FY 2016 Results
February 2017
Jeff Olsen – CEO
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- Due care and attention should be undertaken when considering and analysing the financial performance of the Company.

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

Footnotes referred to throughout presentation are described on slide 27
FY 2016 Summary
(Results compared to FY 2015, except as otherwise indicated)

- **Safety**
  - Lost time incident rate (LTIR) at 0.11 – 39% improvement over FY 2015 reflects success at mitigating significant risks
  - Moderate increase in total case incident rate (TCIR) – still among the lowest in the industry at 1.41
  - No fatalities; 6 lost time incidents

- **Adjusted EBITDA**
  - Up $32M despite a $93M (13%) drop in revenue
  - Adjusted COGS down $105M (16%); adjusted SG&A down $10M (8%)

- **Cash from Operating Activities**
  - Used $5M less cash despite revenue decline ($50M used in FY 2016 vs. $55M used in FY 2015)

- **Productivity**
  - 12% improvement in drill meters per shift
  - 9% improvement in meters per hour
  - Reduction in non-billable time

- **Business Environment**
  - Gold up 16% as of 23 February 2017 – Gold represented 57% of Drilling Services revenue in FY 2016
  - Copper up 31% as of 23 February 2017 – Copper represented 17% of Drilling Services revenue
  - Equity raisings by junior miners at strongest levels since 2012
Drilling Services Productivity Initiative Update

Shift Productivity

Drill Rate

Meters per Shift

- FY 2015
- FY 2016

+ 12%

Meters per Hour

- FY 2015
- FY 2016

+ 9%

- Tracking key metrics daily
- Results reported and highly visible throughout company
- Coaching and performance management for underperformers

Productivity initiative driving measurable improvements with customers
Productivity & cost controls are improving results

Significant improvement in EBITDA and cash despite revenue decline
## Becoming a data provider, not just a driller

### Today
- Data acquisition done by third parties at our rigs
- Assay done off-site
- Slow, costly and not user-friendly for our customers

### Future
- Core orientation, core logging, survey and assay all done by our crews at the rig
- Direct data feed into customer databases
- Instantaneous, low-cost and user-friendly

### Status

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>TruCore™ (Core Orientation)</td>
<td>Successfully launched in 2015</td>
<td></td>
</tr>
<tr>
<td>TruShot™ (Down-hole Survey)</td>
<td>Rolling out soon in Australia</td>
<td></td>
</tr>
<tr>
<td>TruProbe™ (Down-hole Geophysics)</td>
<td>Field testing and working well</td>
<td></td>
</tr>
<tr>
<td>TruScan™ (On-site Assay)</td>
<td>Field testing and working well</td>
<td></td>
</tr>
</tbody>
</table>
Financial Overview
Brendan Ryan – CFO
Revenue

- Revenue down $93M, driven primarily by volume and FX
- Demand relatively stable in underground and production drilling applications
- Increase in bidding activity

EBITDA

- Adjusted EBITDA up $32M, driven by cost control and increased productivity
- Adjusted COGS down $105M; adjusted SG&A down $10M

Net Profit After Tax

- Adjusted NPAT improved by $24M
- No dividend to be paid
### Year-Over-Year Comparison

<table>
<thead>
<tr>
<th>Statutory</th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
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<tbody>
<tr>
<td>(US $M except EPS)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>642</td>
<td>735</td>
<td>-13%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>86</td>
<td>0</td>
<td>NMF</td>
</tr>
<tr>
<td>GM as % of Revenue</td>
<td>13%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Operating Margin</td>
<td>(61)</td>
<td>(199)</td>
<td>69%</td>
</tr>
<tr>
<td>OM as % of Revenue</td>
<td>-9%</td>
<td>-27%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>2</td>
<td>(115)</td>
<td>NMF</td>
</tr>
<tr>
<td>EBITDA as % of Revenue</td>
<td>0%</td>
<td>-16%</td>
<td></td>
</tr>
<tr>
<td>NPAT</td>
<td>(157)</td>
<td>(326)</td>
<td>52%</td>
</tr>
<tr>
<td>NPAT as % of Revenue</td>
<td>-24%</td>
<td>-44%</td>
<td></td>
</tr>
<tr>
<td>EPS (cents)</td>
<td>(16.8)</td>
<td>(36.0)</td>
<td>53%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted²</th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US $M)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>642</td>
<td>735</td>
<td>-13%</td>
</tr>
<tr>
<td>Adjusted Gross Margin</td>
<td>89</td>
<td>77</td>
<td>16%</td>
</tr>
<tr>
<td>Adj. GM as % of Revenue</td>
<td>14%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Adjusted Operating Margin</td>
<td>(33)</td>
<td>(101)</td>
<td>67%</td>
</tr>
<tr>
<td>Adj. OM as % of Revenue</td>
<td>-5%</td>
<td>-14%</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>32</td>
<td>(0)</td>
<td>NMF</td>
</tr>
<tr>
<td>Adj. EBITDA as % of Revenue</td>
<td>5%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Adjusted NPAT</td>
<td>(108)</td>
<td>(132)</td>
<td>18%</td>
</tr>
<tr>
<td>Adj. NPAT as % of Revenue</td>
<td>-17%</td>
<td>-18%</td>
<td></td>
</tr>
</tbody>
</table>

Tight cost control and productivity initiatives are driving margin improvement

FY 2016 Results – See page 27 for footnote descriptions
Consolidated Overview: FY 2016
Volume and price declines offset by operational improvements

Consolidated Revenue Bridge

(US $M)

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FX</th>
<th>FY 2015 Flexed</th>
<th>Price</th>
<th>Volume / Mix</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Revenue</td>
<td>735</td>
<td>(18)</td>
<td>717</td>
<td>(14)</td>
<td>(61)</td>
<td>642</td>
</tr>
</tbody>
</table>

Consolidated Adjusted EBITDA² Bridge

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FX</th>
<th>FY 2015 Flexed</th>
<th>Price</th>
<th>Volume / Mix</th>
<th>Productivity</th>
<th>Other Items</th>
<th>SG&amp;A</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Adjusted EBITDA²</td>
<td>(0)</td>
<td>(1)</td>
<td>(1)</td>
<td>(14)</td>
<td>(18)</td>
<td>38</td>
<td>17</td>
<td>10</td>
<td>32</td>
</tr>
</tbody>
</table>

FY 2016 Results – See page 27 for footnote descriptions
Working capital release in 2H 2016 consistent with seasonality of business

Total liquidity as of 31 December 2016 was $64M ($5M available under ABL)
Drilling Services: FY 2016 Operations
Productivity improvements offset lower volumes

Key Financials (US $M):  
<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>448</td>
<td>528</td>
<td>-15%</td>
</tr>
<tr>
<td>COGS</td>
<td>401</td>
<td>493</td>
<td>19%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>32</td>
<td>38</td>
<td>15%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>52</td>
<td>41</td>
<td>26%</td>
</tr>
<tr>
<td>EBITDA as % of Revenue</td>
<td>12%</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

Key Performance Indicators  
<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Operating Rigs&lt;sup&gt;3&lt;/sup&gt;</td>
<td>287</td>
<td>331</td>
<td>-13%</td>
</tr>
<tr>
<td>Headcount (period-end)</td>
<td>3,011</td>
<td>3,127</td>
<td>4%</td>
</tr>
</tbody>
</table>

Note: ~300 employees were reclassified from Products to Drilling Services in 1H 2016.

- Revenue down 15% from FY 2015 (volume driven)
- FX and price also factors
- EBITDA up 26% despite significantly lower revenue; driven by improved productivity and lower costs
Drilling Services: Revenue by Commodity
Gold and copper drive bulk of revenue

- FY 2014:
  - Gold: 45%
  - Copper: 19%
  - Other Metals: 9%
  - Other: 7%
  - Energy: 6%
  - Iron: 6%
  - Nickel: 4%
  - Non-Mining Water: 2%

- FY 2015:
  - Gold: 47%
  - Copper: 21%
  - Other Metals: 5%
  - Other: 5%
  - Energy: 8%
  - Iron: 2%
  - Nickel: 6%
  - Non-Mining Water: 4%

- FY 2016:
  - Gold: 57%
  - Copper: 17%
  - Other Metals: 5%
  - Other: 2%
  - Energy: 6%
  - Iron: 4%
  - Nickel: 6%
  - Non-Mining Water: 3%

FY 2016 Results – See page 27 for footnote descriptions
Global Products: FY 2016 Operations

Headwinds from FX offset by cost control

Key Financials (US $M):

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>195</td>
<td>207</td>
<td>-6%</td>
</tr>
<tr>
<td>COGS</td>
<td>152</td>
<td>166</td>
<td>8%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>37</td>
<td>36</td>
<td>-4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>13</td>
<td>14</td>
<td>-7%</td>
</tr>
<tr>
<td><strong>EBITDA as % of Revenue</strong></td>
<td>7%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

Pro Forma Revenue (US $M):

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales to BLY Drilling Services</td>
<td>58</td>
<td>53</td>
<td>10%</td>
</tr>
<tr>
<td>Pro Forma Revenue</td>
<td>252</td>
<td>260</td>
<td>-3%</td>
</tr>
</tbody>
</table>

Key Performance Indicators

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2015</th>
<th>Change Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Backlog (US $M)</td>
<td>15</td>
<td>17</td>
<td>-13%</td>
</tr>
<tr>
<td>Headcount (period-end)</td>
<td>1,001</td>
<td>1,258</td>
<td>20%</td>
</tr>
</tbody>
</table>

Note: ~300 employees were reclassified from Products to Drilling Services in 1H 2016.

- Revenue down 6% from FY 2015 (FX driven)
- Price and volume down slightly
- EBITDA down due to volume decline
- Strategic additions to sales force
Update on Capital Structure Review

- We continue to work with our lenders and advisors to create a sustainable capital structure.

- While the process is incomplete and the outcome is uncertain, we have made significant progress.

- Primary objectives include reducing our debt, securing additional liquidity, and extending maturities on our debt.

- Will likely require existing debt holders to convert all or part of their debt to equity, which will be highly dilutive to existing shareholders.

- Lenders will likely have significant governance rights and control.

- We are committed to expeditiously pursuing the best possible outcomes for all stakeholders – will announce any material updates.
Conclusion
Positive signs in recent commodity trends...

Long-Term Commodity Trends

- **Gold ($/oz.)**
- **Copper ($/MT)**
- **Iron Ore ($/MT)**

Recent Commodity Trends (since Jan-16)

- **Gold ($/oz.)** + 16%
- **Copper ($/MT)** + 31%
- **Iron Ore ($/MT)** + 116%

FY 2016 Results – See page 27 for footnote descriptions
...as well as positive movements in mining equities and junior equity raisings

MSCI World Metals & Mining Index

Equity Raisings by Junior Miners (Q3 2012 - Q4 2016)

Note: “Juniors” defined as mining companies with a market cap of less than $500M
We remain committed to our Strategic Priorities

- **Safety**
  - Continue to be an industry leader

- **Operations**
  - Continue to improve on the productivity gains we have made in the last year

- **Technology**
  - Focused on acquiring data from our drill holes and delivering to customers in a faster, lower-cost and user-friendly format

- **Cash / Debt**
  - Continued improvements in our operating performance combined with better volumes from an improving market to achieve our goal of being cash positive in 2017
  - Improve capital structure in a way that balances the interests of all stakeholders
Questions?
Safety & Environment

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 neighbors or the environment.

• Safety Performance
  o Improvement in lost time incident rate
  o Moderate increase in total case incident rate
  o No fatalities; 6 lost time incidents during the year

• Proactive Safety Culture
  o Focused field leadership interactions with field employees and other initiatives covering significant areas of risk

• Continual Improvement
  o Focus on significant incident root cause analysis and corrective actions, supported by operations-centric incident reviews

Improvement in lost time safety performance in FY 2016 and no fatalities
### Key Performance Indicators by Quarter

<table>
<thead>
<tr>
<th></th>
<th>Quarters ended 2016</th>
<th>Quarters ended 2015</th>
<th>Quarters ended 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q4</td>
<td>Q3</td>
<td>Q2</td>
</tr>
<tr>
<td><strong>Total Company</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (US$ millions)</td>
<td>156.9</td>
<td>175.0</td>
<td>168.7</td>
</tr>
<tr>
<td>Net cash flows (used in) provided by operating activities</td>
<td>5.5</td>
<td>16.6</td>
<td>(22.5)</td>
</tr>
<tr>
<td>Net Debt (US$ millions)</td>
<td>675.8</td>
<td>674.3</td>
<td>670.1</td>
</tr>
<tr>
<td>Adjusted SG&amp;A (US$ millions)</td>
<td>28.7</td>
<td>28.1</td>
<td>28.9</td>
</tr>
<tr>
<td># of employees</td>
<td>4,337</td>
<td>4,626</td>
<td>4,629</td>
</tr>
<tr>
<td><strong>Global Drilling Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (US$ millions)</td>
<td>104.5</td>
<td>123.7</td>
<td>122.2</td>
</tr>
<tr>
<td>EBITDA (US$ millions)</td>
<td>8.2</td>
<td>20.0</td>
<td>21.5</td>
</tr>
<tr>
<td>Average rig utilisation</td>
<td>32%</td>
<td>35%</td>
<td>34%</td>
</tr>
<tr>
<td>Average # of drill rigs</td>
<td>878</td>
<td>878</td>
<td>889</td>
</tr>
<tr>
<td><strong>Global Products</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (US$ millions)</td>
<td>52.4</td>
<td>51.3</td>
<td>46.5</td>
</tr>
<tr>
<td>EBITDA (US$ millions)</td>
<td>2.1</td>
<td>5.2</td>
<td>4.3</td>
</tr>
<tr>
<td>Average backlog (US$ millions)</td>
<td>19.3</td>
<td>12.8</td>
<td>11.3</td>
</tr>
<tr>
<td># of employees</td>
<td>1,001</td>
<td>988</td>
<td>960</td>
</tr>
</tbody>
</table>
Diversified End-Market Exposure

FY 2016 Total Revenue by Type – Products & Services

- Rotary/RC: 21%
- Surface Coring: 24%
- Drilling Equipment: 7%
- Performance Tooling: 23%
- Other: 6%
- Production Drilling: 5%

FY 2016 Total Revenue by Region – Products & Services

- USA: 27%
- APAC: 25%
- EMEA: 16%
- Canada: 19%
- LAM: 13%

FY 2016 Drilling Services Revenue by Stage

- Production (In-Pit): 23%
- Development (Near Mine/Brownfield): 56%
- Greenfield: 13%
- Non-Mining: 8%

FY 2016 Drilling Services Revenue by Commodity

- Gold: 57%
- Copper: 17%
- Energy: 6%
- Nickel: 6%
- Non-Mining: 4%
- Other Metals: 5%
- Other: 2%
- Iron: 3%
Debt Maturity Schedule

(US $M)

If Term Loan – Tranche B and 10% Senior Secured Notes have not been refinanced prior to July 2018, ABL maturity accelerates to 2018 (in advance of Term Loan – Tranche B and 10% Notes) instead of 2020.
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 Adjusted NPAT Loss 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 recapitalisation, 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 Adjusted NPAT, additional adjustments are made to account for the tax effect of significant items and other tax write-offs and, in the case of Loss from Trading Activities, adjustments are made to Adjusted Operating Loss to remove other expense/income.

- **Footnote 3**: Operating rigs defined as the number of weekly operating rigs generating revenue. Utilisation figures based on operating rigs divided by rigs held in the fleet.

- **Footnote 4**: Transactions between segments are carried out at arm’s length and are eliminated on consolidation.

- **Footnote 5**: Source: Bloomberg.