



**NEWS RELEASE – April 28, 2008**

## **AKITA Drilling Ltd. Announces First Quarter Results**

**CALGARY, ALBERTA, April 28, 2008** - AKITA Drilling Ltd. announced first quarter earnings and funds flow today. AKITA Drilling Ltd.'s net earnings for the three months ended March 31, 2008 were \$7,647,000 or \$0.42 per share on revenue of \$48,126,000. Comparative figures for 2007 were earnings of \$9,087,000 or \$0.50 per share on revenue of \$52,873,000. Funds flow for the period was \$14,458,000 compared to \$15,630,000 in 2007.

Weaker market conditions continued into the first quarter of 2008, resulting in lower contribution margins for all rig categories. Operating statistics for the first three months of 2008 and 2007 are as follows:

		Number of Rigs		Number of Wells Drilled or Serviced	Operating Days (Drilling)	Operating Hours (Servicing)
		Gross	Net			
<b>Canadian Drilling</b>	<b>2008</b>	<b>38</b>	<b>34.575</b>	<b>280</b>	<b>2,043</b>	<b>N/A</b>
	2007	37	35.075	313	2,085	N/A
<b>Alaskan Drilling</b>	<b>2008</b>	<b>3</b>	<b>1.5</b>	<b>1</b>	<b>58</b>	<b>N/A</b>
	2007	3	1.5	1	59	N/A
<b>Total Drilling</b>	<b>2008</b>	<b>41</b>	<b>36.075</b>	<b>281</b>	<b>2,101</b>	<b>N/A</b>
	2007	40	36.575	314	2,144	N/A
<b>Canadian Well Servicing</b>	<b>2008</b>	<b>3</b>	<b>1.5</b>	<b>14</b>	<b>N/A</b>	<b>353</b>
	2007	3	1.5	24	N/A	1,128

On April 5, 2008, the Company's management and employees were recognized for their achievement in safety by being awarded a CAODC Safety Leadership Award at the Annual CAODC Safety Banquet. This was the eighth time in nine years that AKITA's safety performance has been recognized by the industry.

Recently improved natural gas prices along with record crude oil prices are starting to provide a basis for optimism with respect to increased activity for drilling and well servicing. Historically, utilization rate improvements have preceded any meaningful recovery in day rates. Management does not anticipate substantial recovery from the impact of the current downturn prior to the fourth quarter of this year.

Financial results for the first quarter are as follows:

## Consolidated Balance Sheets

(\$000's)	March 31		December 31
	2008 (Unaudited)	2007	2007 (Audited)
<b>ASSETS</b>			
Current assets			
Cash	\$ 39,841	\$ 30,337	\$ 43,166
Accounts receivable	40,450	58,405	22,505
Other	1,550	1,492	272
	<b>81,841</b>	<b>90,234</b>	<b>65,943</b>
Restricted cash	5,000	-	5,000
Capital assets	147,575	138,450	152,579
	<b>\$ 234,416</b>	<b>\$ 228,684</b>	<b>\$ 223,522</b>
<b>LIABILITIES</b>			
Current liabilities			
Bank indebtedness	\$ -	\$ 2,850	\$ -
Accounts payable and accrued liabilities	15,902	22,237	13,051
Deferred revenue	1,741	1,732	1,617
Dividends payable	1,279	1,280	1,279
Income taxes payable	1,147	1,485	873
	<b>20,069</b>	<b>29,584</b>	<b>16,820</b>
Future income taxes	16,200	15,396	15,055
Pension liability	3,674	3,432	3,609
<b>CLASS A AND CLASS B SHAREHOLDERS' EQUITY</b>			
Class A and Class B shares	23,369	23,391	23,369
Contributed surplus	1,177	887	1,110
Retained earnings	169,927	155,994	163,559
	<b>194,473</b>	<b>180,272</b>	<b>188,038</b>
	<b>\$ 234,416</b>	<b>\$ 228,684</b>	<b>\$ 223,522</b>

## Consolidated Statements of Earnings, Comprehensive Income and Retained Earnings

Unaudited (\$000's except per share amounts)	Three Months Ended March 31	
	2008	2007
<b>REVENUE</b>	<b>\$ 48,126</b>	<b>\$ 52,873</b>
<b>COSTS AND EXPENSES</b>		
Operating and maintenance	27,742	30,156
Depreciation	5,551	4,966
Selling and administrative	4,344	4,666
	<b>37,637</b>	<b>39,788</b>
<b>OPERATING INCOME</b>	<b>10,489</b>	<b>13,085</b>
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	477	409
Gain on sale of joint venture interests in rigs and other assets	17	103
Gain (loss) on foreign currency translation	67	(96)
	<b>561</b>	<b>416</b>
<b>EARNINGS BEFORE INCOME TAXES</b>	<b>11,050</b>	<b>13,501</b>
<b>INCOME TAXES</b>		
Current	2,258	3,034
Future	1,145	1,380
	<b>3,403</b>	<b>4,414</b>
<b>NET EARNINGS AND COMPREHENSIVE INCOME</b>	<b>7,647</b>	<b>9,087</b>
Retained earnings, beginning of period	163,559	148,781
Dividends declared	(1,279)	(1,280)
Adjustment on repurchase and cancellation of share capital	-	(594)
<b>RETAINED EARNINGS, END OF PERIOD</b>	<b>\$ 169,927</b>	<b>\$ 155,994</b>
<b>EARNINGS PER CLASS A &amp; CLASS B SHARE</b>		
Basic	<b>\$ 0.42</b>	<b>\$ 0.50</b>
Diluted	<b>\$ 0.42</b>	<b>\$ 0.50</b>

## Consolidated Statements of Cash Flows

Unaudited (\$000's)	Three Months Ended March 31	
	2008	2007
<b>OPERATING ACTIVITIES</b>		
Net earnings	\$ 7,647	\$ 9,087
Non-cash items included in earnings		
Depreciation	5,551	4,966
Future income taxes	1,145	1,380
Expense for defined benefit pension plan	65	65
Stock options charged to expense	67	235
Gain on sale of joint venture interests in rigs and other assets	(17)	(103)
Funds flow from operations	14,458	15,630
Change in non-cash working capital	(15,783)	(26,750)
	(1,325)	(11,120)
<b>INVESTING ACTIVITIES</b>		
Capital expenditures	(554)	(9,877)
Proceeds on sale of joint venture interests in rigs and other assets	24	139
Change in non-cash working capital	(191)	315
	(721)	(9,423)
<b>FINANCING ACTIVITIES</b>		
Increase in bank indebtedness	-	2,850
Dividends paid	(1,279)	(1,280)
Proceeds received on exercise of stock options	-	-
Repurchase of share capital	-	(643)
Change in non-cash working capital	-	26
	(1,279)	953
<b>DECREASE IN CASH</b>		
	(3,325)	(19,590)
Cash position, beginning of period	43,166	49,927
<b>CASH POSITION, END OF PERIOD</b>		
	\$ 39,841	\$ 30,337
Interest paid during the period	\$ 8	\$ 33
Income taxes paid during the period	\$ 1,985	\$ 7,473

## FORWARD-LOOKING STATEMENTS

From time to time Akita Drilling Ltd. ("AKITA" or the "Company") makes written and verbal forward-looking statements. These forward-looking statements include but are not limited to comments with respect to our objectives and strategies, financial condition, the results of our operations and our business, our outlook for our industry and our risk management discussion. Forward looking statements are typically identified with words such as "believe", "expect", "forecast", "anticipate", "intend", "estimate", "plan" and "project" and similar expressions of future or conditional events such as "will", "may", "should", "could" or "would".

By their nature these forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward-looking statements will not be achieved. We caution readers of this News Release not to place undue reliance on these forward-looking statements as a number of important factors could cause actual future results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements.

Forward-looking statements may be influenced by the following factors: the level of exploration and development activity carried on by AKITA's customers, world oil and North American natural gas prices, weather, access to capital markets and government policies. We caution that the foregoing list of important factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to AKITA, investors and others should carefully consider the foregoing factors as well as other uncertainties and events.

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