



February 10, 2014

McCOY CORPORATION PROVIDES OPERATIONAL UPDATE

Edmonton, Alberta– **McCoy Corporation** (“McCoy” or “the Corporation”) (TSX:MCB; OTCQX:MCCRF), today announced that based on a preliminary review of its fourth quarter operating results, it expects to report significantly lower earnings as compared to its results in Q3 2013.

These expectations are being provided prior to McCoy’s auditors completing their audit of McCoy’s results for the 2013 fiscal year. McCoy expects to release its Q4 2013 and full year 2013 results on March 14, 2014.

Key Quarterly Developments

A key strategic initiative of the Corporation is the implementation of a new Enterprise Resource Planning (ERP) system for its Drilling and Completions division. During the fourth quarter, the Corporation successfully transitioned its two largest manufacturing facilities to its new ERP platform. Management resources were diverted from key operational assignments which directly affected production and revenue. The ERP implementation is a key step in McCoy’s evolution and the advantages of utilizing a common platform across all of McCoy’s Drilling and Completions operations will yield long-term value to all stakeholders.

As previously disclosed in 2013, the Corporation accepted a large customer order of hydraulic power tongs destined for Latin America. This order required extensive engineering and customization, as well as significant resources and manufacturing capacity at the Corporation’s Broussard, Louisiana facility. When compounded by the resource constraints related to the ERP implementation, the timing of delivery of this order was impacted. As a result, a significant amount of the manufacturing work performed in the fourth quarter remains in work-in-process as at December 31, 2013.

During the fourth quarter of 2013, an additional provision for warranty was accrued in order to fund identified product quality issues. These quality issues have been isolated to a small number of product models and a solution has been implemented. McCoy is committed to supporting its customers and ensuring that its products are of the highest quality.

In the second half of 2013 McCoy opened two international sales and service centers in Aberdeen and Singapore. The Corporation is anticipating opening two additional international sales and service centers in 2014. In the short-term these centers will require the Corporation to absorb start-up costs and in the fourth quarter of 2013, the costs associated with this investment impacted financial results. McCoy plans to continue with this investment in 2014 as these strategically located centers will improve customer responsiveness and the timeliness of technical service and support across the world, yielding long-term value once they are fully functioning.

Management estimates that the culmination of the specific items mentioned will negatively impact the fourth quarter 2013 results. The Corporation expects to report nominal earnings, or potentially, a small net loss for the quarter.

Outlook

Looking ahead, the operational business plan and growth strategy remains sound. Product demand remains strong in offshore and international markets. The Corporation is on track to commercialize two new products, the weBUCK and weHOLD, and to open two new international sales and service centers in the Middle East and Latin America. Although many of these investments impact the short term, McCoy’s continued investment in new product development, global expansion and implementing operational tools such as the ERP platform will result in long term value to our customers, employees and shareholders alike.



Change in Senior Management

McCoy also announced that effective immediately, Jim Nowotny, Senior Vice President, Drilling & Completions, has departed the Corporation. Kenny Watt has been promoted to Senior Vice President, McCoy Global, and will oversee McCoy's Drilling and Completions division, including McCoy's global sales and service expansion initiative.

"Mr. Watt has been instrumental in the establishment of our international sales and service locations," added Mr. Rakievich. "Based on a proven record of success and his extensive experience in the international oil and gas industry, I am confident that he will not only successfully provide the necessary leadership to our operational team but also lead McCoy's new product development programs, the other key component of McCoy's growth strategy."

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. 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.



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, Texas, Aberdeen and Singapore.

For further information, please contact:

Mr. Jim Rakievich
President & Chief Executive Officer
Phone: (780) 453-8707

Mr. Jacob Coonan
Chief Financial Officer
Phone: (780) 377-4015

E-mail: info@mccoyglobal.com
Website: www.mccoyglobal.com