

**FOR IMMEDIATE RELEASE: MAY 18, 2012**

**PHX ENERGY SERVICES CORP.  
ANNOUNCES CLOSING OF STRATEGIC JOINT VENTURE TRANSACTION**

CALGARY, ALBERTA – PHX Energy Services Corp. ("**PHX Energy**") (TSX: PHX) is pleased to announce that it has closed the previously announced joint venture transaction with RMS Systems Inc. The joint venture transaction is described in the Company's press release dated May 14, 2012.

**About PHX Energy Services Corp.**

PHX Energy's Canadian operations are conducted through Phoenix Technology Services LP. The Corporation maintains its corporate head office, research and development, Canadian sales, service and operational centres in Calgary, Alberta. In addition PHX Energy has a service facility in Estevan, Saskatchewan. PHX Energy's US operations, conducted through the Corporation's wholly-owned subsidiary, Phoenix Technology Services USA Inc. ("Phoenix USA"), is headquartered in Houston, Texas. Phoenix USA has sales and service facilities in Houston, Texas; Traverse City, Michigan; Casper, Wyoming; Denver, Colorado; Fort Worth, Texas; Midland, Texas; Buckhannon, West Virginia; Pittsburgh, Pennsylvania; and Oklahoma City, Oklahoma. Internationally, PHX Energy has sales offices and service facilities in Albania, Peru, Russia, and Colombia.

The common shares of PHX Energy are traded on the Toronto Stock Exchange under the symbol "PHX".

**For further information please contact:**

PHX Energy Services Corp.  
John Hooks  
President and Chief Executive Officer  
Phone: (403) 543-4466

or

PHX Energy Services Corp.  
Cameron Ritchie  
Senior Vice President, Finance and Chief Financial Officer  
Phone: (403) 543-4466

or

visit our website at [www.phxtech.com](http://www.phxtech.com)