

MAJOR
Drilling

June 2019



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Forward-Looking Statements

Some of the statements contained in this presentation 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 13 to 16 of the 2018 Annual Report entitled "General Risks and Uncertainties", and such other documents as available on the SEDAR website 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.

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Company Overview

- Symbol: MDI – T
- Shares Outstanding: 80M
- Price*: \$4.17
- Market Cap*: \$334M

- Headquarters: Moncton, NB, Canada
- Registered in over 20 countries on 6 continents

- CEO: Denis Larocque
- CFO: Ian Ross



*as of June 6, 2019

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Highlights

- A leading provider of drilling services to the mining industry, registered in over 20 countries, with a fleet of 600 rigs.
- Senior management has over 1,000 years of combined experience.
- Best balance sheet in the mineral drilling industry, with net cash balance of \$10 million.
- High safety standards: at one point working over 7,000,000 continuous hours LTI free.

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The Emergence of “Specialized Drilling”

The more easily accessible mineral reserves all over the world are being depleted.

Our business premise is that the new deposits over the next 20 years will be in areas difficult to access and that specialized drilling will be a larger part of the market.

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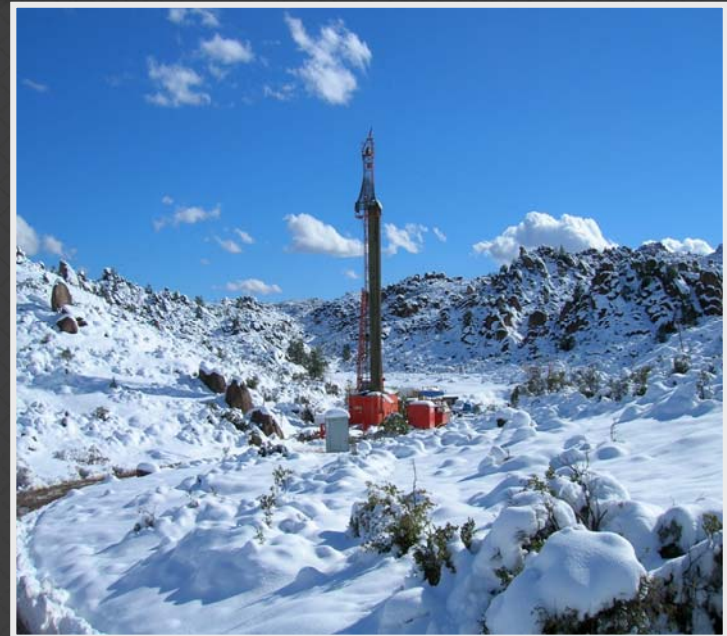
Our Strategy

- Be the world leader in specialized drilling.
- Diversify our services within the drilling field.
- Maintain a strong balance sheet.
- Be the best in class in safety and human resources.
- Modernize our fleet with innovation and expand our footprint in strategic areas.

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What is “Specialized Drilling”?

- Exploration/definition drilling services with significant barriers to entry:
 - deep holes
 - permafrost
 - helicopter portability
 - directional drilling
 - high altitude drilling
 - remote locations
 - top safety requirements



- Diversify in services not as exposed to the mining exploration cycle:
 - underground coring
 - underground percussive
 - grade control
 - dewatering
 - surface drill & blast
 - other mine services





Fourth Quarter Highlights

- Activity picked up in the second half of the quarter after a slow start.
- Trend observed in the second half of the quarter continuing into the first quarter.
- In fiscal 2019, revenue increased by 12% while EBITDA improved by almost 60%.
- Net cash position of \$10 million.

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Financial Review

(\$millions except per share information)

	Q4 2019	Q4 2018
Revenue	\$ 100.4	\$ 95.4
Gross margin	23.0%	24.3%
G&A	11.1	12.2
EBITDA ¹	10.7	10.2
Net loss	(3.0)	(4.3)
EPS	\$ (0.04)	\$ (0.05)
Total net cash	10.0	1.9

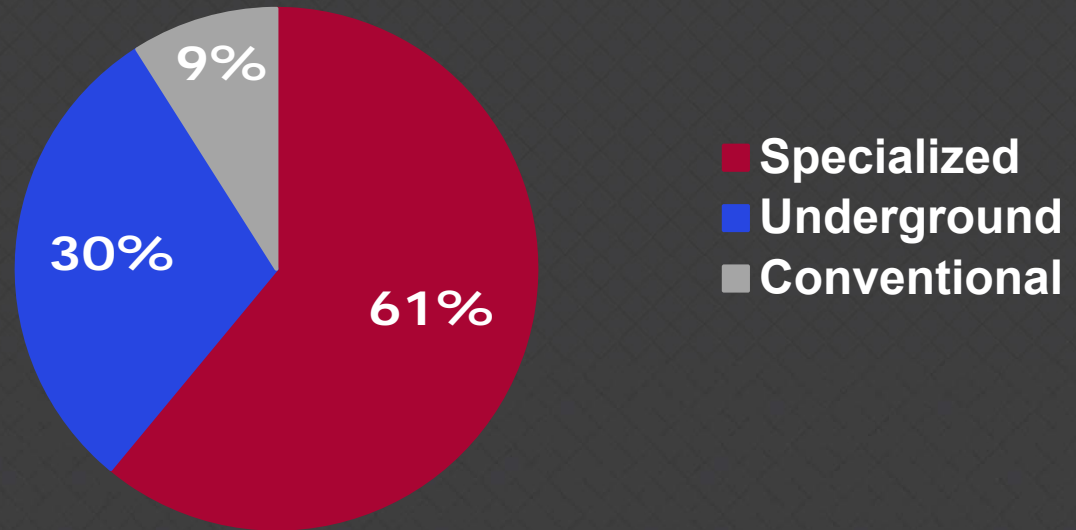
¹ Earnings before interest, taxes, depreciation & amortization, excluding restructuring charge.

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Drilling Revenue by Type of Projects

3 months ended April 30, 2019

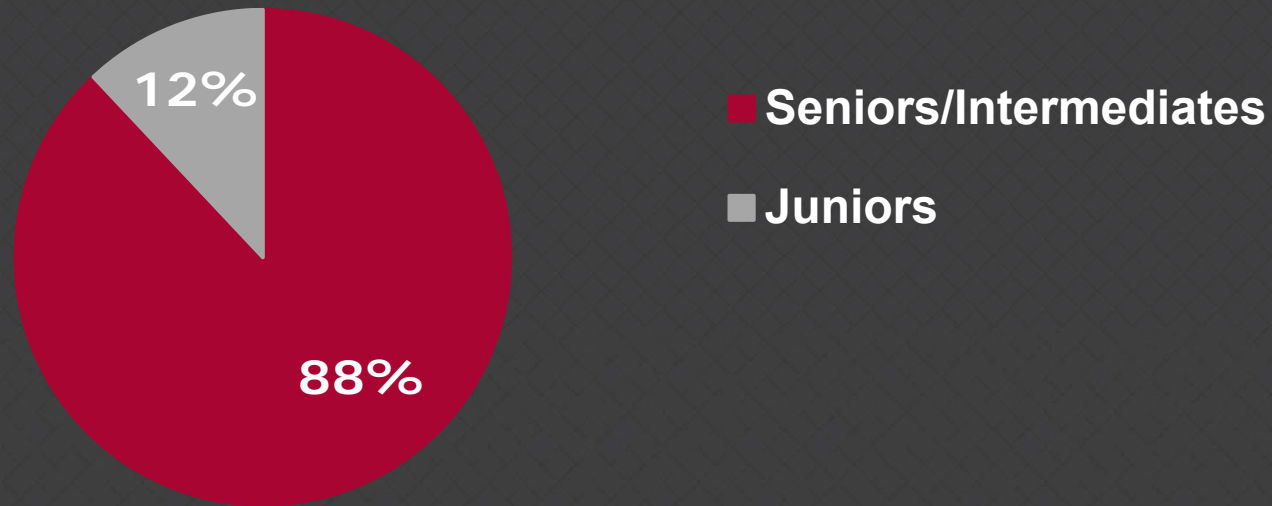


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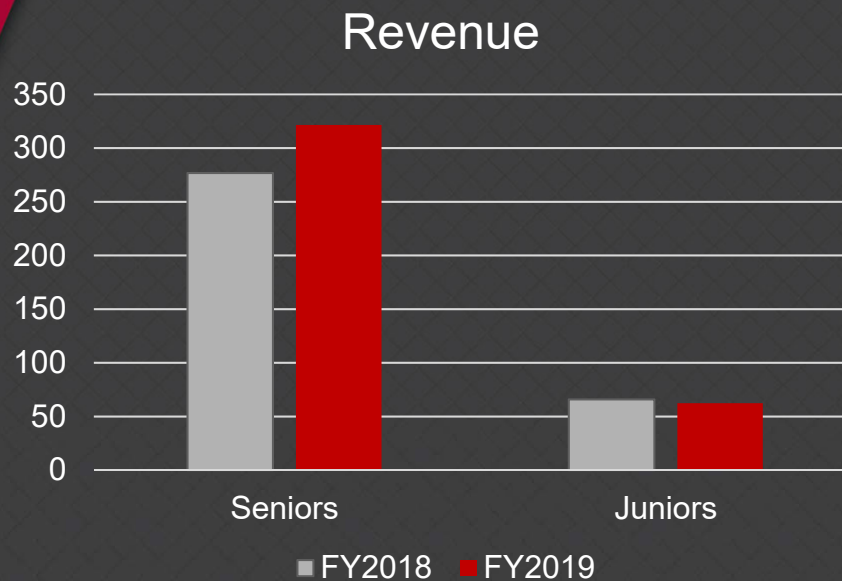
Drilling Revenue by Customer

3 months ended April 30, 2019



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Building Strong Relationships

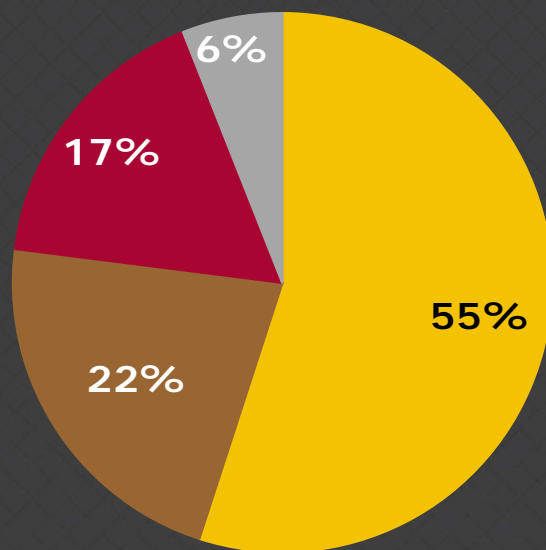


- Stronger relationships with seniors.
- Financing for juniors difficult.
- Strong relationships with well-funded juniors.
- Seniors and well-funded juniors likely to increase their exploration efforts.

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Drilling Revenue by Commodity

3 months ended April 30, 2019



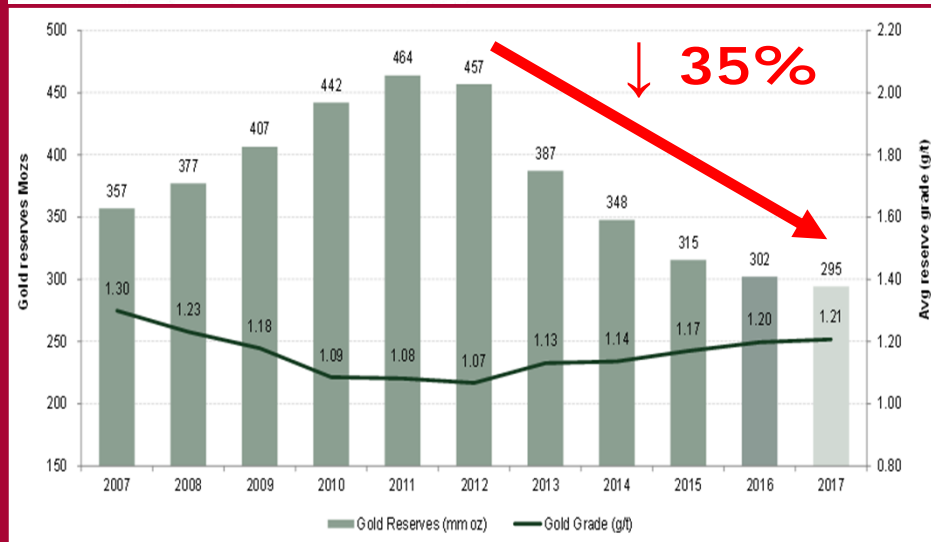
- Gold
- Copper
- Other
- Nickel

Due to Lack of Exploration...

- Gold → Mineral reserves down 35% since 2012.
- Copper → Will face supply deficit in next few years.
- Zinc → Closure of 4 major mines has caused a rush to find zinc.
- Electric Cars → Lithium, Cobalt & Nickel.

Gold Reserves Declining Fast

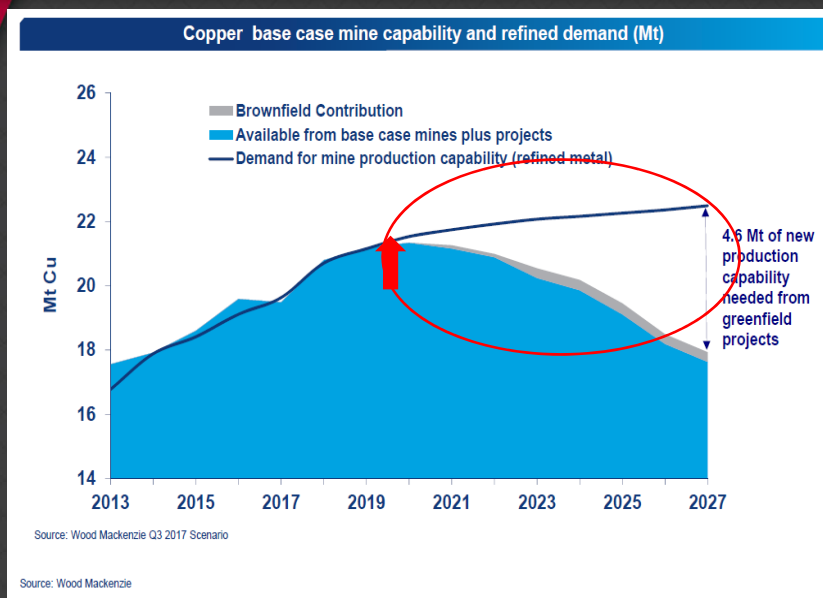
Exhibit 1. Large cap total gold reserves and average grade



- Global gold reserves declining for the last 6 years.
- Lack of significant exploration.
- Down to pre-2005 levels.
- Some companies with less than 10 years of reserves.
- Takes 10-15 years to bring mine into production.

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Copper Supply Deficit



- Copper industry facing supply deficit.
- Demand for EVs gaining momentum.
- EVs contain 3.5X more copper than regular vehicles + charging stations.

Exploration Drilling Needed

- Low number of large exploration projects.
- Without exploration, most commodities will be in a supply deficit within five years.
- New deposits will be in areas more difficult to access requiring specialized drilling.

- Pricing expected to improve going forward, presently offset by training, mobilization and repair costs.
- Considerable operational leverage as utilization improves.
- Very similar to upcycle from 2004 to 2012.
- Investing in technology and systems to improve recruitment and training.

Investing in Training & Innovation



- Challenging labour situation is going to get worse.
- Investing in computerized rigs that will cater to the next generation of employees.
- Several innovation initiatives with data to boost productivity and better customer information.

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Ready for Recovery

Major Drilling remains the leader in specialized drilling.

- Company has financial resources to:
 - continue to enhance training and safety systems;
 - invest in equipment to meet customers' needs; and
 - allow us to attract the best employees.

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Questions?



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