



TECHNICOIL
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Exchange: TSX Venture Exchange
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Technicoil Announces Closing of \$11 Million Private Placement of Common Shares

Technicoil Corporation ("Technicoil") announced today that it has closed its previously announced private placement financing of 11,000,000 common shares at a price of \$1.00 per share for gross proceeds of \$11,000,000. In conjunction with this placement, ARC Canadian Energy Venture Fund sold 14,000,000 common shares from its control position at a price of \$1.00 per share. The hold period applicable to the sold common shares expires October 29, 2004. The agency syndicate was led by Peters & Co. Limited and included Sprott Securities Inc.

Net proceeds from this treasury share issue, combined with debt and cash flow from operations, will be used to fund an increase in Technicoil's fleet of equipment from seven coil fracturing units to twelve and from two coil drilling rigs to six.

Technicoil, utilizing patented coil tubing equipment and innovative technology, supplies drilling and service operations to the oil and gas industry in Canada. Technicoil operates seven coil fracturing and two coil drilling rigs. All drilling rigs are and will be capable of performing directional and vertical drilling both on a conventional and underbalanced basis. Innovative technology enables Technicoil to deliver coil tubing drilling and other services to greater depths than any other coil tubing equipment currently in the market.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The common shares will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

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