

- Transaction will strengthen South American business platform -

VAL-D'OR, QC, Dec. 30, 2015 /CNW/ - [Orbit Garant Drilling Inc.](#) (TSX: OGD) ("Orbit Garant" or the "Company") today announced that it has acquired 100% of Santiago, Chile-based Captagua Ingeniería S.A. ("Captagua") from NALAC S.A. and Inmobiliaria y Constructora Lo Barnechea S.A. The initial purchase price of the shares of \$1.077 billion Chilean Pesos ("CLP") (approximately CAD\$2.1 million) was satisfied by the issuance of 1,824,900 common shares of Orbit Garant. The transaction also includes the assumption of Captagua's pro forma net debt of approximately CLP\$1.094 billion (approximately CAD\$2.2 million) as at November 30, 2015. Orbit Garant has also agreed that the initial purchase price of the shares will be adjusted by an amount equivalent to any cash received by Captagua, after closing, from specific tax return claims aggregating a total amount of approximately CLP\$330 million (approximately CAD\$0.65 million).

"The acquisition of Captagua significantly enhances our presence in Chile, a major mining jurisdiction, and strengthens our platform for future growth in Chile and throughout South America," said Eric Alexandre, President and CEO of Orbit Garant. "Through this transaction and its integration with our recently established operating subsidiary in Chile, we are creating a strong strategic hub for Orbit Garant in South America. Captagua has 17 drill rigs, more than 50 years of operating history, an experienced management team, highly skilled personnel and a strong reputation in the Chilean market. By harnessing our combined strengths in surface drilling and adding Orbit Garant's underground drilling expertise and our computerized monitoring and control technology, along with Captagua's water drilling capabilities, we are creating a strong, comprehensive drilling services offering for the Chilean and South American markets."

Captagua provides surface drilling services (diamond drilling and reverse circulation), to the Chilean mineral exploration and mining industry. Captagua also has extensive water drilling capabilities, including specialized piping and supply equipment for pumping, operating and maintenance of water wells. Captagua has worked with many leading international mining enterprises over its history. Captagua has approximately 180 employees and has generated annual revenues in the range of CLP\$9 billion to CLP\$13 billion (approximately CAD\$17 million to CAD\$25 million) over the last three years. As at November 30, 2015, Captagua had total assets in excess of CLP\$7.9 billion (approximately CAD\$16 million) and a book equity in excess of CLP\$3.8 billion (approximately CAD\$7.6 million) on its pro forma balance sheet. Upon closing, Orbit Garant will move its current base of operations and staff in Chile progressively into Captagua's headquarters in Santiago. Captagua's senior management team and employees will remain in place to ensure continuity of operations and the preservation of important customer relationships.

"We look forward to joining forces with Orbit Garant," said Ivan Luksic, Chief Executive Officer of Captagua. "Orbit Garant is recognized as one of Canada's leading mineral drilling companies and we welcome this opportunity to create a stronger South American drilling organization with a comprehensive service offering for both surface and underground drilling projects, as well as advanced geotechnical and water drilling capabilities. Our companies share a similar culture, which reflects a focus on the highest standards of health and safety, continuous innovation and exceptional service quality to customers and building long-term industry relationships."

About Orbit Garant

Headquartered in Val-d'Or, Quebec, Orbit Garant is one of the largest Canadian-based mineral drilling companies, providing both underground and surface drilling services in Canada and internationally through its 226 drill rigs and approximately 800 employees. Orbit Garant provides services to major, intermediate and junior mining companies, through each stage of mining exploration, development and production. The Company also provides geotechnical drilling services to mining or mineral exploration companies, engineering and environmental consultant firms, and government agencies. For more information, please visit the Company's website at www.orbitgarant.com.

Forward-looking information

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to business of [Orbit Garant Drilling Inc.](#) (the "Company") and the environment in which it operates. Forward-looking statements are identified by words such as "believe", "anticipate", "expect", "intend", "plan", "will", "may" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. These risks and uncertainties are discussed in the Company's regulatory filings available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances.

SOURCE [Orbit Garant Drilling Inc.](#)

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