



## FOR IMMEDIATE RELEASE

### GEODRILL ANNOUNCES STRONG THIRD QUARTER 2017 FINANCIAL RESULTS

**TORONTO, November 13, 2017** - Geodrill Limited ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, reported its financial results for the three and nine month periods ended September 30, 2017. 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 Q3-2017:

- Achieved record wet season quarterly revenue of \$20.8M, an increase of 6% compared to Q3-2016, despite drilling less meters, as the increase in revenue represented a different mix of meters drilled;
- Recorded 14th consecutive quarter of positive EBITDA margins and 7th consecutive quarter of positive earnings;
- Invested \$2.9M into CAPEX to maintain a modern fleet of rigs and equipment;
- Secured new client contracts including Cardinal Resources, Goldfields Ghana, Marianna Gold Cl, Iron Ridge Resources GH, Petroma ML, Endeavour ML, and Trans Africa ML;
- Commenced first underground drilling contract with Kinross Ghana and currently bidding additional contracts;
- Ended Q3-2017 with cash of \$7.8M and with net cash of \$3M; and
- Ended the quarter with 58 rigs.

#### Financial Summary

US\$ 000s (except earnings per share, meters drilled and percentages)	For the three months ended Sept 30, 2017	For the three months ended Sept 30, 2016	For the nine months ended Sept 30, 2017	For the nine months ended Sept 30, 2016
Revenue	20,832	19,705	62,005	54,576
Gross profit	9,722	7,804	26,477	22,462
Gross profit margin	47%	40%	43%	41%
Earnings per share – basic	0.06	0.04	0.12	0.14
EBITDA <sup>(1)(2)</sup>	4,955	4,755	13,330	15,002
EBITDA margin	24%	24%	21%	27%
Meters drilled	207,773	246,414	735,891	738,889

#### Notes:

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

The third quarter was another exceptional quarter despite being the wet season. This was our second consecutive quarter in which we generated revenues of greater than \$20 million and grew revenue year over year,” said Dave Harper, CEO of Geodrill. “Buoyed by improving market conditions and increased financings, we saw an increase in demand not just from established miners, but also from juniors. With the underground contract at Kinross well underway, we are now receiving additional tenders for continued momentum. As such, our workshop is busy with additional rig arrivals and ensuring gold-standard training for our operators. That we have managed to add 12 rigs to our fleet, a 20% expansion year to date, while maintaining a strong cash position, is a testament to the strength of the Company’s business model. With this phenomenal growth over the past three quarters, achieved mostly through cash flow, we expect to continue to deliver strong financial results for the remainder of the year and into 2018.”

**Geodrill’s condensed interim consolidated financial statements and management’s discussion & analysis (“MD&A”), for the three and nine month periods ended September 30, 2017, are available via Geodrill’s website at [www.geodrill-gh.com](http://www.geodrill-gh.com) and will be available on SEDAR at [www.sedar.com](http://www.sedar.com).**

**Following the release, management of the Company will host a conference call at 10:00 am EDT 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://event.on24.com/r.htm?e=1520854&s=1&k=F1D3836DDD282A04536A3EFF8C6283C2>

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, Burkina Faso and Cote d’Ivoire and also operates in other African jurisdictions including Mali and Zambia. 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 majors, intermediates and juniors 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 and nine month periods ended September 30, 2017 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 quarters ended September 30, 2017 and the Company's Annual Information Form dated March 31, 2017 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.*

- 30 -

**For further information:**

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