



Epsilon Energy Ltd. Withdraws from Oman Block 55 EPSA

Concord, Ontario – November 5, 2009 – Today Epsilon Energy Ltd. (“Epsilon” or the “Corporation”) (TSX: EPS) provided an update on its Oman operations.

Epsilon today announced that it has sent a letter to the Ministry of Oil and Gas, Sultanate of Oman stating that Epsilon is withdrawing from the Exploration and Production Sharing Agreement (“EPSA”) covering Block 55, where it is the official operator.

Mr. Zoran Arandjelovic, Epsilon’s Executive Chairman, President and CEO, stated: “For the past nine months we have been working on bringing in industry partners, raising additional capital, or a combination of both to fund the exploitation of our Oman Block 55 concession. Unfortunately all of these efforts have been unsuccessful. Today the Board of Directors of Epsilon has instructed management to notify the Ministry of Oil and Gas, Sultanate of Oman, that Epsilon is withdrawing from the previously signed EPSA.”

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”.

For further information please contact:

Zoran Arandjelovic
Executive Chairman
(231) 922-0467 ext: #101
Email: zoran@epsilonenergy ltd.com
Website: www.epsilonenergy ltd.com

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.