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NEWS RELEASE

Major Drilling Reports Third Quarter Results for Fiscal 2017

MONCTON, New Brunswick (March 2, 2017) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its third quarter of fiscal year 2017, ended January 31, 2017.

Highlights

In millions of Canadian dollars (except loss per share)	Q3 2017	Q3 2016	YTD 2017	YTD 2016
Revenue	$ 70.1	$ 71.9	$ 219.1	$ 240.5
Gross profit	9.4	13.0	40.6	57.9
As percentage of revenue	13.4%	18.1%	18.5%	24.1%
EBITDA(1)	(3.1)	(1.6)	5.1	20.7
As percentage of revenue	(4.4%)	(2.2%)	2.3%	8.6%
Net loss	(14.3)	(15.9)	(33.8)	(32.4)
Loss per share	(0.18)	(0.20)	(0.42)	(0.40)

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

- Quarterly revenue was $70.1 million, down 3% from the $71.9 million recorded for the same quarter last year.
- Gross margin percentage for the quarter was 13.4%, compared to 18.1% for the corresponding period last year.
- Net loss was $14.3 million or $0.18 per share for the quarter, compared to a net loss of $15.9 million or $0.20 per share for the prior year quarter.
- Total cash level, net of debt, stands at $27.0 million at quarter end.

"The Company faced the usual slowdown in activity over the holiday season but our teams were hard at work preparing for a busier startup as compared to last year. We incurred significant costs in the quarter as we overhauled more rigs and support equipment, and trained new crews. These costs, combined with weather-delayed mobilizations in Canada, impacted margins in the third quarter," said Denis Larocque, President and CEO of Major Drilling Group International Inc.

"Looking ahead to our fourth quarter and fiscal 2018, we have a positive but cautious view. Most senior and intermediate companies have increased their exploration budgets for calendar 2017, although some remain conservative. As well, junior mining companies continue to be active following the recent increase in mineral financings," said Mr. Larocque. "We have renewed most of our contracts for 2017, although at limited price increases given we were still facing pricing pressures. We continue to see an increase in inquiries from customers, and as they move forward with their stated plans, we should see utilization rates gradually improve as each month goes by."

"With increased demand, and utilization rates in the industry improving, we are starting to see marginal price improvements for our services in most regions. One of the challenges that is re-emerging in our sector is the shortage of experienced drill crews in the industry, particularly in Canada, a factor that will put some pressure on productivity and margins as we go forward."

"The Company's net cash position (net of debt) continues to be very healthy at $27.0 million. This quarter, we have spent $3.7 million on capital expenditures, adding two new rigs and support equipment to our fleet. In order to optimize our rig performance, we took the opportunity to review the quality of our fleet and retired 29 older, inefficient and less productive drill rigs, bringing the fleet total to 645 rigs. The net impact on results was less than $0.3 million, as most of these rigs had been fully depreciated over time," added Mr. Larocque.

"We continue to focus our efforts on getting prepared for a potential increase in activity and have ramped up our initiatives on recruitment and training. The recent increase in gold and base metal prices, combined with recent mineral financings, are positive signs going into calendar 2017. The Company's financial strength allows it to invest in safety and innovation, to maintain its equipment in good condition, and to retain many of its skilled employees, strategically positioning us to react quickly when the industry recovers."

Third Quarter ended January 31, 2017

Total revenue for the quarter was $70.1 million, down 3% from revenue of $71.9 million recorded in the same quarter last year. The foreign exchange translation impact for the quarter was an unfavorable impact of approximately $1 million on revenue and negligible on net earnings, when compared to the effective rates for the same period last year.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 20% to $37.8 million compared to the same period last year. The decrease in revenue came primarily from the Canadian operations as both senior and junior customers stopped their programs earlier this year as they worked through budgets and programs for 2017.

South and Central American revenue was up 43% to $19.0 million for the quarter, compared to the prior year quarter. While improvements were experienced in most operations, the increase came primarily from Mexico and Argentina.

Asian and African operations reported revenue of $13.3 million, up 20% from the same period last year. During the quarter, all operations in the region showed improvements compared to the prior year quarter.

The overall gross margin percentage for the quarter was 13.4%, down from 18.1% for the same period last year. Reduced pricing, along with significant repair, training and mobilization costs, impacted margins in the current quarter.

General and administrative costs were up $0.1 million at $11.4 million compared to the same quarter last year. The Company continues to focus on controlling its general and administrative costs across all operations.

The income tax provision for the quarter was a recovery of $1.9 million compared to a recovery of $0.8 million for the prior year period. The tax recovery for the quarter was impacted by non-tax affected losses and non-deductible expenses, while incurring taxes in profitable branches.

Non-GAAP Financial Measure

In this news release, the Company uses the non-GAAP financial measure, EBITDA, excluding restructuring charge. The Company believes this non-GAAP financial measure provides useful information to both management and investors in measuring the financial performance of the Company. This measure does not have a standardized meaning prescribed by GAAP 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 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 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 15 to 18 of the 2016 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.

About Major Drilling

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 Friday, March 3, 2017 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 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, Friday, March 17, 2017. To access the rebroadcast, dial 905-694-9451 and enter the passcode 8866904. 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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