



## NEWS RELEASE

### CORDY ANNOUNCES RIGHTS OFFERING

**CALGARY, ALBERTA** – September 20, 2016. Cordy Oilfield Services Inc. ("**Cordy**" or the "**Company**") (TSX VENTURE: CKK) announces that it will be offering rights (the "**Rights Offering**") to holders of its common shares (the "**Common Shares**") of record at the close of business on September 26, 2016 (the "**Record Date**"), on the basis of one Right for each Common Share held. The Rights Offering will be conducted only in the provinces and territories of Canada. Each Right will entitle the holder thereof to subscribe for one Common Share upon payment of the subscription price of \$0.015 per Common Share until 4:30 p.m. (Calgary time) on October 21, 2016 (the "**Expiry Time**"). The Rights Offering will be conducted only in the provinces and territories of Canada (the "**Eligible Jurisdictions**"). Accordingly, and subject to the detailed provisions of Cordy's rights offering circular in respect of the Rights Offering (the "**Circular**"), Rights will not be delivered to, nor will they be exercisable by, persons resident outside the Eligible Jurisdictions.

Shareholders who fully exercise their Rights will be entitled to subscribe for additional Common Shares, if available, that were not subscribed for by other holders of Rights prior to the Expiry Time. The rights will not be listed on any stock exchange and no market is expected to develop for the rights.

In connection with the Rights Offering, the Company has entered into a stand-by purchase agreement (the "**Stand-By Agreement**") with certain insiders and other persons (the "Stand-By Purchasers") who together currently own, directly or indirectly, or exercise control or direction over, approximately less than one percent of Cordy's Common Shares. Under the Stand-By Purchase Agreement, the Stand-By Purchasers have agreed to subscribe for, and the Company has agreed to issue, all of the Common Shares offered under the Rights Offering that are not otherwise purchased by Shareholders. The Stand-By Purchase Agreement was approved by the independent directors of the Company.

There are currently 85,953,810 Common Shares issued and outstanding. Assuming the exercise of (i) all Rights or (ii) the entire take-up of the stand-by commitment only, the Rights Offering will raise net proceeds of approximately \$1,252,307, after deducting estimated expenses of the Rights Offering of approximately \$37,000. Cordy intends to use the net proceeds of the Rights Offering to fund working capital for its continuing operations.

Complete details of the Rights Offering will be set out in the Circular and the rights offering notice (the "**Notice**"), which will be available under the Company's profile at [www.sedar.com](http://www.sedar.com). The Notice and Accompanying rights certificate (the "**Rights Certificate**") will be mailed to each registered Shareholder (the "**Registered Shareholder**") resident in the Eligible Jurisdiction as at the Record Date. Registered Shareholders who wish to exercise their Rights must complete and forward the Rights Certificate, together with applicable funds, to Computershare Investor Services Inc., the depository for the Rights Offering, on or before the Expiry Time. Shareholders who own their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

**This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in the United States or in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under securities laws of any such province, state or jurisdiction. The securities referenced herein may not be offered or sold in the United States except in transaction exempt from or not subject to the registration requirements of the *United States Securities Act of 1933*, as amended, and applicable state securities laws.**

Additional information on Cordy is available on our website [www.cordy.ca](http://www.cordy.ca) or on SEDAR at [www.sedar.com](http://www.sedar.com).

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**READER ADVISORY**

*Forward Looking Statements. This news release contains certain forward-looking information and statements within the meaning of applicable Canadian securities legislation. Certain statements contained in this news release may contain such words as “anticipate”, “could”, “Continue”, “should”, “seek”, “may”, “intend”, “likely”, “plan”, “estimate”, “believe”, “expect”, “will”, “objective”, “ongoing”, “project” and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements including the amount of funds to be raised pursuant to the Rights Offering, the intended use of proceeds of the Rights Offering and expectations regarding the business, operations and revenue of the Company in addition to general economic conditions. Although the Company believes that the expectations and assumptions on which such forward-looking information and statements are based are reasonable, undue reliance should not be placed on the forward-looking information and statements because the Company can give no assurances that they will prove to be correct. Since forward-looking information and statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oilfield services sector (i.e. demand, pricing and terms for oilfield services; current and expected oil and gas prices; exploration and development programs, weather, health, safety and environmental risks), competition, and uncertainties resulting from potential delays or changes in plans with respect to development projects or capital expenditures and changes in legislation, including but not limited to tax laws, royalties and environmental regulations, stock market volatility and inability to access sufficient capital from external and internal sources. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Company’s financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through SEDAR at [www.sedar.com](http://www.sedar.com). The forward-looking information and statements contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

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