



FOR IMMEDIATE RELEASE

## GEODRILL ANNOUNCES 2017 FOURTH QUARTER AND YEAR END FINANCIAL RESULTS

**TORONTO, March 5, 2018** - Geodrill Limited ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, reported its financial results for the three and twelve month periods ended December 31, 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 Fiscal 2017:

- Increased revenue by 13% from \$73.4M to \$82.6M;
- Generated a gross margin of 41%, compared to 40% in the prior year;
- Achieved EBITDA of \$15.7M;
- Invested \$10.6M into CAPEX;
- Secured and renewed a number of significant multi-rig contracts including Newmont Mining, Newcrest Mining, SEMAFO, Endeavour Mining, Centamin, and West African Resources;
- Ended the year with a cash position of \$5.7M; and
- Expanded the Company's rig fleet to end the year with 58 rigs.

### Financial Summary

US\$ 000s (except earnings per share, meters drilled and percentages)	For the three months ended Dec 31, 2017	For the three months ended Dec 31, 2016	For the twelve months ended Dec 31, 2017	For the twelve months ended Dec 31, 2016
Revenue	20,609	18,774	82,614	73,350
Gross profit	7,060	7,018	33,537	29,480
Gross profit margin	34%	37%	41%	40%
(Loss)/Earnings per share – basic	(0.01)	0.03	0.10	0.17
EBITDA <sup>(1)(2)</sup>	2,342	4,181	15,673	19,182
EBITDA margin	11%	22%	19%	26%
Meters drilled	238,687	268,946	975,754	1,007,549

### Notes:

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

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

“Geodrill's strong fourth quarter revenue capped what was overall a strong fiscal 2017. Not only did we record our strongest revenue to date, but we also transformed our company. We went from being a surface only-driller, adding underground capabilities and attracting top tier mining clients such as Newmont and Kinross. Given the industry's cyclical nature, we believe this is a significant step in the Company's history to bolster our business model. Our commitment to quality helped us weather the last downturn and this strategic adaptation on our part will further protect us,” said Dave Harper, President and CEO. “And while there will be inevitable future cyclical downturns, as 2018 progresses, we believe we are on the verge of a renaissance in West African exploration with a number of financed juniors returning to the region and increasing mergers and acquisition activity. With increased utilization across our expanding rig fleet, and our new underground division already with two significant contracts under its belt, 2018 is shaping to be our strongest year ever.”

**Geodrill’s consolidated financial statements and management’s discussion & analysis (“MD&A”), for the three and twelve month periods ended December 31, 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 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://event.on24.com/r.htm?e=1355860&s=1&k=37467CFE31F394A9BAFC937F1C619F48>**

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, underground drilling 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 twelve month periods ended December 31, 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 year ended December 31, 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.*

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