



Major Drilling Announces Acquisition of Leading South American Specialty Driller

MONCTON, New Brunswick (November 5, 2024) – Major Drilling Group International Inc. (“Major Drilling” or the “Company”) (TSX: MDI), is pleased to announce that it has acquired all of the issued and outstanding shares of Explomin Perforaciones (“Explomin”), a leading specialty drilling contractor based in Lima, Peru for an upfront cash payment of US\$63 million, with an additional US\$22 million available through an earn-out for total consideration of up to US\$85 million, or approximately C\$115 million (the “Acquisition”).

Transaction Highlights:

- The transaction is expected to be immediately accretive and provides Major Drilling with increased exposure to the copper market as Explomin is one of the largest South American drilling contractors, with the majority of their operations in Peru while also servicing markets in Colombia, Dominican Republic, and Spain.
- Explomin offers a wide array of specialized services including deep hole, directional, and high-altitude drilling, supplemented by a stable base of underground drilling operations. Major Drilling will acquire a fleet of 92 well-maintained drills, bringing the total rig count to 701 and solidifying its position as the world’s largest mineral driller.
- Explomin has a strong brand and reputation in South America, with over 90% of revenue derived from Senior mining companies.
- The transaction is supported by Major Drilling’s industry-leading balance sheet and net cash position, with the company making an upfront cash payment of US\$63 million, while an additional earn-out of up to US\$22 million is subject to the achievement of certain EBITDA growth related milestones, for total consideration of up to US\$85 million (~C\$115 million).
- For the twelve-month period ending October 31, 2024, Explomin generated revenue of approximately US\$95 million and EBITDA of approximately US\$16 million. Explomin’s fundamentals are well supported by its underground drilling division, which contributes ~40% of revenue.

“We are very excited to welcome Explomin and its employees into the Major Drilling group,” said Denis Larocque, President & CEO of Major Drilling. “This acquisition is directly aligned with our strategic plan, offering us growth opportunities in new jurisdictions, a diversified revenue source with additional underground operations, and an expanded senior customer base with high operational standards. Peru is a market that has been on our radar for a number of years given it is the second largest producer of copper in the world. Carlos Urrea, Chairman and Founder of Explomin, and the existing management team will remain in place to continue building on a strong reputation as the specialized driller of choice in the regions in which they operate. Explomin and Major Drilling also have very similar cultural and operational values, approaches with respect to customer service, and strong commitments to sustainable resource development consistent with Major’s global ESG framework.”

“I am thrilled to have Explomin join Major Drilling, a milestone that opens up remarkable opportunities for us to grow and excel together,” said Carlos Urrea. “I want to extend my heartfelt thanks to our incredible team—your hard work and dedication have brought us to this moment, and I couldn’t be prouder. Looking ahead, with Major Drilling’s resources and expertise, combined with our deep local industry knowledge, we are poised to achieve new heights and lead the way as the clear specialized operator of choice in South America. Together, we are stronger and better positioned than ever to create a thriving future for our employees, clients, and communities.”

As per the terms of the agreement, Major Drilling will pay up to a maximum of US\$85.0 million for Explomin, comprised of (i) a cash payment of US\$63.0 million paid on closing of the Acquisition, subject to working capital adjustments; and (ii) an earn-out of up to US\$22 million payable in cash over the next three years, based on the achievement of certain EBITDA

growth milestones. In order to achieve the full earn-out amount, Explomin is required to reach average annual EBITDA of approximately US\$21 million over the three-year earnout period. The purchase price will be funded by Major Drilling's cash position and existing debt facilities.

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 in this news release include, without limitation, statements relating to the Acquisition, the expected impact of the Acquisition on the Company's operations, prospects, opportunities and overall strategy, the purchase price for the Acquisition which is subject to post-closing adjustments and the expected accretive effect of the Acquisition to Major Drilling's earnings per share and other potential benefits from the Acquisition. 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 below. 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, 2024, 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 the world's leading provider of specialized drilling services 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, a variety of mine services, and ongoing development of data-driven, high-tech drillsite solutions.

For further information:

Ryan Hanley, Director of Corporate Development and Investor Relations

Tel: (506) 857-8636

Fax: (506) 857-9211

ir@majordrilling.com