NEWS RELEASE

Major Drilling Announces First Quarter 2025 Results

MONCTON, New Brunswick (September 4, 2024) – 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 first quarter of fiscal 2025, ended July 31, 2024.

Quarterly Highlights:

- Revenue of $190.0 million, an increase of 13.1% from revenue reported in Q4 of fiscal 2024, down 4.5% compared to the same period last year.
- Revenue from seniors and intermediates up 7% year-over-year, while junior funding remains limited.
- EBITDA(1) of $34.3 million (or $0.42 per share), down from $40.3 million for the same period last year.
- Net earnings of $15.9 million (or $0.19 per share), down from $21.8 million (or $0.26 per share) for the same period last year.
- $15 million strategic investment in technology to provide AI digital core logging and drillside orebody intelligence.
- Industry leading net cash(1) of $76.9 million, after strategic investment.

"For Q1 fiscal 2025, Major Drilling's globally diversified operations ensured that we were able to increase our revenue over the previous quarter and maintain a solid level of activity, despite the continued market slowdown in junior financing and a dip in overall global drilling activity this quarter," commented Mr. Denis Larocque, President & CEO of Major Drilling. "We were particularly pleased with the results from our Australasian and Chilean operations, which helped offset a slowdown in North America driven by the lack of junior financing."

"The Company delivered solid financial results in the quarter, generating $34.3 million in EBITDA bolstered by strong performance in Australasia," commented Ian Ross, CFO of Major Drilling. "During the quarter, we were pleased to announce that our 2021 McKay acquisition successfully met all of the EBITDA milestones in their earnout period, and the final contingent payment will be made in Q2. This acquisition has provided tremendous stability in our Australasian region and we are pleased to see them achieve the full earnout. In anticipation of increased activity levels, we continued to modernize our drill fleet, spending $21.3 million in capex, including 7 new drills and support equipment. This enables us to field more rigs into the busiest markets, while disposing of 4 older, less efficient rigs, bringing Major Drilling's total fleet count to 609 drills. The Company also made a $15 million strategic investment in DGI Geoscience Inc./KORE GeoSystems Inc. as we look to evolve our industry-leading specialized services by offering valuable incremental downhole data to our customers," concluded Mr. Ross.

"I am thrilled about our new partnership, which positions Major Drilling at the forefront of technological advancements in the drilling industry," said Mr. Larocque. "The value of this transaction lies in integrating geological solutions, including AI, with our specialized drilling services, creating a unique offering that incorporates the latest advanced technology. This move continues our progression in drilling innovation and aligns with our growth strategy as we invest in the future of mining. We believe that combining these services, including our Rock5 technology, will solidify our position as the preferred contractor for mining companies."

"As we enter the second quarter of fiscal 2025, we anticipate a slight decline in our revenue run rate relative to our first quarter, primarily due to subdued activity levels in North America. Market conditions, particularly for juniors, remain challenging, with a continued lack of funding translating to decreased activity levels. However, the recent strengthening of gold and copper prices has shown signs of improved financing and investor sentiment."

“The significant improvement in gold prices has bolstered the financial positions of most senior mining companies. This financial boost is likely to lead to increased exploration budgets over time, given a decade-long decline in gold reserves. Recent improvements in copper pricing and demand, that build on already strong levels, are expected to drive additional exploration efforts."

“Further, as global demand for electrification continues to rise, the need for vast quantities of copper and battery metals will intensify around the world, putting pressure on the current supply and demand dynamics. We anticipate this will result in significant additional funds flowing into copper and other base metal exploration projects to meet the pending deficit. Our goal is to assist our customers in discovering the metals essential for advancing a green economy. Many of these new mineral deposits are in challenging-to-access areas, necessitating complex drilling solutions, thus sustaining the demand for Major Drilling’s specialized services."

“Major Drilling is uniquely positioned to respond to, and benefit from, these market dynamics. Supported by our strong financial position, successful recruitment and training efforts, and technological advancements, we continue to be the operator and employer of choice in our industry,” concluded Mr. Larocque.

In millions of Canadian dollars (except earnings per share)	**Q1 2025**	**Q1 2024**
Revenue	$ 190.0	$ 198.9
Gross margin	22.1%	24.6%
Adjusted gross margin [1]	28.9%	30.1%
EBITDA [1]	34.3	40.3
As percentage of revenue	18.0%	20.2%
Net earnings	15.9	21.8
Earnings per share	0.19	0.26

(1) See “Non-IFRS Financial Measures”

First Quarter Ended July 31, 2024

Total revenue for the quarter was $190.0 million, down 4.5% from revenue of $198.9 million recorded in the same quarter last year. The favourable foreign exchange translation impact, when comparing to the effective rates for the previous year, was approximately $1 million on revenue, with minimal impact on net earnings as expenditures in foreign jurisdictions tend to be in the same currency as revenue.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 14.1% to $87.2 million, compared to the same period last year. Drilling activity has been reduced as lack of junior financing continues to impact this region.

South and Central American revenue decreased by 3.5% to $49.8 million for the quarter, compared to the same quarter last year. The region saw growth in Chile, driven by copper exploration, but was offset by seasonal slowdowns and project delays in other countries.

Australasian and African revenue increased by 15.9% to $53.1 million, compared to the same period last year. Demand for specialized services in Australia and Mongolia has driven the growth in the quarter.

Gross margin percentage for the quarter was 22.1%, compared to 24.6% for the same period last year. Depreciation expense totaling $12.9 million is included in direct costs for the current quarter, versus $11.0 million in the same quarter last year. Adjusted gross margin, which excludes depreciation expense, was 28.9% for the quarter, compared to 30.1% for the same period last year. Margins are down slightly from the prior year due to a more competitive environment in Canada - U.S.

General and administrative costs were $18.5 million, an increase of $2.0 million compared to the same quarter last year. The increase from the prior year was driven by annual wage adjustments implemented at the start of the fiscal year and increased non-recurring professional fees related to strategic corporate initiatives.

Foreign exchange loss was $0.8 million, compared to a loss of $1.6 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 $4.9 million, compared to an expense of $7.2 million for the prior year period. The decrease from the prior year was driven by reduced profitability.

Net earnings were $15.9 million or $0.19 per share ($0.19 per share diluted) for the quarter, compared to net earnings of $21.8 million or $0.26 per share ($0.26 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.

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

(in $000s CAD)	**Q1 2025**	Q1 2024
Net earnings	**$ 15,871**	$ 21,773
Finance (revenues) costs	**(664)**	(682)
Income tax provision	**4,915**	7,176
Depreciation and amortization	**14,139**	11,989
EBITDA	**$ 34,261**	$ 40,256

Adjusted gross profit/margin - excludes depreciation expense:

(in $000s CAD)	**Q1 2025**	Q1 2024
Total revenue	**$ 190,042**	$ 198,884
Less: direct costs	**148,062**	149,875
Gross profit	**41,980**	49,009
Add: depreciation	**12,860**	10,951
Adjusted gross profit	**54,840**	59,960
Adjusted gross margin	**28.9%**	30.1%

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

(in $000s CAD)	**July 31, 2024**	April 30, 2024
Cash	**$ 85,850**	$ 96,218
Contingent consideration	**(8,997)**	(8,863)
Net cash	**$ 76,853**	$ 87,355

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 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 drillside solutions.

Webcast/Conference Call/Annual General Meeting Information

Major Drilling Group International Inc. will provide a simultaneous webcast and conference call to discuss its quarterly results on Thursday, September 5, 2024 at 8:00 AM (EDT). 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 2773514# and ask for Major Drilling's First 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 Sunday, October 6, 2024. To access the rebroadcast, dial 905-694-9451 and enter the passcode 1681673#. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

Major Drilling Group International Inc.'s Annual General Meeting will be held on Thursday, September 5, 2024 at 3:30pm EDT in person at McCarthy Tétrault, 66 Wellington St. West, 53rd Floor, Clarkson Room, Toronto ON M5K 1E6, and virtually at www.virtualshareholdermeeting.com/MDI2024.

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