NEWS RELEASE

Foraco International Reports Q1 2025 Results

Toronto, Ontario/Lunel, France – April 30, 2025 - Foraco International SA (TSX: FAR) ("Foraco" or the "Company"), a leading global provider of drilling services, is pleased to announce its results for the first quarter ended March 31, 2025. All amounts are denominated in US Dollars (US$) unless otherwise stated.

Q1 2025 Financial Highlights:

Revenue

Revenue for the first quarter of 2025 totaled US$55.0 million, compared to US$77.1 million in Q1 2024. As anticipated, the Asia Pacific region delivered an excellent performance, driven by strong operational execution and the deployment of proprietary rigs while revenue in other regions was adversely impacted by several factors, including the phasing of contracts with major clients (US$11.6 million), and the Company's strategic exit from unstable jurisdictions (US$4.8 million) In addition, unfavorable foreign exchange variations affected the revenue by US$4.0 million.

Profitability

Profitability declined primarily due to client driven delays in launching contract awards, the ramp-up of new contracts typically associated with lower margins, and the relative weight of fixed operational costs amid reduced revenue volumes.

- EBITDA was US$7.0 million (12.8% of revenue), compared to US$15.1 million (19.6%) in Q1 2024 excluding the proceeds from the sale of the Russian joint venture),
- Net profit totaled US$1.0 million (2% of revenue), versus US$6.4 million (8%) in Q1 2024 excluding the proceed from the sale of the Russian joint venture,
- Net debt stood at US$69.5 million as of March 31, 2025, compared to US$60.9 million at year-end 2024.

Tim Bremner, CEO of Foraco, commented:

"As expected, the first quarter of 2025 was marked by client-initiated delays in contract awards and the ramp-up of new contracts. Against this backdrop, the current quarter is not an indication of the full year trend. We are pleased to highlight that our Asia Pacific operations delivered an excellent performance, generating US$20.4 million in revenue — a 39% year-over-year increase — underpinned by strong execution and the deployment of proprietary rigs, which we plan to increase in the near future. Our Water division delivered strong performance, posting a 40% revenue increase. We are therefore confident in the validity of our strategy focused on stable jurisdictions, servicing top-tier clients and adapting to market evolution."

Fabien Sevestre, CFO of Foraco, added:

"In Q1 2025, we maintained financial discipline amidst a challenging environment. Our EBITDA margin stood at 12.8% mainly due to the ramp up of new contracts typically associated with lower margins and the relative weight of fixed operational costs. We successfully reduced SG&A expenses in absolute terms, keeping them stable at 8% of revenue. Capital Expenditures were limited to US$3.3 million in Q1 2025, primarily allocated to new proprietary rigs. As a result, our free Cash Flow before debt servicing was reduced to US$5.9 million, compared to US$17.2 million in Q1 2024. Our Net Debt improved at US$69.5 million as of March 31, 2025 compared to US$ 85.0 million last year. Going forward, we will continue to closely monitor our financial position and to take proactive measures to adapt our cost structure to market conditions".

Income Statement

(In thousands of US$) *(unaudited)*	Three-month period ended March 31, 2025	2024
Revenue	**55,010**	**77,089**
Gross profit (1)	**7,729**	**16,812**
As a percentage of sales	*14.1%*	*21.8%*
EBITDA	**7,027**	**17,574**
As a percentage of sales	*12.8%*	*22.8%*
Operating profit	**2,894**	**12,624**
As a percentage of sales	*5.3%*	*16.4%*
Net profit for the period	**1,027**	**8,464**
Attributable to:		
Equity holders of the Company	1,544	8,846
Non-controlling interests	(517)	(382)
EPS (in US cents)		
Basic	1.57	8.96
Diluted	1.54	8.78

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

Highlights – Q1 2025

Revenue

- Revenue for Q1 2025 totaled US$55.0 million, compared to US$77.1 million in Q1 2024. As expected, the Asia Pacific region delivered an excellent performance, while revenue in other regions was impacted by the phasing of contracts by some major clients (US$11.6 million) and the Company's strategic exit from unstable jurisdictions (US$4.8 million). In addition, unfavorable foreign exchange variation affected revenue by US$4.0 million.

- Mining activity was the most affected by the factors described above while Water activity increased by 40% to reach a record revenue for a first quarter at US$11.3 million.

Profitability

- Gross margin for Q1 2025, including depreciation within cost of sales, was US$7.7 million (14.1% of revenue), compared to US$16.8 million (21.8% of revenue) in Q1 2024. The decline in gross margin was primarily driven by the phasing and the ramp-up of new contracts (typically associated with lower margins) and the relative weight of fixed operational costs due to lower revenue levels.

- During the quarter, EBITDA amounted to US$7.0 million (or 12.8% of revenue) compared to US$17.6 million (or 22.8% of revenue) in the previous year.

- Net profit for the quarter amounted to US$1.0 million (2% of the revenue) compared to US$8.5 million (11% of revenue) in Q1 2024.

Net debt

- As of December 31, 2024, the net debt, including the impact of IFRS 16, stood at US$ 69.5 million, compared to US$85.0 million as of March 31, 2024.

Financial results

Revenue

(In thousands of US$) - *(unaudited)*	Q1 2025	% change	Q1 2024
Reporting segment			
Mining	43,738	-37%	69,046
Water	11,272	40%	8,043
Total revenue	**55,010**	**-29%**	***77,089***
Geographic region			
Asia Pacific	20,393	39%	14,671
North America	18,099	-33%	27,033
South America	10,118	-60%	25,575
Europe, Middle East and Africa	6,400	-35%	9,820
Total revenue	**55,010**	**-29%**	***77,089***

Q1 2025

Revenue for Q1 2025 totaled US$55.0 million, compared to US$77.1 million in Q1 2024. The Asia Pacific region delivered an excellent performance, while revenue in other regions was impacted by (i) the phasing of contracts with major clients (US$11.6 million), (ii) the Company's strategic exit from unstable jurisdictions (US$4.8 million), and (iii) unfavorable foreign exchange effects (US$4.0 million).

Activity in North America declined by 33% to US$18.1 million in Q1 2025, compared to US$27.0 million in Q1 2024. The decrease was primarily due to delays initiated by clients in launching contract awards and the starting up some contracts.

Asia Pacific marked an excellent quarter at US$20.4 million, a 39% increase compared to Q1 2024. This growth is primarily attributable to successful operations and commissioning of new proprietary rigs, notably enhancing the Water related services valued by clients.

Revenue in South America was US$10.1 million, down from US$25.6 million last year. In Chile and Argentina, the Company started new long-term contracts during this quarter including the mobilization and learning curve phases which impacts revenue and margins. In Brazil, the Company was impacted by disruption in the usual mobilization process due to client-driven delays.

In the EMEA region, revenue was US$6.4 million in Q1 2025, compared to US$9.8 million in Q1 2024. This decrease was primarily due to the Company's exit from the CIS region. Excluding the CIS region, revenue in Africa and Europe grew by 28%, supported by the start of contracts that are significant for the region.

Overall, rig utilization rate in Q1 2025 was 30% compared to 42% in Q1 2024.

Gross profit

(In thousands of US$) - *(unaudited)*	Q1 2025	% change	Q1 2024
Reporting segment			
Mining	4,040	-74%	15,446
Water	3,689	170%	1,366
Total gross profit	**7,729**	**-54%**	***16,812***

Q1 2025

The Q1 2025 gross margin, including depreciation within cost of sales, was US$7.7 million (or 14.1% of revenue) compared to US$16.8 million (or 21.8% of revenue) in Q1 2024. The decline in gross margin in the mining segment was primarily driven by the phasing and the ramp-up of new contracts (typically associated with lower margins) and the relative weight of fixed operational costs due to lower revenue levels. The gross profit in the water segment increased by 2.7 times compared to last year, driven by the deployment of new proprietary rigs in long-term contracts.

Selling, General and Administrative Expenses

(In thousands of US$) - *(unaudited)*	Q1 2025	% change	Q1 2024
Selling, general and administrative expenses	4,835	-23%	6,299

Q1 2025

SG&A decreased 23% compared to the same quarter last year. As a percentage of revenue, SG&A remained stable at approximately 8.5% of revenue.

Operating result

(In thousands of US$) - *(unaudited)*	Q1 2025	% change	Q1 2024
Reporting segment			
Mining	195	-98%	11,915
Water	2,699	281%	709
Total operating profit	**2,894**	**-77%**	**12,624**

Q1 2025

The operating profit was US$2.9 million compared to US$12.6 million in the same quarter last year.

Financial position

The following table provides a summary of the Company's cash flows for Q1 2025 and Q1 2024:

(In thousands of US$)	Q1 2025	Q1 2024
Cash generated by operations before working capital requirements	**7,027**	**17,574**
Working capital requirements	(7,829)	(26,716)
Income tax paid	(1,960)	(1,904)
Purchase of equipment in cash	(3,296)	(6,198)
Free Cash Flow before debt servicing	**(6,058)**	**(17,244)**
Proceeds from / (repayment of) debt	4,390	6,400
Interests paid	(990)	(1,710)
Acquisition of treasury shares	(396)	(269)
Deconsolidation of EDC Russia	-	(2,076)
Dividends paid to non-controlling interests	-	(330)
Net cash generated / (used in) financing activities	**3,004**	**2,015**
Net cash variation	**(3,054)**	**(15,229)**
Foreign exchange differences	527	(728)
Variation in cash and cash equivalents	**(2,528)**	**(15,958)**
Cash and cash equivalents at the end of the period	**21,835**	**18,331**

In Q1 2025, the cash generated from operations before working capital requirements amounted to US$7.0 million compared to US$17.6 million in Q1 2024.

During the same period, working capital requirements were US$7.6 million, a decrease compared to the same period last year, primarily driven by tightened control on working capital management and the reduction in activity.

During the period, Capex totaled US$3.3 million in cash compared to US$6.2 million in Q1 2024. Capex primarily relates to new proprietary rigs, and the acquisition of ancillary equipment and rods.

Strategy

The Company's strategy is to assist its customers in exploring or managing their deposits throughout the entire cycle, with a special focus on the life of mine activity. The Company intends to continue developing and growing its services across the world with a focus on stable jurisdictions, high tech drilling services, optimal commodities mix including battery metals and gold - with a significant presence in water related drilling services - and a gradual implementation of remote-controlled rigs and other advanced digital applications. The Company expects to execute its strategy primarily through organic growth and targeted acquisitions.

The Company addressed the environmental, social and governance (ESG) requirements, and implemented a pragmatic and measurable approach to ESG with quantitative KPIs to maximize improvement and efficiencies.

Currency exchange rates.

The exchange rates for the periods under review are provided in the Management's Discussion and Analysis of Q4 2024.

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 the EBITDA is as follows:

(In thousands of US$) *(unaudited)*	Q1 2025	Q1 2024
Operating profit / (loss)	2,894	12,624
Depreciation expense	3,983	4,847
Non-cash employee share-based compensation	150	102
EBITDA	***7,027***	***17,574***

Conference call and webcast

On April 30, 2025, Company Management will conduct a conference call at 10:00 am Eastern Time to review the financial results. The call will be hosted by Tim Bremner, CEO, and Fabien Sevestre, CFO.

You can join the call by dialing 1-888-699-1199 or 1-416-945-7677. You will be put on hold until the conference call begins. A live audio webcast of the Conference Call will also be available

https://app.webinar.net/XlKOq7Oq0ej

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

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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 March 2, 2025, 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.