Boart Longyear 2014 CEO Presentation

BOART LONGYEAR™

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- Due care and attention should be undertaken when considering and analysing the financial performance of the Company.

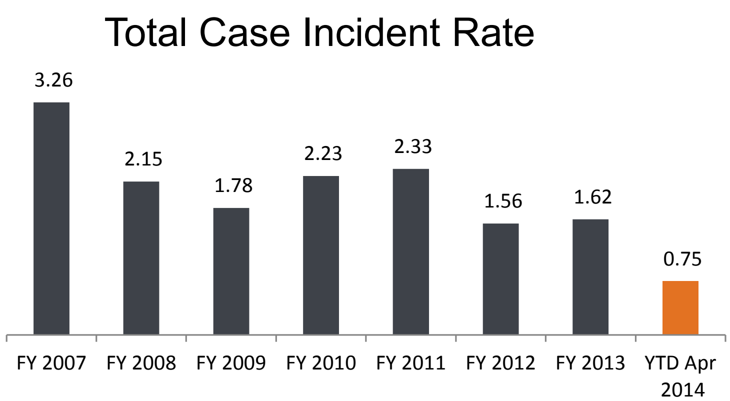
- All references to dollars are to United States currency unless otherwise stated.

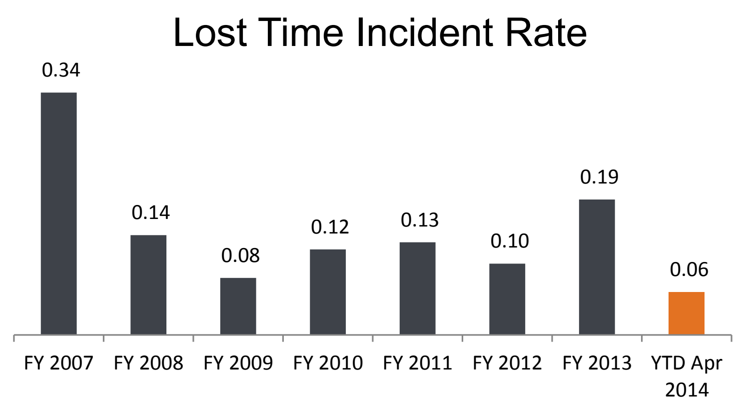
Who we are…

- Legacy of over 120 years of drilling expertise
- Leading provider of drilling services, drilling equipment, and performance tooling
- Industry leading product innovation
- Drilling Services offered in over 35 countries
- Drilling Products offered in over 100 countries

Safety & Environment

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



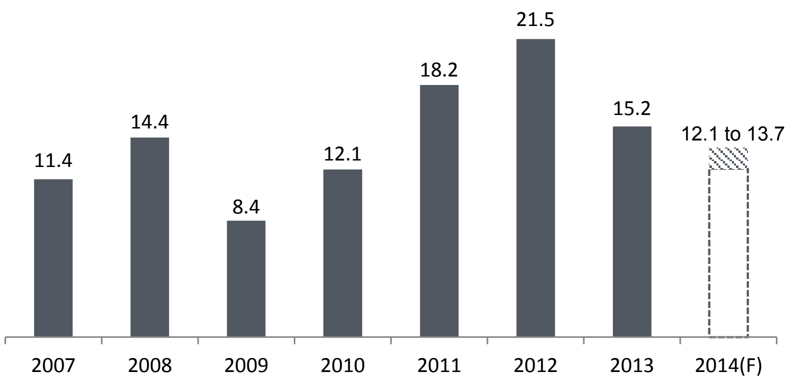


- **Safety Performance**
  Tragic loss of Andy Buttram: one of our own. Involved in a motor vehicle accident while driving in hazardous conditions
- **Make it Personal**
  Program roll out features each employee's family as a reminder of what is important – Getting home safely!
- **THINK**
  Field level risk assessment applied for all new tasks and any time things change.
- **Sustainability**
  Minimising impacts to air quality, implementing steps to conserve energy and water, and reducing waste generation and the use of hazardous material.

2013 was a challenging year…

Mining Performance

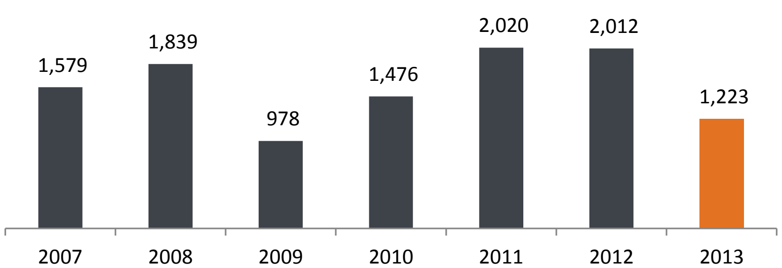
SNL MEG
- Exploration Spend (US$ Billions)



Source: SNL Metals Economics Group

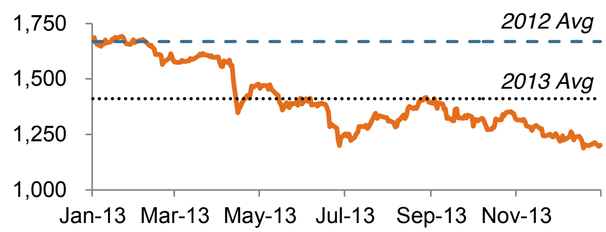
BLY Performance

- Historical Revenue Trends (US$ Millions)

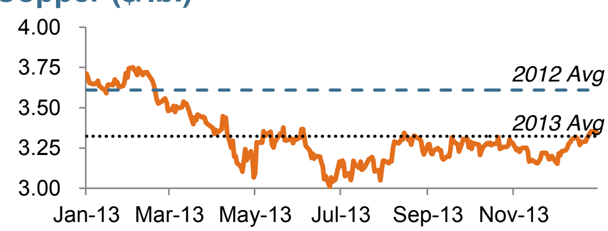


Key Commodity Trends

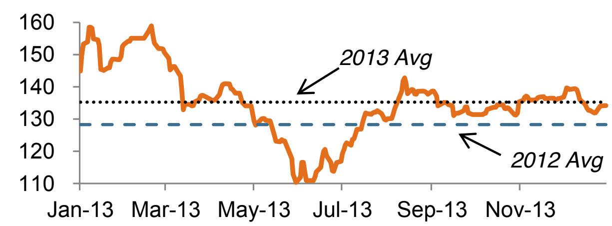
Gold ($/oz.)



Copper ($/lb.)



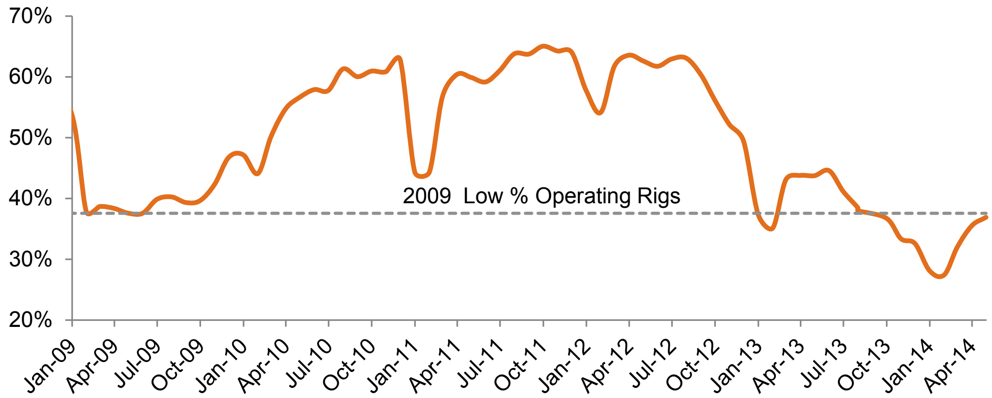
Iron Ore ($/MT)



Source: Bloomberg & BLY Analysis

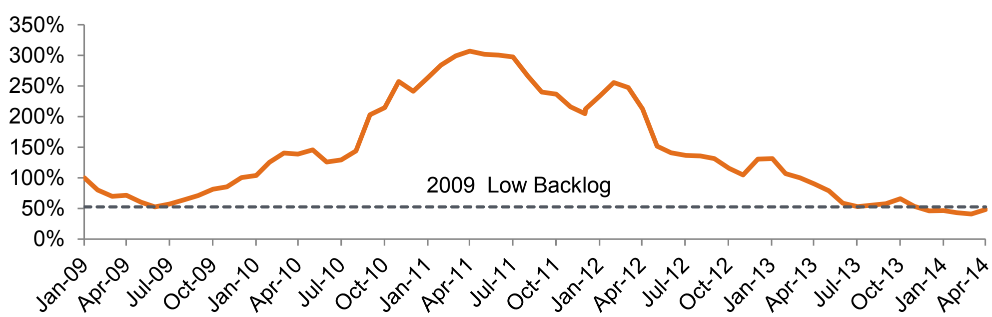
…which resulted in 2013 key operating metrics reaching trough levels

Drilling Services' Historical Operating Rig Percentage



- In late 2013, operating rig utilisation fell below the low point experienced in April 2009
- A surplus of global rig capacity is leading to a very competitive environment

Drilling Products' Historical Order Backlog (Indexed to Jan-09)

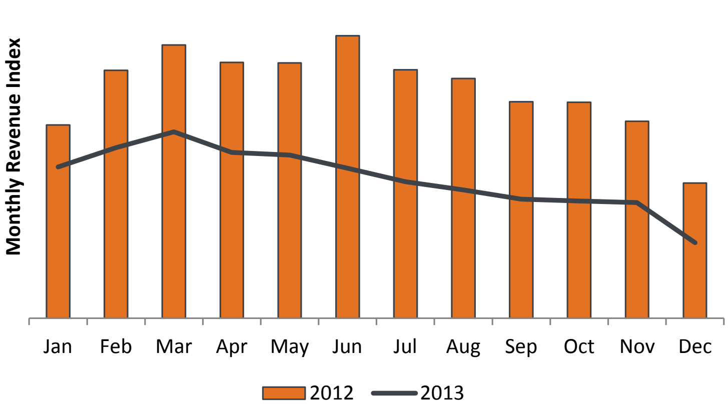


- Declining global utilisation rates resulting in reduced demand for products
- Inventory in place to fill existing customer demand

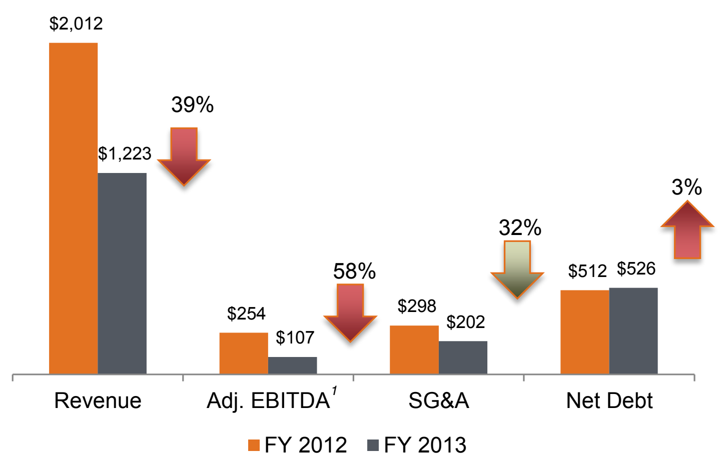
FY 2013 Financial Performance

(US $M)

Year over Year Monthly Revenue



Year over Year Financial Trends

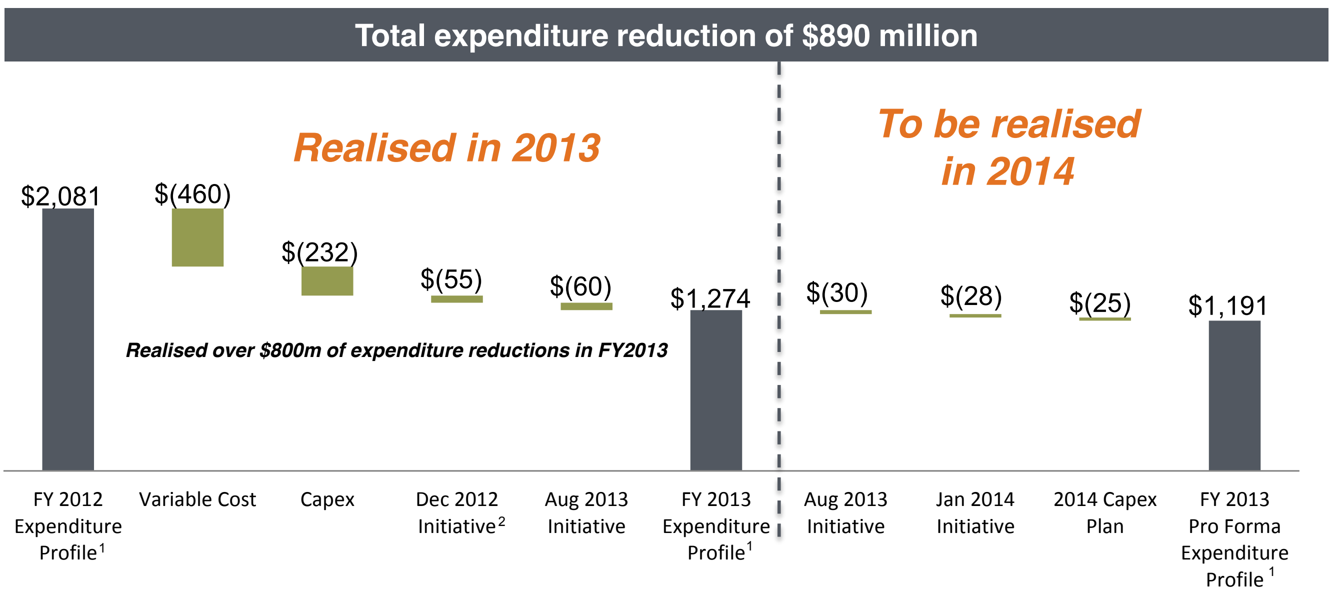


Despite challenging operating conditions, net debt held nearly flat

[1] *See Footnote 1 of page 4 for definition of adjusted EBITDA*

Material reductions in the overall cost structure

(US $M)



The Jan 2014 initiative includes:

- Wage freezes and the suspension of profit sharing in certain jurisdictions
- Bonus plan aligned to the company's ability to generate cash
- Ongoing consolidation of corporate and regional functions and facilities

Ongoing cost action in response to prevailing market conditions

[1] Expenditure profile defined as operating costs plus capital expenditures
[2] Realised an additional $15M of savings in FY2012

Recent actions taken to create a lean and scalable cost model

	The Business Then…June 30, 2012	The Business Now…Dec 31, 2013

Executive Management	❖ 25 Vice Presidents
	❖ Regional Management Structure
	  ❖ 4 Regional VP's
		❖ 13 Vice Presidents
		❖ Global Structure
		  ❖ Elimination of 3 Regional VP's

Supply Chain	❖ Disaggregated Supply Chains
	  ❖ Supply Chain functions existed in both Drilling Services & Drilling Products
	  ❖ Separate inventory for each division
	  ❖ 57 rooftops
		❖ Consolidated Supply Chain
		  ❖ Centralised planning, warehousing and procurement
		  ❖ Shared inventory for both divisions
		  ❖ 35 Targeted Rooftops
		    ❖ 16 Closed
		    ❖ 8 Pending Closure

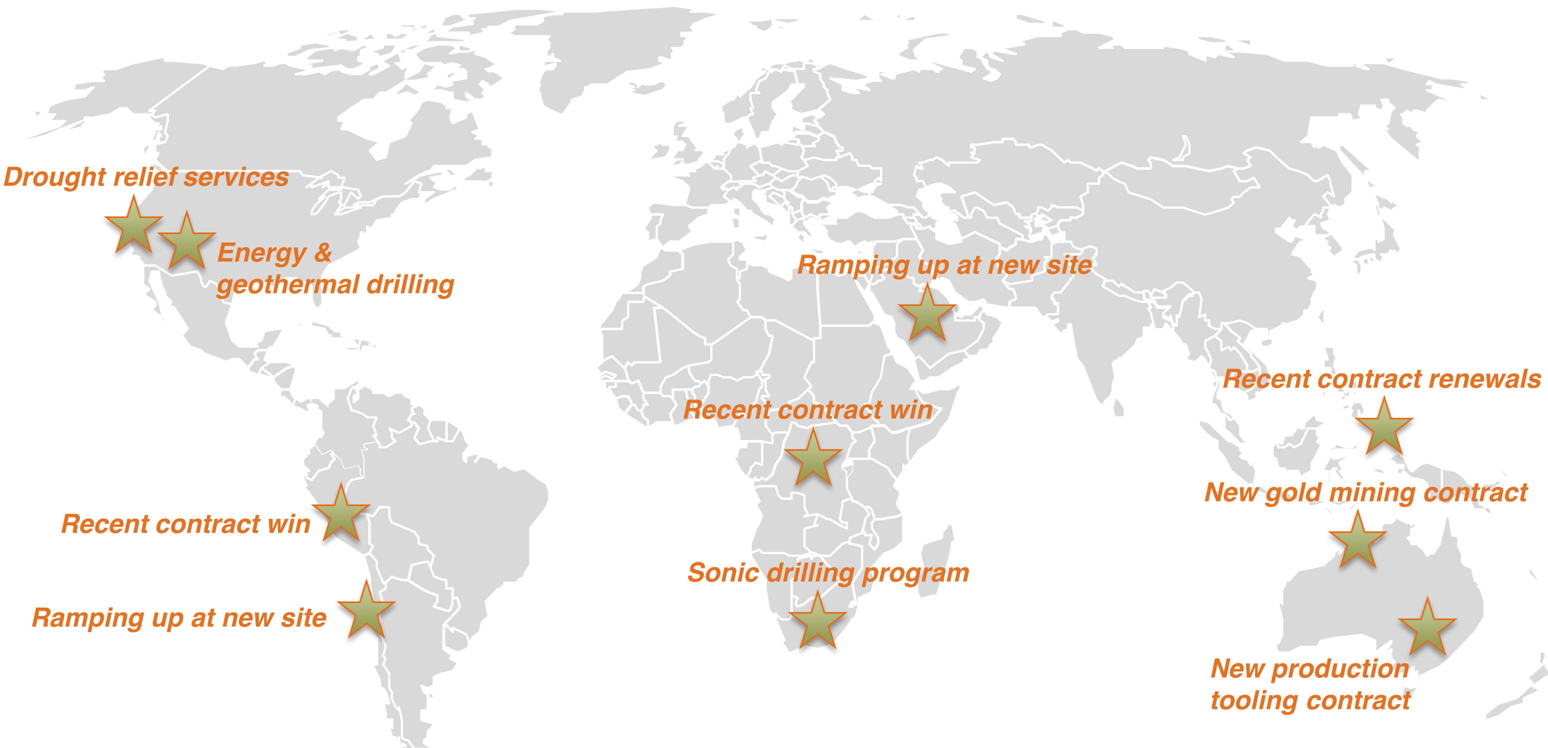
DS Organisational Structure	❖ 23 Zones with their own support structure	❖ Consolidated the 23 Zones into 10 Territories

Shared Services	❖ None
	  ❖ Back office support and transactions occurring at 4 regional offices
		❖ 2 Targeted Shared Service Centers
		  ❖ Poland – Functioning
		  ❖ Future location – Pending (late 2014)

Products Aftermarket & DS Fleet	❖ Distinct shops for both divisions even if operating in close proximity	❖ Centralised maintenance function ❖ Expanded aftermarket footprint due to DS locations
SG&A Run Rate	❖ $ 315 million	❖ ~$ 165 million

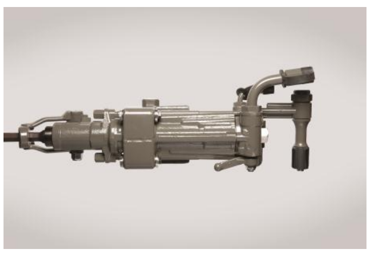
	Then…	June 30, 2012	Now…	Dec 31, 2013
Headcount	❖ COGS Labor	8,162	❖ COGS Labor	3,842
	❖ Overhead	1,611	❖ Overhead	907
	❖ SG&A	1,790	❖ SG&A	932
	❖ ***Total***	***11,563***	❖ ***Total***	***5,681***

YTD 2014 Business Highlights



Pioneering innovation & new product development…

Launched in 2H 2013



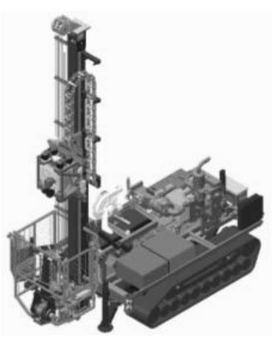
M3 Rock Drill

Launched in 1H 2014

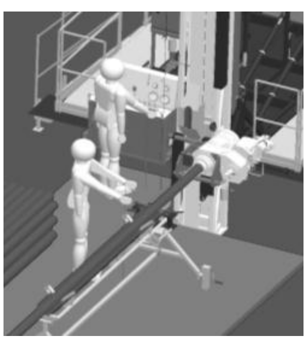
LM110 Rig

DTH Hammers

To be launched in 2H 2014

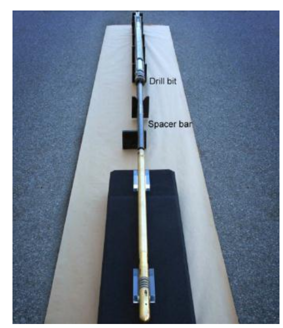


Mini Sonic Rig



LF90D Rod Presenter

LF350 Deep Hole Rig



New Instrumentation Category

2014 Business Outlook

Forecasting & Guidance:

- The volatility and cyclicality of the industry make forecasting very challenging
- The Company will not provide Revenue and EBITDA guidance
- The Company will provide quarterly metrics & KPI's, similar to what was provided for Q1 2014 on May 8, 2014.

Current Industry Conditions:

- Mineral exploration and mining capital expenditures may remain at current levels and could compress even further in 2014
- Excess global rig capacity could put further downward pressure on price in the Drilling Services business while we expect pricing to remain flat to slightly down in the Products business
- Mining companies continue to deplete their existing reserve bases and will need to eventually replenish their reserves which should trigger a future recovery in mineral exploration spend

The Company is not providing Revenue & EBITDA guidance

Key Performance Indicators

	First Quarter			Fourth Quarter
	2014	2013	2012	2013
Avg. Rig Count	~950	~1,045	~980	~1,030
Avg. Operating Rig Utilisation	~30%	~40%	~60%	~30%
Avg. Product Backlog	~$15M	~$43M	~$80M	~$20M
Headcount	~5,600	~8,300	~11,100	~5,700
Net Debt(1)	$544M	$571M	$328M	$526M
Compliance Debt(2)	$640M	N/A	N/A	N/A
Compliance EBITDA(3)	$97M	N/A	N/A	$138M

Note: Figures shown above are at period ends unless otherwise noted

Positive

- Underground and large rotary businesses remain stable
- Targeted R&D investment continues
- Ability to fulfill customer orders with existing stock

Weaknesses

- Mineral exploration levels still low relative to recent historic levels
- Global rig utilisation at historic lows

Focus on safety, customer satisfaction, cost reduction, and deleveraging

[1] Excludes contingent liabilities relevant to determining bank covenant compliance under maximum total indebtedness covenant. See footnote 31 in the 2013 Annual Report
[2] Gross maximum indebtedness covenant, inclusive of relevant contingent liabilities used in determining bank covenant compliance. See footnote 31 in the 2013 Annual Report
[3] For the trailing 12 month periods, quarterly bank compliance EBITDA was: 1Q2014 - $2.5M, 4Q2013 - $5.3M, 3Q2013 - $39.0M, 2Q2013 - $50.1M, 1Q2013 - $43.1M

Boart Longyear's 2014 Business Objectives