NEWS RELEASE

Major Drilling Announces Third Quarter Results

MONCTON, New Brunswick (March 2, 2016) – Major Drilling Group International Inc. (TSX: MDI) (the "Company") today reported results for its third quarter of fiscal year 2016, ended January 31, 2016.

Highlights

In millions of Canadian dollars (except loss per share)	Q3-16	Q3-15	YTD-16	YTD-15
Revenue	$71.9	$69.8	$240.5	$224.5
Gross profit	13.0	7.8	57.9	45.2
As percentage of revenue	18.1%	11.2%	24.1%	20.1%
EBITDA(1)	(1.6)	(6.6)	20.7	6.5
As percentage of revenue	(2.2%)	(9.4%)	8.6%	2.9%
Net loss	(15.9)	(19.0)	(32.4)	(36.5)
Loss per share	(0.20)	(0.24)	(0.40)	(0.46)

(1) Earnings before interest, taxes, depreciation and amortization, excluding restructuring charges (see "non-GAAP financial measures")

- Net cash position, net of debt, improved by $1.7 million during the quarter, ending with a net cash position of $34.8 million.
- Quarterly revenue was $71.9 million, up 3% from the $69.8 million recorded for the same quarter last year.
- Gross margin percentage for the quarter was 18.1%, compared to 11.2% for the corresponding period last year.
- Net loss was $15.9 million or $0.20 per share for the quarter, compared to a net loss of $19.0 million or $0.24 per share for the prior year quarter.
- In order to further strengthen its position to respond to a future recovery in the mining industry, the Company is suspending its dividend.

"Conditions in the mining industry continue to be extremely challenging. The third quarter is traditionally the weakest quarter of our fiscal year, as mining and exploration companies shut down, often for extended periods over the holiday season. As expected, January had a slow start as we were still waiting on customer plans for calendar 2016. As well, due to low commodity prices, particularly for base metals, some mining companies have reduced their exploration activity levels compared to last year," said Denis Larocque, President and CEO of Major Drilling Group International Inc. "Quarterly earnings were also impacted by a foreign exchange loss of $1.4 million related to the devaluation of the Argentine peso following the relaxing of currency controls in that country."

"As we go through this challenging period, we continue to focus on cash preservation. Major Drilling remains net debt free, and has improved its net cash position during the quarter by $1.7 million, ending the quarter with a net cash position of $34.8 million. The Company spent $4.1 million on net capital expenditures this quarter," added Mr. Larocque.

"As we started our fourth quarter, there continued to be a number of projects where contracts have not been awarded yet. This has resulted in reduced activity in February, as compared to the same period last year, and is expected to carry through into March. At the same time, the industry is facing more pricing pressure as customers are working to further reduce their costs. We remain disciplined on pricing and focused on cost control, while being mindful that cost control must also be balanced with a continued focus on safety and the need to prepare for the next upturn."

"While we foresee difficult market conditions continuing for the first half of calendar 2016 and perhaps beyond, we continue our efforts to prepare the Company for better times. As the Company's financial strength allows it to invest in safety, to maintain its equipment in good condition, and to retain many of its skilled employees, we are strategically positioned to react quickly when the industry begins to recover."

"Despite an economic slowdown, worldwide consumption continues to increase. Therefore, we believe most commodities, in the long-term, will face an imbalance between supply and demand as mining reserves continue to decrease due to the lack of exploration. At some point in the near future, the need to develop resources in areas that are increasingly difficult to access will significantly increase, at which time we expect to see a resurgence in demand for specialized drilling."

"The Company's Board of Directors has decided to suspend the dividend. The Company intends to use these funds to better prepare itself to adequately respond to a future upturn in the mining industry and to emerge as one of the strongest drilling companies," said Mr. Larocque.

Third quarter ended January 31, 2016

Total revenue for the quarter was $71.9 million, up 3% from revenue of $69.8 million recorded in the same quarter last year. There have been continued delays in the decision making process on the part of many of the Company's senior customers in regards to their 2016 exploration drilling programs. The favorable foreign exchange translation impact for the quarter, when comparing to the effective rates for the same period last year, is estimated at $6 million on revenue with an unfavorable impact of less than $1 million on net earnings.

Revenue for the quarter from Canada-U.S. drilling operations increased by 16% to $47.5 million compared to the same period last year. The increase relates to growth from the percussive division.

South and Central American revenue was down 23% to $13.3 million for the quarter, compared to the same quarter last year. Mexico, Chile and Argentina were affected by a reduction in work by juniors and the cancellation of certain projects.

Asian and African operations reported revenue of $11.1 million, down 3.5% from the same period last year, largely as a result of the decision to close its operations in South Africa and Namibia.

The overall gross margin percentage for the quarter was 18.1%, up from 11.2% for the same period last year. Third quarter margins are typically impacted by a slowdown during the holiday season, combined with higher than usual mobilizations, demobilizations and increased repairs during this period.

General and administrative costs decreased 3% from the same quarter last year at $11.3 million for the quarter, despite an increase due to foreign exchange translation estimated at $0.8 million. The Company has continued to reduce its general and administrative costs by implementing cost reduction programs and restructuring certain branches.

Foreign exchange loss was $1.4 million compared to a loss of $0.8 million last year. The current quarter loss primarily relates to the devaluation of the Argentine peso.

The Company recorded a restructuring charge of $1.5 million in the quarter, relating to the decision to close its operations in South Africa and Namibia.

The income tax provision for the quarter was a recovery of $0.8 million compared to a recovery of $1.7 million for the prior year period. The tax recovery for the quarter was impacted by non-tax affected losses and non-deductible expenses.

Net loss was $15.9 million or $0.20 per share ($0.20 per share diluted) for the quarter, compared to a net loss of $19.0 million or $0.24 per share ($0.24 per share diluted) for the prior year quarter.

Non-GAAP Financial Measures

In this news release, the Company uses the non-GAAP financial measure, EBITDA, excluding restructuring charges. 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.

Forward-Looking Statements

Some of the statements contained in this news 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 21 of the 2015 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.

Major Drilling Group International Inc. is one of the world's largest drilling services companies primarily serving the mining industry. To support its customers' varied exploration drilling requirements, Major Drilling maintains field operations and offices in Canada, the United States, Mexico, South America, Asia, Africa and Europe. Major Drilling provides all types 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 and a variety of drilling-related mine services.

Financial statements are attached.

Webcast/Conference Call Information

Major Drilling will provide a simultaneous webcast and conference call to discuss its quarterly results on ***Thursday, March 3, 2016 at 9:00 AM (EST).*** *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 416-340-2216 and ask for Major Drilling's Third Quarter 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, Thursday March 17, 2016. To access the rebroadcast, dial 905-694-9451 and enter the passcode 8590861. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

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