

Boart Longyear Limited ABN 49 123 052 728

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Boart Longyear Announces Revolving Credit Facility Amendments Have Taken Effect

Boart Longyear Limited (ASX: BLY) today announces that the previously announced amendments to its revolving credit facility have become effective. The amendments reduce the size of the revolving credit facility from US\$450.0 million to US\$140.0 million, of which up to US\$120.0 million is available in the form of revolving loans or letters of credit with the remaining US\$20.0 million being available only for the issuance of letters of credit (subject to an overall sublimit on letters of credit of US\$100.0 million). In addition, the amendments:

- eliminate the existing maximum gross-debt-to-EBITDA leverage ratio covenant;
- adjust the minimum interest coverage covenant to a ratio of 1.55 to 1.0, which is tested quarterly;
- add a covenant requiring maintenance of at least US\$30.0 million in liquidity (defined to be unrestricted cash plus availability under the revolving credit facility), which is tested monthly; and
- add a covenant requiring maintenance of a minimum asset coverage ratio of 1.25 to
 1.0 (measured as accounts receivable, inventory and unrestricted cash of guarantor
 subsidiaries over total loans and letters of credit outstanding under the revolving
 credit facility), which is tested monthly.

The amendments provide that the lenders under the revolving credit facility have a first-priority security interest in accounts receivable, inventories, cash and related assets and a second-priority interest in substantially all other tangible and intangible assets, including subsidiaries' outstanding capital stock, and in certain owned real property. The amendments also limit Boart Longyear's ability to incur additional indebtedness, make capital expenditures, acquisitions or other investments, pay dividends, and prepay or redeem its notes or certain other indebtedness.

In connection with the amendments taking effect, Boart Longyear applied approximately US\$296 million of the net proceeds of its previously announced US\$300.0 million debt offering, plus available cash of approximately US\$5 million, to substantially pay down the US\$311 million in loans outstanding under the revolving credit facility.

About Boart Longyear

With over 120 years of expertise, Boart Longyear is the world's leading provider of drilling services, drilling equipment, and performance tooling for mining and drilling companies globally. It also has a substantial presence in aftermarket parts and service, energy, mine dewatering, oil sands exploration, and production drilling.

The Global Drilling Services division operates in over 40 countries for a diverse mining customer base spanning a wide range of commodities, including copper, gold, nickel, zinc, uranium, and other metals and minerals. The Global Products division designs, manufactures and sells drilling equipment, performance tooling, and aftermarket parts and services to customers in over 100 countries.

Boart Longyear is headquartered in Salt Lake City, Utah, USA, and listed on the Australian Securities Exchange in Sydney, Australia. More information about Boart Longyear can be found at www.boartlongyear.com. To get Boart Longyear news direct, visit http://www.boartlongyear.com/rssfeed.

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