MAJOR DRILLING GROUP INTERNATIONAL INC.

1999 Annual Information Form

September 17, 1999

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MAJOR DRILLING GROUP INTERNATIONAL INC.

1999 ANNUAL INFORMATION FORM

Item 1: Incorporation and Registered Office

Major Drilling Group International Inc. ("MDGI") was formed under the *Canada Business Corporations Act* (the "CBCA") by Articles of Amalgamation dated October 31, 1994. The registered and head office of MDGI is located at 111 St. George Street, Suite 200, Moncton, New Brunswick, E1C 1T7.

Item 2: Business of the Company

Overview

MDGI and its wholly owned subsidiaries (which, together with predecessor corporations where appropriate are collectively called the "Company") have drilling operations in Canada, the United States, Australia, Indonesia, Turkey, Ghana, Mali, Tanzania, Europe and numerous countries in Central and South America.

The Company's principal business is mineral exploration drilling for mining and mineral exploration companies. The Company also conducts environmental and geotechnical drilling for government agencies and private sector customers in the United States, as well as construction drilling. Prior to fiscal 1997, the Company reported these activities separately from its mineral exploration drilling activity. Construction and environmental and geotechnical drilling activities are no longer reported separately from mineral exploration drilling, due to their increasingly small role in the Company's business.

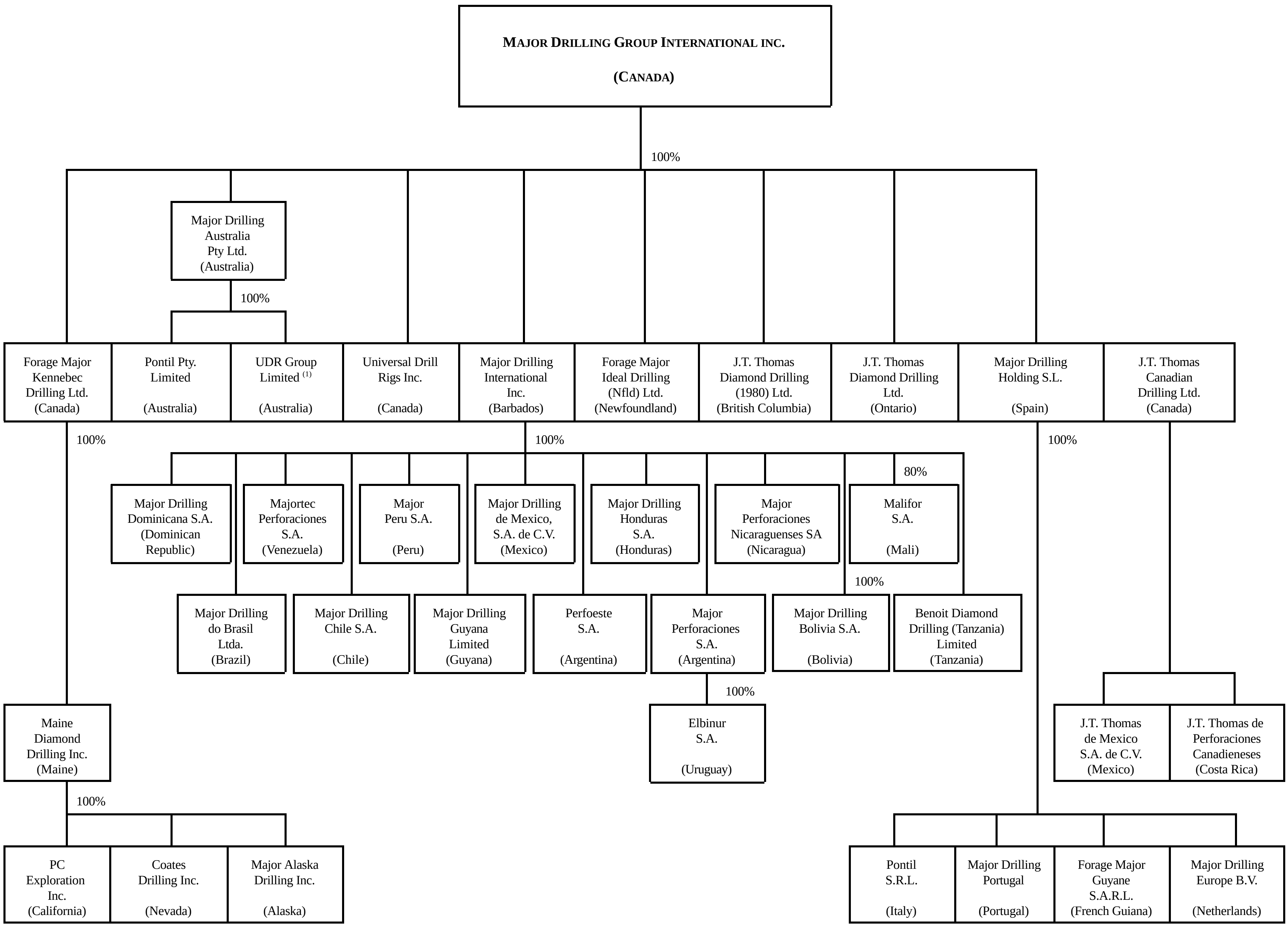
In fiscal 1998 the Company acquired UDR Group Limited (formerly Mining World Limited), based in Brisbane, Australia, and so entered into the business of manufacturing and distributing products for use in the mining and drilling industries. Subsequently, the decision has been made to sell UDR Group Limited to allow the Company to better focus on its primary area of expertise, contract drilling.

Amounts herein are reported in Canadian dollars, unless otherwise specifically mentioned.

Subsidiaries of the Company

Prior to October 31, 1994, the business of the Company was carried on by a number of affiliated companies incorporated in several jurisdictions. To simplify the corporate structure of the Company prior to its initial public offering, certain of these affiliated predecessors amalgamated under the CBCA on October 31, 1994 to form Major Drilling Group International Inc. In addition, on November 7, 1994, MDGI acquired Kennebec Drilling Ltd., which had been an affiliate of the Company for ten years.

The following chart lists the direct and indirect subsidiaries of Major Drilling Group International Inc., as of September 17, 1999 together with their jurisdictions of incorporation. The listing of companies is identical to that existing as of April 30, 1999, with the exception of the subsequent additions of Benoit Diamond Drilling Limited and Major Drilling Bolivia S.A.:



(1) UDR Group Limited carries on business in Australia through the following for principal subsidiaries: UDR Equipment Pty. Ltd., an 85% owned subsidiary; UDR Consumables Pty. Ltd., a 100% owned subsidiary; UDR Rockmore Pty., a 100% owned subsidiary, and UDR-KL Pty. Ltd., a 100% owned subsidiary. Additionally, UDR Drill Rigs Chile S.A. is a 100% owned subsidiary of UDR Group Limited.

Development of the Drilling Business

Canada

The Company acquired several mineral exploration drilling companies in eastern Canada between 1980 and 1985. The companies were purchased from their owner-managers, many of whom continue to operate them as subsidiaries or branches of the Company. Virtually all of the acquired companies' key staff stayed with the Company after the acquisitions were completed. The Company's strategy in these acquisitions was to buy equipment at a reasonable price, strengthen the Company by adding talented and experienced personnel and increase the geographic and client diversity of its business.

In 1980, the Company acquired Ideal Drilling (1980) Ltd. ("Ideal"). Based in Bathurst, New Brunswick, this branch now works primarily in the base metal camps of northern New Brunswick, the Gaspé region of Québec and in Newfoundland. In 1981, the Company acquired Dominik Drilling (1981) Inc. ("Dominik"). In 1984, the Company acquired Hosking Diamond Drilling Ltd. ("Hosking"), which was located in Rouyn, Quebec. Hosking's operations were integrated with Dominik and the two companies amalgamated in 1993 and continued to operate as Dominik Drilling (1981) Inc. With its head office in Val d'Or, Quebec and a branch office in Timmins, Ontario, this branch now works primarily in Northern Quebec and Ontario.

In 1984, Kennebec Drilling Ltd. ("Kennebec") and its wholly-owned subsidiary Maine Diamond Drilling, Inc. became affiliates of the Company. Kennebec has its head office in Thetford Mines, Quebec and provides mineral exploration drilling services as well as geotechnical and construction drilling services to customers in Ontario and Quebec.

On October 31, 1994, Dominik, Ideal, 2912503 Canada Inc. and Ideal Drilling (N.S.) Limited amalgamated under the CBCA to form MDGI. In addition, on November 7, 1994 MDGI acquired Kennebec, which had then been an affiliated corporation for ten years.

Effective May 1, 1997, the Company acquired 30 drill rigs (of which 25 were located in Canada) and related equipment owned by J.T. Thomas Enterprises Ltd. and the shares of several subsidiaries of that company whose assets consisted of drilling contracts and inventory. The first subsidiary, J.T. Thomas Diamond Drilling (1980) Ltd., carries on business in British Columbia and the Yukon. J.T. Thomas Diamond Drilling Ltd. carries on business in Ontario and the Northwest Territories. The third subsidiary, J.T. Thomas Canadian Drilling Ltd., carries on business through its wholly owned subsidiaries, J.T. Thomas de Mexico S.A. de C.V., which conducts drilling in Mexico, and J.T. Thomas Perforaciones Canadienses Ltda., which conducts drilling in Costa Rica. All of the drilling companies described in this paragraph are sometimes collectively referred to herein as the “J.T. Thomas group”.

On February 23, 1998, the Company completed the acquisition of all of the drilling assets of the mineral exploration drilling business of Germac Enterprises Ltd. This business was and continues to be carried on under the names of Midwest Drilling, Wescore Drilling, and R.M. McIssac Drilling (collectively called “Midwest”). Midwest, prior to this acquisition, was a privately held mineral exploration drilling company conducting business in the Provinces of Manitoba, Saskatchewan, and Ontario, as well as in the Northwest Territories, Greenland and Portugal. Midwest remains one of the largest drilling operations in Canada, maintaining a fleet of 118 drill rigs (113 of which are located in Canada) together with support equipment.

In Canada, the Company's mineral exploration drilling operations are correlated to the level of mineral exploration activity. Starting in the 1994 fiscal year, Canadian revenues from the mineral exploration drilling segment began to increase significantly, and in the 1995 fiscal year revenues from drilling from Canadian operations increased to $12,512,000 (of which $12,076,000 related to mineral exploration drilling and the balance related to other drilling segments). In 1996 and 1997 Canadian revenues increased to $16,681,000 (of which $16,012,000 related to mineral exploration drilling) and $26,639,000 (of which $26,182,000 related to mineral exploration drilling), respectively. These 1997 revenues did not include any revenues generated by the J.T. Thomas group or by Midwest, which did not have an impact until the 1998 fiscal year.

During the 1998 fiscal year the Company’s previous Canadian operations, together with the J.T. Thomas group (for the entire year) and Midwest Drilling (for the last quarter of the fiscal year) generated revenues of $50,290,950, an increase of 88.8% over the 1997 fiscal year. During the 1999 fiscal year Canadian revenues were $50,488,356, representing a slight increase over the 1998 fiscal year. The Company's sales strategy in Canada is to continue to service its long-term customers and optimize the use of its resources.

The United States

In 1990 the Company acquired PC Exploration, Inc. ("PCX"), an environmental and geotechnical drilling company. By acquiring PCX, the Company added an environmental and geotechnical drilling business and reduced its exposure to future cyclical variations in mining exploration activity levels. PCX specializes in sophisticated environmental and geotechnical work, primarily in the western United States, for private sector and government customers. Although there are many companies which provide environmental and geotechnical drilling services in the United States, management believes that most cannot compete with PCX on sophisticated projects. U.S. government contracts typically require bonding, as well as compliance with detailed regulations relating to bidding, subcontracting, payroll and other aspects of the contract. Management believes that PCX's experience and resources give it an advantage over many other environmental and geotechnical drilling firms in obtaining and performing these projects.

In 1991, the Company acquired certain of the assets of Coates Drilling Inc. ("Coates") from a receiver and manager. Coates provided mineral exploration drilling services to the mining industry in the western United States. The acquisition of Coates was part of the Company's strategy to expand its business outside Canada. Most of the assets of Coates, whether located in the United States, Canada, or elsewhere have now been transferred by the Company to its operations in South and Central America.

With the increased focus by the Company on mineral exploration drilling and the addition of manufacturing and distribution activities, U.S. generated environmental and geotechnical drilling revenues, as a percentage of the Company’s overall revenues, dropped to about 14.3% in fiscal 1997 (while using 26% of the Company's drilling rigs), to 9.1% in fiscal 1997 (while utilizing approximately 16% of the Company’s drilling rigs), to 6.6% in fiscal 1998 (while utilizing approximately 11.6% of the Company’s drilling rigs), and to 5.4% in fiscal 1999 (while utilizing approximately 11.9% of the Company’s drilling rigs).

Contract revenues for PCX in fiscal 1995 were $11.4 million. In fiscal 1996, mainly as a result of the U.S. federal government budget deadlock, contract revenues decreased to $7.5 million. PCX’s contract revenues were $9.3 million in fiscal 1997, $8.3 million in fiscal 1998, and $6.9 million in fiscal 1999. Entire revenues generated by the Company in fiscal 1998 and fiscal 1999 in the United States were $8.8 million and $8.1 million respectively, which included mineral exploration drilling revenue generated by Maine Diamond Drilling, Inc and, in fiscal 1999, Major Alaska Drilling Inc.

South and Central America

Overview

In late 1991, the Company began to consider expanding outside of Canada and the United States. The Company had observed that a number of its mining company customers were showing increased interest in exploration opportunities in Mexico and South America. The Company responded to the needs of these customers by following them into such regions. Moving into these markets required the Company to reconsider its expansion strategy because there were few local drilling companies that met its standards of production and customer service. Accordingly, instead of purchasing local drilling companies as it had done in the United States and in Canada, the Company incorporated foreign subsidiaries and equipped them with some of its existing equipment and personnel. Once the Company's foreign subsidiaries were established, they hired local personnel to augment their staff and to facilitate their adaptation to local conditions. These subsidiaries purchase their own drilling rigs, related equipment and spare parts from third parties and from other Company subsidiaries, and generally carry on business in the foreign jurisdictions as independent entities.

Most of the Company's customers in South and Central America are North American mining companies (or their subsidiaries), many of which the Company has worked with in the Canadian and U.S. markets. These regions showed a significant increase in exploration activity in the years up to and including fiscal 1997 and the first half of fiscal 1998. In the fall of 1997 these regions began to experience a cyclical downturn in the industry, which resulted in significantly decreased drilling activity and revenues for the Company from these regions in the latter half of the 1998 fiscal year as well as for the 1999 fiscal year.

For operations outside of Canada, the Company's revenues are received primarily in U.S. dollars and most of its costs are paid in U.S. dollars. Consequently, the operating results of the Company's international operations are not significantly affected by the fluctuation of exchange rates between local currencies and the U.S. dollar. For reporting purposes, fluctuations between the U.S. dollar and the Canadian dollar result in a decrease or increase, as the case may be, in the earnings reported for such international operations.

Venezuela

In 1992, the Company incorporated Majortec Perforaciones S.A. ("Majortec") to respond to the needs of several of its North American customers which were actively pursuing mineral exploration activities in Venezuela. Revenues in Venezuela were $7.4 million in the 1995 fiscal year, decreasing slightly to $6.95 million in the 1996 fiscal year, and increasing to $10.0 million in the 1997 fiscal year. A significant portion of these revenues came from exploration in the Kilometer 88 region in which the Las Christinas Project is located. As a result of the dispute over the Las Christinas property and the aforementioned cyclical downturn, revenues in fiscal 1998 decreased to $3.6 million, and further decreased in fiscal 1999 to $1.0 million.

Mexico

The Company established, in February 1993, Major Drilling de Mexico, S.A. de C.V. ("Major Mexico"). Major Mexico's revenues increased from $3.1 million in the 1994 fiscal year to $8.0 million in the 1995 fiscal year, $10.6 million in the 1996 fiscal year, and $15.7 million in the 1997 fiscal year. Beginning in fiscal 1998 the operations of J.T. Thomas de Mexico S.A. de C.V. were combined with Major Mexico, producing total revenues in fiscal 1998 of $13.5 million. In fiscal 1999 revenues decreased to $4.6 million, again as a result of the aforementioned cyclical downturn. Revenues in Mexico were generated primarily from a number of base metal projects.

Peru

During the 1995 fiscal year the Company commenced operations in Peru. Following its start-up year, when it had revenues of $3.8 million, Major Peru’s revenues increased to $6.6 million in the 1996 fiscal year and to $10.3 million in the 1997 fiscal year. In fiscal 1998 revenues decreased to $8.0 million, mainly as a result of decreased drilling activity as a result of lower metal and mineral prices, and as a result of adverse weather conditions. In fiscal 1999 revenues decreased further to $4.1 million. The Company has been involved primarily in copper and gold exploration drilling in Peru.

Guiana Shield Region

In February 1995, the Company acquired the drilling equipment and related inventory from Golden Star Resources Ltd. operating in the Guiana Shield Region and in several other countries in South America and Africa. In fiscal 1996, the Company's operations in the Guiana Shield Region had revenues of $1.39 million, as compared to $456,000 in fiscal 1995. In fiscal 1997, the revenues generated by the Company's operations in the Guiana Shield Region increased to $4.9 million, and in fiscal 1998 revenues increased further to $5.3 million. In fiscal 1999 revenues from this region decreased to $2.3 million, again as a result of lower metal and mineral prices.

Argentina and Uruguay

During fiscal 1996, the Company commenced mineral exploration drilling in Argentina. In its first partial year of operation the Company generated revenues of $638,000, which in fiscal 1997 increased to $3.0 million. In fiscal 1998 revenues generated by the Company's Argentine operations decreased to $1.6 million, again, mainly as a result of decreased drilling activity resulting from lower metal and mineral prices.

The Company acquired the Argentine mineral exploration drilling company Perfoeste S.A., together with certain drilling assets of Perfoeste's Chilean parent company in February 1997. Perfoeste's operations have now been combined with the Company's previously existing operations in that country. The combined operation has a total of ten rigs of various models, sizes and capabilities which allow the Company to more fully service the Argentine market.

In fiscal 1999, mainly as a result of increased drilling activity for the Company at the Pascua project on the Argentina/Chile border, revenues increased to $6.0 million.

In late fiscal 1998 the Company established a subsidiary of its Argentine operation in Uruguay, and began operations initially utilizing one drill. For the partial fiscal year the operations in Uruguay generated revenues of $476,000. In fiscal 1999, again as a one drill project, this subsidiary generated $368,000 in revenue.

Brazil

In the last month of fiscal 1997 the Company commenced operations in Brazil, with the establishment of an office in Belo Horizonte. Revenues for fiscal 1998 and fiscal 1999 were $1.7 million and $.2 million respectively. The Company has determined to classify the Brazilian operation as a discontinued operation in the 1999 financial statements.

Chile

The Company commenced operations in Chile during fiscal 1998. There are currently 10 drill rigs located in Chile. Revenues for the partial 1998 fiscal year were $2.25 million, increasing to $8.0 million in fiscal 1999.

Colombia

The Company commenced operations in Colombia in fiscal 1998. Revenues for the partial 1998 fiscal year were $761,000, increasing to $1.0 million in fiscal 1999.

Central America

During fiscal 1996, the Company commenced mineral exploration drilling in Honduras and Nicaragua. In addition, in the 1997 fiscal year the Company conducted operations in Panama, Dominican Republic, Costa Rica, Guatamala and El Salvador. In fiscal 1997, the Company's operations in Central America generated revenues of $7.45 million. These revenues decreased to $3.0 million in fiscal 1998, as the result of the completion of one large fixed term contract and the cyclical downturn of the industry in Latin America. As a result of the continuing cyclical downturn, revenues in fiscal 1999 remained relatively flat at $3.4 million. The Company currently maintains a fleet of 16 drill rigs in Central America, with the regional operations based in Honduras.

Australia

Effective July 1, 1997, the Company acquired the Australian based mineral exploration drilling company Pontil Pty. Limited ("Pontil"), which now carries on business in Australia, Indonesia, Ghana and Mali.

Revenues from drilling operations for Pontil for the fiscal years ended June 30, 1996 and June 30, 1997 (based on the unaudited and audited financial statements of Pontil for these periods prepared by management of Pontil in accordance with Australian accounting principles) were A$29.1 million and A$34.1 million respectively. For the amended fiscal year of Pontil ended April 30, 1998, the Company generated A$37 million in revenues, and for fiscal 1999 Pontil generated A$45.4 million in revenues.

In October, 1997, the Company acquired all of the drilling rigs, drilling contracts and related vehicles of Wilson Drilling from Icehill Pty. Ltd. The operations of Wilson Drilling were wound into and administered by Pontil and revenues for the fiscal year ended April 30, 1998 and 1999 are reported on a combined basis with Pontil.

Other

The Company continues to investigate opportunities for expansion of its drilling business into other countries in Central and South America as well as Europe, Africa, and Asia, whenever the Company believes that such regions may provide a significant source of future growth for its drilling segment. Recently incorporated businesses include Portugal and Bolivia, where incorporations were completed subsequent to the end of the 1999 fiscal year. Also subsequent to the end of the 1999 fiscal year end the Company purchased Benoit Diamond Drilling Limited, a Tanzanian corporation, in order to be able to service the Tanzanian market. Additionally, the Company has completed the incorporation of a holding company structure including companies in Spain and in the Netherlands, to assist in holding future European entities.

The Company's strategy continues to be to expand its international business by building on its strong relationships with a number of multinational mining companies.

Contract Drilling Revenue by Geographical Region

The following tables set forth the Company's contract drilling revenues, together with revenues from manufacturing and distribution, from the principal geographic regions in which it operates, for the fiscal periods indicated, on a restated basis:

	Year ended April 30				
	1999	1998	1997	1996	1995
Canada[1]	$ 50,488	$ 50,291	$ 26,639	$ 16,681	$ 12,512
United States	7,100	8,837	9,738	9,171	13,292
Venezuela	947	3,599	9,998	6,947	7,417
Mexico	4,610	13,496	15,728	10,607	7,978
Peru	4,075	7,971	10,335	6,596	3,825
Guiana Shield	2,297	5,297	4,926	1,389	456
Argentina[2]	6,352	2,027	2,991	638	-
C.A[3]	3,418	3,023	7,451	385	-
Brazil[4]	-	-	-	-	-
Australia[5]	42,442	36,034	-	-	-
Chile[6]	7,952	2,247	-	-	-
Other[7]	1 ,139	761	1,049	354	176
Total	$ 130,820	$ 133,583	$ 88,855	$ 52,768	$ 45,656

Notes:

(1)Figures include revenues generated by Canadian managed operations in Portugal and Greenland, as well as Alaska.
(2) The Company's Argentina operations commenced in October, 1995, and include Uruguay revenues for 1998 and 1999.
(3) The Company's Central American operations commenced in February, 1996, and includes, depending on the year, some or all of Honduras, Nicaragua, Panama, Costa Rica, Dominican Republic, Guatamala and El Salvador.
(4) The Company's Brazil operations commenced in March, 1997, and were classified as discontinued in the 1999 annual financial statements.
(5) The Company's Australian operations commenced in July, 1997, and includes revenues from Australian based operations in Ghana, Mali and Indonesia.
(6) The Company's Chile operations commenced in November, 1997.
(7) Includes Turkey and Colombia.

Manufacturing and Distribution Activities

The manufacturing and distribution activities of the Company’s business are currently conducted in Australia and in New Brunswick, Canada. The Company entered this market in 1997 after acquiring control of Mining World Limited, an Australian publicly listed company, on July 4, 1997. The acquisition was made through a take-over bid announced on May 9, 1997. Subsequent to completing the acquisition of all of the issued and outstanding ordinary shares of Mining World Limited, that company was de-listed from the Australian Stock Exchange. The name of the company was subsequently changed to UDR Group Limited ("UDR").

Subsequent to its acquisition UDR undertook a substantial reorganization in which it disposed of and discontinued several businesses. On February 10, 1998, UDR completed the sale of its wholly owned subsidiary Rubicon Industrial Australia Pty. Ltd. ("Rubicon"). At the time UDR was acquired the Company had announced that it would seek a buyer for Rubicon, as the business of Rubicon, being the manufacture and distribution of PVC and rubber hoses, was not considered consistent with the overall business plan of the Company.

UDR additionally reduced its branches in Australia from seven to three, such reduction including the sale of its sales unit in Darwin, Australia.

In June, 1998, the Company acquired KL Drilling Services Pty. Ltd. ("KL"), a Western Australia based manufacturer of exploration drill rigs. KL was UDR's main competitor in the multi-purpose rig market. Services offered by KL, in addition to drill manufacturing, include rig rebuilds and overhauls. UDR and KL have merged their Perth sales offices, and the name of KL has been changed to UDR-KL Pty. Ltd.

UDR's four principal subsidiaries, which are wholly owned except as otherwise indicated, are UDR Equipment Pty. Ltd. (formerly Universal Drilling Systems (Aust) Pty. Ltd.), an 85% owned subsidiary (the minority shareholder is a Canadian based manufacturing company); UDR Consumables Pty. Ltd. (formerly Mining World Group Pty. Ltd.); UDR Rockmore Pty. Ltd. (formerly Mining World Drill & Blast Pty. Ltd.); and KL. Additionally, UDR Drill Rigs Chile S.A. is a 100% owned subsidiary of UDR which functions as a distributor to the South American market, and is located in Santiago, Chile.

UDR conducts, through its subsidiaries, three main businesses. UDR Equipment Pty. Ltd. and KL are, combined, the largest manufacturer of drilling rigs and drilling consumables in Australia, making a range of multipurpose drilling rigs for both the domestic and international markets. In the Company's view, the UDR rigs are the premier dual purpose drilling rig on the market, capable of performing both reverse circulation and core drilling. UDR Equipment Pty. Ltd. also manufactures and distributes a line of drilling rods. UDR Consumables Pty. Ltd. distributes products such as drill and blast bits, drill rods and wireline consumables to the mining and drilling industries. UDR also distributes, through UDR Rockmore Pty. Ltd., consumable bits, drill steel, couplings and adaptors.

The ongoing business units of UDR reported revenues of A$48.7 million and a negative EBIT (earnings before interest and taxes) of A$400,000 (approximately $52.4 million and negative $430,000, Canadian dollars, respectively) for the twelve months ended June 30, 1997. For the ten months ended April 30, 1998, UDR reported revenues of A$23.5 million (approximately $22.9 million Canadian dollars), and for the 12 months ended April 30, 1999, UDR reported revenues of A$18.6 million (approximately $17.4_ million Canadian dollars).

The Company additionally possesses manufacturing and distribution facilities in New Brunswick, Canada, where operations are carried out by Universal Drill Rigs Inc., a 100% owned subsidiary of Major Drilling Group International Inc., At this location drill rigs and drilling supplies are produced for internal use by the Company. Consequently, no revenues were generated in the 1999 fiscal year.

The Company has determined to sell UDR and Universal Drill Rigs Inc., in order to better focus on its primary area of expertise, contract drilling. As such, these operations have been classified as discontinued operations for accounting purposes in the 1999 financial statements and prior years have been restated to reflect this classification.

Corporate Strategy

The Company believes that despite the current cyclical market downturn there continue to be opportunities for the growth of its international mineral exploration drilling business. The Company's international strategy to date has been to expand its business into South and Central America and Africa by building on its strong relationships with a number of multinational mining companies present in those markets, and additionally by acquiring companies which allow the Company to expand into other areas, such as it has done in Australia and Central and Western Canada. Its relationships with mining companies should facilitate further expansion by the Company into other countries where these companies are operating, or are considering commencing operations. The Company also continues to believe that it is important to be diversified geographically in its business operations and this is considered when new acquisition or expansion opportunities arise.

The Company continues to focus on cost cutting measures, particularly within the recently acquired subsidiaries. Cost cutting implemented to date should have a minimal negative impact on contract revenue. Measures include the aforementioned restructuring of UDR, the sale of the Company’s Montana operation and a reallocation of resources in South America including the closure of the Company’s Brazilian operations.

In the 2000 fiscal year the Company intends to sell its manufacturing and distribution operations, and to further expand its drilling operations in Europe and Africa. Management believes that the current cyclical market downturn will continue to provide some excellent opportunities for acquisitions and the Company will continue to seek acquisition opportunities in North America and internationally.

The Company believes that its strategy can be achieved only if the Company offers superior levels of service to its customers. To promote the goal of superior service, the Company has developed a decentralized organization, with strong field offices and compensation systems that reward individual contribution, and has focussed on an international marketing plan, coordinated at head office, to further assist the local operations. Additionally, employees at the branch level have a compensation arrangement which is tied directly to the profitability of an employee's branch. When more established branches assist in developing new branches, both share in the profits of the new branch. This arrangement is intended to foster teamwork and ensure that resources are distributed in a manner that benefits the overall organization. Management believes that a high level of autonomy, coupled with this profit-based compensation package, develops a sense of proprietorship and an entrepreneurial spirit.

The Company strives to give the same high level of customer service in all of its markets. All branches, including those outside North America, are set up as full service facilities and have appropriate support staff and equipment, including inventories and spare parts. When problems occur, they can usually be corrected quickly by a branch. This contrasts with many of the Company's competitors, which attempt to operate their branches with minimal support. Management believes the extra costs incurred in fully supporting its branches are recouped by less downtime and more satisfied customers.

Description of Assets

Drilling Rigs and Related Equipment

The following table shows the Company's drill rigs by location as of April 30, 1999:

Canada	241	(51.4%)
United States	59[1]	(12.6%)
Australia	65	(13.9%)
Venezuela	10	(2.1%)
Mexico	19	(4.0%)
Peru	9	(1.9%)
Guiana Shield Region	10	(2.1%)
Argentina and Uruguay	11	(2.3%)
Central America	16	(3.4%)
Brazil	4	(1.0%)
Chile	10	(2.1%)
Colombia	3	(0.6%)
Other	12[2]	(2.6%)
Total	469[3]	(100%)

(1) 56 of these rigs are currently used for environmental and geotechnical drilling.
(2) Includes Turkey, Ghana, Indonesia, Mali, Portugal and Greenland.
(3) 413 of the drilling rigs are dedicated primarily to mineral exploration drilling but many may also be used for environmental and geotechnical drilling.

Types of drilling rigs currently used by the Company include diamond core rigs (surface and underground), reverse circulation rigs, rotary rigs and auger rigs. The drilling rig selected for a particular job depends upon the specific conditions involved (i.e. terrain, depth and size of hole, remoteness of location, physical constraints, required mobility, etc.). Almost all of the Company's surface drilling rigs are unitized. A unitized drilling rig is mobile and includes a drill shack, tower, supply pumps, water pumps, skid mounts and all other necessary drilling equipment.

In addition, the Company owns numerous skidders used to tow drilling rigs in rough terrain, several tractor-trailers used to transport drilling rigs on highways and a variety of other vehicles.

The Company also owns its equipment utilized in the manufacture and servicing of drill rigs and related equipment through UDR.

Leased and Owned Premises

The Company leases its head office premises and field offices in Timmins and North Bay, Ontario; Smithers, British Columbia; Bishop's Falls, Nfld; Ashland, Maine; Christ Church, Barbados; Coquimbo, Chile; Puerto Ordaz, Venezuela; Lima, Peru; Cayenne, French Guiana; Mendoza, Argentina; Georgetown, Guyana; Iguala, Mexico; Tegucipalpa, Honduras; Barnako, Mali; Jakarta, Indonesia; Obuasi, Ghana; and Bogota, Colombia. The Company owns field offices in Val d'Or, Thetford Mines and Rouyn, Quebec; Winnipeg, Flin Flon, and Thompson, Manitoba; Yellowknife, NWT; Rocklin, California; Fairbanks, Alaska; and Hermosillo Mexico. The Company also owns two premises at Bathurst, New Brunswick, one of which is subject to a mortgage in favour of a Canadian chartered bank. The Company plans to sell this property, while maintaining the other Bathurst property.

Pontil owns four properties throughout Australia from which it conducts operations, repairs and inventory storage.

Universal Drill Rigs Inc. leased, for nominal rent, premises in Miramichi City, New Brunswick. The Company has now exercised its option to purchase these premises, also for a nominal amount. This property may be sold in connection with any disposition of the Company's manufacturing divisions. Additionally, UDR and its subsidiaries lease several properties throughout Australia from which manufacturing and distribution activities are conducted, and one property in Chile from which the distribution business of UDR relating to the South American market is conducted.

Marketing and Sales

Mineral Exploration Drilling

Mineral exploration companies and customers requiring environmental and geotechnical drilling services generally invite drilling companies to bid on drilling contracts. Drilling contracts are usually based on standard industry terms and priced on the basis of an assessment of the terrain, size of core, depth of hole and drilling equipment mobilization and demobilization costs. The Company usually will be responsible for costs associated with drill bits and camp costs. Each job site is visited by the Company prior to bidding on a contract. The Company prepares a bid estimate before bidding on a contract. The bid estimate includes a detailed estimate of the Company's costs in respect of a project and is used to determine the pricing used by the Company in its bid to a potential customer. The major risk associated with most drilling contracts relates to the penetration rate (feet drilled per hour) obtained by the Company at a job site. If the Company's actual penetration rate is significantly below the estimated rate used in pricing the drilling contract, losses can be incurred because revenues per day decline while fixed costs and overhead remain constant. It is not unusual for the Company's initial penetration rate to be lower than the estimated average penetration rate. However, the performance usually improves with knowledge of the terrain and refinements to the drilling process to better suit the particular rock formation.

The Company's contract bidding is done at the local field office level by experienced managers who have surveyed the site and are familiar with the local terrain. Management believes that this decentralized approach to contract bidding provides a significant advantage over competitors who use centralized bidding.

The Company attends trade shows and makes direct sales calls to mining and mineral exploration companies and others in order to increase the number of contracts on which it is invited to bid. The Company intends to increase its marketing efforts which are currently carried out by senior management, and local managers. Relationships with multinational mining and mineral exploration companies generally facilitate being placed on bid lists in more than one country.

Manufacturing and Distribution

UDR Equipment Pty. Ltd. customers are drilling contractors and they usually have specific requirements for the multi-purpose rig. The customer determines a basic product type and the detailed specifications of the rig are then determined. A firm quote is then prepared based on a fixed price and a progress payment schedule. Rigs are generally made to order. Spare parts are also sold to existing rig customers.

Sales of UDR’s drilling and mining consumables are made through a branch network with technical sales people having direct interface with the customer. Some sales are based on tenders from mining companies where contracts are awarded for a specific time period.

All subsidiaries of UDR attend trade shows and have product catalogues as part of their marketing efforts.

Competition

In Canada, there is significant competition in all markets for the Company's services. There are numerous mineral exploration drilling companies in Canada, most of which are local or regional firms that are smaller than the Company. Outside Canada, the Company competes with both multinational companies and local companies, some of which are larger than the Company.

Competition in contract drilling involves numerous factors, including price, the experience of the work force, drilling rig availability and suitability, condition of equipment, reputation and customer relations. Price and reputation are the major considerations in North America. Internationally, drilling rig availability, quality of service and pricing are the major considerations. The Company believes that it competes favourably with respect to all these factors in the markets in which it operates.

Customers

The Company’s primary customers are senior multinational mining companies, their affiliates and joint venturers with such companies. No one customer represented greater than 10% of the Company’s revenues in either fiscal 1998 or fiscal 1999.

Environmental Matters and Safety Policy

The Company and its operations are subject to Canadian, U.S. and other countries' environmental laws and regulations. The Company's customers are responsible for obtaining environmental permits necessary for drilling. Compliance with environmental laws and regulations has not required the Company to make substantial capital expenditures in the past and the Company does not expect environmental compliance to require significant capital expenditures in the foreseeable future. The Company's policy is to comply with all applicable environmental standards and regulations. In addition, the Company's policy is to meet the higher of the local environmental standards and the relevant corresponding Canadian standard. Management believes that the operations of the Company are in substantial compliance with all applicable environmental laws.

The Company has adopted a general health and safety policy and has four full-time employees responsible for safety issues. In addition, for certain job sites, the Company's customers impose their own safety policies on the Company and its employees, in which case the Company complies with the higher standard as between its own safety policy and that of its customers. The Company believes that its health and safety record is comparable to the records of its competitors.

Employees

At April 30, 1999, the Company employed 841 people, over 500 of which were drillers and assistants retained by the Company on a temporary basis for the duration of a particular drilling contract. The Company's employees generally are not subject to any collective bargaining agreement, with the exception of some contracts carried out by the two smaller divisions of Midwest Drilling. Additionally, some drilling contracts require the Company's employees to join a particular union on a short-term basis, to satisfy the requirements imposed by the collective bargaining arrangements of the Company's customers.

The number and locations of the Company's employees change frequently, particularly relating to the drilling operations. At April 30, 1999, the Company's employees, including employees employed in drilling operations and manufacturing and distribution, were employed as set out in the following chart:

Location(1)	Management	Office	Operation, Mechanical and Field Personnel	Total
Canada	16	44	312	372
United States	1	5	42	48
Australia and Indonesia(2)	16	55	201	272
Venezuela	1	4	5	10
Mexico	1	6	12	19
Peru	2	4	5	11
Guiana Shield Region	1	1	4	6
Argentina and Uruguay	1	6	17	24
Central America	1	1	13	15
Brazil	1	1	0	2
Chile	1	5	34	40
Colombia	1	5	15	21
Barbados	1	0	0	1
Total	44	137	660	841

(1) Greenland and Portugal included with Canada, being operated by Midwest; Ghana and Mali included with Australia, being operated by Pontil Pty. Limited;
(2) Includes both the drilling operations of Pontil and the manufacturing operations of UDR.

Foreign Exchange

Most of the Company's international revenues and costs are generated or paid in U.S. dollars. Reported profit or loss from such operations may be affected by changes in the exchange rate between the Canadian dollar and the U.S. dollar, however the operating results of the Company's international operations are not significantly affected by the fluctuation of exchange rates between local currencies and the U.S. dollar. In the fiscal years ended April 30, 1996 and 1997 approximately 80% of the Company's operating earnings were realized from its operations outside of Canada. In fiscal 1998, however, as a result of the acquisitions of the JT Thomas group and Midwest Drilling in Canada, as well as the downturn in Latin America, approximately 62.4% of the Company's operating earnings were realized outside of Canada. This percentage stayed relatively flat in fiscal 1999, with operating earnings from operations outside Canada represented 61.4% of total operating earnings of the Company.

To the extent that certain expenses are paid in local currency and revenue is earned in U.S. dollars, a weakened U.S. dollar relative to such currency would result in less profitable operations in that country.

Item 3: Description of the Competitive Environment

Overview

Mineral exploration drilling involves exploratory and definitional drilling into soil and rock formations to obtain core and rock chip samples, primarily for evaluation by geologists employed or retained by mineral exploration and mining companies.

The manufacturing and distribution segment of the Company's business is currently conducted in Australia, through UDR which, through its subsidiaries, distributes a wide range of products to the drilling and mining industries and manufactures and services multi-purpose drilling rigs and support equipment.

Environmental and geotechnical drilling involves soil sampling, drilling and installing wells, geophysical investigating and grouting. The Company has in excess of 50 drilling rigs currently dedicated primarily to environmental and geotechnical drilling in the western United States.

Mineral Exploration Drilling

Mineral exploration and mining companies require drilling services for exploratory as well as development and definition drilling. Exploratory drilling is conducted to determine whether a suspected mineral deposit is sufficient to justify establishing a mine. Development and definition drilling are conducted at an existing mine site to define the ore body and expand reserves. All mineral exploration drilling requires a high degree of expertise and technical competence to ensure that the core or rock chip samples are extracted free of contaminants and reflect accurately the location and extent of the mineral deposit.

Few mining companies own or operate their own exploration drilling rigs because the mining companies' level of exploration activity, and their corresponding demand for drilling rigs, can vary widely year by year and region by region. Instead, mining companies typically contract their drilling requirements to drilling contractors having specialized expertise. Mineral exploration drilling work is performed by the drilling contractor under the supervision of the mineral exploration and mining companies. Mining companies are responsible for the selection of drill targets and the evaluation, transportation, and storage of core samples. A competitive bid process is generally used by mining companies to retain a drilling company. Bids are solicited by the mineral exploration and mining companies based on a fixed price per metre or per foot. Generally speaking, activity in the mineral exploration drilling business is closely linked to trends in the mining industry.

Canada

The overall size of the market for drilling services grew significantly over the years leading up to 1998. During that time, and since the onset of the industry slowdown, the market has remained competitive. Competition among mineral exploration drilling companies is generally conducted on a regional basis due to the high costs of relocating drilling rigs. Competition in Canada in mineral exploration drilling involves numerous factors, including price, experience of the work force, drilling rig availability and suitability, condition of equipment, reputation and customer relations, although price and reputation are the major considerations. The business in Canada has seasonal variations with the winter months being the peak season.

The United States

Drilling companies in the United States in the mineral exploration drilling segment continue to compete mainly on the basis of price and reputation.

South and Central America

There has been a significant increase in exploration activity in Mexico and Central and South America during the years up to 1997. In late 1997 the cyclical market downturn resulted in decreased activity in these regions. The Company's management continues to believe that there are a number of regions which have not been thoroughly explored that have significant geological potential, however many of these regions may not now be thoroughly explored until the next market upturn. There has historically been less competition for drilling services in these markets than in Canada and the United States, as a result of there being fewer available drilling rigs, combined with the high demand for experienced mineral drilling exploration companies by mining companies in the region. The recent downturn has resulted in an excess of drilling rigs in some locations, creating increased competition. Internationally, competition in mineral exploration drilling involves many of the same factors as in the Canadian market, but drilling rig availability, quality of service and pricing are the major considerations.

Venezuela

The Venezuelan market is small compared to the North American market. There are local drilling companies in Venezuela, but they often do not meet the standards required by international mining companies.

Mexico

The Mexican market for mineral exploration drilling services showed significant growth during the mid 1990's, although it is currently experiencing the same market downturn as the rest of the region. Management believes that the Mexican market has the potential for further growth over the medium to long term.

Peru

Peru's geological potential, the continuing reduction in government regulation and the privatization of the state owned mining companies should provide good opportunities for growth in this country's mining industry over the medium to long term.

Argentina and Uruguay

Liberalization of laws governing mining and other activities conducted by foreign businesses are likely to result in opportunities. The establishment of the operation of the Company in Uruguay should provide increased opportunities for further contracts in that country.

Chile

Chile is the most mature of the South American markets with considerable activity carried on by a number of International mining companies. Opportunities in Chile should provide further opportunities for continuing growth.

Central America, Africa, Guiana Shield Region, Colombia, and other Countries

Many of the Company's existing customers have undertaken exploration activities in these countries, and the Company foresees good long term prospects for growth.

Australia

Much like within Canada, the overall size of the market for drilling services grew significantly over the years leading up to 1998. During that time, and since the onset of the industry slowdown, the market has remained competitive. As a result of the size of the country and the high cost of relocating rigs over large distances, competition is generally conducted on a regional basis. Factors such as price, experience, drilling rig availability and suitability, condition of equipment, reputation and customer relations are important factors in the Australian mineral exploration drilling industry. The decrease in the price of commodities has been somewhat offset by the decreased value of the Australian dollar as compared to the U.S. dollar, which has, to date, lessened the impact of the market downturn on the Company's Australian drillling operations.

Environmental and Geotechnical Drilling

Environmental and geotechnical drilling involves soil sampling, drilling and installing wells, geophysical investigation and grouting. Environmental drilling services are often used to investigate, monitor and respond to ground water contamination and soil contamination.

In the United States, government regulations impose rules designed to ensure that potential ground water and soil contaminants are investigated and treated. The soil sampling market is generally very competitive and there are numerous owner-operated businesses. However, U.S. federal regulations create significant impediments to new entrants with respect to bidding for drilling contracts for environmental and geotechnical projects that are funded by the U.S. federal government. The reporting obligations required by these regulations are extensive and bonding is often required.

The non-governmental activity in this segment of the industry tends to be cyclical and demand fluctuates with the level of economic activity. Governmental projects such as environmental investigation and remediation are dictated more by government regulation than by economic activity.

Manufacturing and Distribution of Mining and Drilling Products

The Company, as a result of the acquisition of UDR, entered into the manufacturing and distribution segments in the 1998 fiscal year. The Company has now determined to sell these operations, and they have been classified as discontinued operations for the purposes of the 1999 financial statements of the Company. These operations continue to be operated by the Company, pending sale.

Mining and mineral exploration companies and drilling companies use a number of products in their operations. Many of these products are quite specialized and are manufactured by a large number of third parties.

Manufacturing of drilling rigs for use in North and Central America is generally carried out in Canada and the United States, where a small number of companies supply most of the mineral exploration drilling market. Drilling rigs deployed in South America generally are manufactured in Canada, the United States and Australia, with the exception of Brazil, which has some drill manufacturing. Most of the drilling rigs used in Australia and Asia are manufactured in Australia.

Most of these manufacturers also supply much of the related supplies such as pipe and wireline products, although the manufacture of these products is more broadly based. Drill bits are made by several companies, as are other drilling consumables.

The availability of these products varies inversely with the level of mineral exploration drilling. Demand for other products will increase or decrease more proportionately with drilling activity. It would appear that there is currently sufficient manufacturing capacity to meet the expected demand in the foreseeable future for drilling rigs, pipe, bits, wireline products and related supplies.

Drilling rigs are mainly sold in Australia by the manufacturers directly to drilling and mining companies. Drilling consumables are sold by the manufacturer directly and also by a wide range of large and small distributors depending on the type of product and the area. Although some distributors carry a wide range of products, the Company's management believes that there are no distributors that sell all products required in the drilling process.

Item 4: Selected Financial Information

Selected Annual Financial Information

The following table sets forth selected financial information regarding the Company for the last five financial years (all figures are in thousands of dollars, except per share amounts), together with the first quarter of the 2000 fiscal year:

	Three months ended July 31		Year ended April 30				
	1999	1998	1999	1998	1997	1996	1995
	(thousands) (unaudited)		(thousands)				
Contract Revenue . .	$ 27,273	$ 33,905	$ 130,820	$ 133,583	$ 88,855	$ 52,768	$ 45,656
Gross Profit	8,200	9,327	34,007	43,137	31,487	17,992	16,925
Total Assets	166,532	178,580	170,981	170,289	81,168	38,419	28,008
Long term debt, not including current portion	27,142	20,689	27,903	11,748	3,162	4,795	3,820
Cash Dividends	nil	nil	nil	nil	nil	nil	121
Net Earnings (Net Loss) Total, from continuing operations(1)	511	1,560	1,930	11,146	9,381	4,049	4,567
Net (loss) Earnings .	511	1,238	(14,164)	8,930	9,225	4,049	4,567
Per Share (basic, from continuing operations(1)(2))	.05	0.13	0.17	1.06	1.41	0.73	0.99
Per Share (basic) . . .	.05	0.11	(1.25)	0.85	1.39	0.73	0.99
Per Share (fully diluted, from continuing operations(1))	.05	0.10	0.17	0.75	1.30	0.72	0.99

(1) Does not include Australian or Canadian based manufacturing operations and Brazilian based drilling operations in numbers from continuing operations.

(2) Historical per share numbers are based on 5,582,143 common shares outstanding for the 1996 fiscal year, 6,630,131 common shares outstanding for the 1997 fiscal year, 10,528,269 common shares outstanding for the 1998 fiscal year, and 11,298,996 common shares outstanding for the 1999 fiscal year, for comparative purposes.

Selected Interim Financial Information

The following table sets forth, in summary form, certain financial information regarding MDGI for each of the last four financial quarterly periods of the Company ending April 30, 1999, compared to similar figures for 1998 (all figures are in thousands of dollars, except per share information):

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Sales					
- 1998	$34,874	$32,735	$26,775	$39,199	$133,583
- 1999	$33,905	$31,881	$30,130	$34,904	$130,820
- 2000	$27,273				
Earnings (from continuing operations)					
- 1998	$4,799	$2,810	$1,286	$2,251	$11,146
- 1999	$1,559	$758	$(1,119)	$732	$1,930
- 2000	$511				
Net Loss (Earnings)					
- 1998	$4,618	$3,001	$425	$886	$8,930
- 1999	$1,238	$91	$(1,923)	$(13,570)	$(14,164)
- 2000	$511				
Per Share Basic (from continuing operations)					
- 1998	$0.56	$0.28	$0.11	$0.19	$1.06
- 1999	$0.13	$0.07	$(0.10)	$0.07	$0.17
- 2000	$0.05				
Per Share Basic					
- 1998	$0.54	$0.30	$0.04	$0.08	$0.85
- 1999	$0.11	$0.11	$(0.17)	$(1.35)	$(1.25)
- 2000	$0.05				
Per Share Fully Diluted (from continuing operations)					
- 1998	$0.44	$0.24	$0.04	$0.08	$0.80
- 1999	$0.10	$0.06	$(0.10)	$0.07	$0.17
- 2000	$0.05				

Notes: Income tax expense for each quarter has been restated to reflect the average rate for the full fiscal year. Unlike in the calculation for issued and outstanding shares, which uses a weighted average, earnings per share are not calculated using earnings on a weighted average basis. Therefore quarterly earnings per share do not add to earnings per share for the year.

Item 5: Management's Discussion and Analysis

Pages 10 to 14 of the Company's 1999 Annual Report, containing Managements' Discussion and Analysis of financial results for the fiscal year ended April 30, 1999, are hereby incorporated by reference.

Item 6: Market for Securities

The Common Shares of MDGI are listed on The Toronto Stock Exchange under the ticker symbol MDI.

Item 7: Directors and Officers

As at September 17, 1999 the following are the directors and officers of MDGI:

Name and Municipality of Residence	Position with MDGI	Principal Occupation	Director or Officer of the Company Since
Frank J. McKenna[3] Cape Pele, New Brunswick	Director, Chairman of the Board of Directors	Partner, McInnis Cooper & Robertson Law Firm	1998
Ronald J. Goguen Moncton, New Brunswick	Director, President and Chief Executive Officer	Officer of MDGI	1980
H. Lawrence Doane[1][2] Halifax, Nova Scotia	Director	Consultant, Grant Thornton Chartered Accountants	1994
David Fennell[2][4] Nassau Bahamas	Director	President and Chief Executive Officer, Cambiex Exploration Inc.	1998
John D. Harvey[4] Toronto, Ontario	Director	Corporate Director	1995
John H. Schiavi[1][2] South Paris, Maine	Director	President, Schiavi Enterprises Real Estate Developer	1994
David B. Tennant[1][3] Toronto, Ontario	Director	Partner, McCarthy Tétrault Law Firm	1995
James A. Gibson Moncton, New Brunswick	General Counsel and Secretary	Officer of MDGI	1995
Paul E. Légère Dieppe, New Brunswick	Executive Vice-President	Officer of MDGI	1989
Robert H. Morgan Moncton, New Brunswick	Vice- President of Operations	Officer of MDGI	1992
Michael A. Pavey Moncton, New Brunswick	Chief Financial Officer	Officer of MDGI	1999

Notes:
(1) Member of the Audit Committee.
(2) Member of the Nominating and Compensation Committee.
(3) Member of the Corporate Governance Committee.
(4) Member of the Environment Health, and Safety Committee.

MDGI does not have an Executive Committee. MDGI's directors are elected annually. During the last five years, all of the directors and officers of MDGI have held the principal occupations identified above or have been engaged in other executive capacities with the organizations indicated opposite their names or with one of their respective affiliates with the exception of Mr. Harvey who, until October 24, 1994, was the President of Noranda Exploration Company Limited, Mr. McKenna, who until October 13, 1997, was a Member of the Legislative Assembly and Premier of New Brunswick., Mr. Fennell, who, until October 30, 1998 was President and Chief Executive Officer of Golden Star Resources Ltd., and Mr. Pavey, who until June 30, 1998, was Senior Vice President Regulatory Planning and Development for TransAlta Corporation.

As of September 1, 1999, the directors and senior officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control over 3,862,565 Common Shares of the Company, as reported by such individuals.

Item 8: Dividend Policy

Since its formation, MDGI has paid no dividends. MDGI plans to use its retained earnings to finance the expansion of its international operations and does not currently intend to pay dividends. MDGI's dividend policy will be determined by MDGI's board of directors and will be based on the results of its operations, its financial position, financing requirements and other factors that MDGI's board of directors may deem relevant in the circumstances.

Item 9: Additional Information

Additional information about the Company, including directors' and officers' remuneration and indebtedness, principal holders of securities, options to purchase common shares, interest of insiders in material transactions, and outstanding convertible securities, is contained in the Company's Management Proxy Circular dated August 5, 1999. Additional financial information is provided in the Company's comparative financial statements for its year ended April 30, 1999, as contained in the Company's 1999 Annual Report, and in the 2000 First Quarter Report to shareholders. Copies of such documents may be obtained upon request from the Secretary at the registered office of the Company.

The Company will provide to any person, upon request to the Secretary of the Company:

(A) When the securities of MDGI are in the course of a distribution pursuant to a short form prospectus or a preliminary short form prospectus has been filed in respect of a distribution of its securities:

- (i) one copy of the Annual Information Form of MDGI together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the Annual Information Form,
- (ii) one copy of the comparative financial statements of MDGI for the most recently completed financial year together with the accompanying report of the auditor and one copy of any quarterly interim financial statements of MDGI subsequent to the financial statements for its most recently completed financial year,
- (iii) one copy of the Management Proxy Circular of MDGI in respect of its most recent annual meeting of shareholders that involved the election of directors, and
- (iv) one copy of any other documents that are incorporated by reference into any preliminary short form prospectus or short form prospectus filed by MDGI that are not required to be provided under (i) to (iii) above, or

(B) At any other time, one copy of any documents referred to in (i), (ii) and (iii) above, provided MDGI may require the payment of a reasonable charge if the request is made by a person who is not a security holder of MDGI.