Groupe Forage MAJOR Drilling Group International Inc.

NEWS RELEASE

Major Drilling Reports Third Quarter Results

MONCTON, New Brunswick (March 8, 2010) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its third quarter of fiscal 2010, ended January 31, 2010.

Highlights

$ millions of Canadian dollars (except earnings per share)	**Q3-10**	**Q3-09**	**YTD-10**	**YTD-09**
Revenue	$72.5	$87.4	$210.5	$456.6
Gross profit	12.0	24.1	52.0	157.8
As percentage of sales	16.5%	27.6%	24.7%	34.6%
Net (loss) earnings, after restructuring and impairment charges	(4.5)	(5.1)	(3.7)	50.5
Net (loss) earnings per share - basic	(0.19)	(0.21)	(0.16)	2.13
Cash flow from continuing operations before changes in working capital	1.3	9.4	21.2	84.9

- Major Drilling posted quarterly revenue of $72.5 million, down 17 percent from the $87.4 million recorded for the same quarter last year.

- Gross margin percentage for the quarter was 16.5 percent compared to 27.6 percent for the corresponding period last year. This quarter was impacted by higher mobilization, repair and training costs due to a ramp up for the fourth quarter.

- Net loss was $4.5 million or $0.19 per share for the quarter, compared to a loss of $5.1 million or $0.21 per share for the prior year quarter. Last year's loss included restructuring and impairment charges of $5.6 million net of tax.

- The Company remains in an excellent financial position following recent turbulent times. Total cash level, net of long-term debt stands at $26.6 million at quarter-end. Cash on hand at quarter-end was $53.7 million while total debt was $27.1 million.

- The Company has declared a semi-annual dividend of $0.20 per share to be paid on May 3, 2010.

"The quarter ended on a good note as the month of January was significantly more active than January last year, which bodes well for the upcoming fourth quarter and calendar 2010. However, November and December of 2009 were still affected by reduced levels of activity from larger mining companies when compared to November and December 2008, as in 2008 companies were still completing their exploration programs before the downturn fully took hold in January 2009. Consequently, and as a result of the fact that mining companies shut down operations, often for extended periods, over the holidays, we had expected a loss in this quarter. Also, due to the higher startups in January, the Company incurred significant training, mobilization and setup costs in both the mineral and energy sectors, which reduced margins significantly in the third quarter. In Australia, weather delayed startups further compounding margin performance," said Francis McGuire, President and CEO of Major Drilling.

"Most senior and intermediate companies have increased their exploration budgets for calendar 2010, although some remain conservative. Junior mining companies with advanced gold or base metal properties continue to be active and in most cases have ramped up their efforts. However, early stage exploration companies are still experiencing difficulties in getting financing," said Mr. McGuire.

"Looking ahead to our fourth quarter and fiscal 2011, we have a positive but cautious view. We continue to see a noticeable increase in inquiries from intermediate and senior customers, and if customers move forward with their stated plans, we should see utilization rates gradually improve as each month goes by. This increase in utilization gives us considerable leverage to increase revenue and profits as we move forward."

"We expect pricing to remain competitive, at least for the first half of the calendar year. One of the challenges that is re-emerging in our sector is the shortage of experienced drill crews in the industry, a factor that will put some pressure on productivity and margins as we go forward. In Australia, we will be working our way out of some low margin contracts over the next few months while heavy rain will continue to affect our energy operations during February and March."

"The Company is in an excellent financial position following turbulent times, with total cash level, net of long-term debt standing at $26.6 million at quarter-end. Despite the difficult environment, the Company continued to generate positive cash flow from operations," stated Mr. McGuire.

"Capital expenditures for the quarter were $10.1 million. We purchased 7 additional rigs while retiring 14 rigs through our modernization program. We added 3 of those new rigs to our energy division as we continued to broaden our footprint in the coal and coal seam gas sector. We also added 4 rigs to our mineral division as certain types of rigs are in high demand in certain regions. We plan to continue our efforts to improve rig availability and reliability, and consequently we intend to upgrade part of our already modern fleet through the replacement of some 30 rigs over the next 12 months."

"We would like to note that we have suffered no injuries, nor damage from the destructive earthquake in Chile. We expect to have some minor and very temporary disruptions to our operations as a result of transportation and supply challenges over the next month or so."

"Given the Company's continued ability to generate cash, even in difficult times, the Company is pleased to announce that today its Board of Directors declared a cash dividend of $0.20 per common share payable on May 3, 2010 to shareholders of record as of April 9, 2010. This dividend is designated as an "eligible dividend" for Canadian tax purposes," said Mr. McGuire. "Finally, I would like to take this opportunity to thank Derek Pannell, who is stepping down as a Director, for his years of service to the Company. I would also like to welcome Jean Desrosiers, Vice-President - Mining Operations for Xstrata - Zinc, to the Board."

Third quarter ended January 31, 2010

Total revenue for the third quarter was $72.5 million compared to $87.4 million recorded for the prior year period. November and December revenue was down significantly, impacted by early shutdowns for the holidays from an already low level of activity compared to the same period last year. However, January revenue was significantly higher than last year as activity levels picked up. The unfavorable foreign exchange translation impact for the quarter, when compared to the effective rates for the same period last year, is estimated at $5 million on revenue.

Revenue from Canada-U.S. drilling operations was down 23 percent to $21.8 million for the quarter compared to $28.4 million for the same period last year. U.S. operations continued to be significantly impacted by delays and cancellations while Canada saw an increase in revenue during the quarter.

In South and Central America, revenue for the quarter was $26.5 million, up 13 percent from $23.5 million recorded in the prior year quarter. Increased activity in Chile and Argentina more than offset a decrease in activity in Mexico.

Australian, Asian and African drilling operations reported revenue of $24.2 million, down some 32 percent from $35.5 million reported in the same period last year. All regions were still impacted by low levels of activity and pricing. Also, in Australia, heavy rain affected the startup of operations in January, mainly in our energy sector on the East coast.

The overall gross margin percentage for the quarter was 16.5 percent as compared to 27.6 percent for the same period last year. Margins were considerably impacted by costs relating to the ramp up of operations as the Company was gearing up for new contracts. Higher mobilization costs combined with additional personnel being trained added a layer of costs this quarter. Also, with the low levels of activity in the past 12 months, the Company had stored several rigs that had to be re-commissioned for the upcoming quarter bringing higher repair and maintenance costs. Finally, significantly reduced pricing as compared to last year, due to competitive pressures, impacted margins.

General and administrative costs were $7.9 million for the quarter, down 30 percent compared to $11.3 million in the same period last year. The decrease was due to cost cutting initiatives implemented in November 2008 and February 2009.

Other expenses were $1.8 million for the quarter compared to $2.0 million for the same period last year. The reduction primarily relates to lower incentive compensation expenses given the Company's decreased profitability as compared to the same period last year, offset by write-downs of fixed assets.

Foreign exchange loss was $0.2 million for the quarter compared to a gain of $0.7 million for the prior year period. The loss was due to exchange rate variations on foreign currency monetary working capital items.
Short-term interest expense was nil for the quarter compared to nil last year, while interest on long-term debt was $0.2 million compared to $0.5 million for the prior year quarter.

Amortization expense decreased to $7.3 million for the quarter compared to $8.5 million for the same quarter last year, as a result of equipment write-downs in the previous quarters.

In last year's third quarter, the Company recorded a restructuring charge of $6.9 million to account for retrenchment costs of $1.7 million and asset write-downs of $5.2 million. Also at that time, the Company recorded a non-cash goodwill and intangible asset impairment charge of $0.7 million.

The Company's tax recovery was $1.0 million for the quarter compared to a recovery of $0.1 million for the same period last year. The tax recovery for this quarter was impacted by the non-recognition or reversal of tax losses in Ecuador and South Africa.

Resulting net loss for the quarter was $4.5 million or $0.19 per share ($0.19 per share diluted) compared to $5.1 million or $0.21 per share ($0.21 per share diluted) for the same period last year.

Year to date ended January 31, 2010

Revenue for the nine-month period ending January 31, 2010 decreased 54 percent to $210.5 million from $456.6 million for the corresponding period last year. The unfavorable foreign exchange translation impact for the year, when compared to the effective rates for the same period last year, is estimated at less than $2 million on revenue.

Canada-U.S. revenue decreased by 55 percent to $66.1 million compared to $147.6 million last year with both countries affected by cancellations and decreased pricing.

Revenue in South and Central America decreased by 48 percent to $68.9 million, compared to $133.1 million in the prior year period. Mexico, Chile and Argentina accounted for most of the reduction.

Revenue in Australia, Asia and Africa decreased 57 percent to $75.5 million from $175.8 million in the prior year period. Every country in this segment was affected by reduced pricing and utilization due to cancellation of drilling programs.

Gross margins for the nine-month period were 24.7 percent compared to 34.6 percent last year due mainly to significantly reduced pricing.

General and administrative expenses decreased 34 percent to $24.9 million compared to $37.5 million for the same period last year. The decrease was due to cost cutting initiatives implemented in November 2008 and February 2009.

Other expenses were $3.8 million for the nine-month period compared to $10.7 million for the same period last year due primarily to lower incentive compensation expenses given the Company's decreased profitability in the current year.

Foreign exchange gain was $0.7 million for the nine-month period compared to a loss of $1.0 million in the prior year period as a result of favorable currency variations.

Short-term interest revenue was $0.1 million for the nine-month period compared to an expense of $0.2 million last year, while interest expense on long-term debt was $0.8 million compared to $1.4 million for the same period last year.

Amortization expense decreased to $22.8 million for the nine-month period, compared to $24.2 million for the same period last year, as a result of equipment write-downs in the previous quarters.

The provision for income tax for the nine-month period was an expense of $0.9 million compared to $24.6 million for the prior year period. The tax expense for the year was impacted by the non-recognition or reversal of tax losses in Ecuador and differences in tax rates between regions.

Net loss for the nine-month period was $3.7 million or $0.16 per share ($0.15 per share diluted) compared to earnings of $50.5 million or $2.13 per share ($2.11 per share diluted) for the same period 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 19 to 22 of the 2009 Annual Report entitled "General Risks and Uncertainties", as updated by the section entitled "General Risks and Uncertainties" in the discussion on pages 9, 10, 11 and 12 of the Company's third quarter 2010 MD&A, 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 and mineral exploration activities, Major Drilling maintains operations in Canada, the United States, South and Central America, Australia, Indonesia, Mongolia, and Africa.

Financial statements are attached.

Major Drilling will provide a simultaneous webcast of its quarterly conference call on ***Tuesday, March 9, 2010 at 9:00 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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