TruScan™ Prototype

FY 2016 Results

February 2017

Jeff Olsen – CEO

BOART LONGYEAR™

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- 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

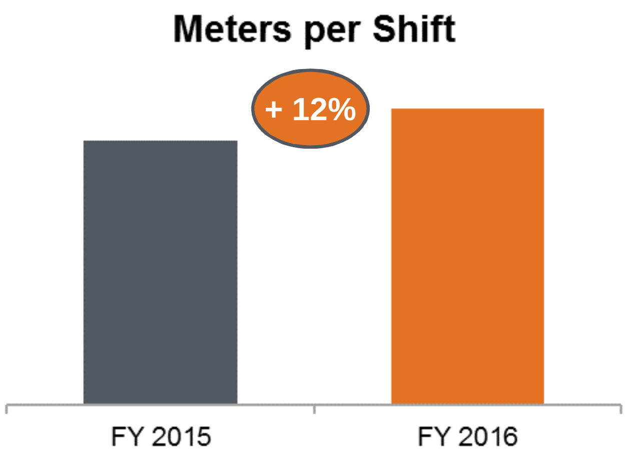
FY 2016 Summary

(Results compared to FY 2015, except as otherwise indicated)

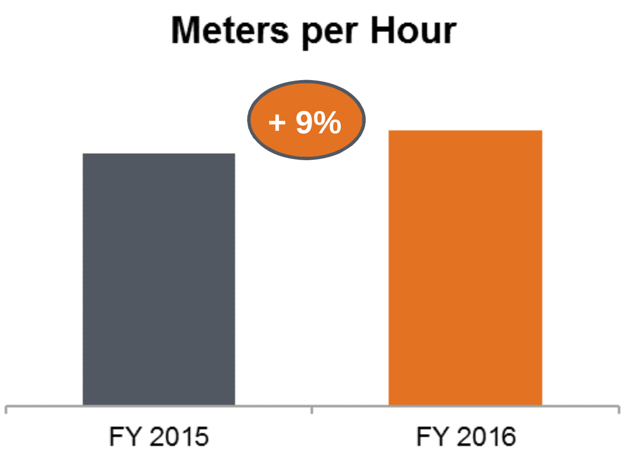
- **Safety**[1]
  - Lost time incident rate (LTIR) at 0.11 – 39% improvement over FY 2015 reflects success at mitigating significant risks
  - Moderate increase in total case incident rate (TCIR) – still among the lowest in the industry at 1.41
  - No fatalities; 6 lost time incidents
- **Adjusted EBITDA**
  - 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



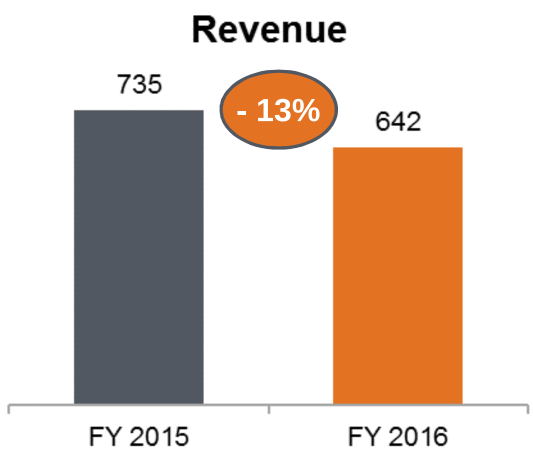
Drill Rate

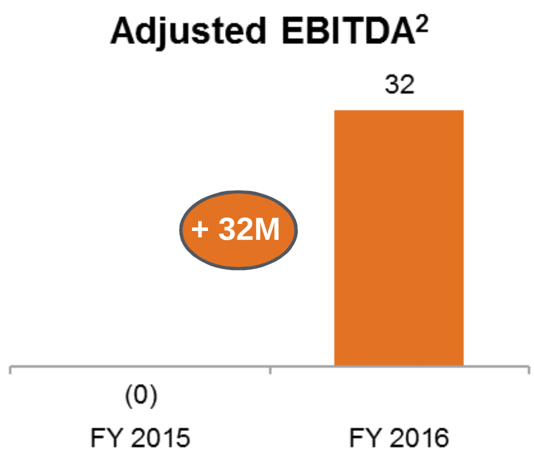


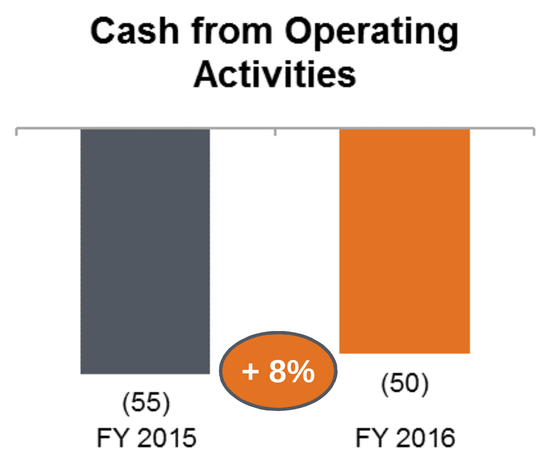
- Tracking key metrics daily
- Results reported and highly visible throughout company
- Coaching and performance management for underperformers

Productivity initiative driving measureable 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

	**TruCore™**	(Core Orientation)	Successfully launched in 2015
	**TruShot™**	(Down-hole Survey)	Rolling out soon in Australia
	**TruProbe™**	(Down-hole Geophysics)	Field testing and working well
	**TruScan™**	(On-site Assay)	Field testing and working well

LF™160 and Freedom™ Loader

Financial Overview

Brendan Ryan – CFO

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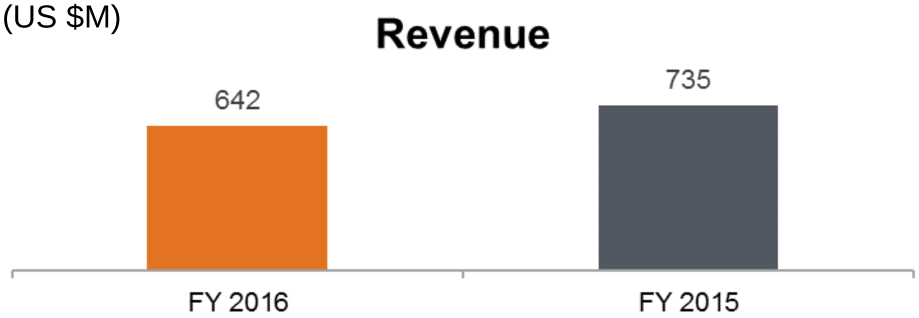
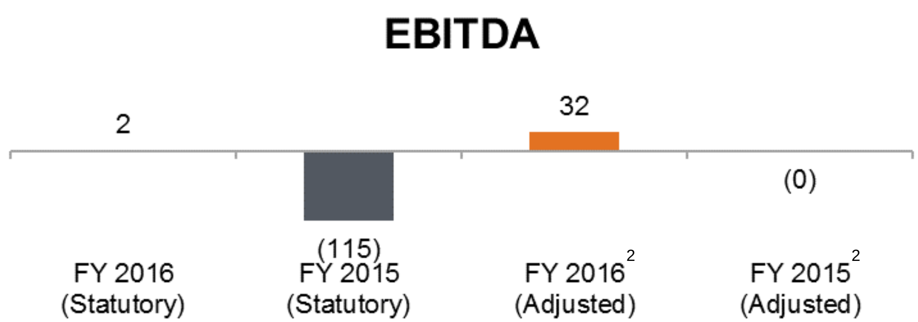
Consolidated Results Summary: FY 2016

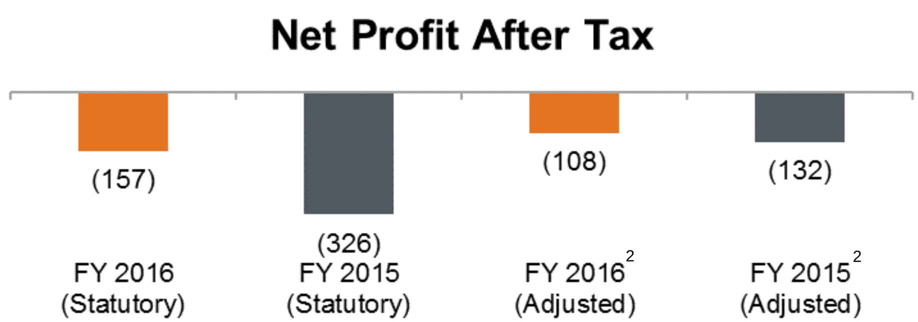
(US $M)



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



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



- Adjusted NPAT improved by $24M
- No dividend to be paid

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Year-Over-Year Comparison

Statutory

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

Adjusted[2]

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

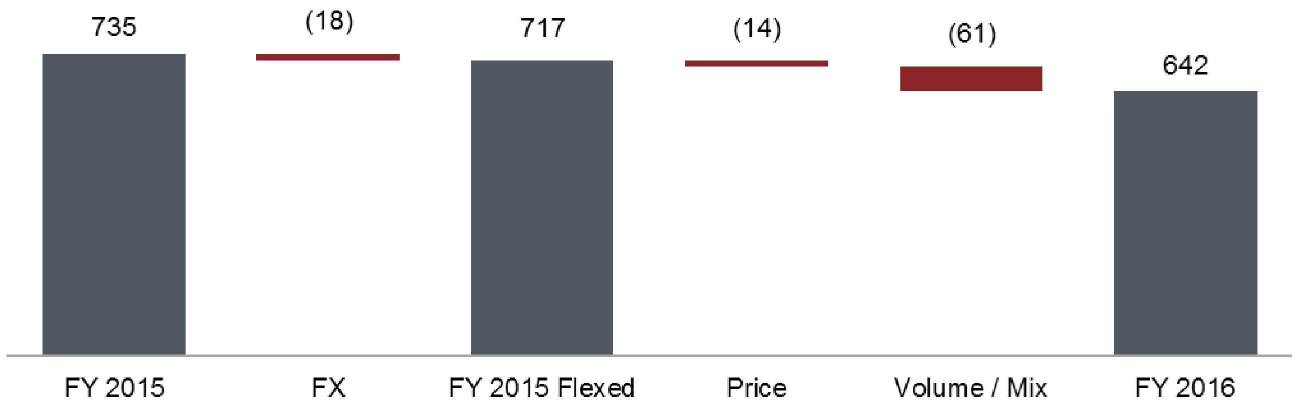
Tight cost control and productivity initiatives are driving margin improvement

Consolidated Overview: FY 2016

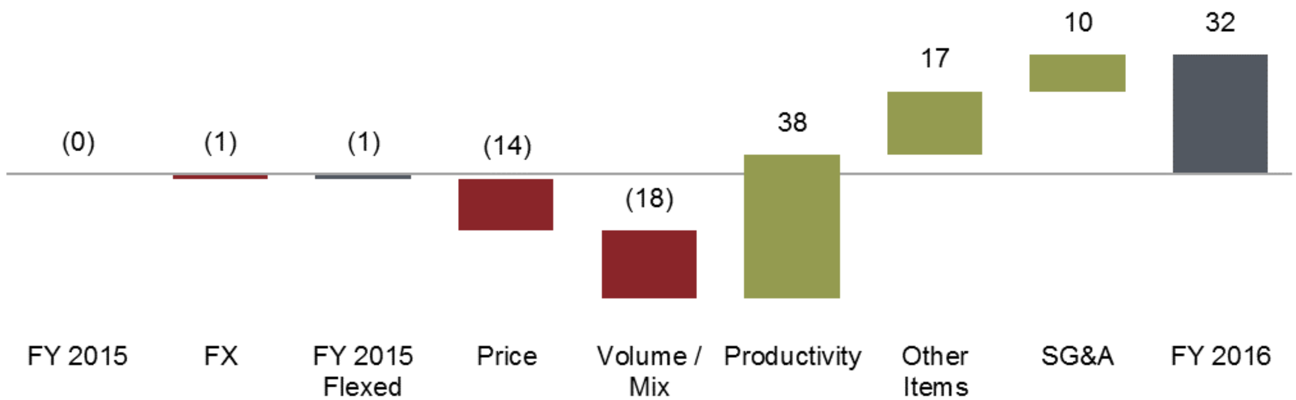
Volume and price declines offset by operational improvements

(US $M)

Consolidated Revenue Bridge

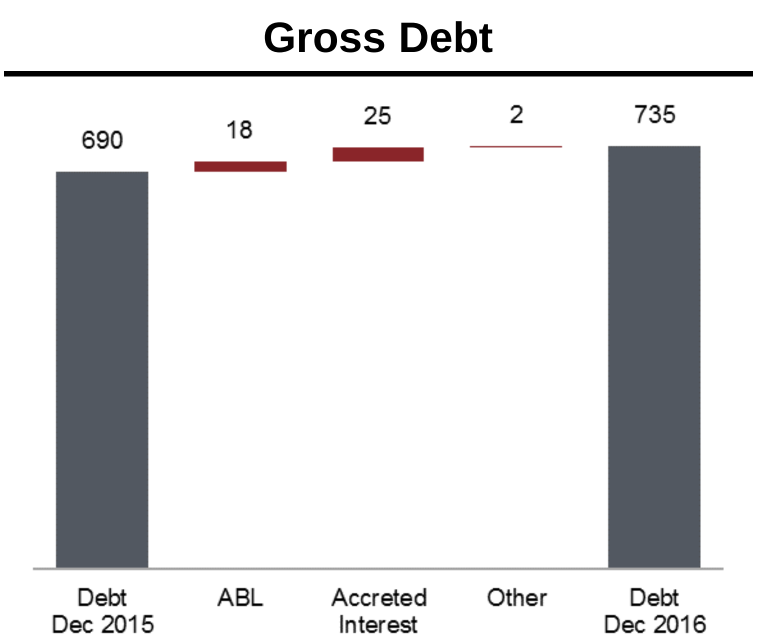


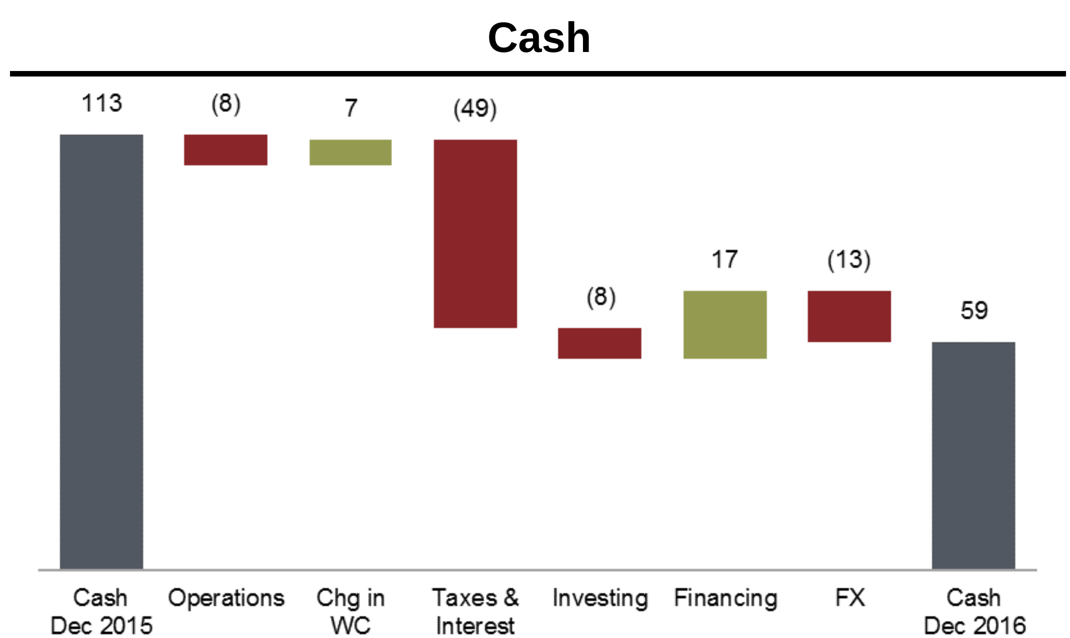
Consolidated Adjusted EBITDA[2] Bridge



Debt and Cash Bridges

(US $M)





- Working capital release in 2H 2016 consistent with seasonality of business
- Total liquidity as of 31 December 2016 was $64M ($5M available under ABL)

Business Overview

Jeff Olsen – CEO

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Drilling Services: FY 2016 Operations

Productivity improvements offset lower volumes

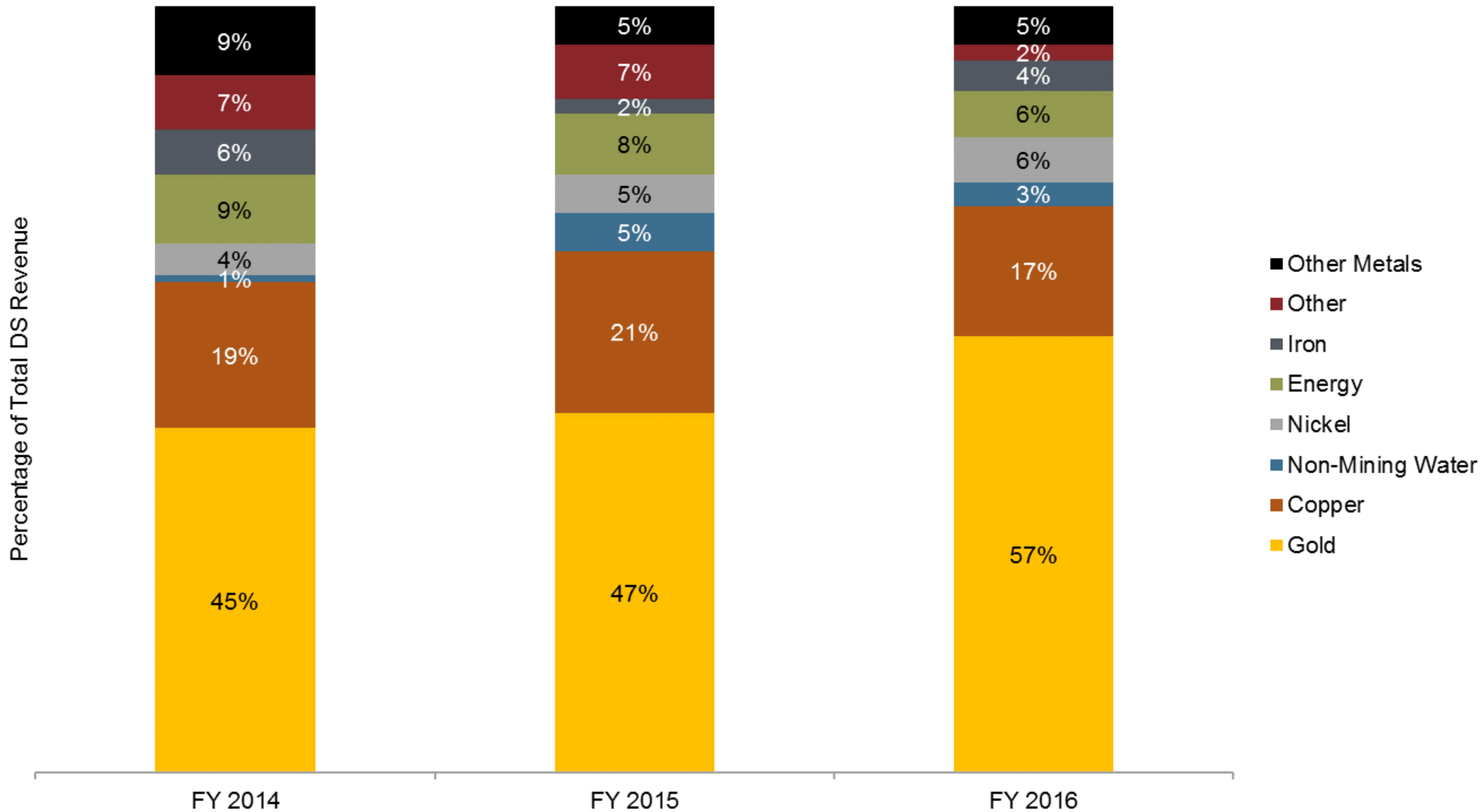
Key Financials (US $M):	FY 2016	FY 2015	Change Fav / (Unfav)
Revenue	448	528	-15%
COGS	401	493	19%
SG&A	32	38	15%
EBITDA	52	41	26%
EBITDA as % of Revenue	*12%*	*8%*	

Key Performance Indicators	FY 2016	FY 2015	Change Fav / (Unfav)
Average Operating Rigs[3]	287	331	-13%
Headcount (period-end)	3,011	3,127	4%

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



Global Products: FY 2016 Operations

Headwinds from FX offset by cost control

Key Financials (US $M):	FY 2016	FY 2015	Change Fav / (Unfav)
Revenue	195	207	-6%
COGS	152	166	8%
SG&A	37	36	-4%
EBITDA	13	14	-7%
EBITDA as % of Revenue	*7%*	*7%*	
Pro Forma[4] Revenue (US $M)	**FY 2016**	**FY 2015**	**Change Fav / (Unfav)**
Sales to BLY Drilling Services	58	53	10%
Pro Forma Revenue	252	260	-3%

Key Performance Indicators	FY 2016	FY 2015	Change Fav / (Unfav)
Average Backlog (US $M)	15	17	-13%
Headcount (period-end)	1,001	1,258	20%

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

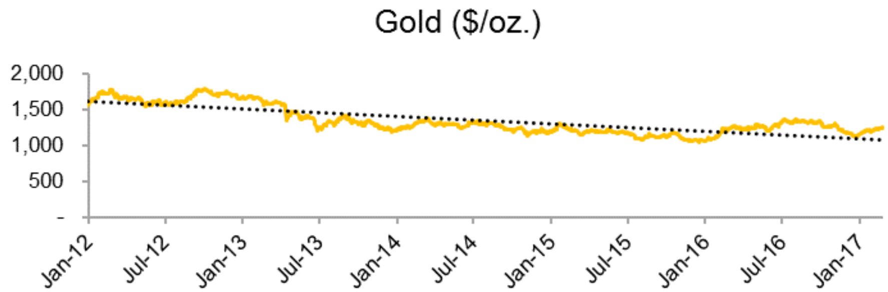
- We continue to work with our lenders and advisors to create a sustainable capital structure
- While the process is incomplete and the outcome is uncertain, we have made significant progress
- Primary objectives include reducing our debt, securing additional liquidity, and extending maturities on our 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

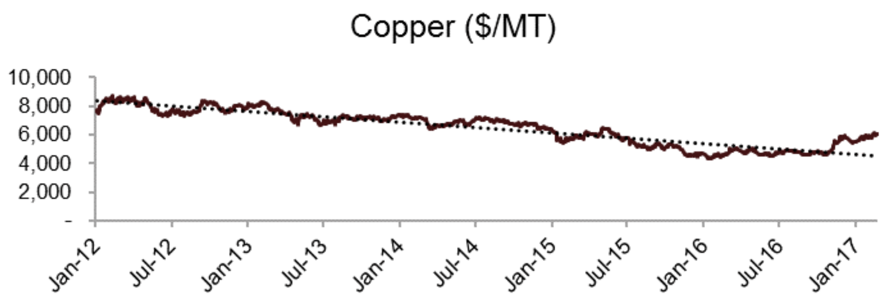
LR500 Rotary Drill Rig

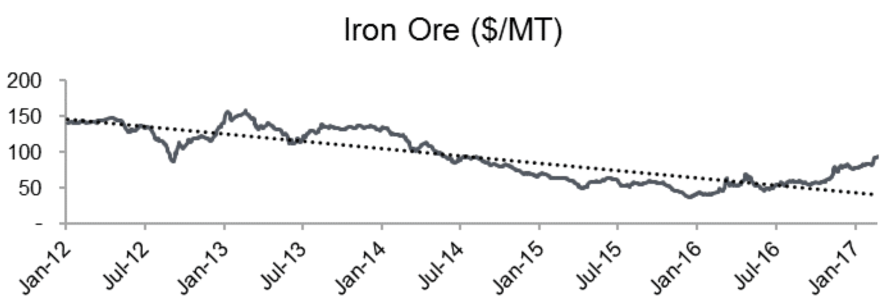
Conclusion

Positive signs in recent commodity trends…

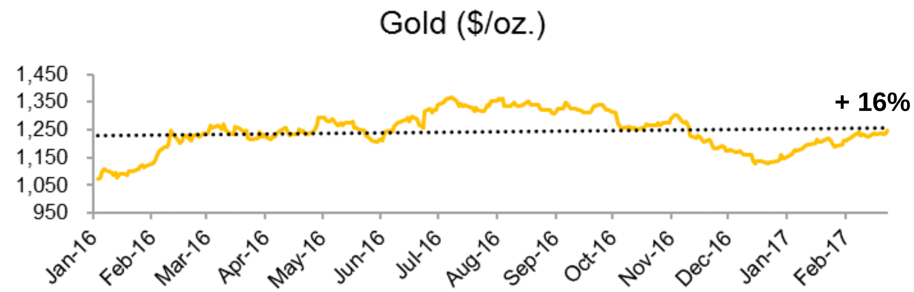
Long-Term Commodity Trends[5]

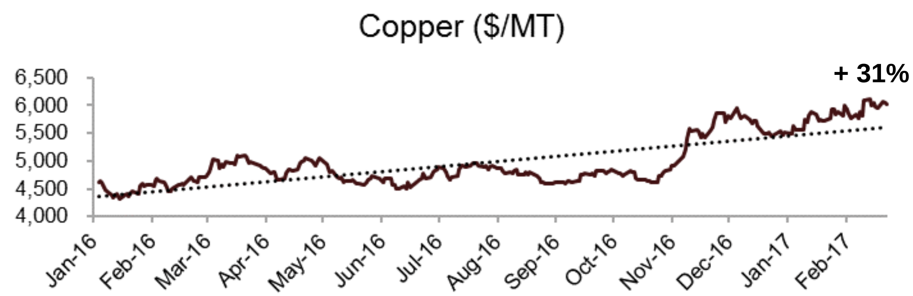


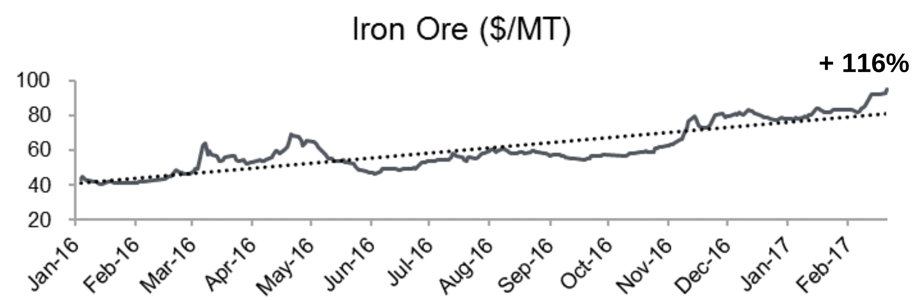




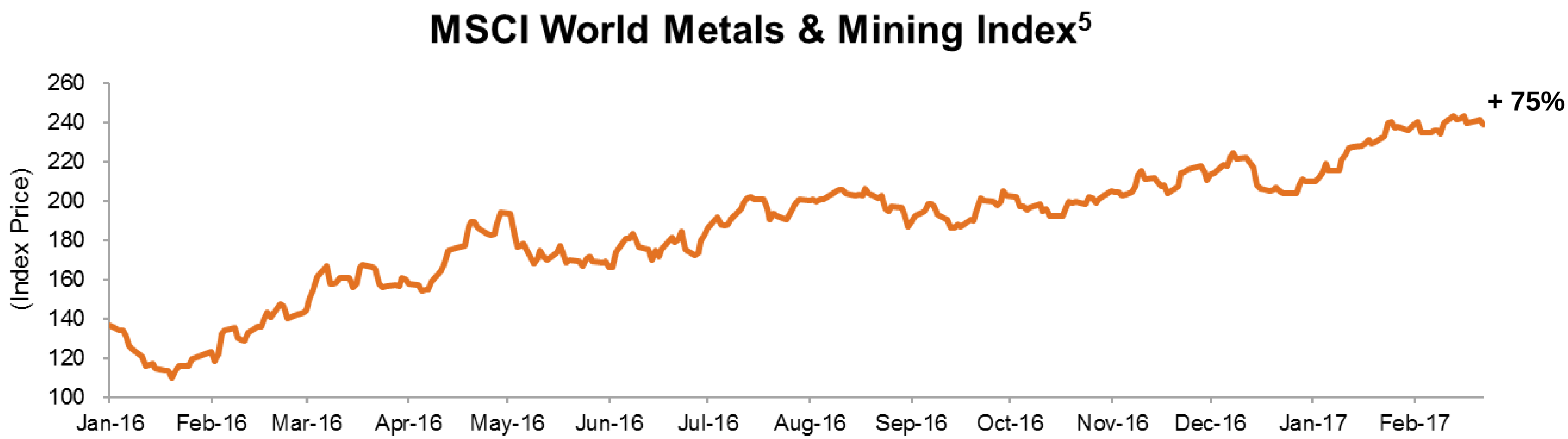
Recent Commodity Trends[5] (since Jan-16)

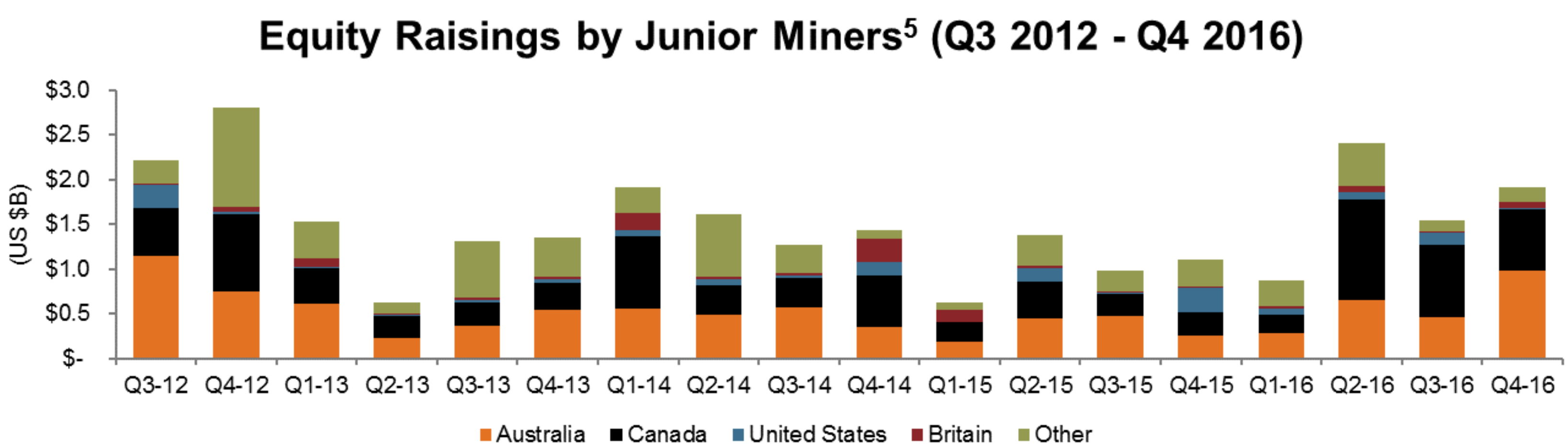






…as well as positive movements in mining equities and junior equity raisings





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?

Appendix

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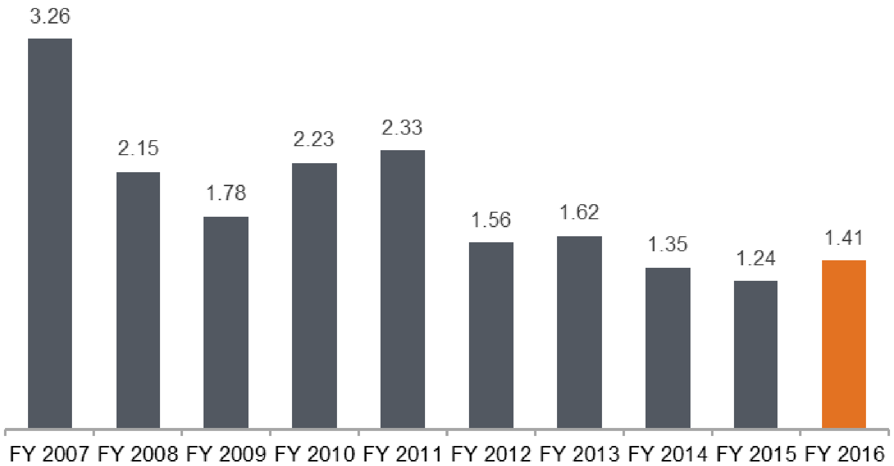
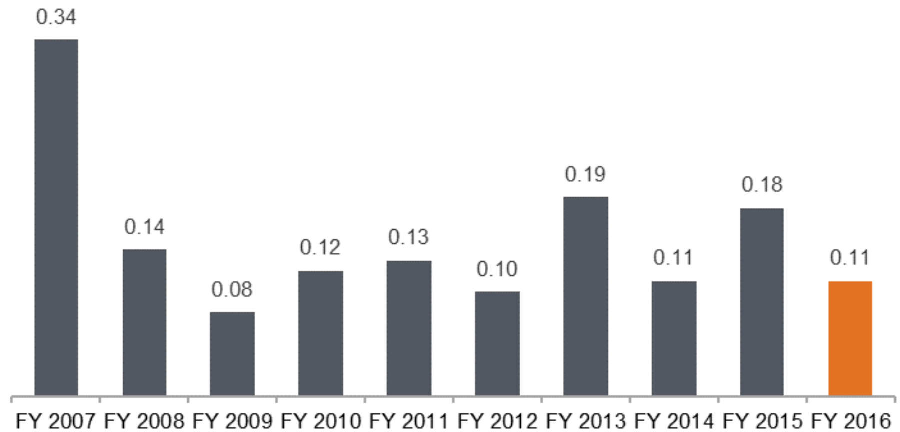
Safety & Environment

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.

Total Case Incident Rate[1]



Lost Time Incident Rate[1]



- **Safety Performance**
  - Improvement in lost time incident rate
  - Moderate increase in total case incident rate
  - No fatalities; 6 lost time incidents during the year
- **Proactive Safety Culture**
  - Focused field leadership interactions with field employees and other initiatives covering significant areas of risk
- **Continual Improvement**
  - Focus on significant incident root cause analysis and corrective actions, supported by operations-centric incident reviews

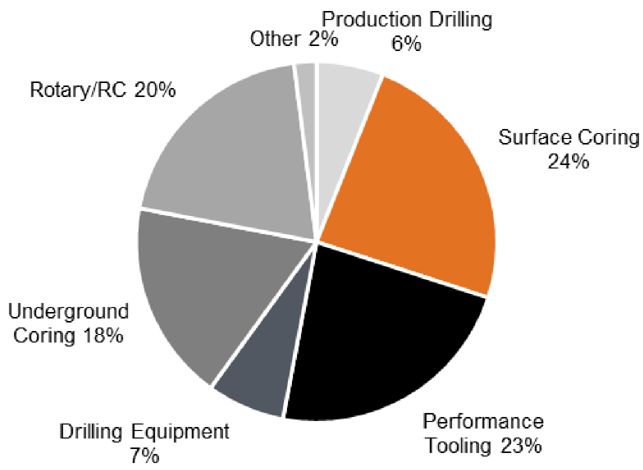
Improvement in lost time safety performance in FY 2016 and no fatalities

Key Performance Indicators by Quarter

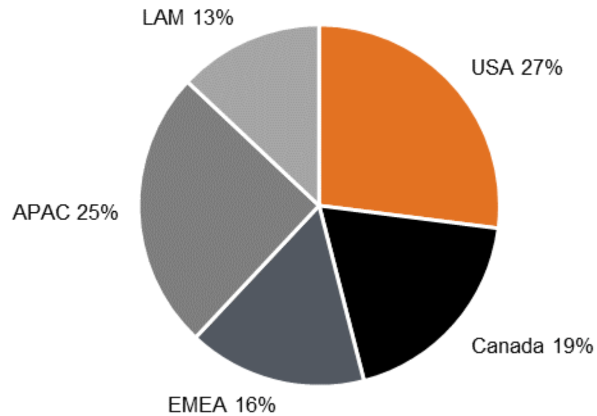
	Quarters ended 2016				Quarters ended 2015				Quarters ended 2014			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total Company												
Revenue (US$ millions)	156.9	175.0	168.7	141.8	160.9	186.8	200.3	187.2	205.8	239.3	224.1	197.4
EBITDA (US$ millions)	(15.3)	13.8	15.5	(12.4)	(75.2)	(0.7)	(25.2)	(14.2)	(61.9)	12.3	(31.1)	(1.9)
Adjusted EBITDA (US$ millions)	1.3	17.2	19.8	(6.3)	(4.9)	3.1	11.2	(9.5)	(3.2)	15.9	14.9	3.8
Operating Loss	(25.5)	(5.5)	3.4	(33.2)	(90.4)	(24.8)	(44.6)	(39.4)	(83.3)	(15.7)	(56.6)	(29.4)
(Loss) Profit from Trading Activities	(7.7)	(0.8)	7.8	(23.2)	(10.3)	(7.7)	(3.6)	(24.2)	(14.3)	(6.2)	(4.1)	(23.3)
Net cash flows (used in) provided by operating activities	5.5	16.6	(22.5)	(50.0)	28.2	2.0	(10.2)	(74.9)	(6.8)	10.1	(8.3)	(6.3)
Net Debt (US$ millions)	675.8	674.3	670.1	639.6	576.4	554.6	556.1	538.1	547.6	550.9	555.8	544.4
Adjusted SG&A (US$ millions)	28.7	28.1	28.9	27.0	28.3	31.0	32.5	30.6	31.6	32.7	34.6	32.7
# of employees	4,337	4,626	4,629	4,611	4,725	5,089	5,151	5,537	5,933	5,972	5,871	5,593
Global Drilling Services												
Revenue (US$ millions)	104.5	123.7	122.2	97.3	111.3	135.4	145.1	136.1	151.8	176.0	168.7	139.6
EBITDA (US$ millions)	8.2	20.0	21.5	1.9	3.0	15.8	18.1	4.0	9.1	22.9	25.4	11.2
Average rig utilisation	32%	35%	34%	28%	33%	37%	38%	35%	38%	40%	39%	32%
Average # of drill rigs	878	878	889	911	914	917	921	933	944	953	945	950
# of employees	3,011	3,307	3,349	3,300	3,127	3,420	3,478	3,833	4,172	4,208	4,130	3,874
Global Products												
Revenue (US$ millions)	52.4	51.3	46.5	44.5	49.6	51.4	55.2	51.1	53.9	63.3	55.4	57.8
EBITDA (US$ millions)	2.1	5.2	4.3	1.8	4.0	3.4	4.5	2.6	1.2	7.0	5.0	0.8
Average backlog (US$ millions)	19.3	12.8	11.3	14.9	13.3	16.7	18.4	18.9	19.3	20.3	16.9	15.2
# of employees	1,001	988	960	974	1,258	1,314	1,321	1,338	1,393	1,407	1,382	1,363

Diversified End-Market Exposure

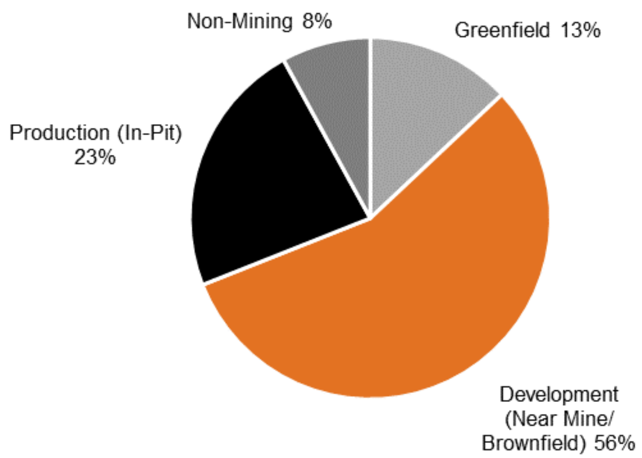
FY 2016 Total Revenue by Type – Products & Services



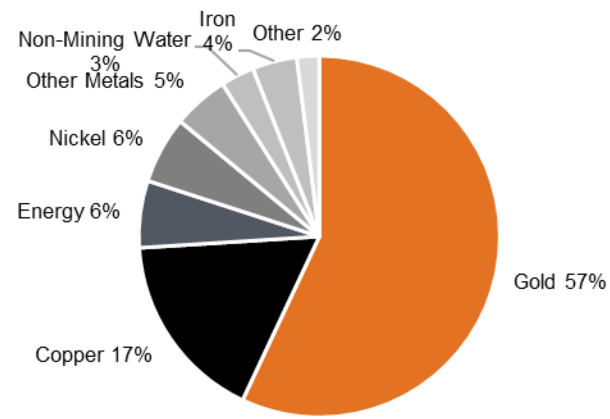
FY 2016 Total Revenue by Region – Products & Services



FY 2016 Drilling Services Revenue by Stage

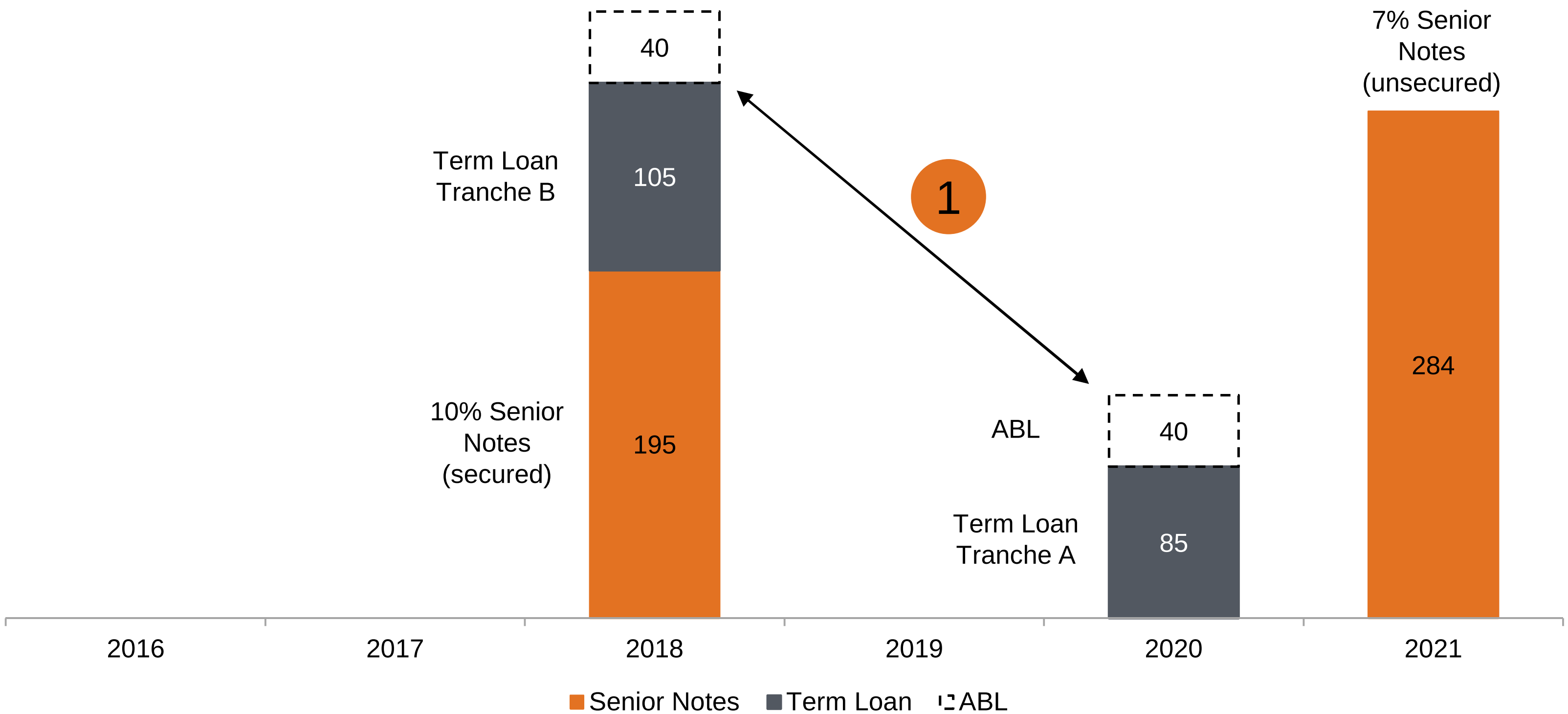


FY 2016 Drilling Services Revenue by Commodity



Debt Maturity Schedule

(US $M)



1 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.