

Groupe Forage

MAJOR

Drilling Group International Inc.



September 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 the SEDAR website 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*: \$7.30
- Market Cap*: \$584M

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

- CEO: Denis Larocque
- CFO: David Balser

*as of September 2, 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 678 rigs.
- Senior management has over 1,000 years of combined experience.
- Best balance sheet in the mineral drilling industry, with net cash balance of \$33 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



Existing Market Conditions

- Currently in fourth year of an industry downturn, where exploration budgets have been drastically reduced.
- Pricing in the industry has reached a 15-year low.
- Customers are deferring more expensive specialized drilling into the future.
- Most drilling centered around existing mines, with focus on production-related activities.

First Quarter Highlights

- Activity increase; revenue up by 8% in last 3 months.
- Margins affected by higher repairs and pricing adjustments.
- Net cash still strong at \$33.4 million, down \$4.6 million as we purchased over \$3 million in rods and consumables.

Financial Review

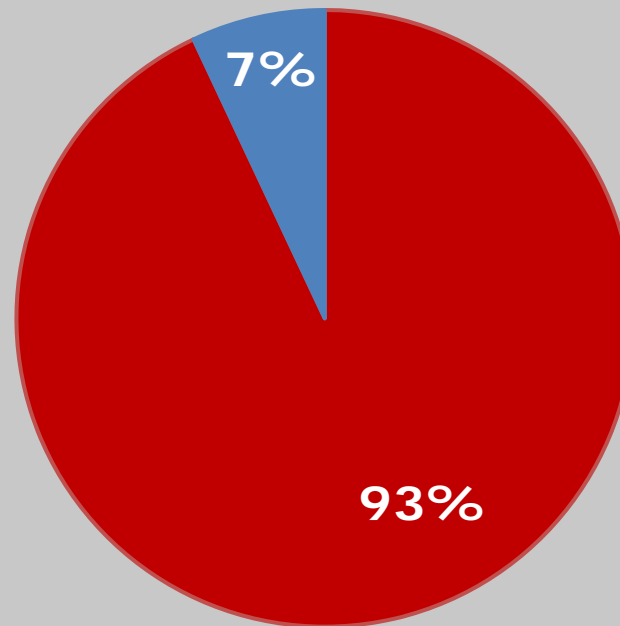
(\$millions except per share information)	Q1 2017	Q1 2016
Revenue	\$ 69.1	\$ 83.9
Gross margin	21.9%	25.8%
G&A	10.6	10.6
EBITDA ¹	3.8	11.4
Net loss	(9.8)	(11.2)
EPS	\$ (0.12)	\$ (0.14)
Total net cash	33.4	32.9

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

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Drilling Revenue by Customer

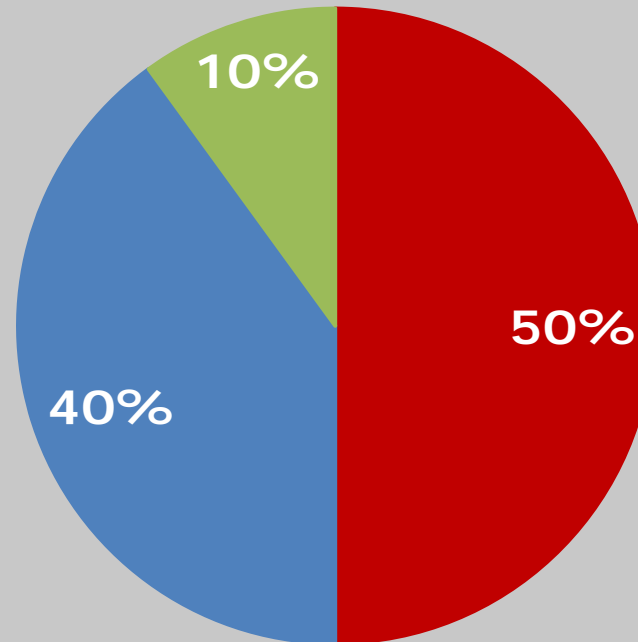
3 months ended July 31, 2016



■ Seniors/Intermediates ■ Juniors

Drilling Revenue by Type of Projects

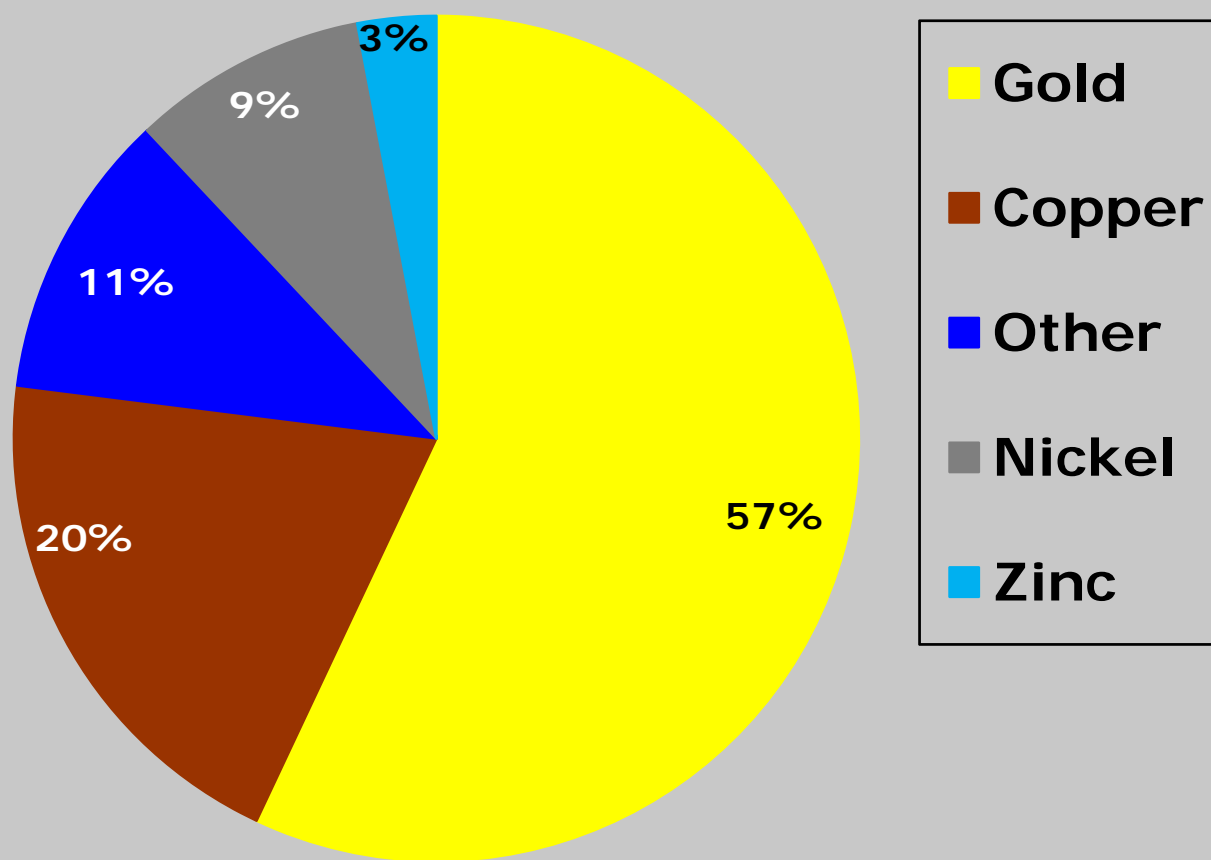
3 months ended July 31, 2016



■ Specialized ■ Underground ■ Conventional

Drilling Revenue by Commodity

3 months ended July 31, 2016



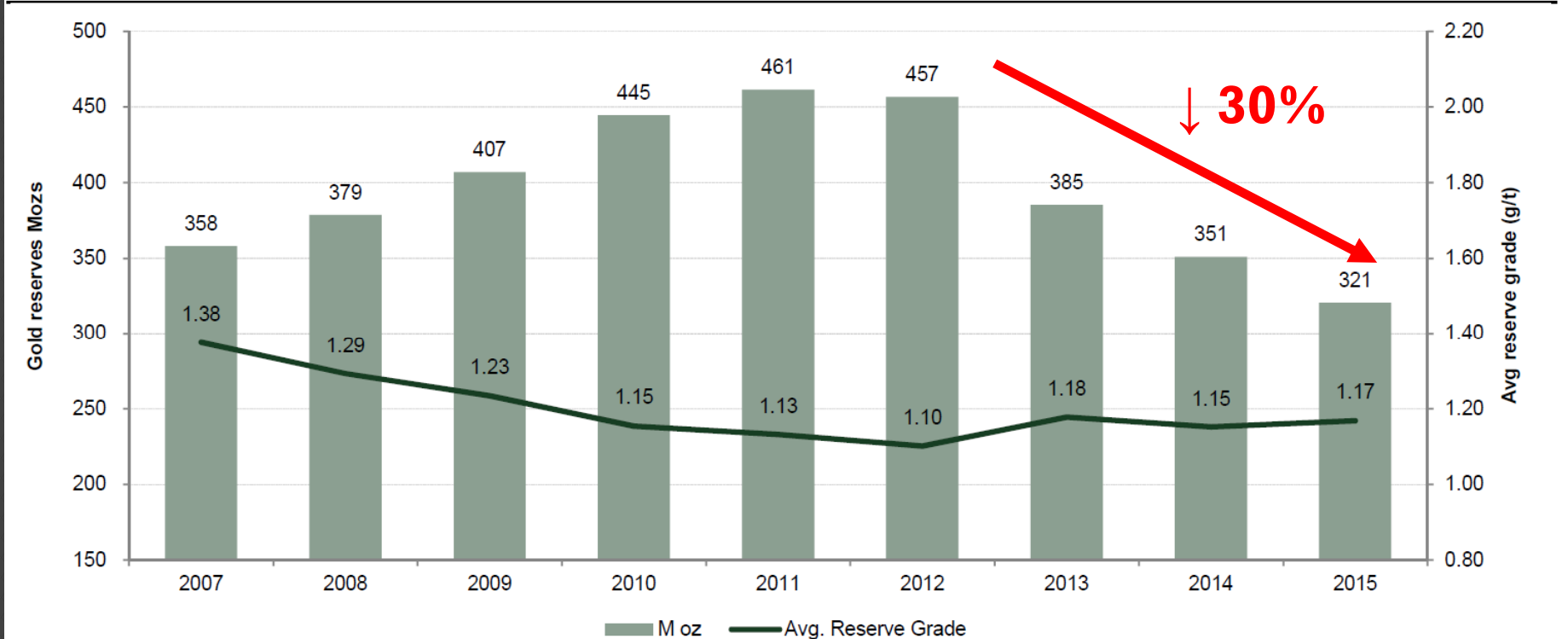
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Positive Industry Developments

- Production continued, meaning mines/reserves are getting depleted at a rapid rate while not being replaced.
- Mineral reserves of the top gold companies decreased by 30% over last 3 years.
- Copper reserves expected to fall into deficit in less than two years.

Gold Reserves Declining Fast

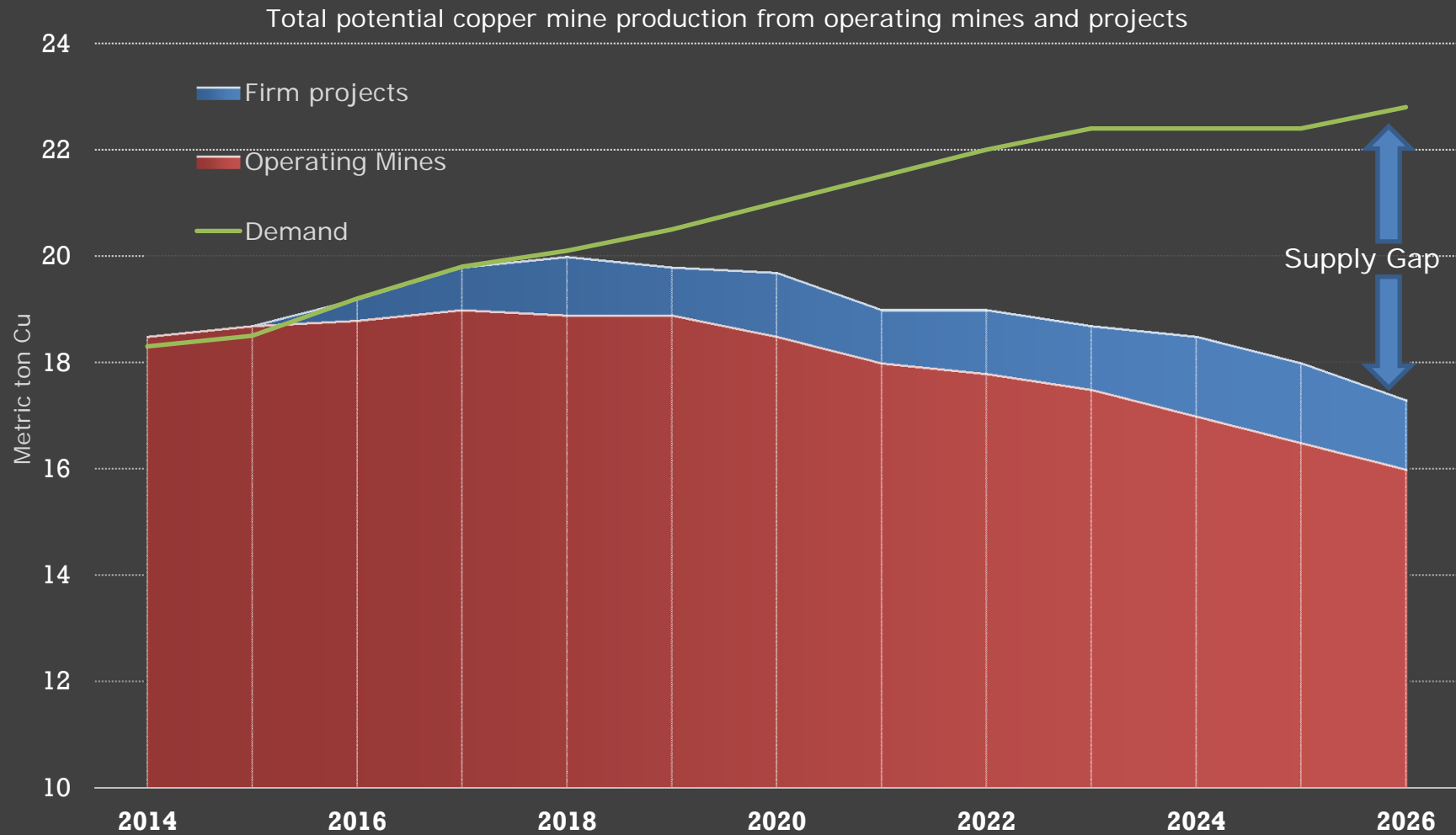
Exhibit 1. Large cap total gold reserves and average grade



Note: Adjusted for asset sales.

Source: Company reports, TD Securities Inc.

Copper Supply Gap



Source: 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.

of Mining Financings on TSX



Ready for Recovery

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

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

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.



Questions?



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