NEWS RELEASE

Major Drilling Reports First Quarter Results and Declares Dividend

MONCTON, New Brunswick (September 10, 2015) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its first quarter of fiscal year 2016, ended July 31, 2015.

Highlights

In millions of Canadian dollars (except loss per share)	Q1-16	Q1-15
Revenue	$ 83.9	$ 67.6
Gross profit	21.6	16.7
As percentage of revenue	25.8%	24.7%
EBITDA(1)	11.4	4.8
As percentage of revenue	13.5%	7.0%
Net loss	(11.2)	(7.3)
Loss per share - basic	(0.14)	(0.09)

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

- Major Drilling posted quarterly revenue of $83.9 million, up 24% from the $67.6 million recorded for the same quarter last year.
- Gross margin percentage for the quarter was 25.8%, compared to 24.7% for the corresponding period last year.
- General and administrative costs were down 3% despite a 24% increase in revenue.
- Net cash increased $3.3 million during the quarter, to $32.9 million.
- The Company has determined to close its South African and Namibian operations. During the quarter, the Company posted a restructuring charge of $6.4 million, $5.0 million of which is non-cash, mostly related to the closure of these operations.
- Net loss was $11.2 million or $0.14 per share for the quarter, compared to a net loss of $7.3 million or $0.09 per share for the prior year quarter.
- The Board of Directors has declared a semi-annual dividend of $0.02 per share to be paid on November 2, 2015.

“Although demand for drilling services continues to be weak and pricing very competitive, we were able to increase our revenue and margins over the last three months,” said Francis McGuire, President and CEO of Major Drilling. “We continue to grow our services around existing mines, including underground core and percussive drilling, which should help to provide greater revenue stability, provided senior and intermediate miners continue with their production plans. Our efforts to reduce costs have had a positive impact on margins and have allowed us to grow our EBITDA to $11.4 million, more than double our EBITDA in the first quarter of last year.”

“We are still unsure as to the impact that the latest reductions in commodity prices will have on our industry and our operations, as it is very difficult to predict customer plans over the next twelve months. During the quarter, we made the difficult decision to close our operations in South Africa and Namibia, recording a restructuring charge of $6.1 million. This includes a non-cash charge of $5.0 million in write-down of assets and a $1.1 million net cash charge for severance and lease termination. As well, we will incur additional moving costs over the next few months. Also, during the quarter, the Company incurred additional restructuring charges of $0.3 million relating to severance as it continues to reduce costs across the organization.”

“Net cash is up $3.3 million from three months ago, with net cash, net of debt, at $33 million at the end of the quarter. Capital expenditures for the quarter were at $5.3 million as we purchased 5 rigs, including 3 rigs for our percussive division, and also added support equipment, while retiring 11 rigs. We also paid a semi-annual dividend of $1.6 million during the quarter.”

“Through our efforts on diversification, we have been growing our mine services, including our percussive division, which provides services related more to the production function of a mine. 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.”

“Based on our continuing strong balance sheet, the Board of Directors has declared a semi-annual dividend of $0.02 per common share, which will be paid on November 2, 2015 to shareholders of record as of October 9, 2015. This dividend is designated as an “eligible dividend” for Canadian tax purposes.”

“This will be the last quarter in which I will be reporting for the Company. I take great personal pride in the incredible team of people that will continue to serve our customers and you, our shareholders. I have all the confidence that with Denis Larocque and everyone at Major Drilling, our Company’s future is in good hands,” noted Mr. McGuire.

“For more than 15 years, Francis has provided invaluable leadership for Major Drilling and for our industry, at times through challenging market conditions. On behalf of our shareholders, Board and employees, I want to thank Francis for his contributions to Major Drilling, building it into a globally recognized contract drilling company,” said David Tennant, Board Chair.

First quarter ended July 31, 2015

Total revenue for the quarter was $83.9 million, up 24% from revenue of $67.6 million recorded in the same quarter last year. Most of the increase relates to the addition of our percussive division, increased activity in South and Central America and better foreign exchange conversion rates, which offset revenue reduction from our energy division and the closure of our operation in the Democratic Republic of Congo ("DRC"). The favourable foreign exchange translation impact for the quarter is estimated at $5.6 million on revenue but negligible on net earnings, when comparing to the effective rates for the same period last year.

Revenue for the quarter from Canada-U.S. drilling operations increased by 40% to $51.0 million compared to the same period last year. Most of the increase came from the addition of our percussive division.

South and Central American revenue was up 45% to $20.5 million for the quarter, compared to the prior year quarter. Most of the increase came from Mexico and Chile, while other regions were relatively flat.

Asian and African operations reported revenue of $12.4 million, down 27% from the same period last year. Most of the decrease came from the closure of operations in the DRC, and a slowdown in Southern Africa.

The overall gross margin percentage for the quarter was 25.8%, up from 24.7% for the same period last year. This margin is an indication that pricing appears to have now stabilized, but is also a result of the Company's discipline on pricing.

General and administrative costs decreased 3% from last year to $10.6 million for the quarter, despite an increase due to foreign exchange translation, and the Taurus acquisition. With the decrease in activity during the current industry downturn, the Company has reduced its general and administrative costs across its operations.

Gain on disposal of property, plant and equipment was $2.6 million during the quarter compared to nil last year, as the Company sold a non-operational building in Chile.

The Company recorded a restructuring charge of $6.4 million consisting primarily of a non-cash write-down of assets of $5.0 million in South Africa and Namibia, $1.1 million in closedown costs relating to severance and lease termination, and $0.3 million in additional restructuring charges across the organization as it continues to reduce costs.

The income tax provision for the quarter was an expense of $2.8 million compared to a recovery of $2.4 million for the prior year period. The tax expense for the quarter was impacted by non-tax affected losses and non-deductible expenses, while incurring taxes in profitable branches.

The Annual General Meeting of the shareholders of Major Drilling Group International Inc. will be held at The TMX Broadcast Centre, Gallery, The Exchange Tower, 130 King St. W., Toronto, Ontario, on Friday, September 11, 2015 at 11:00 am EDT.

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, and Africa. 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 and underground percussive/longhole drilling.

Financial statements are attached.

Webcast/Conference Call Information

Major Drilling will provide a simultaneous webcast and conference call to discuss its quarterly results on ***Friday, September 11, 2015 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 416-340-2216 and ask for Major Drilling's First 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, Friday September 25, 2015. To access the rebroadcast, dial 905-694-9451 and enter the passcode 5147175. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

-- 30 --

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