



# GARNEAU INC.

News Release

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for Immediate Distribution

TSX - GAR

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## GARNEAU INC.

### ANNOUNCES

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## MAJOR EXPANSION PLANS

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**Nisku, Alberta, - Garneau Inc.** (GAR:TSX) Garneau Inc. ("Garneau") announced major expansion plans today wherein the Corporation is proposing to expand its Pipeline business segment into the distribution of oil country tubular goods and line pipe products.

This expansion will enable Garneau to offer tubular and line pipe procurement and inventory management to its clients, in addition to the existing coating services provided from its 65,000 sq ft Camrose facility. Increased marketing efforts and infrastructure realignment procedures are underway to support this aggressive initiative. The expansion will not require significant changes to the plant or yard infrastructure in the Camrose operation. Negotiation for initial supply of tubular products is complete and authorized bank credit lines have been increased by \$20 million to support this new strategic initiative.

The tubular and line pipe industry in Western Canada is estimated to exceed over \$1.5 billion dollars annually in recent years and Garneau is anticipating that it can successfully penetrate the existing market based on the Corporation's ability to offer consolidated "one stop shopping" for these services. This announcement marks a major step in Garneau's commitment to providing the oil and gas industry with additional value added services and further reflects Garneau's commitment to increasing corporate growth and long term profitability for our shareholders.

#### **About Garneau Inc.**

*This report includes forward looking statements that are based on the Corporation's current expectations and therefore are subject to uncertainties that may cause actual results to differ materially.*

*Garneau Inc's primary business has been application of high performance protective coating and linings for oil and gas pipeline protection. Additionally the corporation also designs and fabricates oilfield equipment for both domestic and international markets. With over 30 years of operating experience, Garneau Inc. has developed a significant level of expertise and is well know for innovative technology. The company's website can be accessed at [www.garneau-inc.com](http://www.garneau-inc.com).*

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