



## NEWS RELEASE

### **FORACO INTERNATIONAL SA CLOSSES ACQUISITION OF SERVITEC, BRAZIL'S SECOND-LARGEST MINERAL DRILLING SERVICES COMPANY**

Toronto, Ontario / Marseille, France - Monday, April 23, 2012 - Foraco International SA (the "Company" or "Foraco"), a leading global provider of mineral drilling services, is pleased to announce the acquisition of 51% of Brazilian mineral drilling services company WFS Sondagem LTDA, ("Servitec") under the conditions previously disclosed on March 2, 2012, for an amount of approximately US\$43 million through a combination of cash and Foraco shares.

On April 16, 2012, Foraco's shareholders approved the issuance of 3,516,509 new shares to bring the total number of shares to 78,195,259 basic and 82,951,798 on a fully diluted basis.

With this acquisition, Foraco has a total of 278 rigs in 23 countries served by 3600 employees, spanning five continents, and has access to 76% of the world's mineral drilling services market. Headquartered in Crixas, Goias State and privately owned, Servitec is the second-largest mineral drilling services company in Brazil, with activities in all of the main mining states: Minas Gerais, Goias, Para and Mato Grosso. With 86 rigs, Servitec generated approximately US\$70 million in revenue in 2011, with an EBITDA margin of 23%. Servitec's current shareholders and managers will continue managing and developing Servitec.

"We are extremely pleased to have closed the Servitec acquisition, adding this major mining market to our operations map and we enthusiastically welcome Servitec's managers and personnel to our company." says Daniel Simoncini, Foraco's Chairman and Chief Executive Officer. Jean-Pierre Charmensat, Foraco's co-CEO and Chief Financial Officer adds, "This immediately accretive acquisition offers us exciting opportunities in Brazil, and we expect to quickly consolidate and synergize operations."

Walid Khaoule and Fernando Paiva, Servitec's Co-Managing Directors, have expressed, "We are very happy to be joining the Foraco team. Foraco's expertise in engineering custom drill rigs, working in complex and deep geological environments, and their comprehensive corporate social responsibility policies are important and complementary skills we look forward to offering our clients. Our future focus will be on enhancing our current operations, and expanding the depth of our services in the Brazilian market. We have built a strong and profitable business in Brazil, and are looking forward to growing it even further, in the years to come."

### **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](http://www.foraco.com).

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### ***Caution concerning forward-looking statements***

*This press release 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 March 31, 2010, which is filed with Canadian regulators on SEDAR ([www.sedar.com](http://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 us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.*