Geodrill Announces Normal Course Issuer Bid

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TORONTO, June 5, 2018 /CNW/ - Geodrill Ltd. ("Geodrill" or the "Company") (TSX:GEO), a leading West African based drilling company, announced today that the Toronto Stock Exchange ("TSX") has accepted its notice of intention to make a normal course issuer bid to purchase outstanding ordinary shares of the Company (the "Ordinary Shares") on the open market in accordance with the rules of the TSX. Any such purchases will occur from time to time and in aggregate will be up to, 2,173,520 Ordinary Shares (being approximately 5% of the issued and outstanding Ordinary Shares of the Company) over a 12-month period commencing on June 7, 2018 and terminating on June 6, 2019 (the "NCIB Program"). The NCIB was approved by the shareholders of the Company on May 7, 2018.

Any repurchases under the NCIB Program will be made in Canada through the facilities of the TSX or alternative Canadian trading systems or by such other means permitted by the TSX. Geodrill will pay the prevailing market price at the time of purchase (with a maximum purchase price of not more than 105% above the 5 day VWAP) or such other price as may be permitted by the TSX. The actual number of Ordinary Shares repurchased under the NCIB Program and the timing of such repurchases will be at Geodrill's discretion and shall be subject to the limitations set out in the TSX Company Manual. Daily purchases on the TSX will be limited to 9,074 Ordinary Shares, other than block purchase exceptions. The Ordinary Shares repurchased by Geodrill will be cancelled.

Management and the Board of Directors of Geodrill believes that the underlying value of the Company may not be reflected in the market price of the Ordinary Shares from time to time and that, accordingly, the purchase of Ordinary Shares will increase the proportionate interest in the Company of, and be advantageous to, all remaining shareholders of the Company.

As of June 1, 2018, Geodrill had 43,635,400 Ordinary Shares issued and outstanding.

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.

Forward Looking Information

This press release may contain "forward-looking information" which may include, but is not limited to completion of the NCIB Program, the impact that the NCIB program will have on the Ordinary Shares, the advantages to existing shareholders of the NCIB program, 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, which assumptions include but are not limited to the market price of the Ordinary Shares, the availability of Ordinary Shares for repurchase on the TSX or alternative Canadian trading platforms and the availability of funds for the repurchase of Ordinary Shares. 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, 2018 and the Company's Annual Information Form dated March 29, 2018 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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