NEWS RELEASE

Major Drilling Reports Revenue of $151 Million and Net Earnings of $11.1 Million

MONCTON, New Brunswick (September 1, 2021) – Major Drilling Group International Inc. (TSX: MDI), a leading provider of specialized drilling services to the mining sector ("Major Drilling" or the "Company"), today reported results for the first quarter of fiscal 2022, ended July 31, 2021.

Highlights

- Industry upturn gaining momentum.
- Highest quarterly revenue in 9 years at $151.0 million, up 69% as compared to same period last year.
- EBITDA(1) for the quarter was $24.2 million, an increase of 75% compared to same period last year.
- Recorded net earnings of $11.1 million or $0.14 per share, the highest in 9 years.
- McKay acquisition delivering great results.

"We're very pleased with the progress made this quarter as our strategy of having rigs and inventory ready for immediate deployment to customers has delivered results. We continued to see increased activity in the industry as the cyclical recovery is well under way. During the quarter, we saw strong regional growth in North America, where gold projects are still the main driver of activity. This quarter, we also added revenue from the McKay Drilling PTY Limited ("McKay") acquisition in Australia, which closed June 1, 2021. While still in the early stages, the integration is going very well and operations are performing at a high level in a very busy market, as anticipated. In South America and Asia, our operations continued to be impacted by the effects of the pandemic, which delayed several projects and continued to disrupt some of our operational activities," said Denis Larocque, President and CEO of Major Drilling.

"During the quarter, we renegotiated several of our contracts in North America, with more favourable terms and prices. We expect this to improve margins going forward, although it will be somewhat offset by cost inflation for supplies and labour. Availability of skilled labour continues to be extremely challenging for everyone in the most operationally intense markets, putting pressure on costs and productivity. Major Drilling's training and retention efforts have allowed us to support our rapid growth and deliver value to our customers, despite the fierce competition for drillers."

"As activity levels picked up in the quarter, our operational leverage drove strong EBITDA growth and our best quarterly net earnings in nine years," said Ian Ross, CFO of Major Drilling. "Our balance sheet remains in great shape after spending $11.7 million on capital expenditures and closing the McKay acquisition, with net debt(1) of $44.5 million, including contingent aspects of the McKay transaction. We added 20 specialized drills from the McKay acquisition, as well as an additional 10 drill rigs and support equipment for existing rigs going out in the field. We also disposed of 13 older, less efficient rigs, bringing the total rig count to 605. Most of the rigs purchased this quarter will be going to work this upcoming quarter to meet continued market demand."

"Demand for our services continues to be strong and we have secured more work for the upcoming quarter. We expect the wider industry rig and labour shortages and higher utilization rates to continue to drive a more positive pricing environment and expedite margin recovery as the cycle progresses. Further, as pandemic restrictions ease in South America, we expect to see an increase in activity as drilling programs resume in Chile and Argentina," said Denis Larocque.

In millions of Canadian dollars (except earnings per share)	Q1 2022	Q1 2021
Revenue	$ 151.0	$ 89.4
Gross margin	20.1%	16.9%
Adjusted gross margin (1)	26.3%	27.8%
EBITDA (1)	24.2	13.9
As percentage of revenue	16.1%	15.5%
Net earnings	11.1	2.1
Earnings per share	0.14	0.03

(1) See "Non-IFRS Financial Measures"

First Quarter Ended July 31, 2021

Total revenue for the quarter was $151.0 million, the Company's highest quarterly revenue since the second quarter of 2013, up 69% from revenue of $89.4 million recorded in the same quarter last year, which was impacted by COVID-19. The unfavourable foreign exchange translation impact on revenue for the quarter, when comparing to the effective rates for the same period last year, was approximately $9 million, with a minimal impact on net earnings 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 84.6% to $84.9 million, compared to the same period last year. Demand for drilling services in this region remains very strong. Recently raised capital from juniors as well as increased exploration budgets from seniors and intermediates has resulted in increased activity levels in which the Company has been positioned to benefit from.

South and Central American revenue increased by 80.5% to $35.2 million for the quarter, compared to the same quarter last year. This quarter saw activity levels start to pick up subsequent to the impacts of COVID-19, although certain countries, such as Chile and Argentina, are still not operating at pre-pandemic levels.

Australasian and African revenue increased by 29.8% to $30.9 million, compared to the same period last year. The addition of the Australian operations more than offset the impacts of COVID-19 in the region, as certain countries, in particular Mongolia, have seen activity levels heavily impacted with the most recent wave of the pandemic.

Gross margin percentage for the quarter was 20.1%, compared to 16.9% for the same period last year. Depreciation expense totaling $9.3 million is included in direct costs for the current quarter, versus $9.7 million in the same quarter last year. Adjusted gross margin, which excludes depreciation expense, was 26.3% for the quarter, compared to 27.8% for the same period last year. Labour challenges and supply cost increases have impacted margins in the current quarter, but several contracts in North America have been renegotiated with more favourable terms and prices, which should help offset the cost inflation and improve margins moving forward.

General and administrative costs were $13.6 million, an increase of $2.4 million compared to the same quarter last year. The increase is driven by the addition of the Australian operations and inflationary wage adjustments to start the new fiscal year. Also, certain cost cutting measures and government assistance programs used to navigate the pandemic in the prior year are no longer in place as the Company shifts towards a growth phase.

The income tax provision for the quarter was an expense of $2.7 million compared to an expense of $1.2 million for the prior year period. The income tax expense, although up from the previous year due to increased profitability, was aided by the utilization of previously unrecognized tax losses in certain regions.

Net earnings were $11.1 million or $0.14 per share ($0.13 per share diluted) for the quarter, compared to $2.1 million or $0.03 per share ($0.03 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.

Adjusted gross profit/margin - excludes depreciation expense:

(in $000s CAD)		**Q1 2022**		Q1 2021
Total revenue	**$**	**150,995**	$	89,420
Less: direct costs		**120,635**		74,295
Gross profit		**30,360**		15,125
Add: depreciation		**9,309**		9,707
Adjusted gross profit		**39,669**		24,832
Adjusted gross margin		**26.3%**		27.8%

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

(in $000s CAD)		**Q1 2022**		Q1 2021
Net earnings	**$**	**11,060**	$	2,148
Finance costs		**472**		288
Income tax provision		**2,715**		1,231
Depreciation and amortization		**9,989**		10,220
EBITDA	**$**	**24,236**	$	13,887

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

(in $000s CAD)		**July 31, 2021**		April 30, 2021
Cash	**$**	**27,470**	$	22,359
Contingent consideration		**(21,742)**		(1,907)
Current portion of long-term debt		**(83)**		(356)
Long-term debt		**(50,159)**		(15,106)
Net cash (debt)	**$**	**(44,514)**	$	4,990

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; the Canadian and international economic environments; the Company's dependence on key customers; the integration of business acquisitions and the realization of the intended benefits of such acquisitions; the level of funding for the Company's clients (particularly for junior mining companies); implications of the COVID-19 pandemic; competitive pressures; exposure to 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; as well as other risk factors described under "General Risks and Uncertainties" in the Company's Annual Information Form for the year ended April 30, 2021, available on the SEDAR website at www.sedar.com. 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 one of the world's largest drilling services companies primarily serving the mining industry. Established in 1980, Major Drilling has over 1,000 years of combined experience and expertise within its management team alone. The Company maintains field operations and offices in Canada, the United States, Mexico, South America, Asia, Africa, and Australia. Major Drilling provides a complete suite of drilling services including surface and underground coring, directional, reverse circulation, sonic, geotechnical, environmental, water-well, coal-bed methane, shallow gas, underground percussive/longhole drilling, surface drill and blast, and a variety of mine services.

Webcast/Conference Call Information

Major Drilling Group International Inc. will provide a simultaneous webcast and conference call to discuss its quarterly results on Thursday, September 2, 2021 at 9:00 AM (EDT). To access the webcast, which includes a slide presentation, please go to the investors/webcast section of Major Drilling's website at www.majordrilling.com and click on the link. Please note that this is listen-only mode.

To participate in the conference call, please dial 416-340-2217, participant passcode 4364280# and ask for Major Drilling's First Quarter Results Conference Call. To ensure your participation, please call in approximately five minutes prior to the scheduled start of the call.

For those unable to participate, a taped rebroadcast will be available approximately one hour after the completion of the call until midnight, Sunday, October 3, 2021. To access the rebroadcast, dial 905-694-9451 and enter the passcode 8936099#. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

For further information:
Ian Ross, Chief Financial Officer
Tel: (506) 857-8636
Fax: (506) 857-9211
ir@majordrilling.com