

## Boart Longyear Risk Management Policy

Boart Longyear is committed to the continual process of identifying and managing risk that has the potential to affect our ability to achieve corporate objectives.

Risk is measured in terms of the consequences of an event and the likelihood of its occurrence. Based on the very nature of our business and the locations in which we operate, Boart Longyear and its employees are exposed to risk that could affect health and safety, the environment, the company's reputation, and the operational and financial performance of the organization – in other words, the ability of the company to achieve its objectives.

Risk Management is a structured and consistent process for identifying, assessing and managing risk throughout the business with the goal of mitigating or minimizing the risk that is inherent in our business. We will use our risk management capabilities to maximize our business opportunities and to promote innovation while encouraging a culture that proactively seeks to identify and address risks as a consideration in decision making. Risk issues will be identified, analysed and ranked in a consistent manner and appropriate actions will be undertaken and monitored. The effectiveness of these actions will be regularly reviewed and, when appropriate, revised and improved. The results of these actions will be reported to Executive Management and the Board of Directors to enable effective oversight.

Successful risk management is a cornerstone to achieving Boart Longyear's corporate objectives