



## Savanna Energy Services Corp.

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### PRESS RELEASE

#### FOR IMMEDIATE RELEASE

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**TSX – SVY**

### **Savanna Energy Mexico Operations Update**

Savanna Energy Services Corp. ("Savanna") has received formal notification from its customer, a global integrated oilfield services company, regarding its 4 rig drilling contract in Chicontepec Mexico. Savanna's customer has advised that it has received operator notification that the pace of drilling, and potentially the absolute number of wells to be drilled, under the contract pursuant to which Savanna's customer has been operating, has been reduced. The customer has advised Savanna that they will be releasing 2 of the drilling rigs upon completion of their current locations.

As a result of this reduction, the customer will demobilize the 2 released rigs, at their cost, to McAllen, Texas as soon as possible. The remaining 2 rigs will remain in service pursuant to the same terms as the original contract.

Savanna has initiated efforts to transfer the released rigs to other operating areas in North America, and anticipates that the rigs will be quickly redeployed. Given the depth capacity and efficiency of these 1200HP AC rigs, Savanna expects limited downtime on this equipment, however the rigs currently are uncommitted.

Savanna will continue to monitor expected activity levels in respect of the remaining 2 rigs in Mexico, and will assess their utilization, current and long term, with its customer on an ongoing basis. However, the operating situation in Mexico remains very unsettled.

This announcement has no impact on Savanna's current 2010 capital expansion program, nor any material affect on its ability to fund same.

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.

#### ***Cautionary Statement Regarding Forward-Looking Information and Statements***

*Certain statements and information contained in this press release 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. Specifically, this press release contains statements regarding Savanna's expectation of rig redeployment and impact on Savanna's capital expansion program and funding of same. These statements are based on certain assumptions and analysis made by Savanna 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. However, whether actual results, performance or achievements will conform to Savanna'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 Savanna's expectations. 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 Savanna will be realized or, even if substantially realized, that they will have the expected consequences to or effects on Savanna or its business or operations. Except as may be required by law, Savanna assumes no obligation to update publicly any such forward-looking information and statements, whether as a result of new information, future events, or otherwise.*

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