NEWS RELEASE

FORACO INTERNATIONAL REPORTS Q4 2018

Continued improving performance

Toronto, Ontario/Marseille, France – March 1st, 2019. Foraco International SA (TSX: FAR) (the "Company" or "Foraco"), a leading global provider of mineral drilling services, released its unaudited financial results for the fourth quarter 2018 today. All amounts are denominated in US Dollars (US$) unless otherwise indicated.

"We would once again like to express our special thoughts for the Company's employees and families who have been victims of a terrorist attack in Niger. Health, safety and security are our absolute priorities and a permanent concern for our management team" stated Daniel Simoncini and Jean-Pierre Charmensat.

"Regarding the performance for the quarter, in the context of a market recovery, we continued to grow with revenue at USD 48.0 million in Q4 2018 versus USD 35.0 million in Q4 2017, a 37 % increase. On an annual basis, we outperformed the market growth with a 33% increase in revenue at USD 180.0 million versus USD 135.7 million in 2017. This is the combined result of our excellent long-standing relationship with Top Tier customers, strong positioning in key markets and our new innovative services including the mechanized flooded reverse dewatering services to mines, the roll out of low angle drilling, remote-control rigs and deep coring directional drilling" commented Daniel Simoncini, Chairman and Co-CEO of Foraco. "The bidding activity is exciting and we are pleased to report that our backlog at year-end is significantly higher than last year at USD 266 million, a 32% increase year on year of which US$133 million to be performed in 2019. Canada, Australia and Russia continue to remarkably benefit from the market upturn and we see interesting development potentials in Latin America, which is expected to be one of the largest and fastest growing market in our industry."

"In Q4 2018, we recorded an EBITDA of USD 4.4 million, a 13% increase compared to Q4 2017. We proved this quarter again our capacity to secure and execute our contracts. Delivery from the revenue side and our capacity to control costs contributed to our improved productivity. Our EBIT is positive this quarter and is also positive on a full year basis. We believe that there is room for a financial recovery, given that market prices have not yet fully recovered and that we have not reached our potential drilling rigs capacity" added Jean-Pierre Charmensat, Co-CEO and Chief Financial Officer. "The activity increase generated additional requirements in working capital and we invested in FY 2018 USD 13.0 million in capex in relation to new contracts. Our net debt as at December 31, 2018 amounts to USD 130.4 million. We intend to take advantage of the improving market conditions to reduce our debt and deleverage our balance sheet."

Q4 2018 Highlights

Revenue

- Q4 2018 revenue amounted to US$ 48.0 million compared to US$ 35.0 million in Q4 2017, an increase of 37%.

- The utilization rate was 51% in Q4 2018 (46% in Q3 2018, 43% in Q2 2018 and 40% in Q1 2018) compared to 35% in Q4 2017.

Profitability

- The Q4 2018 gross margin including depreciation within cost of sales was US$ 5.4 million compared to US$ 4.3 million in Q4 2017, this improvement is mainly due to increased revenue.

- During the quarter, EBITDA amounted to US$ 4.4 million (or 9.1% of revenue), compared to US$ 3.9 million (or 11.0% of revenue) for the same quarter last year.

Order book

- As at December 31, 2018, the Company's order backlog for continuing operations was US$ 266.0 of which US$ 133.9 million is expected to be executed during the FY 2019. Last year at the same period, the order backlog for continuing operations was US$ 200.8 million of which US$ 127.7 million was expected to be executed during FY 2018.

FY 2018 Highlights

Revenue

- FY 2018 revenue amounted to US$ 180.0 million compared to US$ 135.7 million in FY 2017, an increase of 33%.

Profitability

- FY 2018 gross margin including depreciation within cost of sales was US$ 21.9 million (or 12.2% of revenue) compared to US$ 14.1 million (or 10.4% of revenue) in FY 2017. This improvement is mainly due to performance on contracts and a better absorption of fixed operational costs linked to the revenue increase.

- FY 2018 EBITDA amounted to US$ 18.1 million (or 10.0% of revenue) compared to US$ 12.1 million (or 8.9% of revenue) last year.

Net debt

- The net debt was US$ 130.4 million as at December 31, 2018 compared to US$ 122.7 million as at December 31, 2017. The increase is mainly attributable to higher working capital requirements linked to the increased activity, partially compensated by a favorable exchange rate.

Selected financial data

(In thousands of US$) *(unaudited)*	**Three-month period ended December 31,**		**Year ended December 31,**	
	2018	**2017**	**2018**	**2017**
Revenue	**47,992**	**34,978**	**180,046**	**135,737**
Gross profit (1)	**5,447**	**4,345**	**21,885**	**14,132**
As a percentage of sales	**11.3%**	**12.4%**	**12.2%**	**10.4%**
EBITDA	**4,370**	**3,860**	**18,081**	**12,107**
As a percentage of sales	**9.1%**	**11.0%**	**10.0%**	**8.9%**
Operating profit / (loss)	**182**	**(908)**	**1,114**	**(6,740)**
As a percentage of sales	**0.4%**	**-2.6%**	**0.6%**	**-5.0%**
Profit / (loss) for the period	**(3,633)**	**(2,576)**	**(10,630)**	**(11,286)**
Attributable to:				
Equity holders of the Company	(3,931)	(2,328)	(10,616)	(10,740)
Non-controlling interests	298	(248)	(14)	(546)
EPS (in US cents)				
Basic	(4.37)	(2.60)	(11.83)	(11.98)
Diluted	(4.37)	(2.60)	(11.83)	(11.98)

(1) This line item includes amortization and depreciation expenses related to operations

Financial results

Revenue

(In thousands of US$) - *(unaudited)*	Q4 2018	% change	Q4 2017	FY 2018	% change	FY 2017
Reporting segment						
Mining	46,566	41%	33,098	174,940	37%	127,944
Water	1,426	-24%	1,880	5,106	-34%	7,793
Total revenue	***47,992***	***37%***	***34,978***	**180,046**	**33%**	**135,737**
Geographic region						
Europe, Middle East and Africa	11,087	36%	8,172	44,603	6%	42,116
South America	12,605	52%	8,280	36,479	19%	30,639
North America	17,096	36%	12,591	68,012	62%	41,901
Asia Pacific	7,204	21%	5,935	30,952	47%	21,081
Total revenue	***47,992***	***37%***	***34,978***	**180,046**	**33%**	**135,737**

Q4 2018

Q4 2018 revenue amounted to US$ 48.0 million compared to US$ 35.0 million in Q4 2017, an increase of 37%.

In EMEA, revenue increased by 36%, to US$ 11.1 million in Q4 2018 from US$ 8.2 million in Q4 2017, as a result of a higher level of activity in Russia, partially compensated by a decreased activity in Africa.

Revenue in South America strongly increased by 52% at US$ 12.6 million in Q4 2018 (US$ 8.3 million in Q4 2017). In Chile, the increased activity was generated by new contracts for major clients. The activity in Brazil also increased by 38% thanks to our major clients and the increasing activity with junior companies.

Revenue in North America increased by 36% to US$ 17.1 million in Q4 2018 from US$ 12.6 million in Q4 2017. Compared to last year, the Company continued to benefit from new contracts with major companies and junior companies and increased activity on ongoing contracts in an overall growing market.

In Asia Pacific, Q4 2018 revenue amounted to US$ 7.2 million, an increase of 21% mainly due to new contracts initiated in the second half of 2017 in Australia.

FY 2018

FY 2018 revenue amounted to US$ 180.0 million compared to US$ 135.7 million in FY 2017, an increase of 33%.

In EMEA, revenue increased by 6%, to US$ 44.6 million FY 2018 from US$ 42.1 million in FY 2017, as a result of the increased activity in Russia, partially compensated by the decreased activity in France and in Africa.

Revenue in South America increased by 19% to US$ 36.5 million in FY 2018 (US$ 30.6 million in FY 2017). The increase is mainly driven by the awards of new contracts in Chile.

Revenue in North America strongly increased by 62% to US$ 68.0 million in FY 2018 from US$ 41.9 million in FY 2017. Compared to last year, the Company gained new contracts with major and junior companies and increased activity on ongoing contracts in an overall growing market.

In Asia Pacific, FY 2018 revenue amounted to US$ 31.0 million, an increase of 47% mainly due to new contracts initiated in the second half of 2017 in Australia.

Gross profit

(In thousands of US$) - *(unaudited)*	Q4 2018	% change	Q4 2017	FY 2018	% change	FY 2017
Reporting segment						
Mining	5,794	16%	4,979	22,101	48%	14,920
Water.................................	(347)	n/a	(634)	(216)	n/a	(788)
Total gross profit / (loss)	***5,447***	***25%***	***4,345***	***21,885***	***55%***	***14,132***

Q4 2018

The Q4 2018 gross margin including depreciation within cost of sales was US$ 5.4 million (or 11.3% of revenue) compared to US$ 4.3 million (or 12.4% of revenue) in Q4 2017, this improvement is mainly due to increased revenue. The reduced gross margin rate in Q4 2018 relates to increased maintenance costs to prepare the fleet for the 2019 drilling program.

FY 2018

FY 2018 gross margin including depreciation within cost of sales increased by 55% compared to last year. As a percentage of revenue, the gross margin increased from 10.4% to 12.2%. This improvement is mainly due to performance on contracts and a better absorption of fixed operational costs linked to the revenue increase.

Selling, General and Administrative Expenses

(In thousands of US$) - *(unaudited)*	Q4 2018	% change	Q4 2017	FY 2018	% change	FY 2017
Selling, general and administrative expenses	5,265	0%	5,253	20,771	2%	20,407

Q4 2018

Despite the higher level of activity, SG&A remained flat compared to the same quarter last year. As a percentage of revenue, SG&A decreased from 15.0% in Q4 2017 to 11.0% in Q4 2018.

FY 2018

Despite the higher level of activity, SG&A only increased by US$ 0.4 million compared to last year. As a percentage of revenue, SG&A decreased from 15.0% in FY 2017 to 11.5% in FY 2018.

Operating result

(In thousands of US$) - *(unaudited)*	Q4 2018	% change	Q4 2017	FY 2018	% change	FY 2017
Reporting segment						
Mining	685	n/a	9	2,234	n/a	(4,785)
Water................................	(503)	n/a	(917)	(1,120)	n/a	(1,955)
Total gross profit / (loss)	***182***	***n/a***	***(908)***	***1,114***	***n/a***	***(6,740)***

Q4 2018

The operating profit was US$ 0.2 million, a US$ 1.1 million improvement as a result of increased activity, improved gross margin and stabilization of SG&A expenses.

FY 2018

The operating profit was US$ 1.1 million, a US$ 7.9 million improvement compared to FY 2017 as a result of increased activity, improved gross margin rate and stabilization of SG&A expenses.

Financial position

The following table provides a summary of the Company's cash flows for FY 2018 and FY 2017:

(In thousands of US$)	FY 2018	FY 2017
Cash generated by operations before working capital requirements	**18,194**	**12,020**
Working capital requirements	(6,847)	4
Income tax paid (received)	(2,404)	(249)
Purchase of equipment in cash	(12,743)	(9,546)
Free Cash Flow before debt servicing	**(3,800)**	**2,229**
Debt variance	5,301	9,761
Interests paid	(3,374)	(3,485)
Dividends paid to minority shareholders in affiliates	(487)	(516)
Acquisition of treasury shares	(77)	(37)
Net cash generated / (used in) financing activities	**1,363**	**5,723**
Net cash variation	**(2,436)**	**7,952**
Foreign exchange differences	(1,051)	419
Variation in cash and cash equivalents	**(3,487)**	**8,371**

In FY 2018, the cash generated from operations before working capital requirements amounted to US 18.2 million compared to US$ 12.0 million in FY 2017.

Due to increased activity in the year of 2018, the level of working capital requirements was US$ 6.8 million (nil in 2017).

During the year, Capex amounted to US$ 12.8 million in cash, compared to US$ 9.5 million in cash in FY 2017. The Company acquired eight new rigs during the year linked to new contracts signed. Eight rigs were retired from service, the total rig count remains at 302.

As a result of the working capital requirements and the Capex, free cash flow before debt servicing was US$ (3.8) million in FY 2018 compared to US$ 2.2 million in FY 2017.

As at December 31, 2018, cash and cash equivalents totaled US$ 11.1 million compared to US$ 14.6 million as at December 31, 2017. Cash and cash equivalents are mainly held at or invested within top tier financial institutions.

As at December 31, 2018, net debt amounted to US$ 130.4 million (US$ 131.0 million as at September 30, 2018, US$ 127.2 million as at June 30, 2018, US$ 135.3 million as at March 31, 2018 and US$ 122.7 million as at December 31, 2017).

Bank guarantees as at December 31, 2018 totaled US$ 1.7 million compared to US$ 4.0 million as at December 31, 2017. The Company benefits from a confirmed contract guarantee line of € 12.7 million (US$ 14.5 million).

Going concern and impairment testing

Going concern is assessed based on internal forecasts and projections that take into account the trend in the business in which the Company operates and its capacity to address the market and deliver its services. On the basis of the above, the Company believes that it will have adequate financial resources to continue in operation for a period of at least twelve months. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

On May 11, 2017, the Company completed its debt reorganization consisting (i) in a new money injection of €23 million (US$ 25 million) in the form of bonds with a 5-year term, including €18 million (US$ 19.8 million) available at closing, and (ii) in the postponing of the instalment of most of the Company's existing long-term financing which takes the form of 5-year term subordinated bonds. On April 26, 2018 and then on December 17th 2018, the Company drew an additional € 2.5 million for a total amount of € 5.0 million corresponding to the second tranche of the bonds.

As part of the debt reorganization, certain key financial covenants were set including; minimum cash, leverage ratio and limitation to capital expenditure. A waiver was obtained in March 2018 to offset the negative impact of the exchange rates and of the working capital requirements linked to the increased activity. As at December 31, 2018, the Company met its covenants. In December 2018, a new set of covenants applicable to the year 2019 was agreed with the lenders. Nothing indicates that the Company will not respect its covenants going forward within the next 12 month period.

Currency exchange rates

The exchange rates for the periods under review are provided in the Management's Discussion and Analysis of Q4 2018.

Non-IFRS measures

EBITDA represents Net income before interest expense, income taxes, depreciation, amortization and non-cash share based compensation expenses. EBITDA is a non-IFRS quantitative measure used to assist in the assessment of the Company's ability to generate cash from its operations. The Company believes that the presentation of EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the drilling industry. EBITDA is not defined in IFRS and should not be considered to be an alternative to Profit for the period or Operating profit or any other financial metric required by such accounting principles.

Net debt corresponds to the current and non-current portions of borrowings and the consideration payable related to acquisitions, net of cash and cash equivalents.

Reconciliation of EBITDA is as follows:

(In thousands of US$) *(unaudited)*	Q4 2018	Q4 2017	FY 2018	FY 2017
Operating profit / (loss)	182	(908)	1,114	(6,740)
Depreciation expense	4,143	4,729	16,787	18,717
Non-cash employee share-based compensation	45	39	180	130
EBITDA	**4,370**	**3,860**	**18,081**	**12,107**

Outlook

The Company’s business strategy is to actively participate in the current growth phase of the metallic commodities cycle through the development and optimization of its services offered across its range of geographical regions, industry sectors, commodities and customers. The Company expects it will execute its strategy primarily through organic growth in the near future.

As at December 31, 2018, the Company’s order backlog for continuing operations was US$ 266.0 million of which US$ 133.9 million is expected to be executed during the FY 2019. Last year at the same period, the order backlog for continuing operations was US$ 200.8 million of which US$ 127.7 million was expected to be executed during FY 2018. The Company’s order backlog consists of sales orders. Sales orders are subject to modification by mutual consent and in certain instances orders may be revised by customers. As a result, the order backlog of any particular date may not be indicative of actual operating results for any subsequent period.

Conference call and webcast

On March 1st, 2019, Company Management will conduct a conference call at 10:00 am ET to review the financial results. The call will be hosted by Daniel Simoncini, Chairman and co-CEO, and Jean-Pierre Charmensat, co-CEO and CFO.

You can join the call by dialing 1-888-231-8191 or 1-647-427-7450. You will be put on hold until the conference call begins. A live audio webcast of the Conference Call will also be available through:

https://event.on24.com/wcc/r/1946575/288CB0CE74A7AAF14CCD243B3C3456A5

An archived replay of the webcast will be available for 90 days.

About Foraco International SA

Foraco International SA (TSX: FAR) is a leading global mineral drilling services company that provides a comprehensive and reliable service offering in mining and water projects. Supported by its founding values of integrity, innovation and involvement, Foraco has grown into the third largest global drilling enterprise with a presence in 22 countries across five continents. For more information about Foraco, visit www.foraco.com.

For further information, please contact:

Fabien Sevestre (ir@foraco.com)

Tel: (705) 495-6363

Caution concerning forward-looking statements

This document may contain "forward-looking statements" and "forward-looking information" within the meaning of applicable securities laws. These statements and information include estimates, forecasts, information and statements as to Management's expectations with respect to, among other things, the future financial or operating performance of the Company and capital and operating expenditures. Often, but not always, forward-looking statements and information can be identified by the use of words such as "may", "will", "should", "plans", "expects", "intends", "anticipates", "believes", "budget", and "scheduled" or the negative thereof or variations thereon or similar terminology. Forward-looking statements and information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Readers are cautioned that any such forward-looking statements and information are not guarantees and there can be no assurance that such statements and information will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under the heading "Risk Factors" in the Company's Annual Information Form dated April 3, 2018, which is filed with Canadian regulators on SEDAR (www.sedar.com). The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise. All written and oral forward-looking statements and information attributable to Foraco or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.