

Groupe Forage

MAJOR

Drilling Group International Inc.



August 2016

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Forward-Looking Statements

Some of the statements contained in this presentation 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 on pages 15 to 18 of the 2016 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.

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Company Overview

- Symbol: MDI – T
- Shares Outstanding: 80M
- Price*: \$7.84
- Market Cap*: \$627M

- Headquarters: Moncton, NB, Canada
- Registered in over 20 countries on 6 continents

- CEO: Denis Larocque
- CFO: David Balser

*as of August 15, 2016

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Highlights

- A leading provider of drilling services to the mining industry, registered in over 20 countries, with a fleet of 690 rigs.
- Senior management has over 1,000 years of combined experience.
- Best balance sheet in the mineral drilling industry, with net cash balance of \$38 million.
- High safety standards: at one point working over 7,000,000 continuous hours LTI free.

The Emergence of “Specialized” Drilling

The more easily accessible mineral reserves all over the world are being depleted.

Our business premise is that the new deposits over the next 20 years will be in areas with difficult access and that specialized drilling will be a larger part of the market.



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Our Strategy

- Be the world leader in specialized drilling.
- Diversify our services within the drilling field.
- Maintain a strong balance sheet.
- Be the best in class in safety and human resources.
- Modernize our conventional fleet and expand our footprint in strategic areas.

What is “Specialized Drilling”?

- Exploration/definition drilling services with significant barriers to entry:
 - deep holes
 - permafrost
 - helicopter portability
 - directional drilling
 - high altitude drilling
 - remote locations
 - top safety requirements



Short-Term Market Trends

- Most work is centered around existing mines, with a focus on production-related activities.
- The result is a greater focus on less expensive underground drilling.
- Customers are deferring more expensive specialized drilling into the future.
- The fall in oil prices has negatively affected our high-margin energy business.

Impact on Major's Activities

- Pricing in the industry remains at a 15-year low.
- We are putting increased focus on underground and production-related drilling projects.
- The gains from our underground percussive group offset the loss of revenue from the drop in energy drilling.
- The different mix of activities, together with substantial price reductions, will result in lower overall margins until specialized activities pick up.

Year in Review

- Conditions still very challenging.
- Revenue relatively flat at \$305 million.
- Margins improved slightly over last year at 23.0%.
- Net cash up \$8 million from last year at \$38 million.

Financial Review

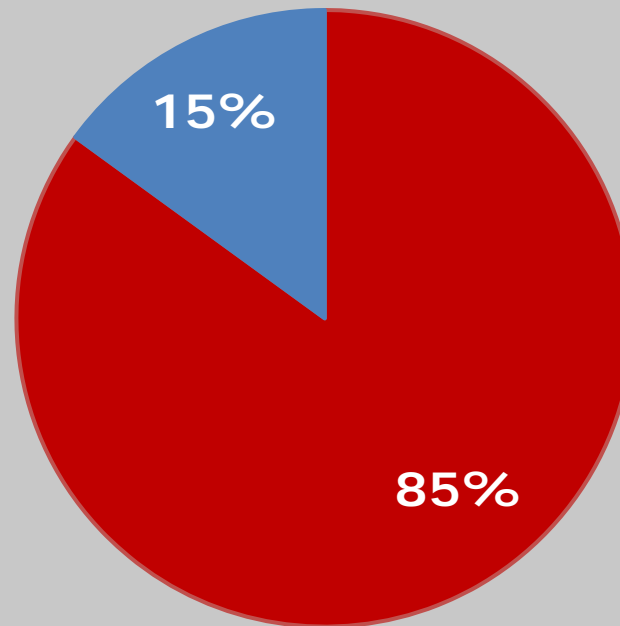
(\$millions except per share information)	YTD 2016	YTD 2015
Revenue	\$ 304.6	\$ 305.7
Gross margin	23.0%	21.6%
G&A	44.1	44.9
EBITDA ¹	20.3	13.4
Net loss	(45.3)	(49.6)
EPS	\$ (0.57)	\$ (0.62)
Total net cash	38.0	29.6

¹ Earnings before interest, taxes, depreciation & amortization, excluding restructuring charges.

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Drilling Revenue by Customer

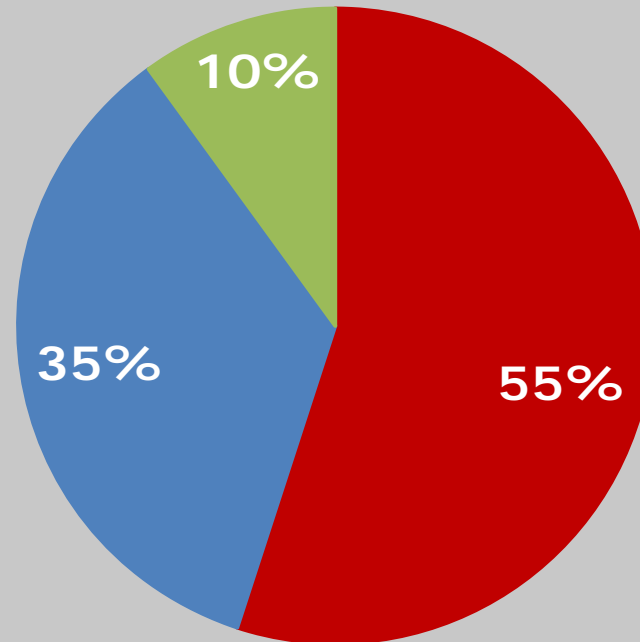
12 months ended April 30, 2016



■ Seniors/Intermediates ■ Juniors

Drilling Revenue by Type of Projects

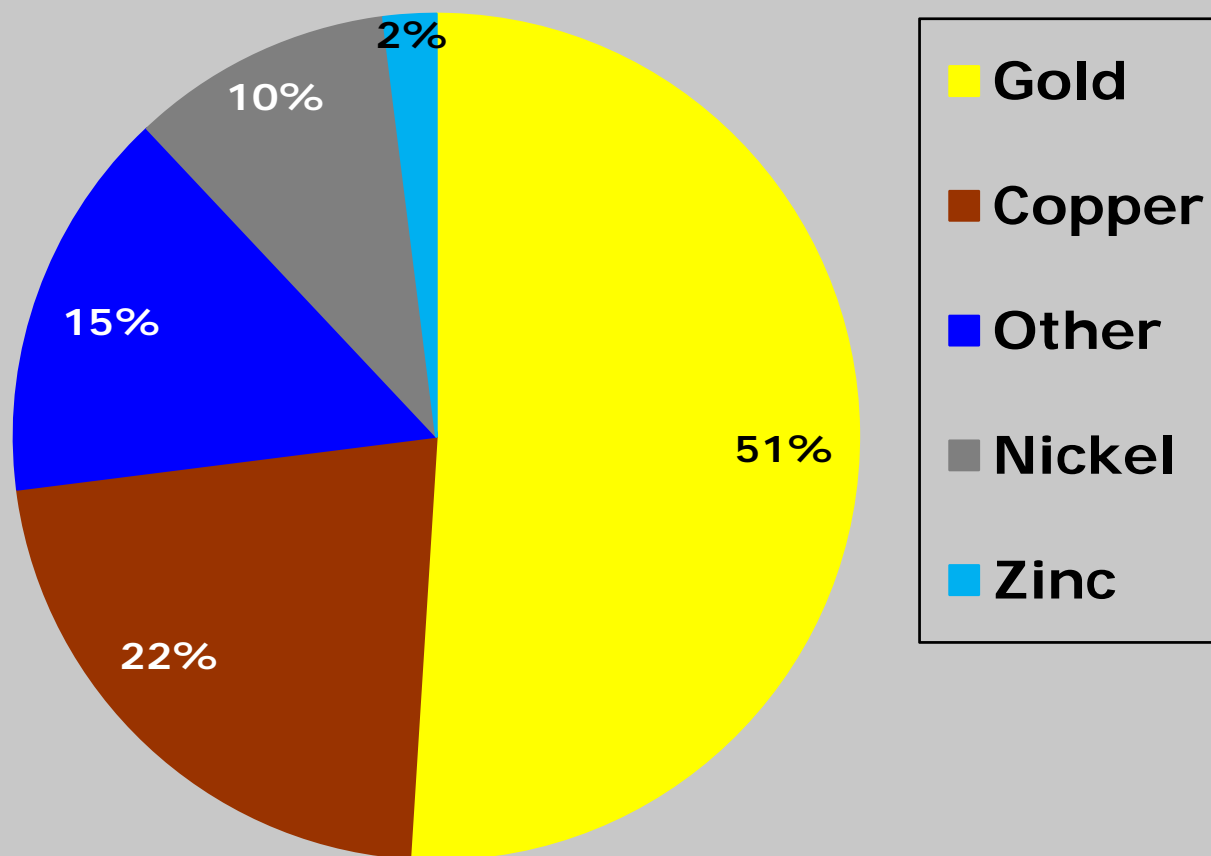
12 months ended April 30, 2016



■ Specialized ■ Underground ■ Conventional

Drilling Revenue by Commodity

12 months ended April 30, 2016



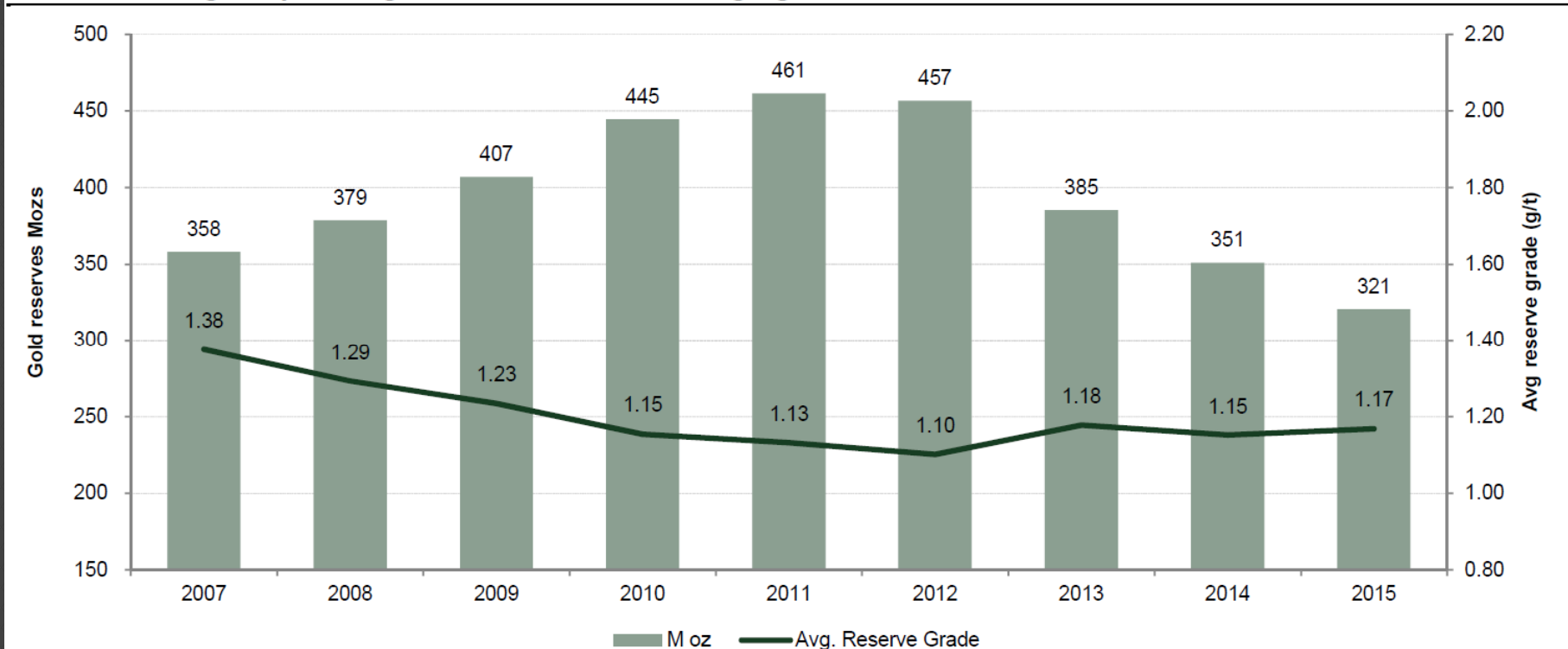
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Mining Cycle

- Going into fourth year of a downturn following peak of 2012 in exploration.
- Production continued, meaning mines/reserves are getting depleted at a rapid rate and not being replaced.
- Mineral reserves of ten of the top gold mining companies decreased by 15% over last two years.
- Copper reserves expected to fall into deficit in less than two years.

Gold Reserves Declining Fast

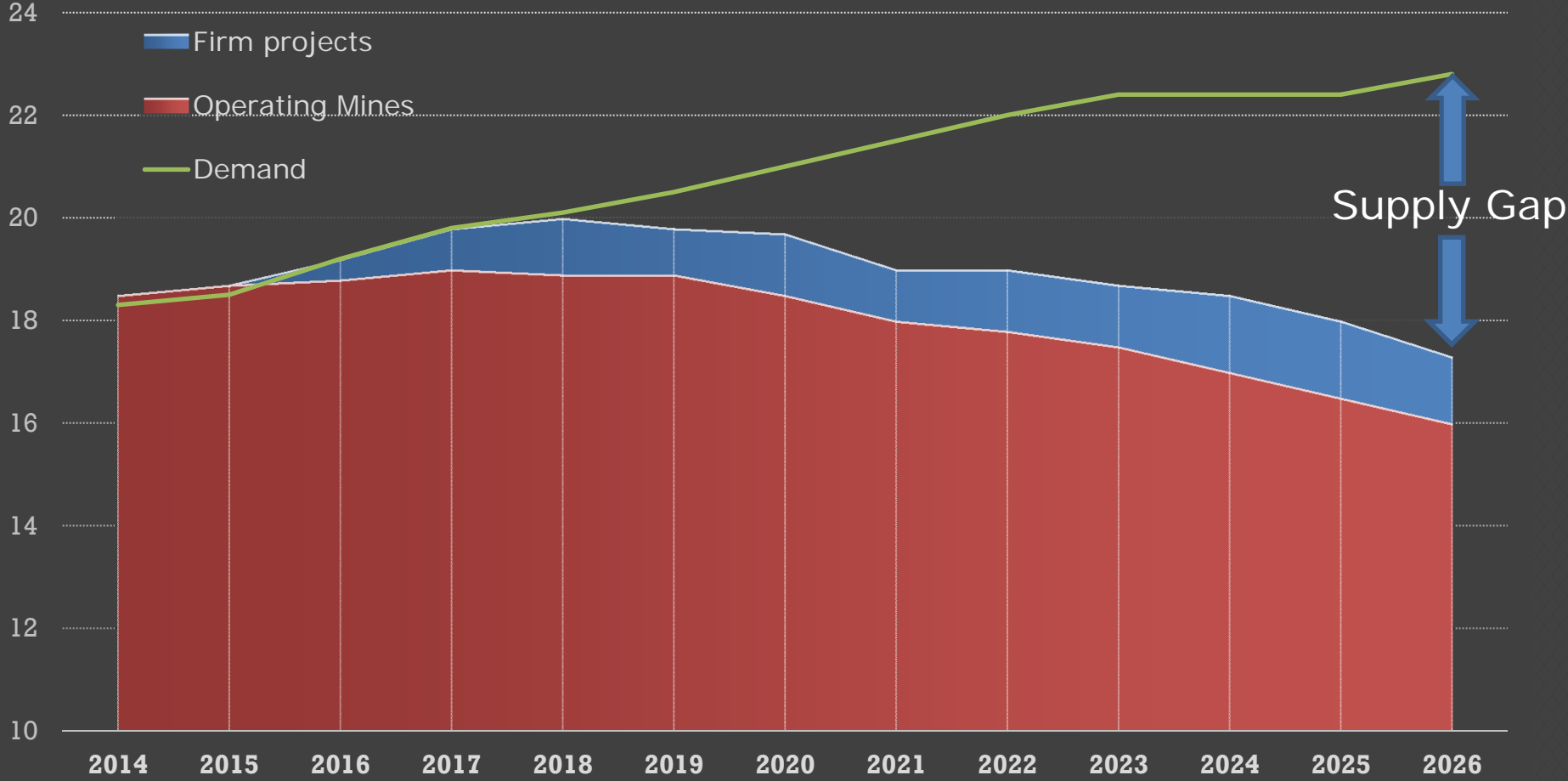
Exhibit 1. Large cap total gold reserves and average grade



Note: Adjusted for asset sales.
Source: Company reports, TD Securities Inc.

Copper Supply Gap

Total potential copper mine production from operating mines and projects



Data: CRU

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Exploration Drilling Needed Soon

- Takes 10-15 years to bring a mine from exploration stage to production stage.
- Without exploration, most commodities will be in a supply deficit within five years.
- New deposits will be in areas more difficult to access requiring specialized drilling.

Ready for Recovery

Major is best positioned to meet customers' needs when exploration drilling returns.

- Company has financial resources to:
 - Keep equipment in good condition.
 - Maintain core staff and skills.
 - Continue to enhance training and safety systems.

Customer Value Perception

Three Brand Pillars

- **Quality** – of people, equipment, and systems.
- **Results** – the resolve to overcome difficult obstacles in order to get the job done.
- **Relationships** – Partners on the ground.

Our Strategy is on Track

- Be the world leader in specialized drilling.
- Diversify our services within the drilling field.
- Maintain a strong balance sheet.
- Be the best in class in safety and human resources.
- Modernize our conventional fleet and expand our footprint in strategic areas.



Questions?



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