NEWS RELEASE

Major Drilling Reports First Quarter Results, Robust Cash Position Drives Share Repurchases and Long-Term Debt Reduction to Zero

MONCTON, New Brunswick (September 5, 2023) – Major Drilling Group International Inc. ("Major Drilling" or the "Company") (TSX: MDI), a leading provider of specialized drilling services to the mining sector, today reported results for the first quarter of fiscal 2024, ended July 31, 2023.

Quarterly Highlights

- Revenue of $198.9 million, flat compared to the same period last year, however an increase of 7.5% from revenue reported in Q4 of fiscal 2023.
- EBITDA(1) of $40.3 million (or $0.48 per share), down from $43.5 million for the same period last year.
- Net earnings of $21.8 million (or $0.26 per share), down from $24.2 million for the same period last year.
- Discretionary repayment of $20 million on long-term debt, bringing long-term debt to nil.
- Spent $1.3 million in share buybacks.
- Net cash(1) increased during the quarter to $60.8 million.

"We continued to see steady growth every month of the quarter, with increased activity from copper, lithium, silver and nickel customers, offsetting the reduced demands of junior gold exploration companies," commented Mr. Denis Laroque, CEO of Major Drilling. "Early in the summer, forest fires and project delays due to permitting impacted our North American operations, however, by the end of the quarter, we saw the return of strong activity levels. We were particularly pleased with the results from our South American and Australasian operations, which are seeing a pickup in activity that bodes well for the future."

"The Company delivered solid financial performance in the quarter, generating $40.3 million in EBITDA bolstered by growing demand in South America and Australasia, while navigating temporary challenges in North America," commented Ian Ross, CFO of Major Drilling. "Our continued robust cash position provided the opportunity to pay off the Company's remaining $20 million dollar balance of long-term debt. Against a backdrop of rising interest rates, this will provide tremendous stability and flexibility to our balance sheet, which had $60.8 million in net cash at the end of the quarter. The Company also took the opportunity, at current valuations, to make use of its Normal Course Issuer Bid, spending $1.3 million on share buybacks at an average price of $8.89 per share. As the Company positions itself to capitalize on the encouraging industry outlook, we spent $16.3 million on capital expenditures, including 5 new drills and adding support equipment to be able to field more rigs in busy markets, while disposing of 4 older, less efficient rigs, bringing Major Drilling's total fleet count to 601 drills," concluded Mr. Ross.

Mr. Larocque continued, "As we move into our second quarter of fiscal 2024, the monthly growth we experienced since the beginning of this calendar year is expected to continue throughout the quarter. The need to replenish supply shortfalls for most metals remains a priority for mining companies, despite the recent decline in commodity prices. Those prices remain well above the level needed to support exploration, and we are already in discussions with several senior customers regarding their calendar 2024 programs, with many looking to book their rigs early."

"Looking forward, the global demand for electric vehicles continues to grow and will require an enormous volume of copper and battery metals, which will increase pressure on the existing supply/demand dynamic. We expect all of this to lead to substantial additional investments in copper and other base metal exploration projects as we help our customers discover the metals that will allow the world to accelerate its efforts toward a green economy. Many of the new mineral deposits in question are located in areas challenging to access, requiring complex drilling solutions, and continued demand for Major Drilling's specialized services."

"Major Drilling remains in a unique position to react to, and benefit from these market dynamics. Backed by our strong financial position, our success in recruiting, training, and inventory management has allowed us to maintain our position as both the operator and employer of choice in our industry," concluded Mr. Larocque.

In millions of Canadian dollars (except earnings per share)	Q1 2024	Q1 2023
Revenue	$ 198.9	$ 199.8
Gross margin	24.6%	25.6%
Adjusted gross margin (1)	30.1%	30.8%
EBITDA (1)	40.3	43.5
As percentage of revenue	20.2%	21.8%
Net earnings	21.8	24.2
Earnings per share	0.26	0.29

(1) See "Non-IFRS Financial Measures"

First Quarter Ended July 31, 2023

Total revenue for the quarter was $198.9 million, down 0.5% from revenue of $199.8 million recorded in the same quarter last year. The favourable foreign exchange translation impact on revenue and net earnings for the quarter, when comparing to the effective rates for the same period last year, was approximately $6 million and $1 million, respectively.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 9.9% to $101.5 million, compared to the same period last year. Customer-related delays due to permitting and forest fires negatively impacted the region at the start of the quarter, but activity levels had picked up by quarter-end.

South and Central American revenue increased by 8.6% to $51.6 million for the quarter, compared to the same quarter last year. All regions but Mexico contributed to the growth as demand for battery metals and depleting gold reserves drove strong exploration efforts. Mexico continues to be impacted by the uncertainty over new mining legislation and access to capital for juniors.

Australasian and African revenue increased by 15.1% to $45.8 million, compared to the same period last year. Our specialized services in Australia continue to be in high demand and the Company has added some energy work in Mongolia, which have contributed to the growth in the region.

Gross margin percentage for the quarter was 24.6%, compared to 25.6% for the same period last year. Depreciation expense totaling $11.0 million is included in direct costs for the current quarter, versus $10.4 million in the same quarter last year. Adjusted gross margin, which excludes depreciation expense, was 30.1% for the quarter, compared to 30.8% for the same period last year. Margins were relatively flat quarter over quarter as inflationary impacts continue to be covered by pricing adjustments in most markets.

General and administrative costs were $16.5 million, an increase of $0.3 million compared to the same quarter last year, primarily due to annual wage adjustments implemented at the start of the new fiscal year.

Foreign exchange loss was $1.6 million, compared to a loss of $0.7 million for the same quarter last year. While the Company's reporting currency is the Canadian dollar, various jurisdictions have net monetary assets or liabilities exposed to various other currencies. The Company strives to limit its exposure to the Argentine peso, however Argentina generated a significant portion of the loss during the current quarter as the currency faced continued devaluation in this high inflation market.

The income tax provision for the quarter was an expense of $7.2 million, compared to an expense of $7.3 million for the prior year period. The income tax expense for the quarter was impacted by lower utilization of previously unrecognized tax losses.

Net earnings were $21.8 million or $0.26 per share ($0.26 per share diluted) for the quarter, compared to net earnings of $24.2 million or $0.29 per share ($0.29 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 $000s CAD)		**Q1 2024**		Q1 2023
Total revenue	**$**	**198,884**	$	199,835
Less: direct costs		**149,875**		148,661
Gross profit		**49,009**		51,174
Add: depreciation		**10,951**		10,414
Adjusted gross profit		**59,960**		61,588
Adjusted gross margin		**30.1%**		30.8%

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

(in $000s CAD)		**Q1 2024**		Q1 2023
Net earnings	**$**	**21,773**	$	24,248
Finance (revenues) costs		**(682)**		430
Income tax provision		**7,176**		7,285
Depreciation and amortization		**11,989**		11,541
EBITDA	**$**	**40,256**	$	43,504

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

(in $000s CAD)		**July 31, 2023**		April 30, 2023
Cash	**$**	**75,917**	$	94,432
Contingent consideration		**(15,132)**		(15,113)
Long-term debt		**-**		(19,972)
Net cash (debt)	**$**	**60,785**	$	59,347

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 herein. 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; competitive pressures; global and local political and economic environments and conditions; the level of funding for the Company's clients (particularly for junior mining companies); exposure to currency movements (which can affect the Company's revenue in Canadian dollars); the integration of business acquisitions and the realization of the intended benefits of such acquisitions; efficient management of the Company's growth; currency restrictions; safety of the Company's workforce; risks and uncertainties relating to climate change and natural disaster; the Company's dependence on key customers; 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; disease outbreak; as well as other risk factors described under "General Risks and Uncertainties" in the Company's MD&A for the year ended April 30, 2023, available on the SEDAR+ website at www.sedarplus.ca. 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. 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 Wednesday, September 6, 2023 at 8:00 AM (EDT). To access the webcast, which includes a slide presentation, please go to the investors/webcasts 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 8876233# 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 Saturday, October 7, 2023. To access the rebroadcast, dial 905-694-9451 and enter the passcode 3592816#. 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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