



## News Release

2010 March 14

For Immediate Release

### **Xtreme Coil Establishes Middle East Presence**

**Calgary, Alberta, Canada** - (TSX - XDC) - Xtreme Coil Drilling Corp. and its affiliates ("**Xtreme Coil**", the "**Company**") announce a collaboration between Xtreme Coil and Suhayl Abdul Mohsin Al Shoaibi & Sons Holding Company Limited and its affiliates ("**Shoaibi Group**") related to developing new business in the Middle East and North Africa ("**MENA**").

This business collaboration will guide the creation of joint venture companies to promote and provide certain Xtreme Coil contract drilling services and products through Shoaibi Group's strong operations and market expertise in the Kingdom of Saudi Arabia ("**Saudi Arabia**") and Algeria targeting national oil companies and their global affiliates as well as to other companies operating in Saudi Arabia, Bahrain and Algeria. Xtreme Coil will own 80 percent and Shoaibi Group will own 20 percent of the new companies.

#### **Xtreme Coil and Shoaibi Group Form Joint Venture**

Xtreme Coil and Shoaibi Group announce the formation of the first joint venture, Xtreme Coil Drilling Saudi Arabia Ltd. The parties to the joint venture agree to work on an exclusive basis to provide mutual benefit by introducing and engaging Xtreme Coil's contract drilling services to exploit current and future opportunities with respect to oil and natural gas development projects in Saudi Arabia. The joint venture addresses a number of principles regarding structure of the new companies, funding and accounting, governance, change of control, technology licensing, services related to drilling equipment, potential drilling contracts and performance criteria, timetables, confidentiality, and compliance, among other business matters.

Commenting on the formation of this joint venture, Faisal Al Shoaibi, Director of Shoaibi Group, said, "Shoaibi Group is proud to partner with Xtreme Coil in this venture. We believe this partnership is in perfect synergy with Shoaibi Group's strategy to provide proven innovative technology to the MENA region."

Xtreme Coil's business strategy to expand activities in Saudi Arabia will benefit from the relationship now formalised with the Shoaibi Group and the Company expects to pursue a range of new opportunities through this joint venture.

Both parties to the joint venture have agreed to provide their proportionate share of funding on a project-by-project basis and Xtreme Coil Drilling Saudi Arabia Ltd. is establishing an office in Saudi Arabia to support rig mobilization and ongoing operations in that country. Pre-existing joint venture arrangements involving Xtreme Coil will not be affected by the terms of this joint venture.

#### **Corporate Profile – Xtreme Coil**

Xtreme Coil develops and applies leading-edge patented and patent-related technology and designs to build, transport, and operate new COTD™ drilling rigs. In addition to contracts in the United States of America and the United Mexican States, Xtreme Coil markets proprietary, dual-purpose drilling rigs to existing customers and to other international operating regions. Xtreme Coil drills with larger coil and conventional drill pipe to reach hydrocarbons in deeper horizons. Including the most recent re-entry rig design, the XTC 200DTR<sup>PLUS</sup>, Xtreme Coil's fit-for-purpose rigs feature high capacity injectors as well as innovative handling of conventional pipe and coiled tubing, modular transportation systems and operating methods for achieving deeper, faster and safer drilling. Xtreme Coil's common shares trade on the TSX under the symbol "XDC".

### **Corporate Profile – Shoaibi Group**

Headquartered in Saudi Arabia, with operations in Bahrain, Algeria, and Egypt the Shoaibi Group of companies works with local and international partners, predominately in the oil, gas and petrochemicals industry, to introduce innovative proven technology to the MENA region. The Group comprises over 100 subsidiaries, local and international joint ventures and agency representations in the fields of exploration, production, and support services to the oil and gas industry, as well as oil refining, gas processing chemicals, petrochemicals, maritime services, refined products and distribution. In recognising the need for oil operators to control costs by becoming more efficient in discovery and recovery processes, Shoaibi Group has become a leader in partnering, developing, and investing in cutting edge oil and gas technology companies with the objective of addressing the needs of the MENA region's reservoirs.

### **Reader Advisory**

This news release contains forward-looking statements. More particularly, this news release contains statements concerning the anticipated contracting, marketing, financing, deployment, operation, and utilization of rigs in the Company's current and future fleet of drilling rigs as well as corporate structure changes and processes intended to protect proprietary intellectual property. Although Xtreme Coil believes the expectations reflected in these forward-looking statements are reasonable, readers should not place undue reliance on them because Xtreme Coil can give no assurance 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 forward-looking statements contained in this news release are made as of the date hereof and Xtreme Coil undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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