



Boart Longyear Limited
ABN 49 123 052 728

26 Butler Boulevard, Burbridge Business Park
Adelaide Airport
South Australia 5950, Australia
Tel: +61 8 8375 8375 • Fax: +61 8 8375 8498
www.boartlongyear.com

13 May 2021

To Our Valued Customer:

I am contacting you with an important update about actions Boart Longyear is taking toward building a stronger and more competitive business for the future.

Today, Boart Longyear took a major step towards solidifying our financial strength. We have announced that we have reached agreement with the majority of our creditors to convert the majority of our debt to equity via a creditor's scheme of arrangement in Australia. The scheme will take effect following approval by shareholders at a planned extraordinary general meeting (EGM), along with an expected filing of voluntary petitions for relief under Chapter 15 of the United States Bankruptcy Code.

We have also been successful, through our existing banking partner and creditor relationships, in securing short-term financing support of approximately \$65M. This additional liquidity will ensure the company continues to operate effectively over the coming months while we implement the transaction.

Importantly, these activities will not affect you. Delivery of products and services to our customers will continue uninterrupted. All of Boart Longyear's operations across the globe are operating as usual with an unwavering focus on health and safety, quality, and innovation.

Employees will also see no changes as a result of the scheme or the steps required for approval. We will continue to honor our contractual arrangements with our supply partners, taking delivery of goods and services, and paying our suppliers under our traditional terms. It is management's view that we will be in a position to seek shareholder approvals at an EGM sometime in August, and if successful the transaction will be completed shortly thereafter.

Implementation of this recapitalisation is targeted to create long-term value for the Company's many stakeholders, including you. It comes at an important time when demand, driven by improved industry conditions, for our goods and services has increased to levels not seen since 2014. We greatly appreciate your continued support and look forward to continuing the Boart Longyear heritage of supporting the mining industry for over 130 years.



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We also encourage you to visit the new section of our website that has information about this process at: www.boartlongyear.com/restructuring-initiatives

Thank you for your continued partnership and please do not hesitate to reach out to your regular contacts at Boart Longyear should you have any questions. We look forward to continuing our relationship with you to drive our mutual success as we move forward.

Thank you,
Jeffrey Olsen
President and Chief Executive Officer
Boart Longyear

Customer Frequently Asked Questions

1. What does this mean for customers?

- We expect operations to continue throughout this court-supervised process.
- We are committed to working closely with you and under the same or similar terms for goods and services provided on or after the filing date.
- We appreciate your continued support and look forward to continuing to work together so we can achieve our mutual success.

2. How will the filing affect day-to-day operations at Boart Longyear?

- You should not notice any disruption in your relationship with the Company on a day to day basis. Boart Longyear has significant liquidity to operate in the normal course.

3. Why should I continue doing business with Boart Longyear now?

- We value the important relationship we have developed with our customers and we will continue to work closely with our customers throughout this financial restructuring process and into the future.

4. We have a contract with you. Are you going to be able to satisfy it?

- We will. We have sufficient liquidity to run our business.
- The funding we have on hand will be more than sufficient to support our business and enable us to meet our obligations during the court-supervised process.

5. Given the uncertainties of the situation, what if I want to renegotiate our terms with you?

- It is important to understand that Boart Longyear expects its operations to continue normally throughout this court-supervised process, including meeting its obligations.
- With your cooperation, we will continue to be a leader in the areas we operate and can drive our mutual success.
- We are confident in our future and believe that we will emerge as a stronger Company.

6. Will my contacts remain the same?



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- Yes. You can continue to reach out to your normal contacts.

7. How can I obtain more information?

- We will continue to keep you informed as there are updates to share.
- You can visit the new section of our website that has information about this process: www.boartlongyear.com/restructuring-initiatives