MAJOR
Partners on the Ground

NEWS RELEASE

Major Drilling Reports Record Annual and Quarterly Revenue

MONCTON, New Brunswick (June 5, 2012) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its fourth quarter of fiscal 2012, ended April 30, 2012.

Highlights

In millions of Canadian dollars (except earnings per share)	Q4-12	Q4-11	Fiscal 2012	Fiscal 2011
Revenue	$237.2	$137.3	$797.4	$482.3
Gross profit	78.5	34.9	251.1	120.4
As percentage of revenue	33.1%	25.4%	31.5%	25.0%
EBITDA[(1)]	57.0	22.9	174.4	73.5
As percentage of revenue	24.0%	16.7%	21.9%	15.2%
Net earnings	30.7	9.5	89.7	27.6
Earnings per share	$0.39	$0.13	$1.18	$0.39

(1) Earnings before interest, taxes, depreciation and amortization (see “non-gaap measures”)

- Major Drilling posted the highest quarterly revenue in its history at $237.2 million, up 73% from the $137.3 million recorded for the same quarter last year. Record annual revenue of $797.4 million was recorded, an increase of 65% over last year.

- Gross margin percentage for the quarter was 33.1% compared to 25.4% for the corresponding period last year.

- EBITDA increased 149% to $57.0 million for the quarter compared to the corresponding period last year.

- Net earnings for the quarter were at $30.7 million, an increase of 225% over last year. Net earnings for fiscal 2012 increased 225% to $89.7 million ($1.18 per share), an annual record.

“We are pleased to report record annual and quarterly revenue. Revenue in the quarter grew year-over-year by 73% to $237 million. Despite poor weather conditions in Canada, Mongolia and Australia, as well as more shifting between contracts than usual, margins were at 33.1%. We saw our EBITDA for the quarter increase by two and half times compared to the corresponding period last year to $57 million. All regions contributed to this growth. Earnings for the quarter were $30.7 million despite a foreign exchange loss of $1.3 million and depreciation costs increasing by more than 50%,” said Francis McGuire, President and CEO of Major Drilling.

“Fiscal 2012 was a very satisfying year as the Company continued to increase its investments in productive equipment and in training and safety. At year end, we posted record revenue of $797 million and record earnings of $89.7 million. In September, the Company also completed the largest acquisition in its history with the purchase of the Bradley operations and we will see the full impact of this acquisition in our next fiscal year.”

"Looking forward, the demand for drilling services from the senior mining houses continues to be strong. The demand for specialized drilling from the senior mining houses, particularly in Latin America and Africa, continues to grow as our customers need to replace their reserves. At the end of April, the utilization rate for our specialized drills stood at 75%, very close to the maximum utilization rate. We foresee adding several more rigs to our recently established branch in West Africa and in addition, we will continue to make in-roads drilling for coal and iron ore customers. As junior miners become more cautious in their spending given the difficulty in accessing capital, we anticipate that senior miners will represent a greater proportion of our drilling projects going forward. Should our senior customers follow through with their current stated plans, we could add up to 75 rigs to our fleet over the coming year as part of our capital expenditures estimated at some $100 million, the highest level in our history. While we are optimistic that our senior customers will continue with their projects, we are well aware of the present volatility in the financial markets, and the ability of those customers to modify their plans on short notice, at which point we would adjust our capital expenditure plans accordingly."

"Overall, we continue to expect growth for specialized drilling in the year ahead. While financing difficulties for junior mining ventures will moderate our growth over the short-term, it also provides a strong upside potential when their exploration activities pick up, as they must, if the mining industry is to provide the world with the resources it needs toward the end of the decade."

Fourth quarter ended April 30, 2012

Total revenue for the fourth quarter was $237.2 million compared to $137.3 million recorded for the prior year period. All of the Company's regions contributed to this growth as did the newly acquired Bradley operations.

Revenue from Canada-U.S. drilling operations was up 105% to $106.7 million for the quarter compared to the same period last year. In Canada, the Bradley acquisition accounted for more than half of the increase but the existing Canadian operations also saw increased activity levels although mitigated by mild weather. U.S. operations continued its strong growth, particularly with its senior mining customers.

In South and Central America, revenue for the quarter was $73.3 million, up 45% from the prior year quarter. This increase was driven by stronger activity levels in Mexico, Chile and Argentina, combined with additional contracts in Colombia and Suriname from the Bradley acquisition.

Australian, Asian and African drilling operations reported revenue of $57.3 million, up 65% from the same period last year. The revenue increase came primarily from Australia and new operations in Mozambique, Burkina Faso and Democratic Republic of the Congo ("DRC").

The overall gross margin percentage for the quarter was 33.1% compared to 25.4% for the same period last year. New pricing on contracts that were signed or renewed for this calendar year reflected the current stronger pricing environment. Also, our training and recruitment efforts allowed the Company to increase the number of shifts in the field during the quarter. Margins were somewhat impacted by weather issues and more shifting between jobs than usual.

General and administrative costs were $16.0 million for the quarter compared to $11.3 million in the same period last year. The increase was due to the acquisition of Bradley, the addition of new operations in Burkina Faso, Mozambique and the DRC and also increased costs to support the strong growth in activity levels.

Other expenses were $4.0 million, up from $1.6 million in the prior year quarter, due primarily to higher incentive compensation expenses given the Company's increased profitability.

Foreign exchange loss was $1.3 million compared to a gain of $0.7 million in the prior year period. The loss was due to the effect of exchange rate variations on monetary working capital items.

Depreciation and amortization expense increased to $12.6 million for the quarter compared to $8.2 million for the same quarter last year. A significant portion of the increase relates to the acquisition of Bradley, including the amortization of intangible assets, which are amortized over four years. Investments in equipment over the last year account for the rest of the increase.

Non-GAAP Financial Measures

In this news release, the Company uses the following non-GAAP financial measures: EBITDA and EBITDA margin. The Company believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance of the Company. These measures do not have a standardized meaning prescribed by GAAP and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies, and should not be construed as an alternative to other financial measures determined in accordance with GAAP.

Some of the statements contained in this press release may be forward-looking statements, such as, but not limited to, those relating to worldwide demand for gold and base metals and overall commodity prices, the level of activity in the minerals and metals industry and the demand for the Company's services, the Canadian and international economic environments, the Company's ability to attract and retain customers and to manage its assets and operating costs, sources of funding for its clients, particularly for junior mining companies, competitive pressures, currency movements, which can affect the Company's revenue in Canadian dollars, the geographic distribution of the Company's operations, the impact of operational changes, changes in jurisdictions in which the Company operates (including changes in regulation), failure by counterparties to fulfill contractual obligations, and other factors as may be set forth, as well as objectives or goals, and including words to the effect that the Company or management expects a stated condition to exist or occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements by reason of factors such as, but not limited to, the factors set out in the discussion on pages 17 to 20 of the 2011 Annual Report entitled "General Risks and Uncertainties", and such other documents as available on SEDAR at www.sedar.com. All such factors should be considered carefully when making decisions with respect to the Company. The Company does not undertake to update any forward-looking statements, including those statements that are incorporated by reference herein, whether written or oral, that may be made from time to time by or on its behalf, except in accordance with applicable securities laws.

Based in Moncton, New Brunswick, Major Drilling Group International Inc. is one of the world's largest metals and minerals contract drilling service companies. To support its customers' mining operations, mineral exploration and environmental activities, Major Drilling maintains operations on every continent.

Financial statements are attached.

Major Drilling will provide a simultaneous webcast of its quarterly conference call on ***Wednesday, June 6, 2012 at 9:00 AM (EDT).*** *To access the webcast please go to the investors/webcast section of Major Drilling's website at www.majordrilling.com and click the attached link, or go directly to the CNW Group website at www.newswire.ca for directions. Participants will require Windows MediaPlayer, which can be downloaded prior to accessing the webcast. Please note that this is listen only mode.*

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Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Operations
(in thousands of Canadian dollars, except per share information)
(unaudited)

	Three months ended April 30		Twelve months ended April 30	
	2012	2011	**2012**	2011
TOTAL REVENUE	**$ 237,238**	$ 137,258	**$ 797,432**	$ 482,276
DIRECT COSTS	**158,786**	102,345	**546,306**	361,857
GROSS PROFIT	**78,452**	34,913	**251,126**	120,419
OPERATING EXPENSES				
General and administrative	**16,024**	11,323	**57,980**	40,963
Other expenses	**4,019**	1,577	**16,055**	7,582
Loss (gain) on disposal of property, plant and equipment	**54**	50	**1,370**	(377)
Gain on sale of investment	**-**	(313)	**-**	(313)
Foreign exchange loss (gain)	**1,338**	(672)	**1,319**	(892)
Finance costs	**707**	399	**3,367**	1,275
Depreciation and amortization	**12,641**	8,177	**42,604**	30,919
	34,783	20,541	**122,695**	79,157
EARNINGS BEFORE INCOME TAX	**43,669**	14,372	**128,431**	41,262
INCOME TAX - PROVISION				
Current	**11,215**	4,101	**24,592**	13,548
Deferred	**1,723**	805	**14,090**	122
	12,938	4,906	**38,682**	13,670
NET EARNINGS	**$ 30,731**	$ 9,466	**$ 89,749**	$ 27,592
EARNINGS PER SHARE				
Basic *	**$ 0.39**	$ 0.13	**$ 1.18**	$ 0.39
Diluted **	**$ 0.38**	$ 0.13	**$ 1.16**	$ 0.38

*Based on 79,129,765 and 71,794,149 daily weighted average shares outstanding for the quarter ended April 30, 2012 and 2011, respectively and on 76,074,556 and 71,530,882 daily weighted average shares outstanding for the fiscal year to date 2012 and 2011, respectively. The total number of shares outstanding on April 30, 2012 was 79,147,378.

** Based on 80,326,601 and 72,984,266 daily weighted average shares outstanding for the quarter ended April 30, 2012 and 2011, respectively, and on 77,102,194 and 72,253,591 daily weighted average shares outstanding for the fiscal year to date 2012 and 2011, respectively.

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Comprehensive Earnings

(in thousands of Canadian dollars)
(unaudited)

	Three months ended April 30		Twelve months ended April 30	
	2012	2011	**2012**	2011
NET EARNINGS	**$ 30,731**	$ 9,466	**$ 89,749**	$ 27,592
OTHER COMPREHENSIVE EARNINGS				
Unrealized (losses) gains on foreign currency translations (net of tax)	**(7,989)**	(7,942)	**1,871**	(3,662)
Unrealized gain on interest swap (net of tax)	**240**	-	**121**	-
COMPREHENSIVE EARNINGS	**$ 22,982**	$ 1,524	**$ 91,741**	$ 23,930

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity

For the twelve months ended April 30, 2011 and 2012
(in thousands of Canadian dollars)
(unaudited)

	Share capital	Reserves	Share-based payments reserve	Retained earnings	Foreign currency translation reserve	Total
BALANCE AS AT MAY 1, 2010	$ 144,919	$ -	$ 9,236	$153,358	$ -	$307,513
Exercise of stock options	5,723	-	(1,558)	-	-	4,165
Share-based payments reserve	-	-	2,602	-	-	2,602
Dividends	-	-	-	(10,525)	-	(10,525)
	150,642	-	10,280	142,833	-	303,755
Comprehensive earnings:						
Net earnings	-	-	-	27,592	-	27,592
Unrealized losses on foreign currency translations	-	-	-	-	(3,662)	(3,662)
Total comprehensive earnings	-	-	-	27,592	(3,662)	23,930
BALANCE AS AT APRIL 30, 2011	$ 150,642	$ -	$ 10,280	$170,425	$ (3,662)	$327,685
BALANCE AS AT MAY 1, 2011	**$ 150,642**	**$ -**	**$ 10,280**	**$170,425**	**$ (3,662)**	**$327,685**
Exercise of stock options	**2,932**	**-**	**(909)**	-	-	**2,023**
Share issue (net of issue costs)	**77,189**	**-**	-	-	-	**77,189**
Share-based payments reserve	**-**	**-**	**2,426**	**-**	**-**	**2,426**
Dividends	**-**	**-**	**-**	**(13,365)**	**-**	**(13,365)**
	230,763	**-**	**11,797**	**157,060**	**(3,662)**	**395,958**
Comprehensive earnings:						
Net earnings	**-**	**-**	**-**	**89,749**	**-**	**89,749**
Unrealized gains on foreign currency translations	**-**	**-**	**-**	**-**	**1,871**	**1,871**
Unrealized gain on interest rate swap	**-**	**121**	**-**	**-**	**-**	**121**
Total comprehensive earnings	**-**	**121**	**-**	**89,749**	**1,871**	**91,741**
BALANCE AS AT APRIL 30, 2012	**$ 230,763**	**$ 121**	**$ 11,797**	**$246,809**	**$ (1,791)**	**$487,699**

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Cash Flows
(in thousands of Canadian dollars)
(unaudited)

	Three months ended April 30		Twelve months ended April 30	
	2012	2011	**2012**	2011
OPERATING ACTIVITIES				
Earnings before income tax	**$ 43,669**	$ 14,372	**$ 128,431**	$ 41,262
Operating items not involving cash				
Depreciation and amortization	**12,641**	8,177	**42,604**	30,919
Loss (gain) on disposal of property, plant and equipment	**54**	50	**1,370**	(377)
Share-based payments reserve	**660**	696	**2,426**	2,602
Finance costs recognized in earnings before income tax	**707**	399	**3,367**	1,275
	57,731	23,694	**178,198**	75,681
Changes in non-cash operating working capital items	**(28,158)**	(17,769)	**(32,787)**	(22,553)
Finance costs paid	**(708)**	(399)	**(3,432)**	(1,275)
Income taxes paid	**(11,262)**	(5,221)	**(27,502)**	(4,748)
Cash flow from operating activities	**17,603**	305	**114,477**	47,105
FINANCING ACTIVITIES				
Repayment of long-term debt	**(1,573)**	(1,815)	**(17,390)**	(8,939)
Proceeds from long-term debt	**-**	10,000	**25,000**	10,000
Repayment of short-term debt	**(7,847)**	(3,131)	**(12,988)**	(3,131)
Proceeds from short-term debt	**-**	-	**-**	10,400
Issuance of common shares	**1,073**	2,753	**79,212**	4,165
Dividends paid	**-**	-	**(11,525)**	(9,993)
Cash flow (used in) from financing activities	**(8,347)**	7,807	**62,309**	2,502
INVESTING ACTIVITIES				
Business acquisitions (net of cash acquired)	**(1,825)**	(1,209)	**(76,304)**	(3,776)
Acquisition of property, plant and equipment (net of direct financing)	**(21,097)**	(22,053)	**(81,129)**	(62,571)
Proceeds from disposal of property, plant and equipment	**517**	569	**2,228**	4,498
Cash flow used in investing activities	**(22,405)**	(22,693)	**(155,205)**	(61,849)
Effect of exchange rate changes	**269**	(1,371)	**(559)**	(1,775)
(DECREASE) INCREASE IN CASH	**(12,880)**	(15,952)	**21,022**	(14,017)
CASH, BEGINNING OF THE PERIOD	**50,117**	32,167	**16,215**	30,232
CASH, END OF THE PERIOD	**$ 37,237**	$ 16,215	**$ 37,237**	$ 16,215

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets

As at April 30, 2012 and 2011 and May 1, 2010

(in thousands of Canadian dollars)

(unaudited)

	April 30, 2012	April 30, 2011	May 1, 2010
ASSETS			
CURRENT ASSETS			
Cash	**$ 37,237**	$ 16,215	$ 30,232
Trade and other receivables	**159,770**	100,300	62,128
Income tax receivable	**3,314**	2,720	10,053
Inventories	**95,905**	69,864	63,170
Prepaid expenses	**7,476**	8,439	4,813
	303,702	197,538	170,396
PROPERTY, PLANT AND EQUIPMENT	**318,171**	235,473	198,935
DEFERRED INCOME TAX ASSETS	**2,859**	11,575	9,379
GOODWILL	**54,946**	28,316	26,475
INTANGIBLE ASSETS	**6,295**	1,235	1,074
	$ 685,973	$ 474,137	$ 406,259
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	**$ 115,805**	$ 88,599	$ 53,992
Income tax payable	**3,142**	4,297	2,830
Short-term debt	**-**	7,919	-
Current portion of long-term debt	**8,712**	8,402	8,887
	127,659	109,217	65,709
CONTINGENT CONSIDERATIONS	**2,760**	2,612	2,011
LONG-TERM DEBT	**42,274**	16,630	15,041
DEFERRED INCOME TAX LIABILITIES	**25,581**	17,993	15,985
	198,274	146,452	98,746
SHAREHOLDERS' EQUITY			
Share capital	**230,763**	150,642	144,919
Reserves	**121**	-	-
Share-based payments reserve	**11,797**	10,280	9,236
Retained earnings	**246,809**	170,425	153,358
Foreign currency translation reserve	**(1,791)**	(3,662)	-
	487,699	327,685	307,513
	$ 685,973	$ 474,137	$ 406,259

MAJOR DRILLING GROUP INTERNATIONAL INC.

SELECTED FINANCIAL INFORMATION

FOR THE THREE AND TWELVE MONTHS ENDED APRIL 30, 2012 AND 2011 (UNAUDITED)

(in thousands of Canadian dollars)

SEGMENTED INFORMATION

The Company's operations are divided into three geographic segments corresponding to its management structure, Canada - U.S., South and Central America, and Australia, Asia and Africa. The services provided in each of the reportable drilling segments are essentially the same. The accounting policies of the segments are the same as those described in Note 4 presented in the first quarter Notes to Interim Condensed Consolidated Financial Statements for the three months ended July 31, 2011. Management evaluates performance based on earnings from operations in these three geographic segments before finance costs and income tax. Data relating to each of the Company's reportable segments is presented as follows:

	2012 Q4	2011 Q4	**2012 YTD**	2011 YTD
Revenue				
Canada - U.S.	**$ 106,653**	$ 52,069	**$ 322,047**	$ 181,280
South and Central America	**73,311**	50,485	**251,833**	169,381
Australia, Asia and Africa	**57,274**	34,704	**223,552**	131,615
	$ 237,238	$ 137,258	**$ 797,432**	$ 482,276
Earnings from operations				
Canada - U.S.	**$ 23,375**	$ 4,918	**$ 57,629**	$ 21,567
South and Central America	**19,061**	9,653	**55,790**	20,188
Australia, Asia and Africa	**6,553**	4,108	**36,365**	14,716
	48,989	18,679	**149,784**	56,471
Eliminations	**(235)**	(221)	**(939)**	(921)
	48,754	18,458	**148,845**	55,550
Finance costs	**707**	399	**3,367**	1,275
General corporate expenses *	**4,378**	3,687	**17,047**	13,013
Income tax	**12,938**	4,906	**38,682**	13,670
Net earnings	**$ 30,731**	$ 9,466	**$ 89,749**	$ 27,592

*General corporate expenses include expenses for corporate offices, stock options and certain un-allocated costs

	2012 Q4	2011 Q4	**2012 YTD**	2011 YTD
Depreciation and amortization				
Canada - U.S.	**$ 5,448**	$ 2,814	**$ 17,813**	$ 10,195
South and Central America	**2,406**	2,447	**9,877**	8,708
Australia, Asia and Africa	**3,428**	2,645	**11,672**	10,593
Unallocated and corporate assets	**1,359**	271	**3,242**	1,423
	$ 12,641	$ 8,177	**$ 42,604**	$ 30,919