



Epsilon Energy Ltd. Announces Completion of its First Horizontal Well in Mississippi

Concord, Ontario – July 19, 2011 – Further to the press release dated March 28, 2011, Epsilon Energy Ltd. (“**Epsilon**” or the “**Company**”) (TSX: EPS) has completed its first horizontal well in Mississippi targeting the brown Dense Formation. The Company is in the process of evaluating all of the available data that have been obtained during the drilling and testing of the well. A follow up Press Release with the results of the evaluation are expected to be reported in the next 40 days.

About Epsilon Energy Ltd.

Epsilon is engaged in the exploration and production of natural gas reserves. The Company also has participating interests and production sharing agreements in other natural gas and oil plays within North America and Africa. Established in 2005, the Company 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 and gas properties in Africa.

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Special note for news distribution in the United States

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