

## **SWEF TERRAWINDS RESOURCES CORP. (formerly Terrawinds Resources Corp.) Files Third Quarter Financial Results**

For further information:

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TORONTO, November 27, 2009 /CNW/ - SWEF TERRAWINDS RESOURCES CORP. (formerly Terrawinds Resources Corp.) (the "Company") announces it has filed with Canadian securities regulators its interim financial statements and Management's Discussion and Analysis ("MD&A") for the three and nine month periods ended September 30, 2009. These documents will be available at [www.sedar.com](http://www.sedar.com) and [www.sweflp.com](http://www.sweflp.com).

On January 16, 2008, March 10, 2008, April 29, 2008, August 29, 2008, November 13, 2008, December 1, 2008, March 26, 2009 and July 24, 2009 management provided instructions to shareholders regarding the process for submitting tax indemnity claims and the status of the claims process. Distributions of the funds held in trust by the Agent have commenced as the relevant taxation authorities have begun providing individual reassessments for the 2005 tax year allowing shareholders to make their tax indemnity claims. Further information is available at [www.sweflp.com](http://www.sweflp.com) and [www.terida.com/paymentagent](http://www.terida.com/paymentagent).

### **Recent Developments**

In connection with the sale of certain assets and liabilities by the Company to SkyPower on December 28, 2007, certain liabilities, though assigned in substance and principle by the agreements to SkyPower, are not legally assignable in form, and therefore the Company may be required to make payments in the future if SkyPower fails to honour its obligations. On August 12, 2009 SkyPower filed for restructuring under the terms of the Companies' Creditors Arrangement Act ("CCAA"). SkyPower's ability to honour any potential obligations arising from the assignment of certain liabilities is substantially in doubt.

To date, only one claim has arisen for which a creditor is seeking payment from the Company as a result of SkyPower's CCAA filing. Based on the information most currently available, the best estimate of potential future exposure for that claim has been recorded in the financial statements. The maximum potential amount and likelihood of future payments that the Company could be required to make under these indemnification provisions and legal contingencies is not reasonably quantifiable or determinable. Management believes no other claims are likely.

## **Results of Operations**

### Three Month Comparison

Net loss for the three month period ended September 30, 2009 was \$1.8 million compared to a net income of \$0.1 million for the same period in fiscal 2008. The decrease of \$1.9 million is due primarily to the payment of tax indemnity claims in 2009 and lower interest income earned during the period.

Interest income for the three month period September 30, 2009 was insignificant compared \$0.2 million for the same period in fiscal 2008. The decrease of \$0.2 million is due primarily to a decline in interest rates, and less cash on hand to invest in the second quarter of fiscal 2009 compared to the same period in fiscal 2008.

Administrative costs for the three month period ended September 30, 2009 were \$0.3 million compared to \$0.1 million for the same period in fiscal 2008.

Capital tax expense for the three month period ended September 30, 2009 was similar to the amount for the same period in fiscal 2008. The similarity is expected given that the taxable capital of the Company was substantially similar in each period.

Future income tax recovery for the three month period ended September 30, 2009 was \$0.7 million, compared to nil for the same period in fiscal 2008. The future income tax recovery for the three month period ended September 30, 2009 arises due to the tax indemnity claims made in the period. There was no similar activity during the three month period ended September 30, 2008.

### Nine Month Comparison

Net loss for the nine month period ended September 30, 2009 was \$3.0 million compared to a net income of \$0.2 million for the same period in fiscal 2008. The decrease of \$3.2 million is due primarily the payment of tax indemnity claims in 2009 and lower interest income earned during the period.

Interest income for the nine month period ended September 30, 2009 was \$0.1 million compared \$0.8 million for the same period in fiscal 2008. The decrease of \$0.7 million is due primarily to a decline in interest rates, and less cash on hand to invest in the second quarter of fiscal 2009 compared to the same period in fiscal 2008.

Administrative costs for the nine month period ended September 30, 2009 were \$0.6 million compared to \$0.6 million for the same period in fiscal 2008.

Capital tax expense for the nine month period ended September 30, 2009 was similar to the amount for the same period in fiscal 2008. The similarity is expected given that the taxable capital of the Company was substantially similar in each period.

Future income tax recovery for the nine month period ended September 30, 2009 was \$1.1 million, compared to nil for the same period in fiscal 2008. The future income tax recovery for the nine month period ended September 30, 2009 arises due to the tax indemnity claims made in the period. There was no similar activity during the nine month period ended September 30, 2008.

### **Forward Looking Statements**

*Certain statements contained in this Press Release constitute forward looking statements within the meaning of the Securities Act (Ontario) regarding the future performance of the Company based on assumptions the management of the Company considered reasonable at the time it was prepared as at November 25, 2009. All forward-looking statements are inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward looking statements. We consider the assumptions on which these forward looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control, may ultimately prove to be incorrect. These forward looking statements involve a number of risks, uncertainties and assumptions, including the risk of future tax assessments, litigation or other unanticipated expenses.*

*The Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise, except as required by law. These risks may cause the actual results, performance or achievements of the Partnership to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These cautionary statements expressly qualify all forward looking statements attributable to the Company.*