



NEWS RELEASE

CORDY ANNOUNCES 2010 FIRST QUARTER RESULTS

CALGARY, ALBERTA – May 28, 2009. Cordy Oilfield Services Inc. (“Cordy” and or the “Company”) (TSX VENTURE: CKK) announces its consolidated operating and financial results for the first quarter ended March 31, 2010.

SELECTED QUARTERLY INFORMATION

(\$ millions, except per share amounts)

	2010	2009	Change
Operating Results for the Three Months Ended March 31			
Revenue	18.2	16.1	2.1
EBITDAS ⁽¹⁾	0.1	1.1	(1.0)
Net loss	(1.3)	(1.2)	(0.1)
Loss per share – basic & diluted	(0.01)	(0.01)	-
Financial Position as at March 31, 2010 and December 31, 2009			
Cash and equivalents	1.3	0.2	1.1
Total assets	75.2	78.5	(3.3)
Total Debt	11.0	12.3	(1.3)
Total Liabilities	20.3	22.4	(2.1)
Shareholders' equity	54.9	56.1	(1.2)
Cash Flows for the Three Months Ended March 31			
Operating Cash Flows	(0.1)	2.1	(2.2)
Financing Cash Flows	(1.4)	(2.1)	0.7
Investing Cash Flows	2.7	0.3	2.4

(1) Earnings before interest, taxes, depreciation, amortization and impairment and stock based compensation (“EBITDAS”). Refer to the “Non GAAP Measures” section for further details

FIRST QUARTER 2010 PERFORMANCE OVERVIEW

Revenue in the first quarter of 2010 increased by \$3.4 million (23%), to \$18.2 million from fourth quarter 2009 revenue of \$14.8 million. The net loss in the first quarter of 2010 was \$1.3 million, a decrease of \$5.4 million from the fourth quarter 2009 loss of \$6.7 million. The improved performance in the first quarter 2010 over the fourth quarter of 2009 resulted from increased activity levels at several of the business units, with an increased focus on cost control and reduced general and administrative expenses. The net loss in the fourth quarter of 2009 also included charges for impairment of goodwill of \$1.2 million and intangibles of \$1.3 million, inventory write-downs of \$0.7 million and provision for bad debts of \$0.4 million that did not reoccur in the first quarter of 2010.

Seven of the Company’s ten business units generated positive EBITDAS for the quarter ended March 31, 2010. Two of the heavy construction business units did not achieve positive EBITDAS during the first quarter of 2010, however, this is expected to change as civil construction normally begins during the second quarter and heavy construction usually accounts for a greater portion of the Company’s revenues beginning in the second quarter.

The \$2.1 million increase in revenues in the first quarter of 2010 compared to the first quarter of 2009 is primarily a result of the acquisition of Tawow Resources Inc. and from the increased services provided to the mining sector. These increases were partially offset by lower revenues associated with building access to oil and gas well sites and revenues associated with the Company's northern Alberta camp operations as the spring break up and corresponding road bans came earlier than usual.

While demand for the Company's products and services is increasing there is still significant downward pressure on pricing and operating margins. In order to maintain customer relationships and secure certain projects during the first quarter of 2010, the Company reduced its prices where appropriate. The lower margins on work secured impacted the Company's operating and financial results for the first quarter of 2010 compared to the first quarter of 2009.

General and administrative cost reduction strategies yielded a \$0.2 million decrease in the first quarter of 2010 compared to the first quarter of 2009.

A key focus of management beginning in the latter half of 2009 was on restructuring the heavy construction and manufacturing business units in order to implement cost-saving measures and operational efficiencies. Restructuring activities included redeploying people and equipment to different service offerings, areas and customers, scaling back operations in selected areas, reassessing pricing strategies and a reduction of the workforce. Restructuring activities in the heavy construction segment continued during the first quarter of 2010 resulted in a number of one-time charges.

The Company continued to rationalize its equipment fleet through divestiture of older and underutilized pieces and replacing these with newer units. The disposition in March 2010 of certain non-core assets from one of the construction segment business units provided additional net proceeds of \$4.5 million. Overall a gain of \$0.3 million was realized in the first quarter of 2010 on the disposal of assets.

During the first quarter of 2010 the Company, through its regularly scheduled payments, decreased its long term debt by \$1.1 million (10% of the balance outstanding at December 31, 2009) from \$12.1 million to \$11.0 million and increased cash reserves by \$1.2 million. The Company has working capital, excluding current portions of debt, in excess of \$18 million at March 31, 2010. The Company has credit available both through a \$5 million operating credit facility and through current equipment lenders. Management believes the Company is well-positioned to increase market share as drilling, mining and construction activity picks up again in western Canada.

OUTLOOK

Oil prices, and to a lesser extent natural gas prices, have strengthened recently leading to higher levels of drilling and completion activity in western Canada and cautious optimism about a continuing improvement in industry conditions. Management believes that 2010 will likely continue to be a challenging and uncertain period of time for service providers. Management also expects pricing pressures on service providers to continue throughout most of 2010.

Management is confident that the cost reductions and restructuring activities implemented and being pursued will contribute positively to the on-going success of the Company. The operational flexibility and cost efficiencies achieved during the previous periods of decreased activity are expected to contribute to the Company being stronger and more competitive in the long term.

As the summer construction season approaches, management will closely monitor the level of work available and constantly assess whether further restructuring and cost reductions in the heavy construction segment are necessary. Management will continue to pursue its strategy of reducing debt levels through scheduled debt repayments.

Cordy's diversification is, and will remain, a key driver of its overall business.

Additional information on Cordy is available on our website www.cordy.ca or on SEDAR at www.sedar.com.

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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 Cordy's expectations of future cash flow and earnings. The forward-looking statements and information are based on certain key expectations and assumptions made by Cordy, including expectations and assumptions concerning fluctuations in the level of oil and gas industry capital expenditures, Cordy's ability to integrate acquired businesses and complete

strategic acquisitions of additional business and other factors that affect demand for Cordy's products and services. Although Cordy believe 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 Cordy 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 Cordy'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, risks associated with the oilfield services sector (such as demand, pricing and terms for oilfield services; current and expected oil and gas prices; competition; equipment and material costs; exploration and development costs and delays; reserves discovery rates; pipeline and transportation capacity; weather, health, safety and environmental risks), integration of acquisitions, access to capital markets, interest and currency exchange rates, technological developments, political and economic conditions and Cordy's ability to attract and retain key personnel. Additional information on these and other factors is available in continuous disclosure materials filed by Cordy 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. Cordy 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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