



Pason to Appeal Decision from Canadian Court in AutoDriller Litigation

FOR IMMEDIATE RELEASE

CALGARY, Alberta (July 9, 2013) – Following up on its July 5, 2013 press release, Pason Systems Inc. (TSX: PSI) (“Pason” or the “Company”) announced today that it will be filing an appeal with the Canadian Federal Court of Appeal of the judgment released by the Federal Court of Canada, Trial Division, on July 5, 2013 regarding the Company’s AutoDriller product (the “AutoDriller”). After reviewing the lengthy and complex judgment, management has decided to pursue several issues on appeal, including the damages calculations endorsed by the Trial Judge.

For further clarification, the damages set out in the judgment (\$52.9 million) are based upon revenue earned from the AutoDriller in Canada and international countries, other than the United States, from the product’s inception in 2003 until September 2010 (the date that the financial reports used at trial were prepared). In addition to that time period, the Court found that the Plaintiff is entitled to damages based upon revenue Pason earned from the AutoDriller after September 2010 through to the expiration of the plaintiff’s patent on April 19, 2013. The extent of revenue earned from the AutoDriller in Canada and internationally, other than from the United States, during that time period and resulting damages will be determined on further application to the Trial Judge and be subject to appeals.

Pason expects numerous other post-judgment applications to be made to the Trial Court prior to the appeal, including motions to determine the amount of interest and court costs, all of which are also subject to appeals.

The Company continues to await a judgment from the US Court of Appeals for the Federal Circuit regarding the Colorado case, and is preparing its defense in the Texas case which is still in the preliminary stages.

As at March 31, 2013, the Company had reserved \$53.1 million in its consolidated financial statements for the three AutoDriller cases described above. In light of the recent judgment in the Canadian case and Pason’s decision to appeal that judgment, the reserve will be adjusted and disclosed in the Company’s consolidated financial statements for the period ending June 30, 2013.



Pason Systems Inc.

Pason Systems Inc. is a leading provider of instrumentation systems to land-based and offshore drilling rigs worldwide. The company's rental solutions, which include data acquisition, wellsite reporting, remote communications, and web-based information management, maximize rig uptime, improve work efficiency, and minimize operating costs. Pason's common shares trade on the Toronto Stock Exchange under the symbol PSI.

For more information about Pason Systems Inc., visit the company's website at www.pason.com or contact:

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Certain information regarding the Company contained herein may constitute forward-looking information under applicable securities law. The words "anticipate", "expect", "believe", "may", "should", "will", "estimate", "project", "outlook", "forecast" or other similar words are used to identify such forward-looking information and statements. Forward-looking statements in this document may include statements, express or implied regarding the anticipated business prospects and financial performance of Pason; anticipated results of litigation; expectations or projections about future strategies, including litigation strategies; expected and future cash flows and revenues; and expected impact of future commitments or contingencies. These forward-looking statements are based upon various underlying factors and assumptions, including the Company's assets, liabilities, business prospects and opportunities; the results of litigation; and estimates of the financial and operational performance of Pason.

Forward-looking information and statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated or implied in the forward-looking information and statements. Risk factors that could cause actual results or events to differ materially from current expectations include, among others, the ability of Pason to successfully implement its strategic initiatives (including litigation strategy) and whether such strategic initiatives will yield the expected benefits, the operating performance of Pason's assets and businesses, the price of energy commodities, competitive factors in the energy industry, changes in laws and regulations affecting Pason's businesses, the actions of litigants and other claimants, technological developments, and general economic conditions.

Readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such forward looking statements, although considered reasonable by management as of the date hereof, may prove to be incorrect and actual results may differ materially from those



anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

Additional information on risks and uncertainties and other factors that could affect Pason's operations or financial results are included in Pason's reports on file with the Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or through Pason's website (www.pason.com). Furthermore, any forward looking statements contained in this news release are made as of the date of this news release, and Pason does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.