



Epsilon Energy Ltd. Announces Resignation of Director

Concord, Ontario – January 20, 2010 – Epsilon Energy Ltd. (“Epsilon” or the “Company”) (TSX: EPS) today announced the resignation of Mr. John K. Wilson as a director of Epsilon and as a director and/or officer of any subsidiary of Epsilon, effective immediately.

Mr. Wilson has decided that it is time for him to focus on his business, Western Land Services Inc., and also to remove potential conflicts with clients and other businesses involved in the Marcellus Shale play.

Zoran Arandjelovic, Epsilon’s Executive Chairman, President and CEO, stated, "As one of the founders of Epsilon, John was instrumental in bringing Epsilon to where it is today. We will continue to work with John as a partner on our New York Marcellus prospect, and continue to be a client of Western Land Services Inc. for our land, title and regulatory needs."

Epsilon Energy Ltd. is engaged in the exploration and production of natural gas reserves targeting the Marcellus Shale. The company also has participating interests and production sharing agreements in other natural gas and oil plays within North America, the Middle East, and Africa. Established in 2005, the Corporation has been a producer of natural gas and oil since 2006. Epsilon’s ongoing business strategy involves focused targeting of lower risk natural gas properties within the Marcellus Shale and other parts of Canada and the United States, as well as the high potential oil & gas properties in the Middle East and Africa. The common shares of Epsilon trade on The Toronto Stock Exchange under the symbol “EPS”. Further information is available at www.epsilonenergyLtd.com.

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Forward-Looking Statements

Certain statements contained in this news release constitute forward looking statements. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe”, and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements are based on reasonable assumption but no assurance can be given that these expectations will prove to be correct and the forward-looking statements included in this news release should not be unduly relied upon.

Special note for news distribution in the United States

The securities described in the news release have not been registered under the United States Securities Act of 1933, as amended, (the “1933 Act”) or state securities laws. Any holder of these securities, by purchasing such securities, agrees for the benefit of Epsilon Energy Ltd. (the “Corporation”) that such securities may not be offered, sold, or otherwise transferred only (A) to the Corporation or its affiliates; (B) outside the United States in accordance with applicable state laws and either (1) Rule 144(as) under the 1933 Act or (2) Rule 144 under the 1933 Act, if applicable.