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### **Technicoil Announces 2008 Capital Budget Increase**

Technicoil Corporation ("Technicoil" or the "Corporation") today announces the board of directors has approved an increase of \$7.0 million to the Corporation's capital budget for 2008. This capital budget increase is in addition to the \$2.5 million capital budget previously approved by the board of directors.

Of the \$7.0 million capital budget increase, \$3.0 million will be directed at the expansion of Technicoil's non-conventional coiled tubing well service activities for areas such as completions in the Montney resource play. Details of the capital expenditures are as follows:

- \$2.7 million for the construction of a conventional free-standing mobile double service rig. This rig will have a depth capacity of 3,500 meters and will utilize many of the industry's latest technologies. Delivery of the rig is expected prior to the end of 2008 and will bring Technicoil's conventional service rig fleet to a total of nine rigs;
- \$1.7 million for the conversion of coiled tubing service rigs and the purchase of additional support equipment to enhance the Corporation's service offerings and capabilities in the Montney resource play. Following these capital initiatives, Technicoil will have a total of six coiled tubing rigs capable of operating in the Montney resource play with a depth capacity of 5,400 meters with 2" diameter coiled tubing. This will make Technicoil's rigs amongst the highest capacity, most efficient coiled tubing service rigs operating in the region. These rigs will also be capable of operating in other resource development locations such as the Bakken play in southeastern Saskatchewan;
- \$1.3 million for the conversion of Technicoil's original hybrid drilling rig into a high capacity coiled tubing service rig capable of handling jointed pipe. This prototype design will result in a coiled tubing service rig capable of going to depths of 6,000 meters with 2 3/8" coiled tubing. In addition, this rig will be capable of handling jointed pipe making it the most versatile service rig in Technicoil's fleet, and thereby, allowing it to complete well servicing operations for both oil and gas wells. This conversion will initially reduce Technicoil's drilling rig fleet to a total of six rigs;
- \$1.3 million for miscellaneous capital maintenance initiatives designed to improve the efficiency of various other operating areas.

The above capital initiatives are designed to expand Technicoil's service offerings in non-conventional resource development plays such as the Montney and Bakken plays. In addition, the expansion of Technicoil's conventional service rig fleet expands upon the Corporation's already strong conventional service rig operations and further diversifies Technicoil's business operations.

Management and the board of directors believe the increase to Technicoil's capital expansion program is warranted following higher than expected first and second quarter activity levels for the Corporation and improving sentiment in the industry. Management and the board of directors believe that activity levels will continue to expand for the remainder of 2008 and into 2009 and Technicoil is well positioned to take advantage of this increase in activity levels.

Technicoil intends to issue its second quarter financial and operational results subsequent to the close of market on Thursday, August 7<sup>th</sup>, 2008.

Technicoil provides drilling and service operations to the oil and natural gas industry in Canada. Technicoil operates seven hybrid drilling rigs, eight conventional well service rigs, and 18 coiled tubing service rigs.

*This press release contains forward-looking statements within the meaning of securities law. Forward-looking statements or information are often, but not always, identified by the use of words such as "anticipate", "expect", "plan", "forecast", "target", "project", "seek", "may", "intend", "will", "should", "could", "believe", "estimate", "predict" or similar expressions, statements that are based on current expectations and estimates about the markets in which the Corporation operates and statements of the Corporation's belief, intentions and expectations about development, results and events which will, or may occur in the future. Such forward-looking statements are based on certain assumptions and include, but are not limited to: statements with respect to future capital expenditures, including the amount and nature thereof; oil and gas prices and demand; other development trends of the oil and gas industry; business strategy; expansion and growth of the Corporation's business and operations, including the Corporation's market share and position in the oilfield service markets; and other such matters. In addition, other written or oral statements which constitute forward-looking statements may be made from time to time by and on behalf of the Corporation.*

*By their very nature, such forward-looking statements are subject to important risks and uncertainties that predictions, projections, forecasts and other forward-looking statements will not be achieved. Readers are cautioned not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, without limitation: the impact of general economic conditions; industry conditions; including the adoption of new environmental, tax, royalty and other laws and regulations and changes in how they are interpreted and enforced; volatility of oil and gas prices; oil and gas product supply and demand; inadequate insurance coverage; risks inherent in the Corporation's ability to generate sufficient cash flow from operations to meet its current and future obligations; increases in debt service charges; the Corporation's ability to access external sources of debt and equity capital; increased competition; the lack of availability of qualified personnel or management; labour unrest; fluctuations in foreign exchange or interest rates; stock market volatility; opportunities available to, or pursued by, the Corporation and other factors, many of which are beyond the control of the Corporation.*

*Further information regarding these factors may be found in the Corporation's most recent Annual Report, Annual Information Form, information circular, quarterly reports, material change reports and news releases. The Corporation's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits, including the amount of proceeds, the Corporation will derive there from. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Any forward-looking information contained herein is expressly qualified by this cautionary statement. The forward-looking statements in this document are provided for the limited purpose of enabling current and potential investors to evaluate an investment in the Corporation. Readers are cautioned that such statement may not be appropriate, and should not be used for other purposes.*

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