



POSEIDON CONCEPTS CORP. PROVIDES UPDATE ON ITS BUSINESS, OPERATIONS AND THE REVIEW OF THE SPECIAL COMMITTEE

February 14, 2013, CALGARY, ALBERTA, Poseidon Concepts Corp. ("Poseidon" or the "Company") (TSX: PSN) provides the following update with respect to the review and assessment being conducted by the Company's Special Committee of the Board of Directors ("Special Committee") and its business and operations.

Special Committee Review and Assessment

As previously announced on December 27, 2012, the Company established the Special Committee to, among other things, review and address various issues arising from the Company's write-off of certain of the Company's accounts receivable and the evolving business plan of the Company. In order to assist the Special Committee in its review, the Special Committee retained the services of Norton Rose Canada LLP as its legal counsel, who in turn has retained Ernst & Young Inc. Based on the recommendation of the Special Committee and the interim report of its advisors, the Board of Directors has determined, on a preliminary basis, that primarily related to long term take-or-pay arrangements:

- approximately \$95 million to \$106 million (subject to detailed quantification by the Company) of the Company's \$148.1 million in revenue for the 9 months ended September 30, 2012 should not have been recorded as revenue in the Company's financial statements; and
- as a result of recording the foregoing revenues, approximately \$94 million to \$102 million (subject to detailed quantification by the Company) of the Company's \$125.5 million accounts receivable as at September 30, 2012 should not have been recorded in the Company's financial statements as accounts receivable.

As a result of the foregoing, the first, second and third quarter 2012 financial statements (the "Financial Statements") will be restated and the Company advises investors that they should no longer rely on the Financial Statements as well as the corresponding Management's Discussion & Analysis. Further, the Company advises that all previous guidance with respect to the Company's business should no longer be relied upon. The Board of Directors, the Audit Committee and the Special Committee are working with their advisors, the Company's auditors and management to more specifically quantify the extent and scope of the restatements required in the Financial Statements to ensure that revenue is recognized in accordance with the Company's accounting policies and International Financial Reporting Standards. Upon completion of these efforts, the Company will re-file the Financial Statements and accompanying Management's Discussion & Analysis.

The Special Committee (along with its advisors) will continue with its ongoing review and assessment.

Operations Update

As of February 13, 2013, Poseidon had 96 fluid tanks under rental agreements in the North American well completions market and 7 tank heaters. These rentals are primarily short-term "live-tank" rentals - a rental category in which the Company has not historically experienced material collection or revenue recognition issues. The Company is also focused on implementing plans to reduce operating costs through continued improvements to its setup and tear-down processes.

For further information, please contact:

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This news release contains certain forward-looking statements and other information (collectively "forward-looking information") about our current expectations, estimates and projections. Forward looking information is often identified by words such as "anticipate", "intend", "believe", "expect", "plan", "forecast", "target", "could", "focus", "vision", "goal", "proposed", "scheduled", "milestone", "outlook", "potential", "may", "looking forward to", or similar expressions and includes, but is not necessarily limited to, suggestions of future outcomes, including statements about the Special Committee's preliminary determinations as to its third quarter 2012 recorded revenue, the collectability of the Company's accounts receivable, to its ongoing review and the nature of its recommendations, the timing and completion of the amendments to Poseidon's Financial Statements and accompanying Management's Discussion & Analysis, the ability of the Company to continue to generate positive cash flow, the timing and implementation of Poseidon's plans to reduce operating costs. Readers are cautioned not to place undue reliance on forward-looking information as our actual results may differ materially from those expressed or implied in the forward-looking information. Developing forward-looking information involves reliance on a number of assumptions and consideration of certain risks and uncertainties, some of which are specific to Poseidon and others that apply to the industry generally. The factors or assumptions on which the forward-looking information is based include without limitation: the outcome of litigation involving the Company, our ability to generate sufficient cash flow from operations to meet our current and future obligations; our expectations of the demand for tank systems and other product offerings and the general activity of the oil and gas industry; and assumptions inherent in our current guidance, including: foreign exchange and interest rates; our projected capital investment levels; the flexibility of capital spending plans and the associated source of funding; and other risks and uncertainties described from time to time in the filings we make with securities regulatory authorities. Actual results could differ materially from those currently anticipated due to a number of factors, risks and uncertainties. Such risks and uncertainties include, without limitation, risks associated with the outcome of litigation involving the Company, risks associated with dependence on manufacturers of the Poseidon tank systems; operating risk liability; demand for Poseidon's tank systems; levels of competition in the fracturing fluid storage industry; the ability of Poseidon to attract and retain clientele; the impact of changes in marketing initiatives; the ability of Poseidon to fund its ongoing capital requirements; delays resulting from or inability to obtain required regulatory approvals; the impact of general economic conditions in Canada, the United States and globally; industry conditions; changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced; the lack of availability of qualified personnel or management; fluctuations in foreign exchange or interest rates; and stock market volatility. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributed to Poseidon or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Additional information on the foregoing risks and other factors that could affect Poseidon's operations and financial results are on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Poseidon does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information future events or otherwise, except as may be required by applicable securities laws.