

IROC SYSTEMS CORP. TO ACQUIRE 10 SERVICE RIGS FROM KEY ENERGY SERVICES, INC.

Red Deer, AB/ July 20, 2004/ Tom Alford, President, CEO and CFO of IROC Systems Corp. ("IROC") (TSX Venture Exchange: "ISC") announced today that IROC has entered into an agreement with Key Energy Services, Inc. ("Key") (NYSE: "KEG") of Midland, Texas to acquire ten (10) re-manufactured Skytop well service rigs with supporting equipment and inventory. The service rigs will be delivered in the fall of 2004 pursuant to a predetermined delivery schedule.

The purchase price for the service rigs is \$7.0 million dollars U.S., which amount will be converted at the agreed exchange rate of 0.7634 to approximately \$9.17 million dollars CDN, and will be paid by way of the issuance of 8,187,058 common shares of IROC (the "Consideration Shares") at a deemed issuance price of \$1.12 per share. A pro rata amount of the Consideration Shares will be released to Key upon delivery of each service rig.

It is anticipated the closing date of the transaction will be on or before August 30, 2004 at which time the current directors of IROC will appoint a representative of Key to the board of directors of IROC. A second independent director nominee of Key will be nominated for a board position at the next annual general meeting of shareholders of IROC.

Mr. Alford commented that "the addition of ten (10) service rigs purchased from Key represents the next major step for IROC in increasing its revenue streams to take advantage of existing sales and administrative infrastructure while providing expanded services to our customer base. We also look forward to the industry experience that the Key nominees will bring to our board of directors".

Richard J. Alario, President and Chief Executive Officer of Key commented that "we are very excited to work with IROC and Tom Alford. This transaction allows Key to access the Canadian market through the deployment of previously idle equipment. In the coming months, we will work closely with IROC to help it capitalize on the strengthening Canadian marketplace."

The completion of the transaction is subject to a number of conditions, including but not limited to, the prior receipt of all required regulatory approvals including the acceptance of the TSX Venture Exchange.

About IROC Systems Corp.

IROC Systems Corp. is an Alberta based oilfield services company that has provided equipment and personnel in the area of downwind air quality monitoring and safety services to the energy sector since 1982. IROC has developed key technologies to address remote air quality monitoring, designed and deployed new air breathing systems and provides a full line of safety services for drilling, completion, production and plant shut down operations. The Company also now offers service rigs and environmental remediation and abandonment services.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Forward Looking Information

This new release contains forward looking information. Implicit in this information, particularly in respect of the closing of the transaction discussed herein and the expected increase in revenues streams resulting therefrom, although considered reasonable by IROC at the time of preparation, may prove to be incorrect. These forward looking statements are based on certain assumptions that involve a number of risks and uncertainties and are not guarantees of future performance. Actual results may differ materially as a result of changes in IROC's plans, changes in commodity prices, general economic, market and regulatory and business conditions as well as other risks associated with the oil and gas generally. There is no guarantee by IROC that actual results achieved will be the same as those forecasted.

COMPLETION OF THIS TRANSACTION IS SUBJECT TO A NUMBER OF CONDITIONS, INCLUDING BUT NOT LIMITED TO TSX VENTURE EXCHANGE ACCEPTANCE. THERE ARE NO ASSURANCES THAT THE TRANSACTION WILL BE COMPLETED AS PROPOSED OR AT ALL.

THE TSX VENTURE EXCHANGE HAS IN NO WAY PASSED ON THE MERITS OF THE PROPOSED TRANSACTION AND HAS NEITHER APPROVED NOR DISAPPROVED THE CONTENTS OF THIS PRESS RELEASE.