



Boart Longyear Limited

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2 June 2017

Boart Longyear Recapitalisation: Board update

Boart Longyear Limited (**ASX:BLY**) (**Boart Longyear** or the **Company**) advises that as announced to ASX on 31 May 2017, the Company has been informed that Mr Richard Wallman, who was nominated by Centerbridge for election to the Board at the AGM, has withdrawn his candidacy to reduce his commitments to other listed company boards.

Given Mr Wallman will no longer be offering himself for election at the AGM, Mr Conor Tochilin, a current director of the Company who has offered himself for re-election at the upcoming Annual General Meeting (**AGM**), no longer intends to resign (if re-elected) upon the implementation of the recapitalisation (if approved by shareholders). Mr. Tochilin had previously indicated in the notice of meeting for the AGM (the **Notice**) that, if re-elected, he would resign as a director once the recapitalisation was finalised.

Shareholders are being sent the letter set out in the Schedule outlining certain amendments to the resolutions set out in the Notice to account for the above Board changes.

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Schedule – Letter to Shareholders

2 June 2017

Re: Withdrawal of Director Candidate and Amendment of Resolutions to be considered at the AGM

Dear Shareholder

You should by now have received the Notice of Annual General Meeting (the **Notice**) of Boart Longyear Limited (**Boart Longyear** or **Company**) for the Company's upcoming annual general meeting (**AGM**) to be held at 1pm on Tuesday, 13 June 2017 at the Melbourne Convention and Exhibition Centre.

Shareholders will be asked at the AGM to consider and approve (amongst other things) resolutions to implement the recapitalisation proposal announced by the Company on 3 April 2017 (the **Recapitalisation**). Further information regarding the Recapitalisation is set out in the Notice.

As announced to ASX on 31 May 2017, the Company has been advised that Mr Richard Wallman, who was nominated by Centerbridge for election to the Board at the AGM, has withdrawn his candidacy. Mr Wallman intends to reduce his commitments to other listed company boards in the coming months and then offer himself for appointment to the Board.

Accordingly, the Company advises that:

1. Resolution 16 (Election of proposed Director – Centerbridge Nominee) in the Notice, being the proposed resolution for the appointment of Mr Wallman as a Director, is withdrawn; and
2. The terms of Resolutions 6 to 15 (inclusive) and Resolution 17 in the Notice, will be amended to remove references to Resolution 16, such that those resolutions will not be conditional on the passage of Resolution 16.

As a result of the above, Mr Conor Tochilin, one of Centerbridge's current nominees on the Board, who has offered himself for re-election at the AGM, who originally intended to resign as a Director upon the implementation of the Recapitalisation if he is re-elected and shareholders approve the Recapitalisation, has indicated to the Company that he no longer intends to do so.

The Independent Expert, KPMG Financial Advisory Services (Australia) Pty Ltd, has confirmed that these changes do not affect its conclusion that the Recapitalisation is **fair and reasonable to non-associated shareholders**. Further, the independent directors continue to unanimously recommend that shareholders vote in favour of all the recapitalisation resolutions in the absence of a superior proposal emerging.

IF YOU HAVE ALREADY LODGED YOUR PROXY

If you have already lodged your proxy form and, in light of the further information contained in this letter, wish to change your vote(s), you can amend your vote by voting on-line (at www.linkmarketservices.com.au) by no later than 1 pm on Sunday, 11 June 2017. Alternatively, you can attend the AGM and cast your vote in person. **No further action is required if you have already submitted a proxy but do not wish to change your vote.**

IF YOU HAVE NOT ALREADY LODGED YOUR PROXY

If you have not already lodged your proxy you are encouraged to vote to express your support for the Recapitalisation.

Yours sincerely

Boart Longyear Limited



Fabrizio Rasetti
Company Secretary