



Epsilon Energy Ltd. Attains New Production Milestone

Concord, Ontario – November 16, 2009 – Today Epsilon Energy Ltd. (“Epsilon” or the “Corporation”) (TSX: EPS) provided an update on its operations in the Marcellus shale in north-east Pennsylvania.

Epsilon announced that it is producing in excess of 10 mmcf/d from the Highway 706 project in the Marcellus shale. The substantial increase from previously announced levels (6 mmcf/d as at October 28, 2009) is due to bringing two horizontal wells online, along with a second compressor unit (announced November 4, 2009). The Corporation now has six wells producing in the project and generating cash flow. Two further wells, one horizontal and one vertical, are awaiting tie-in and further compression capacity.

This production level represents an all-time high for Epsilon and demonstrates the prolific nature of the Highway 706 project and the Marcellus shale.

About Epsilon Energy Ltd.

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.