

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

[Trinidad Drilling Ltd.](#) (TSX:TDG) (the "Company" or "Trinidad") is pleased to announce that due to strong demand, the Company has increased the size of its previously announced offering to 41,269,841 common shares, at a price of \$3.15 per common share for aggregate gross proceeds of approximately \$130 million (the "Offering"). The Company has entered into an agreement with a syndicate of underwriters led by Raymond James Ltd. (collectively, the "Underwriters"), to offer the common shares on a bought deal basis, by way of a short form prospectus. The Company has also granted the Underwriters an overallotment option to purchase an additional 6,190,476 common shares on the same terms, which overallotment option is exercisable for a period of 30 days following the closing of the Offering. If the overallotment option is exercised in full, the gross proceeds of the Offering to the Company will be approximately \$149.5 million.

Over the past few months, Trinidad has been actively pursuing a number of refinancing options to strengthen its balance sheet and extend its debt maturity. As part of this comprehensive plan, the net proceeds from the Offering will be used initially to reduce the Company's current debt levels. This debt reduction is intended to lower the Company's overall cost of debt and cost of capital, improve Trinidad's debt to EBITDA ratio, and provide the Company with additional flexibility to fund certain growth projects as market conditions improve. If customer demand continues to strengthen, improved liquidity will allow Trinidad to accelerate upgrades to meet customer demands for higher spec drilling rigs. It will also allow Trinidad to accelerate decisions to deploy rigs into existing or new international markets where compelling opportunities arise.

In addition to the Offering, Trinidad has been exploring other opportunities to further improve its debt position and lower its cost of debt, including with respect to its US\$450 million aggregate amount of 7 7/8% senior notes due 2019 and its revolving credit facility maturing in December 2018. While no agreements have been agreed to or executed in respect of any additional refinancing transactions at this time, should definitive opportunities become available on terms that are favourable to the Company, Trinidad anticipates that it will pursue such transactions.

The completion of the Offering is subject to the receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange. The closing of the Offering is expected to occur on or about February 8, 2017.

Trinidad is a corporation focused on sustainable growth that trades on the Toronto Stock Exchange under the symbol TDG. Trinidad's divisions currently operate in the drilling sector of the oil and natural gas industry, with operations in Canada, the United States and the United Arab Emirates. In addition, through joint venture arrangements, Trinidad operates drilling rigs in Saudi Arabia and Mexico, and is currently assessing operations in other international markets. Trinidad is focused on providing modern, reliable, expertly designed equipment operated by well-trained and experienced personnel. Trinidad's drilling fleet is one of the most adaptable, technologically advanced and competitive in the industry.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the shares in any jurisdiction. The shares offered will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States or to a United States person, absent registration, or an applicable exemption therefrom.

Forward-looking Information

This document contains certain forward-looking information and statements ("forward-looking statements") within the meaning of applicable Canadian securities laws, relating to Trinidad's plans, strategies, objectives, expectations and intentions for the future. The use of any of the words "expect", "anticipate", "continue", "will", "plans" and similar expressions are intended to identify forward-looking statements. In particular, this document contains forward-looking statements pertaining to, among other things: the completion of the Offering and the intended use of proceeds therefrom; Trinidad's ability to lower its leverage, extend its debt maturity, lower its cost of debt and cost of capital, lower its debt to EBITDA ratio and add flexibility to fund growth projects; the improvement of industry conditions; Trinidad's ability to accelerate upgrades and decisions to deploy rigs to new or existing opportunities; and Trinidad's expectations respecting debt refinancing opportunities and the pursuit of transactions related thereto.

Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this document. While Trinidad believes that the expectations and material factors and assumptions reflected in its forward-looking statements are reasonable as at the date hereof, there can be no assurance that any of these expectations, factors or assumptions will prove to be correct. In particular, in presenting its forward-looking statements, Trinidad has made assumptions respecting, among other things: that all regulatory and exchange approvals for the Offering will be received in the manner and on the timelines currently anticipated; that Trinidad will continue to upgrade and manufacture rigs in a manner consistent with past practice and customer requests; that Trinidad will continue to be in a position to deploy its rigs in a manner consistent with past practice; future liquidity, debt levels and capital requirements; future industry conditions and general economic conditions; oil and gas supply and demand conditions in 2017; internal capital expenditure programs and other expenditures by oil and gas exploration and production companies; areas of industry activity and rig demand in such areas; regulatory and legislative conditions; commodity prices, in particular oil and natural gas; future expected cash flows and

potential distributions from joint venture partners including Trinidad Drilling International; foreign currency exchange rates and interest rates; and future performance and operations of joint ventures and partnership arrangements.

The forward-looking statements included in this document are not guarantees of future performance and should not be unduly relied upon. Readers are cautioned that forward-looking statements are based on current expectations, estimates and projections that, by their nature, forward-looking statements involve a number of known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward-looking statements. These known and unknown risks and uncertainties include, but are not limited to: regulatory and exchange approvals in respect of the Offering may not be obtained on the terms or timeline currently anticipated by Trinidad or at all; debt reduction initiatives may not improve Trinidad's financial position in the manner currently anticipated; additional refinancing opportunities on favourable terms may not be available to Trinidad; potential changes in the regulatory and legislative environment; political uncertainty and instability in North American and internationally and changes in political leadership in North America and elsewhere; volatility in commodity prices and foreign currency exchange, interest and tax rates; the ability of Trinidad to attract and retain qualified personnel, in particular field staff to crew the Company's rigs; the existence of competitors, technological changes and developments in the oilfield services industry; operating risks inherent in the oilfield services industry; variations in internal capital expenditure programs and other expenditures by oil and gas exploration and production companies; volatility in supply and demand for commodities, in particular oil and natural gas; and changes in general economic conditions including the capital and credit markets.

Trinidad cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. Although the Company expects that it will use the proceeds from the offering to reduce its outstanding debt levels, should any one of a number of issues arise, Trinidad may find it necessary to alter this use of proceeds or its business strategy and objectives and there can be no assurance as at the date of this document as to how those funds may be reallocated or the Company's strategy and objectives changed. Additional information on risks and other factors that could affect an investment in Common Shares and Trinidad's business, strategy, operations or financial results are described in reports filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) including but not limited to Trinidad's annual and quarterly MD&A and financial statements, Annual Information Form and Management Information Circular. The forward-looking statements contained in this document speak only as of the date of this document and Trinidad assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

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