



FOR IMMEDIATE RELEASE

December 1, 2008

**PRODUCTION ENHANCEMENT GROUP ANNOUNCES US\$7.5 MILLION
ACCOUNTS RECEIVABLE FACILITY TO BE USED FOR WORKING CAPITAL**

HOUSTON, TEXAS – Production Enhancement Group, Inc. (TSX: WIS) (“PEG” or the “Company”) today announced that it has entered into a \$7.5 million accounts receivable facility (“Facility”) to be used for working capital and general business purposes with Amegy Bank National Association (“Amegy”).

The initial funding commitment is for US\$7.5 million, with the ability to expand the Facility upon the attainment of certain financial performance criteria and additional approval by Amegy. This Facility provides working capital to meet PEG’s sales growth to ensure that the company will have the financial flexibility to meet the needs as the business expands.

Beginning with one location and \$50 million in assets 17 years ago, Amegy has more than \$11 billion in assets with more than 85 banking centers in the greater Houston, Dallas and San Antonio metropolitan areas. Local decision making and a history of relationship and community banking by its 200 calling officers set Amegy apart. Today, Amegy is a member of the Zions Bancorporation collection of great banks, which includes 500 full-service banking offices in Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Texas, Utah and Washington.

“The financial backing being provided to PEG by Amegy is a testament to the progress we have made as a company and we look forward to further developing our relationship with our new financial partner,” said Joseph P. Lahey, PEG’s Chief Executive Officer. “They have a solid track record in assisting entrepreneurial growth companies to successfully implement their strategies. This Facility provides us with a unique resource to accelerate the development of our well intervention services globally, and further ensures that we can implement our 2009 strategic plans for accelerated earnings. In today’s financial meltdown environment, finding capital to continue to grow has been next to impossible. With Amegy as a partner, we have successfully positioned ourselves for growth even in today’s financial environment. Amegy has the reputation of sitting down with its clients and working through problems with solutions and believing in the success of the partnerships between Amegy and its clients. We at PEG are excited about our new partnership with Amegy and their belief in us especially in these turbulent financial times.”

About Production Enhancement Group, Inc.

Production Enhancement Group, Inc., a Houston-based energy services company incorporated in Alberta, Canada, trades on the TSX under the symbol WIS. PEG's wholly owned subsidiary, WISE® Well Intervention Services, Inc., has developed patented WISE multifunction coiled tubing technologies and markets a full range of coiled tubing, pressure pumping, nitrogen, and slickline services.

WISE® is a registered trademark of Production Enhancement Group, Inc.

Disclaimers

The TSX does not accept responsibility for the adequacy or accuracy of this release.

This release and PEG's website referenced in this release may contain forward-looking information, including expectations of future components of revenue, cash flow and earnings. By their very nature, the preparation of such forward-looking information requires the Company to make assumptions, and involves inherent risks and uncertainties, both general and specific. There is significant risk that express or implied projections contained in such forward-looking information will not materialize or will be inaccurate. A number of factors could cause actual future results, conditions, actions or event to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking information. Such differences may be caused by factors, many of which are beyond PEG's control, which include, but are not limited to, the level of operations carried on by PEG's customers, oil and gas prices, weather conditions in offshore and land markets including natural disasters, availability of capital, access to current or future financing arrangements, manufacturing cycles of new equipment, the effects of competition in the markets in which PEG operates, difficulty in continuing to develop, produce and commercialize technologically advanced services, availability of human resources and PEG's success in anticipating and managing the foregoing risks. The preceding list is not comprehensive, and as such, investors and others who rely on these statements should consider the above factors as well as the uncertainties they represent and the risk they entail. The risks outlined above should not be construed as exhaustive. Investors are cautioned not to place undue reliance on any forward-looking information. PEG undertakes no obligation to update or revise any forward-looking information.

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

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