March 9, 2016

McCOY GLOBAL INC. ANNOUNCES FOURTH QUARTER AND ANNUAL RESULTS FOR 2015

Edmonton, Alberta– McCoy Global Inc. (“McCoy” or “the Corporation”) (TSX:MCB; OTCQB:MCCRF) today announced its operational and financial results for the three months and year ended December 31, 2015.

“This severe and prolonged downturn continues to slow drilling and completions activity globally resulting in the continued pull-back of capital equipment and maintenance spending throughout our industry,” said Jim Rakievich, President and CEO of McCoy Global. “In response to this market environment, we have undertaken several difficult, but effective cost containment initiatives that have preserved the Corporation’s balance sheet strength. In this increasingly challenging environment, we enter 2016 with no debt and $27.5 million in cash and remain focused on navigating the business prudently as we continue to weather this down cycle.”

2015 Operational Summary

For the year ended December 31, 2015, McCoy Global reported:

- Revenue of $81.8 million, compared to $120.6 million in 2014
- Loss from continuing operations of $11.0 million, compared to earnings from continuing operations of $9.4 million in 2014. The $11.0 million loss includes a pre-tax impairment charge of $5.9 million ($4.4 million after-tax) related to certain acquired intangible assets and research and development expenditures, a $2.4 million income tax charge to reduce deferred tax assets for tax loss carryforwards in the eastern hemisphere and pre-tax restructuring charges of $1.3 million ($0.9 million after-tax)
- Adjusted EBITDA¹ of $3.8 million, compared to $21.0 million in 2014
- Backlog² of $5.0 million at December 31, 2015, compared to $9.1 million at September 30, 2015
- Book-to-bill ratio³ of 0.66 for the three months ended December 31, 2015 compared to 0.40 for the three months ended September 30, 2015
- Executing on cost containment initiatives to minimize the impact of near-term economic conditions. The Corporation reduced its workforce by 41%; lowered non-cash working capital by $4.0 million; consolidated its US production facilities in Louisiana; reduced purchases of property, plant and equipment; lowered spending on research and development; and decreased supply chain costs and discretionary spending. A further workforce reduction was completed subsequent to year-end, reducing the workforce by 49%, cumulatively, from January 1, 2015
- Strategically stocking standard capital equipment, parts and consumables at regional locations to rapidly respond to customers’ just-in-time purchasing requirements, while working to reduce overall inventory levels to align with order intake throughout the year
- Shifting the focus of product technology initiatives to product enhancement, fast-to-market projects and technology support for customers. These projects will ensure the Corporation can provide its customers with technology solutions that will be important to their long term success
- A $5.9 million, or 23%, reduction in general and administrative (“G&A”) expense compared to 2014. This decline is largely due to a reduction in workforce and continued discipline over discretionary spending
Quarterly Financial Summary

Revenue for the three months ended December 31, 2015 was $11.6 million, a decrease of $15.6 million, or 57%, from the comparative quarter of 2014. Decreased oil and gas activity continues to lower customer demand for capital equipment, service, parts and consumables.

For the three months ended December 31, 2015, the Corporation reported a decline in gross profit. Although the Corporation has experienced customer pricing pressure and fewer higher margin capital equipment and software sales, the gross profit earned on product sales has remained relatively stable through the down cycle. Significant under absorption of production capacity due to lower activity levels resulted in fourth quarter 2015 gross profit of (4%), compared to gross profit of 34% reported for the three months ended December 31, 2014.

G&A expense for the three months ended December 31, 2015 was $4.1 million, a decrease of $1.2 million from the comparative period in 2014 and a decrease of $0.9 million, or 17%, from the third quarter of 2015. The decrease was a result of continued efforts to reduce overhead expenses.

Loss from continuing operations for the three months ended December 31, 2015 was $10.8 million ($0.39 loss per basic share), compared to earnings from continuing operations of $1.8 million ($0.06 earnings per basic share) in the comparative quarter. The loss includes a pre-tax impairment charge of $4.8 million ($3.5 million after-tax) against certain acquired intangible assets and a $2.4 million income tax charge to reduce deferred tax assets for tax loss carryforwards in the eastern hemisphere.

Adjusted EBITDA\(^1\) for the three months ended December 31, 2015 was ($4.5) million, a decline of $9.5 million from the $5.0 million reported in the comparative quarter. Adjusted EBITDA was impacted by the reduction in global drilling and completions activity which has resulted in lower revenues. Although the Corporation adjusted its cost structure throughout 2015 to reflect near-term activity, the reduction in gross profit more than offset the reduction in overhead expenses.

At December 31, 2015, McCoy Global had working capital of $75.0 million, including $27.5 million in cash and cash equivalents and no borrowings. The Corporation was not in compliance with certain financial covenants under its credit facility at December 31, 2015 and is currently unable to access its credit facility. The Corporation is in ongoing discussions with its lenders to obtain a waiver, however, it is unlikely that the Corporation will be able to access its credit facility in the near term if a waiver is obtained.
### Selected Quarterly Information

($000 except per share amounts and percentages)  

<table>
<thead>
<tr>
<th></th>
<th>Q4 2015</th>
<th>Q4 2014</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenue</strong></td>
<td>11,648</td>
<td>27,209</td>
<td>(57)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>(456)</td>
<td>9,195</td>
<td>(105)</td>
</tr>
<tr>
<td>as a percentage of revenue</td>
<td>(4%)</td>
<td>34%</td>
<td>(38)</td>
</tr>
<tr>
<td><strong>(Loss) earnings from continuing operations</strong></td>
<td>(10,792)</td>
<td>1,753</td>
<td>(716)</td>
</tr>
<tr>
<td>per common share – basic</td>
<td>(0.39)</td>
<td>0.06</td>
<td>(750)</td>
</tr>
<tr>
<td>per common share – diluted</td>
<td>(0.39)</td>
<td>0.06</td>
<td>(750)</td>
</tr>
<tr>
<td><strong>Earnings from discontinued operations (net of tax)</strong></td>
<td>-</td>
<td>(276)</td>
<td>100</td>
</tr>
<tr>
<td><strong>Net (loss) earnings</strong></td>
<td>(10,792)</td>
<td>1,477</td>
<td>(831)</td>
</tr>
<tr>
<td>per common share – basic</td>
<td>(0.39)</td>
<td>0.05</td>
<td>(880)</td>
</tr>
<tr>
<td>per common share – diluted</td>
<td>(0.39)</td>
<td>0.05</td>
<td>(880)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(4,526)</td>
<td>4,957</td>
<td>(191)</td>
</tr>
<tr>
<td>per common share – basic</td>
<td>(0.16)</td>
<td>0.18</td>
<td>(189)</td>
</tr>
<tr>
<td>per common share – diluted</td>
<td>(0.16)</td>
<td>0.18</td>
<td>(189)</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>110,567</td>
<td>131,941</td>
<td>(16)</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>13,098</td>
<td>29,568</td>
<td>(56)</td>
</tr>
<tr>
<td><strong>Working capital</strong></td>
<td>74,986</td>
<td>71,534</td>
<td>5</td>
</tr>
</tbody>
</table>
Annual Financial Summary

Revenue for the year ended December 31, 2015 was $81.8 million, a decrease of $38.8 million, or 32%, from 2014. As industry fundamentals deteriorated throughout the year, drilling and completions activity declined, which led to pricing pressure and significant reductions in demand for capital equipment. Revenues have been favorably impacted by foreign exchange, offsetting the rapid decline to some extent, as primarily all of the Corporation’s revenue is denominated in United States dollars.

Gross profit percentage for the year ended December 31, 2015 was 25%, a decrease of 13 percentage points from the comparative period. Gross profit was impacted by the 32% decline in revenues realized as a result of the down cycle. Lower levels of activity resulted in a decline in required production hours, and although the Corporation’s production facility variable expenses were reduced to minimum levels in 2015, the overall decline in production activity outpaced the reduction in costs. Pricing pressure and fewer high margin capital equipment and software sales also contributed to the decline in gross profit.

Net loss from continuing operations for the year was $11.0 million ($0.40 loss per basic share), compared to net earnings from continuing operations of $9.4 million ($0.34 earnings per basic share) in 2014.

Adjusted EBITDA\(^1\) for the year ended December 31, 2015 was $3.8 million compared to $21.0 million in 2014. Adjusted EBITDA was impacted by the reduction in global drilling and completions activity which has resulted in lower revenues. Although the Corporation adjusted its cost structure throughout 2015 to reflect near-term activity, the reduction in gross profit more than offset the reduction in overhead expenses.
### Selected Annual Information

($000 except per share amounts and percentages) & 2015 & 2014 & % Change \\
--- & --- & --- & --- \\
Total revenue & 81,776 & 120,619 & (32) \\
Gross profit & 20,681 & 46,203 & (55) \\
  as a percentage of revenue & 25% & 38% & (13) \\
(Loss) earnings from continuing operations & (10,977) & 9,369 & (217) \\
  per common share – basic & (0.40) & 0.34 & (218) \\
  per common share – diluted & (0.40) & 0.34 & (218) \\
Earnings from discontinued operations (net of tax) & - & 8,638 & (100) \\
Net (loss) earnings & (10,977) & 18,007 & (161) \\
  per common share – basic & (0.40) & 0.65 & (162) \\
  per common share – diluted & (0.40) & 0.65 & (162) \\
Adjusted EBITDA & 3,768 & 20,986 & (82) \\
  per common share – basic & 0.14 & 0.76 & (82) \\
  per common share – diluted & 0.14 & 0.76 & (82) \\

1 EBITDA is an additional GAAP measure presented under IFRS defined as “net earnings (loss) from continuing operations, before finance charges (net), income tax expense (recovery), depreciation, and amortization.” Adjusted EBITDA is a non-GAAP measure defined as “net earnings (loss) from continuing operations before finance charges (net), income tax expense (recovery), depreciation, amortization, impairment losses, restructuring charges, non-cash changes in fair value related to derivative financial instruments and share-based compensation”. The Corporation reports on EBITDA and adjusted EBITDA because they are key measures used by management to evaluate performance. Adjusted EBITDA is used in making decisions relating to distributions to shareholders and is used in monitoring compliance with debt covenants. The Corporation believes adjusted EBITDA assists investors in assessing McCoy Global’s performance on a consistent basis without regard to impairment losses, restructuring charges, non-cash changes in fair value related to derivative financial instruments, depreciation, amortization and share-based compensation expense, which are non-cash in nature and 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. However, McCoy Global calculates adjusted EBITDA consistently from period to period. Adjusted EBITDA should not be used as an exclusive measure of cash flow since it does not account for the impact of working capital changes, capital expenditures, debt changes and other sources and uses of cash, which are disclosed in the consolidated statement of cash flows.
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 many are 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 work. Expected delivery dates for orders recorded in backlog historically spanned from one to six months, however under current market conditions customers are shifting their purchasing habits towards a just-in-time model.

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.

Conference Call Information

McCoy Global will host a conference call and webcast at 9:00 a.m. Mountain Time (11:00 a.m. Eastern Time) on March 9, 2016. Management participants will include: Jim Rakiević, President & CEO; Jacob Coonan, CFO; Kenny Watt, Senior Vice President; and Peter Watson, Vice President, Corporate Development & General Counsel.

Participants calling from Canada or the United States should call toll-free at: 1-888-231-8191. Callers from other locations may call in at: 1-647-427-7450. A live audio webinar of the conference call will be available at the following link: [http://event.on24.com/r.htm?e=1140386&s=1&k=0282AEF5B9AC587AA61076607FE3695A](http://event.on24.com/r.htm?e=1140386&s=1&k=0282AEF5B9AC587AA61076607FE3695A)

The conference call will be archived for replay until Wednesday, March 16, 2016 at midnight. To access the archived conference call, dial 1-855-859-2056 or 1-416-849-0833 and enter the replay passcode 56294396.

About McCoy

McCoy provides innovative products and services to 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.
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 News 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 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) 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 those 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 News 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:

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