



November 4, 2020

McCoy Global Secures New Credit Facility and Refinances Promissory Note

Edmonton, Alberta – McCoy Global Inc. (“McCoy”, “McCoy Global” or “the Corporation”) (TSX:MCB) today announced it has secured a new US\$2.5 million revolving demand facility with a Canadian chartered bank to support working capital. The facility is subject to customary disbursement conditions including the satisfactory placement of a general security agreement over the Corporation’s assets and final review by Export Development Canada under its Export Guarantee Program. The Corporation has also successfully refinanced its existing US\$2.4 million promissory note with a US\$3.4 million term facility to extend maturity and support McCoy Global’s 2020 technology development program.

“Securing these facilities has lowered our overall financing costs, extended maturity dates and enables us to continue to progress the development of new digital technology solutions despite the impact COVID-19 has had on our business and cashflows,” said Jim Rakievich, McCoy Global President & CEO.

The US\$2.5 million revolving demand facility bears interest at Prime Rate plus 1.35% per annum and will be secured by a general security agreement and assignment of US\$0.63 million of term deposits. Subject to final review, the demand facility will be guaranteed by Export Development Canada under its Export Guarantee Program and is subject to customary conditions.

The Corporation’s US\$3.4 million term facility bears interest at US Prime Rate plus 4.95% per annum and is repayable in eight equal quarterly instalments beginning on December 6, 2022. The facility is subject to customary conditions and is secured by certain assets of the Corporation and its subsidiaries, including certain real estate in Cedar Park, Texas. Under the terms of the agreement, the Corporation is subject to a financial covenant minimum fixed charge coverage ratio of 1:1 for the year ending December 31, 2021; and 1.25:1 for years ending thereafter. At closing, US\$2.4 million was drawn against the new facility to repay in full the Corporation’s USD\$2.4 million promissory note that was secured by certain of its US real estate assets. The former promissory note was repayable on or before October 1, 2021 without penalty and bore interest at the greater of US Prime Rate plus 7.00% or 12.25% per annum.

About McCoy Global Inc.

McCoy Global provides 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 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 Exchange 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 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 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.

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