Important Notice and Disclaimer

- This presentation has been prepared by Boart Longyear Limited, ABN 49 123 052 728 (Boart Longyear or the Company). It contains general information about the Company's activities as at the date of the presentation. It is information given in summary form and does not purport to be complete. The distribution of this presentation in jurisdictions outside Australia may be restricted by law, and you should observe any such restrictions.

- This presentation is not, and nothing in it should be construed as, an offer, invitation or recommendation in respect of securities, or an offer, invitation or recommendation to sell, or a solicitation of an offer to buy, securities in any jurisdiction. Neither this document nor anything in it shall form the basis of any contract or commitment. This presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any investor. All investors should consider such factors in consultation with a professional advisor of their choosing when deciding if an investment is appropriate.

- The Company has prepared this presentation based on information available to it, including information derived from public sources that have not been independently verified. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions expressed herein.

- This presentation includes forward-looking statements within the meaning of securities laws. Any forward-looking statements involve known and unknown risks and uncertainties, many of which are outside the control of the Company and its representatives. Forward-looking statements may also be based on estimates and assumptions with respect to future business decisions, which are subject to change. Any statements, assumptions, opinions or conclusions as to future matters may prove to be incorrect, and actual results, performance or achievement may vary materially from any projections and forward-looking statements.

- 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.
**FY 2017 Highlights**

- Improvement in operating performance and market outlook

---

**Leading safety performance focused on continuous improvement**

- LTIR – 0.22 (2016 – 0.11) \(^1\)
- TCIR – 1.62 (2016 - 1.41) \(^1\)
- Released global incident management protocols, learning management system (BITS) and associated training modules. Implemented global field level risk assessment program

**Delivered on significant productivity improvements across the organisation**

- Increasing utilisation and increased number of rigs in the field (7% Improvement)
- Ramping up manufacturing to meet increasing customer demands
- Optimisation of operation footprint focused on profitability
- Focus on delivering increased productivity at each drill site

**Improvement in key financial metrics**

- Completed recapitalisation to underwrite business and enable growth
- Delivered on the strategic objectives of reducing debt, extending maturities and improving liquidity
- Revenue up 15% to $739M driven by higher demand for services and products
- Gross Margin up 29% and Adj EBITDA up 35% on improved volumes and productivity

** Introduced innovative technologies**

- Advancing data services; TruCore™, TruShot™ and TruScan™
- Introduced new tooling to improve drill productivity
- Enhanced drill rig safety features
Advancing Drilling Equipment
- Continuing to deliver a safer and more productive drill rig

**LF™160 Rig and FREEDOM™ Loader**
(Surface Coring)

- 100% hands-free rod management for increased safety
- Ergonomic CE-certified controls

**MDR700 Mobile Drill Rig**
(Underground Coring)

- Semi-automated rod handling for safe and efficient operation
- Optional Drill Control Interface (DCI) for added safety and control

**LF™350E Rig**
(Surface Coring and Deep Hole exploration)

- Completely electronically controlled
- Meet demands of deepest diamond coring projects

FY 2017 Results – See page 20 for footnote descriptions
Leading innovation in the industry
- Developing tools to improve drill productivity and data collection

**Longyear™ Bits**
(Diamond Coring)

- Patented new diamond bonding technology
- Case study shows 23% increase in meters drilled/hour

**XQ™ Rods**
(Deep-hole Drilling)

- New patented thread design
- Increased strength and load capacity
- Designed for deep hole and rod handling applications

**TruScan™**
(On-site Assay)

- Proprietary XRF on-site assay technology by BLY trained techs
- Real time data and bridges gap between portable and lab
- Field tested

**TruShot™**
(Down-hole Survey)

- Launching in 2018
- Built in quality checks to save time and money

FY 2017 Results – See page 20 for footnote descriptions
Drilling Services: FY 2017 Operations
- Productivity improvements supported with higher volumes

2017 Financial Highlights

<table>
<thead>
<tr>
<th>Key Financials (US $M):</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>Change Favorable / Unfavorable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>501</td>
<td>448</td>
<td>12%</td>
</tr>
<tr>
<td>COGS</td>
<td>429</td>
<td>401</td>
<td>-7%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>30</td>
<td>32</td>
<td>6%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>69</td>
<td>52</td>
<td>33%</td>
</tr>
<tr>
<td>EBITDA as % of Revenue</td>
<td>14%</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

- **Revenue** - up 12% from FY2016 with clients extending their drilling campaigns late into the year
- **EBITDA** - up 33% driven by increased volume and improved productivity
- **Pricing** - remained stable during 2017 due to excess capacity
- **Commodities** - Gold and copper continue to be main source of revenues

2017 Operating Highlights

- **Operating Rigs** - Average number of operating rigs increased by 7% to 308 from 287
- **Rig Uptime** – Improved uptime through 2% reduction in non-value added time across fleet
- **Metrics** - KPI boards rolled out to all sites to monitor and report on customer focused metrics
- **Onboarding** - Implemented new onboarding training packages focused on identifying site hazards and risks

FY 2017 Results – See page 20 for footnote descriptions
2017 Financial Highlights

<table>
<thead>
<tr>
<th>Key Financials (US $M):</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>239</td>
<td>195</td>
<td>22%</td>
</tr>
<tr>
<td>COGS</td>
<td>197</td>
<td>152</td>
<td>-30%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>37</td>
<td>37</td>
<td>0%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>11</td>
<td>13</td>
<td>-16%</td>
</tr>
<tr>
<td>EBITDA as % of Revenue</td>
<td>5%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pro Forma Revenue (US $M)</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales to BLY Drilling Services</td>
<td>55</td>
<td>58</td>
<td>-5%</td>
</tr>
<tr>
<td>Pro Forma Revenue</td>
<td>293</td>
<td>252</td>
<td>16%</td>
</tr>
</tbody>
</table>

Revenue - up 22% from FY2016 with stronger H2 sales

Margin - Total margin impacted by lower margins from continued sales of surplus inventory

EBITDA - Underlying growth when removing one-time 2016 accounting adjustments

2017 Operating Highlights

- **Backlog** – Has increased by 73% from to $26M from $15M in December 2016

- **Mix** – Greatest increases seen in Exploration Tooling and Drill Rig sales

- **Throughput** – Doubled rod plant throughput to meet increased demand
**Consolidated Results Summary: FY 2017**

- Volume increasing along with continued operational improvements

**Consolidated Revenue Bridge**

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FX</th>
<th>FY 2016 Flexed</th>
<th>Price</th>
<th>Volume / Mix</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>642</td>
<td>8</td>
<td>650</td>
<td>(6)</td>
<td></td>
<td>739</td>
</tr>
</tbody>
</table>

- Revenue increased $97M (15%), driven by volume increases across both Drilling Services and Products
- Consecutive half on half increases in revenue since H12016
- Continued increase in bidding activity & product backlogs

**Consolidated Adjusted EBITDA\(^2\) Bridge**

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FX</th>
<th>FY 2016 Flexed</th>
<th>Price</th>
<th>Volume / Mix</th>
<th>Productivity</th>
<th>SG&amp;A</th>
<th>Other Items</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted</td>
<td>32</td>
<td>(8)</td>
<td>24</td>
<td>(6)</td>
<td>29</td>
<td>6</td>
<td>9</td>
<td>(19)</td>
<td>43</td>
</tr>
</tbody>
</table>

- Adjusted EBITDA up $11M (35%) driven by:
  - Flow through from increased volumes
  - Improvements from ongoing productivity initiatives
  - Further reduction in SG&A
- Statutory EBITDA lower Year on Year by $39M

**Net Profit After Tax\(^2\)**

<table>
<thead>
<tr>
<th></th>
<th>FY 2016 (Statutory)</th>
<th>FY 2017 (Statutory)</th>
<th>FY 2016 (Adjusted)</th>
<th>FY 2017 (Adjusted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPAT</td>
<td>(157)</td>
<td>(150)</td>
<td>(108)</td>
<td>(58)</td>
</tr>
</tbody>
</table>

- Adjusted NPAT improved by $50M
- Statutory NPAT improved by $7M, impacted by one-off restructure costs
Year-Over-Year Comparison
- Strong focus on productivity and cost control in improving market

<table>
<thead>
<tr>
<th>Statutory</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>Change</th>
<th>Fav / (Unfav)</th>
<th>FY 2017</th>
<th>FY 2016</th>
<th>Change</th>
<th>Fav / (Unfav)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US $M except EPS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>739</td>
<td>642</td>
<td>15%</td>
<td></td>
<td>739</td>
<td>642</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>111</td>
<td>86</td>
<td>29%</td>
<td></td>
<td>113</td>
<td>89</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>GM as % of Revenue</td>
<td>15%</td>
<td>13%</td>
<td></td>
<td></td>
<td>15%</td>
<td>14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Margin</td>
<td>(88)</td>
<td>(61)</td>
<td>-44%</td>
<td></td>
<td>(8)</td>
<td>(33)</td>
<td>76%</td>
<td></td>
</tr>
<tr>
<td>OM as % of Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-12%</td>
<td>-9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>(37)</td>
<td>2</td>
<td>NMF</td>
<td></td>
<td>43</td>
<td>32</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>EBITDA as % of Revenue</td>
<td></td>
<td></td>
<td>-5%</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NPAT</td>
<td>(150)</td>
<td>(157)</td>
<td>4%</td>
<td></td>
<td>(58)</td>
<td>(108)</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>NPAT as % of Revenue</td>
<td>-20%</td>
<td>-24%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPS (cents)</td>
<td>(1.6)</td>
<td>(16.8)</td>
<td>90%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(US $M)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>739</td>
<td>642</td>
<td>15%</td>
<td></td>
<td>739</td>
<td>642</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Adjusted Gross Margin</td>
<td>113</td>
<td>89</td>
<td>27%</td>
<td></td>
<td>113</td>
<td>89</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>Adj. GM as % of Revenue</td>
<td>15%</td>
<td>14%</td>
<td></td>
<td></td>
<td>15%</td>
<td>14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Operating Margin</td>
<td>(8)</td>
<td>(33)</td>
<td>76%</td>
<td></td>
<td>(8)</td>
<td>(33)</td>
<td>76%</td>
<td></td>
</tr>
<tr>
<td>Adj. OM as % of Revenue</td>
<td></td>
<td></td>
<td>-1%</td>
<td>-5%</td>
<td></td>
<td></td>
<td>-1%</td>
<td>-5%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>43</td>
<td>32</td>
<td>35%</td>
<td></td>
<td>43</td>
<td>32</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>Adj. EBITDA as % of Revenue</td>
<td></td>
<td></td>
<td>6%</td>
<td>5%</td>
<td></td>
<td></td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Adjusted NPAT</td>
<td>(58)</td>
<td>(108)</td>
<td>47%</td>
<td></td>
<td>(58)</td>
<td>(108)</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Adj. NPAT as % of Revenue</td>
<td>-8%</td>
<td>-17%</td>
<td></td>
<td></td>
<td>-8%</td>
<td>-17%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY 2017 Results – See page 20 for footnote descriptions
Completed Recapitalisation
- Met objectives to reduce debt, improve liquidity and extend maturity

**Reduced Debt**

- Significant reduction in debt and future PIK rates
  - Converted $196M into Equity,
  - Further $88M reduced to 1.5% PIK
  - Reduced Term Loan PIK rate to 8% (from 2019 onwards)
- Expanded size of ABL facilities

**Extended Debt Maturities**

- Extended maturity of outstanding notes to December 2022
- ABL facilities extended to 2020

**Improved Liquidity Position**

- Improved the liquidity support for business
  - No cash interest payments due in 2018
  - Removed all future cash interest on unsecured notes
  - Expanded size of ABL facilities
- Working capital build in H2 2017 driven by growth in business
Business Overview
Jeff Olsen – Chief Executive Officer
Stronger Leading Indicators
- Significant improvement in key customer metrics and outlook

- Improvement of 99% in MSCI index since Q1 2016
- Suggests increasing investor interest in mining sector

- Mining industry debt ratings are improving
- Improved industry balance sheets will result in increased drilling activity for reserve / resource replenishment

- Junior equity raisings trending upwards
- Greater availability of funds for exploration activity
FY 2018 Strategic Objectives
- Build on the operational improvements delivered in 2017

**Safety**

**Continue to be an industry leader**
- Simplify safety systems and standards
- Implement soft start hazard risk program
- Expand onboarding program to include detailed technical training

**Remain focused on maintaining and growing customer relationships**
- Build on operational efficiency improvements made in 2017
- Focus on improved commercial systems, processes and strategy
- Build fleet readiness

**Operations**

**Customer is at the core of the company’s strategic priorities**
- Reduce costs and improve efficiencies with our drilling and products customers through new technologies and products
  - Launch additional digital technologies in 2018 including TruScan, our proprietary on-site XRF assaying technology
  - Launch new patented Longyear Bits
  - Launch patented XQ deep hole rods

**Technology**

**Create value through improved EBITDA**
- Improve performance through focus on costs, efficiencies and market growth opportunities
- Manage improved liquidity post restructuring, preparing for new opportunities
- Focus on managing working capital

*BOART LONGYEAR™*
Questions?
Our goal is to add value with zero harm – leading our industry with employees returning home safely each day and performing work with minimal impact to our neighbors or the environment.

Safety Performance
• 11 lost time incidents during the year
• Moderate increase in total case incident rate

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 - Due to high frequency of incidents in January, Soft-Start Initiative was implemented.
    • Every 2 hours Drill Crew take 15 minutes to reassess potential hazards. Results saw a 39.8% decrease in reported incidents from January 2017.

Leading safety performance KPI’s
• LTIR – 0.22
• TCIR – 1.62
## Key Performance Indicators by Quarter

<table>
<thead>
<tr>
<th></th>
<th>Quarters ended 2017</th>
<th>Quarters ended 2016</th>
<th>Quarters ended 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Company</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (US$ millions)</td>
<td>183.7</td>
<td>199.2</td>
<td>192.5</td>
</tr>
<tr>
<td>EBITDA (US$ millions)</td>
<td>(20.1)</td>
<td>(4.5)</td>
<td>(7.6)</td>
</tr>
<tr>
<td>Adjusted EBITDA^2 (US$ millions)</td>
<td>5.8</td>
<td>15.9</td>
<td>12.8</td>
</tr>
<tr>
<td>Operating Loss</td>
<td>(27.5)</td>
<td>(21.5)</td>
<td>(16.9)</td>
</tr>
<tr>
<td>(Loss) Profit from Trading Activities</td>
<td>7.1</td>
<td>4.0</td>
<td>7.4</td>
</tr>
<tr>
<td>Net cash flows (used in) provided by operating activities</td>
<td>37.9</td>
<td>(34.2)</td>
<td>(18.3)</td>
</tr>
<tr>
<td>Net Debt (US$ millions)</td>
<td>598.9</td>
<td>595.8</td>
<td>753.2</td>
</tr>
<tr>
<td>SG&amp;A (US$ millions)</td>
<td>20.2</td>
<td>28.6</td>
<td>27.2</td>
</tr>
<tr>
<td># of employees</td>
<td>4,604</td>
<td>4,812</td>
<td>4,636</td>
</tr>
<tr>
<td><strong>Global Drilling Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (US$ millions)</td>
<td>122.6</td>
<td>136.6</td>
<td>134.1</td>
</tr>
<tr>
<td>EBITDA (US$ millions)</td>
<td>11.0</td>
<td>23.8</td>
<td>23.8</td>
</tr>
<tr>
<td>Average # of drill rigs</td>
<td>702</td>
<td>715</td>
<td>718</td>
</tr>
<tr>
<td>Average rig utilisation</td>
<td>43%</td>
<td>46%</td>
<td>45%</td>
</tr>
<tr>
<td># of employees</td>
<td>3,320</td>
<td>3,511</td>
<td>3,338</td>
</tr>
<tr>
<td><strong>Global Products</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue (US$ millions)</td>
<td>61.0</td>
<td>62.7</td>
<td>58.4</td>
</tr>
<tr>
<td>EBITDA (US$ millions)</td>
<td>(0.2)</td>
<td>5.8</td>
<td>(0.1)</td>
</tr>
<tr>
<td>Average backlog (US$ millions)</td>
<td>31.3</td>
<td>27.0</td>
<td>23.7</td>
</tr>
<tr>
<td># of employees</td>
<td>976</td>
<td>979</td>
<td>983</td>
</tr>
</tbody>
</table>
Diversified End-Market Exposure

**FY 2017 Total Revenue by Type – Products & Services**

- Production Drilling: 5%
- Surface Coring: 26%
- Underground Coring: 16%
- Drilling Equipment: 7%
- Performance Tooling: 25%
- Other: 3%
- Rotary/RC: 18%

**FY 2017 Total Revenue by Region – Products & Services**

- LAM: 14%
- USA: 27%
- APAC: 21%
- Canada: 19%
- EMEA: 19%

**FY 2017 Drilling Services Revenue by Stage**

- Production (In-Pit): 24%
- Greenfield: 10%
- Development (Near Mine/Brownfield): 57%
- Non-Mining: 9%

**FY 2017 Drilling Services Revenue by Commodity**

- Gold: 54%
- Copper: 20%
- Energy: 4%
- Nickel: 6%
- Other Metals: 3%
- Non-Mining Water: 4%
- Other: 5%

*FY 2017 Results – See page 20 for footnote descriptions*
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: S&P Global Market Intelligence