



FOR IMMEDIATE RELEASE

GEODRILL REPORTS STRONG SECOND QUARTER 2019 FINANCIAL RESULTS

TORONTO, August 6, 2019 - Geodrill Limited ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, reported its financial results for the three and six month periods ended June 30, 2019. 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 Q2-2019:

- Achieved record revenue of \$27.8M compared to \$27.3M in Q2-2018, representing a 2% increase in revenue;
- Drilled 344,308 meters compared to 382,418 meters in Q2-2018;
- Increased net income to \$2.5M or \$0.06 per Ordinary Share compared to \$2.4M, or \$0.05 per Ordinary Share for Q2-2018;
- Increased EBITDA margin to 29% compared to 27% in Q2-2018;
- Improved debt to equity ratio to 8% compared to 11% in Q2-2018; and
- Ended the quarter with cash of \$3.2M.

Financial Summary

US\$ 000s (except earnings per share, meters drilled and percentages)	For the three months ended June 30, 2019	For the three months ended June 30, 2018	For the six months ended June 30, 2019	For the six months ended June 30, 2018
Revenue	27,787	27,280	49,914	51,533
Gross profit	8,903	8,376	15,279	15,912
Gross profit margin	32%	31%	31%	31%
EBITDA ⁽¹⁾⁽²⁾	7,941	7,272	13,716	13,098
EBITDA margin	29%	27%	27%	25%
Earnings per share - basic	0.06	0.05	0.09	0.09
Meters drilled	344,308	382,418	617,362	705,090

Notes:

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

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

“This quarter we delivered a new quarterly revenue record demonstrating the success of our platform and commitment to capital discipline and operational efficiencies. With our disciplined strategy for growth, Geodrill continues to grow its business organically improving on all aspects of our business including reducing our SG&A costs, resulting in stronger margins and earning the strongest quarterly EBITDA margin since 2012,” said Dave Harper, President and CEO of Geodrill. “For the second half of the year, the demand for our services, an improved pricing environment and a strong pipeline of opportunities provides increased confidence in our ability to return value to our shareholders this year.”

Geodrill also announces that Mr. Daniel Im and Mr. Adrian Reynolds have resigned from its board of directors following the previously announced appointment of Mr. Johnny Ciampi to the Board. Mr. Im has served on the Geodrill Board of Directors since 2012 and Mr. Reynolds has served since 2014.

“On behalf of the Company and the Board, I would like to thank both Daniel and Adrian for serving on our Board and making many contributions to the success and growth of the Company,” stated Mr. John Bingham, Chairman of the Board.

Geodrill’s condensed interim consolidated financial statements and management’s discussion & analysis (“MD&A”), for the three and six months period ended June 30, 2019, are available via Geodrill’s website at www.geodrill-gh.com and will be available on SEDAR at www.sedar.com.

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

<https://event.on24.com/wcc/r/2045194/BB6159C09BA0B9301F13C86E8ED4741F>

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 7 days. Toll-Free Dial-In Number: 1 855 859 2056 using Conference ID: 3597845.

About Geodrill Limited

Geodrill has been successful in establishing a leading market position in Ghana, Burkina Faso, Cote d’Ivoire and Mali and also operates in the African copperbelt, Zambia. The Company provides a broad selection of diverse drilling services, including exploration, delineation, underground and grade control drilling, 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 of 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 six months period ended June 30, 2019 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 June 30, 2019 and the Company's Annual Information Form dated March 29, 2019 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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