



Boart Longyear Limited  
ABN 49 123 052 728

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**Boart Longyear Refinancing Update**  
**Lead Financial Institutions Mandated**  
**Financial Advisors Appointed**  
**Compliance with Financial Covenants at June 30th**

ADELAIDE, South Australia — July 10, 2009 — Boart Longyear (ASX:BLY) announced today that it has formally mandated seven of its existing banks to act as joint mandated lead arrangers and bookrunners (“JMLABs”) to refinance and extend the Company’s existing credit facilities in a reduced amount. These facilities currently total US\$850 million. The financial institutions are Bank of America, N.A, National Australia Bank Limited, The Royal Bank of Scotland plc, BNP PARIBAS, Commonwealth Bank of Australia, HSBC Bank Australia Limited, and Australia and New Zealand Banking Group Limited.

In connection with this mandate, the JMLABs and the Company have agreed to the terms of a refinancing and extension, including a reduced facility amount, extended tenure, increased pricing, and amended financial covenants. While the execution of the mandate and term sheet establishes an agreed refinancing framework, completion remains subject to a number of requirements, conditions and approvals. These include the sale of equity securities and/or junior debt obligations and credit approval by each of the JMLABs as well as the other participants in the bank syndicate. Given such risks and uncertainties, the Company is not able to give any assurances as to when, or if, a refinancing and extension will be consummated. Consistent with its past public statements, the Company’s goal is to complete the refinancing or extension as soon as is practicable before the end of 2009.

Based on preliminary unaudited results indicating improved profitability and cash flow generation in 2<sup>nd</sup> quarter of 2009, the Company is highly confident that it was in full compliance with all of the June 30<sup>th</sup> financial covenants under its existing credit facilities. Additional details on the Company’s financial performance and outlook will be available with the release of the first half results for 2009.

In addition, the Company announced that it has engaged Merrill Lynch and RBS Corporate Finance (Australia) Limited to act as its joint financial advisors.

**About Boart Longyear**

Boart Longyear is a 120-year-old global organization headquartered in Salt Lake City, Utah and Adelaide, South Australia with offices and operations in Asia Pacific, North and South America, Europe and Africa. The company is the leading provider of drilling services and drilling products for the global mining industry, and also has a substantial presence in drilling for other purposes, including water exploration, environmental and oil sands exploration.

With 2008 sales of over U.S. \$1.8 billion and approximately 6,000 employees worldwide, the Company conducts contract drilling services in more than 40 countries, and provides mining products to customers in over 100 countries.

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