

## NEWS RELEASE

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For Immediate Release: October 22, 2012

### **RMS SYSTEMS INC. AND PHX ENERGY SERVICES CORP. COMPLETE \$1,710,000 COMMON SHARE PRIVATE PLACEMENT**

#### **NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES**

**Calgary, Alberta, Canada** – RMS Systems Inc. ("**RMS**" or the "**Corporation**") (TSXV: RMS) and PHX Energy Services Corp. ("**PHX**") (TSX: PHX) are pleased to announce that the previously announced private placement of common shares ("**Common Shares**") of RMS (the "**Private Placement**") has been completed, pursuant to which 9,500,000 Common Shares were issued to PHX, at a price of \$0.18 per Common Share for aggregate gross proceeds to RMS of \$1,710,000. The Common Shares issued to PHX pursuant to the Private Placement are subject to a four-month hold period that will expire on February 23, 2013. RMS will use the proceeds to fund capital expenditures and for general working capital purposes.

After giving effect to completion of the Private Placement, RMS has approximately 59 million Common Shares issued and outstanding of which, immediately following completion of the Private Placement, PHX owns and controls 11,501,000 Common Shares representing approximately 19.5% of the issued and outstanding Common Shares.

PHX has advised that it acquired the Common Shares for strategic purposes, which Common Shares were issued to PHX pursuant to a share subscription agreement dated as of October 22, 2012. PHX has advised that it may in the future take such actions in respect of its shareholdings in RMS as it may deem appropriate in light of the circumstances then existing, including the purchase of additional common shares or other securities of RMS through open market purchases or privately negotiated transactions, or the sale of all or a portion of its holdings in the open market or privately negotiated transactions to one or more purchasers.

PHX will be filing a report (as contemplated by National Instrument 62-103 – "*The Early Warning System and Related Takeover Bid and Insider Reporting Issues*") in connection with its acquisition of the Common Shares pursuant to the Private Placement. For further information, or to obtain a copy of such report, please contact PHX Energy Services Corp. at the contact information below.

#### **For further information regarding RMS, please contact:**

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RMS SYSTEMS INC.,  
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#### **For further information regarding PHX, please contact:**

Mr. John Hooks  
PHX ENERGY SERVICES CORP.

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### **Forward Looking Information**

This news release contains certain "forward-looking information" within the meaning of applicable securities law. The use of any of the words "will", "intends" and other similar words or expressions is intended to identify forward-looking information. More particularly and without limitation, this news release contains forward-looking information concerning the proposed use of proceeds of the Private Placement and the filing by PHX of its report in connection with the acquisition of Common Shares.

The forward-looking information in this news release is based on certain key expectations and assumptions made by RMS and PHX. Although RMS and PHX believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because RMS and PHX can give no assurance that it will prove to be correct. The forward-looking information in this news release is subject to known and unknown risks and uncertainties and other factors which may cause actual results to differ materially from those expressed or implied in the forward-looking information.

As a result of the foregoing, readers should not place undue reliance on the forward-looking information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations of RMS and PHX are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website [www.sedar.com](http://www.sedar.com).

The forward-looking information contained in this news release is made as of the date hereof and RMS and PHX undertake no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

***NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.***