

May 10, 2012

McCOY REPORTS 38 PERCENT REVENUE INCREASE AND 18 PERCENT NET EARNINGS INCREASE FOR FIRST QUARTER

Edmonton – **McCoy Corporation** (“McCoy” or “the Company”) (TSX:MCB), a supplier of innovative products and services for the global energy industry, delivered record revenue from continuing operations for the three months ended March 31, 2012. The high level of drilling activity worldwide helped drive the growth in sales as the Company continued its expansion into global markets. McCoy’s Financial Statements and Management’s Discussion and Analysis for the first quarter of 2012 have been filed with regulators and are available on McCoy’s website at www.mccoysglobal.com and on SEDAR at www.sedar.com.

Financial Highlights

McCoy’s revenues of \$45.5 million for the first quarter of 2012 were up 38 percent compared to \$32.9 million for first quarter of 2011 and up 3 percent compared to \$44.3 million for the fourth quarter of 2011.

EBITDAS¹ for the first quarter of 2012 were \$4.6 million (\$0.17 per share), up 15 percent from the first quarter of 2011. Net earnings for the same period were \$2.2 million (\$0.08 per share), up 18 percent from the first quarter of 2011.

A summary of McCoy’s quarterly financial results is shown in the following table:

(\$000 except per share amounts)	Q1 2012	Q4 2011	Q1 2011
Total revenue	45,533	44,251	32,897
Net earnings	2,154	3,809	1,827
Net earnings per share – basic and diluted	0.08	0.14	0.07
EBITDAS	4,571	5,598	3,967
EBITDAS per share – basic and diluted	0.17	0.21	0.15
Cash on hand at period end	23,374	29,383	15,884
Net cash position ¹ at period end	17,384	23,191	9,706

Revenue from the EP&S segment for the quarter increased by \$7.6 million, or 41%, to \$26.2 million from \$18.6 million in the first quarter of 2011. The increase is due to increased spending in the global drilling equipment market. International drilling activity continues to be a bright light as international sales remain strong in certain countries due to the price of oil.

¹ EBITDAS and net cash are non-GAAP measurements.

EBITDAS is defined as "earnings from continuing operations before impairment losses, interest, taxes, depreciation and 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.

Revenue from the Mobile Solutions segment increased by \$5.0 million, or 35%, to \$19.4 million from \$14.4 million in the first quarter 2011. The increase is due to demand for pressure pumping equipment and services, as well as increased demand in the heavy haul market.

“McCoy experienced a solid first quarter,” stated McCoy’s CEO, Jim Rakievich. “The strength of our EP&S segment is expected to continue past the first quarter and drive increases in McCoy’s overall financial results for the remainder of 2012. Our Mobile Solutions segment is experiencing a shift in product mix and we still anticipate solid results from this segment in 2012.”

Gross Profit by Operating Segment – Three Months Ended March 31

(\$000 except percentages)		Energy Products & Services	Mobile Solutions	Total
Q1 2012	Gross Profit	8,583	2,459	11,042
	% of Revenue	33%	13%	24%
Q1 2011	Gross Profit	5,995	2,995	8,990
	% of Revenue	32%	21%	27%
Increase (decrease)		2,588	(536)	2,052
% Change		43%	(18%)	23%

Gross profit from the EP&S segment for the quarter ended March 31, 2012 increased by \$2.6 million, or 43%, to \$8.6 million from \$6.0 million in the first quarter of 2011. This increase is tied directly to the increase in sales for the year. Gross profit as a percentage of revenue has remained consistent year over year.

Gross profit from Mobile Solutions decreased by \$0.5 million, or 18%, to \$2.5 million from \$3.0 million in the first quarter of 2011. The product mix is changing and demand for some higher margin products for the pressure pumping market is declining. We have been able to replace this revenue, however with lower margin product.

McCoy’s order backlog is at record levels for its Drilling & Completions division and currently remains strong for the Mobile Solutions segment.

Dividend

On March 22, 2012, McCoy’s Board of Directors declared a quarterly dividend payment of \$0.03 per common share. The dividend was paid on April 12, 2012 to shareholders of record on April 3, 2012. This amount is unchanged from the previous quarter. McCoy’s disciplined approach to growing the business allows the Company to return some cash to shareholders through a dividend while ensuring sufficient capital for growth through acquisitions and innovative product development.

Outlook

The outlook for global drilling activity remains robust for the remainder of 2012². McCoy anticipates the strength of its EP&S segment will continue to drive increases in overall revenue, net earnings, EBITDAS and cash flow for the remainder of 2012. The outlook for Mobile Solutions is more challenged with decreased customer spending in the pressure pumping market. The Company anticipates this segment will remain a revenue contributor throughout 2012 though with increased activity from the U.S. heavy haul oil field trailer market.

McCoy’s focus on innovative product development is advancing on target. The Company expects its new “we” line of products to begin to generate revenue in the third quarter of 2012. The iron roughneck (weTORQ85) and the torque sub (weCATT) are both expected to hit the market shortly. Three additional products are under development and progressing on target, including an electric bucking unit (weBUCK and weSTART), a hydraulic catwalk (weMOVE35) and a casing running tool (weRUN350 and

² Spears and Associates, Drilling and Production Outlook, March 2012

weRUN500). McCoy expects these new higher margin products to generate \$150 million in additional revenue over the next five years.

McCoy anticipates revenue growth from its Rig Parts division for the remainder of 2012. This division positions McCoy for global expansion in the replacement parts and service business and serves as an important strategic initiative by allowing the Company to develop longer term partnerships with its customers. In our Houston facility, our technical service business will launch in the second quarter.

McCoy's balance sheet is strong, providing the Company with the flexibility to invest in innovation for long-term growth and to pursue prudent and meaningful acquisitions to strengthen its product and service offerings. McCoy continues to advance its goal of being the trusted provider of innovative products and services for the global energy industry.

Conference Call

McCoy will host a conference call and webcast at 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on May 10, 2012. Management participants will include Jim Rakievich, President and CEO; Milica Stolic, Chief Financial Officer & Corporate Secretary; James Nowotny, Senior Vice President Drilling & Completions; and DeAnn McNally, Manager, Corporate Affairs.

Participants calling from Canada or the United States should call toll-free: 1-866-253-4938. Callers from other locations may access the call at: 1-416-849-6209. Those who prefer to join by webcast can do so at the following link: http://www.snwebcastcenter.com/event/?event_id=2809.

The call will also be available for replay via telephone for seven days after the conference call by calling 1-866-245-6755 or 1-416-915-1035. The replay passcode number is 410859. 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 US 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, the success of new product development, 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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