

# WE ARE GEODRILL

**TSX: GEO.T**

**OTCQX: GEODF**



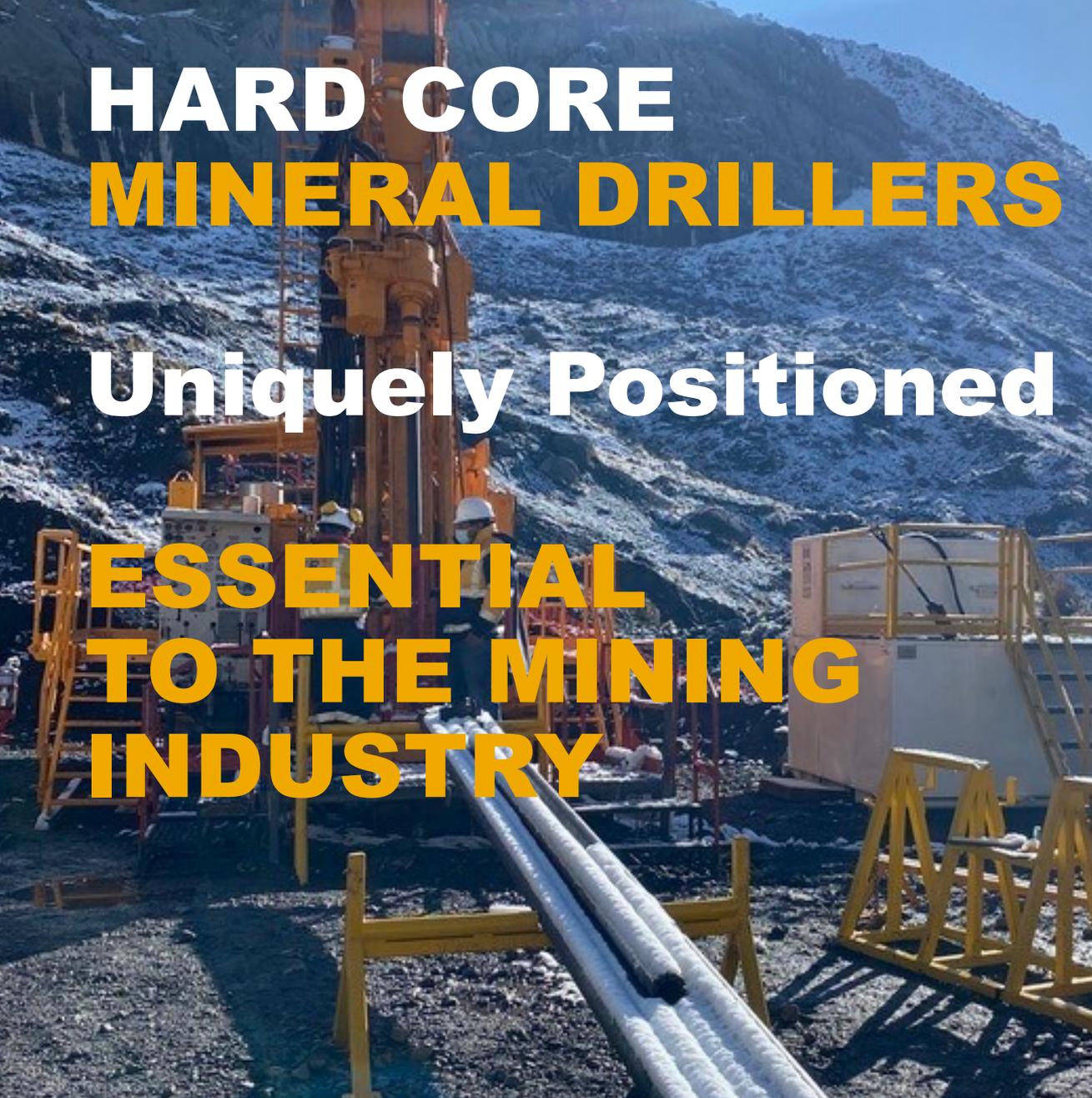
**GEODRILL**

LD Micro Main Event XVI  
October 3, 2023

## **FORWARD LOOKING STATEMENTS**

This presentation contains “forward-looking information” and “financial outlook” within the meaning of applicable Canadian securities laws and may contain forward looking information attributed to third party industry sources. These statements and information are predictions only and represent Geodrill’s expectations as of the date of this presentation and Geodrill does not undertake any obligation to update the forward looking information or financial outlook to reflect new information, subsequent events or otherwise. By their nature, forward looking information and financial outlook involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, and projections made will not occur and actual events or results may differ materially from such predictions, forecasts, and projections. Undue reliance should not be placed on such information as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

Forward-looking information is also based upon the assumption that none of the identified risk factors that could cause actual results to differ materially from the forward-looking information will occur. Accordingly, specific reference should be made to the risk factors described in the Annual Financial Statements available on SEDAR.



# **HARD CORE MINERAL DRILLERS**

## **Uniquely Positioned**

# **ESSENTIAL TO THE MINING INDUSTRY**

**25 years** operating  
in exploration drilling

**Industry Leading**  
financial metrics

**Tier-1 rig Fleet**  
drives profitability

**Innovative &  
Founder-led**  
business

# The Mineral Drilling Business



Discovery  
Drilling

**\$2-5M**



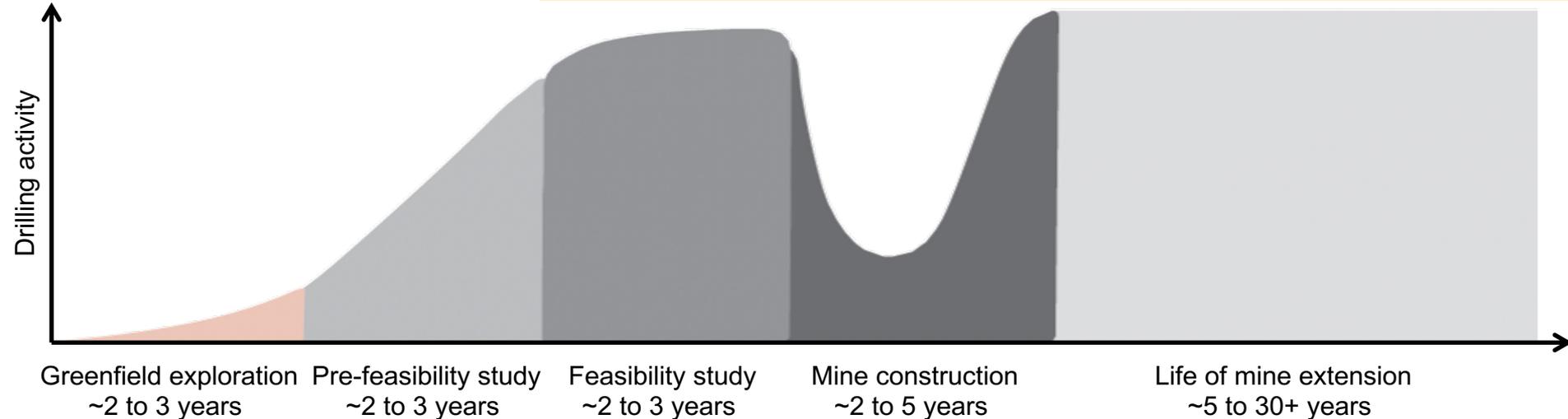
In-fill Drilling  
for Resource Modeling

**\$10-25M**



Mine Drilling  
De-risking & Resource Expansion

**LIFE OF MINE \$10-25M  
ANNUALLY**



# What Sets Geodrill Apart

## HIGH PERFORMANCE RIG FLEET

- Multi-purpose rig fleet attracts top tier clients
- High performance rigs drive high value results

## STATE-OF-THE-ART FACILITY

- Network of maintenance and support facilities ensures our fleet is well-maintained
- Workshop manufactures 1,200 different frequently replaced parts including drill rods

## EXPERIENCED LEADERSHIP TEAM

- 25 years establish business
- Highly skilled workforce



# Strong Balance Sheet Supports Growth

Working  
Capital  
USD 57.6M



ROE 13%  
ROCE 20%



Shareholders  
Equity  
USD 114.2M



Net Tangible  
Book Value  
USD 3.22 per share



Net Cash USD \$6.4M



100% Organic  
Growth



Total Rig Count  
78 Rigs



Debt USD 11.3M  
Debt/Equity 10%



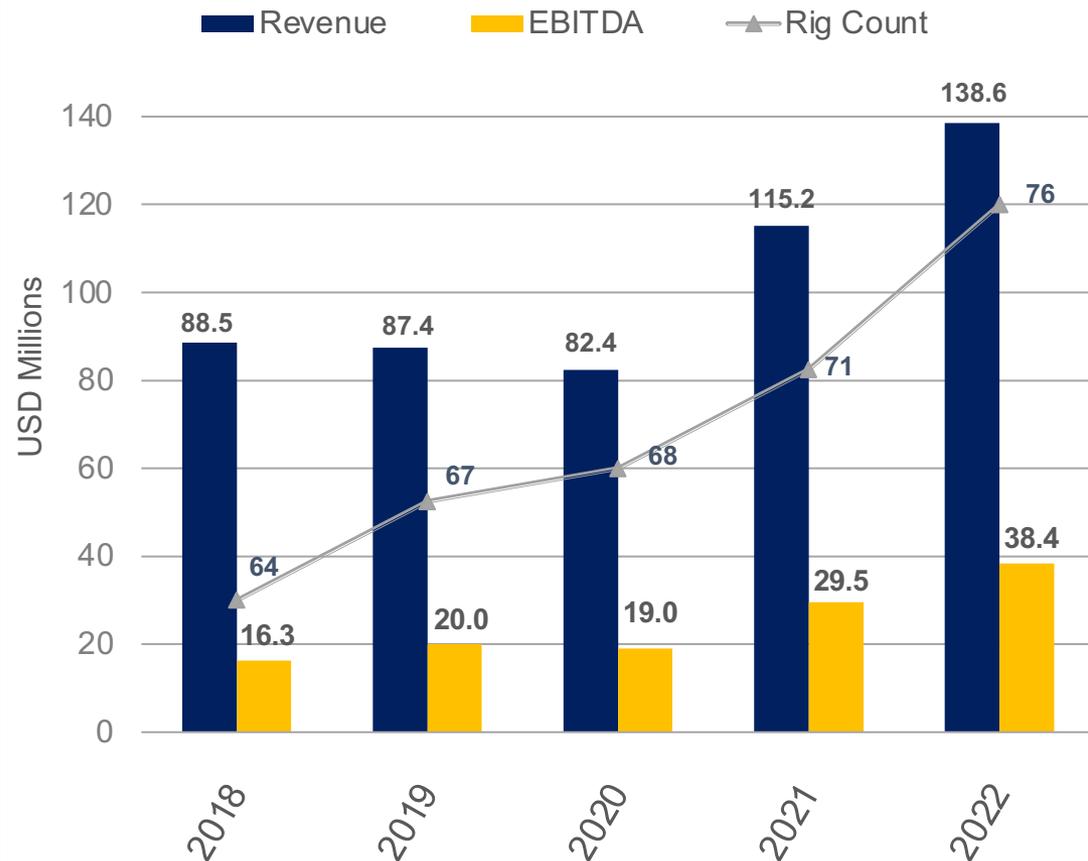
# We Invested in the Cycle

**We invested in modern equipment and world-class operations to strategically position Geodrill for this upcycle**

**We stand to benefit from industry growth drivers**

- Diminishing mineral reserves, drives demand
- Increasing demand for drilling, pricing power
- Strong Commodity prices
- Geographical expansion

## ORGANIC GROWTH PROFILE



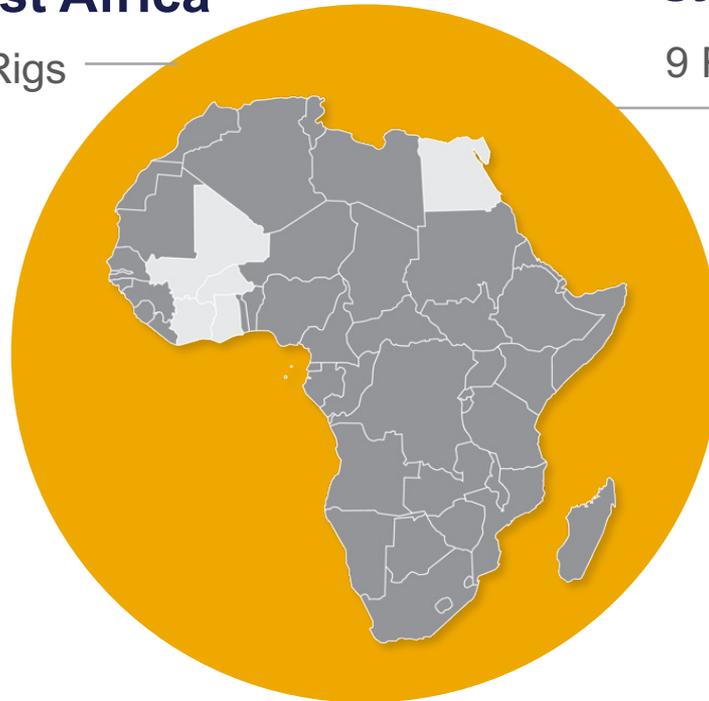
# Long-Term Contracts Drives Revenue Visibility

## Major Customers & World Class Projects



### West Africa

67 Rigs



### Egypt

9 Rigs (includes 4 leased)

### Peru

2 Rigs

### Chile

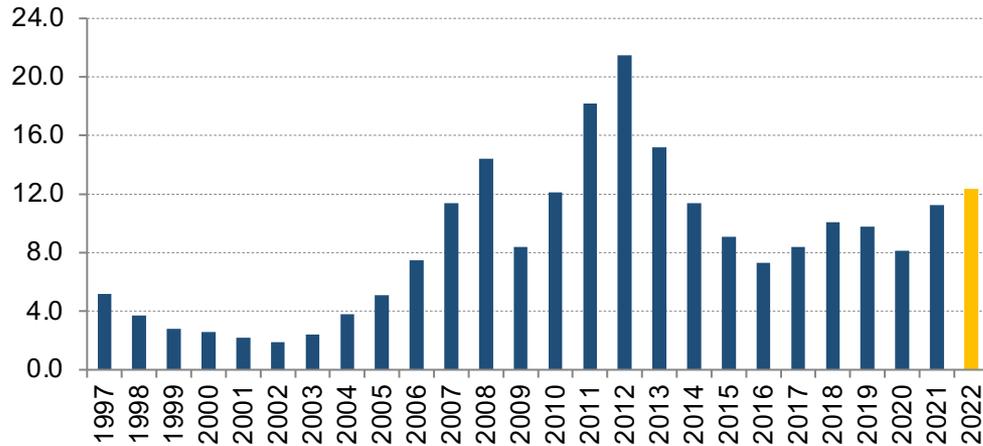
4 Rigs



# Highly Supportive Fundamentals for Supercycle

## Global Minerals Exploration Spend US\$Bn

Source S&P Global Market Intelligence, MST



1

**New Wave of Demand**  
Exploration spend well below previous cycles

2

**Industrial Metals**  
Demand to grow infrastructure spend

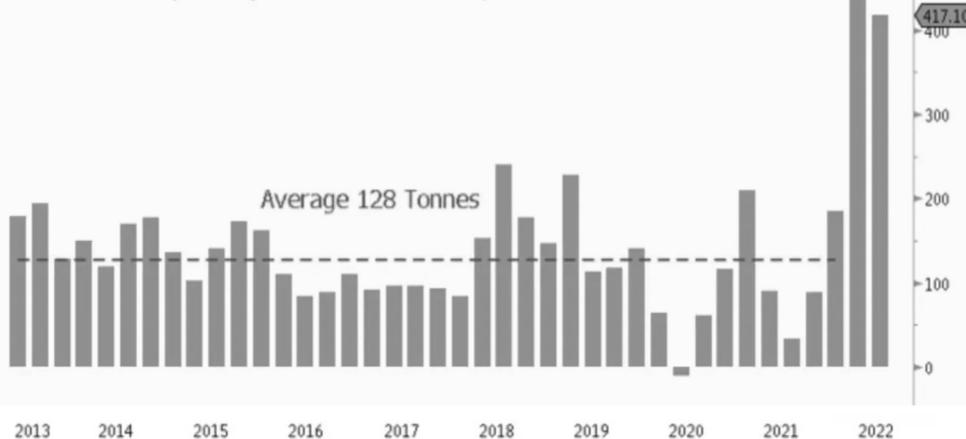
3

**Inflation**  
Recent Central bank gold purchases spiked up by 300%

4

**Lag in the Commodities Supply**  
Capex in mining has been modest driving shortages

## Central Bank Quarterly Net Gold Purchases, Tonnes



Source: Sprott, Bloomberg

# Key Financial Metrics Reflects Strategic Re-location of Fleet

All figures in USD	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23
<b>Revenue (MM)</b>	<b>\$39.2</b>	<b>\$35.2</b>	<b>\$30.9</b>	<b>\$37.6</b>	<b>\$32.6</b>
Gross Margin	32%	31%	24%	32%	24%
Adj. EBITDA (MM)	\$12.4	\$9.5	\$6.5	\$10.1	\$6.6
<b>Adj. EBITDA Margin</b>	<b>32%</b>	<b>27%</b>	<b>21%</b>	<b>27%</b>	<b>20%</b>
EPS	\$0.13	\$0.08	\$0.07	\$0.13	\$0.04
Cash (MM)	\$11.8	\$19.1	\$14.4	\$17.2	\$17.7
Debt (MM)	\$8.9	\$13.9	\$4.6	\$8.0	\$11.3
<b>Net Debt (MM)</b>	<b>(\$2.9)</b>	<b>(\$5.2)</b>	<b>(\$9.8)</b>	<b>(\$9.2)</b>	<b>(\$6.4)</b>

- Business remains strong
- Balance sheet is solid
- Strong revenue growth for 2024
- Highest utilization rates in the industry
- Net Income of \$2M USD
- Dividend 3% yield
- Repositioning rigs into new attractive markets

# WHY OWN GEODRILL

- 1** **Established High-quality** cash-generating business that trades at discounted multiples
- 2** **Commodity boom offers massive tailwind** - investing in the business that IS essential to the supply chain & runway to grow
- 3** **Strong balance sheet** supports growth and torque for commodity up-cycle
- 4** **Strong Financial Metrics outperforms** and strategically positioned to create more value than competitors in the industry
- 5** **Portfolio** of long term multi-rig contracts provides stable, growing revenue and visibility into 2024
- 6** **Double-digit growth** driven by geographical diversification and expansion



**GROWTH** strategically positioned for upcycle

**LONG-TERM** contracts generates recurring revenue and free cash flow

**DISCOUNTED VALUATION**

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