

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

For further information:

W. Judson Martin, Chairman SWEF Terrawinds Resources Corp. [judsonmartin@sweflp.com](mailto:judsonmartin@sweflp.com)

TORONTO, April 30, 2010 /CNW/ - SWEF TERRAWINDS RESOURCES CORP. (formerly Terrawinds Resources Corp.) (the "Company") announces it has filed with Canadian securities regulators its annual financial statements and Management's Discussion and Analysis ("MD&A") for the year ended December 31, 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**

The Board now expects that the tax indemnity period will extend to July 2012.

No T5013 tax forms will be issued for taxation years starting from 2009 and going forward.

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

To date, only two claims have arisen for which creditors are seeking payment from the Company as a result of Interwind's CCAA filing. Based on the information most currently available, the best estimate of potential future exposure for these claims 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**

Net loss for the year ended December 31, 2009 was \$3.4 million compared to a net loss of \$5.5 million for the same period in fiscal 2008. The decrease in net loss of \$2.1 million is due primarily to the offsetting effects of a future income tax expense of \$5.8 million recorded in 2008, which did not reoccur in 2009 and \$4.4 million of tax indemnity payment expenses that occurred in 2009 that did not occur in 2008.

Interest income for the year ended December 31, 2009 was \$0.1 million compared to \$1.0 million for the same period in fiscal 2008. The decrease of \$0.9 million is due primarily to a decline in interest rates and less cash on hand to invest during fiscal 2009 compared to the same period in fiscal 2008.

Administrative costs for the year ended December 31, 2009 were \$0.9 million compared to \$0.5 million for the same period in fiscal 2008. The increase of \$0.4 million is attributable to higher professional fees, director fees, and an accrual for a claim related to the Interwind restructuring.

Capital tax expense for the year ended December 31, 2009 was an insignificant expense compared to an insignificant recovery position for the same period in 2008. The change is due primarily to the favourable reassessments during fiscal 2008 of capital taxes previously paid.

Future income tax recovery for the year ended December 31, 2009 was \$1.7 million, compared to an expense of \$5.8 million for the same period in fiscal 2008. The future income tax recovery for the year ended December 31, 2009 arises due to the tax indemnity claims made in the period. There was no similar activity during the same period ended December 31, 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 April 23, 2010. 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.*