



## News Release

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**June 10, 2009 For Immediate Release**

### **Xtreme Coil Announces \$30 Million Bought Deal Financing**

**Calgary, Alberta – (TSX-XDC) – Xtreme Coil Drilling Corp.** (“Xtreme Coil”, the “Company”) announced that it has entered into an agreement with a syndicate of underwriters led by Peters & Co. Limited, and including National Bank Financial Inc. (the “Underwriters”), pursuant to which the Underwriters have agreed to purchase, on a bought deal basis, 7,700,000 common shares (“Common Shares”) of Xtreme Coil at a price of \$3.90 per Common Share for aggregate gross proceeds of \$30,030,000. The Underwriters will have the option to purchase up to an additional 15 percent of the total issue of Common Shares, exercisable in whole or in part at the sole discretion of the Underwriters up to 30 days after the closing date, at the same issue price, to cover over-allotments, if any. If such option is exercised in full, the aggregate gross proceeds of the offering will be \$34,534,500. The Common Shares will be offered in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario by way of a short form prospectus and in the U.S. on a private placement basis pursuant to exemptions from registration requirements.

The Company may, on a private placement basis, offer up to 750,000 Common Shares at a price of \$3.90 per Common Share to certain directors, officers and employees of the Company.

Proceeds will be used to reduce indebtedness, fund ongoing capital expenditures and for general corporate purposes. Closing is expected to occur on or about June 29, 2009 and is subject to certain customary conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange (“TSX”).

### **Corporate Profile**

Xtreme Coil develops and applies leading edge patented and patent-pending technology and designs to build, transport, and operate new Coil Over Top Drive<sup>®</sup> (“COTD<sup>TM</sup>”) drilling rigs. Currently contracted in the United States and Mexico and marketed to other international regions, Xtreme Coil’s innovative, dual-purpose and efficient rigs drill with larger coil to reach hydrocarbons in deeper horizons. Xtreme Coil’s proprietary technology also features modular transportation issues, larger coil injectors and new methods for achieving deeper, faster and safer drilling. Xtreme Coil’s common shares trade on the TSX under the symbol “XDC”.

## Reader Advisory

This news release contains forward looking statements. More particularly, this press release contains statements concerning the anticipated closing date of the offering, the anticipated private placement and the anticipated use of the proceeds. Although Xtreme Coil believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Xtreme Coil can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The closing of the offering and/or the private placement could be delayed if the Company is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned. The offering or the private placement, as the case may be, will not be completed at all if these approvals are not obtained or some other condition to closing is not satisfied. Accordingly, there is a risk that the offering, or the private placement, will not be completed within the anticipated time or at all. The intended use of the proceeds by Xtreme Coil might change if the board of directors of the Company determine that it would be in the best interests of the Company to deploy the proceeds for some other purpose.

*The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.*

*The Toronto Stock Exchange has neither approved nor disapproved the contents of this press release.*

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