



## **Boart Longyear Sells South African Manufacturing Operations**

SALT LAKE CITY, Utah and ADELAIDE, South Australia - June 30<sup>th</sup>, 2009 - Boart Longyear (ASX: BLY) today announced the sale of certain of its Sub Saharan African operations to Tranter Energy and Mining Services (Pty) Limited, a subsidiary of Tranter Holdings (Pty) Limited.

The business, to be re-named Tranter Rock Drills, consists of Boart Longyear's percussive rock drills and hard rock tools product lines for Sub Saharan Africa as well as all manufacturing operations located in Roodepoort, South Africa. The business generated approximately \$14 million in revenues in 2008. As a result of the sale, all 260 employees associated with the business are transferring to Tranter Rock Drills effective immediately. Boart Longyear will continue to supply rock drills and hard rock tools outside of the Sub Saharan Africa region and under the terms of the sale Tranter Rock Drills will become Boart Longyear's exclusive supplier of rock drills for a two year period.

Craig Kipp, Chief Executive Officer, commented, "The sale of this part of our Sub Saharan Africa business is consistent with our on-going strategy to divest select non-core assets. We have also taken actions to transfer the manufacturing of several product lines to outsourced suppliers. As a result of this transaction, we are able to remain in the rock drill business outside of Africa with improved production flexibility and reduced fixed costs. This will allow us to supply high quality rock drills to our global customers."

Johannesburg will remain as the Sub-Saharan Africa regional sales headquarters for Boart Longyear along with its distribution point for the region for exploration drilling products as well as drill rigs and consumables for the construction, overburden and percussive drilling industries.

In connection with the sale, the Company expects to record a one-time, non-cash charge of approximately \$3 million in the first half of 2009, primarily related to foreign exchange losses.

### **About Boart Longyear**

Boart Longyear is a 120-year-old global organization registered in Adelaide, Australia, and headquartered in Salt Lake City, Utah, 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 US\$1.8 billion and approximately 7,000 employees worldwide, the company conducts contract drilling services in more than 35 countries and provides mining products to customers in over 100 countries.

### **About Tranter Holdings**

Tranter Holdings is a black owned and managed investment company, registered in South Africa that has a focus on the mining and energy industries in Sub-Saharan Africa. It currently owns investments in several resources companies. Tranter Rock Drills will be its second acquisition in its energy and mining services subsidiary.

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