

SAVANNA ENERGY SERVICES CORP. ANNOUNCES Q4 2009 RESULTS AND UPDATES CAPITAL PROGRAM

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TSX – SVY

Savanna Energy Services Corp. (“Savanna” or “the Company”) is an oilfield services company operating throughout North America. The Company’s overall business is conducted through two major divisions: contract drilling and oilfield services.

FINANCIAL HIGHLIGHTS

(Stated in thousands of dollars, except per share amounts)

December 31,	Three Months Ended			Twelve Months Ended		
	2009	2008	Change	2009	2008	Change
	\$	\$		\$	\$	
OPERATING RESULTS						
Revenue	85,430	139,746	(39%)	256,619	460,101	(44%)
Operating expenses	61,611	98,152	(37%)	199,007	320,821	(38%)
Operating margin ⁽¹⁾	23,819	41,594	(43%)	57,612	139,280	(59%)
Impairment loss	(27,370)	(319,365)	(91%)	(27,370)	(319,365)	(91%)
Per share: basic	(0.35)	(5.40)	(94%)	(0.39)	(5.39)	(93%)
Per share: diluted	(0.35)	(5.40)	(94%)	(0.39)	(5.39)	(93%)
Net loss ⁽²⁾	(18,055)	(310,594)	(94%)	(27,893)	(280,660)	(90%)
Per share: basic ⁽²⁾	(0.23)	(5.26)	(96%)	(0.40)	(4.73)	(92%)
Per share: diluted ⁽²⁾	(0.23)	(5.26)	(96%)	(0.40)	(4.73)	(92%)
CASH FLOWS						
Operating cash flows before changes in working capital ⁽¹⁾	24,157	29,161	(17%)	41,072	107,619	(62%)
Cash paid on acquisitions and on the purchase of property, equipment, intangibles and other assets	(8,815)	(29,839)	(70%)	(66,224)	(172,514)	(62%)
Dividends paid	(1,977)	(1,474)	34%	(6,902)	(7,415)	(7%)
FINANCIAL POSITION AT DECEMBER 31				2009	2008	Change
				\$	\$	
Working capital ⁽¹⁾				51,016	87,680	(42%)
Property and equipment ⁽²⁾				862,251	889,158	(3%)
Total assets ⁽²⁾				977,159	1,038,231	(6%)
Long-term debt				70,107	202,274	(65%)

Overall, 2009 represented one of the most challenging years ever faced by the oilfield services industry as significant increases in North American gas supplies were met with a sharp decline in demand as a result of the worldwide economic slowdown. The decline in demand for oilfield services in conventional basins in North America produced one of the least active first quarters in Canadian oilfield services in over a decade. This unprecedented low demand continued through the second quarter and, coupled with the normal seasonal effects of spring break-up, utilization levels in Canada were held at record lows. Activity levels did improve slightly during the third and fourth quarters of 2009 in both Canada and in the United States. In Canada, the number of wells and meters drilled in 2009 was less than half of that drilled in 2008 as Canadian activity levels overall for the industry continued to significantly lag those of the rest of North America and internationally.

Savanna’s challenges certainly mirrored those of the industry in 2009. With about 80% of our drilling rigs and 90% of our well servicing fleet based in Canada during the year, Savanna was negatively affected by the industry conditions in Canada to a greater

extent than those with broader geographic operations. Furthermore, with approximately half of Savanna's drilling rig fleet focused on shallow drilling, the collapse of the Canadian shallow market in particular took an even greater toll on 2009 utilization rates. Overall, the decrease in demand for oilfield services led to a decrease in operating days, hours and rates in the Company's drilling and oilfield services divisions respectively compared to 2008, reducing year over year revenues and margins in each of the divisions. Despite all of this, Savanna's utilization rates, by every rig depth category, consistently exceeded industry averages, a testament to the quality of the crews and equipment Savanna possesses.

Fourth quarter and full year 2009 earnings were also negatively impacted as a result of non-cash impairment losses on the Company's surface/coring drilling rigs and coil tubing service units. Based on the long-term uncertainty surrounding these assets specifically, and their non-core nature, the Company deemed that they were permanently impaired and recognized a loss of \$25,832. Certain related intangible assets were also considered to be permanently impaired which resulted in a further loss of \$1,538. Subsequent to December 31, 2009, Savanna disposed of 2 coil tubing service units, reducing the fleet to 6 units currently.

Given the prevailing market conditions, in 2009 Savanna focused on cost reductions, rig redeployment to new basins, and balance sheet strengthening.

In Q2 and Q3 2009 Savanna took measures to more closely align its fixed operating and administrative costs with the decreases in activity levels. Some of the measures taken included: salary and wage roll backs of 2% to 26% for all non-rig related employees, a 20% reduction in its salaried workforce compared to January 2009, freezing of incremental capital expenditures, and deferral of elective equipment enhancements and re-certifications. The industry also took measures to align wages for drilling rig employees with the decreased operating activity. Effective May 1, 2009, the CAODC decreased recommended wage levels on average by approximately 15%. Savanna furthered this by implementing an average 6% reduction in wages for its service rig personnel. The changes had a positive effect on operating margin percentages for the remainder of 2009 as direct and indirect labour are the Company's largest operating expenses.

During the year, the Company also continued its efforts in deploying rigs into new markets to further diversify its operations geographically. In addition to increasing the number of rigs operating in the Permian basin in Texas, Savanna also sent 2 service rigs and a drilling rig to North Dakota and made its first entry into the growing Marcellus shale play by transferring one drilling rig under contract to Pennsylvania. In Q3 2009 Savanna completed its first expansion beyond Canada and the United States by deploying 4 drilling rigs into the Chicontepec region of Mexico under an 18 month term contract. In the fourth quarter of 2009 the Company took steps to further diversify internationally, entering into a five year contract to deploy 2 hybrid drilling rigs and 2 service rigs to Queensland, Australia. These rigs are expected to begin operations in Q3 2010. The above rig deployments will improve Savanna's long-term positioning within the drilling and well servicing businesses.

To strengthen its balance sheet, and to provide the requisite capital to execute its strategic initiatives, the Company issued 20.1 million common shares on June 3, 2009 at a price of \$6.30 per share for gross proceeds of \$126.8 million. Savanna's balance sheet strength is evident at December 31, 2009. The Company has a debt-to-equity ratio of 9% and net debt⁽¹⁾ of \$19.1 million on \$869.4 million of capital assets. Savanna's financial position at the end of 2009 provides for considerable flexibility heading into 2010.

Q4 2009 OPERATIONAL HIGHLIGHTS

The downturn in the North American oil and gas industry continued to have a negative effect on the Company's operations in Q4 2009. The decrease in demand for oilfield services led to a decrease in operating days, hours and rates in the drilling and oilfield services divisions respectively compared to Q4 2008. However, in Q4 2009 Savanna achieved its highest operating margins⁽¹⁾ and margin percentages⁽¹⁾ compared to any of the three preceding quarters.

In December 2009, the Company entered into a five year contract to initially deploy 2 hybrid drilling rigs from its Canadian fleet, and 2 built-for-purpose service rigs to Queensland, Australia.

Savanna also moved a drilling rig from its Canadian operations to North Dakota in Q4 2009, increasing the total U.S. drilling rig fleet to 17 rigs.

During the fourth quarter Savanna concluded a joint technology development agreement with a private, government and operator-backed, technology group directed at the development and expansion of coil drilling capabilities in directional and horizontal wells, focused primarily in the United States.

EQUIPMENT FLEET

The following table outlines the Company's drilling and service rig fleet by type of rig:

As at December 31	2009	2008	Change
DRILLING RIGS			
Heavy and ultra-heavy telescoping doubles	49	45	4
Hybrid drilling	46	46	-
Triples	2	2	-
Pipe-arm single	1	1	-
Surface/coring	9	9	-
Total drilling rigs (gross)	107	103	4
Total drilling rigs (net)*	103	99	4
SERVICE RIGS			
Service rigs	66	66	-
Coil tubing service units	8	8	-
Total service rigs (gross)	74	74	-
Total service rigs (net) *	72	72	-

* 8 drilling rigs and 4 service rigs were owned in 50/50 limited partnerships at December 31, 2009 and 2008

The Company also has a substantial inventory of drilling and well servicing-related rental assets and support equipment, as well as a machining and pipe-inspection facility. The following outlines the Company's deployment of its drilling and service rig fleet by geographic location:

As at December 31	2009	2008	Change
DRILLING RIGS			
Canada	86	88	(2)
United States	17	15	2
Mexico	4	-	4
Total drilling rigs	107	103	4
SERVICE RIGS			
Canada	66	68	(2)
United States	8	6	2
Total service rigs	74	74	-

During 2009, all 4 drilling rigs from the Company's committed build program were completed. The rigs are ultra-heavy duty telescoping doubles.

However, the 2009 year was much more focused on redeployment than fleet expansion. In addition to redeploying rigs across provincial borders, several strategic moves across national borders were either undertaken or committed to in 2009.

During 2009, 4 drilling rigs and 2 service rigs were moved to the U.S. from Canada. The 2 double service rigs were deployed to North Dakota. Of the drilling rigs, 2 double rigs were deployed to Texas, 1 double rig to North Dakota, and the fourth to Pennsylvania, Savanna's first entry into the Marcellus shale play. In addition, 4 drilling rigs were deployed in Mexico with 2 of the rigs moving from Texas and the other 2 moving from Alberta. All of the drilling rigs moved to Mexico were high specification ultra-heavy doubles with moving systems.

In December 2009, the Company entered into a five year contract to, initially, deploy 2 hybrid drilling rigs from its Canadian fleet, and 2 new-build service rigs to Queensland, Australia. Savanna will modify 2 of its hybrid drilling rigs; the modifications, though

extensive, are solely targeted to address local transportation and operating conditions in Australia. The service rigs to be supplied will be new-builds and are significantly different than our built-for-purpose Canadian and U.S. rigs. The 2010 capital program is discussed further below.

CONTRACT DRILLING

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

December 31	Three Months Ended			Twelve Months Ended		
	2009	2008	Change	2009	2008	Change
Revenue	\$ 68,477	\$ 115,112	(41%)	\$ 199,177	\$ 373,785	(47%)
Operating expenses	\$ 50,315	\$ 80,763	(38%)	\$ 156,980	\$ 262,367	(40%)
Operating margin ⁽¹⁾	\$ 18,162	\$ 34,349	(47%)	\$ 42,197	\$ 111,418	(62%)
Operating margin % ⁽¹⁾	27%	30%		21%	30%	
Number of operating days [*]	3,704	5,289	(30%)	10,337	17,790	(42%)
Revenue per operating day	\$ 18,487	\$ 21,764	(15%)	\$ 19,268	\$ 21,011	(8%)
Number of spud to release days ^{**}	3,098	4,318	(28%)	8,823	14,942	(41%)
Wells drilled [†]	503	1,540	(67%)	1,788	4,410	(59%)
Total meters drilled [†]	721,825	1,453,966	(50%)	2,188,274	4,327,712	(49%)
Utilization - Canada [†]	31%	47%	(34%)	22%	42%	(48%)
Utilization - International [†]	56%	79%	(29%)	48%	78%	(38%)
Canadian industry average utilization [‡]	31%	43%	(28%)	24%	41%	(41%)

* The number of operating days and number of spud to release days 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 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 industry figures: Canadian Association of Oilwell Drilling Contractors.

In the fourth quarter of 2009 Savanna's drilling division achieved its highest margin percentages compared to any of the three preceding quarters. Increases in operating days and revenue during the quarter compared to Q3 2009 were achieved in Canada, the U.S. and Mexico by both hybrid and conventional drilling rigs.

Despite the improvement from the prior quarter, year over year the continued downturn in the North American oil and gas industry resulted in a decrease in revenue, operating days and day rates compared to Q4 2008, despite a larger and more geographically diverse fleet. In Q4 2009 Savanna averaged a deployed fleet of 102 net rigs compared to the same period in 2008 when the Company operated an average fleet of 99 net rigs.

Operating costs per operating day were lower in the fourth quarter of 2009 compared to Q4 2008. The primary reasons for the improvement were the decreased wage levels recommended by the CAODC for the rig related employees which was effective on May 1, 2009 and the internal salary and wage roll backs of 2% to 26%, which included salaried rig employees, implemented on April 1, 2009. However, the decrease in activity and day rates more than offset the improvements in operating costs, lowering overall margins quarter over quarter.

On a year to date basis Savanna operated an average fleet of 100 net rigs compared to 2008 when the average deployed drilling fleet was 96 net rigs. In 2009, downward pricing pressure and decreased industry activity in Canada and the U.S. coupled with relatively high operating costs in the first quarter of 2009 reduced operating margins compared to the year ended December 31, 2008. Since Q1 2009 Savanna has taken measures to reduce operating costs to more closely align these costs with the decreased operating activity. Variable operating costs for 2009 as a percentage of revenue are consistent with 2008. However, the fixed portion of operating costs during a period of lower activity levels negatively affected overall operating margins. These costs are more difficult

to reduce while maintaining the Company's core operating capacity; however these costs are lower on a dollar basis in 2009 compared to 2008. Savanna will continue to address operating costs in the face of anticipated activity levels going forward.

OILFIELD SERVICES

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

December 31	Three Months Ended			Twelve Months Ended		
	2009	2008	Change	2009	2008	Change
Revenue	\$ 17,447	\$ 24,864	(30%)	\$ 59,551	\$ 84,201	(29%)
Operating expenses	\$ 11,928	\$ 17,927	(33%)	\$ 44,697	\$ 57,487	(22%)
Operating margin ⁽¹⁾	\$ 5,519	\$ 6,937	(20%)	\$ 14,854	\$ 26,714	(44%)
Operating margin % ⁽¹⁾	32%	28%		25%	32%	
Number of operating hours [*]	24,012	29,625	(19%)	75,807	107,382	(29%)
Revenue per hour	\$ 629	\$ 720	(13%)	\$ 657	\$ 746	(12%)
Utilization - Canada [†]	37%	47%	(21%)	29%	48%	(40%)
Utilization - U.S. [†]	59%	61%	(3%)	57%	62%	(8%)

* The number of operating hours is on a net basis which means only Savanna's proportionate share of any rigs held in 50/50 limited partnerships has been included.

† Utilization is based on standard hours of 3,650 per rig per year. The utilization rate excludes the coiled tubing service units since these units are not comparable in size or operations to the division's service rigs. Industry average utilization figures, specific to well servicing, are not available.

Savanna's oilfield services division achieved its highest operating margin percentages of any quarter in 2009 in the fourth quarter. Increases in operating hours, particularly in Canada, increased revenue during the quarter compared to Q3 2009. Despite the activity improvement from the prior quarter, the downturn in North American oil and gas industry activity and resulting decrease in demand for oilfield services decreased the division's revenue, operating hours and rates in Q4 2009 compared to the same period in 2008. However, even with lower operating hours and hourly rates, operating margin percentages were higher in the fourth quarter of 2009 than in 2008.

The increase in margin percentages is a result of the Company's efforts to reduce operating costs to more closely align these costs with the decreased operating activity. In fact, ignoring the effect of decreased hourly rates, variable operating costs as a percentage of revenue are lower in Q4 2009 compared to Q4 2008. The primary reason for the reduction quarter over quarter was the internal salary and wage roll backs of 2% to 26%, which included salaried rig employees, implemented on April 1, 2009 and a reduction in wages for all rig personnel of approximately 6% compared to the same period in 2008.

In Q4 2009 the oilfield services division's fleet size averaged 64 net service rigs, 8 coiled tubing service units and 34 boilers, compared to Q4 2008 when the division operated an average of 62.5 net service rigs, 8 coiled tubing service units, and 34 boilers.

As with the drilling division, downward pricing pressure and decreased industry activity during 2009 have negatively affected the division's operating results. Since Q1 2009 Savanna has taken measures to reduce operating costs to more closely align these costs with the decreased operating activity which resulted in lower operating costs for the remainder of 2009. For the year, ignoring the effect of decreased hourly rates, variable operating costs as a percentage of revenue are lower in 2009 compared to 2008 which is primarily a result of the salary and wage reductions described above. However, as with the drilling division, the fixed portion of operating costs at current lower activity levels has had a greater impact on overall operating costs in 2009 than in 2008. Overall the decrease in activity and rates more than offset the improvements in operating costs, lowering overall margins in 2009 compared to 2008.

Included in the revenue for the three months ended December 31, 2009 is \$2.4 million of rental asset revenue; Q4 2008 rental asset revenue was \$3.5 million. Year to date rental asset revenue was \$9.8 million compared to \$4.1 million in 2008. The decrease quarter over quarter is due to the decrease in overall industry activity. The increase year over year is due to the timing of the acquisition of the rental assets which were acquired in late Q3 2008. Of the rental revenue, \$0.6 million for the three months ended December 31, 2009 and \$2.7 million for the year then ended is eliminated on overall consolidation as inter-segment revenue. Rental asset revenue is excluded from the per hour revenue calculations above.

OTHER FINANCIAL INFORMATION

(Stated in thousands of dollars)

December 31	Three Months Ended			Twelve Months Ended		
	2009	2008	Change	2009	2008	Change
General and administrative expenses	\$ 5,459	\$ 13,261	(59%)	\$ 20,517	\$ 27,597	(26%)
as a % of revenue	6.4%	9.5%	(33%)	8.0%	6.0%	33%
Depreciation and amortization ⁽²⁾	\$ 12,214	\$ 14,403	(15%)	\$ 35,814	\$ 45,328	(21%)
Impairment loss	\$ 27,370	\$ 319,365	(91%)	\$ 27,370	\$ 319,365	(91%)
Income tax expense ⁽²⁾	\$ (5,519)	\$ 386	(1530%)	\$ (8,198)	\$ 15,001	(155%)

The decrease in general and administrative expenses in Q4 2009 compared with Q4 2008 is primarily a result of the salary and wage roll backs of 2% to 26% for all non-rig related employees implemented on April 1, 2009, as well as significant non-recurring tax planning, other advisory fees and bad debt expenses incurred in the last three months of 2008. These non-recurring amounts aggregated \$1.2 million in Q4 2008, and \$2.0 million for the full 2008 period while the Company's bad debt expense was \$6.8 million in 2008 compared to \$0.1 million in 2009; \$6.3 million of the 2008 bad debt expense was allowed for in the fourth quarter. The increase as a percentage of revenue in the fourth quarter of 2009 compared to the same period in 2008, ignoring the non-recurring and bad debt expenses above, is due to the decrease in revenues quarter over quarter. On a year to date basis, again ignoring the non-recurring and bad debt expenses above, general and administrative expenses increased year over year which reflects Savanna's expansion into new markets over the last twelve months as well as the timing of the salary roll backs being April 1, 2009. As with the quarter, for the year the increase in general and administrative expenses as a percentage of revenue is primarily a result of the decrease in revenues in 2009 compared to 2008.

Effective January 1, 2009, depreciation of well servicing rigs was changed to reflect an estimated useful life of 24,000 operating hours and a 20% salvage value. These rigs were previously depreciated on a straight-line basis over 10 to 15 years with a 20% salvage value. The change, while not material, was accounted for on a retrospective basis and more closely aligns the depreciation policies with those of the Company's drilling rigs which are depreciated based on operating days. The effect of the change on individual financial line items is detailed in Note 2 of this press release. Therefore, the overall decrease in depreciation and amortization for the three and twelve months ended December 31, 2009 compared to the same periods in 2008 is primarily a result of the decrease in activity, as a large portion of the Company's assets are depreciated based on operating days or hours.

In the fourth quarter of 2009 the Company determined that indications of impairment existed on its under utilized surface/coring drilling rigs and coil tubing service units. These non-core business units were added as a result of the 2006 merger with Western Lakota Energy Services Inc. Through most of 2009 the oil and gas industry was negatively affected by external factors such as depressed oil and natural gas demand and pricing leading to lower industry activity levels and utilization rates. Despite recent signs of improving industry conditions overall, the market for these types of equipment specifically remains uncertain. As a result, an impairment loss of \$25,832 has been included in the consolidated statement of net loss. Additionally, at December 31, 2009 and 2008 impairment tests were performed on intangible assets; these tests indicated that the carrying amounts of certain of these assets exceeded their fair values. As a result, a loss of \$1,538 (2008 – \$9,740) relating to intangible asset impairment has been included in the consolidated statement of net loss. On December 31, 2008 an impairment test was also performed on goodwill which resulted in a loss of \$309,625. The impairment losses are a result of management's best estimates of expected revenues, expenses and cash flows and were based on information that was available at December 31, 2009 and 2008.

The significant reduction in income tax expense is a result of the decrease in activity levels and the resulting lower net earnings in 2009 compared to 2008. In addition, the impairment losses in 2008 had no tax effect as these were non-taxable items. However, nearly all of the impairment losses in 2009 related to capital assets, and were taxable losses. Furthermore, the reductions in the Canadian tax rate for 2009 and future years have been somewhat offset by the higher U.S. tax rates the Company expects to realize with its increasing operations in that country. The Company's operations are complex and computation of the provision for income taxes involves tax interpretations, regulations, and legislation that are continually changing. There are matters that have not yet been confirmed by taxation authorities; however, management believes the provision for income taxes is adequate.

The following outlines the effect of the impairment losses described above on the Company's Q4 2009 and 2008 net loss:

(Stated in thousands of dollars)

For the three months ended December 31	2009	2008	Change
	\$	\$	
Reported net loss ⁽²⁾	(18,055)	(310,980)	(94%)
Add back impairment losses (after-tax)	20,623	319,365	(94%)
Adjusted net earnings	2,568	8,385	(69%)
Per share: basic ⁽²⁾	0.03	0.14	(79%)
Per share: diluted ⁽²⁾	0.03	0.14	(79%)

QUARTERLY RESULTS

In addition to other market factors, quarterly results of Savanna are markedly affected by weather patterns throughout its operating area in Canada. Historically, the first quarter of the calendar year is very active, followed by a much slower second quarter. As a result of this, the variation on a quarterly basis, particularly in the first and second quarters, can be dramatic year-over-year independent of other demand factors. The following is a summary of selected financial information of the Company for the last eight completed quarters.

Summary of Quarterly Results

(Stated in thousands of dollars, except per share amounts)

Three Months Ended	Dec-31	Sep-30	Jun-30	Mar-31	Dec-31	Sep-30	Jun-30	Mar-31
	2009	2009	2009	2009	2008	2008	2008	2008
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	85,430	50,350	27,045	93,794	139,746	122,205	48,990	149,160
Operating expenses	61,611	40,208	26,627	70,561	98,152	84,207	43,365	95,097
Operating margin ⁽¹⁾	23,819	10,142	418	23,233	41,594	37,998	5,625	54,063
Operating margin % ⁽¹⁾	28%	20%	2%	25%	30%	31%	11%	36%
Impairment loss	(27,370)	-	-	-	(319,365)	-	-	-
Per share: basic	(0.35)	-	-	-	(5.40)	-	-	-
Per share: diluted	(0.35)	-	-	-	(5.40)	-	-	-
Net earnings (loss) ⁽²⁾	(18,055)	(4,548)	(8,899)	3,609	(310,980)	11,285	(6,550)	25,585
Per share: basic ⁽²⁾	(0.23)	(0.06)	(0.14)	0.06	(5.26)	0.19	(0.11)	0.43
Per share: diluted ⁽²⁾	(0.23)	(0.06)	(0.14)	0.06	(5.26)	0.19	(0.11)	0.43
Total assets ⁽²⁾	977,159	983,783	974,192	1,019,841	1,038,231	1,306,339	1,234,481	1,243,159
Long-term debt	70,107	57,263	50,872	176,501	202,274	183,301	125,423	119,428

FINANCIAL CONDITION AND LIQUIDITY

On June 3, 2009 the Company issued 20.1 million common shares at a price of \$6.30 per share for gross proceeds of \$126.8 million on a bought-deal basis with a syndicate of underwriters. The proceeds of the share issue were used to pay down the Company's long-term debt.

Savanna's net debt⁽¹⁾ position at December 31, 2009 was \$19.1 million. As of the date of this release, there was approximately \$86.0 million drawn on the Company's committed revolving debt facility.

2010 CAPITAL PROGRAM

As a result of improving prospects for Savanna's product lines, continued international expansion efforts, and based on a much-improved financial position for Savanna, the Company has determined to expand its capital program for 2010. In addition to the \$46 million capital program outlined in our Q3 2009 quarterly release, the Company has determined to further expand the program. Savanna has determined to expand its fleet of ultra-heavy double drilling rigs by 2, to retrofit a further 2 hybrid drilling rigs for deployment to Australia and to enhance the conventional depth capacity of 2 of its hybrid rigs to enable them to drill to depths exceeding 3000 meters. While none of these rigs are currently contracted, the Company is confident that they will be prior to delivery. The Company will also add an additional flush-by unit to its well servicing fleet. In addition to these commitments Savanna has also determined to further expand its portable top drive fleet by 4, to upgrade the capacity of 2 shallow conventional double drilling rigs for deployment from Canada to the United States and to marginally increase its rental fleet.

Including maintenance capital and prior disclosed capital expansion focused on Australia the aggregate 2010 capital commitment is now approximately \$97.3 million.

Savanna has an aggregate of \$175 million of bank debt authorized under its current revolving facility. This facility was recently amended, at Savanna's request, to reduce the maximum limit from \$220 million to \$175 million. This reduction reflected the anticipated needs of Savanna for non-acquisition financing, and was accompanied by a restructuring of the related debt to EBITDA⁽¹⁾ covenants such that the Company expects to have access to the full revolving facility throughout 2010. These amendments to the facility will remain in effect through December 31, 2010. The banking syndicate of five Canadian-based banks remains as under the prior facility.

Discrete capital commitments beyond spare equipment and maintenance capital committed to 2010 now include the following:

- Service rigs – 2 new for deployment in Australia;
- Hybrid drilling rigs – 4 retrofit for deployment in Australia;
- Hybrid drilling rigs – 2 retrofit as deep Range III singles;
- Conventional double drilling rigs – 2 retrofit for deployment in the United States;
- Conventional double drilling rigs – 2 new;
- Portable top drives – 4 new; and
- Flush-by unit – 1 new.

It is anticipated that all of the above commitments will be funded through internally generated cash flows and existing debt facilities, and there remains sufficient additional capacity to expand the program should activity levels dictate.

DIVIDEND

In light of Savanna's capital program and anticipated opportunities the Company sees to improve and expand its operations, Savanna has determined to suspend paying dividends on its common shares subsequent to the March 2010 distribution. The annualized savings from this decision will approximate \$8 million.

SETTLEMENT OF PATENT LITIGATION

Savanna has entered into a definitive agreement to settle all outstanding patent and related civil litigation with Technicoil Corporation ("Technicoil") and Nabors Canada and Nabors Industries Ltd. (collectively "Nabors").

The key terms of the settlement involve the withdrawal of the challenges to Savanna's Canadian Patent No. 2,425,448 with respect to certain specific hybrid coiled tubing drilling technology (the "Technology") and acknowledgement that Savanna is the owner of the patent (and its US counterparts). In exchange, Nabors and Technicoil have received irrevocable, perpetual, worldwide, non-exclusive, royalty-free licenses to the Technology, subject to certain terms and conditions. The parties have executed full and final releases in respect of all outstanding patent and related civil litigation between them.

Under its license, Technicoil may incorporate the Technology in an additional 7 rigs royalty free (thus potentially increasing its current fleet of such rigs from 5 to 12). As of January 1, 2014, it has the additional option of building up to a further 3 rigs for payment of a license fee.

Technicoil may sell its interest in the licensed rigs without limitation, charge or restriction as part of a sale of all of the assets of Technicoil. The license also permits Technicoil to sell individual rigs in its fleet of hybrid drilling rigs that incorporate the Technology, subject to a right of first refusal by Savanna. There is, however, no limitation on Technicoil offering its rigs as security as part of its usual banking arrangements.

Nabors' license imposes no restrictions on Nabors' ability, also royalty free, to expand its current fleet of hybrid drilling rigs that incorporate the Technology, to use and transfer such rigs within the Nabors group, or to sell them as part of a business unit. A disposal fee is triggered by sale of individual rigs to third parties beyond a certain threshold.

OUTLOOK

Despite recent signs of improving industry conditions, the timing of a general recovery of the North American drilling and oilfield services markets remains unclear. The timing of recovery in shallow drilling, historically a key driver of Savanna's activity, is even more uncertain. With a fleet of 44 hybrid drilling rigs in Canada, Savanna remains very leveraged to this recovery. Our hybrid design, with its built-in capacity to drill with drill-pipe, casing or coiled-tubing in a highly efficient manner, continues to set the standard for versatility, efficiency and speed as a drilling tool, and is well positioned to perform once market demand returns. However, Savanna is not simply waiting for a turnaround in North America. Rather, through continued innovation to improve the efficiency and breadth of application of both the drilling and well servicing fleet, both in Canada and particularly abroad, the Company is making every effort to generate the strong return on its drilling assets that it has been able to historically.

In particular, as we move into 2010 and beyond, Savanna's growth and capital efforts are focused on continued strategic placement of our deeper double conventional drilling and well servicing assets throughout our existing core areas in North America. Incremental rig construction or acquisition of high specification double drilling rigs remains a focus.

In respect of our hybrid drilling fleet, the challenges are clearly different. This fleet has suffered from sub-economic activity levels for over two years. While we remain confident that shallow drilling in our historic Canadian market will eventually recover, the nature and timing of this recovery remains highly uncertain. To address this, Savanna continues to focus on developing international opportunities for our fleet. Our recent contract award in Australia has created a strong base to grow our presence in a high-growth basin ideally suited to our hybrid drilling technology.

As evidenced by our capital commitment to retrofit another 2 hybrid rigs for Australia, we fully expect to deploy additional rigs to that region. In addition, Savanna has identified several other prospective international areas attractive for introduction of the hybrid as well. At the same time, Savanna is executing on its commitment to improve the application and utilization of the hybrid fleet domestically through improved directional and horizontal capabilities for the rigs and increased application of the rigs to shallow oil drilling, specifically heavy oil areas.

Finally, we are also pursuing conversion of two of our hybrid rigs to deeper-oriented conventional rigs. We believe we can accomplish this conversion for approximately 40% of the cost of an equivalently capable Range III drilling rig and use this drilling platform as an entrant to a drilling category we do not currently participate in. Overall, our strategic intent of reducing our domestic shallow drilling fleet exposure by one-half over the next two years remains on track.

Ultimately, the level of activity in both Canada and the United States will not fully recover until a supply-demand balance for natural gas is achieved, and prices for the commodity recover. In the interim, Savanna will continue to aggressively monitor its cost structure and focus on best positioning itself to take advantage of the eventual return of a better operating environment. Savanna believes it has the high quality people, equipment, leading-edge technology and First Nations partnerships to manage the challenging conditions affecting the oilfield services industry.

CONSOLIDATED STATEMENTS OF NET LOSS

(Unaudited - Stated in thousands of dollars, except per share amounts)

December 31,	Three months ended		Twelve months ended	
	2009	2008	2009	2008
	\$	\$	\$	\$
REVENUE				
Sales and services	85,430	139,746	256,619	460,101
EXPENSES				
Operating	61,610	98,152	199,007	320,821
General and administrative	5,459	13,261	20,517	27,597
Stock-based compensation	838	1,206	4,450	3,980
Depreciation and amortization ⁽²⁾	12,214	14,405	35,814	45,328
Interest on long-term debt	1,290	2,343	5,119	6,979
Other expenses	223	1,608	433	1,690
Impairment loss	27,370	319,365	27,370	319,365
	109,004	450,340	292,710	725,760
LOSS BEFORE INCOME TAXES⁽²⁾	(23,574)	(310,594)	(36,091)	(265,659)
INCOME TAXES				
Current	(6,724)	(4,262)	(7,034)	(2,750)
Future ⁽²⁾	1,205	4,648	(1,164)	17,751
	(5,519)	386	(8,198)	15,001
NET LOSS⁽²⁾	(18,055)	(310,980)	(27,893)	(280,660)
NET LOSS PER SHARE				
Basic - net loss ⁽²⁾	(0.23)	(5.26)	(0.40)	(4.73)
Diluted - net loss ⁽²⁾	(0.23)	(5.26)	(0.40)	(4.73)
Weighted average number of shares outstanding (000s)	79,078	59,124	70,532	59,301
Diluted weighted average number of shares outstanding (000s)	79,078	59,124	70,532	59,301

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS (DEFICIT)

(Unaudited - Stated in thousands of dollars)

December 31,	Three months ended		Twelve months ended	
	2009	2008	2009	2008
	\$	\$	\$	\$
Retained earnings (deficit), beginning of period ⁽²⁾	(133,723)	193,494	(118,960)	167,626
Dividends	(1,977)	(1,474)	(6,902)	(5,926)
Net loss ⁽²⁾	(18,055)	(310,980)	(27,893)	(280,660)
Deficit, end of period ⁽²⁾	(153,755)	(118,960)	(153,755)	(118,960)

CONSOLIDATED BALANCE SHEETS

(Unaudited - Stated in thousands of dollars)

December 31	2009	2008
	\$	\$
ASSETS		
Current		
Cash	4,480	4,178
Accounts receivable	78,409	111,255
Income taxes receivable	9,065	7,420
Inventory	4,195	6,032
Prepaid expenses and deposits	1,969	1,877
	98,118	130,762
Notes receivable	9,630	9,420
Property and equipment ⁽²⁾	862,251	889,158
Intangibles and other assets	7,160	8,891
	977,159	1,038,231
LIABILITIES		
Current		
Bank indebtedness	11,228	585
Accounts payable and accrued liabilities	35,874	44,567
Current portion of long-term debt	7,512	18,056
	54,614	63,208
Deferred net revenue	1,647	1,647
Long-term debt	62,595	184,218
Future income taxes ⁽²⁾	77,287	80,484
	196,143	329,557
SHAREHOLDERS' EQUITY		
Share capital	911,764	789,841
Contributed surplus	20,135	16,483
Deficit ⁽²⁾	(153,755)	(118,960)
	778,144	687,364
Accumulated other comprehensive income	2,872	21,310
	781,016	708,674
	977,159	1,038,231

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - Stated in thousands of dollars)

December 31	Three months ended		Twelve months ended	
	2009	2008	2009	2008
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss ⁽²⁾	(18,055)	(310,980)	(27,893)	(280,660)
Items not affecting cash:				
Stock-based compensation	838	1,206	4,450	3,980
Depreciation and amortization ⁽²⁾	12,214	14,405	35,814	45,328
Impairment loss	27,370	319,365	27,370	319,365
Amortization of other assets	637	455	2,326	1,208
Future income taxes ⁽²⁾	1,205	4,648	(1,164)	17,751
Unrealized foreign exchange gain	-	-	-	(254)
Loss (gain) on disposal of assets	(52)	62	169	901
	24,157	29,161	41,072	107,619
Change in non-cash working capital	(27,343)	1,508	22,207	(47,516)
Cash flows from (used in) operations	(3,186)	30,669	63,279	60,103
CASH FLOWS FROM FINANCING ACTIVITIES				
Shares issued, net of share issue costs	-	-	120,031	2,552
Shares repurchased	-	(4,494)	-	(8,630)
Issuance of long-term debt	15,000	36,394	25,000	226,745
Repayment of long-term debt	(577)	(27,816)	(146,982)	(93,986)
Dividends paid	(1,977)	(1,474)	(6,902)	(7,415)
Change in notes receivable	(138)	(166)	(210)	(808)
Change in working capital related to financing activities	-	-	-	1,489
Cash flows from (used in) financing activities	12,308	2,444	(9,063)	119,947
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property and equipment	(8,328)	(21,796)	(64,471)	(77,440)
Proceeds on disposal of assets	593	87	1,520	1,990
Cash paid on acquisitions, net of cash acquired	-	(6,500)	-	(90,355)
Purchase of intangibles and other assets	(487)	(1,543)	(1,753)	(4,719)
Change in working capital related to investing activities	(805)	2,732	147	1,999
Cash flows used in investing activities	(9,027)	(27,020)	(64,557)	(168,525)
INCREASE (DECREASE) IN CASH, NET OF BANK INDEBTEDNESS	95	6,093	(10,341)	11,525
CASH, NET OF BANK INDEBTEDNESS, BEGINNING OF PERIOD	(6,843)	(2,500)	3,593	(7,932)
CASH, NET OF BANK INDEBTEDNESS, END OF PERIOD	(6,748)	3,593	(6,748)	3,593

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Unaudited - Stated in thousands of dollars)

December 31,	Three months ended		Twelve months ended	
	2009	2008	2009	2008
	\$	\$	\$	\$
NET LOSS⁽²⁾	(18,055)	(310,980)	(27,893)	(280,660)
OTHER COMPREHENSIVE INCOME (LOSS)				
Foreign currency translation adjustment	(9,737)	28,838	(29,220)	29,516
Unrealized foreign exchange gain on net investment hedge, net of tax of \$111 (2008 - net of tax benefit of \$1,572)	3,381	(7,050)	10,782	(8,206)
COMPREHENSIVE LOSS⁽²⁾	(24,411)	(289,192)	(46,331)	(259,350)

CONSOLIDATED STATEMENTS OF ACCUMULATED OTHER COMPREHENSIVE INCOME

(Unaudited - Stated in thousands of dollars)

December 31,	Three months ended		Twelve months ended	
	2009	2008	2009	2008
	\$	\$	\$	\$
Accumulated other comprehensive income (loss), beginning of period	9,228	(478)	21,310	-
Other comprehensive income (loss)	(6,356)	21,788	(18,438)	21,310
Accumulated other comprehensive income, end of period	2,872	21,310	2,872	21,310

SEGMENTED INFORMATION

(Unaudited - Stated in thousands of dollars)

The Company's reportable operating segments, as determined by management, are strategic operating units that offer different products and services. The Company has three reportable operating segments: corporate, services, and drilling. The *corporate* segment provides management and administrative services to all its subsidiaries and their respective operations. The *services* segment provides well servicing services and rental equipment to the oil and gas industry. The *drilling* segment provides primarily contract drilling services to the oil and gas industry through both conventional and hybrid drilling rigs.

For the three months ended December 31,	Inter-segment				2009
	Corporate	Services	Drilling	Eliminations	Total
	\$	\$	\$	\$	\$
REVENUE					
Oilfield services	-	17,447	68,477	(633)	85,291
Other	-	30	109	-	139
	-	17,477	68,586	(633)	85,430
OPERATING COSTS					
Oilfield services	-	11,929	50,315	(633)	61,611
REVENUE LESS OPERATING COSTS					
	-	5,548	18,271	-	23,819
Depreciation and amortization	530	2,814	8,870	-	12,214
Impairment loss	-	5,279	22,091	-	27,370
Interest on long-term debt	1,222	21	47	-	1,290
Earnings before income taxes	(6,880)	(3,375)	(13,319)	-	(23,574)
Total assets	34,937	177,179	765,043	-	977,159
Capital assets ⁽ⁱ⁾	23,682	157,153	688,576	-	869,411
Capital expenditures ⁽ⁱⁱ⁾	374	1,338	7,103	-	8,815
For the three months ended December 31,					
	Inter-segment				2008
	Corporate	Services	Drilling	Eliminations	Total
	\$	\$	\$	\$	\$
REVENUE					
Oilfield services	-	24,864	115,112	(538)	139,438
Other	-	158	150	-	308
	-	25,022	115,262	(538)	139,746
OPERATING COSTS					
Oilfield services	-	17,927	80,763	(538)	98,152
REVENUE LESS OPERATING COSTS					
	-	7,095	34,499	-	41,594
Depreciation and amortization ⁽²⁾	587	3,273	10,545	-	14,405
Impairment loss	-	19,392	299,973	-	319,365
Interest on long-term debt	2,137	49	157	-	2,343
Loss before income taxes ⁽²⁾	(9,059)	(16,946)	(284,589)	-	(310,594)
Total assets ⁽²⁾	32,067	197,955	808,209	-	1,038,231
Capital assets ^{(2), (i)}	20,902	168,105	709,042	-	898,049
Capital expenditures ⁽ⁱⁱ⁾	1,077	15,181	13,581	-	29,839

SEGMENTED INFORMATION

(Unaudited - Stated in thousands of dollars)

	For the twelve months ended December 31,				2009 Total
	Corporate	Services	Drilling	Inter-segment Eliminations	
	\$	\$	\$	\$	\$
REVENUE					
Oilfield services	-	59,551	199,177	(2,670)	256,058
Other	-	117	444	-	561
	-	59,668	199,621	(2,670)	256,619
OPERATING COSTS					
Oilfield services	-	44,697	156,980	(2,670)	199,007
REVENUE LESS OPERATING COSTS					
	-	14,971	42,641	-	57,612
Depreciation and amortization	1,622	9,559	24,633	-	35,814
Impairment loss	-	5,279	22,091	-	27,370
Interest on long-term debt	4,674	154	291	-	5,119
Loss before income taxes	(26,838)	(1,813)	(7,440)	-	(36,091)
Total assets	34,937	177,179	765,043	-	977,159
Capital assets ⁽ⁱ⁾	23,682	157,153	688,576	-	869,411
Capital expenditures ⁽ⁱⁱ⁾	3,128	6,457	56,639	-	66,224
For the twelve months ended December 31,					
	Inter-segment				2008 Total
	Corporate	Services	Drilling	Eliminations	
	\$	\$	\$	\$	\$
REVENUE					
Oilfield services	-	84,201	373,785	(538)	457,448
Rig sales	-	1,600	-	-	1,600
Other	-	218	835	-	1,053
	-	86,019	374,620	(538)	460,101
OPERATING COSTS					
Oilfield services	-	57,487	262,367	(538)	319,316
Rig sales	-	1,505	-	-	1,505
	-	58,992	262,367	(538)	320,821
REVENUE LESS OPERATING COSTS					
	-	27,027	112,253	-	139,280
Depreciation and amortization ⁽²⁾	870	10,551	33,907	-	45,328
Impairment loss	-	19,392	299,973	-	319,365
Interest on long-term debt	6,118	233	628	-	6,979
Loss before income taxes ⁽²⁾	(13,930)	(9,950)	(241,779)	-	(265,659)
Total assets ⁽²⁾	32,067	197,955	808,209	-	1,038,231
Capital assets ^{(2), (i)}	20,902	168,105	709,042	-	898,049
Capital expenditures ⁽ⁱⁱ⁾	5,195	50,894	116,256	-	172,345

(i) Capital assets include property and equipment, intangibles, and other assets.

(ii) Capital expenditures include the purchase of capital assets and capital assets acquired through business acquisitions in exchange for cash.

SEGMENTED INFORMATION

(Unaudited - Stated in thousands of dollars)

The Company operates in two different geographical areas, the breakdown of which is as follows:

For the three months ended December 31,	2009		2008			
	Canada	International ⁽ⁱ⁾	Total	Canada	International ⁽ⁱ⁾	Total
	\$	\$	\$	\$	\$	\$
Revenue	61,477	23,953	85,430	109,414	30,332	139,746
Total assets	765,563	211,596	977,159	841,045	197,186	1,038,231
Capital assets ⁽ⁱⁱ⁾	677,518	191,893	869,411	722,048	176,001	898,049

For the twelve months ended December 31,	2009		2008			
	Canada	International ⁽ⁱ⁾	Total	Canada	International ⁽ⁱ⁾	Total
	\$	\$	\$	\$	\$	\$
Revenue	182,560	74,059	256,619	373,958	86,143	460,101
Total assets	765,563	211,596	977,159	841,045	197,186	1,038,231
Capital assets ⁽ⁱⁱ⁾	677,518	191,893	869,411	722,048	176,001	898,049

(i) Includes U.S. and Mexico operations.

(ii) Capital assets include property and equipment, intangibles, and other assets.

Notes:

- (1) Operating margin, operating cash flows before changes in working capital, working capital, and net debt are not recognized measures under Canadian generally accepted accounting principles, 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 before changes in working capital is defined as cash flows from operating activities before changes in non-cash working capital.
 - Working capital is defined as total current assets less total current liabilities excluding the current portions of long-term debt.
 - EBITDA is defined as earnings before interest, income taxes, depreciation, amortization and stock-based compensation.
 - Debt-to-equity ratio is defined as long-term debt, including the current portions thereof, divided by shareholders' equity.
 - Net debt is defined as long-term debt, including the current portions thereof, less working capital
- (2) Effective January 1, 2009, depreciation of well servicing rigs was changed to reflect an estimated useful life of 24,000 operating hours and a 20% salvage value. These rigs were previously depreciated on a straight-line basis over 10 to 15 years with a 20% salvage value. The change in methodology was made to provide more relevant information by depreciating the assets based on usage rather than straight-line over a set number of years as such a depreciation policy did not properly match the economic usage of the well servicing rigs. The change, while not material, has been accounted for on a retrospective basis and more closely aligns the depreciation policies with those of the Company's drilling rigs which are depreciated based on operating days. As a result of the change, the following increases (decreases) to financial statement line items occurred:

(Stated in thousands of dollars, except per share amounts)

	For the quarters ended		For the years ended		Prior to	As at	As at
	Dec-31	Dec-31	Dec-31	Dec-31	Jan-1	Dec-31	Dec-31
	2009	2008	2009	2008	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$
Depreciation and amortization expense	(559)	(375)	(3,362)	(575)	(74)		
Future income tax expense	157	105	941	167	23		
Net earnings	402	270	2,421	408	51		
Per share: basic	0.01	-	0.03	0.01	-		
Per diluted share	0.01	-	0.03	0.01	-		
Comprehensive income	402	270	2,421	408	51		
Retained earnings (deficit)						2,880	459
Property and equipment						4,011	649
Future income tax liability						(1,131)	(190)

Cautionary Statement Regarding Forward-Looking Information and Statements

Certain statements and information contained in this press release including statements related to the Company's international growth opportunities, the potential for acquisitions and new rig construction, the impact of rig deployments on the Company's long-term positioning, the flexibility of the Company's financial position heading into 2010, outlook for future oil and gas demand and prices 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 expectation of uncertain demand and prices for oil and natural gas and the resulting depressed industry activity in 2010 with an emphasis of such reduction on gas directed drilling, especially in the shallow basins, is premised on the Company's customers' reductions to their capital budgets, the focus of its customers' on oil directed drilling opportunities in the current natural gas pricing environment and the impact of the recent global financial crisis on its customers' ability to access capital and on economic activity which translates into demand for oil and gas. 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 will host a conference call for analysts, investors and interested parties on Thursday, March 11, 2010 at 8:30 a.m. Mountain Time (10:30 a.m. Eastern Time) to discuss the Company's 2009 fourth quarter and year end results. The call will be hosted by Ken Mullen, Savanna's President and Chief Executive Officer and Darcy Draudson, 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 at least 10 minutes ahead of time.

A replay of the call will be available until March 18, 2010 by dialing 1-800-937-6305 and entering passcode 516894.

Savanna is a leading contract drilling and oilfield services company providing a broad range of drilling, well servicing and related services with a focus on fit for purpose technologies for key North American and international drilling markets and industry-leading Canadian aboriginal relationships.

FOR FURTHER INFORMATION PLEASE CONTACT:

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