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NEWS RELEASE

Major Drilling Reports Fourth Quarter Results

MONCTON, New Brunswick (June 7, 2011) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its fourth quarter of fiscal 2011, ended April 30, 2011.

Highlights

In millions of Canadian dollars (except earnings per share)	**Q4-11**	**Q4-10**	**Fiscal 2011**	**Fiscal 2010**
Revenue	$137.3	$97.4	$482.3	$307.9
Gross profit	34.9	22.4	120.4	74.4
As percentage of sales	25.4%	23.0%	25.0%	24.2%
Net earnings (loss)	9.4	3.2	27.6	(0.5)
Earnings (loss) per share	$0.13	$0.05	$0.39	($0.01)
Cash flow from operations (before changes in non-cash working capital items)	$19.2	$9.4	$60.9	$30.6

- Major Drilling posted quarterly revenue of $137.3 million, up 41 percent from the $97.4 million recorded for the same quarter last year.

- Net earnings were $9.4 million or $0.13 per share ($0.13 per share diluted) for the quarter, compared to net earnings of $3.2 million or $0.05 per share ($0.04 per share diluted) for the prior year quarter.

- During the quarter, the Company enacted a 3 for 1 stock split. Amounts per share have been adjusted accordingly and are now presented post-split.

"As expected, demand for drilling services continued to grow during the quarter although weather conditions prevented us from fully capitalizing on our contracts in hand. In Australia, we continued to be affected by floods in Queensland where weather conditions caused a third of our contracted rigs to remain idle during the quarter. In Canada, extreme winter conditions impacted revenue, while in the U.S., floods in North Dakota affected our energy operations. In both Australia and the U.S., these conditions affected the most specialized and productive rigs in our fleet. These operations should recover during the quarter," said Francis McGuire, President and CEO of Major Drilling.

"In addition to the weather, the strong pickup in activity in the industry has brought transitional issues, which affected our margins during the quarter. Also, many suppliers in the industry are facing the same transitional issues as drilling firms. This has created temporary bottlenecks, which will gradually get resolved as the whole industry grapples with the ramp-up. For example, fuel shortages in Mongolia have caused clients to declare a "force majeure" temporarily affecting many of our rigs. The clients have advised that they plan to drill these meters when local conditions allow and we will be employing all of our efforts to meet our clients' needs. Despite these delays, our utilization rates are climbing and we are experiencing pricing improvements on all new contracts."

"During the quarter, we have invested heavily in building up our labour force. In October 2010, we had 3,400 people on our weekly payroll. By April, we had 4,000. Wage increases were required to retain and attract the most experienced drillers, which are key to high-quality customer service. As the pool of available experienced drillers is drying up, we have had to increase the number of trainee drillers, which has and will continue to temporarily affect productivity as they gain experience. In the four key areas where the labour shortage is most problematic (Canada, the USA, Australia and Chile) we have now established four new training centres. The goals for these centres are to improve our retention rate for new entrants but also to speed up their learning curve to minimize the impact on productivity."

"Activity levels in the current fiscal year should be robust. Intermediate and junior mining companies with advanced projects continue to ramp up their already busy drilling programs by adding rigs. Most senior mining companies have significantly increased their exploration budgets for calendar 2011, and junior mining companies have had good access to capital markets. Also, we continue to see inquiries from all categories of customers. As demand expands, the industry is nearing capacity in terms of labour and pricing should continue to improve as the year progresses."

"Net capital expenditures for the quarter were $22.1 million as we purchased 25 rigs while retiring 21 rigs through our modernization program. We also added 15 drills through our Mozambique acquisition. In fiscal 2012, the Company expects to spend approximately $70 million in capital expenditures, with the intent of purchasing 40 rigs, approximately 30 being replacements of older rigs with low utilization rates. The rigs we intend to purchase will help improve productivity and safety while reducing training time for crews. With the shortage of crews re-emerging as an issue, our focus turns to increasing the earning power of each crew and each rig. Also, this year we will be investing heavily in support equipment and vehicles, which are key to utilization and productivity."

"When we experience significant increases in activity, the Company's working capital requirements increase. These working capital requirements, combined with our investments in capital expenditures during the quarter, brought our net debt levels, net of cash, to $16.7 million. We are forecasting significant investments in capex in the upcoming first quarter to gear up for present demand but these investments will diminish as the year progresses."

"Finally, as announced on March 24, 2011, we are very pleased to welcome Resource Drilling (Mozambique) and its employees into the Major Drilling group. Not only does this acquisition provide us with assets, experienced drillers and existing contracts in Mozambique, it also provides a foundation for our expansion in this exciting region, which shows great mining potential, particularly for coal projects," said Francis McGuire.

Fourth quarter ended April 30, 2011

Total revenue for the fourth quarter was $137.3 million compared to $97.4 million recorded for the prior year period. All of the Company's regions contributed to this growth although Australia, Canada and U.S. revenue was affected by weather issues.

Revenue from Canada-U.S. drilling operations was up 40 percent to $52.1 million for the quarter compared to the same period last year. U.S. operations saw a strong recovery, particularly from its senior mining customers, but had its energy division affected by floods in North Dakota. In Canada, activity levels continue to increase but margins were affected by extreme winter conditions.

In South and Central America, revenue for the quarter was $50.5 million, up 31 percent from the prior year quarter. The increase was primarily driven by Argentina and Mexico, where activity levels picked up substantially compared to last year.

Australian, Asian and African drilling operations reported revenue of $34.7 million, up 61 percent from the same period last year. The revenue increase came primarily from Mongolia, Australia and Tanzania, but the Company also saw increases from the recent start-up of Kazakhstan and its recent acquisition in Mozambique.

The overall gross margin percentage for the quarter was 25.4 percent compared to 23.0 percent for the same period last year. Margins were impacted by costs relating to the ramp-up of operations and additional training costs as the Company geared up for new contracts, as well as by weather issues.

General and administrative costs were $11.3 million for the quarter compared to $8.5 million in the same period last year. The increase was due to the addition of the new environmental, Mozambique and Kazakhstan divisions but also increased due to the costs of supporting the strong growth in activity levels.

Other expenses were flat at $1.2 million for the quarter compared to the same period last year.

Foreign exchange gain was $0.7 million compared to a loss of $0.5 million in the prior year period. The gain was due to the effect of exchange rate variations on monetary working capital items.

Short-term interest expense was $0.2 million for the quarter compared to a revenue of $0.1 million last year, while interest on long-term debt was $0.2 million compared to $0.3 million for the prior year quarter.

Amortization expense increased to $8.4 million for the quarter compared to $7.3 million for the same quarter last year, as additional equipment was purchased during the year.

The Company's tax expense was $4.8 million for the quarter compared to $2.0 million for the same period last year.

Net earnings were $9.4 million or $0.13 per share ($0.13 per share diluted) for the quarter compared to net earnings of $3.2 million or $0.05 per share ($0.04 per share diluted) for the prior year quarter.

Year ended April 30, 2011

Revenue for the fiscal year ended April 30, 2011 increased 57 percent to $482.3 million from $307.9 million for the corresponding period last year, with all regions contributing to this growth. Revenue growth was affected by the strengthening Canadian dollar against the U.S. dollar as compared to the same period last year. The unfavourable foreign exchange translation impact for the year, when comparing to the effective rates for the same period last year, is estimated at $15 million on revenue.

Canada-U.S. revenue increased by 75 percent to $181.3 million compared to $103.3 million last year with both countries contributing to this growth.

Revenue in South and Central America increased by 58 percent to $169.4 million, compared to $107.4 million in the prior year period. Most of the growth in the region came from Mexico, Argentina and Chile.

Revenue in Australia, Asia and Africa increased 36 percent to $131.6 million from $97.1 million in the prior year period. Mongolia and Indonesia were the main drivers of growth in the region while the Company added operations in Kazakhstan and Mozambique.

Gross margins for the year were 25.0 percent compared to 24.2 percent last year representing general improvements in pricing, partially offset by increased training, mobilization and consumable costs, to accommodate the present growth.

General and administrative costs were $40.9 million or 8.5 percent of revenue compared to $33.4 million or 10.9 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 $6.3 million for the year compared to $5.0 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 $0.9 million for the year compared to $0.1 million in the prior year period as a result of favorable currency variations during the year on net monetary items.

Short-term interest expense was $0.6 million for the year compared to a revenue of $0.2 million last year, while interest expense on long-term debt was $0.7 million compared to $1.1 million for the same period last year.

Amortization expense increased to $31.8 million for the year, compared to $30.1 million for the same period last year, as a result of additional equipment being purchased during the year.

Last year, the Company recorded a restructuring charge of $1.2 million, relating mainly to Australia. Also last year, the Company recorded a non-cash goodwill and intangible assets impairment charge of $1.5 million in Ecuador.

The income tax provision for the year was $13.4 million compared to $2.9 million for the prior year period.

Net earnings for the year were $27.6 million or $0.39 per share ($0.38 per share diluted) compared to a net loss of $0.5 million or $0.01 per share ($0.01 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 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, June 8, 2011 at 9:00 AM (EDT).*** *To access the webcast please go to the investors/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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