



**FORACO INTERNATIONAL SA ENTERS INTO A BINDING AGREEMENT TO
ACQUIRE SERVITEC
A LEADING DRILLING CONTRACTOR IN BRAZIL THROUGH A TWO-STEP
ACQUISITION**

Toronto, Ontario / Marseille, France - Friday, March 2nd, 2012 - Foraco International SA (the "Company" or "Foraco"), a leading global provider of mineral drilling services, today announced it has entered into a binding agreement to acquire WFS Sondagem LTDA, ("Servitec").

Servitec is the second largest mineral drilling company in Brazil and has provided diamond and reverse circulation drilling services for major and junior mining companies in Brazil since 2000. Headquartered in Crixas, Goiás State and privately owned, Servitec has activities in all of the main mining states of Brazil: Minas Gerais, Goiás, Para and Mato Grosso. Servitec's fleet consists of 86 rigs: 72 diamond rigs and 14 reverse circulation drill rigs, as well as ancillary equipment, supported by skilled managers and workers. In 2011 over 65% of Servitec's business was derived from gold exploration, with 75% of its total revenue being sourced from majors. Servitec generated approximately US\$ 70 million revenue in 2011 with an EBITDA margin of approximately 24%.

The first step of the proposed transaction will be the acquisition of a 51% controlling interest in Servitec, in consideration for:

- Cash consideration of R\$ 35.65 million or approximately US\$ 20.6 million upon closing,
- 4,816,509 shares of Foraco, out of which 1,300,000 shares are currently held by Foraco, which were acquired by Foraco on the open market under the Company's previously announced Normal Course Issuer Bids, and the balance of the shares will be through the issuance of new shares

The closing of the transaction is scheduled to take place in April 2012 and is subject to the completion of certain conditions precedent, including approval of the Toronto Stock Exchange and shareholder approval of Foraco at a meeting of its shareholders scheduled to be held in April 2012.

The parties have a call and a put option to transfer the remaining 49% of Servitec's share capital. This second step of the transaction is due to take place in 2015.

Servitec's current shareholders and managers will continue managing and developing Servitec.

"This is a major step forward for Foraco to continue implementing our strategy to build a world leading drilling services company" said Daniel Simoncini, Chairman and Chief Executive Officer of Foraco. "Brazil is the fifth largest country in the world by landmass, the sixth in mining production and its economy represents more value, in dollar terms, than all the other Latin American economies combined. Three out of the five largest mining companies in the world have operations there, and over the last decade, the mining industry has enjoyed 500% growth. This acquisition will allow us to enter a very active market together with excellent partners, where we will develop significant business synergies in the near future."

Jean-Pierre Charmensat, co-CEO and Chief Financial Officer added, "In Brazil, the combination of international experience, technical expertise and local knowledge is widely recognized as being extremely effective in providing quality drilling services in this challenging market. This is why we are so enthusiastic about the combination of Servitec's impressive track record, good reputation, energetic management and market expertise with Foraco's support and global strength. We believe this operation to be immediately accretive for the benefit of Foraco's shareholders, as on a 2011 unaudited proforma basis it represents an additional US\$ 2.08 cents EPS, or 6%."

"Foraco's excellent reputation, strong financial performances and impressive diversified asset base have convinced Servitec's shareholders that joining the Foraco group is the best solution to maximize shareholder value in the future," commented Walid Khaoule, Co-Managing director of Servitec.

"We are excited about this unique opportunity to further expand Servitec beyond our current scope of services, and we are looking forward to exploiting new market opportunities and bringing our business up to a new level in Brazil," commented Servitec Co-Managing Director, Fernando Paiva.

Subsequent to this acquisition, FORACO will have a total of 278 rigs.

About Foraco

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 the third largest global drilling enterprise with operations in 22 countries across five continents. For more information about Foraco, visit 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). 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.