



# NEWS RELEASE

1583 S. 1700 E. • Vernal, UT 84078 • (435)789-0594

FOR IMMEDIATE RELEASE

## **Superior Drilling Products, Inc. Announces Closing of Follow-on Equity Offering**

VERNAL, UT, October 5, 2016 — Superior Drilling Products, Inc. (NYSE MKT: SDPI) (“SDP” or the “Company”), a designer and manufacturer of drilling tool technologies, announced that it has closed its follow-on offering of 5,750,000 shares of common stock at a price of \$1.00 per share. The total number of shares issued during the follow-on offering includes a 750,000 share over-allotment option which was exercised in full by the underwriters. Following the closing of the follow-on offering today, the Company has 23,961,631 shares of common stock outstanding.

Net of underwriting discounts, commissions and offering expenses, net proceeds are estimated to be approximately \$5.1 million. The Company plans to use the proceeds from the follow-on offering to repay a portion of outstanding indebtedness, and for general corporate purposes, including working capital.

Roth Capital Partners acted as the sole book-running manager and Wunderlich acted as co-lead manager of the offering.

The common stock was issued pursuant to a registration statement on Form S-1, which was declared effective by the Securities and Exchange Commission (“SEC”) on September 29, 2016. A copy of the written prospectus for the offering may be accessed through the SEC’s website at [www.sec.gov](http://www.sec.gov), or may also be obtained from:

Roth Capital Partners, LLC

-OR-

Wunderlich Securities, Inc.

888 San Clemente Drive, Suite 400

6000 Poplar Avenue, Suite 150

Newport Beach, CA 92660

Memphis, TN 38119

Phone (800) 678-9147

Phone (800) 726-0557

*This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction.*

### **About Superior Drilling Products, Inc.**

Superior Drilling Products, Inc. is an innovative, cutting-edge drilling tool technology company providing cost saving solutions that drive production efficiencies for the oil and natural gas drilling industry. The Company designs, manufactures, repairs, sells and rents drilling tools. SDP drilling technologies include the patented Drill-N-Ream<sup>®</sup> well bore conditioning tool and the patent-pending Strider<sup>™</sup> Drill String Oscillation System. The Strider technology is applied in SDP’s Coiled Tubing Strider and Big D Strider tools. In addition, SDP is a manufacturer and refurbisher of PDC (polycrystalline diamond compact) drill bits for a leading oilfield services company. SDP operates a state-of-the-art drill tool fabrication facility, manufacturing for its customer’s custom products and solutions for the drilling industry. The Company’s strategy is to leverage its technological expertise in drill tool technology and innovative, precision machining to broaden its drill tool technology offerings for rent or sale, while operating an effective sales

and logistics infrastructure through which it can provide proprietary tools to exploration and production companies, oilfield services companies and rental tool companies.

Additional information about the Company can be found at its website: [www.sdpi.com](http://www.sdpi.com).

***Cautionary Statement Regarding Forward Looking Statements***

This news release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than historical facts, that address activities (including about the Pending Acquisition) that the Company assumes, plans, expects, believes, intends or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements are based on management’s current beliefs, based on currently available information, as to the outcome and timing of future events. These forward-looking statements involve certain risks and uncertainties that could cause the results to differ materially from those expected by the Company’s management. Information concerning these risks and other factors can be found in the Company’s filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K, available on the Company’s website or the SEC’s website at [www.sec.gov](http://www.sec.gov).

**For more information, contact investor relations:**

Deborah K. Pawlowski / Garrett K. Gough  
Kei Advisors LLC  
(716) 843-3908 / (716) 846-1352  
[dpawlowski@keiadvisors.com](mailto:dpawlowski@keiadvisors.com) / [ggough@keiadvisors.com](mailto:ggough@keiadvisors.com)