NEWS RELEASE

Major Drilling Announces Second Quarter 2025 Results, Building on Robust Net Cash Position

MONCTON, New Brunswick (December 5, 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 second quarter of fiscal 2025, ended October 31, 2024.

Quarterly Highlights:

- Revenue of $189.3 million, in line with the $190.0 million generated in fiscal Q1, but down 8.6% from $207.0 million in the same period last year.
- Adjusted gross margin(1) of 30.5%, consistent with the 31.0% achieved in the same period last year as the Company remained focused on higher-margin specialized drilling.
- EBITDA(1) of $38.7 million, down from $43.6 million in the same period last year.
- Net earnings of $18.2 million (or $0.22 per share), down from $23.7 million (or $0.29 per share) in the same period last year.
- Net cash(1) increased by $23.5 million to $100.4 million, enabling the Company to react to potential growth opportunities.
- Subsequent to quarter end, completed the acquisition of Explomin, a leading specialty drilling contractor based in Lima, Peru, for an up-front cash payment of US$63 million (approximately C$88 million).

"For Q2 of fiscal 2025, Major Drilling's globally diversified operations and reputation as the driller-of-choice enabled us to maintain our revenue run rate relative to fiscal Q1, despite challenging conditions in certain markets," commented Mr. Denis Larocque, President & CEO of Major Drilling. "We were pleased once again by our Australasian and Chilean operations, which continue to offset lower activity levels in North America, primarily driven by lower junior exploration expenditures."

"The Company delivered solid financial results for the quarter, supported by an adjusted gross margin of 30.5%. This represented an increase from 28.9% in fiscal Q1 and is in line with the 31.0% achieved over the same period last year as the Company remains focused on profitable operations and our best-in-class specialized drilling services," commented Ian Ross, CFO of Major Drilling. "As previously disclosed, our 2021 McKay acquisition successfully met all of the EBITDA milestones in the earnout period, with the final contingent payment of $9.1 million made during the quarter. We also continue to modernize our drill fleet, having spent $20.1 million in capex, which includes the addition of 5 new drills and support equipment, while disposing of 4 older, less efficient rigs, bringing Major Drilling's total fleet to 610 drills. Given another strong operational performance, our net cash position increased to $100.4 million at quarter end, while we continue to retain an industry leading balance sheet, enabling the acquisition of Explomin in early fiscal Q3," concluded Mr. Ross.

"With McKay continuing to demonstrate strong results in Australasia since its acquisition in 2021, our focus now turns to the integration of Explomin – a leading South American driller with operations in Peru, Colombia, the Dominican Republic and Spain. I am excited to welcome Explomin and its employees to the Major Drilling team. Their long-standing reputation, strong base of senior mining customers, and focus on specialized drilling, with its well-maintained fleet of rigs, complement our existing operations and offer further potential growth opportunities in South America," said Mr. Larocque. "As Peru has been on our radar for quite some time given its status as the second largest copper producer, Explomin solidifies our South American presence, supplementing our existing operations in Brazil, Chile, Argentina, and throughout the Guyana Shield."

"Looking ahead to our seasonally slower third quarter of fiscal 2025, we are expecting programs in North America to pause for the holiday period slightly earlier than in prior years, although this is expected to be partially offset by ongoing strength in Australia and Chile. While we will be adding revenue from the Explomin operations, we expect them to have the same usual seasonality as the rest of our South American operations. Demand from senior customers for calendar 2025 is expected to remain robust, while we are optimistic regarding the activity levels of juniors following a slight increase in financing activity. The combination of elevated commodity prices, translating to increased free cash flow generation for mining companies, coupled with depleted reserve bases, should lead to increases in demand for drilling services over the years to come."

"Our well-maintained fleet ensures that we retain utilization capacity which, combined with our optimal inventory levels and experienced crews, puts us in an excellent position to capitalize on these increased levels of demand for our drilling services. Our core strategy is to remain the leader in specialized drilling as new discoveries are made in increasingly challenging and remote locations. Our solid foundation, supplemented by ongoing technological innovation, puts us in an ideal position to take on these new and exciting challenges."

"I'm extremely proud to announce that our Canadian team was recently awarded the Safe Day Every Day Gold Award by the Association for Mineral Exploration, Prospectors & Developers Association of Canada, and Canadian Diamond Drilling Association. Our Canadian team achieved over 1,146,000 hours without a lost time injury, an achievement that demonstrates our ongoing dedication to maintaining high safety standards across all projects around the world," concluded Mr. Larocque.

Finally, Major Drilling announces the resignation of Mr. Robert Krcmarov from the Board of Directors effective December 5, 2024, to focus on his new role as Chief Executive Officer of Hecla Mining Company.

Kim Keating, Chair of the Board, commented: "On behalf of the Board and the leadership team at Major Drilling, I would like to congratulate Rob on this appointment, and thank him for his significant contributions during his tenure on the Board. Rob's experience and insights were of great benefit to Major Drilling's Board and leadership team. He was instrumental in the development of Major Drilling's Decarbonization Action Plan and in strengthening the Company's health and safety program, as well as his timely advice regarding the most recent acquisition of Explomin Perforaciones earlier this month. We thank Rob for his invaluable advice and wish him all the best in his new role leading Hecla Mining Company."

In millions of Canadian dollars (except earnings per share)	**Q2 2025**	**Q2 2024**	**YTD 2025**	YTD 2024
Revenue	$ 189.3	$ 207.0	$ 379.3	$ 405.8
Gross margin	23.4%	25.3%	22.7%	25.0%
Adjusted gross margin (1)	30.5%	31.0%	29.7%	30.6%
EBITDA (1)	38.7	43.6	73.0	83.9
As percentage of revenue	20.4%	21.1%	19.2%	20.7%
Net earnings	18.2	23.7	34.0	45.5
Earnings per share	0.22	0.29	0.42	0.55

(1) See "Non-IFRS Financial Measures"

Second Quarter Ended October 31, 2024

Total revenue for the quarter was $189.3 million, down 8.6% from revenue of $207.0 million recorded in the same quarter last year. The foreign exchange translation impact on revenue and earnings, when comparing to the effective rates for the previous year, was minimal.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 20.0% to $85.4 million, compared to the same period last year. While senior and intermediate activity levels increased slightly, this only partially offset the decline in demand from juniors relative to the same period last year as they continued to face challenging financing opportunities.

South and Central American revenue decreased by 6.5% to $49.1 million for the quarter, compared to the same quarter last year. While operations in Chile remain robust, this was offset by slowdowns in other parts of the region.

Australasian and African revenue increased by 14.4% to $54.7 million, compared to the same period last year as demand for specialized drilling services in Australia and Mongolia continue to drive growth in the region.

Gross margin percentage for the quarter was 23.4%, compared to 25.3% for the same period last year. Depreciation expense totaling $13.4 million is included in direct costs for the current quarter, versus $11.8 million in the same quarter last year. Adjusted gross margin, which excludes depreciation expense, was 30.5% for the quarter, compared to 31.0% for the same period last year. Adjusted gross margin remained relatively unchanged as the Company remains disciplined with respect to pricing.

General and administrative costs were $18.4 million, an increase of $0.8 million compared to the same quarter last year. This increase primarily relates to inflationary wage adjustments.

Other expenses were $2.5 million, down from $3.2 million in the same quarter last year due primarily to lower incentive compensation expenses given the decreased profitability.

Foreign exchange gain was $0.5 million, compared to a loss of $0.9 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 $6.5 million, compared to an expense of $7.4 million for the prior year period. The decrease from the prior year was driven by reduced profitability.

Net earnings were $18.2 million or $0.22 per share ($0.22 per share diluted) for the quarter, compared to net earnings of $23.7 million or $0.29 per share ($0.29 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 $000s CAD)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Net earnings	**$ 18,165**	$ 23,694	**$ 34,036**	$ 45,467
Finance (revenues) costs	**(491)**	(275)	**(1,155)**	(957)
Income tax provision	**6,537**	7,434	**11,452**	14,610
Depreciation and amortization	**14,483**	12,780	**28,622**	24,769
EBITDA	**$ 38,694**	$ 43,633	**$ 72,955**	$ 83,889

Adjusted gross profit/margin - excludes depreciation expense:

(in $000s CAD)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Total revenue	**$ 189,260**	$ 206,951	**$ 379,302**	$ 405,835
Less: direct costs	**144,985**	154,590	**293,047**	304,465
Gross profit	**44,275**	52,361	**86,255**	101,370
Add: depreciation	**13,433**	11,840	**26,293**	22,791
Adjusted gross profit	**57,708**	64,201	**112,548**	124,161
Adjusted gross margin	**30.5%**	31.0%	**29.7%**	30.6%

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

(in $000s CAD)	**October 31, 2024**	April 30, 2024
Cash	**$ 100,430**	$ 96,218
Contingent consideration	**-**	(8,863)
Net cash	**$ 100,430**	$ 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); the Company's dependence on key customers; the integration of business acquisitions and the realization of the intended benefits of such acquisitions; efficient management of the Company's growth; exposure to currency movements (which can affect the Company's revenue in Canadian dollars); currency restrictions; safety of the Company's workforce; risks and uncertainties relating to climate change and natural disaster; 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 North America, South America, Australia, Asia, Africa, and Europe. 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

Major Drilling Group International Inc. will provide a simultaneous webcast and conference call to discuss its quarterly results on Friday, December 6, 2024 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 4769038# 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 6, 2025. To access the rebroadcast, dial 905-694-9451 and enter the passcode 1708283#. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

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