



PRODUCTION ENHANCEMENT GROUP, INC.

Press Release

April 19, 2006

PRODUCTION ENHANCEMENT GROUP ANNOUNCES CLOSING OF INITIAL PUBLIC OFFERING

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Calgary, Alberta – Production Enhancement Group, Inc. (“PEG”) is pleased to announce that it has successfully closed its initial public offering. The offering consists of an aggregate of 10,000,000 units at a price of \$2.00 per unit for gross proceeds of \$20,000,000 (inclusive of the 2,000,000 units issued pursuant to the exercise of the over-allotment option). Each unit is comprised of one common share and one-half of a warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$3.00 per share until April 19, 2007, subject to acceleration in certain circumstances. Research Capital Corporation acted as agent for the financing.

PEG received net proceeds (before issue costs) of \$18.6 million from the offering and intends to use these funds to pay off certain outstanding debt and will use the balance over the next 12 months for equipment purchases and general and administrative expenses, including working capital needs.

PEG’s management team includes Philip C. Crawford, President and Chief Executive Officer; Chester J. Jachimiec, Executive Vice President, Finance and Acquisitions; R. Douglas Parker, Senior Vice President and Chief Financial Officer; and Dr. Lila R. Anderson, Vice President, Intellectual Capital. The Board of Directors of PEG includes Messrs. Crawford and Jachimiec, Jaime B. Crawford, Edward R. Lamb, Clifford E. McFarland, C. Lal Narang and Owen C. Pinnell.

Production Enhancement Group, is a Houston-based energy services company incorporated in Alberta, Canada. It owns patented WISE™ multifunction coiled tubing-based well intervention technologies. As a holding company, PEG provides corporate support, financing, administrative assistance, management systems and marketing services for its operating subsidiaries; PET International, Inc., Production Enhancement Technology, LLC, and A to Z Pressure Pump Services, LLC.

PEG’s common shares and warrants will trade on the Toronto Stock Exchange under the symbol “WIS” and “WIS.WT”, respectively.

For further information on PEG, visit www.productionenhancement.com or contact:

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