



FOR IMMEDIATE RELEASE

GEODRILL REPORTS 2013 SECOND QUARTER AND SIX MONTH FINANCIAL RESULTS

TORONTO, ON – August 12, 2013 - Geodrill Limited (“Geodrill” or the “Company”) (TSX: GEO), a leading West African based drilling company, reported its financial results for the three-month and six-month period ended June 30, 2013. 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”).

Financial Highlights

US\$ 000's (except earnings per share)	For the six months ended June 30, 2013	For the six months ended June 30, 2012	For the three months ended June 30, 2013	For the three months ended June 30, 2012
Revenue	29,622	42,520	14,590	20,860
Gross profit	14,397	21,035	8,005	9,512
Gross profit margin	49%	49%	55%	46%
Earnings per share - basic	0.10	0.17	0.07	0.07
EBITDA ⁽¹⁾⁽²⁾	10,698	14,263	6,428	6,619
EBITDA margin	36%	34%	44%	32%
Meters drilled	321,871	605,100	145,277	287,129

Notes:

- (1) EBITDA = earnings before interest, taxes, depreciation, and amortization
- (2) Please see “*Non-IFRS Measures*” below for additional discussion

“During the quarter, Geodrill continued to adapt to the changing market conditions by strengthening our cost cutting efforts and, as a result, we delivered a solid performance. With an industry-wide slowdown, we will continue to be prudent and disciplined in our capital expenditures while maintaining our strategy of employing high performance equipment and solid resources to remain competitive,” said Dave Harper, President and CEO of Geodrill Limited.

Geodrill’s full interim financial statements and management’s discussion & analysis (“MD&A”), for the three-month and six-month period ended June 30, 2013, 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 of the Company will host a conference call at 10:00 am EST to discuss the 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://www.newswire.ca/en/webcast/detail/1199375/1315139>

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.

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 they 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 and six-month period ended June 30, 2013 for the EBITDA reconciliation.

About Geodrill Limited

Geodrill Limited is a leading West African based drilling company currently operating in Ghana, Burkina Faso, and Guinea. Geodrill provides exploration and development drilling services to major, intermediate and junior mining companies with exploration and development operations in West Africa. The Company specializes in providing reverse circulation, diamond core and air-core drilling services using a modern fleet of drill rigs. The Company plans to grow organically and build its current client base while continuing to assess expansion opportunities throughout West Africa and other jurisdictions of Africa, to meet demand for its services and expertise.

Forward Looking Information

This press release and the management's discussions may contain "forward-looking information" which may include, but is not limited to, statements with respect 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 June 30, 2013 and the Company’s Annual Information Form dated March 27, 2013 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 and statement which may be made on the conference call 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 results of otherwise, except as required by law.

For further information:

Joanna Longo

Terre Partners

(416) 238-1414 ext 233

jlongo@terrepartners.com