

November 8, 2012

McCOY CORPORATION ANNOUNCES RECORD THIRD QUARTER 2012 RESULTS

Edmonton, Alberta – **McCoy Corporation** (“McCoy” or “the Company”) (TSX:MCB), a supplier of innovative products and services for the global energy industry, today announced its operational and financial results for the third quarter of 2012.

“McCoy achieved record quarterly revenue and net earnings in the quarter, and in addition commercially launched the weCATT Torque Sub, the first in our new “we” product line,” said Jim Rakievich, President and CEO of McCoy. “Key elements of McCoy’s growth strategy include the acquisition of complementary businesses and increasing our global sales and service footprint. McCoy positioned itself to execute on this strategy by entering into credit facility agreements to support potential acquisitions, and appointing Mr. Kenny Watt to lead the development of McCoy’s global technical service and customer support team.”

McCoy also announced the next project in its “we” development pipeline, the weHOLD, a casing handling tool system with flush mount spider, conventional spider and elevator configurations.

Operational Highlights

- Achieved record overall quarterly revenue of \$48.4 million and a 54 per cent increase in revenue in the Energy Products and Services (EP&S) segment from the third quarter of 2011 as compared to the third quarter of 2012;
- Achieved record net earnings in the third quarter of 2012 of \$4.2 million, or \$0.16 per share, a 41% increase from the same period in 2011;
- Announced that it had entered into a credit agreement subsequent to September 30, 2012 with a syndicate of lenders for a CAD\$50 million committed senior secured revolving credit facility and an unsyndicated credit agreement for a CAD\$3 million committed senior Letter of Credit facility, to assist McCoy with achieving its 5 year growth strategy, amongst other things;
- Commercialized the weCATT Torque Sub, the first new product under the “we” product line, with very positive customer feedback;
- Announced the appointment of Mr. Kenny Watt as Vice-President, Global Services for the Drilling and Completions division on October 11, 2012. Based in Aberdeen, Scotland, Mr. Watt will develop McCoy’s global technical service and customer support team through various strategic locations worldwide;
- Announced the departure of Chief Financial Officer Milica Stolic on October 11, 2012. Ms. Stolic’s departure will be effective December 31, 2012, with the immediate initiation of a search for Ms. Stolic’s replacement;
- Transitioned the Precision Die Technologies business unit onto the new Enterprise Resource Planning (ERP) system, which will assist with the integration of the Drilling and Completions segment’s operations; and
- Continued the development of its Drilling and Completions head office in Houston, Texas by securing new office space and hiring several key management personnel.

Financial Highlights

Record revenue for the three months ended September 30, 2012 was \$48.4 million, an increase of \$10.6 million, or 28%, from the comparative period in 2011. Increased Energy Products and Services (EP&S) manufacturing throughput contributed to the significant revenue growth in the third quarter.

Gross profit for the three months ended September 30, 2012 was \$14.2 million, which was an increase of \$3.4 million, or 32%, from the comparative quarter. The increase in gross profit is a result of both increased EP&S revenue and gross margin percentages. Mobile Solutions continues to experience a decline in profitability from lower market fundamentals, including a shift towards lower margin products.

Net earnings for the quarter were \$4.2 million (\$0.16 per share), a 41% increase when compared to the third quarter of 2011.

EBITDAS¹ for the third quarter of 2012 increased \$1.5 million, or 26%, to \$7.5 million from \$5.9 million in the same quarter of 2011.

In both periods, strong results in the EP&S segment were offset by declining profitability in the Mobile Solutions segment and an increase in corporate costs. McCoy continues to invest in strategic hires, infrastructure and new product development to support its long-term growth initiatives. The most significant of these investments are being made in the Drilling and Completions division and at Corporate. These investments are driving higher general and administrative expenses as well as sales and marketing expenses and will continue to do so for the near term. Once a global management team and international infrastructure are put into place, McCoy anticipates these costs will stabilize and, as a percentage of revenue, decline to more historic levels.

As at September 30, 2012, McCoy had working capital of \$43 million, including \$15.5 million in cash and cash equivalents.

Selected Quarterly Information

(\$000 except per share amounts and percentages)	Sept 30, 2012	Sept 30, 2011	% Change
Total revenue	48,410	37,815	28
Gross profit	14,184	10,742	32
Energy Products and Services	12,723	7,813	63
Mobile Solutions	1,461	2,929	(50)
Gross profit as % of revenue	29%	28%	4
Energy Products and Services	38%	36%	6
Mobile Solutions	10%	18%	(44)
Net earnings	4,236	3,010	41
Net earnings per share – basic and diluted	0.16	0.11	45
EBITDAS ¹	7,451	5,905	26
EBITDAS ¹ per share – basic and diluted	0.28	0.22	27
Total assets	113,531	101,849	11
Non-current liabilities	6,640	8,116	(18)
Total liabilities	38,583	34,376	12

¹EBITDAS and net cash are non-GAAP measurements. EBITDAS is defined as "earnings from continuing operations before impairment losses, interest, taxes, amortization and share-based compensation." EBITDAS is not considered an alternative to net earnings in measuring McCoy's performance. Net cash is defined as "cash on hand less the sum of current portion of borrowings, current portion of finance lease liabilities, borrowings and finance lease liabilities." EBITDAS and net cash do not have a standardized meaning and are therefore not likely to be comparable with similar measures used by other issuers. However, McCoy calculates EBITDAS and net cash consistently from period to period.

Conference Call Information

McCoy will host a conference call and webcast at 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on November 8, 2012. Management participants will include Jim Rakievich, President and CEO; Milica Stolic, Chief Financial Officer & Corporate Secretary; and James Nowotny, Senior Vice President Drilling & Completions.

Participants calling from Canada or the United States should call toll-free at: 1-866-253-4938. Callers from other locations may call in at: 1-416-849-6209. A live audio webcast of the conference call will be available at the following link: http://www.snwebcastcenter.com/event/?event_id=3092.

The conference call will be archived for replay until Thursday, November 15, 2012 at midnight. To access the archived conference call, dial 1-866-245-6755 or 1-416-915-1035 and enter the replay passcode 78499. The transcript of the conference call will be archived on the conference calls page of McCoy's website.

About McCoy

McCoy provides innovative products and services to the global energy industry. McCoy's two segments, Energy Products & Services and Mobile Solutions, operate internationally through direct sales and distributors with its operations based out of Western Canada and the U.S. Gulf Coast. McCoy's corporate office is located in Edmonton, Alberta, Canada with offices in Alberta, British Columbia, Louisiana, and Texas.

Forward-Looking Information

This News Release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this News Release contains forward-looking statements and information concerning McCoy's future financial performance. The forward-looking statements and information are based on certain key expectations and assumptions made by McCoy, including expectations and assumptions concerning fluctuations in the level of oil and gas industry capital expenditures, McCoy's ability to integrate acquired businesses and complete strategic acquisitions of additional businesses and other factors that affect demand for McCoy's products. Although McCoy believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because McCoy can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause McCoy's actual results and experience to differ materially from the anticipated results or expectations expressed. These risks and uncertainties, include, but are not limited to, fluctuations in oil and gas prices, fluctuations in the level of oil and gas industry capital expenditures and other factors that affect demand for McCoy's products, industry competition, the need to effectively integrate acquired businesses, uncertainties as to McCoy's ability to implement its business strategy effectively in Canada and the United States, labour, equipment and material costs, access to capital markets, interest and McCoy's ability to attract and retain key personnel. Additional information on these and other factors is available in continuous disclosure materials filed by McCoy with Canadian securities regulators. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed in this News Release or otherwise, and to not use future-oriented information or financial outlooks for anything other than their intended purpose. McCoy undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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