ORBIT GARANT DRILLING INC. REPORTS FISCAL 2012 FIRST QUARTER FINANCIAL RESULTS

- Revenue increased 35.4% to $37.1 million from $27.4 million in Q1 FY2011
- Adjusted gross margin (excluding amortization expense) improved to 29.5% from 26.1% in Q1 FY2011
- EBITDA increased 58.5% to $8.3 million, compared to $5.2 million in Q1 last year
- Earnings per share increased to $0.11, up from $0.07 in Q1 FY2011
- Completed 367,247 meters of drilling, up from 320,959 meters in Q1 last year
- Expanded fleet to 187 drill rigs

Val-d'Or, Quebec, Dec. 12, 2011 – Orbit Garant Drilling Inc. (TSX: OGD) ("Orbit Garant" or the "Company") today announced its financial results for the three-month period ended September 30, 2011. Orbit Garant's fiscal 2012 first quarter ("Q1 FY2012") financial results reflect the Company's transition from Canadian Generally Accepted Accounting Principles (Canadian "GAAP") to International Financial Reporting Standards ("IFRS"), effective July 1, 2011. The Company's fiscal 2011 first quarter ("Q1 FY2011") financial results have been restated accordingly. All dollar amounts are in Canadian currency unless otherwise stated. Percentage calculations are based on numbers in the financial statements and may not correspond to rounded figures presented in this news release.

Highlights

($ amounts in millions, except earnings per share)	**3 months ended Sept. 30, 2011**	**3 months ended Sept. 30, 2010**
Revenue	**$37.1**	$27.4
Gross Profit[1]	**$8.9**	$5.6
Gross Margin (%)[1]	**24.0**	20.5
Adjusted Gross Margin (%)[1]	**29.5**	26.1
EBITDA	**$8.3**	$5.2
Net Earnings	**$3.7**	$2.2
Net earnings per common share		
- Basic	**$0.11**	$0.07
- Diluted	**$0.11**	$0.07
Total Meters Drilled	**367,247**	320,959

[1] In accordance with IFRS, reported gross profit and margin include certain amortization expenses. For comparative purposes, adjusted gross margin is also shown excluding these amortization expenses.

"We are pleased to report continued revenue growth and improved profitability in the first quarter of fiscal 2012. As expected, our gross margin increased from the first quarter a year ago and was in-line with our gross margin in the fourth quarter of fiscal 2011. We expect margin improvement in the second half of fiscal 2012 as our productivity rates improve and new or renewed contracts reflect higher pricing. With approximately 70% of our capacity already booked for fiscal 2012, demand for our services remains strong," said Eric Alexandre, President and CEO. "We plan to add a total of 18 drills to our fleet in fiscal 2012, and look forward to advancing the implementation of our computerized monitoring and control technologies."

“The substantial investments we made to enhance our growth capacity in fiscal 2011, including new personnel, the establishment of our new branch office in Sudbury, Ontario and the consolidation of our Val-d’Or operations in a new facility, have positioned us well to exploit market opportunities going forward,” continued Mr. Alexandre. “We remain focused on further strengthening our customer relationships and on acquisition opportunities in strategic regions that can build value for our stakeholders.”

Orbit Garant added eight drill rigs to its fleet in the first quarter of fiscal 2012, and disposed of one drill, bringing its fleet count to 187 drills at quarter end. The Company’s fleet drilled a total of 367,247 meters in Q1 FY2012, compared to 320,959 meters in Q1 FY2011. The average revenue per meter drilled increased to $99.52 in Q1 FY2012, up from $84.81 in Q1 FY2011.

The Company’s fiscal 2012 first quarter revenue increased 35.4% to $37.1 million from $27.4 million in the first quarter a year ago. Increased revenue is attributable to the addition of new drilling contracts, increased meters drilled and higher revenue per meter drilled.

Domestic surface drilling revenue increased 45.5% to $21.2 million in Q1 FY2012 from $14.5 million in Q1 FY2011, mostly as a result of the Company’s new Ontario operations. Underground drilling contract revenue decreased 10.1% to $9.2 million in Q1 FY2012, compared to $10.2 million in the comparable period a year ago, reflecting the nature of current contracts. International drilling revenue increased to $6.2 million in Q1 FY2012 from $2.5 million in the first quarter a year ago, primarily as a result of new international contracts initiated in fiscal 2011 and price increases.

The Manufacturing division (Soudure Royale) generated revenue of $0.5 million in Q1 FY2012, compared to $0.2 million in the comparable period last year. Soudure Royale manufactured drills, equipment, and performed maintenance services for the Company during the first quarter of 2012.

Gross profit for the first quarter of fiscal 2012 increased 59.1% to $8.9 million from $5.6 million in Q1 FY2011. Gross margin for Q1 FY2012 increased to 24.0% from 20.5% in the first quarter a year ago. In accordance with IFRS, amortization expenses totalling $2.0 million are included in cost of contract revenue. Adjusted gross margin, excluding amortization expenses, increased to 29.5% in Q1 FY2012 compared to 26.1% in Q1 FY2011. Increased gross profit resulted primarily from higher pricing and increased meters drilled in the quarter. Increased gross margin resulted primarily from higher pricing and increased activity in international drilling.

General and administrative (G&A) expenses increased to $3.6 million (9.6% of revenue) in Q1 FY2012 from $2.4 million (8.8% of revenue) in Q1 FY2011. Higher G&A expenses in Q1 FY2012 resulted primarily from increased personnel, the Company’s new branch office in Sudbury, Ontario and its new, larger head office and base of operations in Val-d‘Or, Quebec. In accordance with IFRS, amortization expenses of $0.2 million related to the Company’s head office, and $0.6 million related to intangible assets, are included in G&A expenses. G&A expenses, excluding amortization expenses, totalled $2.7 million (7.4% of revenue) in Q1 FY2012, compared to $2.0 million (7.2% of revenue) in Q1 FY2011.

Earnings before interest, taxes, depreciation, and amortization (“EBITDA”) [2] for Q1 FY2012 increased 58.5% to $8.3 million, compared to EBITDA of $5.2 million in Q1 FY2011. EBITDA margin in Q1 FY2012 was 22.4% compared to 19.1% in the corresponding period in 2011.

Net earnings for Q1 FY2012 totaled $3.7 million, or $0.11 per common share ($0.11 per share diluted), compared to net earnings of $2.2 million, or $0.07 per common share ($0.07 per share diluted), in Q1 FY2011.

As at September 30, 2011, the Company had working capital of $56.0 million and 33,059,937 common shares issued and outstanding.

Conference call

Eric Alexandre, President and CEO, and Alain Laplante, Vice President and CFO, will host a conference call for analysts and investors on Monday, December 12, 2011 at 10:00 a.m. (ET). The dial-in numbers for the conference call are 888-231-8191 or 647-427-7450. A live audio feed of the call will webcast at: http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=3766840

To access a replay of the conference call dial 1-855-859-2056 or 416-849-0833, passcode: 32430623. The replay will be available until Monday, December 19, 2011. The replay can also be accessed via the Internet at the above address.

About Orbit Garant

Orbit Garant is one of the largest Canadian-based drilling companies, providing both underground and surface drilling services in Canada and internationally through its 187 drills and more than 900 employees. Orbit Garant provides services to major, intermediate and junior mining companies, through each stage of mining exploration, development and production. For more information, please visit the Company's website at www.orbitgarant.com.

(2) Management believes that EBITDA is a useful supplemental measure of operating performance prior to debt service, capital expenditures and income taxes. However, EBITDA is not a recognized earnings measure under IFRS and does not have a standardized meaning prescribed by IFRS. Therefore, EBITDA may not be comparable to similar measures presented by other issuers. Investors are cautioned that EBITDA should not be construed as an alternative to net income or loss (which is determined in accordance with IFRS) as an indicator of the performance of the Company or as a measure of liquidity and cash flows. The Company's method of calculating EBITDA may differ materially from the methods used by other public companies and, accordingly, may not be comparable to similarly named measures used by other public companies.

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.

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