

24 December 2013

### **Additional Canada Tax Developments**

Boart Longyear Limited (**ASX:BLY**), the world's leading supplier of drilling services, drilling equipment and performance tooling for the mining and drilling industry, today provides an update regarding its appeal of tax assessments by the Canada Revenue Agency (CRA) for the 2005 and 2006 tax years.

The Company has received written notice today from the CRA's Appeals Division that it is has decided to reverse substantially all of the assessments issued for those tax years and will instruct the CRA's Audit Division to adjust the Company's Canadian tax returns accordingly. As detailed in the Company's Half-Year Financial Report for the period ended 30 June 2013, the CRA's assessments for 2005 and 2006 totaled approximately C\$58 million, including interest and penalties.

The Company expects that the Appeals Division's decision also will result in the reversal of Canadian provincial assessments totaling approximately C\$11 million for the 2005 and 2006 tax years, but it has not yet received notice from the relevant provincial tax authorities of such reversals. Additionally, the C\$37 million of security provided to the CRA and provincial authorities for the appeals of the 2005 and 2006 assessments should be released in the first quarter of 2014.

The Company notes the announcement it lodged yesterday regarding the issuance of assessments by the CRA's Audit Division for the 2007 through 2009 tax years, which assessments were based on similar income adjustments as the 2005 and 2006 assessment. Whilst the Company is optimistic that the Appeal's Division's decision could provide a framework for a favorable and more expeditious resolution of the new assessments for the 2007 through 2009 tax years, it is unable to comment further on those assessments at this time.

### **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 control of the Group that 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 the global mining and drilling industries. 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 is listed on the Australian Securities Exchange in Sydney, Australia. More information about Boart Longyear can be found at



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