



FOR IMMEDIATE RELEASE

(All amounts in Canadian dollars)

April 19, 2017

**Xtreme Announces Terms of CDN\$25,000,000
Substantial Issuer Bid**

CALGARY, ALBERTA – Xtreme Drilling Corp. (“**Xtreme**” or the “**Company**”) (TSX: XDC), today announced the terms of its previously announced substantial issuer bid (the “**Offer**”), pursuant to which Xtreme will offer to purchase for cancellation up to 10,416,667 of its common shares (“**Shares**”) for an aggregate purchase price not to exceed CDN\$25,000,000. The Offer will be conducted through a “modified Dutch auction” within a price range of not less than CDN\$2.40 per Share and not more than CDN\$2.80 per Share (in increments of CDN\$0.05 per Share within that range). We intend to fund the Offer with available cash on hand.

The “modified Dutch auction” tender process allows shareholders to individually select the price, within the specified range (and specified increments), at which they are willing to sell their Shares. When the Offer expires, we will select the lowest purchase price that will allow us to purchase the maximum number of Shares properly tendered to the Offer, and not properly withdrawn, having an aggregate purchase price not exceeding CDN\$25,000,000. If Shares with an aggregate purchase price of more than CDN\$25,000,000 are properly tendered and not properly withdrawn, we will purchase the Shares on a pro rata basis except that “odd lot” tenders (of holders beneficially owning fewer than 100 Shares) will not be subject to pro-rata. The Offer will not be conditioned on any minimum number of Shares being tendered to the Offer, but will be subject to other conditions customary for a transaction of this nature. The Offer will expire at 5 p.m. Eastern time on June 1, 2017, unless terminated or extended by Xtreme.

We expect to mail the formal Offer to Purchase, Issuer Bid Circular and other related documents containing the terms and conditions of the Offer, instructions for tendering Shares, and the factors considered by Xtreme and its Board of Directors in making its decision to approve the Offer, among other things, on or about April 26, 2017. These documents will be filed with the applicable Canadian Securities Administrators and will be available free of charge on SEDAR at www.sedar.com and on Xtreme’s website at www.xtremedrillingcorp.com. Shareholders should carefully read the Offer to Purchase, Issuer Bid Circular and other related documents prior to making a decision with respect to the Offer.

Any questions or requests for information may be directed to Computershare Trust Company of Canada, as the depository for the Offer, at 1-800-564-6253 (Toll Free - North America) or 1-514-982-7555 (Overseas).

Xtreme’s Board of Directors has authorized the making of the Offer based on a recommendation of an independent committee of Xtreme’s Board of Directors. None of Xtreme, its Board of

Directors or the depositary makes any recommendation to any Xtreme shareholder as to whether to tender or refrain from tendering their Shares under the Offer or as to the purchase price(s) at which such shareholders may tender Shares under the Offer. Shareholders are urged to consult their own financial, tax and legal advisors and to make their own decisions whether to tender or to refrain from tendering their Shares to the Offer and, if so, how many Shares to tender and at what price or prices.

About Xtreme

Xtreme 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.xtremedrillingcorp.com.

The Offer referred to in this news release has not yet commenced. This news release is neither an offer to purchase nor a solicitation of an offer to sell any common shares of Xtreme. Any solicitation and the offer to purchase Shares by Xtreme will be made pursuant to an offer to purchase, issuer bid circular, letter of transmittal and related materials that Xtreme will file with applicable securities authorities and Xtreme will distribute these materials to its shareholders. Copies of these materials will be available free of charge at www.sedar.com. These materials will contain important information about the Offer and Xtreme shareholders are urged to read them carefully.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking information related to our plans, objectives, expectations and intentions, including our expectations regarding the launch, terms and timing of the Offer, that we intend to fund any purchases of Shares pursuant to the Offer from available cash on hand, the intended mailing date of the Offer materials, and other statements contained in this release that are not historical facts. Such forward-looking statements are predictive in nature and may be based on current expectations, forecasts or assumptions involving risks and uncertainties that could cause actual outcomes and results to differ materially from the forward-looking statements themselves. Such forward-looking statements may, without limitation, be preceded by, followed by, or include words such as “believes”, “expects”, “anticipates”, “estimates”, “intends”, “plans”, “continues”, “project”, “potential”, “possible”, “contemplate”, “seek”, or similar expressions, or may employ such future or conditional verbs as “may”, “might”, “will”, “could”, “should” or “would”, or may otherwise be indicated as forward-looking statements by grammatical construction, phrasing or context. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in applicable Canadian securities laws. Forward-looking statements are not guarantees of future performance and are subject to risks that could cause actual results to differ materially from conclusions, forecasts or projections expressed in such statements, including, among others, risks related to: Xtreme’s future capital requirements, market and general economic conditions, and its ability to obtain regulatory approvals. These statements are inherently subject to significant risks, uncertainties and changes in circumstances, many of which are beyond the control of Xtreme. Our actual results may differ materially from those expressed or implied by such forward-looking statements, including as a result of changes in global, political, economic, business, competitive, market and regulatory factors. These and other risks and uncertainties, as well as other

information related to Xtreme, are discussed in our public filings at www.sedar.com, including in our annual MD&A and our Annual Information Form. Forward-looking statements are provided for the purpose of assisting readers in understanding management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Except as required by applicable law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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