

SAVANNA ENERGY SERVICES CORP. ANNOUNCES FIRST QUARTER 2009 RESULTS

Calgary, Alberta
May 7, 2009

TSX – SVY

Savanna Energy Services Corp. (“Savanna” or “the Company”) is an oilfield services company operating in Canada and the U.S. 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)

For the three months ended March 31,	2009	2008	Change
	\$	\$	
OPERATING RESULTS			
Revenue	93,794	149,160	(37%)
Operating expenses	70,561	95,097	(26%)
Operating margin ⁽¹⁾	23,233	54,063	(57%)
Net earnings ⁽²⁾	3,609	25,585	(86%)
Per share: basic ⁽²⁾	0.06	0.43	(86%)
Per share: diluted ⁽²⁾	0.06	0.43	(86%)
CASH FLOWS			
Operating cash flows before changes in working capital ⁽¹⁾	16,769	48,006	(65%)
Cash paid on acquisitions and on the purchase of property, equipment, intangibles and other assets	(26,628)	(20,655)	29%
Dividends paid	(1,474)	(1,482)	(1%)
FINANCIAL POSITION AT			
	Mar-31	Dec-31	Change
	2009	2008	
	\$	\$	
Working capital ⁽¹⁾	49,261	87,680	(44%)
Property and equipment ⁽²⁾	908,673	889,158	2%
Total assets ⁽²⁾	1,019,841	1,038,231	(2%)
Long-term debt	176,501	202,274	(13%)

OPERATIONAL HIGHLIGHTS

The downturn in the North American oil and gas industry resulted in the lowest first quarter utilization rates in the history of the Company. The decrease in demand for oilfield services led to a decrease in operating days and hours in the drilling and oilfield services divisions respectively.

Previously announced salary and wage roll backs for all non-rig related employees in the organization were implemented on April 1, 2009; the roll backs range from 2% to 26% depending on the employees’ level of earnings and result in an average 12% reduction. This better aligns the Company’s fixed operating and administrative costs with the activity decreases and difficult operating conditions that the oilfield services industry is likely to face through the remainder of 2009. Additionally, the Company has reduced its salaried workforce by 20% since January 1, 2009.

The re-branding and combining of Trailblazer Drilling Corp., Lakota Drilling Corp. and Akuna Drilling Trust under the banner of Savanna Drilling has commenced. Effective April 1, 2009 all drilling equipment operated by the Company will operate under the Savanna Drilling banner, both domestically and outside Canada.

During the first quarter, the construction of a service rig was completed and deployed in Saskatchewan increasing the number of service rigs in that province to 17.



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EQUIPMENT FLEET

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

As at March 31,	2009	2008	Change
DRILLING RIGS			
Heavy and ultra-heavy telescoping doubles	45	42	3
Hybrid drilling	46	46	-
Triples	2	-	2
Pipe-arm single	1	1	-
Conventional shallow/surface/coring	9	10	(1)
Total drilling rigs (gross)	103	99	4
Total drilling rigs (net)*	99	95	4
SERVICE RIGS			
Service rigs	67	56	11
Coil tubing service units	8	8	-
Total service rigs (gross)	75	64	11
Total service rigs (net) *	73	61.5	11.5

* 8 drilling rigs and 4 service rigs (2008 – 8 drilling rigs and 5 service rigs) were owned in 50/50 limited partnerships at March 31, 2009.

In Q1 2009 the construction of a service rig was completed; the rig, which is based out of Saskatchewan, is included in the tables above and below. 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 March 31,	2009	2008	Change
Drilling Rigs			
Alberta	78	83	(5)
Saskatchewan	9	9	-
United States	16	7	9
Total drilling rigs	103	99	4
Service Rigs			
Alberta	52	59	(7)
Saskatchewan	17	5	12
United States	6	-	6
Total service rigs	75	64	11

Excluded from the above tables are 4 additional drilling rigs Savanna has committed to construct. These drilling rigs will be heavy-duty doubles capable of deployment into most basins in which Savanna currently operates. These rigs, along with additional drill pipe and other equipment to support the existing fleet, are expected to cost \$49 million. To the end of March 2009, \$32.6 million had been expended on these rigs. The remaining capital expenditures will be funded from cash flows generated from operations, working capital and/or existing debt facilities, and all equipment should be ready for deployment by Q3 2009. This capital expansion will enhance Savanna's capabilities in the deeper directional and horizontal natural gas and oil drilling plays throughout North America.

CONTRACT DRILLING

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

For the three months ended March 31,	2009	2008	Change
Revenue	\$ 74,584	\$ 122,309	(39%)
Operating expenses	\$ 55,459	\$ 78,697	(30%)
Operating margin ⁽¹⁾	\$ 19,125	\$ 43,612	(56%)
Number of operating days*	3,414	5,629	(39%)
Revenue per operating day	\$ 21,847	\$ 21,728	1%
Number of spud to release days [†]	2,857	4,475	(36%)
Wells drilled [†]	864	1,450	(40%)
Total meters drilled [†]	795,177	1,273,249	(38%)
Utilization - Canada [†]	31%	59%	(47%)
Utilization - U.S. [†]	54%	71%	(24%)
Canadian industry average utilization [‡]	36%	55%	(35%)

* 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 is earned during this time. Savanna's rig utilization, spud to release days, wells drilled and total meters drilled exclude coring delineation rigs as the operating environment is not comparable to the Company's other drilling rigs. However, these rigs are included in total fleet numbers.

‡ Source of industry figures: Canadian Association of Oilwell Drilling Contractors.

The drilling division's revenue and operating days decreased in the first three months of 2009 compared to the same period in 2008, despite a larger and more geographically diverse fleet, as a result of a downturn in the North American oil and gas industry. In Q1 2009 Savanna averaged a deployed fleet of 99 net rigs and exited the quarter with the same number compared to Q1 2008 when the Company operated an average fleet of 93 net rigs, exiting that quarter with 95 net rigs. However, during this difficult period Savanna was able to maintain its market share of the oilfield services industry.

In the first three months of 2009 operating costs continued at levels seen through the second half of 2008. During this period in 2008 operating costs rose as a result of labour cost increases, fuel cost increases and increases in the cost of materials and other consumables used in running and maintaining the drilling rigs. In addition, due to an early spring breakup in Q1 2009, costs were incurred in racking rigs in Q1 instead of Q2. As a result Q1 margins were considerably lower compared to the first quarter of 2008.

OILFIELD SERVICES

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

For the three months ended March 31,	2009	2008	Change
Revenue	\$ 19,047	\$ 24,915	(24%)
Operating expenses	\$ 15,102	\$ 14,900	1%
Operating margin ⁽¹⁾	\$ 3,945	\$ 10,015	(61%)
Number of operating hours*	22,981	30,535	(25%)
Revenue per hour	\$ 721	\$ 816	(12%)
Utilization - Canada [†]	37%	62%	(40%)
Utilization - U.S. [†]	53%	-	-

* 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 have 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.

The downturn in the North American oil and gas industry also resulted in a decrease in the oilfield services division's revenue and operating hours for the first three months of 2009 compared to the same period in 2008. The decrease in demand for oilfield services is reflected in the lower number of hours and lower hourly rate compared to Q1 2008.

Included in the revenue above is \$2.5 million related to the rental assets acquired late in Q3 2008; this revenue is excluded from the per hour revenue calculations above.

As with the drilling division, the increased operating costs are primarily a result of increases in the costs of labour, fuel and other materials and consumables; the costs of which trended upward in the later part of 2008 and for the most part held constant in Q1 2009. In addition, an early spring breakup led to costs being incurred on idle rigs being racked in Q1 instead of Q2. Coupled with downward pricing pressure in the first three months of 2009, margins decreased significantly compared to the first quarter of 2008.

In Q1 2009 the oilfield services division's fleet size averaged 66 (64 net) service rigs, 8 coiled tubing service units and 34 boilers, compared to Q1 2008 when the division operated an average of 56 (53.5 net) service rigs, 8 coiled tubing service units, and 34 boilers. The oilfield services division exited the quarter with 67 (65 net) service rigs, 8 coiled tubing service units, and 34 boilers.

OTHER FINANCIAL INFORMATION

(Stated in thousands of dollars)

For the three months ended March 31,	2009	2008	Change
General and administrative expenses	\$ 5,393	\$ 3,758	44%
as a % of revenue	5.7%	2.5%	128%
Depreciation and amortization ⁽²⁾	\$ 10,108	\$ 12,073	(16%)

The increase in general and administrative expenses in Q1 2009 compared with Q1 2008 reflects Savanna's expansion into new markets over the last twelve months. Despite the large discrepancy when comparing quarter over quarter, if compared to Q4 2008 the general and administrative expenses in the first three months of 2009 are fairly consistent (excluding bad debt and other non-recurring expenses of \$7.5 million incurred in Q4 2008). The increase as a percentage of revenue in the first quarter of 2009 compared to Q1 2008 is due to both the increase in general and administrative expenses and the decrease in revenues year over year.

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, 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. The effect of the change on individual financial line items is detailed in Note 2 later in this press release. Therefore, the overall decrease in depreciation and amortization in Q1 2009 compared to Q1 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.

FINANCIAL CONDITION AND LIQUIDITY

Savanna's net debt⁽¹⁾ position at March 31, 2009 was \$127.2 million and the amount available on its term revolving credit facility was \$74.2 million. Cash received on the collection of accounts receivable was used to pay down the outstanding balance on the facility and fund capital expenditures in the quarter. As of the date of this release, there was approximately \$86.1 million available on Savanna's term revolving credit facility.

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	Mar-31	Dec-31	Sep-30	Jun-30	Mar-31	Dec-31	Sept-30	Jun-30
	2009	2008	2008	2008	2008	2007	2007	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	93,794	139,746	122,205	48,990	149,160	101,804	93,735	39,097
Operating expenses	70,561	98,152	84,207	43,365	95,097	68,156	58,111	30,271
Operating margin ⁽¹⁾	23,233	41,594	37,998	5,625	54,063	33,648	35,624	8,826
Operating margin % ⁽¹⁾	25%	30%	31%	11%	36%	33%	38%	23%
Net earnings (loss) ⁽²⁾	3,609	(310,980)	11,285	(6,550)	25,585	(125,637)	12,638	(3,136)
Per share: basic ⁽²⁾	0.06	(5.26)	0.19	(0.11)	0.43	(2.11)	0.21	(0.05)
Per share: diluted ⁽²⁾	0.06	(5.26)	0.19	(0.11)	0.43	(2.11)	0.21	(0.05)
Total assets ⁽²⁾	1,019,841	1,038,231	1,306,339	1,234,481	1,243,159	1,180,166	1,299,006	1,242,711
Long-term debt	176,501	202,274	183,301	125,423	119,428	58,218	44,510	27,034

OUTLOOK

Although the industry is uncertain with respect to the demand and prices of oil and gas for the remainder of 2009, and Savanna is certainly not immune to pricing or utilization pressures caused by the industry slow-down, Savanna believes it is well positioned with its high quality people and equipment, leading-edge technology and First Nations partnerships to manage the variable conditions facing the oilfield services industry.

The Company does however remain cautious regarding the impact of the current global economic uncertainty. In order to maintain its balance sheet strength during this period the Company has also taken measures to align its fixed operating and administrative costs with the activity decreases and difficult operating conditions that the Company is likely to face through the remainder of 2009. The previously announced salary and wage roll backs for all non-rig related employees in the organization were implemented on April 1, 2009; the roll backs range from 2% to 26% depending on the employees' level of earnings. This will allow the Company to retain its personnel at a reasonable cost during a difficult period and at the same time keep people in place for the eventual return to more favourable operating conditions.

In addition, the industry has also taken measures to align wages for rig employees with the decreased operating activity. Effective May 1, 2009, the CAODC decreased recommended wage levels on average by approximately 15%. The change should have a positive effect on margins for the remainder of 2009 as direct labour is the Company's largest operating expense.

The Company's previously announced project to re-brand and combine Trailblazer Drilling Corp., Lakota Drilling Corp. and Akuna Drilling Trust under the banner of Savanna Drilling is under way and should for the most part be finalized in Q2 2009. Combining these entities will streamline operations and will provide advantages in purchasing power, recruitment, employee mobility, and ancillary equipment utilization as well as provide greater name recognition between Savanna as a whole and its different operating divisions.

Notes:

- (1) Operating margin, operating cash flows before changes in working capital, and working capital are not recognized measures under GAAP, 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.
 - 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:

	Three months ended	Prior to	As at	As at
	Mar-31	Mar-31	Jan-1	Mar-31
	2009	2008	2008	2008
	\$	\$	\$	\$
Depreciation and amortization expense	(672)	477	(74)	-
Future income tax expense	188	(145)	23	-
Net earnings	484	(332)	51	-
Per share: basic	0.01	(0.01)	-	-
Per diluted share	0.01	(0.01)	-	-
Comprehensive income	484	(332)	51	-
Retained earnings (deficit)	-	-	51	943
Property and equipment	-	-	74	1,321
Future income tax liability	-	-	(23)	(378)

CONSOLIDATED STATEMENTS OF EARNINGS

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

For the three months ended March 31,	2009	2008
	\$	\$
REVENUE		
Sales and services	93,794	149,160
EXPENSES		
Operating	70,561	95,097
General and administrative	5,393	3,758
Stock-based compensation	906	1,036
Depreciation and amortization ⁽²⁾	10,108	12,073
Interest on long-term debt	1,645	1,522
Other (income) expenses	(196)	107
	88,417	113,593
EARNINGS BEFORE INCOME TAXES	5,377	35,567
INCOME TAXES		
Current	97	882
Future ⁽²⁾	1,671	9,100
	1,768	9,982
NET EARNINGS⁽²⁾	3,609	25,585
NET EARNINGS PER SHARE		
Basic - net earnings ⁽²⁾	0.06	0.43
Diluted - net earnings ⁽²⁾	0.06	0.43
Weighted average number of shares outstanding (000s)	58,953	59,323
Diluted weighted average number of shares outstanding (000s)	58,953	59,386

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS (DEFICIT)

(Unaudited - Stated in thousands of dollars)

For the three months ended March 31,	2009	2008
	\$	\$
Retained earnings (deficit), beginning of period ⁽²⁾	(118,960)	167,626
Dividends	(1,474)	(1,482)
Net earnings ⁽²⁾	3,609	25,585
Retained earnings (deficit), end of period ⁽²⁾	(116,825)	191,729

CONSOLIDATED BALANCE SHEETS

(Unaudited - Stated in thousands of dollars)

	Mar-31	Dec-31
	2009	2008
	\$	\$
ASSETS		
Current		
Cash	8,279	4,178
Accounts receivable	71,532	113,325
Income taxes receivable	8,490	7,420
Inventory	5,287	6,032
Prepaid expenses and deposits	1,127	1,877
	94,715	132,832
Notes receivable	7,350	7,350
Property and equipment ⁽²⁾	908,673	889,158
Intangibles and other assets	9,103	8,891
	1,019,841	1,038,231
LIABILITIES		
Current		
Bank indebtedness	6,133	585
Accounts payable and accrued liabilities	39,321	44,567
Current portion of long-term debt	25,019	18,056
	70,473	63,208
Deferred net revenue	1,647	1,647
Long-term debt	151,482	184,218
Future income taxes ⁽²⁾	82,335	80,484
	305,937	329,557
SHAREHOLDERS' EQUITY		
Share capital	789,841	789,841
Contributed surplus	17,576	16,483
Deficit ⁽²⁾	(116,825)	(118,960)
	690,592	687,364
Accumulated other comprehensive income	23,312	21,310
	713,904	708,674
	1,019,841	1,038,231

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited - Stated in thousands of dollars)

For the three months ended March 31,	2009	2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings ⁽²⁾	3,609	25,585
Items not affecting cash:		
Stock-based compensation	906	1,036
Depreciation and amortization ⁽²⁾	10,108	12,073
Amortization of other assets	524	187
Future income taxes ⁽²⁾	1,671	9,100
(Gain) loss on disposal of assets	(49)	25
	16,769	48,006
Change in non-cash working capital	35,886	(84,259)
Cash flows from (used in) operations	52,655	(36,253)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued on exercise of stock options	-	279
Shares repurchased	-	(4,137)
Issuance of long-term debt	-	70,000
Repayment of long-term debt	(27,703)	(8,790)
Dividends paid	(1,474)	(1,482)
Change in working capital related to financing activities	-	(7)
Cash flows from (used in) financing activities	(29,177)	55,863
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(25,727)	(16,819)
Proceeds on disposal of assets	175	119
Cash paid on acquisitions, net of cash acquired	-	(3,504)
Purchase of intangibles and other assets	(901)	(332)
Change in working capital related to investing activities	1,528	(342)
Cash flows used in investing activities	(24,925)	(20,878)
DECREASE IN CASH, NET OF BANK INDEBTEDNESS	(1,447)	(1,268)
CASH, NET OF BANK INDEBTEDNESS, BEGINNING OF PERIOD	3,593	(7,932)
CASH, NET OF BANK INDEBTEDNESS, END OF PERIOD	2,146	(9,200)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited - Stated in thousands of dollars)

For the three months ended March 31,	2009	2008
	\$	\$
NET EARNINGS⁽²⁾	3,609	25,585
OTHER COMPREHENSIVE INCOME		
Foreign currency translation adjustment	3,929	-
Unrealized foreign exchange loss on net investment hedge	(1,927)	-
COMPREHENSIVE INCOME⁽²⁾	5,611	25,585

CONSOLIDATED STATEMENTS OF ACCUMULATED OTHER COMPREHENSIVE INCOME

(Unaudited - Stated in thousands of dollars)

For the three months ended March 31,	2009	2008
	\$	\$
Accumulated other comprehensive income, beginning of period	21,310	-
Other comprehensive income	2,002	-
Accumulated other comprehensive income, end of period	23,312	-

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 March 31,				2009			2008	
	Corporate	Services	Drilling	Total	Corporate	Services	Drilling	Total
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Oilfield services	-	19,047	74,584	93,631	-	24,915	122,309	147,224
Rig sales	-	-	-	-	-	1,600	-	1,600
Other	-	45	118	163	-	15	321	336
	-	19,092	74,702	93,794	-	26,530	122,630	149,160
OPERATING COSTS								
Oilfield services	-	15,102	55,459	70,561	-	14,900	78,697	93,597
Rig sales	-	-	-	-	-	1,500	-	1,500
	-	15,102	55,459	70,561	-	16,400	78,697	95,097
REVENUE LESS								
OPERATING COSTS	-	3,990	19,243	23,233	-	10,130	43,933	54,063
Depreciation and amortization ⁽²⁾	326	2,522	7,260	10,108	181	2,773	9,119	12,073
Interest on long-term debt	1,516	28	101	1,645	1,148	92	282	1,522
Earnings before income taxes ⁽²⁾	(7,170)	1,787	10,760	5,377	751	5,421	29,395	35,567
Total assets ⁽²⁾	293,032	130,149	596,660	1,019,841	324,019	103,459	815,681	1,243,159
Goodwill	-	-	-	-	-	15,789	293,836	309,625
Capital assets ^{(2), (i)}	23,015	167,817	726,944	917,776	17,988	128,649	618,503	765,140
Capital expenditures ⁽ⁱⁱ⁾	2,415	1,727	22,486	26,628	1,512	2,577	16,954	21,043

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

For the three months ended March 31,				2009			2008	
	Canada	U.S.	Total	Canada	U.S.	Total		
	\$	\$	\$	\$	\$	\$		\$
Revenue	72,988	20,806	93,794	136,556	12,604	149,160		
Total assets ⁽²⁾	821,882	197,959	1,019,841	1,192,180	50,979	1,243,159		
Goodwill	-	-	-	309,625	-	309,625		
Capital assets ^{(2), (i)}	738,220	179,556	917,776	715,048	50,092	765,140		

(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.

Cautionary Statement Regarding Forward-Looking Information and Statements

Certain statements and information contained in this press release including 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. Further, the Company’s expectation of improving margins for the remainder of 2009, coupled with retaining adequate personnel for the eventual return of more favorable industry activity while aligning its cost structure with depressed industry activity, is premised on the pricing of the Company’s services remaining at or improving from present levels in respect of improving margins and the lack of mobility of its personnel to other industries at this time in respect of the retention of personnel. 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; 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 Friday, May 8, 2009 at 9 a.m. Mountain Time (11 a.m. Eastern Time) to discuss the Company’s first 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 at least 10 minutes ahead of time.

A replay of the call will be available until May 15, 2009 by dialing 1-800-937-6305 and entering passcode 879031.

Savanna Energy Services Corp. is a leading North American 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 the North American market and industry-leading aboriginal relationships.

FOR FURTHER INFORMATION PLEASE CONTACT:

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