



**FOR IMMEDIATE RELEASE**

**GEODRILL REPORTS THIRD QUARTER 2021 FINANCIAL RESULTS  
- Year to date Revenue Eclipses 2020-**

**TORONTO, November 11, 2021** - Geodrill Limited ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, reported its financial results for the three month and nine month periods ended September 30, 2021. 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 Overview Q3-2021:**

- Generated revenue of \$27.2M an increase of 44% compared to Q3-2020;
- Achieved EBITDA of \$4.7M or 17% of revenue;
- Maintained strong profitability by achieving net income to \$1.7M or \$0.04 per Ordinary share;
- Generated a Return on Capital Employed (ROCE) of 21% and Return on Equity (ROE) of 16%, and
- Ended the quarter with net cash of \$5.5M.

**Operational and Strategic Highlights:**

- Continued to maintain a high utilization rate of 65% during "wet season";
- Secured and extended multi-rig contracts in our core operations in the Ivory Coast, Burkina Faso, Ghana and Mali;
- As at November 10, 2021 the Company increased its rig fleet to 71 rigs.

**Outlook:**

- Continued demand for drilling services driving strong utilization rates throughout the remainder of 2021;
- A higher gold price and utilization rates across the mineral drilling industry is driving demand for rigs and improved pricing; and
- Extremely active tendering market, with particularly strong demand in exploration drilling.

## Financial Summary

US\$ 000s (except earnings per share and percentages)	For the three months ended Sept 30, 2021	For the three months ended Sept 30, 2020	For the nine months ended Sept 30, 2021	For the nine months ended Sept 30, 2020
Revenue	US\$27,232	US\$18,864	US\$88,473	US\$57,729
Gross profit	US\$5,640	US\$4,261	US\$23,606	US\$14,011
Gross profit margin	21%	23%	27%	24%
EBITDA <sup>(1)(2)</sup>	US\$4,735	US\$4,555	US\$22,147	US\$13,239
EBITDA margin	17%	24%	25%	23%
Net Earnings	US\$1,742	US\$1,962	US\$11,360	US\$5,359
Earnings per share – basic	US\$0.04	US\$0.04	US\$0.25	US\$0.12

### Notes:

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

“Momentum in the first half of 2021 continued into the third quarter; the result is another strong quarter for Geodrill with a solid operating performance and significant growth in revenue. As gold price continues to rally, significant demand and strong market fundamentals remain in place for the rest of the year,” said Greg Borsk, Chief Financial Officer. “With this dynamic, Geodrill remains well positioned to continue to capitalize on opportunities and deliver shareholder value.”

“With these significant industry tailwinds and favourable macroeconomic conditions, Geodrill remains focused on continuing to drive growth in revenue, earnings per share and return on equity,” said Chief Executive Officer Dave Harper. “It is this type of organic growth, underpinned by our position as driller of choice in West Africa, paired with long-term growth initiatives to expand globally, that continue to make Geodrill a compelling growth opportunity. We expect conditions to remain strong into the end of the year and beyond as gold prices continue to surge, attracting investment attention and driving exploration budgets and growth.”

**Geodrill’s condensed interim consolidated financial statements and management’s discussion & analysis (“MD&A”), for the three month period ended September 30, 2021, 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).**

**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 1888 664 6392 or local 416 764 8659. A live audio webcast of the conference call will also be available through:

[https://produceredition.webcasts.com/starthere.jsp?ei=1503969&tp\\_key=47eb6a624a](https://produceredition.webcasts.com/starthere.jsp?ei=1503969&tp_key=47eb6a624a)

## **About Geodrill Limited**

Geodrill has been successful in establishing a leading market position in Ghana, Burkina Faso, Cote d'Ivoire and Mali. The Company is also expanding its geographic presence into Egypt in North Africa, and Peru in South America. With the largest fleet of multi-purpose rigs, Geodrill provides a broad selection of diverse drilling services, including exploration, delineation, underground and grade control drilling, to meet the specific needs of its clients. The Company's client mix is made up of senior mining, intermediate and junior exploration companies. [www.geodrill-gh.com](http://www.geodrill-gh.com).

## **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 month and nine month periods ended September 30, 2021 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 September 30, 2021 and the Company's Annual Information Form dated March 29, 2021 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 -

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