



NEW RELEASE

FORACO INTERNATIONAL REPORTS Q3 2011

**Q3 Revenue up 59% at US\$ 82.4 million, Net Earnings up 100% at US\$ 8.7 million,
EPS up 178% at US\$ 9.45 cents**

Toronto, Ontario / Marseille, France - Tuesday, November 8, 2011 - Foraco International SA (TSX:FAR) (the "Company" or "Foraco"), a leading global provider of diversified drilling services, today reported unaudited financial results for its third quarter 2011. All figures are reported in US Dollars (US\$), unless otherwise indicated.

"We are pleased to report an excellent quarter with a record high activity and a growing profitability throughout all our segments and regions. We have now successfully completed the integration of all of our operations and have improved our EBIT by more than 610 base points over the last four quarters, reaching 15.7% in Q3 2011" said Daniel Simoncini, Chairman and CEO of Foraco. "Despite the financial markets current volatility and the softening of some metal prices during the summer, our commercial activity has been intense over the quarter. Our customers are maintaining their plans going forward and continue to demand more drilling services."

"The Company has continued a significant capital expenditure programme during the quarter. At the end of September it was operating 188 drill rigs, with seven new additions in Q3 and the retirement of five. It is the Company policy to maintain a modern fleet of rigs in order to keep up in terms of safety and performance, and half of our fleet is under 5 years old," continued Jean-Pierre Charmensat, co-CEO and CFO of Foraco. "Despite this significant CAPEX programme, our cash position has actually improved as a result of the Company's strong financial performance and control. The net debt has been decreased to US\$ 31.5 million, or 47% of our TTM EBITDA. Going forward we are cautiously optimistic and are gearing up to sustain solid activity in the coming quarters."

Three Months Q3 2011 Highlights

Increased Revenue

- Q3 2011 revenue increased by 59% to US\$ 82.4 million from US\$ 52.0 million in Q3 2010, representing US\$ 30.4 million in organic growth.

Increased Profitability

- Q3 2011 gross profit including depreciation within cost of sales amounted to US\$ 19.7 million, an increase of US\$ 8.0 million or 68% on Q3 2010.
- Q3 2011 EBITDA amounted to US\$ 20.7 million (25.1% of revenue) compared to US\$ 12.4 million in Q3 2010 (23.9% of revenue).
- Q3 2011 net profit after tax amounted to US\$ 8.7 million, an increase of US\$ 4.3 million or double the Q3 2010 equivalent.
- Q3 2011 earnings per share amounted to 9.45 US\$ cents (basic) and 9.38 US\$ cents (diluted), compared to 3.39 US\$ cents (basic) and 3.35 US\$ cents (diluted) as reported in Q3 2010.

Nine months YTD Q3 2011 Highlights

Increased Revenue

- YTD Q3 2011 revenue amounted to US\$ 226.0 million compared to US\$ 112.4 million in YTD Q3 2010, an increase of 101% or US\$ 113.6 million.
- The US\$ 113.6 million increase is primarily the result of:
 - US\$ 67.9 million in organic growth,
 - US\$ 45.7 million in revenue from South America for the five-month period ended May 31, 2011 (US\$ 29.4 million for the same period in 2010 before acquisition).

Increased Profitability

- YTD Q3 2011 gross profit including depreciation within cost of sales amounted to US\$ 52.5 million, an increase of US\$ 26.7 million or 103% on YTD Q3 2010.
- YTD Q3 2011 EBITDA amounted to US\$ 55.4 million (24.5% of revenue) compared to US\$ 26.1 million in YTD Q3 2010 (23.2% of revenue).
- YTD Q3 2011 net profit after tax amounted to US\$ 23.2 million, an increase of US\$ 15.2 million or 100% on YTD Q3 2010.
- YTD Q3 2011 earnings per share amounted to 25.75 US\$ cents (basic) and 25.57 US\$ cents (diluted), compared to 8.08 US\$ cents (basic) and 7.96 US\$ cents (diluted) as reported in YTD Q3 2010.

Selected Financial Data

(In thousands of US\$) (<i>unaudited</i>)	Three-month period ended		Nine-month period ended	
	September 30,		September 30,	
	2011	2010	2011	2010
Revenue	82,408	51,992	225,997	112,431
Gross profit (1)	19,705	11,741	52,547	25,894
<i>As a percentage of sales</i>	<i>23.9%</i>	<i>22.6%</i>	<i>23.3%</i>	<i>23.0%</i>
EBITDA	20,698	12,401	55,381	26,126
<i>As a percentage of sales</i>	<i>25.1%</i>	<i>23.9%</i>	<i>24.5%</i>	<i>23.2%</i>
Operating profit	12,938	6,515	33,339	11,933
<i>As a percentage of sales</i>	<i>15.7%</i>	<i>12.5%</i>	<i>14.8%</i>	<i>10.6%</i>
Profit for the period	8,652	4,319	23,163	7,965
EPS (in US\$ cents)				
Basic	9.45	3.39	25.75	8.08
Diluted	9.38	3.35	25.57	7.96

(1) includes amortization and depreciation expenses

Financial Results

Foraco's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), rather than Canadian Generally Accepted Accounting Principles ("Canadian GAAP"), and as such may not be directly comparable to the financial statements of other Canadian issuers.

Revenue

(In thousands of US\$) (<i>unaudited</i>)	<u>Q3 2011</u>	<u>% change</u>	<u>Q3 2010</u>	<u>YTD Q3</u> <u>2011</u>	<u>% change</u>	<u>YTD</u> <u>Q3 2010</u>
Revenue						
<i>Reporting segment</i>						
Mining	79,994	61%	49,810	214,063	118%	97,998
Water	<u>2,414</u>	<u>11%</u>	<u>2,182</u>	<u>11,934</u>	<u>-17%</u>	<u>14,432</u>
Total revenue	<u>82,408</u>	<u>59%</u>	<u>51,992</u>	<u>225,997</u>	<u>101%</u>	<u>112,430</u>
<i>Geographic region</i>						
South America.....	29,834	54%	19,344	86,204	224%	26,586
Africa.....	15,709	78%	8,819	51,047	45%	35,177
North America.....	16,522	76%	9,397	43,698	97%	22,147
Asia Pacific	10,021	56%	6,423	23,588	36%	17,392
Europe	<u>10,322</u>	<u>29%</u>	<u>8,009</u>	<u>21,461</u>	<u>93%</u>	<u>11,129</u>
Total revenue	<u>82,408</u>	<u>59%</u>	<u>51,992</u>	<u>225,997</u>	<u>101%</u>	<u>112,430</u>

Q3 2011

Q3 2011 revenue amounted to US\$ 82.4 million, an increase of US\$ 30.4 million or 59% compared to Q3 2010. This quarter is the first comparable period since the integration of the South American and Russian operations at the end of May 2010.

The Mining segment, up US\$ 30.2 million, was driven by the contribution of all geographic areas benefiting from a strong worldwide demand.

The Water segment was stable at US\$ 2.2 million in Q3 2011 compared to US\$ 2.4 million in Q3 2010. Activities in this segment are principally carried out in Africa.

Revenue in South America amounted to US\$ 29.8 million in Q3 2011 (US\$ 19.3 million in Q3 2010) an increase of 54%. This was mainly generated by (i) a better utilization rate of equipment linked to strong demand (ii) a relocation of certain rigs within the region and (iii) 9 additional drills on long-term contracts with major companies in Chile.

In Africa, the Q3 2011 revenue increased by US\$ 6.9 million or 78% compared to Q3 2010. This is mainly due to the development of mining operations in West Africa. The Water segment was stable during the quarter.

As a result of the strong market conditions in Canada, revenue in North America increased by 76% to US\$ 16.5 million in Q3 2011 from US\$ 9.4 million in Q3 2010. This increase is mainly due to the execution of contracts with major companies.

In Asia-Pacific, Q3 2011 revenue amounted to US\$ 10.0 million, an increase of US\$ 3.6 million or 56% compared to Q3 2010. Both Australia and New Caledonia contributed to this increase. In Australia, as a result of its capital expenditure program, the Company started operations with 2 new drills for Reverse Circulation contracts.

Revenue in Europe increased by US\$ 2.3 million in Q3 2011 compared to Q3 2010, or 29% due to strong demand and an additional drill compared to Q3 2010. Here again, the activity is significantly higher than last year.

Nine months YTD Q3 2011

YTD Q3 2011 revenue amounted to US\$ 226.0 million, an increase of 101% compared to YTD Q3 2010 (US\$ 112.4 million).

The Mining segment, up US\$ 116.0 million or 118%, is driven by the contribution of operations in South America (US\$ 86.2 million in YTD Q3 2011 compared to US\$ 26.6 million in YTD Q3 2010) and a generally strong demand from which all operations benefited worldwide (US\$ 56.4 million increase in revenue).

Water segment revenue decreased by 17% from US\$ 14.4 million to US\$ 11.9 million in YTD Q3 2011. Activities in this segment are principally carried out in Africa.

Revenue in South America amounted to US\$ 86.2 million in YTD Q3 2011 compared to US\$ 26.6 million in YTD Q3 2010 which represented only four month's activity. Revenue is high when compared to South America on an equivalent pro forma nine-month basis for YTD Q3 2010 (US\$ 56.0 million). It is generated by long-term contracts with major companies in Chile.

In Africa, the YTD Q3 2011 revenue increased by US\$ 15.9 million or 45% compared to YTD Q3 2010. This is mainly the result of the Company's strategy to develop its mining operations in West Africa. The Water segment, decreased by US\$ 2.5 million or 17% during the period due to the political turmoil in Ivory Coast in the first part of the year where the Company had to stop its operations, and in other countries some contracts ended during Q2 2011. New developments in the water segment are expected, in relation to the needs of the mining clients.

As a result of the continuing improvements in market conditions in Canada during the year, revenue in North America increased by 97% to US\$ 43.7 million in YTD Q3 2011 from US\$ 22.1 million in YTD Q3 2010. Greater demand from the oil sands activity in central Canada and the development of long-term contracts with major companies in Western Canada and Ontario contributed to this increase.

In Asia-Pacific, YTD Q3 2011 revenue amounted to US\$ 23.6 million, an increase of US\$ 6.2 million or 36% compared to YTD Q3 2010. Both Australia and New Caledonia contributed to this increase.

Revenue in Europe amounted to US\$ 21.5 million in YTD Q3 2011, an increase of US\$ 10.3 million (or 93%) compared to YTD Q3 2010 due to the early restart of operations in Russia where all rigs were in operation during the second and third quarter. Revenue is high when compared to EDC on an equivalent pro forma nine-month basis for YTD Q3 2010 (US\$ 13.8 million).

Gross Profit

(In thousands of US\$) (<i>unaudited</i>)	<u>Q3 2011</u>	<u>% change</u>	<u>Q3 2010</u>	<u>YTD Q3 2011</u>	<u>% change</u>	<u>YTD Q3 2010</u>
Gross profit						
<u>Reporting segment</u>						
Mining	19,171	70%	11,275	49,866	124%	22,236
Water	534	15%	466	2,681	-27%	3,658
Total gross profit	<u>19,705</u>	<u>68%</u>	<u>11,741</u>	<u>52,547</u>	<u>103%</u>	<u>25,894</u>

Q3 2011

Overall, Q3 2011 gross profit amounted to US\$ 19.7 million (or 24% of revenue), an increase of US\$ 8.0 million or 68% compared to Q3 2010 (US\$ 11.7 million or 23% of revenue).

In the mining segment, gross profit as a percentage of revenue is improving in all regions.

In the Water segment, gross profit margins were stable.

Overall, the Group is still focused on risk management when entering new contracts, on optimizing the use of its production equipment through long-term contracts, and on the proper execution of contracts.

9 months YTD Q3 2011

For the nine-month period ended September 30, 2011, gross profit amounted to US\$ 52.5 million (or 23.3% of revenue), an increase of US\$ 26.7 million or 103% compared to YTD Q3 2010 (US\$ 25.9 million or 23.0% of revenue).

In general, contracts performed well worldwide in the Mining segment.

In the Water segment, gross profit margins decreased by 27% mainly due to the low level of activity during Q2 2011 which reduced the Company's capacity to absorb fixed costs.

Selling, general and administrative expenses (SG&A)

(In thousands of US\$) (<i>unaudited</i>)	<u>Q3 2011</u>	<u>% change</u>	<u>Q3 2010</u>	<u>YTD Q3 2011</u>	<u>% change</u>	<u>YTD Q3 2010</u>
Selling, general and administrative expenses	6,744	29%	5,247	19,185	35%	14,207
<i>As a percentage of revenue</i>	<i>8%</i>		<i>10%</i>	<i>8%</i>		<i>13%</i>

Q3 2011

Q3 2011 SG&A amounted to US\$ 6.7 million, an increase of US\$ 1.5 million or 29% compared to Q3 2010. As a percentage of revenue, SG&A are now 8% of revenue in Q3 2011 as compared to 10% of revenue in Q3 2010. As anticipated, SG&A as a percentage of revenue decreased as a result of the profitable growth strategy implemented by the Company.

9 months YTD Q3 2011

For the nine-month period ended September 30, 2011, SG&A amounted to US\$ 19.2 million, an increase of US\$ 5.0 million or 35% compared to the same period a year ago. As a percentage of revenue, SG&A are now 8% of revenue in YTD Q3 2011 as compared to 13% of revenue in YTD Q3 2010. As anticipated, SG&A as a percentage of revenue decreased as a result of the profitable growth strategy implemented by the Company.

Operating profit

(In thousands of US\$) (<i>unaudited</i>)	<u>Q3 2011</u>	<u>% change</u>	<u>Q3 2010</u>	<u>YTD Q3 2011</u>	<u>% change</u>	<u>YTD Q3 2010</u>
Operating profit						
<i>Reporting segment</i>						
Mining	12,602	102%	6,248	31,690	208%	10,293
Water	336	26%	267	1,649	-	1,640
Total operating profit	<u>12,938</u>	<u>99%</u>	<u>6,515</u>	<u>33,339</u>	<u>179%</u>	<u>11,933</u>

Q3 2011

Operating profit increased to US\$ 12.9 million (or 15.7% of revenue) in Q3 2011 compared to US\$ 6.5 million (or 12.5% of revenue) in Q3 2010. This variation is primarily due to the satisfying level of gross margin, together with the reduction of SG&A as a percentage of revenue.

9 months YTD Q3 2011

Operating profit increased to US\$ 33.3 million in YTD Q3 2011 compared to US\$ 11.9 million in YTD Q3 2010. This variation is primarily due to the satisfying level of gross margin, together with the reduction of SG&A as a percentage of revenue.

Currency and Exchange Rates

The exchange rates for the periods under review are provided in the Management's Discussion and Analysis of Q3 2011.

Outlook

The Company's business strategy is to continue to deliver profitable growth through the development and optimization of the services it offers across geographical regions and industry segments, as well through the expansion of its customer base. Foraco expects to continue to execute its strategy through a combination of organic growth and development and acquisitions of complementary businesses in the drilling services industry.

Foraco's unaudited Financial Statements and Management's Discussion & Analysis ("MD&A") for the three month period ended March 31, 2011 are available via Foraco's website at www.foraco.com and will be available on www.sedar.com.

Conference Call and Webcast

On November 8, 2011, 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 dialing 1-888-231-8191 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/viewEvent.cgi?eventID=3715800> or on our [website](#).

Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be needed to hear the webcast. An archived replay of the webcast will be available for 90 days.

About Foraco International SA

Foraco International SA ([TSX: FAR](#)) is a global leading drilling services company that provides turnkey solutions for mining, energy, water and infrastructure projects. Supported by its founding values of integrity, innovation and involvement, Foraco has grown into a global enterprise with operations in 22 countries across five continents. For more information about Foraco, visit www.foraco.com.

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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.