

**MASTER DRILLING REPORTS A STRONG HALF-YEAR PERFORMANCE AND FOCUS ON THE FUTURE**

30 August 2022 - Master Drilling Group Limited (Master Drilling, JSE: MDI), a global leader in delivering innovative drilling technologies and solutions that has built trusted partner relationships with blue-chip clients in the mining, hydro-electric, civil engineering, and construction sectors worldwide today reported a strong operating performance for the six months ended 30 June 2022.

Commenting on the interim 2022 results, Danie Pretorius, CEO of Master Drilling, said:***"Master Drilling continued to show resilience in pursuing its growth path, notwithstanding another challenging period due to the Covid 19 pandemic’s ongoing effect on the global economy. We posted record revenue in USD, up 34% from USD 72.0 million last year for the same period to USD 96.5 million, while cash from operating activities increased by 19% to USD 13.4 million. Cash generated was invested sensibly with the long-term growth plan in mind. We are satisfied with the Group’s current financial position, as this will help us face the uncertainty of future trading conditions with confidence. Technological innovation is a key priority for Master Drilling as we continue to support our clients move down the cost curve, optimise their operations, and improve safety.***

André van Deventer, Group CFO, said: *“****Master Drilling is pleased to report record revenue numbers, healthy profits, and our ZAR HEPS is up by 56%. The Group has optimised the working capital cycle to support the uptick experienced in the market. Master Drilling’s operations globally enjoyed a profitable period, evidencing the benefits of significant capital investment over the past number of years. As a business that generates USD revenues off an emerging currency cost base, the Group benefits from currency weakness in emerging economies. The Group is optimistic about the future with a healthy pipeline of work and innovative technologies currently being rolled out”***

Technological innovation and development remain part of Master Drilling’s strategic pillars for the company’s long-term success. Koos Jordaan, Executive Director said “***Given the challenges for our clients in mining, we have identified three technology areas of focus to develop a growth strategy and diversify the business: mechanical shaft sinking, tunnelling, and non-explosive mining. The relevant project teams in these three areas are collaborating closely with our partners and clients to ensure we make a valuable contribution to the industry and the future of mining.”***

As of 30 June 2022, the sales pipeline totalled USD540.9 million while the committed order book totalled USD 242.7 million for the remainder of 2022 and beyond

Looking forward, the Company will look to leverage its global footprint as part of its drive to create value for all stakeholders. We are closely monitoring the civil engineering and construction industries and the rapid growth of urbanisation worldwide, which present opportunities for us to benefit from our existing footprint exposure. The ramp-up in electric vehicle production will increase the demand for copper and other minerals. We are already exposed to a number of these minerals, and we continue to amplify our exposure to copper and nickel*”* elaborated Pretorius.

Master Drilling continues to drive diversification across regions, commodities, currencies, and industries with an eye to long term sustainability supportive of the ESG factors of the countries, communities, and clients we work with.

The foundation of our strategy is the people who make it happen and our success depends on the skills and expertise that support our objectives for the Group that in turn bring will bring value to our clients and the industries we serve, concluded Pretorius.

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NOTES TO EDITORS

About Master Drilling

*“We challenge the status quo to provide our clients with specialised, adaptive, and integrated drilling solutions.”*

Master Drilling was established in 1986 and listed on the Johannesburg Stock Exchange in 2012. The company delivers innovative drilling technologies and has built trusted partner relationships with blue-chip major and mid-tier companies in the mining, civil engineering and building construction sectors across various commodities worldwide.

The Master Drilling business model of providing drilling solutions to clients through tailor-made designs coupled with a flexible support and logistics chain makes it the preferred drilling partner throughout the lifecycle of projects from exploration to production and capital stages.

[www.masterdrilling.com](http://www.masterdrilling.com)