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Technicoil Announces its Construction Program for Additional Equipment and Proposed Treasury and Secondary Private Placements

The Board of Directors of Technicoil Corporation (“Technicoil” or the “Company”) announces that it has approved an aggressive growth strategy for the Company. Technicoil had recently announced an order for an additional coil drilling rig to be delivered in early 2005, and has now added three more coil drilling rigs and five more coil fracturing units to that order. Once completed, this construction program will increase Technicoil’s fleet from seven coil fracturing units to twelve and from two coil drilling rigs to six.

This expansion in capacity, supported by our customers, is being undertaken in anticipation of continuing strong industry demand for shallow gas and coal bed methane exploration and development, and will be funded by cash flow, bank debt and proceeds from a proposed equity issue. Technicoil’s balance sheet is strong and its fleet is fully booked for the rest of the summer season, allowing the Company to add this new equipment while maintaining a prudent debt level.

Technicoil has named Peters & Co. Limited as lead agent for a proposed treasury offering of up to 11,000,000 common shares by way of private placement. In conjunction, ARC Financial Corporation (“ARC”) has indicated an interest in selling up to 14,000,000 common shares from its control position of 23,673,122 common shares held through its investment funds, by way of secondary private placement. ARC, which was an early stage investor in the Company having participated in a series of financings since 1999, has advised Technicoil that it is now seeking liquidity for a portion of its investment for portfolio management reasons. Post disposition, ARC will likely remain Technicoil’s largest investor and will continue to be highly supportive of the strategic growth plan for the Company.

Technicoil, utilizing patented coil tubing equipment and innovative technology, supplies drilling and service operations to the oil and gas industry in North America. Technicoil operates seven coil frac units focused on the fracturing market and two 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.

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