TruScan^{TM} Technology

BOART LONGYEAR™

2018 Results
February 2019
Jeff Olsen – Chief Executive Officer

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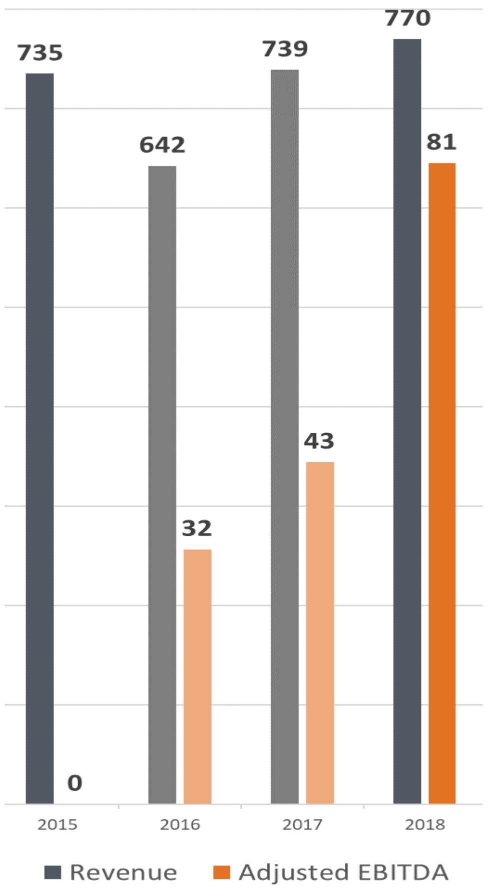
- All references to dollars are to United States currency unless otherwise stated, and financial results presented are not audited.

Total Company – 2018
- Revenue up US$31 Million (4%), Adjusted EBITDA up $38 Million (87%)



FINANCIAL PERFORMANCE

VOLUMES [3]
+12.5%

PRICE
>2.0%

PROFITABILITY [2]
US$ **38M**
(2018 – US$81M)

OPERATING CASH FLOW
US$ **58M**
(2018 – $4M)

OPERATING PERFORMANCE

RIG OPTIMISATION
>9%
additional shifts worked

PRODUCTIVITY
+2%
Labour as % of Revenue

FACILITY FOOTPRINT
30%
reduction

INVENTORY
>5%
reduction

SAFETY

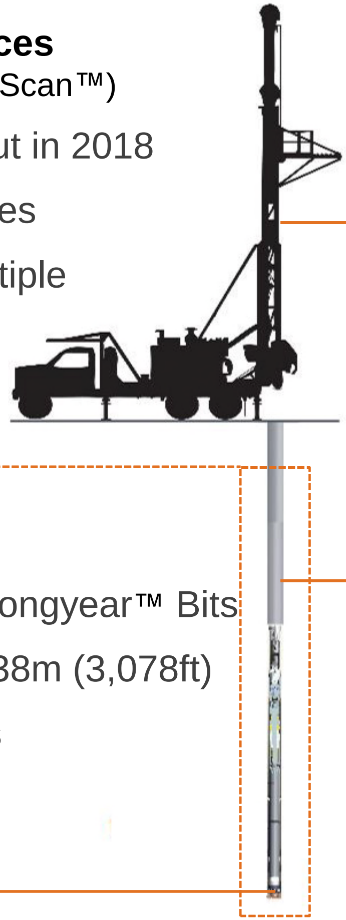
LTIR
0.10
(2017 – 0.22) [1]

TCIR
1.90
(2017 - 1.62) [1]

Leading innovation in the industry
- Improving drill productivity and data collection

Geological Data Services
(TruCore™, TruShot™, TruScan™)

- TruShot™ global rollout in 2018
- Doubled GDS revenues
- TruScan™ now at multiple customer sites



Drilling Rigs with FREEDOM™ Loader Hands-Free Rod Handling

- Demand for hands-free rod management increasing
- Doubled LF™160 production
- LF™160 now available in Africa

Longyear™ Bits

- Launched full range Longyear™ Bits
- Yellow Bit achieved 938m (3,078ft)
- 70% increase in sales

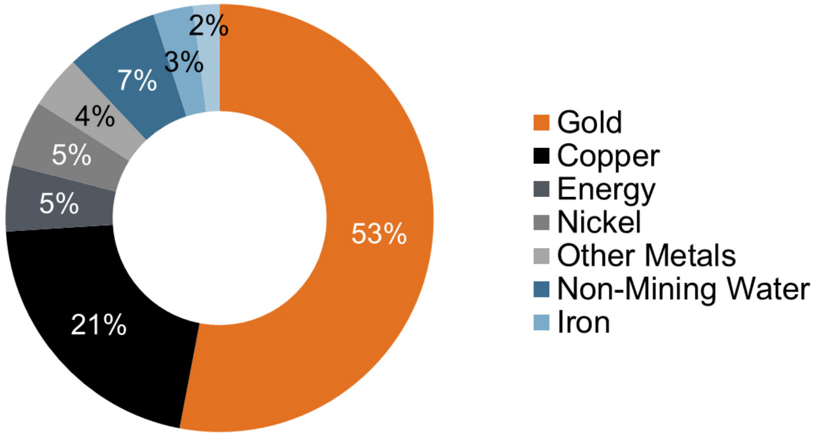
XQ™ Coring Rods

- XQ™ Coring Rods launched
- Successful drill depth of >3,000m
- Industry standard for “Tough” Holes

Drilling Services: 2018 Operations

Key Financials (US $M):	FY 2018	FY 2017	Change Fav / (Unfav)
Revenue	534	501	7%
COGS	448	429	-4%
SG&A	26	30	15%
EBITDA	83	69	20%
EBITDA as % of Revenue	*16%*	*14%*	

Revenue by Commodity



2018 Financial Highlights

- **VOLUMES** – 9% Increase after eliminating FX and discontinued operations.
- **PRICING** – Up >2% over 2017
- **EBITDA** – Up 20% via volume and productivity increases

2018 Operating Highlights

- **SAFETY** – Fewest Lost Time Injuries (4) and lost working days (127) since listing on ASX
- **OPERATING SHIFTS** – Total shifts worked increased by >7%
- **PRODUCTIVITY** – 2% Labour reduction as a % of Revenue

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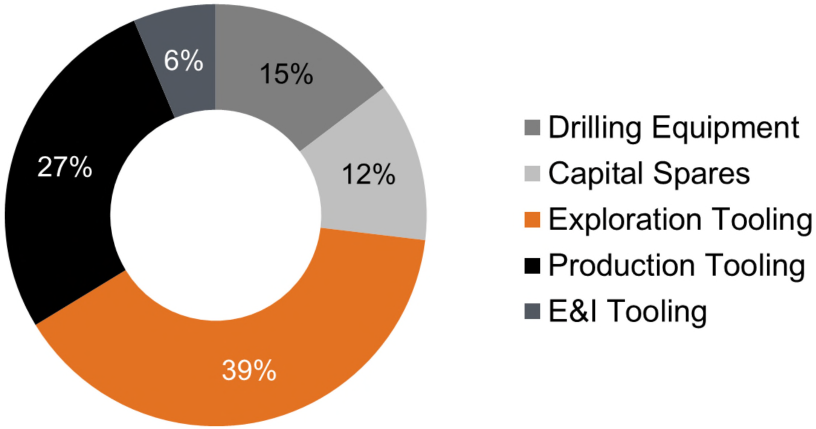
Global Products: 2018 Operations

Key Financials (US $M):	FY 2018	FY 2017	Change Fav / (Unfav)
Revenue	237	239	-1%
COGS	180	197	8%
SG&A	31	37	16%
EBITDA	31	11	172%
EBITDA as % of Revenue	*13%*	*5%*	
Pro Forma[4] Revenue (US $M)	**FY 2018**	**FY 2017**	**Change Fav / (Unfav)**
Sales to BLY Drilling Services	56	55	2%
Pro Forma Revenue	293	293	0%

Revenue by Product Category



2018 Financial Highlights

- **VOLUMES** – 15% Increase after eliminating FX, discontinued operations and slow moving inventory sales completed in 2017
- **PRICING** – Up >2% over 2017 with several prices increases
- **EBITDA** – Almost tripled through margin improvement and continued cost management

2018 Operating Highlights

- **DEMAND INCREASING** – Manufacturing backlog increased 7%
- **INFLATIONARY MANAGEMENT INITIATIVES** – realigned supply to minimize global tariff impacts
- **MANUFACTURING CAPACITY** – Created space to allow 50% additional output
- **NEW PRODUCT INTRODUCTIONS** – Rolled out new XQ coring rods, Longyear Bits and finalized development of DriftMaster™ percussive rods

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2018 Results
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Miguel Desdin– Chief Financial Officer

FY18 – FINANCIAL METRICS
- Significant improvement in all financial performance metrics

VOLUMES	PROFITABILITY	OPERATING CASH FLOW	NET WORKING CAPITAL
+12.5% **After eliminating impacts of FX, discontinued operations and slow moving inventory**	US$ **81M** (2017 – US$43M) Adjusted EBITDA[2]	US$ **4M** (2017 – Neg $54M) **First reported positive net cash flow provided by operating activities since 2013 Financial Year**	**30.9%** **of SALES** **(3.7% of Sales improvement over 2017)**

CAPITAL DEPLOYED	NET DEBT	CASH RETURN ON INVESTMENT	RATING OUTLOOK
US$ **39M** **Investment in Organic opportunities**	US$ **683M** (2017 – US$599M) **Net Debt/EBITDA Leverage 8.5x (2017 – 13.9x)**	**9.6%** **(2017 – 4.8%)**	**Moody's** **Caa2** **Outlook - Stable** **S&P** **CCC+** **Outlook - Stable**

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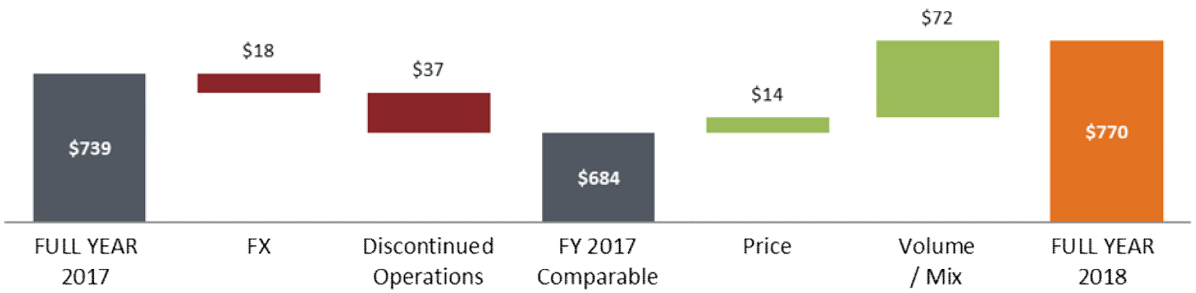
Consolidated Results Summary: 2018

Volumes increasing

(US $M) **Consolidated Revenue Bridge**

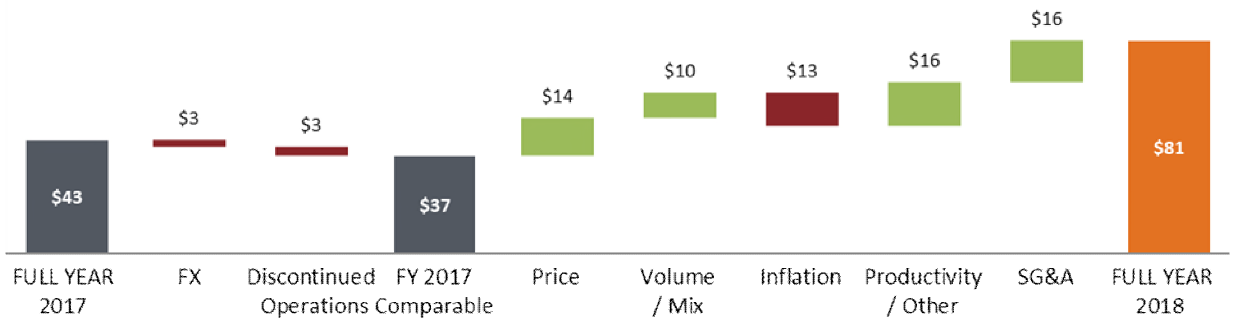


- Excluding FX, discontinued operations and slow moving inventory sales, revenue increased $86M (12.5%)
- Visible increase in bidding activity in both Drilling Services and Products

Consolidated Results Summary: 2018

Continued operational improvements

(US $M) **Consolidated Adjusted EBITDA[2] Bridge**



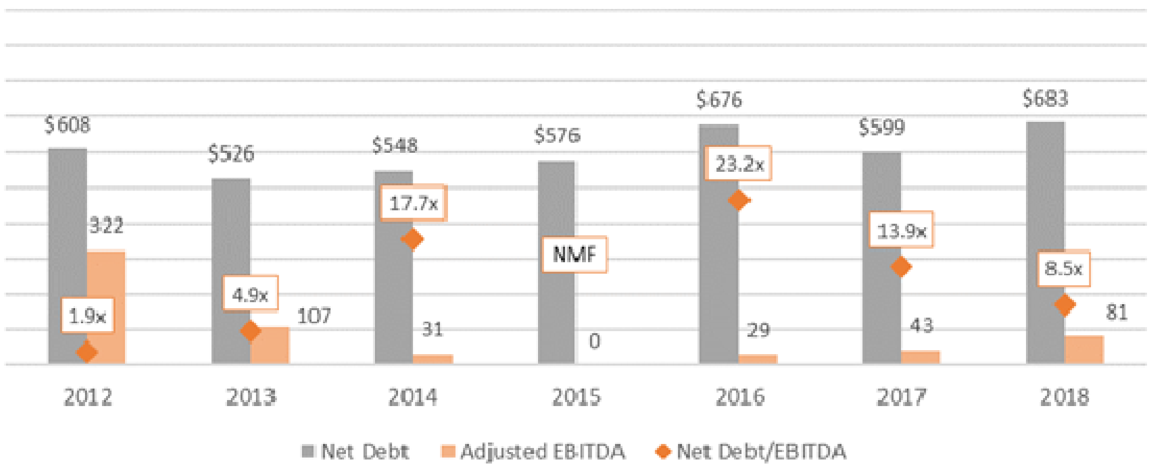
Adjusted EBITDA[2] up $38M (88%) driven by:

- Flow through from increased volumes and price improvements
- Improvements from ongoing productivity initiatives
- Further reduction in SG&A

Balance Sheet Improvement

Met objectives to improve Net Debt Leverage

(US $M) **Net Debt Leverage**

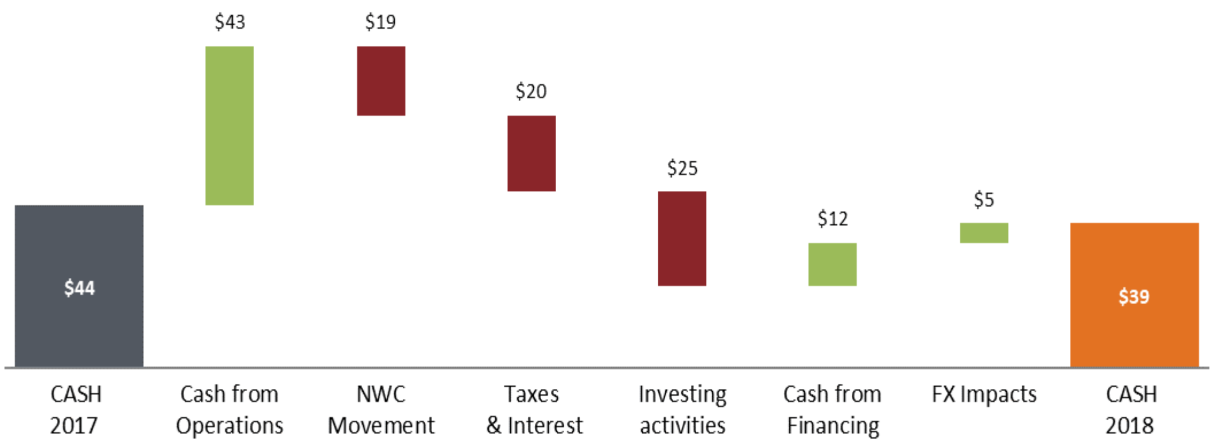


- Net Debt increasing with interest capitalising to debt through 2018
- Net Debt/Adj EBITDA improved 5.4x
- Average Cost of Interest falls to 8% in 2019 (9.5% in 2018)
- Approximately 50% of Interest converts to cash pay for 2019

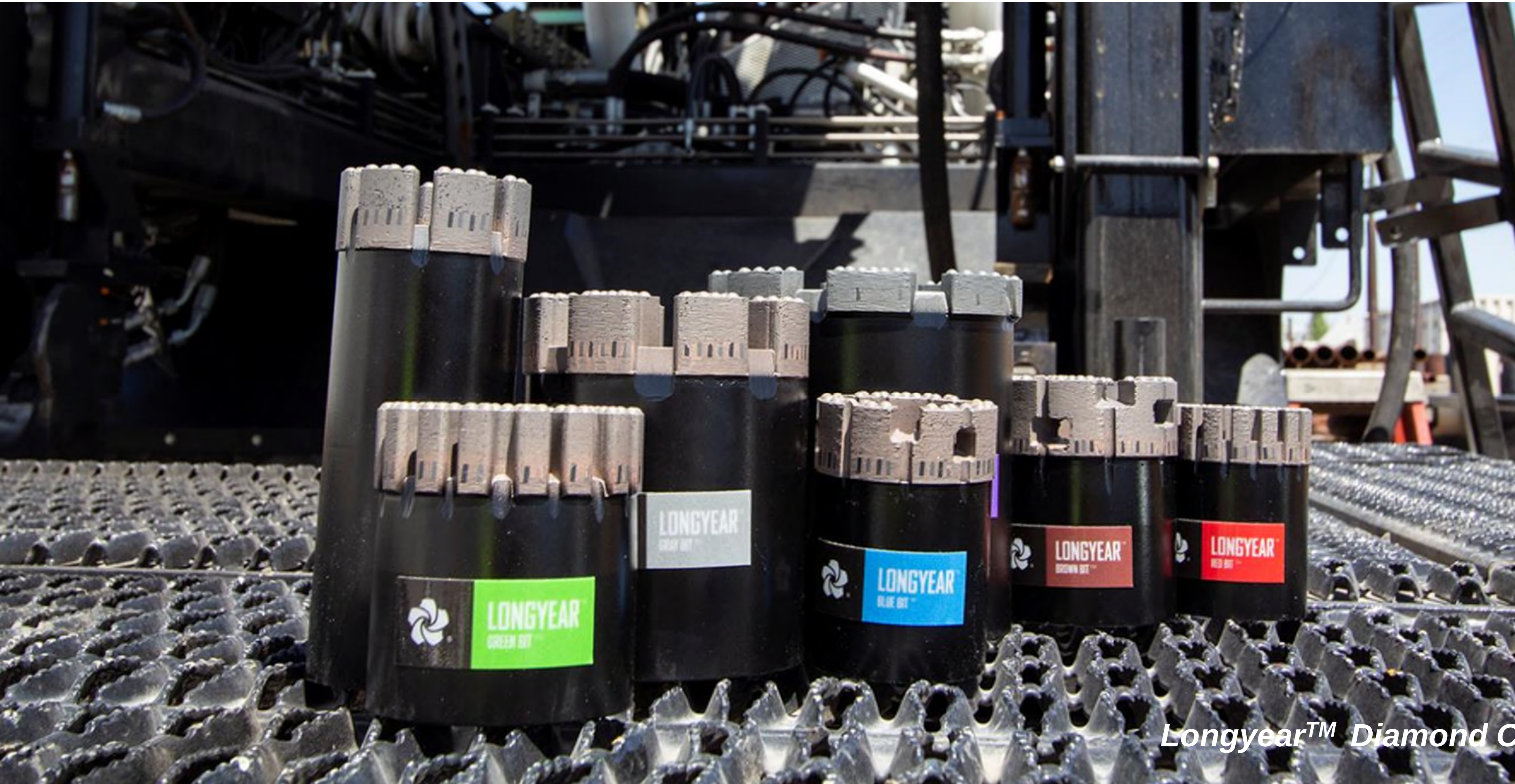
Balance Sheet Improvement

Met objectives to improve Liquidity

(US $M) **Cash Flow Management**



- First positive net cash flow provided by operating activities since 2013 Financial Year
- Investing activities continued through 2018



Longyear™ Diamond Coring Bits

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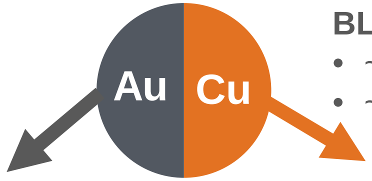
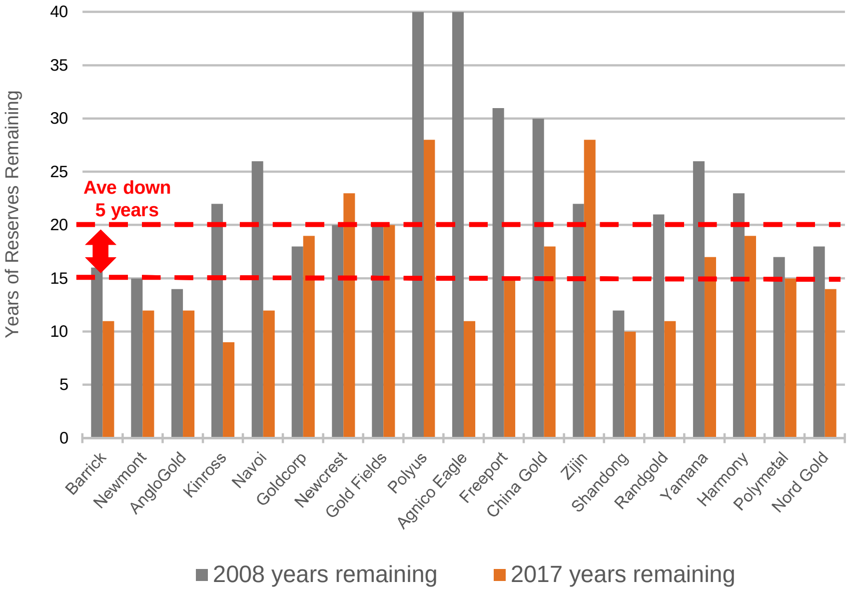
Jeff Olsen – Business Overview

Stronger Leading Indicators
- Significant improvement in key customer metrics and sector outlook

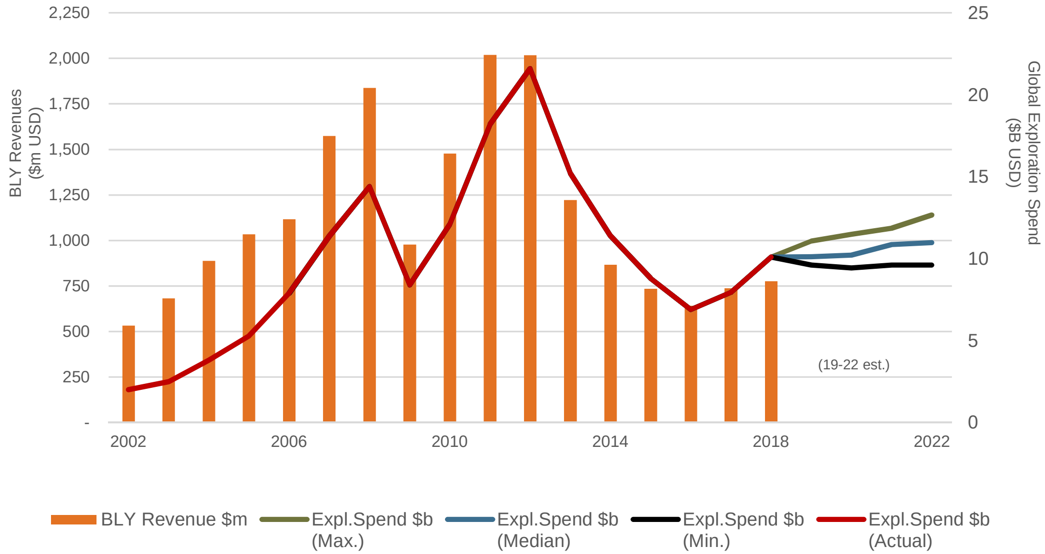


BLY Revenues
- ~50% Gold
- ~50% Other Minerals (~21% Copper)

MAJORS GOLD RESERVES DEPLETING[5]
25% reduction in average years of reserves since 2008



EXPLORATION SPEND TRENDING UPWARD[5]
19% budget increase in 2018; positive forward consensus



Source: S&P Global Market Intelligence.

Expect further delivery on Strategic Objectives

We build our customers' orebody knowledge

Conclusion

Boart Longyear is running well

- Adjusted EBITDA up 87% on 4% increased revenue over 2017
- Adjusted EBITDA up US$81 Million on 5% revenue increase over 4 years ago

Market

Our markets are improving

- Shortage in reserves
- Improved balance sheet of customers
- Market improvement de-coupling from economic activity

Balance Sheet

Debt levels still too high

- Generating cash through operations
- Continuing to invest in growth & productivity

Year Ahead

2019 a "Watershed Year"

- Substantial improvement in operating and financial performance expected
- New Data Tools (GDS) becoming a meaningful profitable business division

Questions?

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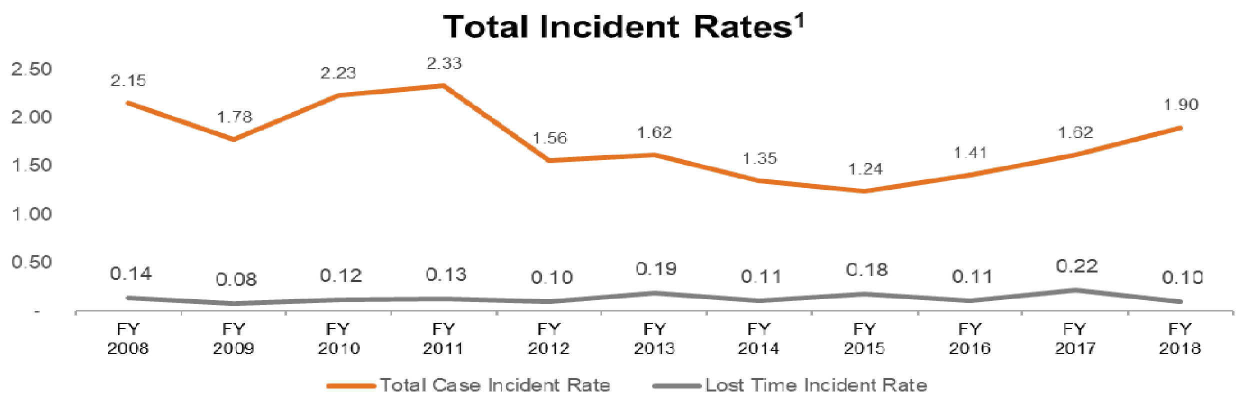
2018 Results
February 2019
Appendix

Safety & Environment

Leading safety performance focused on continuous improvement



Leading safety performance KPI's

- LTIR – 0.10
- TCIR – 1.90

Safety Performance

- 2018 Lost time incidents – 5 (vs 11 LTI's over same period 2017)
- Total case incident rate - Moderate increase

Continuous Improvement

The following key initiatives were designed to address performance issues, based on root cause analysis:

- Standards simplification project - designed to drive improved accountability
- GEMS Mobile App upgrade and Inspection Data Recording – to deliver real-time information
- Soft-Start Initiative – Implemented to address potential beginning of year safety concerns
- Drill Crews take 15 minutes every 2 hours to reassess potential hazards
- Resulted in a 40% decrease in reported incidents from January 2017

"Our goal is to add value with zero harm – leading our industry with our employees returning home safely each day and performing our work with minimal impact to our neighbours or the environment."

Year-Over-Year Comparison

Strong focus on productivity and cost control in improving market

Statutory

(US $M except EPS)	FY 2018	FY 2017	Change Fav / (Unfav)
Revenue	770	739	4%
Gross Margin	131	111	19%
GM as % of Revenue	*17%*	*15%*	
Operating Margin	18	(88)	NMF
OM as % of Revenue	*2%*	*-12%*	
EBITDA	54	(37)	NMF
EBITDA as % of Revenue	*7%*	*-5%*	
NPAT	(44)	(150)	71%
NPAT as % of Revenue	*-6%*	*-20%*	
EPS (cents)	(0.2)	(1.6)	88%

Adjusted[2]

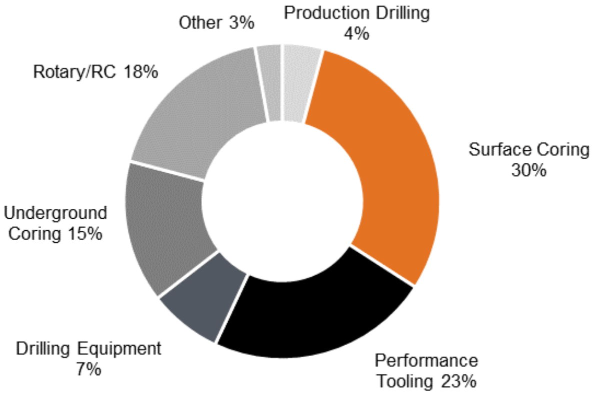
(US $M)	FY 2018	FY 2017	Change Fav / (Unfav)
Revenue	770	739	4%
Adjusted Gross Margin	142	113	26%
Adj. GM as % of Revenue	*18%*	*15%*	
Adjusted Operating Margin	44	(8)	NMF
Adj. OM as % of Revenue	*6%*	*-1%*	
Adjusted EBITDA	81	43	87%
Adj. EBITDA as % of Revenue	*10%*	*6%*	

Key Performance Indicators by Quarter

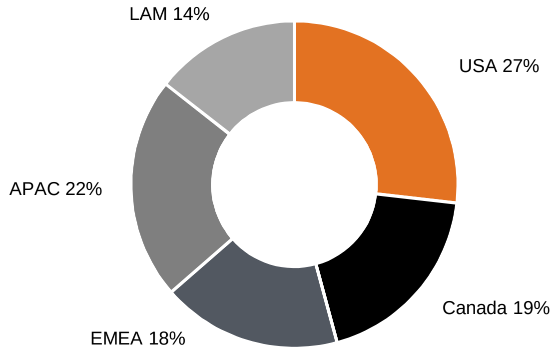
	Quarters ended 2018				Quarters ended 2017				Quarters ended 2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total Company												
Revenue (US$ millions)	180.1	196.4	206.4	187.8	183.7	199.2	192.5	163.7	156.9	175.0	168.7	141.8
EBITDA (US$ millions)	5.1	20.7	15.3	13.0	(20.1)	(4.5)	(7.6)	(4.4)	(15.3)	13.8	15.5	(12.4)
Adjusted EBITDA[2] (US$ millions)	19.7	24.4	21.1	15.5	5.8	15.9	12.8	8.6	1.3	17.2	19.8	(6.3)
Operating Profit (Loss)	(3.0)	10.7	9.6	0.3	(27.5)	(21.5)	(16.9)	(21.8)	(25.5)	(5.5)	3.4	(33.2)
Profit (Loss) from Trading Activities	12.1	19.8	22.6	0.5	7.1	4.0	7.4	(8.5)	(7.7)	(0.8)	7.8	(23.2)
Net cash flows (used in) provided by operating activities	17.2	(1.5)	(12.0)	-	37.9	(34.2)	(18.3)	(39.4)	5.5	16.6	(22.5)	(50.0)
Net Debt (US$ millions)	682.5	667.2	649.7	615.7	598.9	595.8	753.2	718.4	675.8	674.3	670.1	639.6
Adjusted SG&A[2](US$ millions)	22.2	20.6	21.7	23.0	20.2	28.6	27.2	27.4	28.7	28.1	28.9	27.0
# of employees	4,637	4,754	4,990	4,882	4,604	4,812	4,636	4,444	4,337	4,626	4,629	4,611
Global Drilling Services												
Revenue (US$ millions)	126.6	140.2	145.2	121.7	122.6	136.6	134.1	107.3	104.5	123.7	122.2	97.3
EBITDA (US$ millions)	19.7	24.3	27.1	11.8	11.0	23.8	23.8	10.5	8.2	20.0	21.5	1.9
Average # of drill rigs	685	672	672	677	702	715	718	739	878	878	889	911
Average rig utilisation	43%	47%	49%	44%	43%	46%	45%	37%	32%	35%	34%	28%
# of employees	3,406	3,544	3,763	3,647	3,320	3,511	3,338	3,146	3,011	3,307	3,349	3,300
Global Products												
Revenue (US$ millions)	53.5	56.2	61.2	66.1	61.0	62.7	58.4	56.4	52.4	51.3	46.5	44.5
EBITDA (US$ millions)	6.7	8.9	7.9	7.4	(0.2)	5.8	(0.1)	5.8	2.1	5.2	4.3	1.8
Average backlog (US$ millions)	27.9	22.9	29.9	32.0	31.3	27.0	23.7	21.7	19.3	12.8	11.3	14.9
# of employees	927	930	946	947	976	979	983	974	1,001	988	960	974

Diversified End-Market Exposure

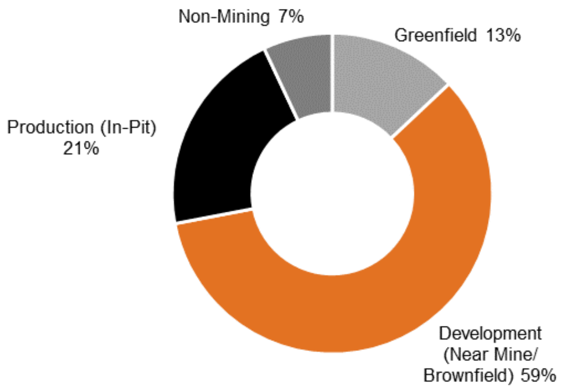
Revenue by Type – Products & Services



Revenue by Region – Products & Services



Drilling Services Revenue by Stage



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Footnote Disclosures

- ***Footnote 1:*** Per 200,000 work hours.
- ***Footnote 2:*** Loss from Trading Activities, Adjusted Gross Margin, Adjusted Operating Loss, Adjusted SG&A, Adjusted EBITDA and are non-IFRS measures and are used internally by management to assess the underlying performance of the business and have been derived from the Company's financial results by adding back significant items (i.e., charges relating to recapitalization, impairments, restructuring, and employee and related costs). In the case of Pro Forma Adjusted EBITDA, additional adjustments are made to account for one-time items. In the case of Loss from Trading Activities, adjustments are made to Adjusted Operating Loss to remove other expense/income.
- ***Footnote 3*****:** Volume has been calculated on a comparable basis and eliminates impacts of FX, discontinued operations and slow moving inventory.
- ***Footnote 4:*** Transactions between segments are carried out at arm's length and are eliminated on consolidation.
- ***Footnote 5*****:** Source: S&P Global Market Intelligence.