



Logan International Reports Second Quarter Financial Results

(All reported figures are in US dollars unless otherwise noted)

Calgary, Alberta August 11, 2011 – Logan International Inc. (TSX: LII) (“Logan” or the “Company”) reported operating results for its second quarter ended June 30, 2011. Logan earned \$849 thousand, \$.03 per diluted share, from continuing operations in this year’s quarter as compared to \$3.9 million, \$.12 per diluted share, in last year’s second quarter. Revenue from continuing operations increased to \$27.7 million in the current year quarter from \$25.5 million in the prior year quarter. This year’s second quarter Modified EBITDA, as defined in the accompanying financial table, decreased to \$4.6 million from \$7.3 million in last year’s second quarter. The decline in earnings from continuing operations and Modified EBITDA is attributable to a temporary slowdown in the operations of Logan Completion Systems and Dennis Tool Company and to increased operating expenses.

For the year-to-date period, Logan recorded revenue of \$60.7 million from continuing operations as compared to \$44.1 million for the same period last year and reported earnings from continuing operations of \$5.3 million, \$.14 per diluted share, as compared to \$3.4 million, \$.15 per diluted share, in the corresponding period last year. The current year earnings per share calculation is based on a greater number of outstanding shares which were related to the shares issued in the merger transaction in 2010. Current year-to-date Modified EBITDA was \$13.2 million as compared to prior year-to-date EBITDA of \$11.2 million.

Effective July 29, 2011, the Company completed the sale of substantially all of the assets and operations of its front-end seismic services segment, Destiny Resource Services, for a total consideration of \$38 million (Canadian dollars) and has classified the corresponding operating results as discontinued operations.

Effective January 1, 2011, the Company began reporting its financial results in accordance with International Financial Reporting Standards (“IFRS”). Prior year comparative amounts have been restated from amounts issued under the previous Canadian generally accepted accounting principles as if the Company had always prepared its financial statements using IFRS.

Logan’s Chief Executive Officer David Barr stated, “Logan Oil Tools continued to report strong operating results for the quarter as customer demand for fishing and stroking tools and power swivels increased and resulted in sales gains in the quarter and a 15% increase in backlog. However, the second quarter also presented challenges for both Logan Completion Systems and Dennis Tool. Logan Completion Systems’ second quarter operating results were adversely affected by an extended spring break-up and an extraordinarily wet spring. As a result, projects that were scheduled in the second quarter were postponed to the third and fourth quarters. Dennis Tool continued to feel the effects of the slowdown in Gulf of Mexico drilling activity and, to a lesser extent, the Canadian weather conditions both of which contributed to a decline in sales of its superabrasive cutter products.”

Mr. Barr continued, “Looking to the second half of 2011, we expect our operating results to fully rebound. Logan Completion Systems should lead the recovery as the projects that were delayed in the second quarter will be completed in the third and fourth quarters. We believe that the growth in Logan Oil Tools’ backlog will result in an increase in sales for the remainder of 2011. In addition, the recently-opened facilities in Canada are expected to have an immediate impact.

We also believe Dennis Tool's operating results will rebound from increased Canadian and Gulf of Mexico drilling activity, from sales under a recently-awarded \$5.9 million supply agreement and from sales of our newly-developed bearings products.

Logan manufactures and sells a complete line of quality fishing and intervention tools including retrieving tools, surface tools, stroking and remedial tools (Logan Oil Tools, Inc.) for a variety of well work-over intervention, drilling and completion activities; provides proprietary fracturing products and services including multi-zonal fracturing completion technology and conventional completion products and services (Logan Completion Systems Inc.); and sells high-performance polycrystalline diamond compact ("PDC") cutters and bearings (Dennis Tool Company).

Selected Consolidated Financial Information

(in thousands of US dollars, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Revenues	\$27,680	\$25,525	\$60,722	\$44,092
Net earnings (loss) from continuing operations	849	3,872	5,262	3,412
Net earnings (loss) from discontinued operations	(2,052)	(2,891)	2,468	(2,739)
Net earnings (loss) for the period	\$(1,203)	\$981	\$7,730	\$673
Earnings per share from continuing operations:				
Basic	0.03	0.12	0.16	0.15
Diluted	0.03	0.12	0.14	0.15
Earnings (loss) per share:				
Basic	\$(0.04)	\$ 0.03	\$0.23	\$ 0.03
Diluted	\$(0.04)	\$ 0.03	\$0.21	\$ 0.03
EBITDA (1)	\$3,727	\$7,158	\$12,231	\$8,275
Modified EBITDA (1)	\$4,571	\$7,318	\$13,237	\$11,235
			June 30, 2011	December 31, 2010
Working Capital			\$63,412	\$23,169
Total Assets			\$219,326	\$210,811
Debt (2)			\$37,204	\$38,618
Shareholders' Equity			\$137,793	\$127,962

On March 1, 2010, the merger between Destiny Resource Services Corp ("Destiny") and Logan Holdings, Inc. ("Logan") (the "Destiny Merger") was completed as a reverse takeover. Accordingly, the results of operations for the three and six month periods ended June 30, 2011 and 2010 include the results of the Logan operations for the entire period. In addition, the purchase of Source Energy Tool Services Inc. ("Source") was completed on April 30, 2010 and the purchase of Complete Oil Tools Inc. ("Complete") was completed with an effective date of July 31, 2010 and, accordingly, the Company's first half 2010 operating results of operations include two months of Source and do not include Complete. Destiny's results of operations for the three and six month periods ended June 30, 2011 and 2010 are presented as discontinued operations.

- (1) EBITDA and Modified EBITDA do not have standardized meanings prescribed by IFRS. Management believes that, in addition to net earnings, EBITDA and Modified EBITDA are useful supplemental measures. EBITDA and Modified EBITDA are provided as measures of operating performance without reference to financing decisions, depreciation and amortization, share-based payments or income tax impacts and, in the case of Modified EBITDA, certain non-recurring items, which are not controlled at the operating management level. Investors should be cautioned that EBITDA and Modified EBITDA should not be considered as alternatives to net earnings determined in accordance with IFRS as indicators of Logan International's performance. EBITDA is calculated as net earnings (loss) from continuing operations adjusted for depreciation and amortization, finance costs and income taxes. Modified EBITDA removes the effect of the following non-recurring or non-cash items: professional and other fees incurred in connection with acquisition transactions and share-based payments. The Company's method of calculating EBITDA and Modified EBITDA may differ from that of other corporations and, accordingly, may not be comparable to measures used by other corporations.

	Three months ended June 30,		Six months ended June 30,	
	2011	2010	2011	2010
Net earnings from continuing operations	\$ 849	\$ 3,872	\$ 5,262	\$ 3,412
Addbacks:				
Depreciation and amortization	2,031	1,428	3,813	2,535
Net cost	269	230	479	534
Income tax expense (benefit)	<u>578</u>	<u>1,628</u>	<u>2,677</u>	<u>1,794</u>
EBITDA	3,727	7,158	12,231	8,275
Adjustments:				
Transaction costs	—	—	—	1,826
Share-based payments	<u>844</u>	<u>160</u>	<u>1,006</u>	<u>1,134</u>
Modified EBITDA	<u>\$ 4,571</u>	<u>\$ 7,318</u>	<u>\$ 13,237</u>	<u>\$ 11,235</u>

- (2) Includes borrowed debt and finance lease liabilities.

Forward-Looking Statements

This press release contains forward-looking statements. These statements relate to future events or future performance of Logan. When used in this press release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "propose", "expect", "potential", "continue", 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. Such statements reflect Logan's current views with respect to certain events and are subject to certain risks, uncertainties and assumptions. Although Logan believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because we can give no assurance that they will prove to be correct. Many factors could cause Logan's actual results, performance, or achievements to materially differ from those described in this press release. Readers are referred to Logan's Annual Information Form filed on www.sedar.com which identifies significant risk factors which could cause actual results to differ from those contained in the forward-looking statements. Should one or more risks or uncertainties materialize or should assumptions underlying forward-looking statements prove

incorrect, actual results may vary materially from those described in this press release. The forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. These statements speak only as of the date of this press release. Logan does not intend and does not assume any obligation, to update these forward-looking statements to reflect new information, subsequent events or otherwise, except as required by law. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities described herein in any jurisdiction.

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