGYEAR FILES FOURTH QUARTER 2021 APPENDIX 4C

Boart Longyear Group Ltd (ASX:BLY) (the Company or Boart Longyear) has provided its preliminary cash flow report for the quarter ended 31 December 2021. The Company's full-year financial statements are in the process of being audited by Boart Longyear's auditor Deloitte Touche Tohmatsu. The Appendix 4E and full-year financial statements are expected to be released on or around Friday, 25 February 2022.

Authorised for lodgement by:

Jeffrey Olsen, President and Chief Executive Office

About Boart Longyear

Established in 1890, Boart Longyear is in its 132nd 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 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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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Boart Longyear Group Ltd.

ABN

652 848 103

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$'000 USD	Year to date 12 months \$'000 USD
1. Cash flows from operating activities		
1.1 Receipts from customers	246,403	889,721
1.2 Payments for		
(a) research and development	(3,335)	(5,784)
(b) product manufacturing and operating costs	(212,666)	(716,588)
(c) advertising and marketing	(1,478)	(4,853)
(d) leased assets	(6,220)	(23,960)
(e) staff costs	(17,535)	(44,729)
(f) administration and corporate costs	(10,496)	(35,556)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	31	42
1.5 Interest and other costs of finance paid	(4,247)	(12,011)
1.6 Income taxes paid	(2,775)	(11,463)
1.7 Government grants and tax incentives	-	-
1.8 Other (Unrealized FX, gain on disposal of fixed assets, recapitalization and restructuring charges)	1,057	(31,612)
1.9 Net cash from / (used in) operating activities	(11,261)	3,207
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-

Consolidated statement of cash flows	Current quarter \$'000 USD	Year to date 12 months \$'000 USD
(c) property, plant and equipment	(16,353)	(51,717)
(d) investments	-	-
(e) intellectual property	6	(6,498)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	1,875	5,712
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(14,472)	(52,503)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,578
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	22,985	264,187
3.6 Repayment of borrowings	(24,230)	(208,713)
3.7 Transaction costs related to loans and borrowings	(75)	(4,375)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	(5)
3.10 Net cash from / (used in) financing activities	(1,320)	52,672

Consolidated statement of cash flows		Current quarter \$'000 USD	Year to date 12 months \$'000 USD
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	55,385	23,513
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(11,261)	3,207
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(14,472)	(52,503)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,320)	52,672
4.5	Effect of movement in exchange rates on cash held	(2,753)	(1,310)
4.6	Cash and cash equivalents at end of period	25,579	25,579

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$'000 USD	Previous quarter \$'000 USD
5.1 Bank balances	25,579	55,385
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	25,579	55,385

6. Payments to related parties of the entity and their associates	Current quarter \$'000 USD
6.1 Aggregate amount of payments to related parties and their associates included in item 1 (Reimbursement of recapitalization expenses incurred on behalf of Boart Longyear)	-
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.


7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$'000 USD	Amount drawn at quarter end \$'000 USD
7.1 Loan facilities	205,237	155,237
7.2 Credit standby arrangements	-	8,203
7.3 Other (ABL "Springing Dominion")	-	20,607
7.4 Total financing facilities	205,237	184,047
7.5 Unused financing facilities available at quarter end		21,190
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
See schedule 7.6 for information about each facility. Items outlined as drawn under 7.2 & 7.3 reduce the amount that can be drawn under facilities listed in 7.1 (ABL).		

8. Estimated cash available for future operating activities	\$'000 USD
8.1 Net cash from / (used in) operating activities (item 1.9)	3,207
8.2 Cash and cash equivalents at quarter end (item 4.6)	25,579
8.3 Unused finance facilities available at quarter end (item 7.5)	21,190
8.4 Total available funding (item 8.2 + item 8.3)	46,769
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2022

Authorised by: 
Jeff Olsen, President and Chief Executive Officer

Schedule 7.6

Description	Principal Outstanding as at 31 December 2021 (millions)	Interest Rate	Scheduled Maturity	Total Facility Amount as at 31 December 2021 (millions)	Amount drawn at December 31, 2021 (millions)	Lender	Security
ABL ^{1,3}	\$40.00	Variable ²	12-May-25	\$90.00	\$40.00	PNC Bank	Secured
Exit Term Loan	\$115.00	Variable ⁴	08-Sep-26	\$115.00	\$115.00	HPS Investment Partners, LLC and Blue Torch Capital LP	Secured
Argentina Credit Line	\$0.24	39.90%	30-Jan-24	\$0.24	\$0.24	Bankco Santander Argentina	Secured

- (1) Letters of credit of \$5.169 million were issued in addition to the \$38.50 million borrowings that were outstanding.
- (2) Based on LIBOR + margin (grid-based margin is currently 3.25%).
- (3) In 2021 the Company amended terms to provide the Company additional liquidity and extend maturities from July 2022 to May 2025.
- (4) Based on LIBOR + margin (grid-based margin is currently 7.5%).