NEWS RELEASE

Major Drilling Achieves Highest Revenue in More Than Ten Years; Strong Cash Generation Drives Share Repurchases

MONCTON, New Brunswick (December 7, 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 second quarter of fiscal 2024, ended October 31, 2023.

Quarterly Highlights

- Revenue of $207.0 million, highest revenue since July 2012.
- EBITDA(1) of $43.6 million (or $0.53 per share), up from $43.0 million (or $0.52 per share) for the same period last year.
- Net earnings of $23.7 million (or $0.29 per share), up from $23.6 million (or $0.29 per share) for the same period last year.
- Spent $7.3 million repurchasing 875,268 shares.
- Net cash(1) position increased $23.4 million during the quarter to $84.2 million.

"We continued to see strength in our business as the increase in demand from copper and battery metal customers more than offset the slowdown in exploration from junior gold companies," said Denis Larocque, President and CEO of Major Drilling. "During the quarter, we saw our combined revenue from copper and lithium increase by 40% as compared to last year, now representing over 30% of our activity, while gold represented approximately 40%. In addition, growth from our South American operations outweighed a decline in North American revenue, showcasing the effectiveness of our global diversification strategy."

"The Company delivered excellent financial results in the quarter with EBITDA of $43.6 million amidst a backdrop of challenging macro-economic factors. Our lean structure and debt free balance sheet drove strong cash flow generation of $23.4 million, growing our net cash position to $84.2 million," said Ian Ross, CFO of Major Drilling. "Our robust cash generation provides the opportunity to modernize and optimize our fleet and support equipment to differentiate ourselves in an industry that has seen a lack of investment over the years. We spent $17.4 million on capital expenditures in the quarter, including 6 new drills while disposing of 5 older, less efficient drills, bringing the total fleet count to 602."

"Providing returns to shareholders remains Major Drilling's priority and with challenging capital markets negatively impacting company valuations across the mining sector, we took the opportunity to allocate capital to our share buyback efforts. In total, we spent $7.3 million in the quarter acquiring and cancelling 875,268 shares at a weighted average price of $8.31 per share. The Company continues to view investment in the Normal Course Issuer Bid ("NCIB") program as an effective method to deliver shareholder value while maintaining a financially prudent capital structure," said Mr. Ross.

"Looking at calendar 2024, customer demand is expected to remain strong as the growing supply shortfall in most mineral commodities should continue to drive demand for our services for several years," said Denis Larocque. "The growing global demand for electrification will only increase the need for metals like copper, nickel and lithium. The enormous volume of copper, battery metals, and likely uranium required will further increase pressure on the existing supply/demand dynamic. We expect all of this to continue to drive 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 decarbonization. With gold prices recently reaching record highs, this could have a positive impact on funding for junior mining companies. In the short term, it is important to note that we are now in our third quarter, traditionally the weakest quarter of our fiscal year, as mining and exploration companies pause their drilling programs, often for extended periods over the holiday season. While conversations remain encouraging heading into calendar 2024, we have started to see several projects slowing down earlier than the previous year."

“Major Drilling is committed to invest in its fleet and support equipment, innovation in the field, and Tier 1 safety standards. Coupled with our industry-leading balance sheet, we are extremely well positioned to support our customers in their efforts to supply the world with minerals needed to transition to a more sustainable future. Driven by a diversified commodity mix, the Company has focused operations on strategic mining geographies and stable jurisdictions. We believe that this provides our shareholders and potential new investors an opportunity to invest in the mining industry with growing exposure to precious metals, battery metals and critical minerals, while limiting mine or country exposure.”

In millions of Canadian dollars (except earnings per share)	**Q2 2024**	**Q2 2023**	**YTD 2024**	**YTD 2023**
Revenue	$ 207.0	$ 201.7	$ 405.8	$ 401.6
Gross margin	25.3%	26.3%	25.0%	25.9%
Adjusted gross margin (1)	31.0%	31.8%	30.6%	31.3%
EBITDA (1)	43.6	43.0	83.9	86.5
As percentage of revenue	21.1%	21.3%	20.7%	21.5%
Net earnings	23.7	23.6	45.5	47.9
Earnings per share	0.29	0.29	0.55	0.58

(1) See “Non-IFRS Financial Measures”

Second Quarter Ended October 31, 2023

Total revenue for the quarter was $207.0 million, up 2.6% from revenue of $201.7 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 $3 million and $1 million, respectively. Mining companies continued elevated spending on exploration and resource definition as reserves are depleting, and the need for battery metals drives exploration.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 5.7% to $106.7 million, compared to the same period last year. Canada continues to be negatively impacted by financing constraints for the junior miners, which has caused a slowdown in this region compared to the same quarter last year.

South and Central American revenue increased by 25.9% to $52.5 million for the quarter, compared to the same quarter last year. The demand for battery metals is driving activity levels in both Chile and Argentina as operations have seen positive impacts from these commodities.

Australasian and African revenue increased by 1.9% to $47.8 million, compared to the same period last year. Demand for our specialized services in Australia continues to drive growth in this region.

Gross margin percentage for the quarter was 25.3%, compared to 26.3% for the same period last year. Depreciation expense totaling $11.8 million is included in direct costs for the current quarter, versus $11.2 million in the same quarter last year. Adjusted gross margin, which excludes depreciation expense, was 31.0% for the quarter, compared to 31.8% for the same period last year. Margins held relatively steady year-over-year as inflationary headwinds have been mainly offset by modest price improvements.

General and administrative costs were $17.6 million, an increase of $1.5 million compared to the same quarter last year. The increase from the prior year was driven by annual inflationary wage increases and higher travel costs associated with elevated business activity levels.

Other expenses were $3.2 million, down from $4.7 million in the prior year quarter, primarily due to a decrease in the annual allowance for doubtful accounts as compared to the prior year quarter.

Foreign exchange loss was $0.9 million, compared to a loss of $1.1 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 income tax provision for the quarter was an expense of $7.4 million, compared to an expense of $7.5 million for the prior year period. The tax provision was flat compared to the prior year as profit levels were consistent year-over-year.

Net earnings were $23.7 million or $0.29 per share ($0.29 per share diluted) for the quarter, compared to net earnings of $23.6 million or $0.29 per share ($0.28 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 $000s CAD)	**Q2 2024**	Q2 2023	**YTD 2024**	YTD 2023
Total revenue	**$ 206,951**	$ 201,716	**$ 405,835**	$ 401,551
Less: direct costs	**154,590**	148,713	**304,465**	297,374
Gross profit	**52,361**	53,003	**101,370**	104,177
Add: depreciation	**11,840**	11,177	**22,791**	21,591
Adjusted gross profit	**64,201**	64,180	**124,161**	125,768
Adjusted gross margin	**31.0%**	31.8%	**30.6%**	31.3%

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

(in $000s CAD)	**Q2 2024**	Q2 2023	**YTD 2024**	YTD 2023
Net earnings	**$ 23,694**	$ 23,611	**$ 45,467**	$ 47,859
Finance (revenues) costs	**(275)**	26	**(957)**	456
Income tax provision	**7,434**	7,541	**14,610**	14,826
Depreciation and amortization	**12,780**	11,829	**24,769**	23,370
EBITDA	**$ 43,633**	$ 43,007	**$ 83,889**	$ 86,511

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

(in $000s CAD)	**October 31, 2023**	April 30, 2023
Cash	**$ 92,467**	$ 94,432
Contingent consideration	**(8,270)**	(15,113)
Long-term debt	**-**	(19,972)
Net cash (debt)	**$ 84,197**	$ 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); currency restrictions; efficient management of the Company's growth; the integration of business acquisitions and the realization of the intended benefits of such acquisitions; 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 Friday, December 8, 2023 at 8:00 AM (EST). 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 6861492# and ask for Major Drilling's Second 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 Monday, January 8, 2024. To access the rebroadcast, dial 905-694-9451 and enter the passcode 2298856#. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

For further information:
Ian Ross, Chief Financial Officer
Tel: (506) 857-8636
Fax: (506) 857-9211
ir@majordrilling.com