

## NEWS RELEASE

## CANELSON DRILLING PROVIDES CORPORATE UPDATE

DATE: February 9, 2010

CALGARY, ALBERTA – CanElson Drilling Inc. (“CanElson”) (TSXV: CDI) CanElson Drilling Inc. announced that it has received a Statement of Claim from Savanna Energy Services Corp claiming use of confidential and proprietary information, solicitation of clients, consultants and employees by certain officers and staff of the company. CanElson does not view the claim as having any merit.

In addition, CanElson also announces that it has closed a financing with a Canadian chartered bank whereby the bank will make available \$5.0 million under a five year demand capital loan. This \$5.0 million demand capital loan is in addition to the already existing \$10.0 million evergreen revolving term loan and \$5.0 million operating loan with the same Canadian chartered bank.

CanElson would also like to announce the appointment of Mr. Michael Smith as Vice President & General Manager – Texas., Mr. Terry Kuiper as Vice President & General Manager – Canada and Mr. Robert Skilnick as Chief Financial Officer.

Mr. Smith has been a key member of the CanElson management team as Vice President Operations over the initial start-up and growth of the Company. Mr. Smith has 25 years experience in the oilfield services industry including prior experience with an international oilfield services company as a field superintendant in south east Saskatchewan. Prior thereto, Mr. Smith was rig manager for a Saskatchewan drilling company where he retained the same drilling crew for 7 years with no turnover.

Mr. Kuiper has over 22 years experience in the drilling and service rig industry and has been working with CanElson for the past four months as Manager Marketing & Safety. Prior thereto, Mr. Kuiper worked for 7 years in various management capacities including contracts manager, contracts representative, field superintendant and safety & personnel manager with an oilfield services company and its predecessor companies. Prior thereto Mr. Kuiper worked in various roles. In addition, Mr. Kuiper also has 15 years of field experience working his way to Rig Manager.

Mr. Skilnick has 10 years experience in a broad range of corporate finance and accounting activities. Mr. Skilnick has been working with CanElson as controller for the past seven months. Prior thereto, Mr. Skilnick spent one year as controller of Bow Valley Energy Ltd. where he assisted Bow Valley through a financial restructuring and eventual corporate sale. Mr. Skilnick also spent 8 years with KPMG in Calgary and abroad, most recently as a Senior Manager in Calgary, where he served a broad range of clients including mid-sized oil and gas services companies, E&P companies and various international financial services companies.

With Mr. Skilnick’s appointment as Chief Financial Officer, Murray Hinz has resigned as Interim CFO but will continue to work with CanElson in a role as interim VP Finance.

CanElson is an Alberta, Canada corporation that is engaged in the manufacture and operation of drilling and service rigs in Canada's Western Sedimentary Basin, the United States and Mexico.

#### Forward Looking Information

This press release contains forward-looking information related to litigation and claims against CanElson. Such forward looking information involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond CanElson's control. Such assumptions, risks and uncertainties include, without limitation, those associated with, loss of markets and or the lack of qualified personnel. CanElson's actual achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur, or occur on such dates, or if any of them do so, what benefits CanElson will derive therefrom. The forward-looking information is made as at the date of this press release and CanElson does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

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