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PRESS RELEASE
FOR IMMEDIATE RELEASE

**SAVANNA ENERGY SERVICES CORP. ANNOUNCES Q3 2011 RESULTS
AND 2012 CAPITAL PROGRAM**

Calgary, Alberta
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TSX – SVY

Overall, 2011 has been a period of markedly improving oilfield service industry fundamentals. Strong oil prices and increased activity in liquids-rich natural gas and unconventional oil plays created more demand for drilling, completion and maintenance services throughout North America than in 2010. Savanna's fleet repositioning efforts over the last several quarters placed its equipment in areas with significant activity in the quarter. Also, as a result of Savanna's continued retrofit of its hybrid drilling fleet to the TDS-3000™ platform, the marketed fleet of drilling rigs was higher in Q3 2011 compared to Q3 2010. In addition, two timely acquisitions that occurred in late Q2 2011 and early Q3 2011 increased Savanna's Canadian service rig fleet by nearly 50% yet added little incremental overhead costs. All of these factors led to an increase in operating days, hours and rates in the Company's drilling and oilfield services divisions and significantly increased revenues and operating margins in each of the operating divisions compared to the three and nine month periods ended September 30, 2010.

Savanna's net earnings increased by \$12.5 million to \$14.4 million or \$0.17 per diluted share in Q3 2011 from net earnings of \$1.9 million or \$0.02 per diluted share in Q3 2010. The Q3 2011 earnings represented the highest overall third quarter earnings since 2006 and highest third quarter earnings per share since 2008. Additionally, operating cash flows in Q3 2011 more than doubled compared to Q3 2010 to \$39.9 million. For the nine months ended September 30, 2011, operating cash flows were \$98.1 million and net earnings were \$29.0 million or \$0.35 per diluted share. These year-to-date figures represent an increase of \$46.0 million or 88% in operating cash flows and an increase of \$23.7 million or \$0.28 per diluted share in net earnings from the comparable period in 2010, an increase of over 400%.

The drilling division achieved a 22% increase in the number of operating days with virtually the same sized drilling rig fleet in the third quarter of 2011 compared to Q3 2010. Additionally, average day rates increased 17% over the same time frame which, coupled with the increase in operating days, led to a 43% increase in revenues and a \$16.2 million increase in operating margins in Q3 2011 compared to Q3 2010. Overall drilling revenue was \$117.1 million for Q3 2011, bringing the segment's revenue to \$321.3 million to the end of September, both of which are up significantly from the \$82.0 million and \$241.4 million in revenues in the same respective periods in 2010. Operating margins were \$34.5 million (29%) and \$89.6 million (28%) respectively for the three and nine months ended September 30, 2011 compared to the same periods in 2010 when operating margins were \$18.3 million (22%) for the quarter and \$55.5 million (23%) to the end of September. Increases in operating days, revenue and operating margins were achieved by both hybrid and conventional drilling rigs in both Canada and the United States relative to Q3 2010. In particular, average utilization rates of 80% between the Company's conventional drilling rigs in Canada and the U.S. illustrates the continued strong demand for Savanna's high specification deep rated rigs. Savanna's TDS-3000™ drilling rigs, which were not operational until later in Q4 2010, also contributed materially in the quarter. The four operating TDS-3000™ rigs achieved operating margin percentages of 40% on utilization rates of 81% and accounted for 8% of the overall operating margin in Q3 2011. Additionally, Savanna's Australian drilling operations commenced in the third quarter and contributed \$1.1 million of revenue in September 2011; the number of wells drilled exceeded the expectations of Savanna's customer.

The oilfield services division realized an 85% increase in operating hours, and operating margins increased by \$9.5 million or 144% to \$16.2 million in the third quarter of 2011 relative to 2010. For the nine months ending September 30, 2011, operating margins were \$32.7 million compared to \$16.1 million for the comparable period in 2010, an increase of 103%. Furthermore, operating margin percentages and utilization rates were higher in Q3 2011 compared to Q3 2010. Overall revenue for the oilfield services division more than doubled to \$49.8 million in Q3 2011 compared to \$23.3 million in Q3 2010. To the end of September 2011, revenue for the segment was \$110.4 million which is up significantly from the \$63.1 million in the comparable period in 2010. The acquisition of 33 service rigs between June and July 2011 drove much of the increase in Canada but the additional rigs did not dilute utilization rates. In fact, the Canadian well servicing division's Q3 2011 utilization of 56% matched its Q3 2008 utilization rate as the highest Q3 utilization since 2006. Additionally, both the U.S. well servicing division and oilfield rentals division achieved higher activity levels and operating results compared to Q3 2010. Additionally, with both Australian service rigs working nearly 24 hours a day for most of Q3 2011, these rigs generated \$4.8 million in revenue and in total the oilfield services portion of this operation contributed 4% of the segments overall operating margin.

Savanna's President and Chief Executive Officer, Ken Mullen, stated; "Operationally, financially and strategically, Q3 2011 was a period of significant progress for Savanna, leading to our highest third quarter earnings in years."

"The third quarter of 2011 represented a continuation of progress on a number of key initiatives: Savanna's four operational TDS-3000™ drilling rigs contributed materially to the overall drilling segment. Two high-specification 1200 horsepower AC electric doubles were put to work during the quarter in the high-growth Marcellus play. These rigs represent the latest platform advance of high-mobility, high-capacity doubles by Savanna. We secured a long-term contract for a high-capacity workover/drilling rig for a new Australian customer. And our Canadian well servicing group successfully integrated the acquisition of both Performance Services Ltd. and Silverstar Well Servicing Ltd. under the Savanna brand."

"In addition to the above, Savanna continues to achieve very strong utilization of its conventional fleet, both on an absolute basis as well as compared to its peers, in Canada and the United States. Independent of rigs already contracted, commitment levels remain strong for Q4 2011 and Q1 2012 as well. Looking forward further into 2012, industry activity levels in both Canada and the United States are uncertain. Access to capital by our customers, whether it be by equity or debt, has been muted in H2 2011 relative to 2010, oil prices have decreased relative to their recent highs and pricing for both oil and natural gas remain volatile. This may reduce available capital as we progress into 2012, resulting in slower oilfield services activity. Although this risk exists, we have to date not been informed of any planned reductions in activity by any of our customers."

"In light of worldwide economic uncertainty and its potential impact on activity levels, we have taken a conservative approach to our capital program for 2012. Our 2012 capital commitments reflect measured, incremental investments. The capital plan reflects the inclusion of specific expansion initiatives, coupled with some allocation toward long-lead components. In this regard, we have committed in 2012 to the retrofit of a minimum of five additional TDS-3000™ rigs, the construction of a workover/drilling rig for Australia, additional specific support equipment for our well servicing operations, nominal expansion capital for our oilfield rentals operation, and maintenance capital reflective of anticipated 2012 activity levels. Inclusive of deposits to be placed in 2011 in respect of the 2012 commitments, this reflects an aggregate base 2012 capital program of \$104 million. Given Savanna's solid balance sheet, currently anticipated minimum 2012 activity levels, and our current equipment and contract positions, we believe this to be a responsible base program. As visibility regarding H2 2012 and future activity levels improves, we may expand this capital program as appropriate. The pace of expansion of this base plan, if supported, will be facilitated by our commitment to long-lead construction components."

"Given the quality of Savanna's fleet, the experience and dedication of our personnel, the strength of our balance sheet, and the long-term fundamental demand for the commodities we help produce, we are confident of both Savanna's market positioning, as well as overall oilfield services market fundamentals. Savanna is very well positioned to meet whatever opportunities or challenges arise in 2012 and beyond."

Effective January 1, 2011, the Company prepares its interim consolidated financial statements in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards, and with IAS 34, Interim Financial Reporting. Certain 2010 comparative figures included in this MD&A have been restated as part of the Company's transition to international financial reporting standards ("IFRS"). The Company's condensed interim consolidated financial statements for the periods ending March 31, 2011, June 30, 2011 and September 30, 2011, present detailed reconciliations between Savanna's 2010 consolidated financial statements under previous Canadian generally accepted accounting principles ("GAAP") and IFRS, including the opening IFRS balance sheet at January 1, 2010, differences in accounting policies and exemptions taken on transition to IFRS.

FINANCIAL HIGHLIGHTS

The following is a summary of selected financial information of the Company:

September 30	Three Months Ended			Nine Months Ended		
	2011	2010	Change	2011	2010	Change
(Stated in thousands of dollars, except per share amounts)	\$	\$		\$	\$	
OPERATING RESULTS						
Revenue	166,127	104,787	59%	429,257	302,717	42%
Operating expenses	115,298	79,715	45%	306,452	230,679	33%
Operating margin ⁽¹⁾	50,829	25,072	103%	122,805	72,038	70%
Net earnings	14,363	1,898	657%	28,982	5,268	450%
Per share: basic	0.17	0.02	750%	0.36	0.07	414%
Per share: diluted	0.17	0.02	750%	0.35	0.07	400%
CASH FLOWS						
Operating cash flows ⁽¹⁾	39,922	17,870	123%	98,059	52,099	88%
Per diluted share	0.47	0.23	104%	1.20	0.66	82%
Acquisition of capital assets ⁽¹⁾	91,099	34,379	165%	218,023	76,325	186%
FINANCIAL POSITION						
				Sep-30	Dec-31	Change
				2011	2010	
				\$	\$	
Working capital ⁽¹⁾				95,095	78,873	21%
Capital assets ⁽¹⁾				1,011,991	840,702	20%
Total assets				1,219,620	996,143	22%
Long-term debt				200,642	112,802	78%

Summary of Quarterly Results – Contract Drilling

The following is a summary of selected financial and operating information of the Company's contract drilling segment:

(Stated in thousands of dollars, except revenue per day)

September 30	Three Months Ended			Nine Months Ended		
	2011	2010	Change	2011	2010	Change
Revenue	\$ 117,120	\$ 81,969	43%	\$ 321,346	\$ 241,441	33%
Operating expenses	\$ 82,632	\$ 63,710	30%	\$ 231,743	\$ 185,991	25%
Operating margin ⁽¹⁾	\$ 34,488	\$ 18,259	89%	\$ 89,603	\$ 55,450	62%
Operating margin % ⁽¹⁾	29%	22%		28%	23%	
Operating days ⁽²⁾	5,705	4,674	22%	15,566	13,059	19%
Revenue per operating day	\$ 20,529	\$ 17,537	17%	\$ 20,644	\$ 18,488	12%
Spud to release days ⁽²⁾	5,034	4,047	24%	13,724	11,241	22%
Wells drilled ⁽²⁾	538	578	(7%)	1,692	1,572	8%
Total meters drilled ⁽²⁾	1,015,903	862,713	18%	2,646,920	2,280,390	16%
Utilization - Canada ⁽²⁾	52%	39%	33%	46%	36%	28%
Utilization - U.S. ⁽²⁾	79%	73%	8%	82%	67%	22%
Utilization - International ⁽²⁾	14%	63%	(78%)	5%	71%	(93%)
Canadian industry average utilization ⁽²⁾	55%	40%	38%	48%	37%	30%

Summary of Quarterly Results – Oilfield Services

The following is a summary of selected financial and operating information of the Company's oilfield services segment:

(Stated in thousands of dollars, except revenue per hour)

September 30	Three Months Ended			Nine Months Ended		
	2011	2010	Change	2011	2010	Change
Revenue	\$ 49,818	\$ 23,283	114%	\$ 110,364	\$ 63,129	75%
Operating expenses	\$ 33,639	\$ 16,639	102%	\$ 77,650	\$ 46,995	65%
Operating margin ⁽¹⁾	\$ 16,179	\$ 6,644	144%	\$ 32,714	\$ 16,134	103%
Operating margin % ⁽¹⁾	32%	29%		30%	26%	
Operating hours ⁽²⁾	54,705	29,650	85%	118,429	81,919	45%
Revenue per hour	\$ 758	\$ 654	16%	\$ 749	\$ 641	17%
Utilization - Canada ⁽²⁾	56%	47%	19%	51%	43%	19%
Utilization - U.S. ⁽²⁾	72%	1	(4%)	69%	1	1%

EQUIPMENT FLEET

While the average number of drilling rigs deployed in Q3 2011 did not change significantly, the construction of two new, high specification deep double drilling rigs was completed and both began operating near the end of the quarter in the Marcellus shale gas region in Pennsylvania; early results are encouraging. Savanna's service rig fleet increased more dramatically after adding 17 mobile free-standing service rigs on July 12, 2011 through the acquisition of Silverstar Well Servicing Ltd. This acquisition, together with the acquisition of Performance Services Ltd. in June 2011, increased Savanna's service rig fleet by nearly 50% with rigs similar to its pre-existing fleet. Additionally, the mix of single and double service rigs acquired in each acquisition was complementary; in total the acquisitions added 18 doubles and 15 singles. In the later part of Q3 2011, construction of one new service rig from Savanna's capital program was also completed and the rig was deployed to the Company's North Dakota base.

The Company also sold its Blackfalds, Alberta field office in Q3 2011 for proceeds of approximately \$3.9 million which resulted in a gain of \$0.6 million. Rigs operating from this location were deployed to Savanna's existing Nisku, Alberta facility and its expanded Medicine Hat, Alberta facility.

CAPITAL PROGRAM

Savanna is also pleased to announce its 2012 capital program; Savanna's base capital budget for 2012 includes the following:

(Stated in millions of dollars)	Approved Capital
	\$
Retrofit of five additional hybrid drilling rigs as TDS-3000™ drilling rigs	36
Construction of one new high-capacity workover/drilling rig for Australia	10
Additional support equipment for drilling, well servicing and rentals	32
Deposits on long-lead items	6
Maintenance capital and rig re-certifications	20
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Given the current economic uncertainty surrounding 2012, Savanna's 2012 capital plan is focused on sustaining the existing fleet, specific incremental investments backed by contracts or the expectation of contracts, and an allocation toward long-lead items.

Savanna's previously announced and expanded 2011 capital program, as well as the carry-over of outstanding projects from the Company's 2010 capital program, also continued in Q3 2011.

The construction of a third service rig for Australia was completed in Q3 2011. The rig arrived in Australia at the end of the quarter and was licensed in 4 weeks. Several companies have expressed interest in this rig and it is expected to begin operations in December 2011. A fourth drilling/service rig for Australia is currently under construction in Canada and is

expected to commence operations on a three year term contract in July 2012. The retrofit of the third and fourth Australian hybrid drilling rigs are nearing completion and are expected to be shipped and operational in Australia toward the end of the Q1 2012 and the beginning of the Q2 2012.

No additional TDS-3000™ drilling rig conversions were completed in the quarter; however, two additional TDS-3000™ drilling rigs were put into service in early Q4 2011 and four more are expected to be completed later in 2011 or early Q1 2012. Of the post Q3 2011 TDS-3000™ conversions, three will be deployed in Canada and the other three will be deployed in the United States. All but one of the TDS-3000™ drilling rigs, encompassed under the 2011 capital program, have already been contracted and a contract is pending on that rig as well.

Two new portable top drives were also delivered in Q3 2011, with another ten to be added to the fleet in the next seven to nine months, pending manufacturing capacity. Upon taking delivery of the new top drives, Savanna will have 100% of its Canadian drilling rig fleet so equipped.

The construction of two more new service rigs, the retrofit of one conventional double drilling rig and the retrofit of three service rigs are all expected to be completed in Q4 2011.

FINANCIAL CONDITION AND LIQUIDITY

Savanna's net debt⁽¹⁾ position at September 30, 2011, was \$105.6 million; the amount owing on its revolving credit facility was \$74.0 million and Savanna's total long-term debt outstanding was \$200.6 million. As of the date of this release, \$79.9 million was drawn on Savanna's revolving credit facility.

Notes:

(1) Operating margin, operating margin percent, operating cash flows, capital assets, working capital, and net debt are not recognized measures under IFRS, and are unlikely to be comparable to similar measures presented by other companies. Management believes that, in addition to net earnings, the measures described above are useful as they provide an indication of the results generated by the Company's principal business activities prior to consideration of how those activities are financed and how the results are taxed in various jurisdictions.

- Operating margin is defined as revenue less operating expenses.
- Operating margin percent is defined as revenue less operating expenses divided by revenue.
- Operating cash flows are defined as cash flows from operating activities less: changes in non-cash working capital, income taxes paid or received and interest paid or received.
- Capital assets are defined as property, equipment and intangible assets.
- The acquisition of capital assets includes the purchase of property, equipment and intangible assets, capital assets acquired through business acquisitions and non-cash capital asset additions.
- Working capital is defined as total current assets less total current liabilities excluding the current portions of long-term debt.
- Net debt is defined as long-term debt, including the current portions thereof, less working capital as defined above.

(2) Certain industry related terms used in this press release are defined or clarified as follows:

- The number of operating days, spud to release days and operating hours are all on a net basis which means only Savanna's proportionate share of any rigs held in 50/50 limited partnerships have been included.
- Savanna reports its drilling rig utilization based on spud to release time for the rigs and excludes moving, rig up and tear down time, even though revenue may be earned during this time. Savanna's rig utilization, spud to release days, wells drilled and total meters drilled exclude coring rigs as the operating environment is not comparable to the Company's other drilling rigs, nor to industry utilization drivers. However, these rigs are included in total fleet numbers. Source of Canadian industry average utilization figures: Canadian Association of Oilwell Drilling Contractors.
- Savanna reports its well servicing rig utilization based on standard hours of 3,650 per rig per year. The comparative utilization rates exclude the coiled tubing service units since these units are not comparable in size or operations to the division's service rigs. Reliable industry average utilization figures, specific to well servicing, are not available.

Cautionary Statement Regarding Forward-Looking Information and Statements

Certain statements and information contained in this press release including statements related to the Company's capital expenditures, the conversion of hybrid drilling rigs to TDS-3000™ rigs, the timing of completion of capital program initiatives and related rig deployments, the expectation of strong commitment levels in Q4 2011 and Q1 2012, and statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "likely", "estimate", "predict", "potential", "continue", "maintain", "retain", "grow", and similar expressions and statements relating to matters that are not historical facts may constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995.

These statements are based on certain assumptions and analysis made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances. In particular, the Company's expectations of strong commitment levels in Q4 2011 and Q1 2012 and the conversion of hybrid drilling rigs to TDS-3000™ rigs are premised on the Company's expectations for its customers' capital budgets and geographical areas of focus, customer contracts and commitments, the status of current negotiations with its customers, overall demand increases based on current commodity prices and industry activity, the focus of its customers on oil directed drilling opportunities in the current natural gas pricing environment in North America and the effect unconventional gas projects have had on supply and demand fundamentals for natural gas. The Company's expectation of the timing of completion of capital program initiatives and related rig deployments is premised on expectations of the progress of Savanna's current capital projects and current customer advice on deployment for specific customer programs. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from the Company's expectations. Such risks and uncertainties include, but are not limited to: fluctuations in the price and demand for oil and natural gas; fluctuations in the level of oil and natural gas exploration and development activities; fluctuations in the demand for well servicing and contract drilling; the effects of weather conditions on operations and facilities; the existence of competitive operating risks inherent in well servicing and contract drilling; general economic, market or business conditions; changes in laws or regulations, including taxation, environmental and currency regulations; the lack of availability of qualified personnel or management; the other risk factors set forth under the heading "Risks and Uncertainties" in the Company's Annual Report and under the heading "Risk Factors" in the Company's Annual Information Form; and other unforeseen conditions which could impact on the use of services supplied by the Company.

Consequently, all of the forward-looking information and statements made in this press release are qualified by this cautionary statement and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the Company or its business or operations. Except as may be required by law, the Company assumes no obligation to update publicly any such forward-looking information and statements, whether as a result of new information, future events, or otherwise.

OTHER

Savanna's full Q3 2011 report, including its management's discussion and analysis and condensed interim consolidated financial statements, is available on Savanna's website (www.savannaenergy.com) under the investor relations section and has also been filed on SEDAR at www.sedar.com.

Savanna will host a conference call for analysts, investors and interested parties on Thursday, November 10, 2011, at 11:00 a.m. Mountain Time (1:00 p.m. Eastern Time) to discuss the Company's third quarter results. The call will be hosted by Ken Mullen, Savanna's President and Chief Executive Officer and Darcy Draudson, Vice President, Finance and Chief Financial Officer.

If you wish to participate in this conference call, please call 1-888-892-3255 (for participants in North America). Please call 10 minutes ahead of time.

A replay of the call will be available until November 18, 2011 by dialing 1-800-937-6305 and entering passcode 265733.

Savanna is a Canadian-based drilling and well servicing provider with operations in Canada, the United States and Australia, focused on providing fit for purpose equipment and technologies.

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