McCOY GLOBAL ANNOUNCES FIRST QUARTER 2019 RESULTS

Edmonton, Alberta – McCoy Global Inc. (“McCoy”, “McCoy Global” or “the Corporation”) (TSX:MCB) today announced its operational and financial results for the three months ended March 31, 2019.

“We remained disciplined in the management of our business and advanced the development of new technology to better serve our customers during the first quarter of 2019. We have gained solid footing in an ever-changing global energy marketplace and are proving our ability to drive revenue growth and profitability despite uncertain market fundamentals,” said Jim Rakievich, President and CEO of McCoy Global.

“For the first quarter of the year, we recorded our third consecutive quarter of positive earnings and adjusted EBITDA. Although customer order activity was slow in Q1 with bookings below our expectations, we experienced an uptick and renewed acceleration in the month of April, having received several orders totalling $7.2 MM for the second quarter. We are encouraged by the improving outlook in the international and offshore markets. With the number of active drilling rigs on the rise, and our strong market position in these markets, we are well positioned to capitalize on this opportunity.

“We are very encouraged with the progress that our engineering team has made in development of our new data driven technologies that we believe will be ready for first field trials in the second half of 2019 and we expect to launch first phase of our new product solutions for customers in Q4 of this year.”

Operational Summary

Since January 1, 2019, McCoy Global reported:

- A third consecutive quarter of positive net earnings and positive adjusted EBITDA
- Revenue of $14.8 million, compared to $11.2 million in the first quarter of 2018
- Net earnings of $0.5 million, compared to net loss of $2.0 million in the first quarter of 2018
- Adjusted EBITDA¹ of $0.7 million, compared to adjusted EBITDA loss of $0.5 million in the first quarter of 2018
- Backlog² of $9.9 million and customer orders of $10.1 million, compared to $15.0 million and $12.1 million, respectively, for the three months ended December 31, 2018. Market uncertainty in early 2019 drove delays in project approvals for many customers, and as a result backlog decreased in comparison to the previous quarter
- Book-to-bill ratio³ of 0.68, compared to 0.90 for the three months ended December 31, 2018
- The decline in first order intake for the first quarter of 2019, was offset by $7.2 million of orders received in the month of April 2019
• The Corporation continued its focus on developing new technology including deploying $0.5 million towards its “Digital Technology Roadmap.” This strategic initiative is a priority as the industry trends toward data acquisition and automation solutions for customers, with commercialization of two key products planned for 2019
• Purchased and cancelled 144,400 common shares under McCoy’s current normal course issuer bid (“NCIB”) which continues until June 4, 2019

Financial Summary

Revenue for the three months ended March 31, 2019 was $14.8 million, an increase of $3.6 million, or 32% from the first quarter of 2018. Industry fundamentals strengthened for the majority of 2018 and McCoy entered 2019 with backlog of $15.0 million, supporting strong revenues for the quarter.

Gross profit for the three months ended March 31, 2019 was $4.6 million, an increase of $1.7 million, or 58% from the first quarter of 2018. Gross profit percentage for the three months ended March 31, 2019 increased 5 percentage points compared to the first quarter of 2018 due to additional production through-put combined with cost reductions from restructuring initiatives implemented in previous years in addition to continued focus on supply chain efficiencies. Gross profit in the comparative period includes the transitional impact of consolidating production facilities and the costs associated with transitioning to an assembly production model.

General and administration (“G&A”) expense for the three months ended March 31, 2019 was consistent at $2.4 million, compared to the first quarter of 2018. As a percentage of revenue, G&A expense decreased by 4% as McCoy’s current overhead cost structure can be leveraged for revenue growth.

Sales and marketing (“Sales & Marketing”) expense for the three months ended March 31, 2019 was $0.6 million, compared to $0.8 million in the first quarter of 2018. Sales & Marketing spend has decreased year over year due to previously announced restructuring initiatives. Sales & Marketing spend has remained consistent over recent quarters.

Research and development (“R&D”) expenditures for the three months ended March 31, 2019 were $1.3 million, compared to $0.7 million in the first quarter of 2018. R&D expenditures increased year over year as a result of strategic expenditures on McCoy’s Digital Technology Roadmap initiative. Development of this technology strategy began during the current quarter and is planned to launch before the end of 2019.

Net earnings for the three months ended March 31, 2019 was $0.5 million or $0.02 earnings per basic share, compared to net loss of $2.0 million or ($0.07) loss per basic share in the first quarter of 2018.

Adjusted EBITDA¹ for the three months ended March 31, 2019 was $0.7 million, compared to $0.5 million loss for the first quarter of 2018. Adjusted EBITDA for the three months ended March 31, 2019 was negatively impacted by $0.8 million due to recovery of excess and obsolete inventory provisions (three months ended March 31, 2018 - $0.1 million recovery). For the three months ended March 31, 2019, the adoption of IFRS 16 resulted in a $0.2 million increase in EBITDA and adjusted EBITDA. Adjusted EBITDA for the three months ended March 31, 2018 has not been restated for the adoption of this standard.

As at March 31, 2019, the Corporation had $10.3 million in cash and cash equivalents, of which $0.5 million was restricted per the conditions of the Corporation’s credit facility. During the three months ended March 31, 2019, cashflows were impacted by investment activities primarily related to investment in McCoy’s ‘Digital Technology Roadmap’ for the development of two strategic products scheduled for commercialization by the end of 2019 and additions to the Corporation’s rental fleet. Cashflows were also impacted by financing activities related to repayment of the Corporation’s borrowings and the principal portion of lease payments, offset by positive operating cashflows.

SUITE 201, 9910 39TH AVE NW
EDMONTON AB T6E 5H8 CANADA
TEL +1.780.453.8451
FAX +1.780.453.8756
www.mccoyglobal.com
**Selected Quarterly Information**

<table>
<thead>
<tr>
<th>($000 except per share amounts and percentages)</th>
<th>Q1 2019</th>
<th>Q1 2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>14,840</td>
<td>11,243</td>
<td>32</td>
</tr>
<tr>
<td>Gross profit</td>
<td>4,570</td>
<td>2,896</td>
<td>58</td>
</tr>
<tr>
<td>as a percentage of revenue</td>
<td>31</td>
<td>26</td>
<td>5</td>
</tr>
<tr>
<td>Net earnings (loss)</td>
<td>524</td>
<td>(1,951)</td>
<td>(127)</td>
</tr>
<tr>
<td>per common share – basic</td>
<td>0.02</td>
<td>(0.07)</td>
<td>(129)</td>
</tr>
<tr>
<td>per common share – diluted</td>
<td>0.02</td>
<td>(0.07)</td>
<td>(129)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>713</td>
<td>(482)</td>
<td>(248)</td>
</tr>
<tr>
<td>per common share – basic</td>
<td>0.03</td>
<td>(0.02)</td>
<td>(250)</td>
</tr>
<tr>
<td>per common share – diluted</td>
<td>0.03</td>
<td>(0.02)</td>
<td>(250)</td>
</tr>
<tr>
<td>Total assets</td>
<td>59,780</td>
<td>50,429</td>
<td>19</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>19,668</td>
<td>9,879</td>
<td>99</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>6,348</td>
<td>632</td>
<td>904</td>
</tr>
</tbody>
</table>

1 EBITDA a non-GAAP measure defined as net earnings (loss), before depreciation of property, plant and equipment; amortization of intangible assets; income tax expense (recovery); and finance charges, net. Adjusted EBITDA is a non-GAAP measure defined as net (loss) earnings, before: depreciation of property, plant and equipment; amortization of intangible assets; income tax expense (recovery); finance charges, net; provisions for excess and obsolete inventory; other (gains) losses, net; restructuring charges; share-based compensation; and impairment losses. The Corporation reports on EBITDA and adjusted EBITDA because they are key measures used by management to evaluate performance. The Corporation believes adjusted EBITDA assists investors in assessing McCoy Global’s current operating performance on a consistent basis without regard to non-cash, unusual (i.e. infrequent and not considered part of ongoing operations), or non-recurring items that can vary significantly depending on accounting methods or non-operating factors. Adjusted EBITDA is not considered an alternative to net (loss) earnings in measuring McCoy Global’s performance. Adjusted EBITDA does not have a standardized meaning and is therefore not likely to be comparable to similar measures used by other issuers.
McCoy Global defines backlog as orders that have a high certainty of being delivered and is measured on the basis of a firm customer commitment, such as the receipt of a purchase order. Customers may default on or cancel such commitments, but may be secured by a deposit and/or require reimbursement by the customer upon default or cancellation. Backlog reflects likely future revenues; however, cancellations or reductions may occur and there can be no assurance that backlog amounts will ultimately be realized as revenue, or that the Corporation will earn a profit on backlog once fulfilled. Expected delivery dates for orders recorded in backlog historically spanned from one to six months.

The book-to-bill ratio is a measure of the amount of net sales orders received to revenues recognized and billed in a set period of time. The ratio is an indicator of customer demand and sales order processing times. The book-to-bill ratio is not a GAAP measure and therefore the definition and calculation of the ratio will vary among other issuers reporting the book-to-bill ratio. McCoy Global calculates the book-to-bill ratio as net sales orders taken in the reporting period divided by the revenues reported for the same reporting period.

About McCoy Global Inc.

McCoy Global provides equipment and technologies designed to support wellbore integrity and assist with collecting critical data for the global energy industry. The Corporation operates internationally through direct sales and distributors with operations in Canada, the United States of America, the United Kingdom, Singapore and the United Arab Emirates. McCoy’s corporate headquarters are located in Edmonton, Alberta, Canada. The Corporation’s shares are listed on the Toronto Stock Exchanges and trade under the symbol “MCB”.

Forward-Looking Information

This News Release contains forward looking statements and forward looking information (collectively referred to herein as “forward looking statements”) within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward looking statements. Forward looking information is often, but not always, identified by the use of words such as “could”, “should”, “can”, “anticipate”, “expect”, “objective”, “ongoing”, “believe”, “will”, “may”, “projected”, “plan”, “sustain”, “continues”, “strategy”, “potential”, “projects”, “grow”, “take advantage”, “estimate”, “well positioned” or similar words suggesting future outcomes. This New Release contains forward looking statements respecting the business opportunities for the Corporation that are based on the views of management of the Corporation and current and anticipated market conditions; and the perceived benefits of the growth strategy and operating strategy of the Corporation are based upon the financial and operating attributes of the Corporation as at the date hereof, as well as the anticipated operating and financial results. Forward looking statements regarding the Corporation are based on certain key expectations and assumptions of the Corporation concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, which are subject to change based on market conditions and potential timing delays. Although management of the Corporation consider these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect. By their very nature, forward looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward looking statements will not be achieved. Undue reliance should not be placed on forward looking statements, as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in the forward looking statements, including inability to meet current and future obligations; inability to complete or effectively integrate strategic acquisitions; inability to implement the Corporation’s business strategy effectively; access to capital markets; fluctuations in oil and gas prices; fluctuations in capital expenditures of the Corporation’s target market; competition for, among other things, labour, capital, materials and customers; interest and currency exchange rates; technological developments; global political and economic conditions; global natural disasters or disease; and inability to attract and retain key personnel. Readers are cautioned that the foregoing list is not exhaustive. The reader is further cautioned that the preparation of financial statements in accordance with IFRS requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These judgments and estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes. The information contained in this News Release identifies additional factors that could affect the operating results and performance of the Corporation. We urge you to carefully consider these factors. The forward looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward looking statements included in this News Release are made as of the date of this New Release and the Corporation does not undertake and is not obligated to publicly update such forward looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.
For further information, please contact:

Mr. Jim Rakievich
McCoy Global Inc.
President and CEO

Phone: 1.780.453.8451
E-mail: info@mccoyglobal.com
Website: www.mccoyglobal.com