March 8, 2017 **For Immediate Release**

Xtreme Drilling Corp. Announces Full Year 2016 Financial and Operating Results, 2017 Outlook and a Long Term Contract for the First 850XE Rig

Calgary, Alberta – (TSX-XDC) – **Xtreme Drilling Corp., formerly Xtreme Drilling and Coil Services Corp.,** (**"Xtreme",** the **"Company")** announces its fourth quarter and full year 2016 financial and operating results. It is anticipated that filing will take place on SEDAR of Consolidated Financial Statements as well as Management's Discussion and Analysis for the year ended December 31, 2016, by March 10, 2017.

Xtreme is pleased to announce that it has signed a two-year term contract on the first 850XE upgrade which is scheduled for delivery to Oklahoma in the third quarter of 2017. This level of commitment in the current rig market is validation of the 850XE rig design and value to the customer. The second and third 850XE upgrades are scheduled for delivery in October and December of 2017, respectively. Extensive conversations with potential customers are currently in process and Xtreme anticipates having both additional 850XE rigs contracted in the coming months. In addition, the Company recently contracted it's seventh optimized XDR 500 rig and anticipates it going to work in mid-April.

The 850XE design is Xtreme's next step in drilling innovation and technology. The proprietary design was developed specifically for today's major resource plays and is expected to be the most efficient and fastest moving "super spec" rig in the North American land market. The 850XE will be equipped with an 1,800hp AC electric drawworks, 850,000 pound capacity mast, proprietary X-pad optimizer walking system, a 7,500psi mud system with three pumps, integrated equipment monitoring and other proprietary design features. It will have a rated depth capacity in excess of 27,500 feet with 5 inch drill pipe and the ability to stand all of the drill pipe in the mast.

2016 Highlights

(amounts in Canadian dollars, unless otherwise noted)

- Effective June 22, 2016, the Company completed the previously announced sale of substantially all of the coil services ("XSR") assets to Schlumberger Technology Corporation and Schlumberger Middle East, (collectively, "Schlumberger") for $205.0 million. The results of operations, including gain on disposal of the XSR assets, and cash flows for the XSR segment have been presented as "discontinued operations" in the financial statements, accompanying tables, and MD&A. Drilling services ("XDR") are presented as continuing operations in the financial statements, accompanying tables, and MD&A.

- The Company's USD-revenue and expenses are impacted by the exchange rate between the US dollar ("USD") and Canadian dollar ("CAD"). For the twelve months ended December 31, 2016 and 2015, the average exchange rate used to convert the USD-denominated revenues and expenses to CAD increased 4% from $1.33/$1 USD compared to $1.28/$1 USD, respectively. This had a direct impact on reported revenue and expenses during the period.

- As a result of the sale, the Company received $205.0 million in cash which was used to pay off the balance of the outstanding debt of $78.0 million USD ($100.7 million CAD) and transaction related costs of $7.7 million. The Company recognized a gain of $46.6 million on the sale of the XSR assets, net of related taxes. The sale provided significant working capital for Xtreme during 2016 and the Company finished with approximately $115.2 million in cash and cash equivalents at the end of the period.

- For the three and twelve months ended December 31, 2016, the Company recorded revenue related to drilling services ("XDR") of $9.9 million and $42.0 million, respectively, a decrease from the three and twelve months ended December 31, 2015, of $23.4 million and $131.2 million, respectively (decreases of 58% and 70%, respectively). Operating results in 2016 were negatively impacted by the decrease in drilling activity and lower day rates due to market conditions.

- During 2016 drilling services recognized $0.5 million in termination revenue, a decrease of $10.1 million compared to 2015. Termination revenue is recognized when an amount is agreed upon by both parties, collection is probable and the Company does not have any further services to render to earn such revenue.

- Adjusted EBITDA from continuing operations was ($0.1) million and ($6.3) million for the three and twelve months ended December 31, 2016, a decrease from $0.7 million and $19.3 million from the respective 2015 periods. Adjusted EBITDA excludes termination revenue of nil and $1.4 million for the fourth quarters of 2016 and 2015, respectively, and $0.5 million and $10.6 million for the years 2016 and 2015, respectively. For 2016, adjusted EBITDA for both continuing and discontinued operations was $8.1 million as compared to $50.6 million in 2015.

- Operating cash from continuing operations, as reported in the Consolidated Statement of Cash Flows, was ($7.8) million for 2016 compared to $39.5 million in 2015. Operating cash from discontinued operations was $9.2 million for 2016 compared to $22.2 million in 2015.

- XDR operating days during the three months ended December 31, 2016, decreased from 932 in 2015 to 479 in 2016, or 47%. Operating days for the twelve months ended December 31, 2016, also decreased from 4,458 in 2015 to 1,840 in 2016, or 59%.

- For the fourth quarter of 2016, utilization was 25% on the Company's 21 drilling rig fleet, a decrease from 48% during the fourth quarter of 2015. Utilization has increased for 2 consecutive quarters, from a low of 19% for the second quarter of 2016. For the year, utilization was 24% for 2016, a decrease from 58% in 2015.

- XDR revenue per operating day for the three and twelve months ended December 31, 2016, was $20,700 and $22,800, respectively, a decline from $25,100 and $29,400 for the respective prior year periods. The decreases of 18% and 22%, respectively, are due to the reduction in day rates during the period and lower stand-by and termination revenues recognized in 2016. Exclusive of stand-by and termination revenues in 2016 and 2015, revenue per operating day would have been $20,100 and $20,500 for the three and twelve months ended December 31, 2016, a decrease from $22,300 and $26,400 for the three and twelve months ended December 31, 2015, or 10% and 22%, respectively.

- Operating expenses are tied to operating levels and were $15,800 and $18,600 per operating day for the three and twelve months ended December 31, 2016, respectively, compared to $17,100 and $18,700 for the same periods in 2015. The decrease in the cost per operating day was primarily attributable to a decrease in labor-related expenses and other cost containment measures.

- Gross margin as a percentage of revenue was 24% and 19% for the three and twelve months ended December 31, 2016, a decrease from 32% and 37% for the same periods in 2015. The decrease in gross margin as a percentage of revenue is attributable to lower day rates and lower termination revenues earned, offset by lower operating costs.

- General and administrative expenses decreased from $5.3 million for the three months ended December 31, 2015, to $2.5 million for the same period in 2016, or 53%. The decrease is due to a reduction in headcount as well as a decrease in employee salaries and benefits and lower professional fees. General and administrative expenses increased from $18.0 million for 2015 to $18.6 million for 2016 primarily due to employee severance payments made as a result of reductions in force as well as contractual employee payments and other professional fees related to the sale of certain assets of the coil services segment, offset by a reduction in headcount and associated employee salaries and benefits.

- Net loss from drilling operations, or continuing operations, for the fourth quarter of 2016 was $11.1 million, a decrease of 68% from the prior year's quarter. Net loss from continuing operations for the year ended 2016 was $76.7 million, a decrease of 6% from 2015. Included in the net loss from continuing operations for 2016 and 2015 are asset impairment charges on the Company's drilling rig fleet of $11.9 million and $38.5 million, respectively.

- For the years ended 2016 and 2015, the coil services segment, or discontinued operations, had revenues of $38.7 million and $90.2 million, respectively. Net income attributed to discontinued operations for 2016 and 2015 was $55.9 million and $13.7 million, respectively. The increase is due to the gain on sale of the assets, net of taxes, realized, of $46.6 million.

- Capital expenditures for 2016 were $12.5 million, which included $1.4 million for discontinued operations prior to sale. Currently the Company has an approved 2017 capital expenditure budget of between $45.0 and $50.0 million USD, including between $33.0 million USD and $35.0 million USD for the 850XE upgrades.

- At September 30, 2016, the Company reviewed the carrying value of its long-lived assets for indicators of impairment. Due to current market conditions, certain indicators of impairment were identified for both the US and Canadian Drilling cash generating units (CGUs). The significant decrease in the drilling rig industry activity during the period adversely impacted current and expected future business and estimated recoverable amounts of the drilling rigs and related components. As a result of the impairment review, the Company determined that property and equipment in the CGUs was impaired by approximately $10.5 million and $1.4 million, respectively.

- As of the date of this press release, the Company had eight of 21 XDR rigs contracted in Canada, Colorado, North Dakota and Oklahoma. Of the eight rigs contracted, seven of them were the XDR 500 rigs.

Selected Quarterly Information from *Continuing Operations*

(unaudited)

Three months ended	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016
Revenue	**9,929**	8,468	7,369	16,266
Adjusted EBITDA	**(148)**	(1,423)	(5,449)	784
Adjusted EBITDA as a percentage of revenue	**(1)%**	(17)%	(74)%	5%
Adjusted EBITDA per share - basic ($)	**N/A**	(0.01)	(0.07)	0.01
Net (loss) income	**(11,122)**	(29,542)	(28,699)	(7,350)
Net (loss) income per share - basic ($)	**(0.13)**	(0.35)	(0.34)	(0.09)
Operating cash flows from continuing operations	**2,134**	(1,168)	(10,849)	(615)
Capital assets	**240,656**	243,564	266,188	276,521
Total assets	**365,702**	373,104	409,794	316,270
Net debt	**(113,882)**	(118,863)	(110,794)	90,242
Operating days	**479**	433	364	564
Utilization (percentage)	**25%**	22%	19%	30%
Weighted average number of rigs in service	**21**	21	21	21
Total number of rigs, end of quarter	**21**	21	21	21

	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015
Revenue	**23,370**	29,758	33,563	44,523
Adjusted EBITDA	**753**	3,620	5,113	9,809
Adjusted EBITDA as a percentage of revenue	**3%**	12%	15%	22%
Adjusted EBITDA per share - basic ($)	**0.03**	0.08	0.10	0.15
Net loss	**(36,069)**	(40,267)	(3,860)	(1,825)
Net loss per share - basic ($)	**(0.44)**	(0.49)	(0.05)	(0.02)
Operating cash flows from continuing operations	**8,673**	11,731	7,218	11,905
Capital assets	**303,168**	318,639	340,800	360,802
Total assets	**365,334**	394,121	427,303	456,739
Net debt	**96,123**	93,389	112,113	125,869
Operating days	**932**	1,069	1,072	1,385
Utilization (percentage)	**48%**	55%	56%	73%
Weighted average number of rigs in service	**21**	21	21	21
Total number of rigs, end of quarter	**21**	21	21	21

Excerpt from Management's Discussion and Analysis
for the year ended December 31, 2016

OUTLOOK

In many respects, 2016 was a year of transition at Xtreme. Most significantly, the XSR coiled tubing service division was sold to Schlumberger in June for $205.0 million. Due to this asset transaction Xtreme is once again a pure drilling-focused company and stronger than ever before. Xtreme is debt-free, with the cash reserves to implement the Company's fleet optimization program as well as other strategic opportunities. This financial flexibility comes as commodity prices—and, in turn, the US and Canadian land drilling market—are showing signs of improvement. Our management team has not only navigated the downturn, but maintained the foresight through the current fleet optimization program to position Xtreme for success moving forward.

The recent US land rig count approached 750, after bottoming out at fewer than 400 in May of 2016. The majority of rigs that have gone back to work in the US are high spec AC electric rigs. The market share of AC rigs in the US has increased from 40% in the third quarter of 2014 to 66% currently. Xtreme's 18 rig US fleet and three rig Canadian fleet are 100% AC electric. The Company currently has seven of 10 XDR 500 rigs contracted in the United States with six currently operating and the seventh contracted to begin work in April. In Canada Xtreme has one of three XDR 200 rigs working until the last week of March.

As the optimization of the Xtreme fleet continues in 2017 the Company is optimistic that the three idle XDR 500 rigs will have the opportunity to go back to work in the coming months. The Company has received a significant increase of customer inquiries in Xtreme's core US shale markets of the DJ, Williston and Anadarko Basins.

Two of the three idle XDR 500 rigs are currently in various stages of optimization which includes the installation of a 7,500psi mud system as well as other upgrades of key components. It is anticipated that the rigs will finish these upgrades in April and May respectively. The Company anticipates gaining market share as the rig count increases and certain competitors lack the financial strength to invest in fleet optimization programs demanded by most E&P customers.

A second component of the 2017 fleet optimization program has been Xtreme's development of a new rig design, the 850XE. The Company will use this design as the basis for the announced upgrade of three rigs to 850XE specs. As operators seek to drill deeper in the majority of US basins they are increasingly demanding rigs that meet a new standard known as "super spec." (Unofficially, the term refers to AC rigs with at least 750,000 lb. hookload capacity, 7,500 psi mud pumps, integrated walking systems and a minimum of 1,500hp AC drawworks.)

In response to the market's need for these higher spec rigs, and building upon our legacy of continuous innovation to improve performance and meet customer needs, Xtreme designed and engineered the 850 XE in Q3 and Q4 of 2016. This proprietary design not only meets the criteria for a super spec rig, but exceeds operators' requirements in anticipation that oil and gas well depths will continue to increase. It is important to note these three initial 850XE rigs are not new builds; rather upgrades of existing rigs—two XDR 400s (rigs 6 & 8) and the original XDR 500 (rig 7) built in 2007—to this design. When the first one is deployed in Q3 2017, it will be the fastest-moving, most efficient super spec rig in the US marketplace—outfitted with various patented and industry-first componentry. From a capacity standpoint the 850XE will have an 850,000 pound mast and a 1,800 horsepower AC drawworks total measured drilling depth capacity in excess of 27,500 ft. (8,350m) with 5 inch drill pipe.

Xtreme recently finalized the first contract on the initial 850XE. It is a two year term contract at a competitive rate. The marketing process has confirmed the value that the 850XE will bring to Xtreme's customers. Not only does the 850XE sustain Xtreme's position as a top tier drilling contractor, but it also will produce impressive financial returns at current market rates. In addition, the Company anticipates that long term utilization and cash flow for the 850XE rig design will be significantly greater than had these rigs remained in their original XDR configuration.

The three 850XE rig upgrades will cost approximately $11-$11.5 million USD per rig, accounting for the majority of our $45-$50 million USD capital budget for 2017. The remainder will be used to complete the remaining XDR 500 optimization program and other sustaining capital purchases. Both the XDR 500 and the 850XE optimization programs will greatly enhance the Company's presence, marketability and ultimate utilization levels in the major US shale plays that it targets.

As US operators require more and more powerful equipment, we are actively working to deploy our smaller AC electric rigs in international markets. Although we sold our coil drilling operations in Saudi Arabia as part of the XSR coil services divestiture, we retained our business entity there. We began the prequalification process in September of 2016 to be able to drill in that country and Kuwait. These are ideal potential markets for our four XDR 300s. The projects targeted have significant demand for fast-moving, advanced-technology AC rigs in a shallow well application. The Company anticipates having greater clarity on these opportunities in the coming months and remains cautiously optimistic.

Xtreme will exit 2017 with a fully optimized fleet of larger rigs, three 850XE rigs and 10 XDR 500 rigs, which should maintain high utilization levels in the current industry environment. In addition, the opportunity presented for our eight XDR 200 and XDR 300 rigs in Canada and the Middle East provides for upside on fleet utilization and operating margins. This increased utilization and expected cash flow coupled with ample liquidity, of approximately $53 million to $56 million CAD, at the end of 2017 positions Xtreme very well to take advantage of future strategic opportunities.

Conference Call Details

Xtreme has scheduled a conference call to discuss results with investors, analysts, and stakeholders on **Thursday, March 9, 2016,** beginning promptly at **10:00 am MT** (11:00 am CT, 12:00 am ET).

Matt Porter, President and Chief Executive Officer, will host the conference call.

Conference operator dial-in numbers

To participate in the conference call, please dial in as follows approximately ten minutes before the start time in your time zone.

+1 844-889-6858 (North America Toll-Free) or **+1 661-378-9711** (International)

Webcast: http://edge.media-server.com/m/p/ikxvfz26 **Conference ID: 55256811**

An audio replay of the call will be available until 4:00 pm Thursday, March 15, 2017. To access the replay, call +1 (855) 859-2056 or +1 (800) 585-8367 and enter Conference ID 55256811 Web PIN 6452

Xtreme Drilling Corp. (formerly, Xtreme Drilling and Coil Services Corp.)
Consolidated Statements of Financial Position
(in thousands of Canadian dollars)

(unaudited)

	Dec 31, 2016	Dec 31, 2015
Assets		
Current assets		
Cash and cash equivalents	115,240	11,223
Accounts receivable	6,716	39,771
Other receivables	419	351
Inventory	2,810	8,693
Prepaid expenses	921	2,461
	126,106	62,499
Non-current assets		
Property and equipment	240,656	446,417
Intangible assets	—	3,310
Total Assets	366,762	512,226
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	14,827	29,729
Current tax payable	6,464	3,918
Current portion of long-term debt	—	107,346
Total Liabilities	21,291	140,993
Shareholders’ equity		
Share capital	339,448	333,515
Share option reserve	13,387	15,478
Accumulated deficit	(101,670)	(80,831)
Foreign currency translation reserve	94,306	103,071
Total Shareholders’ Equity	345,471	371,233
Total Liabilities and Shareholders’ Equity	366,762	512,226

Xtreme Drilling Corp. (formerly, Xtreme Drilling and Coil Services Corp.)

Consolidated Statements of (Loss) Income

For the years ended December 31, 2016 and 2015

(in thousands of Canadian dollars, except share and per share data)

(unaudited)

	2016	Represented 2015
Revenue *(Note 19)*	**42,032**	131,215
Expenses		
Operating expenses	**34,183**	83,305
General and administrative expenses	**18,596**	17,999
Depreciation expense	**44,920**	44,549
Impairment of property and equipment	**11,895**	38,494
Stock-based compensation	**3,285**	3,131
Foreign exchange (gain) loss	**(1,171)**	2,205
Loss on disposal of equipment	**4,344**	667
Other income	**(19)**	(1)
Interest expense	**4,114**	4,502
Loss	**(78,115)**	(63,636)
Tax (recovery) expense		
Current	**(1,402)**	4,582
Deferred	**—**	13,803
Total tax (recovery) expense	**(1,402)**	18,385
Net loss from continuing operations	**(76,713)**	(82,021)
Net income from discontinued operations, net of tax	**55,874**	13,677
Net loss	**(20,839)**	(68,344)
Net loss per common share from continuing operations		
– basic	**(0.91)**	(0.99)
– diluted	**(0.91)**	(0.99)
Net income per common share from discontinued operations		
– basic	**0.66**	0.17
– diluted	**0.66**	0.17
Net loss income per common share		
– basic	**(0.25)**	(0.83)
– diluted	**(0.25)**	(0.83)
Weighted average number of common shares		
– basic	**84,115,077**	82,637,642
– diluted	**84,535,717**	82,791,937

Xtreme Drilling Corp. (formerly, Xtreme Drilling and Coil Services Corp.)
Consolidated Statements of Comprehensive (Loss) Income
For the years ended December 31, 2016 and 2015

(in thousands of Canadian dollars)

(unaudited)

	2016	Represented 2015
Net loss	**(20,839)**	(68,344)
Other comprehensive (loss) income		
Items that may be subsequently reclassified to profit or loss:		
Unrealized (loss) gain on translating financial statements of foreign operations	**(8,765)**	59,858
Comprehensive loss	**(29,604)**	(8,486)
Total comprehensive (loss) income arising from:		
Continuing operations	**(85,478)**	(24,364)
Discontinued operations	**55,874**	15,878
	(29,604)	(8,486)

Xtreme Drilling Corp. (formerly, Xtreme Drilling and Coil Services Corp.)

Consolidated Statements of Changes in Equity

For the years ended December 31, 2016 and 2015

(in thousands of Canadian dollars)

(unaudited)

	Share capital	Share option reserve	Accumulated deficit	Foreign currency translation reserve	Total Shareholders' Equity
Balance at Jan 1, 2015	330,964	14,803	(12,487)	43,213	376,493
Net loss	—	—	(68,344)	—	(68,344)
Other comprehensive income					
Currency translation differences	—	—	—	59,858	59,858
Total comprehensive loss	—	—	(68,344)	59,858	(8,486)
Employee share option scheme:					
Value of employee services	—	3,140	—	—	3,140
Transfer from share option	2,465	(2,465)	—	—	—
Proceeds from shares issued	86	—	—	—	86
Total transactions with owners	2,551	675	—	—	3,226
Balance at Dec 31, 2015	333,515	15,478	(80,831)	103,071	371,233
Balance at Jan 1, 2016	333,515	15,478	(80,831)	103,071	371,233
Net loss	—	—	(20,839)	—	(20,839)
Other comprehensive loss					
Currency translation differences	—	—	—	(8,765)	(8,765)
Total comprehensive loss	—	—	(20,839)	(8,765)	(29,604)
Employee share option scheme:					
Value of employee services	—	3,769	—	—	3,769
Transfer from share option	5,860	(5,860)	—	—	—
Proceeds from shares issued	73	—	—	—	73
Total transactions with owners	5,933	(2,091)	—	—	3,842
Balance at Dec 31, 2016	339,448	13,387	(101,670)	94,306	345,471

Xtreme Drilling Corp. (formerly, Xtreme Drilling and Coil Services Corp.)

Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)

(unaudited)

	2016	Represented 2015
Cash flow provided by:		
Operating activities		
Net loss	(76,713)	(82,021)
Items not affecting cash:		
Depreciation expense	44,920	44,549
Impairment of property and equipment	11,895	38,494
Stock-based compensation	3,285	3,131
Loss on disposal of equipment	4,344	667
Provision for doubtful accounts	892	997
Interest expense	2,142	3,965
Interest paid	(2,142)	(3,586)
Amortization of debt issuance costs	1,972	537
Foreign exchange loss	1,047	16,940
Current tax (recovery) expense	(1,402)	4,582
Deferred tax expense	—	13,803
Taxes paid	(738)	(2,531)
Operating cash flows from continuing operations	(10,498)	39,527
Operating cash flows from discontinued operations	9,247	22,164
Changes in items of non-cash working capital	25,020	8,285
	23,769	69,976
Financing activities		
Proceeds from exercise of stock options	73	86
Proceeds from long-term debt	—	6,579
Repayment of long-term debt	(100,774)	(51,465)
Debt issuance cost	(1,409)	—
	(102,110)	(44,800)
Investing activities		
Proceeds from sale of equipment	137	431
Capital expenditures	(11,091)	(5,496)
Investing activities of discontinued operations	195,826	(14,491)
Buyout of non-controlling interest partner	—	(1,962)
Changes in items of non-cash working related to capital items	(1,566)	(4,279)
	183,306	(25,797)
Effect of exchange rate changes on cash and cash equivalents	(948)	(1,258)
Increase (decrease) in cash and cash equivalents	104,017	(1,879)
Cash and cash equivalents - beginning of year	11,223	13,102
Cash and cash equivalents - end of year	115,240	11,223

Adjusted EBITDA from Continuing Operations

(unaudited)	Three months ended		Twelve months ended	
	Dec 31, 2016	Dec 31, 2015	Dec 31, 2016	Dec 31, 2015
Net loss	(11,122)	(36,070)	(76,713)	(82,021)
Interest expense	—	1,036	4,114	4,502
Depreciation	10,599	11,221	44,920	44,549
Tax (recovery) expense	(2,614)	16,772	(1,402)	18,385
	(3,137)	(7,041)	(29,081)	(14,585)
Non-cash items:				
Impairment of property and equipment	—	5,482	11,895	38,494
Stock-based compensation	191	899	3,285	3,131
Foreign exchange loss (gain)	35	1,843	(1,171)	2,205
Loss on disposal of equipment	2,784	944	4,344	667
	3,010	9,168	18,353	44,497
Non-recurring items:				
Other (income) expense	(21)	2	(19)	(1)
Termination revenue	—	(1,375)	(459)	(10,616)
Other management compensation related to XSR sale	—	—	4,970	—
	(21)	(1,373)	4,492	(10,617)
Adjusted EBITDA	(148)	754	(6,236)	19,295

Adjusted EBITDA from Discontinued Operations

(unaudited)	Three months ended		Twelve months ended	
	Dec 31, 2016	Dec 31, 2015	Dec 31, 2016	Dec 31, 2015
Net (loss) income	(2,535)	3,611	55,874	13,677
Depreciation and amortization	—	3,724	3,965	15,092
Tax expense	1,651	852	6,156	2,472
	(884)	8,187	65,995	31,241
Non-cash items:				
Gain on sale of equipment and assets held for sale	—	—	(51,668)	—
	—	—	(51,668)	—
Adjusted EBITDA	(884)	8,187	14,327	31,241

Adjusted EBITDA from Continuing and Discontinued Operations

(unaudited)	Three months ended		Twelve months ended	
	Dec 31, 2016	Dec 31, 2015	Dec 31, 2016	Dec 31, 2015
Adjusted EBITDA	(1,032)	8,941	8,091	50,536
Adjusted EBITDA as a percentage of revenue	(10)%	13%	7%	16%
Adjusted EBITDA per share ($)	(0.01)	0.11	0.10	0.61
Net loss per share ($)	(0.37)	(0.59)	(0.25)	(0.83)

Reader Advisory

This news release, or documents incorporated herein, contains forward-looking information ("FLI"). FLI is typically contained in statements with words such as "anticipate", "believe", "estimate", "expect", "plan", "schedule", "intend", "propose" or similar words suggesting future outcomes or an outlook. More particularly, this NEWS RELEASE contains FLI that may relate to contracting, marketing, financing, construction, modifications, deployment, operation, and utilization of drilling rigs in the Company's current and future fleet. Although Xtreme believes expectations reflected in such FLI are reasonable, readers should not place undue reliance on them because Xtreme can give no assurance they will prove to be correct. There are many factors that could cause FLI not to be correct, including risks and uncertainties inherent in the Company's business.

FLI is based on certain factors and assumptions including, but not limited to:

- the assessment of current and projected future drilling and related operations;
- ongoing and future strategic business alliances,
- negotiations and opportunities to enter new, extend or complete existing contracts;
- the availability and cost of financing;
- currency exchange rates; timing and magnitude of capital expenditures;
- expenses and other variables affecting rig operation, modification and construction;
- the ability and commitment of vendors to provide rig equipment, services and supplies, including labor, in a cost-effective and timely manner;
- the issuance of applied-for patents;
- changes in tax structures and rates; and,
- government regulations.

Although Xtreme considers the assumptions used to prepare this news release reasonable, based on information available to management as of March 8, 2017, ultimately the assumptions may prove to be incorrect.

FLI is also subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from management's current expectations. These factors include, but are not limited to:

- the cyclical nature of drilling market demand, currency exchange rates and commodity prices;
- access to credit and to equity markets;
- the availability and retention of qualified personnel;
- vendor-provided equipment components and services; and
- competition for customers.

Management's assumptions considered the following:

- ongoing access to key services, supplies and equipment required to continue operating and maintaining the rigs, including fuel;
- continued successful performance of drilling and related equipment;
- expectations regarding gross margin;
- recruitment and retention of qualified personnel;
- continuation or extension of existing long-term, multi-well contracts or other contracts;
- revenue expectations related to shorter-term drilling opportunities;
- willingness and ability of customers to remit amounts owing to Xtreme in accordance with normal industry practices; and,
- management of accounts receivable in direct relation to revenue generation.

In preparing this news release, the following risk factors were considered:

- fluctuations in crude oil and natural gas prices, as well as supply and demand;
- fluctuation in currency exchange and interest rates;
- financial stability of Xtreme's customers;
- current and future applications for Xtreme's proprietary technology;
- related services provided by, and competition from, other drilling contractors;
- regulatory and economic conditions in regions where Xtreme operates;
- environmental constraints;
- changes to government legislation;
- international trade barriers or restrictions; and,
- where appropriate, global economic, political and military events, as well as acts of terrorism, riots, strikes, insurrections, revolutions and civil war.

FLI contained in this news release about prospective results of operations, financial position or cash provided by operating activities is based on assumptions about future events, including economic conditions and proposed courses of action, and on management's assessment of relevant information currently available. Readers are cautioned such financial outlook information contained in this news release is not appropriate for purposes other than for which it is disclosed here. Readers should not place undue importance on FLI and should not rely on this information as of any other date. Except as required pursuant to applicable securities laws, Xtreme disclaims any intention, and assumes no obligation, to update publicly or revise FLI to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such FLI or otherwise.

About Xtreme

Xtreme Drilling Corp. ("XDC" on the Toronto Stock Exchange) designs, builds, and operates a fleet of high specification AC drilling rigs featuring leading-edge proprietary technology. Currently Xtreme operates one service line - Drilling Services (XDR) under contracts with oil and natural gas exploration and production companies and integrated oilfield service providers in Canada and the United States. For more information about the Company, please visit www.xdccorp.com.

* * * * * * * * * *

CONTACT INFORMATION

Xtreme Drilling Corp.
Matt Porter
President and Chief Executive Officer
+1 281 994 4600
ir@xdccorp.com
www.xdccorp.com