

21 July 2014

## Standard and Poor's Downgrades Boart Longyear Debt Ratings

Boart Longyear Limited (**ASX:BLY**) – Standard and Poor's Rating Services has reviewed the Company's debt ratings and revised them, as follows:

- *Corporate Credit Rating* – Downgraded to CCC from CCC+
- *Secured note rating* – Downgraded to B- from B, maintained 1 recovery rating
- *Unsecured note rating* – Downgraded to CCC from CCC+, maintained 4 recovery rating

Richard O'Brien, President and Chief Executive Officer at Boart Longyear, commented on the rating action, stating, "Standard and Poor's' action does not impact any of our bank covenants and now puts S&P's rating at parity with Moody's. We recognize that the recent downgrades by the rating agencies may present concerns for our creditors and other Company stakeholders and we are committed to addressing those concerns as promptly as possible through the completion of the strategic review of recapitalisation options we previously announced and continue to actively pursue."

He added, "Despite the headwinds of lower demand for exploration and drilling services, our underlying franchise remains strong and continues to generate positive cash-flow. We have the liquidity and financial resources to fund all of our operations for the foreseeable future, including meeting our obligations to our suppliers and other creditors, and we are confident we will be able to identify an effective solution to our capital structure. We remain committed to providing our clients with the industry's highest level of service and best products and to have mutually beneficial relationships with all of our suppliers and business partners, as we have in the past."

### **Disclaimer**

*This announcement contains certain "forward-looking statements." The words "anticipate, "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control and may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.*

### **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 de-watering, oil sands exploration, and production drilling.



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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](http://www.boartlongyear.com). To get Boart Longyear news direct, visit <http://www.boartlongyear.com/rssfeed>.

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