



## **GEMINI CORPORATION REPORTS 2011 SECOND QUARTER RESULTS**

### ***Increased revenue supports improved bottom line***

Calgary, Alberta – August 18, 2011 – Gemini Corporation (GKX-TSXV) announces its second quarter financial results for the period ended June 30, 2011.

Revenue in the second quarter of 2011 totalled \$15,208,000, which was a 16% decline from the \$18,187,000 achieved in the second quarter of 2010. This represented an improvement in revenue compared to the first quarter and brings the 2011 year to date total revenue to \$26,584,000, which remains 27% below the \$36,231,000 achieved in the first six months of 2010. Engineering and maintenance revenue strengthened throughout the second quarter and fabrication activity began to improve in the latter half of the quarter. It is anticipated that there will be strong demand for our services for the remainder of the year as clients adjust capital programs to compensate for the inclement weather and flooding conditions experienced in various locations across western Canada. Field facility work is expected to strengthen and engineering activity is anticipated to remain strong through the remainder of the year, which should result in higher quarterly revenues.

Second quarter gross profit for 2011 was \$3,239,000 compared to \$4,200,000 for the same period of 2010. Year to date gross profit for 2011 of \$5,327,000 remains significantly below the \$8,327,000 achieved over the first half of last year. Although gross profit improved in the second quarter, it was not enough to generate positive net earnings for the period. Steps are continuing to be taken to reduce both fixed and variable costs in an effort to align them to revenues. The second quarter net loss of \$174,000 (0.5¢ per share) is a dramatic improvement over the loss experienced in the first quarter, but it increases the year to date net loss to \$1,147,000 (3.3¢ per share). Increasing revenues and realigned fixed costs are expected to improve operating results enough to offset these losses by year end.

“The second quarter results were a welcome improvement over those achieved in the prior two quarters, however, they were still below expectation”, stated Doug Lautermilch, Gemini’s President and CEO. “Significant business development effort has been put forward to increase revenues and it is beginning to show positive results. Maintaining this momentum as we continue to adjust our cost structure to achieve acceptable profitability is the primary concern for management at the present time.”

### **About Gemini Corporation**

Gemini Corporation is a professional services firm that designs, builds and maintains energy and industrial facilities. Founded in 1982, Gemini provides services on either a standalone basis or by combining engineering and field service capabilities to increase project efficiency and provide a single point of accountability. The Corporation’s principal target markets are conventional and unconventional oil and gas, in-situ heavy oil, and heavy industrial facilities.

Shares of Gemini trade on the TSX Venture Exchange under the symbol “GKX”. For more information about the Corporation and its services, go to [www.geminiCorp.ca](http://www.geminiCorp.ca).

Gemini’s 2011 second-quarter financial report will be filed with SEDAR at <http://www.sedar.com> by August 19, 2011.

## CONSOLIDATED FINANCIAL HIGHLIGHTS

<b>Operating Highlights (\$'000)</b>	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30, 2011</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2010</b>
<b>Revenue</b>	\$ 15,208	\$ 18,187	\$ 26,584	\$ 36,231
<b>Gross profit</b>	3,239	4,200	5,327	8,327
<b>Earnings before interest &amp; taxes</b>	(174)	359	(1,473)	893
<b>Net (loss) earnings</b>	\$ (174)	\$ 190	\$ (1,147)	\$ 518
<b>Earnings per share (basic)</b>	\$ (0.005)	\$ 0.005	\$ (0.033)	\$ 0.015
<b>Earnings per share (diluted)</b>	\$ (0.005)	\$ 0.005	\$ (0.033)	\$ 0.015
<b>Operating cash flow *</b> (excludes working capital changes)	\$ 76	\$ 680	\$ (978)	\$ 1,513
<b>Operating cash flow per share</b>	\$ 0.002	\$ 0.019	\$ (0.028)	\$ 0.043
<b>Balance Sheet Highlights (\$'000)</b>			<b>June 30, 2011</b>	<b>December 31, 2010</b>
<b>Working capital</b>			\$ 7,989	\$ 8,802
<b>Total assets</b>			21,856	23,246
<b>Shareholders' equity</b>			13,590	14,661

\* Operating cash flow and operating cash flow per share are non-GAAP financial measures which do not have a standard meaning and therefore may not be comparable to similar measures presented by other companies. The Corporation provides these measures in its quarterly news releases to indicate the amount of cash generated for operating purposes during the period.

### **Disclaimer**

*This news release contains forward looking information that represents Gemini's internal projections, expectations, estimates or beliefs concerning, among other things, future operating results and various components thereof or Gemini's future economic performance. All statements other than the statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expects", "projects", "plans", "anticipates", and similar expressions. The projections, estimates and beliefs contained in such forward-looking statements are based on management's assumptions relating to Gemini's performance and competition within the sectors in which it competes, the continuation of the current regulatory and tax regimes in the jurisdictions in which Gemini operates, and necessarily involve known and unknown risks and uncertainties, including risks and assumptions relating to client service demand, field service costs, labour rates, and other factors that may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted or suggested. The Corporation does not undertake to update any forward-looking information in this document whether as to new information, future events or otherwise.*

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