



Epsilon Energy Ltd. Announces Appointment of Director

Concord, Ontario – January 23, 2010 – Epsilon Energy Ltd. (“Epsilon” or the “Company”) (TSX: EPS) today announced the appointment of Mr. Gregory J. Halvatzis as a Director of Epsilon, effective immediately.

Mr. Halvatzis is a veteran of the oil and gas sector with more than 33 years of experience in the U.S. Gulf Coast region, as well as various basins in North America. He is currently the President of Rockefeller Hughes Corporation, where Mr. Zoran Arandjelovic, Epsilon’s Executive Chairman, President and CEO acts as the Chairman. Prior to joining Rockefeller Hughes, Mr. Halvatzis held the position of Exploration Manager – Houston, Senior VP Exploration/Land at SandRidge Energy. Previously, Mr. Halvatzis held positions of VP Exploration, Division Exploration Manager and Chief Geologist in several oil and gas companies. He has B.Sc. and M.Sc. degrees in Geology and an MBA. Mr. Halvatzis is author of more than fifteen articles in various industry publications and he is a recipient of several sector awards.

Mr. Arandjelovic stated, "Greg’s vast oil and gas sector experience and skill set will be an excellent complement to our board’s current make-up. He will be a valuable asset when we commence the development of our Marcellus Shale assets in New York, our Bakken Oil assets in Saskatchewan and Utica Shale assets in Quebec."

Mr. Halvatzis stated, “Epsilon has established an enviable asset base relative to other North American energy companies in its peer group. It is strategically positioned for extraordinary growth and it is a privilege to be associated with such a well managed company.”

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.