

Attention Business/Financial Editors:
TORR Canada Reports Fiscal 2007 Year End Results

MONTREAL, March 12 /CNW/ - TORR Canada Inc. (TSX: TOR) ("TCI" or the "Company"), dedicated to providing process solutions to the Oil and Gas industry, today reported unaudited selected financial results for the fiscal year ended December 31, 2007, representing only six months of operations. The Company changed its fiscal year end from June 30 to December 31.

"Fiscal 2007 has been a turnaround year for TORR Canada. We concluded the acquisition of Pure Group, changed leadership, significantly reduced our operating expenses and implemented our new business model," said Jacques L. Drouin, President and Chief Executive Officer of TORR Canada. "We made significant progress towards becoming a complete solutions provider to the upstream Oil and Gas industry and I believe our new corporate structure will bring us closer to our objective of obtaining important sales growth and profitability." Mr. Drouin adds: "As we have reorganized the Company and significantly cut expenses, the following results, which only include two months of Pure Group, clearly do not represent adequately the potential of the new combined entity. Effects of the restructuring are expected to occur during the second quarter of the current fiscal year."

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Key Corporate Developments:

- Completed acquisition of Pure Group AS;
- Concluded \$16 million in sales establishing the backlog at \$23 million;
- Completed reorganization of the Company in three business units and appointed respective managers;
 - Where all conventional products in North and South American markets are managed out of Houston (USA)
 - Bergen (Norway) will oversee novel technologies, product development and European and Middle Eastern activities
 - Kuala Lumpur (S.E. Asia) will oversee selected manufacturing activities and commercialization to the Asian market and its growing offshore platform market
 - Montreal will be home to administrative offices
 - Opened a small office in Bahrain to provide better access to existing clients and increased opportunities in that market.
- Completed most of the cost reduction program and reduced annual operating expenses by more than \$3 million;
 - Closed Pure Group's head office in Stavanger
 - Cut half of the staff in Montreal down to 15 employees
 - Introduced a new management team
 - Changed suppliers to reduce operational costs
- Commenced implementation of the new strategic plan;
- Completed several successful field trials for the TORR(TM) and C-Tour systems for produced water treatment and initiated new trials:
 - Saudi Aramco initiated tests on the ProSalt for crude desalting
 - Saudi Aramco confirmed TORR water treatment field testing for this spring
 - BP confirmed field trials for the TORR system in Pakistan and for the C-Tour process in the North Sea
 - Petrobras will also test the water treatment C-Tour process in Brazil
- Three super major O&G producers confirmed their participation in the Phase II development of ProDry, a new product for gas dehydration;
- Achieved excellent operational results from the TORR(TM) system installed in the North Sea and Petro-Canada confirmed the performance of the system;
- Completed \$4 million subordinated debt financing and \$8 million senior debt and credit facility financing with DnB Nor; and

- Appointed Jacques L. Drouin as President and CEO;
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Financial Results

The Company changed its fiscal year end from June 30, 2007 to December 31, 2007. The following results represent six months of operations for TORR Canada and include two months of financial results for Pure Group AS, as the acquisition was completed on October 25, 2007.

Revenues for the six-month period ended December 31, 2007 were \$5,785,229. Of this amount, \$267,702 was generated through TCI's commercial activities that include field trials and revenues from RPA(R) cartridges. Sales from Pure Group, representing slightly more than two months of operations, amounted to \$5,517,527.

Total revenue backlog is currently \$23M. Since the conclusion of the acquisition, engineering services, a C-Tour and ProSalt systems were sold (signed contracts) as well as gas separation membranes, representing almost \$16 million in future revenues.

Gross margin was \$628,296 for the six-month period ended December 31, 2007. Most of the expenses relate to production costs from the ProSep subsidiary that amounted to \$4,091,688. Other significant costs of goods sold during the period include salaries and general expenses totalling \$430,709 for TCI operations relating to the manufacturing of TORR(TM) RPA(R) coalescing cartridges.

Sales and marketing expenses were \$628,622 for the six-month period ended December 31, 2007. TCI incurred \$436,838 mostly relating to salaries, travel expenses and professional fees paid to sales and marketing experts.

Research and development ("R&D") expenses, net of R&D tax credits, were \$279,315 for the six-month period ended December 31, 2007 and are mostly comprised of salaries.

General and administrative ("G&A") expenses reached \$4,321,438 for the six-month period ended December 31, 2007. TCI incurred \$2,174,563 in G&A expenses, mostly comprised of professional fees. Other significant G&A expenses are from Pure Group activities, more specifically from the ProPure AS subsidiary where G&A expenses amount to \$1,440,941, mostly salary related expenses.

Financing charges reached \$2,549,561 for the six-month period ended December 31, 2007. This amount includes interest revenues of \$262,491 on short term investments, total foreign exchange net charges of \$210,133, mainly interest expenses, amortization of the conversion feature attached to the convertible loan issued in 2004. During the last six months, a write-down on investment of \$1,800,000 has been accounted for in relation to a \$9,000,000 investment in third-party asset-backed commercial paper ("ABCP") rated R1 (High) at the time of purchase, the highest credit rating issued for commercial paper. The ABCP in which the Company has invested has not traded in an active market since mid-August 2007 and there are currently no market quotations available. As a result, the Company has classified its ABCP as long-term investments.

The working capital of the Company has been affected negatively by the reclassification of the \$7,200,000 investment from short term to long term. Without this reclassification, the working capital of the Company would have been positive that is \$951,877 instead of (\$6,248,123).

Net loss for the six-month period ended December 31, 2007 reached \$8,075,311 or (\$0.15) per share, compared to \$7,935,545 or (\$0.17) per share for the year ended June 30, 2007. Excluding the impairment charge of \$1.8 million dollars in relation to the ABCP held, net loss for six-month period 2007 would have reached \$6,275,311. For the second quarter of fiscal 2007, net loss amounted to \$5,012,386 or (\$0.09) per share compared to \$1,776,695 or (\$0.04) per share in the second quarter of the previous year. Excluding the loss on the ABCP, net loss for the second quarter of 2007 would have been \$4,832,386.

TCI had \$6,315,939 in cash and cash equivalents as at December 31, 2007, and 62,556,566 shares issued and outstanding. At June 30, 2007, TCI had \$16,507,702 in cash and cash equivalents.

Considering the closing of the Pure Group acquisition near year end and the high complexity of consolidation, the Company expects to file audited financial statements and a management discussion and analysis by the end of the month respecting filing deadlines. Management is highly confident that actual audited results will not materially differ from the results issued in this press release.

2007 Year End Results Conference Call & Webcast

Management of TORR Canada will host a conference call to discuss its 2007 year end financial results on March 13th, 2008 at 8:30 a.m. EST. The conference call will also be audio-cast live at www.newswire.ca and archived for 90 days at www.torrCanada.com. For replay please call either 1-877-289-8525 or 1-416-640-1917 and enter the reference number 21265513 followed by the number sign.

About TORR Canada Inc.

TCI is dedicated to providing process solutions to the Oil and Gas industry. TCI designs, develops, manufactures and commercializes technologies to separate oil, water and gas generated by Oil and Gas production. TCI recently acquired Pure Group AS of Norway. For more information, please visit www.torrCanada.com.

Caution concerning forward-looking statements

This press release contains forward-looking statements. Such statements inherently involve numerous risks and uncertainties. Actual future results may differ from the anticipated results expressed in the forward-looking statements contained in this press release and TCI does not undertake to update this information. Investors are cautioned against placing undue importance on forward-looking information contained herein and should consult the final short form prospectus and the documents incorporated by reference therein, which contain a more exhaustive analysis of risks and uncertainties connected to TCI's business.

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TORR CANADA Inc.

Consolidated statements of loss and comprehensive loss
Six-month period ended December 31, 2007
and years ended June 30, 2007 and 2006

	Six-month period ended December 31, 2007	Year ended June 30, 2007	Year ended June 30, 2006
	unaudited \$	\$	\$
Revenue	5,785,229	26,055,117	3,232,270
Cost of goods sold	5,156,933	28,494,797	2,916,585
Gross margin	628,296	(2,439,680)	315,685
Expenses			
Sales and marketing	628,622	1,525,820	1,723,360
Research and development	279,315	474,198	543,375
General and administrative	4,321,438	3,222,026	2,351,083

	5,229,375	5,222,044	4,617,818
	(4,601,079)	(7,661,724)	(4,302,133)
Financial charges (income), net	2,549,561	(134,727)	667,266
Write-off of intangible, property & equipment	321,260	-	29,773
Amortization	592,272	408,548	327,371
Loss before income taxes	(8,064,172)	(7,935,545)	(5,326,543)
Current income taxes	22,683	-	-
Deferred income taxes	(11,544)	-	-
Loss and comprehensive loss	(8,075,311)	(7,935,545)	(5,326,543)
Weighted average number of shares	53,036,426	46,477,317	32,513,050
Basic and diluted loss per share	(0.15)	(0.17)	(0.16)

TORR CANADA Inc.
Consolidated balance sheets
As at December 31, 2007 and June 30, 2007

	December 31, 2007	June 30, 2007
	unaudited \$	\$
Assets		
Current assets		
Cash and cash equivalents	6,315,939	16,507,702
Receivables	11,299,053	4,420,479
Deferred contract costs	66,048	76,411
Inventories	615,430	383,627
Prepaid expenses	418,222	159,450
Investment	-	2,491,971
Derivative financial instrument	12,450	103,550
	18,727,142	24,143,190
Long term investment	7,200,000	-
Property and equipment	2,093,671	887,318
Goodwill	21,098,626	-
Intangibles assets	8,530,759	594,420
Future tax assets	72,596	-
Deferred financing costs	-	68,657
Deferred acquisition costs	-	562,809
	57,722,794	26,256,394
Liabilities		

Current liabilities		
Bank credit facility	7,200,000	-
Accounts payable and accrued liabilities	15,765,232	6,621,331
Deferred revenue	349,515	383,908
Current portion of long term debt	1,660,518	2,275
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	24,975,265	7,007,514

Interest payable	651,493	713,262
Long-term debt	11,178,087	1,616,327
Future tax liabilities	1,162,791	-
Pension obligation	1,083,150	-
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	39,050,786	9,337,103

Commitments and contingencies

Shareholders' equity

Share capital	55,144,398	46,382,045
Contributed surplus	10,132,726	9,198,470
Deficit	(46,605,116)	(38,661,224)
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	18,672,008	16,919,291
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	57,722,794	26,256,394
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/For further information: TORR Canada Inc., Jacques L. Drouin, President & CEO, (514) 522-5550, ext. 226, jdrouin(at)torrcanada.com; The Equicom Group Inc., Danielle Ste-Marie, (514) 844-6064, dste-marie(at)equicomgroup.com/ (TOR.)

CO: TORR Canada Inc.

CNW 19:20e 12-MAR-08