



Scheme Implementation Deed

Boart Longyear Limited

ACN 123 052 728

Boart Longyear Incorporated

Number: BC1175337

In relation to the re-domiciliation of Boart
Longyear Limited

CONTENTS

CLAUSE	PAGE
1. INTERPRETATION	1
1.1 Definitions	1
1.2 Rules for interpreting this document	4
1.3 Non-Business Days	5
2. BOART LONGYEAR SCHEME	5
2.1 Agreement to propose and implement Scheme	5
2.2 Outline of Scheme	5
2.3 No amendments to Scheme without consent	6
2.4 Scheme Consideration	6
2.5 Ineligible Foreign Shareholders	6
3. ASSUMPTION DEED POLL AND BOART LONGYEAR OPTIONS	6
3.1 Assumption Deed Poll	6
3.2 Boart Longyear Options	6
4. CONDITIONS	7
4.1 Obligations not binding until Conditions satisfied	7
4.2 Conditions	7
4.3 Benefit and waiver of Conditions	8
4.4 Satisfaction of Conditions	8
4.5 Parties to provide certificate to Court	8
4.6 If a Condition is not satisfied or waived	8
5. OBLIGATIONS OF THE PARTIES	9
5.1 General	9
5.2 Boart Longyear obligations	9
5.3 Boart Canada obligations	11
6. ANNOUNCEMENTS	11
7. TERMINATION	11
7.1 Termination for non-satisfaction of Condition	11
7.2 Obligations on termination	12
8. REPRESENTATIONS AND WARRANTIES	12
8.1 Mutual representations and warranties	12
8.2 Reliance on representations and warranties	12
8.3 When warranties are given	12
9. RELEASE	13
10. GST	13
10.1 GST pass on	13
10.2 Tax Invoice	13
10.3 Consideration exclusive of GST	13
10.4 Adjustments	13
10.5 Reimbursements	14
11. NOTICES	14
11.1 How to give a notice	14
11.2 When a notice is given	14
11.3 Address for notices	14
12. AMENDMENT AND ASSIGNMENT	15

12.1	Amendment	15
12.2	Assignment	15
13.	GENERAL	15
13.1	Governing law	15
13.2	Liability for expenses	15
13.3	Giving effect to this document	15
13.4	Variation of rights	15
13.5	No partnership or agency	16
13.6	Operation of this document	16
13.7	Consents	16
13.8	Assignment	16
13.9	No merger	16
13.10	Inconsistency with other documents	16
13.11	Counterparts	16

Schedule

1	Timetable	18
2	Boart Longyear's securities on issue	19
3	Scheme of Arrangement (Scheme)	20
4	Scheme Deed Poll	31
5	Assumption Deed Poll	39

THIS DEED is made on 23 August 2018

BETWEEN:

- (1) **Boart Longyear Limited** ACN 123 052 728 whose registered office is at 26 Butler Boulevard, Adelaide Airport, SA 5950 (**Boart Longyear**); and
- (2) **Boart Longyear Incorporated** whose registered office is at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2XB (**Boart Canada**).

RECITALS:

- (A) Boart Longyear is listed on ASX and as at the date of this document has on issue the securities set out in Schedule 2.
- (B) Boart Canada is a company incorporated in British Columbia, Canada. As at the date of this document, Boart Canada has one (1) issued and outstanding ordinary share which is held by SE Corporate Services Ltd. (the **Subscriber Share**). Other than the Subscriber Share, Boart Canada has not issued any other shares and has not granted any options or other convertible securities.
- (A) Boart Longyear and Boart Canada have agreed that a scheme of arrangement be proposed under Part 5.1 of the Corporations Act between Boart Longyear and the holders of its ordinary shares under which Boart Canada will acquire all the issued ordinary shares in Boart Longyear on the terms and conditions contained in this document.
- (B) Upon implementation of the Scheme, Boart Longyear will become a wholly owned subsidiary of Boart Canada and Boart Canada will apply for listing on ASX.

THE PARTIES AGREE AS FOLLOWS:

1. **INTERPRETATION**

1.1 **Definitions**

The following definitions apply in this document.

ACCC means the Australian Competition and Consumer Commission.

Announcement means a press release, announcement or other public statement (other than a draft explanatory statement, an explanatory statement or supplementary explanatory statement as required under Part 5.1 of the Corporations Act).

ASIC means the Australian Securities and Investments Commission.

ASIC Review Draft means the draft of the Scheme Booklet, which is provided to ASIC for approval under section 411(2) of the Corporations Act.

Assumption Deed Poll means a document in the form or substantially in the form of Schedule 5, or in such other form as is agreed in writing between Boart Longyear and Boart Canada.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532) as the holder of a licence to operate a clearing and settlement facility.

ASX Settlement Operating Rules means the operating rules of the clearing and settlement facility operated by ASX Settlement from time to time as modified by any express written waiver or exemption given by ASX or ASX Settlement.

Authorisation means:

- (a) an approval, authorisation, consent, declaration, exemption, licence, notarisation, permit or waiver, however it is described, including any renewal or amendment and any condition attaching to it from or by a Government Agency; and
- (b) in relation to anything that could be prohibited or restricted by law, if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken.

Authorised Nominee means CHESS Depository Nominees Pty Limited (ACN 071 346 503), Australian Financial Licence number 254514), an approved general participant of ASX Settlement and a wholly owned subsidiary of ASX.

Boart Canada CDI means a CDI representing one (1) Boart Canada Share.

Boart Canada Share means a fully paid ordinary share in Boart Canada.

Boart Longyear Option means an option to acquire a Boart Longyear Share issued by Boart Longyear pursuant to the Boart Longyear Option Plan.

Boart Longyear Option Plan means the option plan established by Boart Longyear and the rules which constitute that plan.

Boart Longyear Share means each fully paid ordinary share in Boart Longyear.

Boart Longyear Shareholder means each person entered in the Register as a holder of a Boart Longyear Share.

Boart Longyear Shareholder Approval means a resolution in favour of the Scheme passed by the required majority of Boart Longyear Shareholders under section 411(4)(a)(ii) of the Corporations Act.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, Australia and which is also a business day as defined by the ASX Listing Rules.

CDI means a CHESS Depository Interest, that being a unit of beneficial ownership in a share that is registered in the name of the Authorised Nominee in accordance with the ASX Settlement Operating Rules, for the purpose of enabling the securities to be recorded and transferred in accordance with those operating rules.

Claim, in relation to a person, means any claim, allegation, cause of action, proceeding, liability, suit or demand made against the person concerned however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

Condition means a condition precedent set out in clause 4.2.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

Eligible Scheme Shareholder means a Scheme Shareholder who is not an Ineligible Foreign Shareholder.

End Date means 28 February 2019, subject to any extension to that date made under clause 4.6.

FATA means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

First Court Date means the first day of the hearing of the Court of an application for an order under section 411(1) of the Corporations Act convening of the Scheme Meeting.

Government Agency means a government, government department or a governmental, semi-governmental, administrative, statutory or judicial entity, agency, authority, commission, department, tribunal, or person charged with the administration of a law or agency, whether in Australia or elsewhere, including the ACCC, ASIC, ASX, the Takeovers Panel, and any self-regulatory organisation established under statute or by ASX.

GST means the same as "GST" means in the GST Law.

GST Law means the same as "GST Law" means in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Implementation means the implementation of the Scheme, on it becoming Effective.

Implementation Date means the 1 Business Day following the Record Date.

Independent Expert means Grant Thornton Corporate Finance Pty Ltd ACN 003 265 987.

Independent Expert's Report means a report prepared by the Independent Expert in accordance with ASIC Regulatory Guide 111.

Ineligible Foreign Shareholder means each Scheme Shareholder whose address as shown in the Register as at the Record Date is a place outside Australia and New Zealand or such other country agreed to by Boart Longyear and Boart Canada.

Meeting Date means the date on which Boart Longyear Shareholders vote on a resolution to approve the Scheme under section 411(4)(a)(ii) of the Corporations Act.

New Boart Canada Share means Boart Canada Shares to be issued under the Scheme as Scheme Consideration.

Record Date means 7.00 pm on the day which is five Business Days after the Effective Date or any other date (after the Effective Date) agreed by the parties to be the record date to determine entitlements to receive Scheme Consideration under the Scheme.

Register means the register of members of Boart Longyear.

Relevant Date means, in relation to a Condition, the date or time specified in this document for its satisfaction or, if no date or time is specified, 8.00 am on the Second Court Date, subject, in either case, to extension to that date made under clause 4.6.

Sale Agent means a person nominated by Boart Canada to sell the Scheme Consideration referable to the Ineligible Foreign Shareholders in accordance with clause 2.5.

Scheme Booklet means the information memorandum in respect of the Scheme to be approved by the Court and dispatched to Boart Longyear Shareholders, and includes the Scheme, a copy of the Scheme Deed Poll executed by Boart Canada, an explanatory statement as that term is defined in section 412 of the Corporations Act, the Independent Expert's Report and a notice of meeting and proxy form.

Scheme Deed Poll means a document in the form or substantially in the form of Schedule 4, or in such other form as is agreed in writing between Boart Longyear and Boart Canada.

Scheme Shareholders means each Boart Longyear Shareholder as at the Record Date (taking into account registration of all registrable transfers and transmission applications received at Boart Longyear's share registry by the Record Date).

Scheme Resolution means a resolution to approve the Scheme.

Second Court Date means the first day on which the Court hears the application for an order under section 411(4)(b) of the Corporations Act approving the Scheme or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

Scheme means a scheme of arrangement under Part 5.1 of the Corporations Act between Boart Longyear and the Boart Longyear Shareholders in the form or substantially in the form of Schedule 3 or in such other form as is agreed in writing between Boart Longyear and Boart Canada, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved by each party.

Scheme Consideration means one (1) Boart Canada Share in the form of a CDI, for each one (1) Boart Longyear Share held by a Scheme Shareholder as at the Record Date.

Scheme Meeting means the meeting of Boart Longyear Shareholders to be convened as ordered by the Court under section 411(1) of the Corporations Act, to consider the Scheme.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Timetable means the timetable for the Implementation of the Scheme as set out in Schedule 1, subject to any modifications as the parties may agree in writing.

1.2 Rules for interpreting this document

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
- (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (b) A reference to time is a reference to time in Sydney, Australia.
 - (c) A singular word includes the plural, and vice versa.
 - (d) A word which suggests one gender includes the other genders.
 - (e) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
 - (f) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
 - (g) The words **associate, controller, entity, officer, relevant interest, security interest** and **subsidiary** have the same meanings as given by the Corporations Act.
 - (h) A reference to **\$** or **dollar** is to Australian currency.
 - (i) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.
 - (j) Words and terms defined in the GST Law have the same meaning in clauses concerning GST.

1.3 **Non-Business Days**

If the day on or by which a person must do something under this document is not a Business Day the person must do it on or by the previous Business Day.

2. **BOART LONGYEAR SCHEME**

2.1 **Agreement to propose and implement Scheme**

- (a) Boart Longyear agrees to propose and implement the Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must use all reasonable endeavours to do so in accordance with the Timetable.
- (b) Boart Canada agrees to assist Boart Longyear to propose and implement the Scheme in accordance with Part 5.1 of the Corporations Act and subject to the terms of this document, and must use all reasonable endeavours to do so in accordance with the Timetable.

2.2 **Outline of Scheme**

Subject to the terms of this document, on the Implementation Date, all of the Boart Longyear Shares held by Scheme Shareholders will be transferred to Boart Canada and the Scheme Shareholders will be entitled to receive the Scheme Consideration.

2.3 **No amendments to Scheme without consent**

Boart Longyear must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of Boart Canada.

2.4 **Scheme Consideration**

In consideration for the transfer to Boart Canada of each Boart Longyear Share held by a Scheme Shareholder under the terms of the Scheme, Boart Canada will, subject to the terms of this document, the Scheme Deed Poll and the Scheme, issue one (1) Boart Canada CDI to each Eligible Scheme Shareholder (or, in accordance with clause 2.5, to the Sale Agent on its behalf where such Scheme Shareholder is an Ineligible Foreign Shareholder) for each one (1) Boart Longyear Share held by that Scheme Shareholder at the Record Date.

2.5 **Ineligible Foreign Shareholders**

- (a) Where a Scheme Shareholder is an Ineligible Foreign Shareholder, Boart Canada has no obligation to issue the Scheme Consideration to the Ineligible Foreign Shareholder and must instead issue the Scheme Consideration to which the Ineligible Foreign Shareholder would have been entitled had the Ineligible Foreign Shareholder been an Eligible Scheme Shareholder to the Sale Agent.
- (b) The terms of issue to the Sale Agent must be that where the Sale Agent is issued with Scheme Consideration, the Sale Agent must:
 - (i) as soon as is reasonably practicable (but, in any case within one month after the Implementation Date) offer all such Scheme Consideration for sale on ASX in the manner and on the terms the Sale Agent thinks fit (and at the risk of the Ineligible Foreign Shareholder); and
 - (ii) as soon as is reasonably practicable (but, in any case within 10 Business Days after settlement of all the sales of such Scheme Consideration), remit to each Ineligible Foreign Shareholder the same portion of the net proceeds of all such sales (after deduction of any applicable fees, brokerage, taxes and charges) as the Scheme Consideration issued to the Sale Agent in respect of that Ineligible Foreign Shareholder bears to the total Scheme Consideration issued to and sold by the Sale Agent under paragraph (i).
- (c) The remittance by the Sale Agent to each Ineligible Foreign Shareholder of the sale proceeds contemplated by clause 2.5(b) is in full and final satisfaction of that Ineligible Foreign Shareholder's rights and entitlements to the Scheme Consideration.

3. **ASSUMPTION DEED POLL AND BOART LONGYEAR OPTIONS**

3.1 **Assumption Deed Poll**

Boart Canada must, before the First Court Date, duly execute and enter into the Assumption Deed Poll.

3.2 **Boart Longyear Options**

Boart Longyear agrees to procure that the board of Boart Longyear exercises its discretion to cancel all Boart Longyear Options in accordance with the Boart Longyear Option Plan, subject to and with effect from the Effective Date.

4. **CONDITIONS**

4.1 **Obligations not binding until Conditions satisfied**

Subject to this clause 3, the obligations of the parties with respect to Implementation do not become binding unless and until each Condition is satisfied or waived under clause 4.3.

4.2 **Conditions**

The Conditions are as follows:

- (a) **(Independent Expert's Report)** the Independent Expert's Report concludes that the Scheme is in the best interests of Boart Longyear Shareholders;
- (b) **(orders convening Meeting)** the Court makes orders convening the Scheme Meeting under section 411(1) of the Corporations Act;
- (c) **(Boart Longyear Shareholder Approval)** Boart Longyear Shareholder Approval is obtained at the Scheme Meeting convened in accordance with the orders made under section 411(1) of the Corporations Act;
- (d) **(Court approval of Scheme)** the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme;
- (e) **(order lodged with ASIC)** an office copy of the Court order approving the Scheme under section 411(4)(b) of the Corporations Act is lodged with ASIC;
- (f) **(Regulatory Approvals)** before 8.00 am on the Second Court Date:
 - (i) **(FIRB approval)** one of the following occurs:
 - (A) Boart Canada has received written notification by or on behalf of the Treasurer of the Commonwealth of Australia under the FATA to the effect that the Commonwealth Government has no objections (unconditionally or on conditions acceptable to Boart Canada acting reasonably) to Boart Canada acquiring all Boart Longyear Shares under the Scheme (or is precluded from objecting because the time for doing so has passed);
 - (B) the period provided for under the FATA during which the Treasurer may make an order or interim order under the FATA prohibiting Boart Canada acquiring Boart Longyear Shares under the Scheme has elapsed without such an order being made;
 - (C) if an interim order has been made to prohibit Boart Canada acquiring Boart Longyear Shares under the Scheme, the subsequent period for making a final order under the FATA has elapsed without any final order being made; and
 - (ii) all other Authorisations, which Boart Longyear and Boart Canada agree in writing are necessary for Implementation, are obtained;
 - (iii) **(no restraint adversely affecting Implementation)** no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the acquisition of all the Boart Longyear Shares by Boart Canada or otherwise preventing Implementation is in effect at 8.00 am on the Second Court Date;

- (g) **(ASX listing and quotation of CDIs)** ASX approves:
 - (i) Boart Canada for admission to the official list of ASX; and
 - (ii) the Scheme Consideration for official quotation on ASX,which approval may be conditional on the Scheme becoming Effective and other such conditions as acceptable to the boards of Boart Longyear and Boart Canada;
- (h) **(Authorised Nominee)** Boart Canada appoints the Authorised Nominee and the Authorised Nominee has agreed to the allotment to it of Boart Canada Shares under the Scheme; and
- (i) **(Sale Agent)** Boart Canada appoints the Sale Agent and the Sale Agent has agreed to sell the Scheme Consideration as contemplated by clause 2.5.

4.3 **Benefit and waiver of Conditions**

Each of the Conditions is for the benefit of both Boart Longyear and Boart Canada and a breach or non-satisfaction of a Condition can only be waived with the written consent of both parties. The Conditions in clauses 4.2(b) to 4.2(e) (inclusive) are not capable of waiver.

4.4 **Satisfaction of Conditions**

Each party must:

- (a) use its reasonable endeavours (other than waiver) to ensure and procure that each Condition is satisfied as soon as practicable after the date of this document;
- (b) not take any action or refrain from taking any action (except as required by law) designed to prevent the Conditions being satisfied, without the prior consent of the other party;
- (c) keep the other party promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions;
- (d) promptly inform the other party of any circumstances of which it becomes aware which may result in any of the Conditions not being satisfied in accordance with its terms; and
- (e) promptly advise the other party of the satisfaction of a Condition.

4.5 **Parties to provide certificate to Court**

Each of Boart Longyear and Boart Canada must provide to the other and to the Court before or at the Second Court Hearing, a certificate or such other evidence as the Court requests, confirming whether or not the Conditions have been satisfied (or waived) in accordance with the terms of this document.

4.6 **If a Condition is not satisfied or waived**

If:

- (a) any of the Conditions in clauses 4.2(a) to 4.2(c) (inclusive) or clauses 4.2(f) or 4.2(g) (inclusive) has not been satisfied or waived (if applicable) by the Relevant Date;
- (b) any of the Conditions in clauses 4.2(d) and 4.2(e) (inclusive) has not been satisfied by the End Date;

(c) the Effective Date does not occur on or prior to the End Date,

the parties:

(d) must consult in good faith to determine whether the Scheme may proceed by way of alternative means or method so as to achieve a commercial outcome which reflects the Scheme; and

(e) may agree to extend the Relevant Date or the End Date, or both.

5. OBLIGATIONS OF THE PARTIES

5.1 General

Each party must use reasonable endeavours to give effect to the Scheme, subject to compliance with their respective obligations, powers and duties under this document, their constituent documents and all applicable laws and the proper performance by the directors of each of Boart Longyear and Boart Canada respectively of their fiduciary duties.

5.2 Boart Longyear obligations

Boart Longyear must take all necessary steps to propose and implement the Scheme as expeditiously as practicable and use all reasonable endeavours to do so in accordance with the Timetable, including taking each of the following steps:

(a) **(Announcement)** on the date of this document, make an Announcement, in a form agreed between Boart Longyear and Boart Canada which includes a statement (on the basis of written statements made to it by each of its directors) that each director of Boart Longyear:

(i) considers the Scheme to be in the best interests of Boart Longyear Shareholders and recommends to Boart Longyear Shareholders that the Scheme be approved; and

(ii) who holds Boart Longyear Shares intends to vote his or her Boart Longyear Shares in favour of the Scheme,

subject to the Independent Expert's Report concluding that the Scheme is in the best interests of Boart Longyear Shareholders;

(b) **(Independent Expert's Report)** commission the preparation of the Independent Expert's Report and provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report;

(c) **(prepare Scheme Booklet)** prepare the Scheme Booklet and ensure that the Scheme Booklet includes all information required by applicable laws, ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules;

(d) **(continuing obligation of disclosure)** subject to any order of the Court and applicable law, ensure that the Scheme Booklet is updated by all such further or new information which may arise after the Scheme Booklet has been dispatched until the Scheme Meeting which is necessary to ensure that the Scheme Booklet is not misleading or deceptive in any material respect (including because of any material omission) and otherwise complies with all applicable laws;

(e) **(Court documents)** prepare all documents necessary for the Court proceedings relating to the Scheme in accordance with all applicable laws;

- (f) **(consult with Boart Canada)** in a timely manner consult with Boart Canada as to the form and content of all documents required for the purposes of the Scheme, including:
 - (i) the Scheme Booklet; and
 - (ii) the Court proceedings relating to the Scheme;
- (g) **(lodgement of ASIC Review Draft)** as soon as practicable, provide a draft of the Scheme Booklet to ASIC as contemplated by section 411(2) of the Corporations Act;
- (h) **(apply to Court for order to convene Meeting)** apply to the Court under section 411(1) of the Corporations Act for an order directing Boart Longyear to convene the Scheme Meeting;
- (i) **(convene Meeting)** convene the Scheme Meeting in accordance with any order made by the Court under section 411(1) of the Corporations Act;
- (j) **(register Scheme Booklet)** take all reasonable measures necessary to cause ASIC to register the Scheme Booklet under section 412 of the Corporations Act;
- (k) **(despatch Scheme Booklet)** as expeditiously as practicable following an order made by the Court under section 411(1) of the Corporations Act, dispatch a copy of the Scheme Booklet to each Boart Longyear Shareholder and to all other persons entitled to receive notice of the Scheme Meeting;
- (l) **(inform shareholders)** if it becomes aware of information after the date of dispatch of the Scheme Booklet which is material for disclosure to Boart Longyear Shareholders in deciding whether to approve the Scheme, subject to applicable laws and any order of the Court, inform shareholders of such information in an appropriate and timely manner;
- (m) **(section 411(17)(b) statement)** if Boart Longyear Shareholder Approval is obtained, apply to ASIC for the production of a statement under section 411(17)(b) of the Corporations Act in relation to the Scheme;
- (n) **(Court approval)** subject to satisfaction or waiver of all Conditions other than the Conditions in clause 4.2(d) (*Court approval of the Scheme*) and 4.2(e) (*order lodged with ASIC*), apply to the Court for orders approving the Scheme under section 411(4)(b) of the Corporations Act;
- (o) **(certificate)** before commencement of the hearing by the Court of the application for the order under section 411(4)(b) of the Corporations Act, give:
 - (i) to Boart Canada a certificate signed by Boart Longyear stating whether or not each representation or warranty given Boart Longyear is true and correct as at the time it is given or made under clause 8; and
 - (ii) to Boart Canada and the Court the certificate referred to in clause 4.5;
- (p) **(not act inconsistently)** not act in a manner inconsistent with obtaining Court approval for the Scheme;
- (q) **(lodge copy of order)** if the Court approves the Scheme under section 411(4) of the Corporations Act, lodge an office copy of the Court order with ASIC in accordance with section 411(10) of the Corporations Act as soon as practicable after the day on which the Court approves the Scheme;

- (r) **(Scheme Shareholders)** give to the share registry of Boart Canada details of the names, registered addresses and holdings of Boart Longyear Shares of every Scheme Shareholder, in such form as Boart Canada may reasonably require, and determine Boart Longyear Shareholders' respective entitlements to the Scheme Consideration in accordance with the Scheme; and
- (s) **(register transfers)** if Implementation occurs, register all transfers of Boart Longyear Shares to Boart Canada on the Implementation Date (subject to provision of the Scheme Consideration in accordance with the Scheme and Scheme Deed Poll).

5.3 **Boart Canada obligations**

Boart Canada must take all necessary steps to assist Boart Longyear to propose and implement the Scheme as expeditiously as practicable and use all reasonable endeavours to do so in accordance with the Timetable, including taking each of the following steps:

- (a) **(Scheme Booklet)** promptly provide to Boart Longyear for inclusion in the Scheme Booklet all information relating to Boart Canada as is required for Boart Longyear to prepare the Scheme Booklet in accordance with clause 5.2(c) (including giving its consent to the form and context in which that information appears in the Scheme Booklet);
- (b) **(additional information)** as expeditiously as practicable, give to Boart Longyear for inclusion in the Scheme Booklet such additional information regarding Boart Canada which may arise after the Scheme Booklet has been prepared as is required under all applicable laws, relevant ASIC regulatory guides, Takeovers Panel policy and guidance notes and the ASX Listing Rules to be included in the Scheme Booklet;
- (c) **(Scheme Deed Poll)** before the First Court Date, duly execute and enter into the Scheme Deed Poll;
- (d) **(certificate)** before commencement of the hearing by the Court of the application for the order under section 411(4)(b) of the Corporations Act, give:
 - (i) to Boart Longyear a certificate signed by Boart Canada stating whether or not each representation or warranty given Boart Canada is true and correct as at the time it is given or made under clause 8; and
 - (ii) to Boart Longyear and the Court the certificate referred to in clause 4.5;
- (e) **(not act inconsistently)** not act in a manner inconsistent with obtaining Court approval for the Scheme; and
- (f) **(Scheme Consideration)** if Implementation occurs, provide the Scheme Consideration as contemplated by the Scheme and in accordance with the Scheme Deed Poll on the Implementation Date.

6. **ANNOUNCEMENTS**

Boart Longyear and Boart Canada will consult with each other with respect to any material public releases or disclosure concerning the Scheme.

7. **TERMINATION**

7.1 **Termination for non-satisfaction of Condition**

- (a) If Boart Longyear and Boart Canada are unable to reach agreement under clause 4.6 within five Business Days after both parties become aware that a Condition will not

be satisfied (or waived, if applicable), any party for whose benefit the Condition is included may terminate this document by notice in writing to the other party.

- (b) Without limiting clause 7.1(a), a party may terminate this document by giving notice in writing to the other party after the End Date, if the Effective Date does not occur on or before that date.

7.2 **Obligations on termination**

- (a) If a party terminates this document, all obligations of the parties under this document, other than this clause, clauses 6 (*Announcements*), 8 (*Representations and warranties*), 9 (*GST*), 11 (*Notices*), 12 (*Amendment and Assignment*) and 13 (*General*), immediately cease to be of further effect.
- (b) The termination of this document does not affect any Claim that a party may have against another party where that Claim arose before this document is terminated.

8. **REPRESENTATIONS AND WARRANTIES**

8.1 **Mutual representations and warranties**

Each party represents and warrants to the other party that:

- (a) **(status)** it is a validly existing corporation under the laws of its place of incorporation;
- (b) **(power)** it has full legal capacity and power to:
 - (i) own its property and to carry on its business; and
 - (ii) enter into this document and carry out the transactions that this document contemplates in accordance with its terms;
- (c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise it entering into this document and carrying out the transactions that this document contemplates in accordance with its terms; and
- (d) **(document effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms.

8.2 **Reliance on representations and warranties**

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in clause 8.1.

8.3 **When warranties are given**

Each representation and warranty given or made under clause 8.1 is given:

- (a) as at the date of this document;
- (b) as at 8.00 am on the Second Court Date; and
- (c) at any other date at which the representation or warranty is expressed to be given under this document.

9. **RELEASE**

Each party agrees with each other, and declares and covenants in favour of each party's officers and employees, as follows:

- (a) Subject to applicable law (including section 199A of the Corporations Act) and clause 9(b), no officer or employee of a party, is liable for anything done or purported to be done in connection with Implementation.
- (b) Paragraph (a) does not exclude an officer or employee from any liability which may arise from wilful misconduct or a grossly negligent act or omission on the part of the person.
- (c) This clause operates as a deed poll in favour of and for the benefit of each officer and each employee of each party and may be relied on and enforced by each such officer and employee in accordance with its terms even though the officer or employee is not named as a party to this document.

10. **GST**

10.1 **GST pass on**

If GST is or will be payable on a supply made under or in connection with this document, to the extent that the consideration otherwise provided for that supply under this document is not stated to include an amount for GST on the supply:

- (a) the consideration otherwise provided for that supply under this document is increased by the amount of that GST; and
- (b) the recipient must make payment of the increase as and when the consideration otherwise provided for, or relevant part of it, must be paid or provided or, if the consideration has already been paid or provided, within seven days of receiving a written demand from the supplier.

10.2 **Tax Invoice**

The right of the supplier to recover any amount in respect of GST under this document on a supply is subject to the issuing of the relevant tax invoice or adjustment note to the recipient.

10.3 **Consideration exclusive of GST**

Any consideration otherwise provided for a supply or payment obligation in connection with this document is exclusive of GST unless stated otherwise.

10.4 **Adjustments**

If there is an adjustment event in relation to a supply which results in the amount of GST on a supply being different from the amount in respect of GST already recovered by the supplier, as appropriate, the supplier within 14 days of becoming aware of the adjustment event:

- (a) may recover from the recipient the amount by which the amount of GST on the supply exceeds the amount already recovered by giving seven days written notice; or
- (b) must refund to the recipient the amount by which the amount already recovered exceeds the amount of GST on the supply to the extent that the supplier is entitled to a refund or credit from the Commissioner of Taxation.

10.5 Reimbursements

Costs actually or estimated to be incurred or revenue actually or estimated to be earned or lost by a party that is required to be reimbursed or indemnified by another party, or used as the basis for calculation of consideration for a supply, under this document must exclude the amount of GST referable to the cost to the extent to which an entitlement arises or would arise to claim an input tax credit and in relation to revenue must exclude any amount in respect of GST referable to the revenue.

11. NOTICES

11.1 How to give a notice

A notice, consent or other communication under this document is only effective if it is:

- (a) in writing, signed by or on behalf of the person giving it;
- (b) addressed to the person to whom it is to be given; and
- (c) either:
 - (i) sent by pre-paid mail (by airmail, if the addressee is overseas) or delivered to that person's address;
 - (ii) sent by fax to that person's fax number and the machine from which it is sent produces a report that states that it was sent in full without error; or
 - (iii) sent in electronic form (such as email).

11.2 When a notice is given

A notice, consent or other communication that complies with this clause is regarded as given and received:

- (a) if it is sent by fax or delivered, if received:
 - (i) by 5.00 pm (local time in the place of receipt) on a Business Day - on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day - on the next Business Day;
- (b) if it is sent by mail:
 - (i) within Australia - three Business Days after posting; or
 - (ii) to or from a place outside Australia - seven Business Days after posting; and
- (c) if it is sent in electronic form:
 - (i) if it is transmitted by 5.00 pm on a Business Day – on that Business Day; or
 - (ii) if it is transmitted after 5.00 pm on a Business Day, or on a day that is not a Business Day – on the next Business Day.

11.3 Address for notices

A person's address and fax number are those set out below, or as the person notifies the sender:

Boart Longyear

Address: 26 Butler Boulevard, Adelaide Airport, SA 5950
Email Address: robert.closner@boartlongyear.com
Attention: Robert Closner

Boart Canada

Address: 2442 South Sheridan Way, Mississauga, Ontario, L5J 2M7
Email Address: robert.closner@boartlongyear.com
Attention: Robert Closner

12. AMENDMENT AND ASSIGNMENT

12.1 Amendment

This document can only be amended or replaced by another document executed by the parties.

12.2 Assignment

A party may only assign, encumber, declare a trust over or otherwise deal with its rights under this document with the prior written consent of the other party.

13. GENERAL

13.1 Governing law

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of New South Wales within the Commonwealth of Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document. Each party irrevocably waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

13.2 Liability for expenses

- (a) Boart Canada must pay for all stamp duty payable on this document or any instrument or transaction contemplated in or necessary to give effect to this document.
- (b) Subject to clause 13.2(a), each party must pay its own expenses incurred in negotiating, preparing, executing and registering this document.

13.3 Giving effect to this document

Each party must do anything within its power (including execute any document) that the other party may reasonably require to give full effect to this document.

13.4 Variation of rights

The exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this document. Neither a forbearance to exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this document.

13.5 No partnership or agency

Nothing in this document is to be treated as creating a partnership and, except as specifically provided in this document, no party may act as agent of or in any way bind another party to any obligation.

13.6 Operation of this document

- (a) This document contains the entire agreement between the parties about its subject matter and any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document.
- (b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

13.7 Consents

Where this document contemplates that a party may agree or consent to something (however it is described), unless this document expressly contemplates otherwise, the party may:

- (a) agree or consent, or not agree or consent, in its sole and absolute discretion; and
- (b) agree or consent subject to conditions.

13.8 Assignment

A party cannot assign, novate or otherwise transfer any of its rights or obligations under this document without the prior written consent of the other party.

13.9 No merger

No provisions of this document merge on Implementation.

13.10 Inconsistency with other documents

If this document is inconsistent with any other document or agreement between the parties, this document prevails to the extent of the inconsistency.

13.11 Counterparts

This document may be executed in counterparts.

EXECUTED as a Deed.

EXECUTED by **BOART LONGYEAR LIMITED ACN 123 052 728:**



Signature of director

Marcus Randolph

Name



Signature of director/secretary

Jeff Olsen

Name

SIGNED, SEALED AND DELIVERED by
BOART CANADA INCORPORATED in
the presence of:



Signature of witness



Signature of authorised signatory

SCHEDULE 1

Timetable

Step	Date	Action
1.	Thursday, 23 August 2018	Sign Scheme Implementation Deed and announce transaction
2.	Thursday, 4 October 2018	Provide ASIC and Court with draft Scheme Booklet
3.	Thursday, 4 October 2018	Provide ASX with draft Scheme Booklet
4.	Thursday, 25 October 2018	First Court Date
5.	Monday 29 October 2018	Scheme Booklet registered by ASIC and lodged with ASX
6.	Thursday, 6 November 2018	Dispatch Scheme Booklet
7.	Monday, 6 December 2018	Hold Scheme Meeting and announce results to ASX
8.	Wednesday, 19 December 2018	Second Court Date and announce to ASX
9.	Thursday, 20 December 2018	Effective Date File Court order with ASIC and announce to ASX Boart Longyear securities cease trading at close of trading on ASX
10.	Monday, 31 December 2018	Record Date for entitlements to Scheme Consideration
11.	Wednesday, 2 January 2019	Implementation Date Boart Canada issues Scheme Consideration
12.	Thursday, 3 January 2019	Dispatch holding statements for Scheme Consideration

SCHEDULE 2

Boart Longyear's securities on issue

Securities	Number
Boart Longyear Shares	26,289,795,231
Ordinary Warrants	602,739,409
Boart Longyear Options	27,828,976
Class A 7% Warrants	84,832,619
Class B 7% Warrants	43,509,750

SCHEDULE 3

Scheme of Arrangement (Scheme)



Scheme of Arrangement

Boart Longyear Limited

ACN 123 052 728

The holders of ordinary fully paid shares issued in Boart Longyear

SCHEME OF ARRANGEMENT

Under section 411 of the Corporations Act

BETWEEN:

- (1) **Boart Longyear Limited** ACN 123 052 728 whose registered office is at 26 Butler Boulevard, Adelaide Airport, SA 5950 (**Boart Longyear**); and
- (2) The holders of fully paid ordinary shares in Boart Longyear.

BACKGROUND

- (A) Boart Longyear is a public company incorporated in Australia. It is registered in South Australia and is a company limited by shares. It has its registered office at 26 Butler Boulevard, Adelaide Airport, SA 5950. Boart Longyear is admitted to the official list of ASX and Boart Longyear Shares are quoted on the stock market conducted by ASX. As at **[insert date]**, **[insert number]** of Boart Longyear Shares were on issue.
- (B) Boart Longyear Incorporated (**Boart Canada**) is a limited company incorporated in British Columbia, Canada. It has its registered address at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8. As at [insert date] Boart Canada has one (1) issued and outstanding ordinary share which is held by SE Corporate Services Ltd. (the Subscriber Share). Other than the Subscriber Share, Boart Canada has not issued any other shares and has not granted any options or other convertible securities.
- (C) Boart Longyear and Boart Canada entered into the Scheme Implementation Deed on or about **[insert date]** 2018 to facilitate the implementation of the Scheme. The directors of Boart Longyear have proposed the Scheme to the members of Boart Longyear and consider that the Scheme is in the best interests of Boart Longyear and its members as a whole.
- (D) Under the Scheme Implementation Deed, Boart Longyear and Boart Canada have agreed that each of them will perform their respective obligations under the Scheme and do everything within their powers that is necessary to give full effect to the Scheme.
- (E) Boart Canada has executed the Scheme Deed Poll under which it covenants in favour of the Boart Longyear Shareholders to carry out its obligations under the Scheme, including to provide the Scheme Consideration in accordance with the terms of the Scheme.
- (F) If the Scheme becomes Effective:
 - (1) Boart Canada will issue the Scheme Consideration in accordance with the terms of this Scheme in consideration of the transfer of the Scheme Shares to Boart Canada; and
 - (2) all the Scheme Shares will be transferred to Boart Canada and Boart Longyear will become a wholly owned subsidiary of Boart Canada; and
 - (3) Boart Longyear will enter Boart Canada's name in the Register as the holder of all Scheme Shares.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this document:

ASIC means the Australian Securities and Investments Commission.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

ASX Listing Rules means the listing rules of ASX.

Authorised Nominee means CHESS Depository Nominees Pty Limited (ACN 071 346 503), Australian Financial Licence number 254514), an approved general participant of ASX Settlement and a wholly owned subsidiary of ASX.

Boart Canada CDI means a CDI representing one (1) Boart Canada Share.

Boart Canada Share means a fully paid ordinary share in Boart Canada.

Boart Longyear Share means each fully paid ordinary share in the capital of Boart Longyear.

Boart Longyear Share Registry means Link Market Services Limited.

Boart Longyear Shareholder means each person who is registered in the Register as a holder of Boart Longyear Shares.

Business Day means a business day as defined in the ASX Listing Rules.

CHESS means the clearing house electronic subregister system for the electronic transfer of securities operated by ASX Settlement Pty Limited, which provides for the electronic transfer, settlement and registration of securities.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia.

Effective means the coming into effect, under section 411(10)) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which an office copy of the order of the Court approving the Scheme under section 411(4)(b) of the Corporations Act is lodged with ASIC.

End Date means 28 February 2019, subject to any extension under clause 4.6 of the Scheme Implementation Deed.

Implementation means the implementation of the Scheme, on it becoming effective under section 411(10).

Implementation Date means the Business Day which is immediately following the Record Date, or such other date as Boart Longyear and Boart Canada may agree in writing, may be ordered by the Court or may be required by ASX.

Ineligible Foreign Shareholder means each Scheme Shareholder whose address as shown in the Register as at the Record Date is a place outside Australia and New Zealand or such other country agreed to by Boart Longyear and Boart Canada.

Record Date means 7.00 pm on the day which is five Business Days after the Effective Date or any other date (after the Effective Date) agreed by the parties to be the record date to determine entitlements to receive Scheme Consideration under the Scheme.

Register means the register of Boart Longyear Shareholders maintained under sections 168 and 169 of the Corporations Act.

Registered Address means, in relation to a Boart Longyear Shareholder, the address of the shareholder shown in the Register.

Scheme Deed Poll means the deed poll executed by Boart Canada in favour of Boart Longyear Shareholders dated [*insert date*].

Scheme Implementation Deed means the Scheme Implementation Deed between Boart Longyear and Boart Canada dated [*insert date*] 2018 relating to the implementation of the Scheme.

Scheme Meeting means the Boart Longyear Shareholders' meeting or meetings ordered by the Court to be convened under section 411(1) in relation to the Scheme.

Scheme Share means each Boart Longyear Share on issue as at the Record Date.

Scheme Shareholder means each Boart Longyear Shareholder at the Record Date, taking into account registration of all registrable transfers and transmission applications in accordance with clause 4.1.

Scheme Transfer, in relation to Scheme Shares, means a proper instrument of transfer of the Scheme Shares.

Scheme means the scheme of arrangement under Part 5.1 between Boart Longyear and the Scheme Shareholders, set out in this document, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Consideration means one (1) Boart Canada Share in the form of a CDI, for each one (1) Boart Longyear Share held by a Scheme Shareholder as at the Record Date.

1.2 **Rules for interpreting this document**

The rules in clause 1.2 of the Scheme Implementation Deed apply in interpreting this document, unless the context makes it clear that a rule is not intended to apply.

2. **CONDITIONS PRECEDENT**

2.1 **Conditions precedent to the Scheme**

The Scheme is conditional on all the conditions set out in clause 4.2 of the Scheme Implementation Deed having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed.

2.2 **Effective Date**

The Scheme takes effect on the Effective Date. Boart Longyear must lodge with ASIC an office copy of the order of the Court approving the Scheme under section 411(4)(b) of the

Corporations Act and by no later than 10.00 am on the first Business Day after the date on which the Court makes that order.

2.3 **End Date**

The Scheme will lapse and be of no effect if the Effective Date has not occurred on or before the End Date.

3. **THE SCHEME**

3.1 **Implementation steps**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in accordance with the Scheme and Boart Canada having provided Boart Longyear with written confirmation of that having occurred, all the Scheme Shares, together with all rights and entitlements attaching to those shares as at the Implementation Date, will be transferred to Boart Canada without the need for any further act by any Scheme Shareholder (other than acts performed by Boart Longyear or its directors and officers as attorney and agent for the Scheme Shareholders under the Scheme) by Boart Longyear effecting a valid transfer or transfers of the Scheme Shares to Boart Canada under section 1074B of the Corporations Act or, if that procedure is not available for any reason in respect of any Scheme Shares, by:
 - (i) Boart Longyear delivering to Boart Canada for execution duly completed and, if necessary, stamped Scheme Transfers to transfer the Scheme Shares to Boart Canada, duly executed by Boart Longyear or any of its directors and officers as the attorney and agent of each Scheme Shareholder as transferor under clauses 5.2 and 5.3;
 - (ii) Boart Canada executing the Scheme Transfers as transferee and delivering them to Boart Longyear; and
 - (iii) Boart Longyear upon receipt of the Scheme Transfers under subparagraph (ii) entering or procuring entry of the name and address of Boart Canada in the Boart Longyear Register as the holder of all the Scheme Shares; and
- (b) Boart Canada will issue to each Scheme Shareholder the Scheme Consideration for each Boart Longyear Share held by the Scheme Shareholder, in accordance with and subject to the terms of this Scheme.

3.2 **Provision of Scheme Consideration**

The obligation of Boart Canada to issue the Scheme Consideration under 3.1(b) will be discharged by Boart Canada:

- (a) causing the Authorised Nominee's name to be entered into the register of Boart Canada as the holder of the Boart Canada Shares issued to the Authorised Nominee, to be held on trust for the Scheme Shareholders; and
- (b) procuring the despatch to the Authorised Nominee a certificate in the name of the Authorised Nominee representing the Boart Canada Shares issued to the Authorised Nominee.

3.3 **Ineligible Foreign Shareholders**

- (a) Ineligible Foreign Shareholders are not entitled to be issued the Scheme Consideration under clause 3.1(b). Instead, the Scheme Consideration that, but for

this clause 3.3, would be issued to the Ineligible Foreign Shareholders will be issued to a person nominated by Boart Longyear for this purpose (the **Sale Agent**).

- (b) Where the Sale Agent is issued Scheme Consideration under this clause 4.6, Boart Longyear will cause the Sale Agent to:
 - (i) as soon as is reasonably practicable (but, in any case within one month after the Implementation Date) offer all such Scheme Consideration for sale on ASX in the manner and on the terms the Sale Agent thinks fit (and at the risk of the Ineligible Foreign Shareholders); and
 - (ii) as soon as reasonably practicable (but, in any case, within 10 Business Days after settlement of all the sales of such Scheme Consideration), remit to each Ineligible Foreign Shareholder the same proportion of the net proceeds of all such sales (after deduction of any applicable fees, brokerage, taxes and charges) as the Scheme Consideration issued to the Sale Agent in respect of that Ineligible Foreign Shareholder bears to the total Scheme Consideration issued to and sold by the Sale Agent under paragraph (i).
- (c) The remittance by the Sale Agent to each Ineligible Foreign Shareholder of the sale proceeds contemplated by clause 3.3(b) is in full and final satisfaction of that Ineligible Foreign Shareholder's rights and entitlements to the Scheme Consideration.
- (d) Each Ineligible Foreign Shareholder appoints Boart Longyear, and each director and officer of Boart Longyear, as its agent to receive on its behalf any financial services guide or other notice that may be given under the Corporations Act by the Sale Agent to each Ineligible Foreign Shareholder for or in connection with its appointment or the sales.

3.4 **Registration and confirmations**

Boart Canada will:

- (a) register, or cause to be registered, the Scheme Shareholders (other than the Ineligible Foreign Shareholders) and the Sale Agent (in respect of Ineligible Foreign Shareholders) as the holders of the Scheme Consideration to which they become entitled under the Scheme; and
- (b) procure the despatch to each Scheme Shareholder (other than the Ineligible Foreign Shareholders) and the Sale Agent (in respect of Ineligible Foreign Shareholders) of a holding statement in the name of that person with the number of Boart Canada CDIs issued to that person. In the case of Scheme Shareholders that are joint holders, such confirmations will be sent to the holder whose name appears first in the Register on the Record Date.

3.5 **Agreement to become shareholder of Boart Canada**

Each Scheme Shareholder agrees for all purposes to become a shareholder of Boart Canada (without the need for any further act on its part) and to be bound by the constitution of Boart Canada.

3.6 **Boart Longyear Shares transferred free from encumbrance**

- (a) To the extent permitted by law, the Boart Longyear Shares transferred to Boart Canada under the Scheme will be transferred (subject to Boart Longyear's

constitution) free from all security interests (including mortgages, charges, liens, encumbrances and interests of third parties of any kind, whether legal or otherwise).

- (b) Each Scheme Shareholder is deemed to have warranted to Boart Canada and, to the extent enforceable, appointed and authorised Boart Longyear as its agent to warrant to Boart Canada that all its Scheme Shares (including any rights and entitlements attaching to those Shares) will, as at the time of the transfer of them to Boart Canada, be fully paid and (subject to Boart Longyear's constitution) free from all security interests (including mortgages, charges, liens, encumbrances, pledges, security interests and interests of third parties of any kind, whether legal or otherwise), and from any restrictions on transfer of any kind, and that it has full power and capacity to sell and to transfer its Scheme Shares (including any rights and entitlements attaching to those shares) to Boart Canada under the Scheme. Boart Longyear undertakes in favour of each Scheme Shareholder that it will be taken to have provided such warranty to Boart Canada on behalf of the Scheme Shareholder as at the time of transfer of the Scheme Shares.

3.7 Boart Canada beneficially entitled to Scheme Shares

Boart Canada will be beneficially entitled to the Scheme Shares transferred to it under the Scheme pending registration by Boart Longyear of the name and address of Boart Canada in the Register as the holder of the Scheme Shares.

4. DEALINGS IN BOART LONGYEAR SHARES

4.1 What Boart Longyear Share dealings are recognised?

To establish the persons who are Scheme Shareholders, dealings in Boart Longyear Shares will be recognised only if:

- (a) in the case of dealings of the type to be effected using CHESSE, the transferee is registered in the Register as the holder of the Boart Longyear Shares as at the Record Date; and
- (b) in all other cases, registrable transfers or transmission applications in respect of those dealings are received at the Boart Longyear Share Registry at or before the Record Date.

4.2 Boart Longyear to register transfer and transmission applications

Boart Longyear will register registrable transfers and transmission applications of the kind referred to in clause 4.1(b) by, or as soon as practicable after, the Record Date.

4.3 Transfers received after Record Date not recognised

Boart Longyear will not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Scheme Shares received after the Record Date.

4.4 Boart Longyear to maintain Register to determine entitlements

In order to determine entitlements to the Scheme Consideration, Boart Longyear will maintain, or procure the maintenance of, the Register in accordance with this clause 4 until the Scheme Consideration has been paid to Scheme Shareholders and the Register in this form will solely determine entitlements to the Scheme Consideration.

4.5 Holding statements no effect from Record Date

From the Record Date, all holding statements for Scheme Shares will cease to have effect as documents of title (or evidence thereof), and each entry on the Register at the Record

Date will cease to have any effect other than as evidence of the entitlements of Scheme Shareholders to the Scheme Consideration.

4.6 Boart Longyear to provide contact information for Scheme Shareholders

As soon as practicable after Record Date and in any event at least three Business Days before the Implementation Date, Boart Longyear will give to Boart Canada or procure that Boart Canada be given details of the name, Registered Address and the number of Boart Longyear Shares held by each Scheme Shareholder, as shown in the Register at the Record Date, in whatever form Boart Canada reasonably requires.

4.7 Suspension of trading

It is expected that the suspension of trading in Boart Longyear Shares on the stock market conducted by ASX will occur from the close of trading on the Effective Date.

4.8 Boart Longyear to apply for termination of quotation of Boart Longyear Shares

On a date after the Implementation Date to be determined by Boart Canada, Boart Longyear will apply for termination of the official quotation on the stock market conducted by ASX of Boart Longyear Shares and must apply to have itself removed from the official list of ASX.

5. GENERAL PROVISIONS

5.1 Boart Longyear giving effect to the Scheme

Boart Longyear must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that is necessary, expedient or incidental to give full effect to the Scheme and the transactions contemplated by it. Without limiting Boart Longyear's power under the Scheme, Boart Longyear has power to do all things that it considers necessary or desirable to give effect to the Scheme and the Scheme Implementation Deed.

5.2 Scheme Shareholders' agreements and consents

Each Scheme Shareholder:

- (a) agrees to the transfer of their Boart Longyear Shares, together with all rights and entitlements attaching to those Boart Longyear Shares, to Boart Canada, in accordance with the Scheme; and
- (b) consents to Boart Longyear doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, expedient or incidental to Implementation and to give full effect to the Scheme and the transactions contemplated by it and Boart Longyear, as agent of each Scheme Shareholder, may sub-delegate its functions under this document to any of its directors and officers, jointly and severally,

without the need for any further act by the Scheme Shareholder.

5.3 Appointment of Boart Longyear as attorney of Scheme Shareholders

Each Scheme Shareholder without the need for any further act, irrevocably appoints Boart Longyear and each of its directors and officers, jointly and severally, on and from the Effective Date, as the Scheme Shareholder's attorney and agent,

- (a) to execute any document or do any other act necessary, expedient or incidental to give full effect to the Scheme and the transactions contemplated by it, including the

effecting of a valid transfer or transfers (or execution and delivery of any Scheme Transfer) under clause 3; and

- (b) to enforce the Scheme Deed Poll against Boart Canada,

and Boart Longyear accepts such appointment. Boart Longyear may as agent and attorney of each Scheme Shareholder sub-delegate any of its functions, authorities or powers under this clause to all or any of its directors and officers (jointly, severally, or jointly and severally).

5.4 **Appointment of Boart Canada as attorney in respect of Scheme Shares**

- (a) From the Implementation Date until Boart Canada is registered as the holder of all Scheme Shares, each Scheme Shareholder:
 - (i) irrevocably appoints Boart Canada as its attorney and agent (and irrevocably appoints Boart Canada as its agent and attorney to appoint any of the directors and officers of Boart Canada as its attorney and agent) to:
 - (A) appoint the chairman of the board of directors of Boart Canada as its sole proxy and, where applicable, corporate representative to attend shareholders' meetings of Boart Longyear;
 - (B) exercise the votes attaching to the Boart Longyear Shares registered in the name of the Scheme Shareholder;
 - (C) sign any Boart Longyear Shareholders' resolution; and
 - (ii) must take all other action in the capacity of a registered holder of Scheme Shares as Boart Canada reasonably directs.
- (b) From the Implementation Date no Scheme Shareholder may attend or vote at any shareholders' meetings of Boart Longyear or sign any Boart Longyear Shareholders resolution (whether in person, by proxy or by corporate representative) other than under this clause.

5.5 **Binding effect of Scheme**

The Scheme binds Boart Longyear and all Boart Longyear Shareholders from time to time, including those who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme.

5.6 **Alteration or condition to Scheme**

If the Court proposes to approve the Scheme subject to any alteration or condition Boart Longyear may, by its counsel or solicitors, but subject to the prior approval of Boart Canada (which may not be unreasonably withheld or delayed), consent on behalf of all persons concerned, including each Scheme Shareholder, to those alterations or conditions.

5.7 **Scheme Deed Poll**

Boart Longyear undertakes in favour of each Scheme Shareholder to enforce the Scheme Deed Poll against Boart Canada for and on behalf of each Scheme Shareholder.

5.8 **Notices**

Where a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to Boart Longyear, it will be deemed to be received

on the date (if any) on which it is actually received at Boart Longyear's registered office or Share Registry and on no other date.

5.9 Costs and stamp duty

- (a) Subject to paragraph (b), Boart Longyear will pay all the costs of the Scheme.
- (b) Boart Canada will pay all stamp duty and any related fines, penalties and other costs in respect of the Scheme (including in connection with the transfer of the Scheme Shares to Boart Canada) in accordance with the terms of the Scheme.

5.10 Governing law

This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of New South Wales, Australia.

SCHEDULE 4

Scheme Deed Poll



Scheme Deed Poll

Boart Longyear Incorporated

Scheme Deed Poll relating to proposed Scheme
of Arrangement between Boart Longyear Limited
ACN 123 052 728 and its members

[*insert date*] 2018

SCHEME DEED POLL

THIS DEED POLL is made on

2018

BY Boart Longyear Incorporated (Boart Canada)

FOR THE BENEFIT OF each holder of fully paid ordinary shares in Boart Longyear Limited ACN 123 052 728 (**Boart Longyear**) as at the Record Date (**Scheme Shareholder**)

RECITALS

- (A) Boart Longyear and Boart Canada have entered into a Scheme Implementation Deed dated [insert] 2018 (the **Scheme Implementation Deed**).
- (B) Under the Scheme Implementation Deed, Boart Longyear has agreed to propose the Scheme, pursuant to which (among other things) the Scheme Shareholders will transfer to Boart Canada, and Boart Canada is to acquire, all the Boart Longyear Shares, and Boart Canada is to provide the Scheme Consideration to each Scheme Shareholder.
- (C) Boart Canada is executing this document to covenant in favour of each Scheme Shareholder to perform the obligations contemplated of it under the Scheme.

BOART CANADA DECLARES AS FOLLOWS

1. INTERPRETATION

1.1 Definitions

Words and expressions that are defined in the Scheme Implementation Deed (other than words and expressions defined in this document) have the same meaning in this document as given to them in the Scheme Implementation Deed, unless the context makes it clear that a definition is not intended to apply.

1.2 Rules for interpreting this document

The rules in clause 1.2 of the Scheme Implementation Deed apply in interpreting this document, unless the context makes it clear that a rule is not intended to apply.

2. NATURE OF THIS DOCUMENT

Boart Canada acknowledges that:

- (a) this document is a deed poll and may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not parties to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Boart Longyear and each of its directors and officers, jointly and severally, as its agent and attorney to enforce this document against Boart Canada.

3. CONDITIONS PRECEDENT AND TERMINATION

3.1 Conditions precedent

Boart Canada's obligations under this document are subject to the Scheme becoming Effective.

3.2 Termination

- (a) If the Scheme Implementation Deed is terminated or the Scheme does not become Effective on or before the End Date, Boart Canada's obligations under this document will automatically terminate and the terms of this document will be of no further force or effect, unless Boart Canada and Boart Longyear otherwise agree in writing.
- (b) If this document is terminated pursuant to this clause then, in addition and without prejudice to any other rights, powers or remedies available to it:
 - (i) Boart Canada is released from its obligations under this document; and
 - (ii) each Scheme Shareholder retains any rights, powers or remedies it has against Boart Canada in respect of any breach of this document which occurred before this document was terminated.

4. **BOART CANADA COVENANT TO COMPLY WITH SCHEME OBLIGATIONS**

Subject to clause 3, in consideration of the transfer of each Scheme Share to Boart Canada in accordance with the Scheme, Boart Canada covenants in favour of each Scheme Shareholder that it will duly and punctually observe and perform all obligations contemplated of it under the Scheme, including all obligations contemplated of it relating to the provision of the Scheme Consideration in accordance with the Scheme.

5. **REPRESENTATIONS AND WARRANTIES**

Boart Canada represents and warrants in favour of each Scheme Shareholder that:

- (a) **(status)** it is a validly existing company under the laws of the Province of British Columbia; and
- (b) **(power)** it has full legal capacity and power to execute this document and to carry out the transactions that this document contemplates; and
- (c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its execution of this document and its carrying out of the transactions that this document contemplates; and
- (d) **(documents effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms; and
- (e) **(no adverse regulatory action)** no regulatory action of any nature has been taken which would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations under this document and, to the knowledge of Boart Canada, no such regulatory action has been threatened or is proposed to be taken against Boart Canada; and
- (f) **(Boart Canada Share)** each New Boart Canada Share will, upon issue:
 - (i) be fully paid up; and
 - (ii) be free from any security interest (other than as provided for under the constitution of Boart Canada); and
 - (iii) rank equally in all respects with all Boart Canada Shares then on issue.

6. **CONTINUING OBLIGATIONS**

This document is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of Boart Canada having fully performed its obligations under this document or termination of this document pursuant to clause 3.

7. NOTICES

7.1 How to give a notice and when a notice is given

- (a) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail, fax or email/electronic form such as email.
- (b) A notice, consent or other communication that complies with this clause is regarded as given and received:
 - (i) if it is delivered, when it has been left at the addressee's address;
 - (ii) if it is sent by mail, three Business Days after it is posted; and
 - (A) if it is sent in electronic form
 - (B) if it is transmitted by 5.00 pm on a Business Day – on that Business Day; or
 - (C) if it is transmitted after 5.00 pm on the Business Day, or on a day that is not a Business Day – on the next Business Day.

7.2 Address for notices

Boart Canada's mail address and fax number are those set out below, or as Boart Canada otherwise notifies:

Boart Canada

Address: 2442 South Sheridan Way, Mississauga, Ontario, L5J 2M7
Email address: robert.closner@boartlongyear.com
Attention: Robert Closner

8. GENERAL

8.1 Costs and stamp duty

Boart Canada must bear and be responsible for:

- (a) its own costs arising out of the negotiation, preparation and execution of this document; and
- (b) any and all stamp duty (including any related fines or penalties) payable on or in respect of this document, or any transaction contemplated by it (including any transfer of Scheme Shares pursuant to the Scheme), and Boart Canada indemnifies each Scheme Shareholder on demand against any liability for any and all such stamp duty.

8.2 Amendment

A provision of this document may not be amended or varied unless:

- (a) before the Second Court Date, the amendment or variation is agreed to in writing by Boart Longyear (on behalf of each Scheme Shareholder but without the need for Boart Longyear to refer the amendment or variation to any Scheme Shareholder) and, if required, is approved by the Court; or
- (b) on or after the Second Court Date, the amendment or variation is agreed to in writing by Boart Longyear (on behalf of each Scheme Shareholder but without the need for

Boart Longyear to refer the amendment or variation to any Scheme Shareholder) and is approved by the Court,

and Boart Canada executes a further deed poll in favour of each Scheme Shareholder giving effect to that amendment or variation.

8.3 **Assignment**

The rights and obligations of Boart Canada and of each Scheme Shareholder under this document are personal and, except with the prior written consent of Boart Longyear and Boart Canada cannot be assigned, encumbered, charged or otherwise dealt with.

8.4 **Variation of rights**

The exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this document. Neither a forbearance to exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this document.

8.5 **Operation of this document**

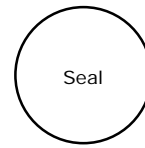
- (a) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (b) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

8.6 **Governing law**

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of the State of New South Wales within the Commonwealth of Australia.
- (b) Boart Canada submits to the non-exclusive jurisdiction of the courts of that State, and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document. Boart Canada irrevocably waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

EXECUTED as a deed poll.

SIGNED, SEALED AND DELIVERED by
BOART LONGYEAR INCORPORATED
in the presence of:



Signature of witness

Signature of authorised signatory

Name of witness

Name of authorised signatory

SCHEDULE 5

Assumption Deed Poll

ASSUMPTION DEED POLL

THIS DEED POLL is made on

2018

BY Boart Longyear Incorporated (Boart Canada)

FOR THE BENEFIT OF:

- (A) each holder of Class A 7% Warrants in Boart Longyear Limited ACN 123 052 728 (**Boart Longyear**) (**Class A 7% Warrant Holder**);
- (B) each holder of Class B 7% Warrants in Boart Longyear (**Class B 7% Warrant Holder**);
- (C) each holder of Ordinary Warrants in Boart Longyear (**Ordinary Warrant Holder**); and
- (D) each holder of MIP Units in Boart Longyear (**MIP Holder**),

on the Effective Date (each Class A 7% Warrant Holder, Class B 7% Warrant Holder, Ordinary Warrant Holder and MIP Holder being a **Beneficiary** and together being the **Beneficiaries**).

RECITALS:

- (A) Boart Longyear and Boart Canada have entered into a Scheme Implementation Deed dated [insert] 2018 (the **Scheme Implementation Deed**).
- (B) On 1 September 2017, Boart Longyear issued:
 - (1) the Class A 7% Warrants on the terms set out in the Class A 7% Warrant Deed Poll; and
 - (2) the Class B 7% Warrants on the terms set out in the Class B 7% Warrant Deed Poll;
- (C) On 13 September 2017, Boart Longyear issued the Ordinary Warrants on the terms set out in the Ordinary Warrant Deed Poll.
- (D) For the purposes of the Deeds Poll and the MIP, the Scheme is a Redomiciling Event, Boart Longyear is a Successor Company and Board Longyear Shares are Substitute Property.
- (E) Boart Canada is executing this document as required under the Scheme Implementation Deed and the Deeds Poll.
- (F) Boart Canada under the terms of this document covenants in favour of:
 - (1) the Class A 7% Warrant Holders to perform the obligations of Boart Longyear under the Class A 7% Warrant Deed Poll;
 - (2) the Class B 7% Warrant Holders to perform the obligations of Boart Longyear under the Class B 7% Warrant Deed Poll;
 - (3) the Ordinary Warrant Holders to perform the obligations of Boart Longyear under the Ordinary Warrant Deed Poll; and
 - (4) the MIP Holders to perform the obligations of Boart Longyear under the MIP,

provided that the requirement to issue Shares under the Deeds Poll and the MIP shall be satisfied by the issue of Boart Canada Shares in the form of CDIs.

BOART CANADA DECLARES AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

Words and expressions that are defined in the Scheme Implementation Deed (other than words and expressions defined in this document) have the same meaning in this document as given to them in the Scheme Implementation Deed, unless the context makes it clear that a definition is not intended to apply.

Class A 7% Warrant means a class A 7% warrant issued pursuant to the Class A 7% Warrant Deed Poll.

Class A 7% Warrant Deed Poll means the class A 7% warrant deed poll dated 1 September 2017 executed by Boart Longyear.

Class B 7% Warrant means a class B 7% warrant issued pursuant to the Class B 7% Warrant Deed Poll.

Class B 7% Warrant Deed Poll means the class B 7% warrant deed poll dated 1 September 2017 executed by Boart Longyear.

Deeds Poll means the Ordinary Warrant Deed Poll, Class A 7% Warrant Deed Poll and Class B 7% Warrant Deed Poll.

MIP means the Boart Longyear Management Incentive Plan.

MIP Unit means a non-voting unit of measurement granted by Boart Longyear under the MIP.

Ordinary Warrant means an ordinary warrant issued pursuant to the Ordinary Warrant Deed Poll.

Ordinary Warrant Deed Poll means the ordinary warrant deed poll dated 31 August 2017 executed by Boart Longyear.

1.2 Rules for interpreting this document

The rules in clause 1.2 of the Scheme Implementation Deed apply in interpreting this document, unless the context makes it clear that a rule is not intended to apply.

2. NATURE OF THIS DOCUMENT

Boart Canada acknowledges that this document is a deed poll and may be relied on and enforced by each Beneficiary in accordance with its terms even though the Beneficiaries are not parties to it.

3. CONDITIONS PRECEDENT AND TERMINATION

3.1 Conditions precedent

Boart Canada's obligations under this document are subject to the Scheme becoming Effective.

3.2 Termination

- (a) If the Scheme Implementation Deed is terminated or the Scheme does not become Effective on or before the End Date, Boart Canada's obligations under this document

will automatically terminate and the terms of this document will be of no further force or effect, unless Boart Canada and Boart Longyear otherwise agree in writing.

- (b) If this document is terminated pursuant to this clause then Boart Canada is released from its obligations under this document.

4. **BOART CANADA COVENANT TO ASSUME OBLIGATIONS**

Subject to clause 3, Boart Canada covenants in favour of:

- (a) the Class A 7% Warrant Holders to perform the obligations of Boart Longyear under the Class A 7% Warrant Deed Poll;
- (b) the Class B 7% Warrant Holders to perform the obligations of Boart Longyear under the Class B 7% Warrant Deed Poll;
- (c) the Ordinary Warrant Holders to perform the obligations of Boart Longyear under the Ordinary Warrant Deed Poll; and
- (d) the MIP Holders to perform the obligations of Boart Longyear under the MIP,

provided that the requirement to issue Shares under the Deeds Poll and the MIP shall be satisfied by the issue of Boart Canada Shares in the form of CDIs.

5. **REPRESENTATIONS AND WARRANTIES**

Boart Canada represents and warrants in favour of each Beneficiary that:

- (a) **(status)** it is a validly existing company under the laws of the Province of British Columbia; and
- (b) **(power)** it has full legal capacity and power to execute this document and to carry out the actions that this document contemplates with respect to that Beneficiary; and
- (c) **(corporate authority)** it has taken all corporate action that is necessary or desirable to authorise its execution of this document and its carrying out of the actions that this document contemplates with respect to that Beneficiary; and
- (d) **(documents effective)** this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms; and
- (e) **(no adverse regulatory action)** no regulatory action of any nature has been taken which would prevent, inhibit or otherwise have a material adverse effect on its ability to fulfil its obligations to that Beneficiary under this document and, to the knowledge of Boart Canada, no such regulatory action has been threatened or is proposed to be taken against Boart Canada; and
- (f) **(Boart Canada Share)** each Boart Canada Share issued to that Beneficiary in performance by Boart Canada of its obligations under this document will, upon issue:
 - (iii) be fully and non-assessable; and
 - (iv) be free from any security interest (other than as provided for under the constitution of Boart Canada); and
 - (v) rank equally in all respects with all Boart Canada Shares then on issued and outstanding.

6. CONTINUING OBLIGATIONS

This document is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of Boart Canada having fully performed its obligations under this document or termination of this document pursuant to clause 3.

7. NOTICES

7.1 How to give a notice and when a notice is given

- (c) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail, fax or email/electronic form such as email.
- (d) A notice, consent or other communication that complies with this clause is regarded as given and received:
 - (i) if it is delivered, when it has been left at the addressee's address;
 - (ii) if it is sent by mail, three Business Days after it is posted; and
 - (D) if it is sent in electronic form
 - (E) if it is transmitted by 5.00 pm on a Business Day – on that Business Day; or
 - (F) if it is transmitted after 5.00 pm on the Business Day, or on a day that is not a Business Day – on the next Business Day.

7.2 Address for notices

Boart Canada's mail address and fax number are those set out below, or as Boart Canada otherwise notifies:

Boart Canada

Address: 2442 South Sheridan Way, Mississauga, Ontario, L5J 2M7
Email address: robert.closner@boartlongyear.com
Attention: Robert Closner

8. GENERAL

8.1 Costs and stamp duty

Boart Canada must bear and be responsible for:

- (a) its own costs arising out of the negotiation, preparation and execution of this document; and
- (b) any and all stamp duty (including any related fines or penalties) payable on or in respect of this document, or any transaction contemplated by it, and Boart Canada indemnifies each Beneficiary on demand against any liability for any and all such stamp duty.

8.2 Assignment

The rights and obligations of Boart Canada and of each Beneficiary under this document are personal and, except with the prior written consent of Boart Longyear and Boart Canada cannot be assigned, encumbered, charged or otherwise dealt with.

8.3 **Variation of rights**

The exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this document. Neither a forbearance to exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this document.

8.4 **Operation of this document**

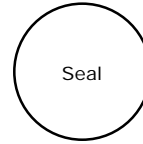
- (a) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.
- (b) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

8.5 **Governing law**

- (a) This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of [the Province of British Columbia].
- (b) Boart Canada submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia, and courts of appeal from them, in respect of any proceedings arising out of or in connection with the subject matter of this document. Boart Canada irrevocably waives any right it has to object to any legal process being brought in those courts including any claim that the process has been brought in an inconvenient forum or that those courts do not have jurisdiction.

EXECUTED as a deed poll.

SIGNED, SEALED AND DELIVERED by
BOART LONGYEAR INCORPORATED in
the presence of:



Signature of witness

Signature of authorised signatory

Name of witness

Name of authorised signatory