

DALMAC ENERGY INC. TSX Venture: “DAL”

Period End Press Release

For Immediate Release

August 31, 2009

Year Ended and quarter ended April 30, 2009 (“YE’09” and “Q4’09”)

Edmonton, Alberta – John Babic, President and CEO of Dalmac Energy Inc. (“Dalmac”) (TSX Venture “DAL”) announces the Corporation's year end results.

Selected Financial Information

(000's Cdn Dollars, except per share data)	YE' 09	YE' 08	Q4' 09	Q4' 08
Revenues	21,870	16,160	6,200	4,838
Gross Margin	5,757	4,389	1,322	886
Gross Margin %	26%	27%	21%	18%
General and administrative expenses*	1,353	1,190	373	299
EBITDAS (loss)	2,502	1,888	399	290
EBITDAS per share - basic	0.19	0.15	0.03	0.02
EBITDAS per share - diluted	0.19	0.15	0.03	0.02
Stock based compensation	65	138	4	42
Interest	716	668	141	199
Depreciation and amortization	1,790	1,348	460	377
Impairment of Goodwill	(2,128)	0	(2,128)	0
Net (loss)	(1,909)	(119)	(2,414)	(147)
Loss per share - basic	(0.15)	(0.01)	(0.19)	(0.01)
Loss per share - diluted	(0.15)	(0.01)	(0.19)	(0.01)

*EBITDAS is a non-GAAP measurement defined as earnings before interest, taxes, depreciation, amortization and stock-based compensation

Total revenue for YE'09 increased by 35%, or \$5.7M, to \$22M from the \$16M reported at YE'08.

Total revenues for Q4'09 increased by 28%, or \$1.4M, to \$6.2M from the \$4.8M reported in Q4'08. This increase in revenue was largely due to securing more production related contracts as a result of continuing efforts to expand operations into this market segment as well as from the acquisition of Tinky Rentals L.P. and Tinky Trucking L.P. (the “Tinky Group”) of Edson, Alberta which was completed September 15, 2008.

The YE'09 gross margin increased by 31%, or \$1.4M, to \$5.8M from the \$4.4M reported at the same period last year. The gross margin for Q4'09 increased by 49% or \$436K to \$1.3M from the \$886K reported in Q4'08. On a year to date basis, the gross profit margin, as a percentage of revenue, decreased less than 1% from the previous year despite the rack rate cuts implemented due to the current competitive environment which placed downward pressure on pricing. The current quarter was materially affected by decreased drilling activity and increased competition in addition to customer requests for rate cuts. In Q3'09, the Company responded to customer demands for rate cuts, in the amount of 20-30%, by reverting to its 2005 rack rates. The YE'09 direct costs as a percentage of revenue, increased by 37% compared to the same period last year while revenue increased by 35%. Since YE'09 the Company has responded to

this erosion of profit margins by reducing purchasing costs wherever possible, including without limitation, the elimination of 5 non-essential staff positions, restricting any non-essential overtime and restructuring overlapping start- stop times for shop and dispatch personnel. The Company is also committed to the continued review and implementation of additional salary or wage reductions should there be any further deterioration of margins or activity levels. Competitive factors and the timing of revenues, combined with infrastructure costs, may cause gross margins to vary from time to time.

At YE'09 the EBITAS increased by 33%, or \$615K, to \$2.5M from the \$1.9M reported at YE'08. EBITDAS for Q4'09 increased by 38%, or \$109K, to \$399K from the \$290K reported in Q4'08. The net loss at YE'09 after allowing for impairment of goodwill was \$1.9M compared to \$119K for the same period last year. The impairment of goodwill contributed to a \$2.1M reduction of income for YE'09. Without the goodwill impairment the net income for YE'09 would have been \$219K compared to loss of \$119K for YE'08. In Q4'09, before the goodwill impairment charge, the Company suffered a net loss of \$286K compared to a loss of \$147K reported in Q4'08. After goodwill impairment the net loss for Q4'09 was \$2.4M.

At YE'09, after allowing for the goodwill impairment, the Corporation's total assets increased by 4%, or \$857K, to \$24M as compared to \$23M for YE'08. Total liabilities increased by 14% , or \$1.8M to \$16M as compared to \$13M in the previous year. The current net book value of the Company's common shares is \$0.62 per share (basic).

Outlook

Management believes that the long term outlook for its products and services remains positive. However, in the short term, clouds of uncertainty still loom over the oilfield services industry. Our industry is marred by the global economic crisis which has kept commodity prices depressed. This has also dried up the debt and equity markets which the oil and gas producers rely on to finance their operations. Producers have been forced to shore up their balance sheets by reigning in their spending to match realistic cash flows. The loosening of the purse strings by the producers is expected to occur when there is a likelihood of sustained periods of higher commodity prices especially, in our part of the world, gas prices. Increased sustainability of commodity prices should have a matching effect on drilling utilization levels which will in turn benefit the whole industry.

Presently, about 80% of Dalmac's revenues are derived from existing production services, which exclude drilling and well workovers. Any increased drilling, well workovers and additional production deriving there from will serve to further benefit the Company's revenue base. Dalmac continues to strive toward securing additional sources of production revenue while keeping a close eye on maintaining an optimal balance of commitment between production services and drilling activities. The Company is dedicated to maintaining and forging strong and healthy working relationships with our customers and vendors. Our objective is to provide our customers with a broader and more practical range of products and services in order to present a better solution for their needs.

In spite of the bleak short term outlook, management continues to believe in the long term fundamentals for the oil and gas services industry. The long term fundamentals still point to an increasing demand for oil and gas. Given the increasing decline in production rates in the Western Canadian Sedimentary Basin ("WCSB"), more drilling will be required to maintain current production levels

We seek Safe Harbor.