NEWS RELEASE

Major Drilling Announces Record Quarterly Revenue for Its First Quarter 2027

MONCTON, New Brunswick (September 2, 2026) – Major Drilling Group International Inc. ("Major Drilling" or the "Company") (TSX: MDI), the largest provider of drilling services to the mining sector, today reported results for the first quarter of Fiscal 2027, ended July 31, 2026.

Quarterly Highlights:

- Record quarterly revenue of $277.3 million, representing an 18.7% increase from the prior quarter and a 22.4% increase when compared to the same period last year.
- Adjusted gross margin[(1)] of 24.0%, an increase from the 22.0% recorded in the prior quarter, though below the 25.2% recorded for the same period last year.
- Generated EBITDA[(1)] of $37.2 million, a 15.9% increase when compared to the $32.1 million recorded for the same period last year.
- Net earnings of $14.5 million (or $0.18 per share), a 43.6% increase when compared to net earnings of $10.1 million (or $0.12 per share) recorded for the same period last year.

"The Company started the fiscal year on a strong note, with each region contributing double-digit revenue growth when compared to the prior year period. This was primarily driven by the deployment of additional rigs into the field throughout the quarter, combined with a gradually improving pricing environment. As a result, revenue increased by 22.4% year-over-year to $277.3 million, setting a new quarterly record in the Company's 46-year history," said Denis Larocque, President and CEO of Major Drilling.

"Activity in Canada and the US continued to accelerate following prior exploration budget increases by senior mining customers. Growth was driven by both the award of new contracts and the addition of rigs to existing projects as customers expanded their drilling programs. Juniors are increasingly deploying capital following the significant increase in financing activity earlier in the calendar year. Activity levels in the South and Central American region continued to increase, driven primarily by incremental growth in Peru, while Mexico, Argentina, and Brazil also saw increases in activity levels. The Australasia and Africa segment also saw meaningful growth, driven primarily by Australia, where senior mining companies continued to increase their exploration efforts through expanded drill programs," Mr. Larocque continued.

"The adjusted gross margin of 24.0% in the quarter marked further improvement from the 22.0% realized in the prior quarter, reflecting ongoing pricing improvements, muted by ramp-up costs associated with new contracts, higher labour and consumable costs, and investments in workforce training and development. While these factors remain a near-term headwind, we expect margins to continue improving as ramp-up costs subside and pricing initiatives take hold," noted Mr. Larocque.

"Given strong revenue growth, the Company generated EBITDA of $37.2 million in the first quarter of Fiscal 2027, a 15.9% increase from the $32.1 million generated in the prior year period. Net cash[(1)] was $15.7 million, down from the end of the prior quarter as higher rig utilization resulted in a temporary increase in working capital requirements. Reflecting our ongoing commitment to maintaining a high-quality global fleet of rigs, we incurred $13.5 million in capital expenditures during the quarter, with the addition of 5 new drills and support equipment, while 10 older, less efficient drills were retired, bringing the total rig count to 683 at quarter-end," said Ian Ross, CFO of Major Drilling.

"Turning to the outlook, we expect rigs to continue to be gradually deployed into the field at incrementally higher prices as seniors continue to drive increasing activity levels as a result of larger exploration budgets, while juniors continue to move through more robust exploration programs following the substantial increase in financing activity earlier in the calendar year. While demand grows, the industry continues to navigate through a challenging labour market. We expect to improve pricing on new contracts and renewals to offset cost increases and improve margins as the fiscal year progresses," continued Mr. Larocque.

"The Company continues to take proactive measures with respect to the hiring and retention of drill crews as labour remains our most significant challenge. As the availability of experienced drillers tightens, we have increased the number of trainee drillers, which has temporarily impacted productivity and is expected to continue doing so as they gain experience. In the key areas where the labour shortage is most problematic, particularly with respect to Canada and the U.S., we have scaled up our efforts at our training centers. The goals for these centers are to improve the retention rate of new hires, while also accelerating their learning curve and reducing overall training time without compromising safety," concluded Mr. Larocque.

In millions of Canadian dollars (except earnings per share)	**Q1 2027**	Q1 2026
Revenue	**$ 277.3**	$ 226.6
Gross margin	**18.6%**	18.6%
Adjusted gross margin	**24.0%**	25.2%
EBITDA	**37.2**	32.1
As percentage of revenue	**13.4%**	14.1%
Net earnings	**14.5**	10.1
Earnings per share	**0.18**	0.12

(1) See "Non-IFRS Financial Measures"

First Quarter Ended July 31, 2026

Revenue for the first quarter of Fiscal 2027 reached $277.3 million, up 22.4% from revenue of $226.6 million recorded in the same quarter last year. The favourable foreign exchange translation impact on revenue, when compared to the effective rates for the same period last year, was approximately $8 million, while the impact on net earnings was minimal as expenditures in foreign jurisdictions tend to be in the same currency as revenue.

Revenue for the quarter from Canada - U.S. drilling operations increased by 31.6% to $110.7 million, compared to the same quarter last year. Growth was led by new contract starts and continued price increases, while labour availability remained a constraint across the region.

South and Central American revenue increased by 18.4% to $113.4 million for the quarter, compared to the same quarter last year. Peru continued to be the largest contributor to the region's growth, supported by new project activity, while Mexico and Brazil also grew with new project starts.

Australasian and African revenue increased by 13.7% to $53.2 million, compared to the same quarter last year. Growth in the region was driven by increased demand from seniors in Australia.

Gross margin percentage for the quarter as well as for the same quarter last year, was 18.6%. Depreciation expense totaling $15.2 million is included in direct costs for the current quarter, versus $14.9 million in the same quarter last year. Adjusted gross margin, which excludes depreciation expense, was 24.0% for the quarter, compared to 25.2% for the same quarter last year. The year-over-year decline in adjusted gross margin was primarily attributable to ongoing wage adjustments and training costs associated with the tight North American labour market, along with ramp-up costs across various operations and weather-related disruptions in Chile. These factors were partially offset by gradual pricing improvements, particularly within North America.

General and administrative costs were $23.8 million, an increase of $2.4 million compared to the same quarter last year, driven by annual inflationary wage adjustments and additional costs to address rapid growth in our busiest regions.

Other expenses were $6.0 million, up from $3.3 million in the same quarter last year, due primarily to increased incentive compensation costs resulting from improved profitability and higher stock-based compensation costs tied to the Company's share price performance.

Foreign exchange loss was $1.2 million, compared to a loss of $1.5 million for the same quarter last year. While the Company's reporting currency is the Canadian dollar, various jurisdictions have net monetary assets or liabilities exposed to various other currencies.

The income tax provision for the quarter was an expense of $4.6 million, compared to $3.9 million for the same quarter last year. The increase is a result of increased profitability, while the lower effective rate is due to utilization of previously unrecognized losses.

Net earnings were $14.5 million or $0.18 per share ($0.18 per share diluted) for the quarter, compared to net earnings of $10.1 million or $0.12 per share ($0.12 per share diluted) for the prior year quarter.

Non-IFRS Financial Measures

The Company's financial data has been prepared in accordance with IFRS®, with the exception of certain financial measures detailed below. The measures below have been used consistently by the Company's management team in assessing operational performance on both segmented and consolidated levels, and in assessing the Company's financial strength. The Company believes these non-IFRS financial measures are key, for both management and investors, in evaluating performance at a consolidated level and are commonly reported and widely used by investors and lending institutions as indicators of a company's operating performance and ability to incur and service debt, and as a valuation metric. These measures do not have a standardized meaning prescribed by IFRS and therefore 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 IFRS.

EBITDA - earnings before interest, taxes, depreciation, and amortization:

(in $000s CAD)	**Q1 2027**	Q1 2026
Net earnings	**$ 14,483**	$ 10,071
Finance (revenues) costs	**436**	632
Income tax provision	**4,649**	3,889
Depreciation and amortization	**17,595**	17,466
EBITDA	**$ 37,163**	$ 32,058

Adjusted gross profit/margin - excludes depreciation expense:

(in $000s CAD)	**Q1 2027**	Q1 2026
Total revenue	**$ 277,346**	$ 226,618
Less: direct costs	**225,897**	184,461
Gross profit	**51,449**	42,157
Add: depreciation	**15,238**	14,911
Adjusted gross profit	**66,687**	57,068
Adjusted gross margin	**24.0%**	25.2%

Net cash (debt) – cash net of debt, excluding lease liabilities reported under IFRS 16 Leases:

(in $000s CAD)	**July 31, 2026**	April 30, 2026
Cash and cash equivalents	**$ 59,339**	$ 62,631
Contingent consideration	**(15,557)**	(14,695)
Long-term debt	**(28,036)**	(27,352)
Net cash (debt)	**$ 15,746**	$ 20,584

Forward-Looking Statements

This news release includes certain information that may constitute “forward-looking information” under applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this news release that address future events, developments, or performance that the Company expects to occur (including management’s expectations regarding the Company’s objectives, strategies, financial condition, results of operations, cash flows and businesses) are forward-looking statements. Forward-looking statements are typically identified by future or conditional verbs such as “outlook”, “believe”, “anticipate”, “estimate”, “project”, “expect”, “intend”, “plan”, and terms and expressions of similar import. All forward-looking information in this news release is qualified by this cautionary note.

Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management related to the factors set forth below. While these factors and assumptions are considered reasonable by the Company as at the date of this document in light of management’s experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information.

Such forward-looking statements are subject to a number of risks and uncertainties that include, but are not limited to: the level of activity in the mining industry and the demand for the Company's services; global and local political and economic environments and conditions; competitive pressures; exposure to currency movements (which can affect the Company's revenue in Canadian dollars); currency restrictions; measures affecting trade relations between countries, including the imposition of tariffs and countermeasures, as well as the possible impacts on the Company's clients, operations and, more generally, the economy; skilled labour availability/retention for drill crews; the level of funding for the Company's clients (particularly for junior mining companies); the integration of business acquisitions and the realization of the intended benefits of such acquisitions; changes in jurisdictions in which the Company operates (including changes in regulation); efficient management of the Company's growth; the Company's dependence on key customers; the impact of operational changes; safety of the Company's workforce; risks and uncertainties relating to climate change and natural disasters; the geographic distribution of the Company's operations; failure by counterparties to fulfill contractual obligations; disease outbreak; as well as other risk factors described under “General Risks and Uncertainties” in the Company’s MD&A for the year ended April 30, 2026, available on the SEDAR+ website at www.sedarplus.ca. Should one or more risk, uncertainty, contingency, or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information.

Forward-looking statements made in this document are made as of the date of this document and the Company disclaims any intention and assumes no obligation to update any forward-looking statement, even if new information becomes available, as a result of future events, or for any other reasons, except as required by applicable securities laws.

About Major Drilling

Major Drilling Group International Inc. is the world’s largest provider of drilling services in the metals and mining industry. The diverse needs of the Company’s global clientele are met through field operations and registered offices that span across North America, South America, Australia, Asia, Africa, and Europe. Established in 1980, the Company has grown to become a global brand in the mining space, known for tackling many of the world’s most challenging drilling projects. Supported by a highly skilled workforce, Major Drilling is led by an experienced senior management team that has steered it through various economic and mining cycles, supported by regional managers known for delivering decades of superior project management.

Major Drilling is regarded as an industry expert at delivering a wide range of drilling services, including reverse circulation, surface and underground coring, directional, sonic, geotechnical, environmental, water-well, coal-bed methane, shallow gas, underground percussive/longhole, and surface drill and blast, along with the ongoing development and evolution of its suite of data and technology-driven innovation services.

Webcast/Conference Call/Annual General Meeting Information

Major Drilling Group International Inc. will provide a simultaneous webcast and conference call to discuss its quarterly results on Thursday, September 3, 2026 at 8:00 am (ET).

To access the live webcast, which includes a slide presentation, please visit the Investors/Webcasts & Presentations section of the Major Drilling website and click on the link or click here: Webcast Link. Please note that this is listen-only mode.

To participate in the conference call, please pre-register using this Link. Registrants will receive an email confirmation with dial-in details.

For those unable to participate, a replay of the webcast will be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com/investors/webcasts/.

Major Drilling Group International Inc.'s Annual General Meeting will be held on Thursday, September 3, 2026 at 3:30pm EDT in person at McCarthy Tétrault, 66 Wellington St. West, 53rd Floor, Clarkson Room, Toronto ON M5K 1E6, and virtually at www.virtualshareholdermeeting.com/MDI2026.

For further information:

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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 July 31	
	2026	2025
TOTAL REVENUE	**$ 277,346**	$ 226,618
DIRECT COSTS (note 7)	**225,897**	184,461
GROSS PROFIT	**51,449**	42,157
OPERATING EXPENSES		
General and administrative (note 7)	**23,794**	21,368
Amortization of intangible assets	**1,400**	1,530
Other expenses (revenues)	**6,020**	3,291
(Gain) loss on disposal of property, plant and equipment	**(573)**	(120)
Foreign exchange (gain) loss	**1,240**	1,496
Finance (revenues) costs	**436**	632
	32,317	28,197
EARNINGS BEFORE INCOME TAX	**19,132**	13,960
INCOME TAX EXPENSE (RECOVERY) (note 8)		
Current	**6,438**	6,597
Deferred	**(1,789)**	(2,708)
	4,649	3,889
NET EARNINGS	**$ 14,483**	$ 10,071
EARNINGS PER SHARE (note 9)		
Basic	**$ 0.18**	$ 0.12
Diluted	**$ 0.18**	$ 0.12

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

(in thousands of Canadian dollars)
(unaudited)

	Three months ended July 31	
	2026	2025
NET EARNINGS	**$ 14,483**	$ 10,071
OTHER COMPREHENSIVE EARNINGS		
Items that may be reclassified subsequently to profit or loss		
Unrealized gain (loss) on foreign currency translations	**11,669**	(537)
Unrealized gain (loss) on derivatives (net of tax)	**(934)**	106
COMPREHENSIVE EARNINGS	**$ 25,218**	$ 9,640

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity
For the three months ended July 31, 2026 and 2025
(in thousands of Canadian dollars)
(unaudited)

	Share capital	Retained earnings	Other reserves	Share-based payments reserve	Foreign currency translation reserve	Total
BALANCE AS AT MAY 1, 2025	$ 263,108	$ 177,695	$ (293)	$ 3,615	$ 77,973	$ 522,098
Exercise of stock options	345	-	-	(96)	-	249
Share-based compensation	-	-	-	11	-	11
Stock options expired/forfeited	-	22	-	(22)	-	-
	263,453	177,717	(293)	3,508	77,973	522,358
Comprehensive earnings:						
Net earnings	-	10,071	-	-	-	10,071
Unrealized gain (loss) on foreign currency translations	-	-	-	-	(537)	(537)
Unrealized gain (loss) on derivatives	-	-	106	-	-	106
Total comprehensive earnings	-	10,071	106	-	(537)	9,640
BALANCE AS AT JULY 31, 2025	**$ 263,453**	**$ 187,788**	**$ (187)**	**$ 3,508**	**$ 77,436**	**$ 531,998**
BALANCE AS AT MAY 1, 2026	**$ 266,789**	**$ 199,217**	**$ 2,071**	**$ 1,839**	**$ 86,098**	**$ 556,014**
Exercise of stock options	**-**	**-**	**-**	**-**	**-**	**-**
Share-based compensation	**-**	**-**	**-**	**-**	**-**	**-**
Stock options expired/forfeited	**-**	**-**	**-**	**-**	**-**	**-**
	266,789	**199,217**	**2,071**	**1,839**	**86,098**	**556,014**
Comprehensive earnings:						
Net earnings	**-**	**14,483**	**-**	**-**	**-**	**14,483**
Unrealized gain (loss) on foreign currency translations	**-**	**-**	**-**	**-**	**11,669**	**11,669**
Unrealized gain (loss) on derivatives	**-**	**-**	**(934)**	**-**	**-**	**(934)**
Total comprehensive earnings	**-**	**14,483**	**(934)**	**-**	**11,669**	**25,218**
BALANCE AS AT JULY 31, 2026	**$ 266,789**	**$ 213,700**	**$ 1,137**	**$ 1,839**	**$ 97,767**	**$ 581,232**

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)
(unaudited)

	Three months ended July 31	
	2026	2025
OPERATING ACTIVITIES		
Earnings before income tax	**$ 19,132**	$ 13,960
Operating items not involving cash		
Depreciation (note 7)	**16,195**	15,936
Amortization of intangible assets	**1,400**	1,530
(Gain) loss on disposal of property, plant and equipment	**(573)**	(120)
Share-based compensation	**-**	11
Finance (revenues) costs recognized in earnings before income tax	**436**	632
	36,590	31,949
Changes in non-cash operating working capital items	**(20,436)**	(13,118)
Finance revenues received (costs paid)	**(436)**	(632)
Income taxes paid	**(3,965)**	(3,266)
Cash flow from (used in) operating activities	**11,753**	14,933
FINANCING ACTIVITIES		
Repayment of lease liabilities	**(413)**	(384)
Issuance of common shares due to exercise of stock options	**-**	249
Change in long-term debt	**684**	(24)
Cash flow from (used in) financing activities	**271**	(159)
INVESTING ACTIVITIES		
Change in investments	**(3,500)**	-
Acquisition of property, plant and equipment (note 6)	**(13,462)**	(14,380)
Proceeds from disposal of property, plant and equipment	**1,127**	193
Cash flow from (used in) investing activities	**(15,835)**	(14,187)
Effect of exchange rate changes	**519**	504
INCREASE (DECREASE) IN CASH	**(3,292)**	1,091
CASH, BEGINNING OF THE PERIOD	**62,631**	45,987
CASH, END OF THE PERIOD	**$ 59,339**	$ 47,078

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets
As at July 31, 2026 and April 30, 2026
(in thousands of Canadian dollars)
(unaudited)

	July 31, 2026	April 30, 2026
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ **59,339**	$ 62,631
Trade and other receivables (note 11)	**207,121**	179,484
Income tax receivable	**7,982**	9,016
Inventories	**117,132**	111,239
Prepaid expenses	**15,676**	9,982
	407,250	372,352
PROPERTY, PLANT AND EQUIPMENT (note 6)	**283,305**	281,467
RIGHT-OF-USE ASSETS	**10,950**	7,491
INVESTMENTS	**17,255**	14,105
DEFERRED INCOME TAX ASSETS	**5,696**	4,540
GOODWILL	**70,507**	67,979
INTANGIBLE ASSETS	**17,336**	18,062
	$ **812,299**	$ 765,996
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	$ **156,971**	$ 142,131
Income tax payable	**4,485**	3,115
Current portion of lease liabilities	**2,278**	1,616
Current portion of contingent consideration	**6,425**	6,561
	170,159	153,423
LEASE LIABILITIES	**9,214**	6,177
CONTINGENT CONSIDERATION	**9,132**	8,134
LONG-TERM DEBT	**28,036**	27,352
DEFERRED INCOME TAX LIABILITIES	**14,526**	14,896
	231,067	209,982
SHAREHOLDERS' EQUITY		
Share capital	**266,789**	266,789
Retained earnings	**213,700**	199,217
Other reserves	**1,137**	2,071
Share-based payments reserve	**1,839**	1,839
Foreign currency translation reserve	**97,767**	86,098
	581,232	556,014
	$ **812,299**	$ 765,996

1. NATURE OF ACTIVITIES

Major Drilling Group International Inc. (the "Company") is incorporated under the Canada Business Corporations Act and has its head office at 111 St. George Street, Moncton, NB, Canada. The Company's common shares are listed on the Toronto Stock Exchange ("TSX"). The principal source of revenue consists of contract drilling for companies primarily involved in mining and mineral exploration. The Company has operations in North America, South America, Australia, Asia, and Africa.

2. BASIS OF PRESENTATION

Statement of compliance
These Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and using the accounting policies as outlined in the Company's annual Consolidated Financial Statements for the year ended April 30, 2026.

On September 2, 2026, the Board of Directors authorized the financial statements for issue.

Basis of consolidation
These Interim Condensed Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statements of Operations from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Intercompany transactions, balances, income and expenses are eliminated on consolidation, where appropriate.

Basis of preparation
These Interim Condensed Consolidated Financial Statements have been prepared based on the historical cost basis, except for certain financial instruments that are measured at fair value, using the same accounting policies and methods of computation, as presented in the Company's annual Consolidated Financial Statements for the year ended April 30, 2026.

3. APPLICATION OF NEW AND REVISED IFRS® ACCOUNTING STANDARDS

The Company has not applied the following IASB standard that has been issued, but is not yet effective:

- IFRS 18 (as issued in 2024) - Presentation and Disclosure of Financial Statements - effective for periods beginning on or after January 1, 2027, with earlier application permitted. The standard replaces IAS 1, Presentation of Financial Statements, and includes requirements for the presentation and disclosure of information in financial statements, such as the presentation of subtotals within the statement of operations and the disclosure of management-defined performance measures within the financial statements.

The Company has performed a detailed preliminary assessment of the application of IFRS 18 to its financial statements, including a preliminary classification of each statement of operations line item. IFRS 18 will not affect the recognition and measurement of items in the financial statements.

The assessment remains in progress and continues to be reviewed with the Company's external auditor. The Company has implemented changes to its processes during the current period to capture information at the level of detail required under IFRS 18 for retrospective application. The Company will provide updated disclosure in subsequent periods as the assessment is finalized.

(in thousands of Canadian dollars, except per share information)

4. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS

The preparation of financial statements, in conformity with IFRS Accounting Standards, requires management to make judgments, estimates and assumptions that are not readily apparent from other sources, which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Significant areas requiring the use of management estimates relate to the useful lives of property, plant and equipment and intangible assets for depreciation and amortization purposes, inventory valuation, determination of income and other taxes, recoverability of deferred income tax assets, assumptions used in compilation of share-based payments, provisions, contingent considerations, impairment testing of goodwill, and impairment testing of intangible and long-lived assets.

The Company applied judgment in determining the functional currency of the Company and its subsidiaries, the determination of cash-generating units ("CGUs"), the degree of componentization of property, plant and equipment, the recognition of provisions, and the determination of the probability that deferred income tax assets will be realized from future taxable earnings.

5. SEASONALITY OF OPERATIONS

The third quarter (November to January) is normally the Company's weakest quarter due to the slowdown of mining and exploration activities, often for extended periods over the holiday season.

6. PROPERTY, PLANT AND EQUIPMENT

Capital expenditures for the three months ended July 31, 2026 were $13,462 (2025 - $14,380). The Company did not obtain direct financing for the three months ended July 31, 2026 or 2025.

7. EXPENSES BY NATURE

Direct costs by nature were as follows:

	Q1 2027	Q1 2026
Depreciation	**$ 15,238**	$ 14,911
Employee salaries and benefit expenses	**98,202**	82,881
Repairs and maintenance, materials, and consumables	**109,063**	85,275
Other	**3,394**	1,394
	$ 225,897	$ 184,461

General and administrative expenses by nature were as follows:

	Q1 2027	Q1 2026
Depreciation	**$ 957**	$ 1,025
Employee salaries and benefit expenses	**13,030**	11,577
Other general and administrative expenses	**9,807**	8,766
	$ 23,794	$ 21,368

8. INCOME TAXES

The income tax provision for the periods can be reconciled to accounting earnings before income tax as follows:

	Q1 2027	Q1 2026
Earnings before income tax	**$ 19,132**	$ 13,960
Statutory Canadian corporate income tax rate	**27%**	27%
Expected income tax provision based on statutory rate	**5,166**	3,769
Non-recognition of tax benefits related to losses	**168**	705
Utilization of previously unrecognized losses	**(2,051)**	(42)
Other foreign taxes paid	**378**	467
Rate variances in foreign jurisdictions	**405**	(81)
Permanent differences and other	**583**	(929)
Income tax provision recognized in net earnings	**$ 4,649**	$ 3,889

The Company periodically assesses its liabilities and contingencies for all tax years open to audit based upon the latest information available. For those matters where it is probable that an adjustment will be made, the Company records its best estimate of these tax liabilities, including related interest charges. Inherent uncertainties exist in estimates of tax contingencies due to changes in tax laws. While management believes they have adequately provided for the probable outcome of these matters, future results may include favourable or unfavourable adjustments to these estimated tax liabilities in the period the assessments are made, or resolved, or when the statutes of limitations lapse.

9. EARNINGS PER SHARE

All of the Company's earnings are attributable to common shares, therefore, net earnings are used in determining earnings per share.

	Q1 2027	Q1 2026
Net earnings	**$ 14,483**	$ 10,071
Weighted average number of shares:		
Basic (000s)	**82,236**	81,865
Diluted (000s)	**82,284**	82,018
Earnings per share		
Basic	**$ 0.18**	$ 0.12
Diluted	**$ 0.18**	$ 0.12

As at July 31, 2026, all stock options were in-the-money. The calculation of diluted earnings per share for the period ended July 31, 2025 excludes the effect of 200,000 options as they were not in-the-money.

The total number of shares outstanding on July 31, 2026 was 82,236,286 (2025 - 81,887,836).

(in thousands of Canadian dollars, except per share information)

10. SEGMENTED INFORMATION

The Company's operations are divided into the following three geographic segments, corresponding to its management structure: Canada - U.S.; South and Central America; and Australasia and Africa. The services provided in each of the reportable segments are essentially the same. The accounting policies of the segments are the same as those described in the Company's annual Consolidated Financial Statements for the year ended April 30, 2026. Management evaluates performance based on earnings from operations in these three geographic segments before finance costs, general corporate expenses and income taxes. Data relating to each of the Company's reportable segments is presented as follows:

		Q1 2027		Q1 2026
Revenue				
Canada - U.S.*	**$**	**110,716**	$	84,070
South and Central America		**113,434**		95,763
Australasia and Africa		**53,196**		46,785
	$	**277,346**	$	226,618

*Canada - U.S. includes revenue of $52,511 (2025 - $39,169) for Canadian operations.

		Q1 2027		Q1 2026
Earnings (loss) from operations				
Canada - U.S.	**$**	**12,400**	$	6,160
South and Central America		**6,836**		6,241
Australasia and Africa		**9,508**		9,995
		28,744		22,396
Finance (revenues) costs		**436**		632
General and corporate expenses**		**9,176**		7,804
Income tax		**4,649**		3,889
		14,261		12,325
Net earnings	**$**	**14,483**	$	10,071

**General and corporate expenses include expenses for corporate offices and stock-based compensation.

Amounts presented in comparative periods for certain items have been allocated consistent with current year presentation. This allocation had no impact on consolidated net earnings.

		Q1 2027		Q1 2026
Capital expenditures				
Canada - U.S.	**$**	**5,297**	$	1,285
South and Central America		**4,865**		10,674
Australasia and Africa		**2,874**		2,332
Unallocated and corporate assets		**426**		89
Total capital expenditures	**$**	**13,462**	$	14,380

(in thousands of Canadian dollars, except per share information)

10. SEGMENTED INFORMATION (Continued)

	Q1 2027	Q1 2026
Depreciation and amortization		
Canada - U.S.	$ **6,148**	$ 6,554
South and Central America	**7,084**	6,225
Australasia and Africa	**4,219**	4,455
Unallocated and corporate assets	**144**	232
Total depreciation and amortization	$ **17,595**	$ 17,466

	July 31, 2026	April 30, 2026
Identifiable assets		
Canada - U.S.*	$ **251,249**	$ 244,736
South and Central America	**374,878**	349,319
Australasia and Africa	**250,823**	233,442
Unallocated and corporate liabilities	**(64,651)**	(61,501)
Total identifiable assets	$ **812,299**	$ 765,996

*Canada - U.S. includes property, plant and equipment as at July 31, 2026 of $53,300 (April 30, 2026 - $54,278) for Canadian operations.

11. FINANCIAL INSTRUMENTS

Fair value

The carrying values of cash, trade and other receivables, demand credit facilities and trade and other payables approximate their fair value due to the relatively short period to maturity of the instruments. The carrying value of contingent consideration and long-term debt approximates their fair value as the interest applicable is reflective of fair market rates.

Financial assets and liabilities measured at fair value are classified and disclosed in one of the following categories:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company enters into certain derivative financial instruments to manage its exposure to market risks, comprised of share-price forward contracts with a combined notional amount of $7,563, maturing at varying dates through June 2028.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The Company's derivatives, with fair values as follows, are classified as level 2 financial instruments and recorded in trade and other receivables (payables) in the Interim Condensed Consolidated Balance Sheets. There were no transfers of amounts between level 1, level 2 and level 3 financial instruments for the three months ended July 31, 2026.

	July 31, 2026	April 30, 2026
Share-price forward contracts	$ **2,257**	$ 4,930

Credit risk

As at July 31, 2026, 95.2% (April 30, 2026 - 96.6%) of the Company's trade receivables were aged as current and 0.6% (April 30, 2026 - 0.7%) of the trade receivables were impaired.

11. FINANCIAL INSTRUMENTS (Continued)

The movements in the allowance for impairment of trade receivables during the periods were as follows:

	July 31, 2026	April 30, 2026
Opening balance	**$ 1,211**	$ 2,179
Increase in impairment allowance	**59**	342
Recovery of amounts previously impaired	**-**	(893)
Write-off charged against allowance	**-**	(431)
Foreign exchange translation differences	**7**	14
Ending balance	**$ 1,277**	$ 1,211

Foreign currency risk

As at July 31, 2026, the most significant carrying amounts of net monetary assets and/or liabilities (which may include intercompany balances with other subsidiaries) that: (i) are denominated in currencies other than the functional currency of the respective Company subsidiary; and (ii) cause foreign exchange rate exposure, including the impact on earnings before income taxes ("EBIT"), if the corresponding rate changes by 10%, are as follows (in $000s CAD):

	Rate variance	**IDR/USD**	**MNT/USD**	**USD/AUD**	**USD/ZAR**	**PEN/USD**	**USD/CLP**	**USD/CAD**	**Other**
Net exposure on monetary assets (liabilities)		10,053	7,540	6,030	(6,152)	(6,975)	(8,982)	(17,030)	(3,228)
EBIT impact	+/-10%	1,117	838	670	684	775	998	1,892	359

Liquidity risk

The following table details contractual maturities for the Company's financial liabilities:

	1 year	**2-3 years**	**4-5 years**	**Thereafter**	**Total**
Trade and other payables	$ 156,971	$ -	$ -	$ -	$ 156,971
Lease liabilities (interest included)	2,900	5,318	3,009	2,103	13,330
Contingent consideration (undiscounted)	7,008	11,563	-	-	18,571
Long-term debt (interest included)	1,604	28,437	-	-	30,041
	$ 168,483	**$ 45,318**	**$ 3,009**	**$ 2,103**	**$ 218,913**