

Market Update

MONCTON, New Brunswick (January 23, 2013) – Major Drilling Group International Inc. (TSX: MDI) is updating its fourth quarter (February 1 to April 30) activity forecast from its second quarter press release dated November 26, 2012. At that time, the Company expected fourth quarter 2013 activity levels to be consistent with second quarter 2013 activity levels.

Subsequent to the holiday season, there have been increased delays in the decision making process on the part of many of the Company's senior customers in regards to their 2013 exploration drilling programs. The impact of these delays on the Company's third quarter was expected and has not changed management's views on third quarter results. However, given these increased delays, as well as general pricing pressures, fourth quarter revenue will be more significantly impacted than had been anticipated at the time of the November 26, 2012 press release.

Beyond the fourth quarter, and due to the ongoing volatility in the sector, it is too early to make an assessment. In the meantime, the Company continues to have a variable cost structure whereby most of its direct costs, including field staff, go up or down with contract revenue and a large part of the Company's other expenses relates to variable incentive compensation based on the Company's profitability.

Longer term, fundamentals remain positive, with continuing strong gold and copper prices, and an ongoing need for resource companies to replace depleting resources. The Company remains in an excellent financial position, being debt-free, net of cash.

Full financial results for the third quarter will be released on March 4, 2013.

Forward-Looking Statements

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 16 to 18 of the 2012 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.

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