



FOR IMMEDIATE RELEASE

GEODRILL REPORTS FIRST QUARTER 2016 FINANCIAL RESULTS

TORONTO, May 9, 2016 - Geodrill Limited ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, reported its financial results for the three month period ended March 31, 2016. All figures are reported in U.S. dollars (\$), unless otherwise indicated. Geodrill's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Highlights for Q1-2016:

- Increased revenue by 65% compared to Q1-2015;
- Realized a gross profit margin of 43%, compared to 21% in Q1-2015;
- Increased EBITDA by 305% to \$4.8M, compared to \$1.2M in Q1-2015;
- Achieved net income of \$1.6M or \$0.04 per share compared to a net loss of \$(1.4)M for Q1-2015 or \$(0.03) per share; and
- Increased meters drilled by 96% compared to Q1-2015.

Financial Summary

US\$ 000s (except earnings per share, meters drilled and percentages)	For the three months ended March 31, 2016	For the three months ended March 31, 2015
Revenue	15,452	9,388
Gross profit	6,600	2,008
Gross profit margin	43%	21%
Income/(Loss) per share – basic	0.04	(0.03)
EBITDA ⁽¹⁾⁽²⁾	4,819	1,190
EBITDA margin	31%	13%
Meters drilled	240,426	122,539

Notes:

(1) EBITDA = earnings before interest, taxes, depreciation and amortization

(2) Please see "Non-IFRS Measures" below for additional discussion

“Despite tough markets, we saw improved drilling activity, revenue, and margins during the first financial quarter. Significantly, the first quarter marks our twelfth consecutive quarter of positive gross profit margins ranging from 18% to 43%; and our eighth consecutive quarter of positive EBITDA margins ranging from 9% to 33%. These improved metrics underscore the success of our strategy of maintaining a strong position in our core market and the value of our high performance rig fleet and highly skilled drillers,” said Dave Harper, President & CEO of Geodrill.

Geodrill’s condensed interim consolidated financial statements and management’s discussion & analysis (“MD&A”), for the three month period ended March 31, 2016, are available via Geodrill’s website at www.geodrill-gh.com and will be available on SEDAR at www.sedar.com.

Following the release, management will host the Company’s Annual General Meeting at the offices of Cassels Brock & Blackwell LLP, Suite 2100, Scotia Plaza, 40 King Street West, Toronto, Ontario at 10 am (EDT) where management will discuss the Company’s quarterly financial results.

You can join the call by dialing 1-888-231-8191 or 647-427-7450. A live audio webcast of the conference call will also be available through:

<http://event.on24.com/r.htm?e=1173529&s=1&k=21DC433EC938B9A6F04FE5EB97823F79>

Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be needed to hear the webcast. An archived replay of the webcast will be available for 90 days. Operator Assisted Toll-Free Dial-In Number: (888) 231-8192.

About Geodrill Limited

Geodrill has been successful in establishing a leading market position in Ghana and Burkina Faso and also operates in other West African jurisdictions including Cote d’Ivoire and Mali. The Company provides a broad selection of diverse drilling services, including exploration, delineation and grade control, to meet the specific needs of its clients. Geodrill operates a fleet of high performance multi-purpose rigs, which offer the versatility of being able to perform both reverse circulation and diamond core drilling. Geodrill’s client mix is made up juniors, intermediates and majors that are exploring for gold and other minerals. The Company’s operational proximity to countries such as Mauritania, Liberia, Sierra Leone, Nigeria and Cameroon positions the Company favourably in its ability to service these markets.

Non-IFRS Measures

EBITDA is defined as Earnings before Interest, Taxes, Depreciation and Amortization and is used as a measure of financial performance. The Company believes EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties to evaluate companies in the industry. However, EBITDA is not a measure recognized by IFRS and does not have a standardized meaning prescribed by IFRS. EBITDA should not be viewed in isolation and does not purport to be an alternative to net income or gross profit as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. EBITDA does 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

EBITDA should not be construed as an alternative to other financial measures determined in accordance with IFRS.

Additionally, EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as capital expenditures, contractual commitments, interest payments, tax payments and debt service requirements. Please see the Company's MD&A for the three month period ended March 31, 2016 for the EBITDA reconciliation.

Forward Looking Information

This press release may contain "forward-looking information" which may include, but is not limited to the future financial or operating performance of the Company, its subsidiaries, future growth, results of operations, performance, business prospects and opportunities. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "believes", or variations (including negative variations) of such words and phrases, or by the use of words or phrases that state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements contained in this press release including, without limitation those described in the Management's Discussion & Analysis for the quarter ended March 31, 2016 and the Company's Annual Information Form dated March 30, 2016 under the heading "Risk Factors". Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in such forward-looking statements, there may be other factors that may cause actions, events or results to differ from those anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize or should assumptions underlying such forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this press release. The forward-looking information and forward-looking statements contained herein are made as of the date of this press release and the Company disclaims any obligation to update or review such information or statements, whether as a result of new information, future events or otherwise, except as required by law.

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