NEWS RELEASE

FORACO INTERNATIONAL REPORTS Q4 2014

Positive Free Cash Flow (Q4 & FY 14)

Toronto, Ontario / Marseille, France – Tuesday, March 3, 2015 Foraco International SA (TSX:FAR) (the "Company" or "Foraco"), a leading global provider of mineral drilling services, today reported unaudited financial results for its fourth quarter 2014. All figures are reported in US Dollars (US$), unless otherwise indicated.

Three months Q4 2014 Highlights

Revenue

- Q4 2014 revenue amounted to US$ 40.1 million compared to US$ 47.1 million in Q4 2013. This 15% decrease is mainly linked to the US$ foreign exchange vs functional currency in each region. Excluding this impact, revenue decreased by 5% only.
- The utilization rate was 33% in Q4 2014 compared to 26% in Q4 2013.

Profitability

- Q4 2014 gross profit including depreciation within cost of sales was US$ 0.3 million (or 1% of revenue) compared to US$ 1.7 million in Q4 2013 (or 4% of revenue). This decrease resulted from continued pressure on selling prices, extra costs mainly linked to mobilizations and early demobilizations on some projects. On a positive side, the effect of the fixed operational cost savings resulted in a reduced under absorption of fixed costs compared to the same quarter last year.
- SG&A costs excluding one non-recurring item decreased by 19% between Q4 2013 and Q4 2014, mainly as a result of the continued implementation of the company-wide cost cutting action plans.
- Adjusted EBITDA was US$ 1.8 million in Q4 2014 compared to US$ 4.0 million in Q4 2013.
- EBIT was US$ (5.2) million in Q4 2014 compared to US$ 3.3 million in Q4 2013. Adjusted EBIT was US$ (5.1) million in Q4 2014 compared to US$ (4.9) million in Q4 2013.
- Capital expenditure was US$ 3.2 million in Q4 2014 compared to US$ 2.7 million in Q4 2013. These Capex are primarily related to new projects started in Q4 2014 and continuing into 2015.

FY 2014 Highlights

Revenue

- FY 2014 revenue amounted to US$ 185.5 million compared to US$ 247.8 million in FY 2013, a decrease of 25% (19% excluding the effect of foreign exchange). Revenue decreased as a result of the continued market contraction and pressure on prices.
- The average utilization rate was 34% for FY 2014 compared to 36% for FY 2013.

Profitability

- FY 2014 gross profit including depreciation within cost of sales was US$ 7.1 million (or 4% of revenue) compared to US$ 2.0 million in FY 2013. The Company fully benefited from the positive effect of the fixed operational costs reduction which compensated some under absorption of fixed costs.
- SG&A costs excluding one non-recurring item decreased by 22% between FY 2013 and FY 2014, mainly as a result of the continued implementation of the company-wide cost cutting action plans.
- The FY 2014 adjusted EBITDA was US$ 14.6 million compared to a US$ 10.8 million adjusted EBITDA1 in FY 2013, an increase of 35%. EBIT was US$ (17.5) million in FY 2014 compared to US$ (2.2) million in FY 2013. Adjusted EBIT was US$ (17.4) million in FY 2014 compared to US$ (29.2) million in FY 2013. Capital expenditures were US$ 10.2 million in FY 2014 compared to US$ 11.0 million in FY 2013.

Cash flow and net debt

- Free cash flow positive by US$ 4.4 million after US$ 10.1 million Capex.
- Total reduction of net debt was US$ 25.2 million during 2014, from US$ 121.9 million as at December 31, 2013 to US$ 96.7 million as at December 31, 2014.
- On February 12, 2015 the Company signed an agreement with a group of eight French Banks this primarily consisted of securing the roll-over of short-term credit facilities, securing bank guarantee lines, and postponing installments due in connection with long term debts by 24 months through increasing the duration of these debts.

[1] *The definition of the adjusted EBITDA and adjusted EBIT, non IFRS measures, is provided on page 15.*

"The fourth quarter of 2014 has been characterized by contrasting dynamics. In certain geographic areas, the Company benefited from its well adapted positioning and secured significant contracts. In other regions, activity continued to be penalized by harsh market conditions and stop and go from clients. We generated positive free cash flows during the quarter and for the full year 2014 despite an annual utilization rate of 34% and extra costs mainly linked to mobilizations and early termination on some projects" commented Daniel Simoncini, Chairman and co-CEO of Foraco. "We have observed that the market prices continue to remain at non sustainable levels. At year-end, our order backlog was US$ 226.7 million, of which US$ 118.6 million is expected to be executed during the 2015 fiscal year. We continue to focus on consolidating our client relationships and maintaining the high quality of our services".

"Since the downturn in the market, we have set up two priorities on the financial side: the company-wide cost cutting action plan which was substantially completed during the year represents estimated annual cost savings of US$ 38 million compared to the period before implementation. Between December 2014 and February 2015, we successfully achieved our second objective which was to adapt our financial structure through renegotiation of our debt. We are pleased to report that these two objectives have been attained providing us with two years of headroom" commented Jean-Pierre Charmensat, co-CEO and Chief Financial Officer. "Furthermore, these negotiations were carried out at favorable conditions thus protecting the shareholders' long term interests. As at December 31, 2014, the net debt amounted to US$ 96.7 million, a significant reduction compared to US$ 121.9 million as at December 31, 2013."

Selected financial data

Financial results

(In thousands of US$) *(unaudited)*	**Three-month period ended December 31,**		**Year ended December 31,**	
	2014	**2013**	**2014**	**2013**
Revenue	**40,094**	**47,122**	**185,525**	**247,757**
Gross profit (1)	**285**	**1,729**	**7,093**	**2,005**
As a percentage of sales	*0.7%*	*3.7%*	*3.8%*	*0.8%*
EBITDA	**1,688**	**12,200**	**14,408**	**37,791**
As a percentage of sales	*4.2%*	*25.9%*	*7.8%*	*15.3%*
Adjusted EBITDA	**1,839**	**4,005**	**14,559**	**10,771**
As a percentage of sales	*4.6%*	*8.5%*	*7.8%*	*4.3%*
Operating profit / (loss)	**(5,209)**	**3,333**	**(17,516)**	**(2,215)**
As a percentage of sales	*-13.0%*	*7.1%*	*-9.4%*	*-0.9%*
Profit / (loss) for the period	**(5,895)**	**4,910**	**(19,412)**	**488**
Attributable to:				
Equity holders of the Company	(2,653)	5,573	(16,155)	(1,508)
Non-controlling interests	(3,242)	(663)	(3,257)	1,996
EPS (in US cents)				
Basic	(3.00)	6.31	(18.28)	(1.71)
Diluted	(3.00)	6.32	(18.28)	(1.71)

(1) includes amortization and depreciation expenses related to operations

Revenue

(In thousands of US$) - *(unaudited)*	Q4 2014	% change	Q4 2013	FY 2014	% change	FY 2013
Reporting segment						
Mining	35,704	-19%	43,883	163,660	-31%	237,720
Water	4,390	36%	3,239	21,865	118%	10,037
Total revenue	***40,094***	***-15%***	***47,122***	***185,525***	***-25%***	***247,757***
Geographic region						
South America	9,894	-24%	13,067	54,074	-33%	80,397
Asia Pacific	12,519	-15%	14,770	48,022	-19%	59,189
Europe, Middle East and Africa	9,611	-8%	10,401	46,989	-29%	66,417
North America	8,070	-9%	8,884	36,440	-13%	41,754
Total revenue	***40,094***	***-15%***	***47,122***	***185,525***	***-25%***	***247,757***

Q4 2014

Q4 2014 revenue amounted to US$ 40.1 million compared to US$ 47.1 million in Q4 2013, a decrease of 15% or 5% excluding the foreign exchange impact.

Revenue in South America amounted to US$ 9.9 million in Q4 2014 (US$ 13.1 million in Q4 2013), a decrease of 24%. In Brazil, the decrease was 38% mainly due to the early demobilization of some contracts. Activity in Chile was stable and the Company mobilized a new contract in Argentina.

In Asia Pacific, Q4 2014 revenue amounted to US$ 12.5 million, a decrease of 15% (8% at constant foreign exchange) mainly due to pressure on selling prices.

In EMEA, revenue decreased by 8%, from US$ 10.4 million in Q4 2013 to US$ 9.6 million in Q4 2014. Excluding the foreign exchange impact, revenue increased by 10% compared to the same quarter last year.

Revenue in North America decreased by 9% in US$ but only 2% in Canadian dollars. Junior activity remains bleak.

FY 2014

FY 2014 revenue amounted to US$ 185.5 million compared to US$ 247.8 million in FY 2013, a decrease of 25% (19% excluding the effect of foreign exchange). This revenue decrease which was a result of the continued market contraction, foreign exchange impact and pressure on selling prices, was mainly recorded in Q2 and Q3.

Revenue in South America amounted to US$ 54.1 million in FY 2014 (US$ 80.4 million in FY 2013), a decrease of 33%. In Chile, the decrease of 16% was mainly linked to the termination of two troubled contracts. The Company mobilized a new contract in Argentina. In Brazil, revenue decreased by 36% due to the evaporation of the junior market in Q2 and Q3 2014, the completion of certain projects in Q3 and Q4 2014, and the early demobilization of some contracts during Q4 2014.

In Asia Pacific, FY 2014 revenue amounted to US$ 48.0 million, a decrease of 19%. In Australia, activity was impacted by pressure on selling prices. After a slow start the Company signed two large multi-year multi-rig contracts. In New Caledonia, the second quarter suffered from local disturbances including the temporary closure of a large nickel mine.

In EMEA, revenue decreased by 29%, from US$ 66.4 million in FY 2013 to US$ 47.0 million in FY 2014. This is mainly due to the reduced activity in the mining segment across West Africa (-60%) which was partly offset by the increased activity in the water segment (+191%).

Revenue in North America decreased by 13% in US$ but only by 6% in Canadian dollars.

Gross profit

(In thousands of US$) - *(unaudited)*	Q4 2014	% change	Q4 2013	FY 2014	% change	FY 2013
Reporting segment						
Mining	104	n/a	2,157	5,059	*198%*	1,697
Water	181	*n/a*	(428)	2,034	*n/a*	308
Total gross profit	***285***	***n/a***	***1,729***	***7,093***	***254%***	***2,005***

Q4 2014

Q4 2014 gross profit including depreciation within cost of sales was US$ 0.3 million (or 1% of revenue) compared to US$ 1.7 million in Q4 2013 (or 4% of revenue). This decrease resulted from continued pressure on selling prices, extra costs mainly linked to mobilizations and early demobilizations on some projects. On a positive side, the effect of the fixed operational cost savings resulted in a reduced under absorption of fixed costs compared to the same quarter last year.

FY 2014

FY 2014 gross profit including depreciation within cost of sales was US$ 7.1 million (or 4% of revenue) compared to US$ 2.0 million in FY 2013. There were no one-off costs during the period and the Company fully benefited from the positive effect of the fixed operational cost reduction which compensated some under absorption of fixed costs.

Selling, General and Administrative Expenses

(In thousands of US$) - *(unaudited)*	Q4 2014	% change	Q4 2013	FY 2014	% change	FY 2013
Selling, general and administrative expenses	6,033	-8%	6,591	25,148	-20%	31,240

Q4 2014

SG&A costs decreased by US$ 0.6 million between Q4 2013 and Q4 2014. Excluding a one-off provision concerning a junior mining company located in Africa, SG&A decreased by US$ 1.2 million (or 19%). These savings are mainly the result of the continued implementation of the company-wide cost cutting action plans.

FY 2014

SG&A costs decreased by US$ 6.1 million between FY 2013 and FY 2014 or by US$ 6.8 million excluding certain provisions for claims and doubtful debt recorded in Q4. These savings are mainly the result of the continued implementation of the company-wide cost cutting action plans.

Operating profit

(In thousands of US$) - *(unaudited)*	Q4 2014	% change	Q4 2013	FY 2014	% change	FY 2013
Reporting segment						
Mining	(4,805)	n/a	4,214	(16,635)	n/a	(1,172)
Water	(404)	-54%	(881)	(881)	-15%	(1,043)
Total operating profit / (loss)	***(5,209)***	***n/a***	***3,333***	***(17,516)***	***n/a***	***(2,215)***
Total operating profit / (loss) adjusted	***(5,058)***	***4%***	***(4,882)***	***(17,365)***	***-41%***	***(29,235)***

Q4 2014

During the quarter the Company recorded certain provisions for claims and doubtful debt amounting to US$ (3.1) million partially offset by the impact of the remeasurement of the second tranche of Servitec amounting to US$ 2.9 million (US$ 8.2 million in Q4 2013).

Adjusted Operating profit / (loss) decreased by US$ (0.2) million and can be explained as follows:

-	(i) Net impact of reduced activity and pricing	US$	(4.5)	million
-	(ii) Fixed operational costs reduction	US$	3.1	million
-	(iii) Reduction in SG&A costs	US$	1.2	million
-	Total variance	US^	(0.2)	million

FY 2014

Operating loss decreased by US$ (11.6) million, going from an adjusted operating loss of US$ (29.2) million in FY 2013 to US$ (17.7) million in FY 2014. The reduced activity including the impact of exchange rate fluctuations was partially compensated for by the reduction in fixed operational and SG&A costs.

Financial position

The following table provides a summary of the Company's cash flows for FY 2014 and FY 2013:

(In thousands of US$)	FY 2014	FY 2013
Cash generated from operations before working capital requirements	15,047	10,898
Working capital requirements, interest and tax	(22)	(2,383)
Net cash flow generated by operating activities	**15,025**	**13,281**
Purchase of equipment in cash	(10,121)	(11,063)
Consideration payable related to acquisitions	(500)	-
Net cash used in investing activities	**(10,621)**	**(11,063)**
Free cash flow	**4,404**	**2,218**
Debt variance	(16,008)	11,118
Acquisition of treasury shares	-	(1,556)
Dividends paid	(1,086)	(5,983)
Net cash generated by / used in financing activities	**(17,094)**	**3,579**
Net cash variation	**(12,690)**	**5,797**
Foreign exchange differences	(1,611)	(4,168)
Variation in cash and cash equivalents	**(14,301)**	**1,629**

In FY 2014, the net cash flow generated by operating activities amounted to US$ 15.0 million compared to US$ 13.3 million for FY 2013.

During the year, the Company acquired maintenance Capex for US$ 10.1 million in cash and US$ 0.5 million through capital leases compared to a total of US$ 11.1 million in cash purchases during FY 2013.

As at December 31, 2014, cash and cash equivalents totaled US$ 23.2 million compared to US$ 37.5 million as at December 31, 2013. Cash and cash equivalents are held at or invested within top tier financial institutions.

As at December 31, 2014, net debt amounted to US$ 96.7 million (US$ 121.9 million as at December 31, 2013). The ratio of debt (net of cash) to shareholders' equity decreased from 0.69 as at December 31, 2013 to 0.67 as at December 31, 2014.

On December 31, 2014, financial debts and equivalents amounted to US$ 119.9 million (US$ 159 million as at December 31, 2013). The financial debt also includes the present value of the consideration payable in 2015 for the acquisition of the remaining Servitec shares which were reduced to US$ 0.5 million following the remeasurement of the second tranche and payable in March 2015.

On February 12, 2015, an agreement was reached with the lenders representing all of Foraco International's and its French subsidiaries' debts, resulting in the postponement by 24 months of € 24.8 million (US$ 30.1 million) of installments due in connection with long term debts through increasing the duration of these debts. This agreement also resulted in securing the roll-over of short-term credit facilities and bank guarantee lines.

As part of this agreement, a new covenant (IFRS Net Debt to EBITDA should be below 5.07) related to acquisition loans at December 31, 2015 was agreed, the margins on short term loans will increase by 20 bps and an excess cash flow clause was included. Additionally, the Company committed not to pay dividends before October 31, 2016.

As at December 31, 2014, financial debt is as follows (in thousands of US$):

Maturity	**Credit lines**	**January 1, 2015 and December 31, 2015**	**January 1, 2016 and December 31, 2016**	**January 1, 2017 and December 31, 2017**	**January 1, 2018 and December 31, 2018**	**January 1, 2019 and December 31, 2019**	**Total**
Drawn credit lines rolled over on a yearly basis	5,093	-	-	-	-	-	5,093
Long term financing related to:							
- Drawn credit lines rolled over confirmed for at least 12 months	48,452	-	-	-	-	-	48,452
- Brazil acquisition		-	-	3,890	3,890	3,890	11,669
- Australia acquisition		-	6,078	6,078	6,078	6,078	24,310
- Acquisition of fixed assets		3,864	4,966	8,695	6,741	3,976	28,242
- Acquisition of fixed assets through capital leases		1,096	264	180	60	(0)	1,599
Total	**53,545**	**4,960**	**11,307**	**18,842**	**16,768**	**13,943**	**119,365**

(*) The non-current portion of long term debt, i.e. from January 1, 2016 onwards, is US$60,860 thousand

The Company now has used and unused short-term credit facilities amounting to US$ 68.9 million, of which US$ 53.5 million was drawn down as of December 31, 2014.

Going concern and impairment testing

Current economic conditions make forecasting difficult, and there is the possibility that the Company's actual operating performance during the coming year may be different from expectations. Based on internal forecasts and projections that take into account reasonably possible changes in the Company's operating performance, the Company believes that it has adequate financial resources to continue in operation and meet its financial commitments for a period of at least twelve months provided it continues to benefit from the support of its lenders. The next testing date for the bank covenants is December 31, 2015. The Company's negotiations with its lenders in France successfully came to a close on February 12, 2015. The objective to adapt its debt structure so as to better match its future cash flow generation was obtained. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

The current economic conditions in mining services are seen as an indicator of potential impairment of the carrying value of the Company's long lived assets. Accordingly, an impairment test was performed at the level of each reporting segment and geographic region. The assumptions used involve a considerable degree of estimation on the part of management. The most significant assumptions include revenue per rig, EBITDA margin, discount rate and long term growth. The assumptions for 2015, 2016 and 2017 are based on management's business plan. From 2018 onwards, the Company used the 8-year actual historical performance in order to determine its revenue per rig and EBITDA margin. Management considers that this provides a reasonable factual basis for the purpose of impairment testing. On this basis, no impairment was deemed necessary.

Currency exchange rates

The exchange rates for the periods under review are provided in the Management's Discussion and Analysis of Q4 2014.

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.

Adjusted EBITDA and adjusted EBIT exclude the impact resulting from (i) the remeasurement of the contribution payable for Servitec, (ii) a non-recurring provision corresponding to a claim in Brazil, and (iii) a one-off bad debt in Africa.

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.

Reconciliations of the various non IFRS measures are as follows:

EBITDA, adjusted EBITDA and adjusted EBIT

(In thousands of US$) *(unaudited)*	Q4 2014	Q4 2013	FY 2014	FY 2013
Operating profit / (loss)	(5,209)	3,333	(17,516)	(2,215)
Depreciation expense	6,712	8,553	30,810	38,303
Non-cash employee share-based compensation	185	314	1,114	1,703
EBITDA	***1,688***	***12,200***	***14,408***	***37,791***
Impact resulting from the remeasurement of the contribution payable for Servitec	(2,902)	(8,195)	(2,902)	(27,020)
Non-recurring provision for claim and doubtful debt	3,053	-	3,053	-
Adjusted EBITDA	***1,839***	***4,005***	***14,559***	***10,771***
Adjusted EBIT	***(5,058)***	***(4,862)***	***(17,365)***	***(29,235)***

Net debt:

	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Cash and cash equivalents	23,225	26,163	29,154	28,853	37,526
Borrowings – Non-current portion	(109,312)	(55,107)	(62,256)	(65,761)	(68,556)
Borrowings – Current portion	(10,053)	(72,775)	(71,493)	(79,278)	(74,194)
Consideration payable related to acquisitions	(528)	(3,430)	(3,430)	(3,430)	(16,670)
Total net debt	***(96,667)***	***(105,149)***	***(108,025)***	***(119,616)***	***(121,894)***

Outlook

As at December 31, 2014 the Company's order backlog for continuing operations was US$ 226.7 million, of which US$ 118.6 million is expected to be executed during the FY 2015.

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 3, 2015, 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 CEO, and Jean-Pierre Charmensat, Vice-CEO and CFO.

You can join the call by dialing1-888-231-8191 or 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 http://www.newswire.ca/en/webcast/detail/1435283/1595077 or on our website.

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 23 countries across five continents. For more information about Foraco, visit www.foraco.com.

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