

18 April 2018

Unmarketable Parcel Sale Facility

Boart Longyear Limited (**ASX:BLY**) (**Boart Longyear** or the **Company**) announces that it is conducting an unmarketable parcel share sale facility (**Facility**), which provides eligible shareholders with the opportunity to sell their shareholding without incurring brokerage or handling costs.

The Facility is available to persons registered as the holders of ordinary shares in Boart Longyear (**Shares**) at 7:00pm (Sydney time) on 11 April 2018 (**Record Date**) with a registered address in Australia or New Zealand who on the Record Date held Shares valued at less than A\$500 (**Unmarketable Parcel**).

Based on a share price of A\$0.011 per Share, being the closing price of Boart Longyear ordinary shares on the Australian Securities Exchange (**ASX**) on the Record Date, the Facility will be available to those Shareholders holding less than 45,455 Shares.

A letter and retention form has been posted by mail to eligible shareholders on today's date, a copy of which is attached to this announcement. **It is important to note that the Facility is being conducted on an "opt-out" basis, such that any eligible shareholder wishing to retain their shareholding must take action in the timeframe described in the letter to avoid their shares being sold.**

Key dates relevant to the Facility are as follows:

Record Date	7:00pm (Sydney time) on 11 April 2018
Shareholder mailing date	18 April 2018
Closing date	5:00pm (Sydney time) on 1 June 2018
Expected payment date	18 June 2018 (subject to matters detailed in the letter to shareholders)

For any queries, please contact the Boart Longyear Information Line on 1800 781 633 (within Australia) or +61 1800 781 633 (outside Australia) between the hours of 8.30am and 5.30pm (Sydney time) Monday to Friday.

About Boart Longyear

Established in 1890, Boart Longyear is the world's leading provider of drilling services, drilling equipment and performance tooling for mining and drilling companies. It also has a substantial presence in aftermarket parts and service, energy, mine de-watering, oil sands exploration, production drilling, and down-hole instrumentation.

The Global Drilling Services division operates for a diverse mining customer base spanning a wide range of commodities, including copper, gold, nickel, zinc, uranium, and other metals and minerals. The Global Products division designs, manufactures and sells drilling equipment, performance tooling, down-hole instrumentation and parts and services.



Boart Longyear Limited

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Boart Longyear is headquartered in Salt Lake City, Utah, USA, and listed on the ASX in Sydney, Australia. 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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**THIS LETTER CONTAINS IMPORTANT INFORMATION
ABOUT YOUR BOART LONGYEAR LIMITED SHAREHOLDING
AND REQUIRES YOUR IMMEDIATE ATTENTION**

**IF YOU ARE THE HOLDER OF AN “UNMARKETABLE PARCEL” AND DO NOT TAKE ACTION,
YOUR SHAREHOLDING WILL BE SOLD AND THE SALE PROCEEDS SENT TO YOU AS
DESCRIBED BELOW.**

18 April 2018

Dear Boart Longyear shareholder

Notice of intention to sell unmarketable parcels of shares

Boart Longyear Limited (**ASX:BLY**) (**Boart Longyear** or the **Company**) gives notice that it is implementing a facility to sell the shares of shareholders recorded on the share register who hold an “unmarketable parcel” of Boart Longyear shares. The sale will not incur brokerage or handling costs, and the sale proceeds will be sent to the shareholder.

An “unmarketable parcel” or small shareholding is a shareholding valued at less than A\$500.

If you are the holder of an unmarketable parcel and do not want your shares sold, you need to take the action described in this letter. If you do nothing, your shares will be sold and the proceeds sent to you as described in this letter.

Why is Boart Longyear implementing an unmarketable parcel share sale facility?

Boart Longyear is conducting this share sale facility as it provides the following benefits:

- holders of an "unmarketable parcel" have the opportunity to sell their shares without incurring brokerage or handling costs which, in proportion to the value of their shareholding, may otherwise render a sale unattractive or uneconomical; and
- the administrative expenses to the Company of maintaining small shareholder accounts and distributing shareholder communications, which can be disproportionately high when compared with the dollar value of such small shareholdings, is reduced.

What is an unmarketable parcel and who does this share sale facility apply to?

The facility is available to persons registered as the holders of ordinary shares in Boart Longyear (**Shares**) at 7:00pm (Sydney time) on 11 April 2018 (**Record Date**) with a registered address in Australia or New Zealand who on the Record Date held Shares valued at less than A\$500 (**Unmarketable Parcel**). Based on a price of A\$0.011 per Share, being the closing price of Shares on the Australian Securities Exchange (**ASX**) on the Record Date, an Unmarketable Parcel is any holding of less than 45,455 Shares. Our records show that you are the holder of an Unmarketable Parcel as at the Record Date and accordingly your shareholding is eligible for this share sale facility.

What do I need to do to participate?

If you wish to sell your Boart Longyear shares without incurring brokerage or handling costs, you do not need to take any action. Any tax consequences arising from the sale of your Shares will be your responsibility.

What do I need to do if I do not wish to participate?

If you wish to retain your Boart Longyear shares, you must do one of the following:

1. complete the enclosed “Share Retention Form” and return it so that it is received by Boart Longyear’s share registry, Link Market Services Limited (**Link**), by **5:00pm (Sydney time) on 1 June 2018 (Closing Date)**; or
2. if you hold Shares in multiple holdings, arrange to have these holdings merged into one holding with a value of at least A\$500 so that this is reflected on the Boart Longyear share register at **5:00pm (Sydney time) on the Closing Date**.

What is the sale process?

If you do not take any action and at 5:00pm (Sydney time) on the Closing Date you continue to hold an Unmarketable Parcel, your Shares will be sold on your behalf by Boart Longyear as soon as practicable and within 7 days of the Closing Date (**Sale Period**). Boart Longyear has appointed a broker to act as an execution-only broker in selling the Shares on the ASX during the Sale Period under this facility. If your Shares are held in a CHESS holding, Boart Longyear may, after the Closing Date initiate a holding adjustment to move your Shares to the issuer sponsored subregister.

What happens if Boart Longyear is unable to sell all the Shares under the facility on market during the Sale Period?

Under Boart Longyear’s constitution, the sale of all the Shares the subject of the facility must be completed within the Sale Period. Therefore given the current levels of liquidity on ASX for Shares, there is a risk that the broker will not be able to sell all of the Shares the subject of the facility in that period. In order to mitigate that risk, the Company’s largest shareholder, Centerbridge, has agreed to purchase any Shares which the Company is unable to sell during the Sale Period at the volume weighted average price achieved by the broker for the sale of all Shares sold through this facility. The obligation of Centerbridge to purchase any such Shares is conditional on receiving approval from the Foreign Investment Review Board (**FIRB**).

What will be the Sale price?

The price that will be paid to eligible shareholders for each Share sold through this facility will be the volume weighted average price achieved by the broker for the sale of all Shares sold through this facility (**Sale Price**). All eligible shareholders who have their Shares sold through this facility will receive the same Sale Price per Share. The amount of money you receive for your Shares may be more or less than the actual price received by the broker for the sale of your Shares.

How and when will I receive my sale proceeds?

The proceeds to which you are entitled are expected to be remitted to you by 18 June 2018, subject to Centerbridge having received FIRB approval by that time, using the payment method recorded for your holding. The proceeds of the Share sale will be deposited into your bank account if you have previously provided banking instructions to Boart Longyear’s share registry or alternately, will be sent to you by cheque at the address last recorded in Boart Longyear’s register of members.

Under what authority is the Company implementing this share sale facility?

In accordance with the provisions of Boart Longyear’s constitution and the ASX Listing Rules, Boart Longyear may notify shareholders who hold an Unmarketable Parcel that it intends to sell their Unmarketable Parcel unless they complete and return the enclosed Share Retention Form by 5:00pm (Sydney time) on the Closing Date. This letter and the “Share Retention Form” which accompanies this letter, satisfy the notice requirements under the ASX Listing Rule 15.13 and Clause 75 of Boart Longyear’s constitution.

What happens if there is a change in the value of my shareholding?

If the market value of your Shares increases between the Record Date and Closing Date, due to an increase in the Boart Longyear share price, so that at the Closing Date the value of your Shares previously identified by Boart Longyear as being an Unmarketable Parcel is no longer less than A\$500 (i.e. their value becomes equal to or greater than A\$500), Boart Longyear will not sell your Shares. Alternatively, if you increase your holding of Shares between the Record Date and Closing Date to A\$500 or above (or, sell your holding of Shares yourself), Boart Longyear will not sell your Shares.

Important information

Boart Longyear makes no recommendation as to whether you should participate in this facility and this letter does not constitute advice and is not a recommendation to buy, sell or hold Shares. If you are in doubt or you require information regarding possible taxation implications from participation in the facility, you should consult your legal, financial or taxation advisor.

If you have any questions, please contact the Boart Longyear Limited Information Line on 1800 781 633 (within Australia) or +61 1800 781 633 (outside Australia) between the hours of 8.30am and 5.30pm (Sydney time) Monday to Friday.

Yours faithfully



Robert Closner
Company Secretary



ABN 49 123 052 728

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1800 781 633
From outside Australia: +61 1800 781 633
Facsimile: +61 2 9287 0303
ASX Code: BLY
Website: www.linkmarketservices.com.au



SRN/HIN:

**Number of Shares held as at
the Record Date, 7:00pm (AEST)
on 11 April 2018:**

Dear Shareholder

IMPORTANT NOTICE – Sale of your Boart Longyear Limited (“Boart Longyear”) Shares.

I am writing to advise you that Boart Longyear is putting in place a Share Sale Facility (Facility) for persons registered as the holders of ordinary shares in Boart Longyear (Shares) at 7:00pm (Sydney time) on 11 April 2018 (Record Date) with a registered address in Australia or New Zealand who on the Record Date held Shares valued at less than A\$500 (Unmarketable Parcel).

Boart Longyear is offering this Facility to assist eligible holders of Unmarketable Parcels to sell their Shares without incurring brokerage or handling costs and to reduce the administrative expense to Boart Longyear of maintaining small shareholder accounts and distributing shareholder communications.

Unless you advise Boart Longyear that you want to retain your Shares as set out below, your Shares will be sold and you will be sent the sale proceeds.

The Share Sale Facility is being established in accordance with Boart Longyear’s constitution and the (ASX) Listing Rules.

If you want to sell your Shares under the facility – you do not need to take any action.

Your Shares will be sold on your behalf within 7 days after 1 June 2018 (Sale Period). You will not need to appoint a broker nor pay the brokerage or handling costs associated with the sale of your Shares under the Facility. Any tax consequences arising from the sale of your Shares will be your responsibility.

If you wish to retain your shareholding in Boart Longyear you must detach this retention slip and return it to Boart Longyear’s Registry, so that it is received no later than 5:00pm (Sydney time), on 1 June 2018.

If you require further information, please contact the Boart Longyear Limited Information Line on 1800 781 633 (within Australia) or +61 1800 781 633 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

If you are in any doubt, or if you require information regarding possible taxation implications from participating in the facility, please consult your legal, financial or taxation adviser.

Yours sincerely
Company Secretary

RETENTION SLIP

SRN/HIN:



If you wish to retain your Shareholding in Boart Longyear you must detach this retention slip and return it to Boart Longyear’s Registry, so that it is received no later than 5:00pm (Sydney time), on 1 June 2018.

The slip can be returned using any of the methods set out on the reverse of this slip.



DO NOT SELL MY SHARES

BLY RSS001



MORE INFORMATION ON THE FACILITY

1. When will my Shares be sold?

It is intended that any Shares sold under the Facility will be sold during the 7 day period after 1 June 2018 (**Sale Period**).

2. What is an unmarketable parcel of Shares?

A parcel of Shares valued at less than A\$500.

3. What price will I receive for Shares sold under the facility?

The price that will be paid to eligible Shareholders for each Share sold under the Facility will be the volume weighted average price achieved by the broker for the sale of all Shares sold through this Facility in the ordinary course of trading on the ASX over the Sale Period. This price will depend on a number of factors, including market conditions at the time, and you will not have control over the time at which your Shares are sold. The price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your Shares are sold and may be more or less than the actual price received by the broker for the sale of your Shares.

4. What is the price of Boart Longyear Shares?

The last sale price of Boart Longyear Shares on the Record Date was A\$0.011. The Share price changes frequently and more recent prices are available in newspapers and from the ASX website (www.asx.com.au) under the ASX code "BLY".

5. When will the proceeds from the sale of Shares be sent to me?

The proceeds to which you are entitled are expected to be remitted to you by 18 June 2018 (subject to matters detailed in the letter to shareholders) in Australian dollars using the payment method recorded for your holding. The proceeds of the Share sale will be deposited into your nominated bank account if you have previously provided banking instructions to Boart Longyear's share registry or alternatively, will be sent to you by cheque at the address last recorded in Boart Longyear's register of members. Link Market Services Limited will notify you, by way of a transaction confirmation statement, of the number of your Shares sold and the price and total sale proceeds you have received. The transaction confirmation statement (and cheque if applicable) will be sent by post, at your risk, to your address as shown on the Share register.

6. If I buy more Shares, will I retain my holding?

Yes, if you increase your holding of Shares between the Record Date and 5:00pm (Sydney time) on 1 June 2018 to A\$500 or above we will not sell your Shares under the Facility. For a purchase to be an effective notification that you wish to retain your Shares, any additional Shares must be registered by 5:00pm (Sydney time) on 1 June 2018 under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

7. Where can I get further information?

If you require further information, please contact the Boart Longyear Limited Information Line on 1800 781 633 (within Australia) or +61 1800 781 633 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

8. Important notes

Boart Longyear reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter does not constitute advice nor a recommendation to buy, sell or hold Shares nor that the facility is the best way to sell Boart Longyear Shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

RETENTION SLIP

Mailing Address

Boart Longyear Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

Boart Longyear Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138 (*Do not use this address for mailing purposes*)

This form must be received by Boart Longyear's Registry **no later than 5:00pm (Sydney time), on 1 June 2018**, or your Shares will be sold.