



FOR IMMEDIATE RELEASE

GEODRILL REPORTS SOLID FIRST QUARTER 2019 FINANCIAL RESULTS

TORONTO, May 13, 2019 - Geodrill Limited ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, reported its financial results for the three month period ended March 31, 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 Q1-2019:

- After a slow start, exited the quarter with very strong revenue;
- Increased net income to \$1.5M or \$0.04 per Ordinary Share compared to \$1.4M, or \$0.03 per Ordinary Share for Q1-2018;
- Increased EBITDA margin to 26% compared to 24% in Q1-2018;
- Strengthened existing customer relationships and added new ones;
- Added three rigs to the fleet; and
- Ended the quarter with cash of \$3.9M.

Financial Summary

US\$ 000s (except earnings per share, meters drilled and percentages)	For the three months ended Mar 31, 2019	For the three months ended Mar 31, 2018
Revenue	22,127	24,252
Gross profit	6,376	7,535 ⁽¹⁾
Gross profit margin	29%	31%
Earnings per share – basic	0.04	0.03
EBITDA ⁽²⁾⁽³⁾	5,774	5,824
EBITDA margin	26%	24%
Meters drilled	273,054	322,886

Notes:

- (1) For the quarter ended March 31, 2018, the Company reclassified \$3.9M from selling, general and administrative expenses to cost of sales. This reclassification had no impact on the net income or earnings per share for Q1-2019 or Q1-2018 as the reclassification relates to the unaudited consolidated statement of comprehensive income only and has no effect on the other unaudited financial statements
- (2) EBITDA = earnings before interest, taxes, depreciation and amortization
- (3) Please see "Non-IFRS Measures" below for additional discussion

“Throughout the first quarter of 2019, Geodrill remained focused on improving operational efficiencies which contributed to an increase in EBITDA margin for the quarter. Our overall solid financial performance demonstrates the strength of our brand in West Africa and our earnings growth reflects the momentum of our operational investments,” said Dave Harper, President and CEO of Geodrill. “We are confident in our platform of strong customer service powered by a fleet of high performance rigs, operated by employees trained to the highest standards and maintained locally with full-service workshops. As the market for drilling improves, we believe in our ability to continue to grow and outperform the broader industry in 2019.”

Geodrill’s condensed interim consolidated financial statements and management’s discussion & analysis (“MD&A”), for the three month period ended March 31, 2019, 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 will host the Company’s Annual and Special Meeting at the offices of Cassels Brock & Blackwell LLP, Suite 2100, Scotia Plaza, 40 King Street West, Toronto, Ontario at 10 am (EDT) where management will discuss the Company’s quarterly financial results.

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

<https://event.on24.com/wcc/r/1993919/8E3931706DBF9B0498C6ACF546D4A4B9>

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. Operator Assisted Toll-Free Dial-In Number: 1-855-859-2056.

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 month period ended March 31, 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 March 31, 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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