



NOTICE OF 2015 ANNUAL GENERAL MEETING

Boart Longyear Limited ABN 49 123 052 728

Notice is given that the 2015 Annual General Meeting (AGM) of shareholders of Boart Longyear Limited ("Company") will be held at Clarendon Room A, Melbourne Exhibition Centre, 2 Clarendon Street, South Wharf, Melbourne Victoria 3006 Australia on Tuesday 26 May 2015, commencing at 1.00 p.m. (Melbourne time).

Message from the Chairman

Dear Shareholder

I am pleased to invite you to attend Boart Longyear's 2015 Annual General Meeting to be held at 1.00 p.m. (Melbourne time) on Tuesday, 26 May 2015 in the Clarendon Room A, Melbourne Exhibition Centre, 2 Clarendon Street, South Wharf, Melbourne, Victoria 3006, Australia. Registration will commence at 12:00 noon.

Summary of Business

The Notice of Meeting explains in detail the items of business you will be asked to consider at the AGM.

You should carefully read the Notice of Meeting before deciding how to vote, but I would like to take this opportunity to explain the Board's rationale for some of the items on this year's agenda. A number of items are designed to drive improved value to you as shareholders and follow on from the capital restructure proposals approved late last year. The proposed changes to remuneration arrangements for executives and your directors in particular are focused on achieving substantial improvements in operating outcomes while ensuring that reward is even more closely commensurate with value accreting to you as shareholders

The proposed annual long term incentive (**LTI**) grant to the CEO is part of a new LTI programme design that has been tailored for the Company's current circumstances. The grant will provide the CEO with a higher face value opportunity than last year's LTI grant, but this will be offset by LTI grants with lower values in FY2016, FY2017 and FY2018. The intention is that the cumulative value given to Mr O'Brien over this four-year period will correspond with the cumulative four-year LTI awards to which Mr O'Brien is presently entitled under his initial employment agreement.

In addition, some changes are being proposed to the way the Company's Non-Executive Directors are remunerated:

- First, approval is being sought so that half of each Non-Executive Director's base fee and half of all fees paid to the Chairman will be directed towards acquiring shares. This does not involve any additional remuneration for the Directors but, the Board believes, better aligns the interests of our shareholders and Directors;
- Second, for the first time since the Company listed in 2007, shareholders are being asked to approve a change to the Non-Executive Director fee pool. The proposed change is to the currency in which the fee pool is set – from AUD\$2 million to US\$2 million – to match the currency in which our Non-Executive Directors have been paid for several years and to neutralise the impacts of foreign currency fluctuations.

This year, our Notice of Meeting also includes a contingent 'spill meeting' resolution in case the Company receives a 'second strike' on its Remuneration Report. This resolution will not be considered unless 25 percent or more of voting shareholders vote against the Remuneration Report and a second strike is thus received.

Shareholders will also be given the opportunity to refresh the existing proportional takeover provisions in Boart Longyear's constitution. If they are refreshed, the provisions enable shareholders to vote as to whether a particular proportional bid should be allowed, independently from their decision on whether or not to accept a bid. The provisions were last renewed in 2012 and will no longer have effect if they are not approved at the 2015 AGM.

Questions and Voting

To assist the Board and other shareholders, you are encouraged to submit any questions you may have in writing in advance of the meeting by completing and returning the enclosed form.

If you attend the meeting, please bring your proxy form, as the bar coding on the form will simplify and speed your registration.

If you are unable to attend the meeting, I encourage you to vote on the resolutions contained in the Notice of Meeting either by using the enclosed proxy form or lodging your proxy form online at www.linkmarketservice.com.au. Proxy forms must be received before 1.00 p.m. (Melbourne time) on Sunday 24 May 2015 to be valid for the meeting.

Conclusion

On behalf of the directors, I would like to thank our shareholders for their support during the year. I look forward to welcoming you to the 2015 AGM.

A handwritten signature in black ink, appearing to read 'MRandolph', with a long horizontal stroke extending to the right.

Marcus Randolph
Chairman

BUSINESS OF THE MEETING

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 31 December 2014.

The Annual Report, which contains the Financial Report for the year ended 31 December 2014, is available to all shareholders on the website of the Company at ir.boartlongyear.com

B. QUESTIONS AND COMMENTS

Following the consideration of Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on, the performance and affairs of the Company.

The Company's auditor will attend the Meeting and will be available to answer questions relevant to the:

- (a) conduct of the audit;
- (b) preparation and content of the Independent Audit Report;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) independence of the auditor in relation to the conduct of the audit.

C. ITEMS FOR APPROVAL

1. Election of Mr Jonathan Lewinsohn

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That Mr Jonathan Lewinsohn, having been appointed as an additional director to the Board of the Company on 23 October 2014 in accordance with the Company's Constitution and having offered himself for election and being eligible, is hereby elected as a director of the Company in accordance with ASX Listing Rule 14.4."

2. Election of Mr Conor Tochilin

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That Mr Conor Tochilin, having been appointed as an additional director to the Board of the Company on 18 December 2014 in accordance with the Company's Constitution and having offered himself for election and being eligible, is hereby elected as a director of the Company in accordance with ASX Listing Rule 14.4."

3. Election of Mr Marcus Randolph

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That Mr Marcus Randolph, having been appointed as an additional director to the Board of the Company on 25 February 2015 in accordance with the Company's

Constitution and having offered himself for election and being eligible, is hereby elected as a director of the Company in accordance with ASX Listing Rule 14.4.”

4. Election of Mr Bret Clayton

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

“That Mr Bret Clayton, having been appointed as an additional director to the Board of the Company on 25 February 2015 in accordance with the Company’s Constitution and having offered himself for election and being eligible, is hereby elected as a director of the Company in accordance with ASX Listing Rule 14.4.”

5. Approval of annual long term incentive grant to CEO

To consider, and if thought fit, pass the following resolution as an ordinary resolution of the Company:

“That approval is given for all purposes, including ASX Listing Rule 10.14 and Part 2D.2 of the Corporations Act, for the grant of 33,061,438 options to Mr Richard O’Brien as the long term incentive component of his remuneration for the financial year ending 31 December 2015 on the terms (including termination entitlements) set out in the Explanatory Statement attached to the Notice of Meeting.”

Voting exclusion:

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast on item 5:

- by or on behalf of Mr O’Brien and his associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of KMP at the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on item 5:

- in accordance with the directions on the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy even though item 5 is connected with the remuneration of a member of the Company’s KMP.

6. Approval of the issue of shares to Non-Executive Directors

To consider, and if thought fit, pass the following resolution as an ordinary resolution of the Company:

“That approval is given for the issue of ordinary shares in the Company to Non-Executive Directors on the terms set out in the Explanatory Statement attached to the Notice of Meeting.”

Note: As explained in the Explanatory Statement, this proposal will not result in any increase in Non-Executive Director remuneration. Non-Executive Directors will acquire the shares at market price by contributing an amount equivalent to 50% of their annual base fee.

Voting exclusion:

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast on item 6:

- by or on behalf of any Non-Executive Director of the Company and any of their associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of KMP at the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on item 6:

- in accordance with the directions on the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy even though item 6 is connected with the remuneration of a member of the Company's KMP.

7. Approval of change to Non-Executive Director Fee Pool

To consider, and if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That approval is given to change the Non-Executive Director Fee Pool from A\$2 million to US\$2million on the terms set out in the Explanatory Statement attached to the Notice of Meeting."

Voting exclusion:

In accordance with the ASX Listing Rules and the Corporations Act, the Company will disregard any votes cast on item 7:

- by or on behalf of any Director of the Company and any of their associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of KMP at the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on item 7:

- in accordance with the directions on the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy even though item 7 is connected with the remuneration of a member of the Company's KMP.

8. Constitution – Renewal of Proportional Takeover Provisions

To consider, and if thought fit, pass the following as a special resolution of the Company:

"That Rule 78 of the Company's Constitution, requiring prior shareholder approval for a proportional takeover of the Company, is reinserted in the Constitution and renewed for a further period of three years from the date of this meeting in accordance with Section 648G of the Corporations Act."

9. Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That the Remuneration Report for the financial year ended 31 December 2014 (set out in the Directors' Report) is adopted."

Note - The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion applicable to items 9 and 10

In accordance with the Corporations Act, the Company will disregard any votes cast on items 9 and 10:

- by or on behalf of a member of KMP named in the Remuneration Report or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of KMP at the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on items 9 and 10:

- in accordance with the directions on the proxy form; or

- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy even though items 9 and 10 are connected with the remuneration of the Company's KMP.

10. Conditional spill resolution

If required, to consider, and if thought fit, pass the following as an ordinary resolution of the Company:

"That, subject to and conditional on at least 25% of the votes cast on resolution 9 (Remuneration Report), being cast against it:

- (1) an extraordinary general meeting of the Company (the 'Spill Meeting') be held within 90 days of the passing of this resolution;*
- (2) all of the Non-Executive Directors in office when the resolution to make the Directors' Report for the financial year ended 31 December 2014 was passed (being **Bruce Brook, W. Peter Day, Conor Tochilin, Jonathan Lewinsohn and Rex McLennan**) and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (3) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

A voting exclusion applies to this item as outlined under item 9.

Important note:

The Chair of the Meeting intends to vote all available proxies in favour of resolutions 1 to 9 and against resolution 10.

By order of the Board



Fabrizio Rasetti
Company Secretary
 24 April 2015

Entitlement to attend and vote

In accordance with Reg 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that persons who are registered holders of shares of the Company as at 7.00pm (Melbourne time) on Sunday 24 May 2015 will be entitled to attend and vote at the Meeting as a shareholder. Accordingly, transactions registered after that time will be disregarded for determining which shareholders are entitled to attend and vote at the Meeting.

Voting by proxy

A shareholder entitled to attend and vote at the Meeting may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the *Corporations Act* to exercise its powers as proxy at the Meeting.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

Details for completion and lodgement of proxies are on the reverse side of the proxy form. To be effective, the proxy must be received at the share registry of the Company no later than 1.00 p.m. (Melbourne time) on Sunday 24 May 2015. Proxies must be received before that time by one of the following methods:

Online	At www.linkmarketservices.com.au
By post:	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
By facsimile:	In Australia (02) 9287 0309 From outside Australia +61 2 9287 0309
By delivery:	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 or 1A Homebush Bay Drive, Rhodes, NSW 2138

Voting by Attorney

A proxy form and the original power of attorney, if any, under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 1:00 p.m. (Melbourne time) on Sunday 24 May 2015, being 48 hours before the Meeting.

Corporate Representatives

A body corporate that is a shareholder, or that has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meeting a properly executed "Certificate of Appointment of Corporate Representative" (available from the Company's share registry) confirming its authority to act as the company's representative.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Company's shareholders in relation to the business to be conducted at the Company's 2015 Annual General Meeting and forms part of the Notice of Meeting.

The purpose of this Explanatory Statement is to provide shareholders with information they may reasonably require to decide how to vote upon the resolutions. The Directors recommend that shareholders read this Explanatory Statement before determining whether or not to support a resolution.

Resolutions 1 through 7 and resolutions 9 and 10 are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by shareholders entitled to vote on the resolution.

Resolution 8 is a special resolution. A special resolution requires a majority of at least 75% of votes cast by shareholders entitled to vote on the resolution.

Resolution 1: Election of Mr Jonathan Lewinsohn

Mr Jonathan Lewinsohn was appointed a Non-Executive Director of the Company on 23 October 2014. In accordance with Clause 44(d) of the Company's Constitution and ASX Listing Rule 14.4, Mr Lewinsohn offers himself for election.

Mr Lewinsohn is a Partner at Centerbridge Partners, LP (**Centerbridge**). Centerbridge manages approximately \$25 billion of assets, with a focus on credit, special situations, and private equity.

Prior to joining Centerbridge, Mr Lewinsohn was Head of Research and a permanent member of the Investment Committee at Anchorage Capital Group. He also was previously a law clerk to Judge Richard A. Posner of the US Court of Appeals and began his career at Morgan Stanley in the Mergers & Acquisitions group.

Mr Lewinsohn received his JD from Yale Law School, where he was an editor of the Yale Law Journal, and his BA, summa cum laude, from Cornell University's College of Arts and Sciences as a Merrill Presidential Scholar. He is a Term Member of the Council on Foreign Relations and a member of Economic Club of New York. He previously served on the board of Martinrea-Honsel BV.

Mr Lewinsohn was nominated for appointment as a director of the Company by Centerbridge, in accordance with the Implementation Agreement entered into between Centerbridge and the Company as part of the Company's recapitalisation announced in 2014 and completed in 2015 (**Recapitalisation**), pursuant to which Centerbridge and its affiliates acquired 464,501,607 of the Company's 930,864,944 ordinary shares, representing 49.9% of the issued share capital in the Company, as well as 434,001,968 Convertible Preference Shares. Centerbridge also holds a significant position in the Company's capital structure through the secured term loans it provided to the Company as part of the Recapitalisation.

Given Mr Lewinsohn's employment with Centerbridge, the Directors do not consider that Mr Lewinsohn qualifies as an "independent director" in terms of the ASX Corporate Governance Council's Principles and Recommendations.

The Directors, with Mr Lewinsohn abstaining, unanimously recommend that shareholders vote FOR this resolution.

Resolution 2: Election of Mr Conor Tochilin

Mr Conor Tochilin was appointed a Non-Executive Director of the Company on 18 December 2014. In accordance with Clause 44(d) of the Company's Constitution and ASX Listing Rule 14.4, Mr Tochilin offers himself for election.

Mr Tochilin is a Principal at Centerbridge, which manages approximately \$25 billion of assets, with a focus on credit, special situations, and private equity.

Prior to joining Centerbridge, Mr. Tochilin was an Associate at TPG-Axon Capital Management in New York and London and a Business Analyst in McKinsey's Corporate Finance Practice in New York.

Mr. Tochilin holds an A.B. in Economics and Philosophy, magna cum laude, from Harvard College, where he was elected to Phi Beta Kappa, a J.D. from Harvard Law School, and an M.B.A. from Harvard Business School.

Mr Tochilin was nominated for appointment as a director of the Company by Centerbridge Partners LLP ("Centerbridge"), in accordance with the Implementation Agreement entered into between Centerbridge and the Company as part of the Company's Recapitalisation, pursuant to which Centerbridge and its affiliates acquired 464,501,607 of the Company's 930,864,944 ordinary shares, representing 49.9% of the issued share capital in the Company, as well as 434,001,968 Convertible Preference Shares. Centerbridge also holds a significant position in the Company's capital structure through the secured term loans it provided to the Company as part of the Recapitalisation.

Given Mr Tochilin's employment with Centerbridge, the Directors do not consider that Mr Tochilin qualifies as an "independent director" as referred to in the ASX Corporate Governance Council's Principles and Recommendations.

The Directors, with Mr Tochilin abstaining, unanimously recommend that shareholders vote FOR this resolution.

Resolution 3: Election of Mr Marcus Randolph

Mr Marcus Randolph was appointed a Non-Executive Director and Chairman of the Board of Directors of the Company on 25 February 2015. In accordance with Clause 44(d) of the Company's Constitution and ASX Listing Rule 14.4, Mr Randolph offers himself for election.

Mr Randolph has served more than 35 years in the mining industry in a variety of global, senior executive roles. Most recently, he was Chief Executive of BHP Billiton's Ferrous and Coal business from July 2007 to September 2013, located in Melbourne, and was a member of BHP's Group Management Committee.

Prior to that role, he held several other senior executive roles at BHP, including as its Chief Organization Development Officer, President Diamonds and Specialty Products, Chief Development Officer Minerals and Chief Strategic Officer Minerals. His earlier career includes Chief Executive Officer, First Dynasty Mines, Mining and Minerals Executive, Rio Tinto Plc, Director of Acquisitions and Strategy, Kennecott Inc, General Manager Corporacion Minera Nor Peru, Asarco Inc, and various mine operating positions in the US with Asarco Inc.

Mr Randolph holds a Bachelor of Sciences degree in Mining Engineering from the Colorado School of Mines in the United States and also holds a Masters in Business Administration from Harvard University.

Mr Randolph was nominated for appointment as a director and Chairman of the Board of Directors of the Company by Centerbridge, in accordance with the Implementation Agreement entered into between Centerbridge and the Company as part of the Company's Recapitalisation.

Mr Randolph has no present fiduciary or professional relationship with Centerbridge. In the course of Centerbridge's due diligence investigation of the Company prior to the Recapitalisation referred to above, in 2014 Mr Randolph undertook a consultancy engagement for Centerbridge and was paid fees for that consultancy of approximately US\$20,000.

Centerbridge nominated Mr Randolph as a director and Chairman on the basis that Mr Randolph qualifies as an independent director and Chairman. In light of:

- there being no current fiduciary or professional relationship between Mr Randolph and Centerbridge
- the minimal and limited nature of the consultancy arrangement between Mr Randolph and Centerbridge occurring in 2014;
- Mr Randolph's qualifications, background and personal characteristics, including submissions to the Directors from Mr Randolph that he considers he is able to bring independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally;

the Directors consider that Mr Randolph qualifies as an independent director as referred to in the ASX Corporate Governance Council's Principles and Recommendations.

The Directors, with Mr Randolph abstaining, unanimously recommend that shareholders vote FOR this resolution.

Resolution 4: Election of Mr Bret Clayton

Mr Bret Clayton was appointed a Non-Executive Director of the Company on 25 February 2015. In accordance with Clause 44(d) of the Company's Constitution and ASX Listing Rule 14.4, Mr Randolph offers himself for election.

Mr Clayton joins the Company after a distinguished career at Rio Tinto, where he worked for 20 years and served on the Executive Committee for seven years. He joined Rio Tinto in 1994 and held a series of management positions, including chief executive of Rio Tinto's global Copper and Diamonds groups, president and chief executive officer of Rio Tinto Energy America (now Cloud Peak Energy) and chief financial officer of Rio Tinto Iron Ore. He also served as the Group Executive for Business Support and Operations, which included Rio Tinto's global exploration, procurement, information systems, shared services, internal audit, risk management and economics groups.

Prior to Rio Tinto, Mr Clayton worked for PricewaterhouseCoopers for nine years, providing auditing and consulting services to the mining industry. He also has served as a nonexecutive director for several for-profit and non-profit entities, including Praxair, Constellium Holdco B.V. and Ivanhoe Mines Limited (now Turquoise Hills Resources).

Mr Clayton was a member of the U. S. American Institute of Certified Public Accountants and holds a Bachelor of Arts Degree in Accounting from the University of Utah. He also attended the International Executive Management Program of INSEAD in Fontainebleau, France.

Mr Clayton was nominated for appointment as a director of the Company by Centerbridge in accordance with the Implementation Agreement entered into between Centerbridge and the Company as part of the Company's Recapitalisation.

Mr Clayton has no past or present fiduciary or professional relationship with Centerbridge.

Centerbridge has nominated Mr Clayton as a director on the basis that Mr Clayton qualifies as an independent director. In light of:

- there being no past or current fiduciary or professional relationship between Mr Clayton and Centerbridge

- Mr Clayton's qualifications, background and personal characteristics, including submissions to the Directors from Mr Clayton that he considers he is able to bring independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally;

the Directors consider that Mr Clayton qualifies as an independent director as referred to in the ASX Corporate Governance Council's Principles and Recommendations.

The Directors, with Mr Clayton abstaining, unanimously recommend that shareholders vote FOR this resolution.

Resolution 5: Approval of grant of options as annual LTI grant to CEO

Shareholder approval is sought for the grant of options to acquire fully paid ordinary shares in the Company (**Options**) to Mr O'Brien as his 2015 long term incentive (**LTI**) grant on the terms and conditions summarised below.

Proposed grant of Options

A total of 33,061,438 Options are proposed to be granted to Mr O'Brien. This number has been determined by converting the CEO's target LTI grant value of US\$5,000,000 into Australian dollars using the published exchange rate in the Wall Street Journal on 13 April 2015 and dividing the Australian dollar equivalent by the volume weighted average price of the Company's shares traded on the ASX in the five trading days after the Board's approval of the grant on 3 April 2015 ("VWAP"), i.e., A\$0.199. This VWAP will also be the exercise price of the Options.

Mr O'Brien's 2015 grant value was determined according to a new LTI programme design approved by the Board for Mr O'Brien and other Company executives on 3 April 2015. The new programme was designed in consultation with certain of the Company's largest shareholders, including Centerbridge, as well as other external advisors. This programme design provides an emphasis on stronger direct alignment with shareholders by way of granting stock Options that vest only upon achieving certain levels of stock price appreciation performance hurdles. In addition, in order to further strengthen shareholder alignment immediately, the new design provides a larger grant in 2015 followed by expected smaller grants equivalent to US\$1,666,667 in 2016, 2017 and 2018. Accordingly, it is expected that the cumulative value given to Mr O'Brien over this four-year period will correspond with the cumulative four-year LTI awards to which Mr O'Brien is entitled under his initial employment agreement. The Options will be granted at no cost to Mr O'Brien as they form part of his remuneration package.

The Options will vest and become exercisable subject to the achievement of a performance condition (which is described below) and the other terms and conditions set out in this Explanatory Statement, including with respect to cessation of employment.

If the Options vest, Mr O'Brien will be able to exercise them up until the expiry date (being 10 years from the effective date of the grant).

The Options do not carry any dividend or voting rights until they are exercised for ordinary shares in the Company.

If and when Mr O'Brien exercises his Options, he will be allocated fully paid ordinary shares in the Company (on a one for one basis) which will rank equally with shares in the same class. Mr O'Brien will be able to deal in the shares subject to the Company's Securities Trading Policy.

What is the performance condition?

The Options will be subject to a performance condition based on the amount the Company's share price increases from a base share price of \$A0.165 (**Base Price**). This is the price at

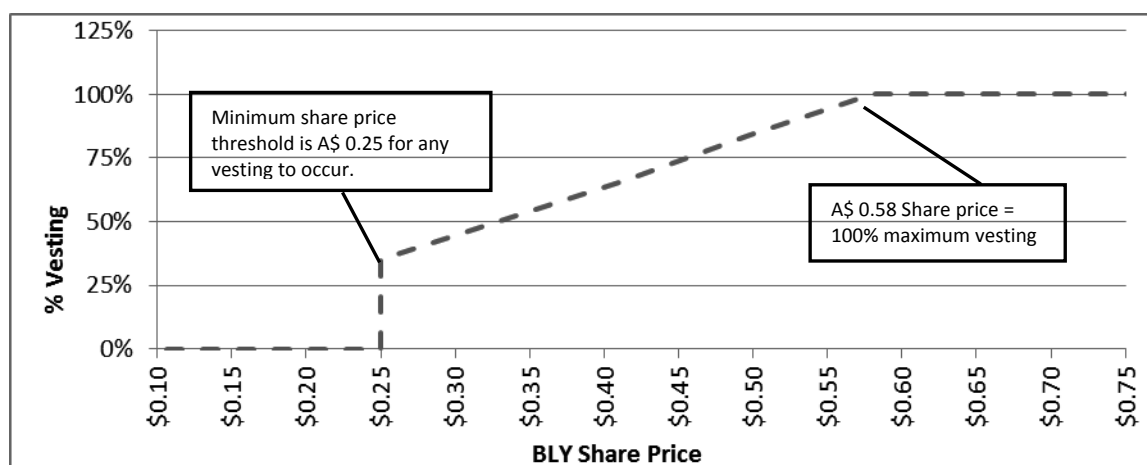
which Centerbridge and other investors invested in the Company as part of the rights issue of the Recapitalisation.

The Options will vest by reference to the vesting schedule below. Vesting percentages in connection with share prices falling in between any of the reference points in the table below will be determined by linear interpolation between such reference points. (For example, if the share price multiple is 1.75x (A\$0.29), the vesting percentage will be 42.5%.)

Multiple of Base Price	Share price	% of Options vested
	<A\$0.25	0%
1.5 x	A\$0.25	35.0%
2.0 x	A\$0.33	50.8%
2.5 x	A\$0.41	66.5%
3.0 x	A\$0.50	84.2%
3.5 x	A\$0.58	100%

In other words, the Options will vest by using a straight line linear formula from the minimum achievement required (A\$0.25 / 35% vesting) to the maximum achievement (A\$0.58 / 100% vesting).

The diagram below further illustrates how the vesting schedule operates.



The Options will first be tested against the schedule on 14 March 2018 (**First Test Date**) by referencing the volume-weighted average share price of the highest 60 trading days in any 90 trading day period in the three years to the First Test Date.

Thereafter, any Options that do not meet the performance condition at the First Test Date will be tested on 14 March 2019 and, if necessary, 14 March 2020 (**Second Test Date** and **Third Test Date** respectively, and each, a **Test Date**), in each case by referencing the volume-weighted average share price of the highest 60 trading days in any 90 trading day period between the applicable Test Date and the immediately preceding Test Date.

If fewer than 100% of the Options meet the performance condition at the First Test Date and/or Second Test Date, incremental percentages will be eligible to vest at subsequent Test Dates to the extent that a higher share price hurdle is achieved in the subsequent period (such that total vesting would match the applicable vesting outcome in the vesting schedule).

A simple example is set out below.

Example:

During the three year period through the First Test Date, the volume-weighted average share price of the highest 60 trading days in any 90 trading day period is A\$0.41 – 66.5% of the Options will vest and become exercisable as of the First Test Date.

During the period from the First Test Date through the Second Test Date, the volume-weighted average share price of the highest 60 trading days in any 90 trading day period is A\$0.50 – a further 17.7% of the Options will vest and become exercisable (i.e., 84.2% of the Options would have vested in total) as of the Second Test Date.

During the period from the Second Test Date through the Third Test Date, the volume-weighted average share price of the highest 60 trading days in any 90 trading day period did not exceed A\$0.50 – no further Options will vest and the remaining Options (i.e., 15.8% of the Options) will lapse.

Notwithstanding the above, no more than 75% of the Options can vest on the First Test Date (even if, based on the vesting schedule, a larger percentage have met the performance condition). The vesting of any Options above 75% that would have otherwise vested at the First Test Date will be deferred until the Second Test Date, and, subject to the cessation of employment section below, will vest on the Second Test Date without regard to any decrease in share price following the First Test Date.

Example:

During the three year period through the First Test Date, the volume-weighted average share price of the highest 60 trading days during any 90 trading day period is A\$0.50 – 84.2% of the Options meet the performance condition, but only 75% of the Options will vest and become exercisable. Vesting of the remaining 9.2% is deferred.

At the Second Test Date, the 9.2% of the Options that were deferred after the First Test Date will vest regardless of the share price (but subject to the cessation of employment section below). If during the period from the First Test Date through the Second Test Date, the volume-weighted average share price of the highest 60 trading days during any 90 trading day period is A\$0.58 – then in addition to the 9.2% of the Options that were deferred after the First Test Date, a further 15.8% of the Options will vest and become exercisable.

No testing will occur at the Third Test Date as all Options will have vested.

Cessation of employment

In relation to Mr O'Brien's proposed grant of Options:

- if he is terminated for cause, the Options, whether vested or unvested, will lapse;
- where he resigns other than for "Good Reason", unvested Options will lapse (although the Board has discretion to determine otherwise and could determine that the Options will not lapse or will vest on an accelerated basis); and
- in all other employment cessation cases where Options are unvested, a pro rata portion (determined by reference to the proportion of the vesting period served by Mr O'Brien) will not lapse, and will vest and become exercisable in due course subject to the original terms of grant (although the Board has the discretion to determine otherwise and may exercise its discretion to determine that none of the unvested Options lapse, or that some or all of the unvested Options lapse or that they vest on an accelerated basis).

Notwithstanding the above, and consistent with the terms of Mr O'Brien's employment contract, if Mr O'Brien remains employed on 1 January 2016, 5,510,238 Options will only lapse as a result of cessation of employment if Mr O'Brien is terminated for cause. If Mr O'Brien ceases employment for any other reason, this portion of unvested Options will not lapse, and will vest and become exercisable in due course subject to the original terms of grant (although the Board retains discretion to vest the Options on an accelerated basis). This

same treatment will apply to a further 5,510,238 Options if Mr O'Brien remains employed on 1 January 2017 and a further 5,510,238 Options if he remains employed on 1 January 2018.

Change of control

A change of control will constitute a Test Date for the Options. Accordingly, upon a change of control, the vesting of the Options will be determined based on the extent to which the performance condition is satisfied using the per-share value of the consideration paid in connection with the change of control to the Company's shareholders. All Options that vest based on the satisfaction of the performance condition will become exercisable prior to the change of control.

Any Options that do not meet the performance condition on the date of a change of control will be assumed by the buyer or surviving entity, or substituted for with an award having substantially equivalent rights and terms, including with respect to vesting, as adjusted appropriately to reflect the transaction. In the event the buyer or surviving company in a change of control refuses to assume or substitute for the Options as of the change of control date, or is unable to do so, all Options will vest in full immediately prior to the change of control.

Forfeiture

The 2015 LTI grant is subject to the terms of the Company's Clawback Policy. The Policy outlines circumstances in which the Company is entitled to take action to clawback compensation, including by cancelling or reducing the LTI grant.

In addition, the Board may deem any unvested Options to have lapsed if, in the Board's opinion, Mr O'Brien has acted fraudulently or dishonestly or is in breach of any of his material obligations to the Group.

Termination benefits

At the 2013 and 2014 Annual General Meetings, shareholder approval was obtained for termination benefits to be given to Mr O'Brien.

If the 2015 LTI grant is approved, shareholders will thereby be approving the provision to Mr O'Brien of any termination benefits under the 2015 LTI grant that are described in the "Cessation of employment" section above, and Mr O'Brien also will continue to be able to receive any termination benefits that were approved in 2013 and 2014.

The value of any termination benefits under the 2015 LTI grant cannot be determined in advance. This is because their value at the date of cessation of employment will depend on a number of factors, including:

- the portion of the vesting period served;
- the Company's share price at the time of vesting;
- the manner in which the Board exercises its discretion and the number of Options that vest or do not lapse; and
- the level of achievement against performance condition applying to the Options.

Other information

- Mr O'Brien is the only Director entitled to participate in the Company's long term incentive arrangements.
- The ASX Listing Rules require this Notice of Meeting to state the number and price of securities received by Mr O'Brien since the last shareholder approval. Pursuant to shareholder approval obtained at the 2014 AGM, 1,621,020 Performance Share Rights, 3,242,040 Retention Share Rights and 1,621,020 Options were granted to Mr O'Brien (all at no cost) as his 2014 LTI grant and 9,104,258 Options were granted to Mr O'Brien (also at no cost) as part of his Strategic Retention Grant.
- No loans will be made available by the Company in relation to the grant of Options to Mr O'Brien.

- If shareholder approval is obtained, the Options will be granted to Mr O'Brien as soon as possible after the Annual General Meeting. In any event, they will not be granted more than 12 months after the date of the Annual General Meeting. If shareholder approval is not obtained, alternative arrangements of equivalent value will be awarded to Mr. O'Brien.
- Under ASX Listing Rule 7.1, a listed entity has the ability to issue 15% of its issued capital without shareholder approval in a 12 month period. When an entity issues or agrees to issue securities under ASX Listing Rule 7.1 without shareholder approval, that issue or agreement to issue uses up part of the 15% capacity available under that rule. However, if approval is given by shareholders under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1. This means that the Options granted to Mr O'Brien and any shares issued pursuant to this approval will not use up part of the 15% capacity under ASX Listing Rule 7.1.

The Directors, with Mr O'Brien abstaining, unanimously recommend that shareholders vote FOR this resolution.

Resolution 6: Issue of shares to Non-Executive Directors

The Company is seeking shareholder approval for the issue of shares to current and future Non-Executive Directors at market price as part of their fee arrangements.

The acquisition of shares will not result in any additional remuneration for the Non-Executive Directors. It is merely a mechanism for the Non-Executive Directors to invest in the Company at market value.

Background

The Company wishes to enter into arrangements with its Non-Executive Directors under which the Directors will contribute an amount equivalent to 50% of their annual base directors' fees towards acquiring ordinary shares in the Company (**NED Shares**). These arrangements are referred to in the notes below as the 'Plan'.

If approval is given, each present and future Non-Executive Director of the Company will be expected to participate in the Plan.

It is intended that NED Shares will be allocated quarterly (or at other intervals consistent with prudent governance and the requirements of the Company's Securities Trading Policy) at pre-determined dates throughout the year. Following allocation, Non-Executive Directors will not be able to deal in the shares for a 12 month period. After this period, they will be free to deal in the shares subject to the Company's Securities Trading Policy and any minimum shareholding requirements adopted by the Board, which requirements currently are under evaluation.

Participation in the Plan

Participation in the Plan will be open to current and future Non-Executive Directors of the Company in office from time to time. Currently, there are seven Non-Executive Directors who would be eligible to acquire NED Shares in accordance with the Plan:

- Marcus Randolph
- Bruce Brook
- Bret Clayton
- W. Peter Day
- Jonathan Lewinsohn
- Rex McLennan
- Conor Tochilin

Messrs Lewinsohn and Tochilin are Non-Executive Directors of the Company but, being employees of Centerbridge, do not currently receive directors' fees (and therefore will not at this stage be allocated any NED Shares).

Current or future executive Directors, including the Managing Director, will not participate in the Plan.

Acquisition and quantum of NED Shares

The number of NED Shares to be allocated to Non-Executive Directors will be calculated by dividing 50% of their base directors' fee accrued during the relevant period by the volume weighted average price of the Company's shares traded on the ASX in the first five trading days following the last day of each relevant fee period.

For the Chairman only, annual base fees for the purposes of the Plan will include any special exertion fees.

The number of NED Shares which may be acquired by the current and future Non-Executive Directors cannot be precisely calculated in advance, as it depends on:

- the share price at the time when NED Shares are allocated to Non-Executive Directors;
- the number of Non-Executive Directors in office from time to time; and
- the level of the Non-Executive Directors' base fee from time to time.

As an illustrative example, based on:

- the current share price of \$0.20;
- an AUD to USD exchange rate of 0.763; and
- the Company's current issued capital of 930,864,944 ordinary shares,

even if half of the proposed new fee pool (*i.e.*, \$US1 million, or approximately \$A1.31 million) was used to acquire shares, the maximum annual dilution would be just over 0.7%.

In addition, like current Non-Executive Directors, future Non-Executive Directors will not obtain any additional remuneration by participating in the Plan.

If at any time the Board determines that the allocation of NED Shares would result in the Company breaching the Company's Constitution, Securities Trading Policy, any law or rule of the ASX or is otherwise inappropriate in the circumstances, the Board may defer the allocation of shares until a more suitable time or pay a Non-Executive Director a cash amount equal to the amount contributed.

Other Information

- Shares acquired by Non-Executive Directors will rank equally (in relation to dividends and other rights) in all respects with other issued fully paid shares.
- No loan will be made available by the Company in connection with the acquisition of shares by the Non-Executive Directors.
- No shares have yet been issued in accordance with the Plan.
- Details of any shares issued will be published in each Annual Report of the Company relating to a period in which shares have been issued, and that approval for the issue of shares was obtained under ASX Listing Rule 10.14.
- If this resolution 6 is approved, Non-Executive Directors will be able to participate in the Plan from the time shareholder approval is granted. Whilst it is intended that the Plan will continue to operate indefinitely, new shares will only be issued under the Plan up until 26 May 2018, unless shareholder approval for the issue of shares under the Plan is refreshed prior to that date.
- If approval is given by shareholders under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1.

Resolution 7. Approval of change to Non-Executive Director Fee Pool

In accordance with Rule 47 of the Company's Constitution and ASX Listing Rule 10.17, shareholder approval is sought to change the currency in which the maximum aggregate amount available for Non-Executive Directors' remuneration (as that term is defined in Rule 47(b) of the Constitution) is denominated in any financial year (**Fee Pool**) from A\$2 million to US\$2 million.

Shareholder approval to change the currency for the Fee Pool is being sought for the following reasons:

- to align the currency of the Fee Pool with the currency in which all Non-Executive Directors' fees are paid; and
- to eliminate the variability of the headroom in the Fee Pool due to movement in the AU/US exchange rate.

If approved, this is the first change in the Fee Pool since the Company floated on the ASX in 2007. Assuming a current AUD to USD exchange rate of approximately 0.76, the proposed change would increase the Fee Pool in Australian dollars by approximately A\$600,000. The change is not being sought, however, to permit the payment of enhanced fees to the Non-Executive Directors, as the Company expects aggregate director fees to be paid in 2015 to be consistent on a US dollar basis with the director fees paid in 2014.

Details of fees paid to Non-Executive Directors for the year ended 31 December 2014 are included in the Remuneration Report.

No securities have been issued to Non-Executive Directors under Listing Rules 10.11 or 10.14 with shareholder approval within the preceding three years.

Resolution 8: Constitution – Renewal of Proportional Takeover Provisions

Background

The Company proposes this special resolution to renew the Company's proportional takeover approval provisions contained in Rule 78 of the Company's Constitution ('the Constitution'). Rule 78 of the Constitution contains provisions that prohibit the registration of any transfer of shares giving effect to an offer made under a proportional takeover scheme (that is, an offer for some, but not all, of the holders' shares in the Company) unless and until the persons holding shares in the class of shares for which the takeover offer was made have passed an ordinary resolution approving the scheme. The offeror and any associate of the offeror are excluded from voting on that resolution.

Under section 648G of the Corporations Act, proportional takeover approval provisions cease to apply unless renewed at least every three years. The provisions in Rule 78 of the Constitution were last renewed at the AGM on 15 May 2012 and will have lapsed by the date of the 2015 AGM. To become effective again, Rule 78 must be renewed by a special resolution of the Company's shareholders.

Operation of Rule 78

If Rule 78 is renewed and a proportional takeover bid is made for a class of securities in the Company, the Directors would be required to convene a general meeting of shareholders in that class to vote on a resolution to approve the proportional takeover bid. The resolution must be voted on at least 15 days before the bid closes. The bidder and any associates of the bidder would be excluded from voting.

If the resolution is rejected by shareholders, then the bid would be deemed to be withdrawn and registration of any transfer of securities resulting from the proportional takeover bid would

be prohibited. Acceptances would be returned and any contracts formed by acceptances would be rescinded.

If the resolution is approved, transfers of securities to the bidder would be registered provided they comply with the other provisions of the Constitution.

If no resolution is voted on at least 15 days before the close of the bid, then a resolution to approve the proportional takeover bid would be deemed to have been passed.

Reasons for proposing resolution

Part 6.5 Subdivision 5C of the Corporations Act permits the inclusion and renewal of proportional takeover approval provisions in the Constitution.

The Directors consider that the holders should continue to have the opportunity to vote on a proposed proportional takeover bid. Without the provisions of Rule 78, a proportional takeover bid for the Company might enable a bidder to obtain control of the Company without shareholders having the opportunity to dispose of all their shares and without payment of an adequate control premium. The provisions of Rule 78 give shareholders the opportunity to decide whether a proportional takeover bid should proceed and assist in ensuring that any proportional bid is appropriately priced. If the proportional bid does proceed, individual holders can make a separate decision as to whether they wish to accept the bid for their securities.

Present acquisition proposals

As at the date of this statement, none of the Directors is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Advantages and Disadvantages of the proportional takeover approval provisions

The provisions in Rule 78 will ensure that all shareholders have an opportunity to study a proportional takeover proposal and vote on the bid at a general meeting. This is likely to ensure a potential bidder structures its offer in a way that is attractive to a majority of shareholders, including appropriate pricing. Similarly, knowing the view of the majority of shareholders may help individual shareholders assess the likely outcome of the proportional takeover offer when determining whether to accept or reject the offer.

It is also possible, however, that the inclusion of such provisions in the Constitution may discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's shares arising from the possibility of a proportional takeover offer being made. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of members to freely deal with their shares.

The Board considers that the potential advantages for shareholders of the proportional takeover approval provisions in Rule 78 outweigh the potential disadvantages and accordingly recommends that shareholders vote FOR this resolution.

Note – Resolution 8 is a special resolution. A special resolution requires a majority of at least 75% of votes cast by shareholders entitled to vote on the resolution.

Resolution 9: Remuneration Report

Section 250R(2) of the Corporations Act requires that the Company put to a shareholder vote a resolution that the Remuneration Report be adopted. The vote is advisory only and does not bind the Directors or the Company, although the Company takes the outcome of the vote into consideration in determining remuneration policy going forward.

As set out in the Remuneration Report, the Company's remuneration philosophy and practices aim to set board and executive compensation at levels that are fair and reasonable and competitive with relevant market practice as well as to assist the Company to recruit,

retain and motivate skilled and talented people across the Company's operations. Wherever possible, the Company's remuneration practices and governance are consistent with best practice for Australian listed companies, adapted where necessary to the needs of a multinational company operating in some 40 countries worldwide and headquartered in the U.S. These policies and practices are overseen by the Board's Remuneration Committee.

The Remuneration Report is available on pages 41 to 77 in the Company's 2014 Annual Report, which can be viewed on the website at ir.boartlongyear.com.

The Directors unanimously recommend that shareholders vote FOR this resolution.

Resolution 10: Conditional spill resolution

This Resolution 10 is a "conditional" resolution, and if it is put to the meeting and passed, it will only become effective if 25% or more of the votes cast on Resolution 9 are against the adoption of the 2014 Remuneration Report.

At last year's AGM, approximately 43% of the votes cast in respect of the resolution to adopt the 2013 Remuneration Report were voted against that resolution. Accordingly, the Company received a "first strike".

If the votes cast against the resolution to adopt the 2014 Remuneration Report (Resolution 9) again equal or exceed 25% of the total votes cast, the Company will receive a "second strike". If a company receives two strikes, it is required to put a resolution to the meeting to determine whether the company's Directors who were in office at the time the Remuneration Report was approved (excluding the Managing Director) will need to stand for re-election at a special meeting.

If this Resolution 10 is passed, and becomes effective based upon the results of the voting on Resolution 9, (i.e. the Company receives a "second strike") then it will be necessary for the Board to convene a further general meeting ("Spill Meeting") of the Company within 90 days of the AGM in order to consider the composition of the Board. If a Spill Meeting is required, the date of the meeting will be notified to shareholders in due course.

If a Spill Meeting is held, the following Directors will automatically vacate office at the conclusion of the Spill Meeting unless they are willing to stand for re-election and are re-elected at that meeting:

- **Bruce Brook;**
- **W. Peter Day;**
- **Jonathan Lewinsohn;**
- **Rex McLennan; and**
- **Conor Tochilin.**

Even if any of the directors above who are seeking election at this year's AGM are elected at the AGM, they will still need to be re-elected at the Spill Meeting to remain in office after the Spill Meeting.

The Directors unanimously recommend that shareholders vote AGAINST this Resolution 10 if it is put to the meeting.



BOART LONGYEAR™

ABN 49 123 052 728

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

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BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1800 781 633 (free call within Australia)

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **1:00pm (Melbourne time) on Sunday, 24 May 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your voting directions, the Chairman of the Meeting will become your proxy in respect of that resolution. If the Chairman of the Meeting is your proxy or becomes your proxy by default, he is required to vote any directed proxies as directed and it is intended that he will vote any undirected proxies in accordance with the voting intentions set out in this Proxy Form. A proxy need not be a shareholder of the Company.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses to the extent permitted by law. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

PROXY FORM

I/We being a member(s) of Boart Longyear Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:00pm (Melbourne time) on Tuesday, 26 May 2015 in the Clarendon Room A, Melbourne Exhibition Centre, 2 Clarendon Street, South Wharf, Melbourne Victoria 3006, Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 5, 6, 7, 9 and 10: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, by submitting this form you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 5, 6, 7, 9 and 10, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote all available proxies in **FAVOUR** of Resolutions 1 to 9 and **AGAINST** Resolution 10.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

The Chairman of the meeting intends to vote all undirected proxies **AGAINST** Resolution 10 and in favour of all other Resolutions.

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Election of Mr Jonathan Lewinsohn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Conor Tochilin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Election of Mr Marcus Randolph	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Conditional spill resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Mr Bret Clayton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Approval of annual long term incentive grant to CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval of the issue of shares to Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval of change to Non-Executive Director Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Constitution – Renewal of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

BLY PRX501G