Groupe Forage MAJOR Drilling Group International Inc.

NEWS RELEASE

Major Drilling Reports Strong Growth in its Second Quarter Results

MONCTON, New Brunswick (December 7, 2010) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its second quarter of fiscal year 2011 ended October 31, 2010.

Highlights

In millions of Canadian dollars (except earnings per share)	Q2-11	Q2-10	YTD-11	YTD-10
Revenue	$127.8	$75.5	$237.3	$138.0
Gross profit	35.1	22.8	61.6	40.0
As percentage of sales	27.5%	30.2%	26.0%	29.0%
Net earnings	11.4	4.1	16.5	0.8
Earnings per share	0.48	0.17	0.69	0.03
Cash flow from operations (before changes in non-cash working capital items)	18.6	12.3	30.7	19.9

- Major Drilling posted quarterly revenue of $127.8 million, up nearly 70 percent from the $75.5 million recorded for the same quarter last year.
- Gross margin percentage for the quarter was 27.5 percent, compared to 30.2 percent for the corresponding period last year, an increase from the 24.2 percent in the first quarter of 2011.
- Net earnings were $11.4 million or $0.48 per share for the quarter, compared to net earnings of $4.1 million or $0.17 per share for the prior year quarter.
- The Board of Directors is recommending to shareholders a three for one stock split in order to help enhance liquidity.

"We continued to see a strong recovery during the quarter in all of our operating regions although pricing remained relatively stable. The actual number of rigs working in the field increased by 18 in the quarter and revenue grew by nearly 70 percent year-over-year to $127.8 million. The utilization rate of our fleet was relatively flat compared to the first quarter as a significant part of our revenue growth came from increased activity at existing projects translating into more shifts worked per drill. Our utilization rates are expected to rise as we respond to what is shaping up to be a much busier 2011 calendar year," said Francis McGuire, President and CEO of Major Drilling.

"Margins improved significantly from the first quarter but were still impacted by training costs and additional consumable purchases to support increased activity. Going forward, increased pricing should help margins improve, although the shortage of experienced drill crews will put some pressure on labour costs and productivity, especially in our most active markets."

"Recent announcements of significant increases in exploration budgets from senior mining companies, combined with a recent increase in financing for junior mining companies, indicate that activity levels in calendar 2011 should be robust. To meet the labour availability challenge coming from this pick-up in activity, we have stepped up our training efforts around the world, and have re-instated many of the initiatives that were successful in the last industry upturn. Many of our senior drillers are returning to their function of trainers, extra trainees are being assigned to rigs and retention programs are being re-instated. With a truly global workforce, we see opportunities to shift employees between regions to mitigate inter-regional seasonal fluctuations. Wage increases will be required in certain areas to retain and attract the most experienced drillers, which are key to high quality customer service, particularly in specialized circumstances," observed Mr. McGuire.

"Net capital expenditures for the quarter were $13.3 million as we purchased 22 rigs, 7 of which are for our environmental division. We also retired 8 rigs through our modernization program. During the quarter, we added a significant amount of support vehicles and other support equipment to meet changing patterns of demand and our new safety standards. Through these additions, we hope to further improve rig utilization and reliability."

"It is important to note that we are now in our third quarter, seasonally the weakest quarter of our fiscal year, as mining and exploration companies shut down, often for extended periods over the holiday season. At this time, most senior and intermediate companies are still working through their budget process and have yet to decide on post-holiday start up dates, which impacts third quarter revenue."

"The Company is pleased to announce it has appointed Catherine McLeod-Seltzer to its Board of Directors. Ms. McLeod-Seltzer has enjoyed a broad and successful career in the mining industry, including co-founding and/or directing numerous successful mining ventures."

"Finally, in a separate release issued today, the Board of Directors is recommending to shareholders a three for one stock split in order to help enhance liquidity," said Mr. McGuire.

Second quarter ended October 31, 2010

Total revenue for the quarter was $127.8 million up 69.3 percent from the $75.5 million recorded in the same quarter last year. Most of the Company's branches exhibited strong growth, mainly coming from an increased number of shifts per drill and increased utilization.

Revenue for the quarter from Canada-U.S. drilling operations increased by 110 percent to $50.6 million compared to $24.1 million for the same period last year. Both countries contributed to this increase.

South and Central American revenue was at $42.0 million for the quarter, up 74 percent from the $24.2 million posted for the prior year quarter. Argentina, Mexico and Chile continued to be the main drivers in that region.

Australian, Asian and African operations reported revenue of $35.2 million, up 29 percent from the $27.3 million reported in the same period last year. Mongolia accounted for a large part of the region's growth while we saw increased activity in Australia and Indonesia. The Company also started operations in Kazakhstan.

The overall gross margin percentage for the quarter was 27.5 percent, down from 30.2 percent for the same period last year, but up from the 24.2 percent margins in the first quarter of fiscal 2011. Although still a factor, the impact of training costs and consumable purchases was reduced this quarter.

General and administrative costs were $9.9 million or 7.7 percent of revenue for the quarter, compared to $8.1 million or 10.7 percent of revenue in the same period last year. The increase was due to the addition of the new environmental division and also increased costs to support the strong growth in activity levels.

Other expenses for the quarter were $1.4 million, up from $1.1 million in the prior year quarter, due primarily to higher incentive compensation expenses given the Company's increased profitability in the current year.

Foreign exchange gain in the quarter was $1.3 million compared to $0.1 million in the prior year quarter.

Short-term interest expense was $0.1 million this quarter compared to nil for the same quarter last year, while interest expense on long-term debt was down to $0.2 million compared to $0.3 million for the same quarter last year due to lower debt levels.

Amortization expense was $7.8 million for the quarter compared to $7.7 million for the same quarter last year.

Income tax expense was $5.6 million in the quarter compared to $1.7 million for the prior year quarter as a result of increased earnings.

Net earnings were $11.4 million or $0.48 per share ($0.48 per share diluted) compared to $4.1 million or $0.17 per share ($0.17 per share diluted) for the same period last year.

Year to date ended October 31, 2010

Revenue for the six months ended October 31, 2010 increased 72 percent to $237.3 million from $138.0 million for the corresponding period last year.

Canada-U.S. revenue increased by 105 percent or $46.7 million to $91.0 million compared to $44.3 million last year with both countries contributing to this growth.

Revenue in South and Central America increased by 94 percent to $82.1 million, compared to $42.4 million in the prior year period. Most of the growth in the region came from Mexico, Chile and Argentina.

Revenue in Australia, Asia and Africa increased 25 percent to $64.2 million from $51.3 million in the prior year period. Mongolia and Indonesia were the main drivers of growth in the region while Australia was flat as compared to the same period last year.

Gross margins for the year to date were 26.0 percent compared to 29.0 percent last year, due to significant training, mobilizing and consumable costs to accommodate present growth.

General and administrative costs were $19.5 million or 8.2 percent of revenue compared to $17.0 million or 12.3 percent of revenue in the same period last year. The increase was due to the addition of our U.S. based environmental division and also increased costs to support the strong growth in activity levels.

Other expenses were $3.3 million for the year compared to $2.0 million for the same period last year due primarily to higher incentive compensation expenses given the Company's increased profitability in the current year.

Foreign exchange gain was $1.2 million compared to $0.8 million in the prior year period.

Short-term interest expense was $0.2 million for the year compared to a revenue of $0.1 million last year, while interest expense on long-term debt was $0.4 million compared to $0.6 million last year due to lower debt levels.

Amortization expense decreased to $15.1 million compared to $15.4 million in the previous period.

The provision for income tax for the year was $7.9 million compared to $1.9 million for the prior year, reflecting the increased profitability of the operations.

Last year, the Company recorded a restructuring charge of $1.2 million to account for retrenchment and closedown costs, primarily in Australia. The Company also recorded a net non-cash goodwill impairment charge of $2.0 million relating to the Paragon del Ecuador S.A. acquisition.

Net earnings were $16.5 million or $0.69 per share ($0.69 per share diluted) compared to $0.8 million or $0.03 per share ($0.03 per share diluted) last year.

Some of the statements contained in this press 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 starting on pages 15 to 17 of the 2010 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.

Based in Moncton, New Brunswick, Major Drilling Group International Inc. is one of the world's largest metals and minerals contract drilling service companies. To support its customers' mining operations, mineral exploration and environmental activities, Major Drilling maintains operations in Canada, the United States, South and Central America, Australia, Asia, and Africa.

Financial statements are attached.

Major Drilling will provide a simultaneous webcast of its quarterly conference call on ***Wednesday, December 8, 2010 at 8:30 AM (EST).*** *To access the webcast please go to the webcast section of Major Drilling's website at www.majordrilling.com and click the attached link, or go directly to the CNW Group website at www.newswire.ca for directions. Participants will require Windows MediaPlayer, which can be downloaded prior to accessing the call. Please note that this is listen only mode.*

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