Orbit Garant Generates Highest Net Earnings In More Than Ten Years In Fiscal 2025

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Orbit Garant Drilling Inc. (TSX: OGD) ("Orbit Garant" or the "Company") today announced its financial results for the thr period ("Q4 2025") and fiscal year ended June 30, 2025. All dollar amounts are in Canadian dollars unless otherwise st

Financial Highlights

($ amounts in millions,	Three months ended June 30, 2025	Three months ended June 30, 2024 [2]	Year ended	Year ended
except per share amounts)			June 30, 2025	June 30, 2024 [2]
Revenue	47.2	45.3	189.1	181.2
Gross Profit	7.6	7.5	28.3	21.2
Gross Margin (%)	16.0	16.6	15.0	11.7
Adjusted Gross Margin (%)[1]	20.2	17.8	19.5	15.9
Adjusted EBITDA[1]	5.5	6.7	21.7	14.7
Net earnings (loss)	2.2	(2.3)	7.5	(2.4)
Net earnings (loss) per share				
- basic and diluted ($)	0.06	(0.06)	0.20	(0.06)

(1) This is a non-IFRS measure and is not a standardized financial measure. The Company's method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, the definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to "Reconciliation of Non-IFRS financial measures" on page 4 of this news release for more information about each non-IFRS measure and for the reconciliations to the most directly comparable IFRS financial measures.

(2) As adjusted. See note 2 to the audited consolidated financial statements

"Staying the course with our strategic plan, we generated strong year-over-year growth in earnings for the year, driven improved profitability of our operations in both Canada and South America," said Daniel Maheu, President and CEO of Garant. "Our positive results are attributable to our focus on senior and well-financed intermediate customers in Canad America, our disciplined approach in our business strategy, and continued execution of our operational improvement pr supported by strong customer demand. Our strong growth in cash flow from operations provided us with the flexibility to significantly reduce our Credit Facility debt during the year and buy back shares through our normal course issuer bid. capital allocation activities will help drive further value creation for shareholders."

"The price of gold is currently at historically high levels, and the price of copper also remains strong, which provides a s incentive for our customers to continue to invest in mine exploration and development activities. Looking ahead, we inte staying disciplined in our business strategy, keep delivering on our operational improvement program, continuing to pay to strengthen our balance sheet and remain focused on our core regions, Canada and South America. We still have sig operational capacity to service new drilling contracts in Canada and a potential to expand our regional presence with m mobilization costs."

Fourth Quarter Results

Revenue for Q4 2025 totalled $47.2 million, an increase of 3.9% compared to $45.3 million for the three-month period ended June 30, 2024 ("Q4 2024"). Canada revenue totalled $33.8 million in Q4 2025, an increase of 2.7% compared to $32.8 million in Q4 2024, reflecting higher revenue per metre drilled. International revenue totalled $13.4 million in Q4 2025, an increase of 7.0% compared to $12.5 million in Q4 2024, reflecting increased drilling activity in South America.

Gross profit for Q4 2025 was $7.6 million, or 16.0% of revenue, compared to $7.5 million, or 16.6% of revenue, in Q4 2 Adjusted gross margin[1], excluding depreciation expenses and a gain on disposal of property, plant and equipment, was Q4 2025, compared to 17.8% in Q4 2024. The increases in gross profit and adjusted gross margin[1] were primarily attri higher revenue per metre drilled in Canada, increased drilling activity in South America and the cessation of drilling acti West Africa during Q2 2024, which were unprofitable.

General and Administrative expenses were $4.2 million, or 9.0% of revenue, in Q4 2025, compared to $4.3 million, or 9 revenue, in Q4 2024.

Adjusted EBITDA[1] totalled $5.5 million in Q4 2025 compared to $6.7 million in Q4 2024. The decrease was primarily at an unfavourable foreign exchange variance and start-up costs for a new project in South America, partially offset by inc operating earnings in Canada.

Net earnings for Q4 2025 were $2.2 million, or $0.06 per share (diluted), compared to a net loss of $2.3 million, or $0.0 (diluted), in Q4 2024. The Company's net earnings in Q4 2025 were primarily attributable to the effect of the substantia modification of a receivable and expected credit loss and the foreign currency translation loss on disposal of subsidiarie 2024 related to the Company's exit from West Africa, partially offset by a slight reduction in consolidated operating earn reduced income tax recovery and an unfavourable foreign exchange movement in Q4 2025 compared to Q4 2024.

Fiscal 2025 Results

Revenue in Fiscal 2025 totalled $189.1 million, an increase of 4.3% compared to $181.2 million for the year ended Jun ("Fiscal 2024"). Canada revenue totalled $136.1 million for Fiscal 2025, an increase of 2.6% from $132.6 million in Fisc reflecting higher revenue per metre drilled. International revenue for Fiscal 2025 increased by 9.0% to $53.0 million co $48.6 million in Fiscal 2024, reflecting increased drilling activity in South America.

Gross profit for Fiscal 2025 was $28.3 million, or 15.0% of revenue, compared to $21.2 million, or 11.7% of revenue, in 2024. Adjusted gross margin[1], excluding depreciation expenses and a gain on disposal of property, plant and equipme 19.5% in Fiscal 2025, compared to adjusted gross margin[1], excluding depreciation expenses and a gain on disposal of plant and equipment, of 15.9% in Fiscal 2024. The increases in gross profit and adjusted gross margin[1] were primarily a to higher revenue per metre drilled in Canada, increased drilling activity in South America and the cessation of drilling a West Africa during Q2 2024, which were unprofitable.

General and Administrative expenses were $16.7 million, or 8.8% of revenue, in Fiscal 2025, compared to $16.4 millio revenue, in Fiscal 2024. The increase in Fiscal 2025 reflects annual inflationary wage adjustments and increased mark promotional activities.

Adjusted EBITDA[1] totalled $21.7 million in Fiscal 2025 compared to $14.7 million in Fiscal 2024. The increase reflects h operating earnings in both Canada and South America, and a favourable foreign exchange gain.

Net earnings for Fiscal 2025 were $7.5 million, or $0.20 per share (diluted), compared to a net loss of $2.4 million, or $ share (diluted), in Fiscal 2024. The Company's net earnings in Fiscal 2025 were primarily attributable to increased ope earnings in both Canada and South America, the effect of a substantial modification of a receivable and expected credi the foreign currency translation loss on disposal of subsidiaries in Q4 2024, interest revenue, and a favourable foreign gain, partially offset by increased income tax expense.

Liquidity and Capital Resources

The Company repaid a net amount of $7.5 million on its Credit Facility in Fiscal 2025, compared to a repayment of $0.7 Fiscal 2024. The Company's long-term debt under the Credit Facility, including an undrawn US$5.0 million revolving cr and the current portion, was $14.0 million as at June 30, 2025, compared to $21.5 million as at June 30, 2024.

On October 28, 2024, the Company announced that the Toronto Stock Exchange ("TSX") accepted its notice of intentio normal course issuer bid (the "NCIB Program") to purchase outstanding common shares of Orbit Garant on the open m accordance with the rules of the TSX. Pursuant to the NCIB Program, Orbit Garant may purchase, from time to time, in up to 1,868,637 common shares over a 12-month period commencing on October 31, 2024, and terminating on Octobe During Fiscal 2025, the Company repurchased and cancelled 68,916 of its common shares at a weighted average price per share pursuant to its NCIB Program. As at June 30, 2025, Orbit Garant had 37,579,840 common shares issued and outstanding.

As at June 30, 2025, the Company's working capital totalled $50.4 million, compared to $48.6 million as at June 30, 202 Garant's working capital requirements are primarily related to the funding of inventory and the financing of accounts rec

Orbit Garant's audited consolidated financial statements and management's discussion and analysis for Fiscal 2025 are via the Company's website at www.orbitgarant.com or SEDAR+ at www.sedarplus.ca.

Conference Call

Daniel Maheu, President and CEO, and Pier-Luc Laplante, CFO, will host a conference call for analysts and investors o Thursday, September 25, 2025 at 10:00 a.m. (ET). To join the conference call without operator assistance, you can reg enter your phone number at https://registrations.events/easyconnect/4002554/recfrphaYBpb6dFW4/ to receive an insta automated call back. Alternatively, you can dial 647-932-3411 or 1-800-715-9871 to reach a live operator that will join y call.

A live webcast of the call will be available on Orbit Garant's website at: http://www.orbitgarant.com/en/events. The webc archived following conclusion of the call. To access a replay of the conference call dial 647-362-9199 or 1-800-770-203 passcode: 4002554 #. The replay will be available until October 2, 2025.

RECONCILIATION OF NON - IFRS FINANCIAL MEASURES

Financial data has been prepared in conformity with International Financial Reporting Standards ("IFRS"). However, ce measures used in this discussion and analysis do not have any standardized meaning under IFRS and could be calcula differently by other companies. The Company believes that certain non-IFRS financial measures, when presented in co with comparable IFRS financial measures, are useful to investors and other readers because the information is an appr measure to evaluate the Company's operating performance. Internally, the Company uses this non-IFRS financial infor an indicator of business performance. These measures are provided for information purposes, in addition to, and not as substitute for, measures of financial performance prepared in accordance with IFRS.

E BITDA, adjusted EBITDA and adjusted EBITDA margin:	EBITDA is defined as net earnings (loss) before interest, tax EBITDA is defined as EBITDA excluding the impact of (i) the receivable and expected credit loss, (ii) reclassification of cu interest revenue from the collection of the long-term receivab percentage of adjusted EBITDA to contract revenue.
Adjusted gross profit and adjusted gross margin:	Adjusted gross profit is defined as gross profit excluding dep the percentage of adjusted gross profit to contract revenue.

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

Management believes that EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are important measures when ana operating profitability, as they remove the impact of financing costs, certain non-cash items, income taxes and restructu As a result, Management considers these measures as useful and comparable benchmarks for evaluating the Compan performance, as companies rarely have the same capital and financing structure.

Reconciliation of EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

(unaudited)	Q4 2025	Q4 2024	Fiscal 2025	Fiscal 2024
(in millions of dollars)				
Net earnings (loss) for the period	2.2	(2.3)[(2)]	7.5	(2.4)[(2)]
Add:				
Finance costs	0.6	0.8	2.9	3.5
Income tax expense (recovery)	-	(1.2)	2.5	(3.7)
Depreciation and amortization	2.7	2.8	10.1	10.7
EBITDA	5.5	0.1[(2)]	23.0	8.1[(2)]
Effect of the substantial modification of a receivable and expected credit loss	-	5.2	-	5.2
Reclassification of cumulative translation differences	-	1.4[(2)]	-	1.4[(2)]
Interest revenue on long-term receivable	-	-	(1.3)	-
Adjusted EBITDA	5.5	6.7[(2)]	21.7	14.7[(2)]
Contract Revenue	47.2	45.3	189.1	181.2
Adjusted EBITDA margin (%) [(1)]	11.7	14.7[(2)]	11.5	8.1[(2)]

[(1)] Adjusted EBITDA, divided by contract revenue X 100

[(2)] As adjusted. See note 2 to the audited consolidated financial statements.

Adjusted Gross Profit and Adjusted Gross Margin

Although adjusted gross profit and adjusted gross margin are not recognized financial measures defined by IFRS, Management considers them to be important measures as they represent the Company's core profitability, without the impact of depreciation expense. As a result, Management believes they provide a useful and comparable benchmark for evaluating the Company's performance.

Reconciliation of Adjusted Gross Profit and Adjusted Gross Margin

(in millions of dollars)	Q4 2025	Q4 2024	Fiscal 2025	Fiscal 2024
Contract revenue	47.2	45.3	189.1	181.2
Cost of contract revenue (including depreciation)	39.6	37.8	160.8	160.1
Less depreciation	(2.3)	(2.6)	(9.1)	(9.9)
Add gain on disposal of property, plant and equipment	0.4	2.0	0.5	2.2
Direct costs	37.7	37.2	152.2	152.4
Adjusted gross profit	9.5	8.1	36.9	28.8
Adjusted gross margin (%) [(1)]	20.2	17.8	19.5	15.9

[(1)] Adjusted gross profit, divided by contract revenue X 100

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 186 drill rigs and approximately 1,100 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. Risks and uncertainties that could cause actual results, performance or achievements to differ materially include the world economic climate as it relates to the mining industry; the Canadian economic environment; the Company's ability to attract and retain customers and to manage its assets and operating costs; the political situation in certain jurisdictions in which the Company operates and the operating environment in the jurisdictions in which the Company operates, as well as the risks and uncertainties are discussed in the Company's regulatory filings available at www.sedarplus.ca . 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 except as required by applicable securities laws.

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