

## ASX ANNOUNCEMENT (ASX:BLY)

24 February 2023

### UPDATE TO FOURTH QUARTER 2022 APPENDIX 4C

Boart Longyear Group Ltd (ASX:BLY) (the Company or Boart Longyear) is providing a revised fourth quarter 2022 Appendix 4C (Quarterly cash flow report), which contains an update to net cash flows provided by operations and cash flows used in financing activities.

During the fourth quarter of 2022, net cash flows from operating activities were \$39.1 million, including payments for operating activities totalling \$223.0 million.

Net cash flows used in investing activities during the quarter were \$12.8 million and cash flows used in financing activities were \$19.3 million.

During the period, payments to related parties were \$0.5 million for payments to Executive and Non-Executive Directors.

#### **Authorised for lodgement by:**

Nicholas R. Nash  
Company Secretary

#### **About Boart Longyear**

Established in 1890, Boart Longyear is in its 133<sup>rd</sup> 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 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.

Veracio, a wholly owned Boart Longyear subsidiary, offers mining clients a range of solutions that improve, automate, and digitally transform their orebody sciences. Championing a modern approach through a diverse product portfolio by fusing science and technology together with digital accessibility. Veracio leverages AI and advanced analytics to accelerate real-time decision making and significantly lower the cost of mineral exploration.

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](http://www.boartlongyear.com). To get Boart Longyear news direct, follow us on [Twitter](#), [LinkedIn](#) and [Facebook](#).



**ASX ANNOUNCEMENT (ASX:BLY)**

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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.

**ARBN**

642 848 103

**Quarter ended ("current quarter")**

31 December 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$'000 USD</b>	<b>Year to date 12 months \$'000 USD</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	276,349	1,027,521
1.2 Payments for		
(a) research and development	(1,361)	(5,325)
(b) product manufacturing and operating costs	(190,537)	(772,451)
(c) advertising and marketing	(1,375)	(6,346)
(d) leased assets	(6,348)	(26,529)
(e) staff costs	(15,524)	(65,826)
(f) administration and corporate costs	(7,821)	(55,746)
1.3 Dividends received	-	-
1.4 Interest received	33	57
1.5 Interest and other costs of finance paid	(5,513)	(18,033)
1.6 Income taxes paid	(2,669)	(9,498)
1.7 Government grants and tax incentives	-	-
1.8 Other (Foreign exchange gain/losses offset by gain on disposal of fixed assets and mark to market adjustments)	(6,182)	1,287
<b>1.9 Net cash from / (used in) operating activities</b>	<b>39,052</b>	<b>69,111</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(13,103)	(54,037)
(d) investments	-	-
(e) intellectual property	(1,307)	(5,840)

Consolidated statement of cash flows	Current quarter \$'000 USD	Year to date 12 months \$'000 USD
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	1,607	5,643
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(12,803)</b>	<b>(54,234)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	41,422	142,932
3.6 Repayment of borrowings	(59,969)	(144,284)
3.7 Transaction costs related to loans and borrowings	(785)	(1,134)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(19,332)</b>	<b>(2,486)</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	27,409	25,579
4.2 Net cash from / (used in) operating activities (item 1.9 above)	39,052	69,111
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(12,803)	(54,234)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$'000 USD</b>	<b>Year to date 12 months \$'000 USD</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(19,332)	(2,486)
4.5	Effect of movement in exchange rates on cash held	496	(3,148)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>34,822</b>	<b>34,822</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$'000 USD</b>	<b>Previous quarter \$'000 USD</b>
5.1	Bank balances	34,822	27,409
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>34,822</b>	<b>27,409</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$'000 USD</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1 (see footnote below)	506
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <ul style="list-style-type: none"> <li>• Payments to Executive and Non-Executive Directors.</li> </ul>		


<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$'000 USD</b>	<b>Amount drawn at quarter end \$'000 USD</b>
<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>		
7.1 Loan facilities	209,626	166,751
7.2 Credit standby arrangements	-	6,017
7.3 Other ("Springing Dominion" and Borrowing Base Availability Adjustment)	-	31,539
<b>7.4 Total financing facilities</b>	<b>209,626</b>	<b>204,307</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>5,319</b>
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).	

<b>8. Estimated cash available for future operating activities</b>	<b>\$'000 USD</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	39,052
8.2 Cash and cash equivalents at quarter end (item 4.6)	34,822
8.3 Unused finance facilities available at quarter end (item 7.5)	5,319
8.4 Total available funding (item 8.2 + item 8.3)	<b>40,141</b>
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
<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: N/A
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: N/A
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: N/A
<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: 24 February 2023

Authorised by:  Nicholas Nash, Company Secretary

## Schedule 7.6

Description	Principal Outstanding as at 31 December 2022 (millions)	Interest Rate	Scheduled Maturity	Total Facility Amount as at 31 December 2022 (millions)	Amount drawn at 31 December 2022 (millions)	Lender	Security
ABL <sup>1</sup>	\$47.13	Variable <sup>2</sup>	12-May-25	\$90.00	\$47.13	PNC Bank	Secured
Exit Term Loan	\$114.74	Variable <sup>3</sup>	08-Sep-26	\$114.74	\$114.74	HPS Investment Partners, LLC and Blue Torch Capital LP	Secured
GPS Advance	\$3.22	0.00%	03-Jan-23	\$3.22	\$3.22	GPS Capital Markets, Inc.	Unsecured
China Credit Line	\$1.44	3.80%	21-Jul-23	\$1.44	\$1.44	Bank of China	Secured
Argentina Credit Line	\$0.23	39.90%	30-Jan-24	\$0.23	\$0.23	Bankco Santander Argentina	Secured

(1) Letters of credit of \$6.02 million were issued in addition to the \$47.13 million borrowings that were outstanding.

(2) Based on SOFR + Margin (grid-based margin is currently 2.75%).

(3) Based on SOFR + Margin (grid-based margin is currently 7.50%).