

CERVUS EQUIPMENT CORPORATION

PRESS RELEASE

Symbol: CVL (TSX-V)

May 12, 2010

FOR IMMEDIATE DISTRIBUTION, Calgary, Alberta

CERVUS EQUIPMENT CORPORATION (“CERVUS”) ANNOUNCES RESULTS FOR THE FIRST QUARTER OF 2010

Cervus is pleased to report its financial results for the first quarter of 2010.

Overall Performance

During the first three months of 2010, revenue grew by \$860 thousand to \$67.2 million compared to \$66.3 million in 2009, an increase of 1.3%. Same store agricultural equipment segment sales decreased by \$6.3 million and same store construction and industrial equipment segment sales decreased \$1.6 million. Total same store sales were \$53.0 million for the first three months of 2010 compared to \$60.8 million for the same period of 2009, a reduction of \$7.8 million or 12.9%.

Cervus reported a net loss of \$827 thousand in the first three months of 2010 when compared to net earnings of \$1.7 million for the same period of 2009, a decrease of \$2.5 million. The agricultural equipment segment accounted for \$706 thousand of the net loss (a decrease of \$3.0 million over net earnings of \$2.3 million reported in 2009) and the construction and industrial equipment segment accounted for \$120 thousand of the net loss (an increase in earnings of \$471 thousand from a net loss of \$592 thousand reported in 2009). The decrease in net earnings experienced in the agricultural equipment segment was primarily due to the reduction in gross revenues which decreased \$8.2 million for the first three months of 2010 when compared to the same period of 2009. The decrease in the net loss for the construction and industrial equipment segment was primarily due to earnings from the acquisition of ARW at the beginning of 2010.

As a result of our reported net loss of \$827 thousand, adjustments for items not affecting cash of \$1.6 million and our non-cash working capital adjustments of \$3.5 million, cash flows used in operating activities decreased to \$2.6 million or \$0.18 per basic share from \$10.6 million or \$0.73 per basic share for the same period of 2009. Earnings before interest, income taxes, depreciation and amortization (“EBITDA”), see Non-GAAP Financial Measures, decreased to \$1.3 million or \$0.09 per basic share for the three month period ended March 31, 2010 from \$3.1 million or \$0.22 per basic share for the same period of 2009.

Total assets increased by \$96.6 million and total debt increased by \$84.8 million at March 31, 2010 when compared to March 31, 2009 and total assets increased \$26.5 million and total debt increased by \$24.2 million at March 31, 2010 when compared to December 31, 2009. The most significant contributing factor to the increase in total assets and total debt at March 31, 2010 when compared to March 31, 2009 is a result of future tax assets of \$70.1 million and deferred credit of \$64.4 million recorded on the transaction with Vasogen in the fourth quarter of 2009. Other factors affecting total assets and total debt for the aforementioned periods include the purchase of A.R. Williams Materials Handling Ltd. and the sale of assets to Maple Farm Equipment Partnership in January 2010 and the purchase of Ranchers Supply Inc. in September 2009.

Commenting on Cervus’ results, Peter Lacey, Chief Executive Officer said,

“We are very pleased to have completed the acquisition of A.R. Williams Materials Handling Ltd (ARW) and are well on our way to integrate this business into our company. ARW provides us with a third strategic leg into a new product line and group of customers and brings with it highly skilled and engaged employees, the backbone of any successful company. We are also pleased to have completed the acquisition of a 20% interest in Maple Farm Equipment and believe that this partnership will be mutually beneficial for the continued growth and health of both organizations.

We have experienced a slower than expected start to our year. We are finding that our customers, although positive about the future, are hesitant to make their buying decisions. The moisture that we have received in the past few weeks is very encouraging and should help our agriculture customers feel more confident about making their equipment purchase. The ARW group contributed positively to our top and bottom line this quarter but also experienced a delay in sales compared to expectations. The activity does appear to have picked up in April and is closer to our expectations.

We have combined our construction and industrial groups within one subsidiary with common senior management oversight. We will be reporting the results of these groups as one segment.”

Selected Annual Information

\$ thousands, except per share amounts	March 31, 2010	March 31, 2009	% change
Revenues	67,201	66,340	1.3
Gross profit	15,272	13,130	16.3
Gross margin	22.7%	19.8%	14.6
Net earnings (loss)	(827)	1,675	n/a
Per share - Basic and diluted	(0.06)	0.12	n/a
Cash used in operating activities	(2,585)	(10,571)	75.5
Per share – Basic	(0.18)	(0.73)	(75.3)
EBITDA ¹	1,266	3,071	(58.8)
EBITDA margin ¹	1.9%	4.6%	(58.7)
Per share – basic	0.09	0.22	(59.1)
Dividends to preferred shareholders	78	-	100.0
Dividends declared to common shareholders	2,547	2,529	0.7
Per share	0.18	0.18	-
Weighted average shares outstanding			
Basic	14,140	14,039	0.7
Diluted	14,473	14,189	2.0
Actual common shares outstanding	14,151	14,065	0.6
Closing market price per share	13.40	7.28	84.1
Total assets	252,338	155,750	62.0
Long-term liabilities	68,739	3,213	2039.4
Total debt	150,945	66,109	128.3
Shareholders' equity	101,392	89,641	13.1
Net book value per share - diluted	7.01	6.32	10.9

Notes (1): The Non-GAAP measures indentified in this Press Release do not have any standardized meaning prescribed by Canadian generally accepted accounting principles (“GAAP”) and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined and discussed, together with reconciliation to the most directly related GAAP measure in the MD&A of Cervus on the results of operations for the year ended December 31, 2009.

Copies of the Cervus’ annual audited financial reports are available on the internet at www.sedar.com.

About Cervus

Cervus acquires and manages authorized agricultural, commercial and industrial equipment dealerships in Western Canada through 30 dealership locations in Alberta, Saskatchewan and Manitoba. The primary equipment brands represented by Cervus include John Deere agricultural equipment, Bobcat and JCB construction equipment, and Clark, Sellick, Nissan and Doosan material handling equipment. The common shares of Cervus are listed on the TSX Venture Exchange and trade under the symbol "CVL".

For further information, please contact:

Peter Lacey - President & CEO

Telephone: (403) 567-0339

Fax: (403) 567-0392

Email: placey@cervuscorp.com

Randy Muth - Chief Financial Officer

Telephone: (403) 567-0339

Fax: (403) 567-0392

Email: rmuth@cervuscorp.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.