

## **ILI Technologies (2002) Corp.**

### **Symbol (ILI:TSX-V)**

*FOR IMMEDIATE RELEASE*

#### ILI TECHNOLOGIES REPORTS RECORD NET INCOME

CALGARY, ALBERTA (November 28, 2006) ILI Technologies is very pleased to report record financial results for the third quarter ended September 30, 2006. This is the first full quarter of financial contribution from Thermoflex Tubing sales which accounted for approximately 45% of sales for the three month period. Pump and wire sales following completion of the CBM Pumps and Services acquisition in March 2006 were also very strong for the quarter providing diversified growth for ILI. Management is very excited with the progress of Thermoflex Tubing and pump sales during the last quarter and expects continued growth for these products into the foreseeable future.

Revenues for the three months ended September 30, 2006 were a record \$1,832,733, a 394% increase over revenues of \$371,203 for the same period of 2005. For the first three quarters of 2006, ILI reported revenues of \$3,509,640 compared to \$944,938 in 2005. With increased sales for both Thermoflex Tubing and pump and wire products, gross margin for the period was 53.8%. The Company expects these healthy margins to continue into the fourth quarter.

General and administration costs for the third quarter were \$584,607 (32% of sales) compared to \$269,892 (73% of sales) for the third quarter of 2005 and \$565,632 (49% of sales) for the second quarter of 2006. Management is making a concerted effort to continue controlling costs. Despite a 59% rise in revenue for the third quarter over the second quarter of 2006, general and administrative costs rose by only 3%.

ILI generated record earnings for the three months ended September 30, 2006. The Company achieved net income of \$413,646 or \$0.03 per share, an increase of 841% over the third quarter of 2005 and a 523% increase over the second quarter of 2006.

ILI maintained a healthy balance sheet during the third quarter with positive working capital of \$2,339,459 or \$0.16 per share as at September 30, 2006. Cash decreased during the period from \$862,566 to \$344,225 due mainly to the increased purchasing of inventory and assets. Accounts receivable increased to \$1,133,249 as a direct result of the collection schedule of revenues from Thermoflex Tubing and CBM pumps. Accounts payable at the end of the quarter was \$622,570. The Company has no long term debt. Complete financial results will be available shortly on SEDAR.

The financial performance of ILI has changed dramatically over the last 6 months with the commencement of sales of Thermoflex Tubing and the acquisition of CBM Pumps and Services. These products are being sold to some of the largest oil and gas companies operating in Mexico and the southern US with revenues to-date representing a very small percentage of the amount of tubing and pumps that are expected to be sold and delivered over the next year in these areas. The perceived slowdown in the oil and gas service sector in Canada has had no effect on the sales potential of ILI in Mexico and the southern US and is not expected to impact future sales growth in any meaningful manner. The Company plans to expand sales of Thermoflex Tubing into the US and Canada in 2007.

Management is very pleased with revenue growth achieved to-date in 2006 as the Company capitalizes on its growth initiatives following the purchase of CBM Pumps. ILI's revenue growth has continued into the fourth quarter of 2006. Given the large contracts recently announced, revenues during the quarter ended December 31 are expected to surpass \$2.5 million.

INTERIM CONSOLIDATED INCOME STATEMENT

(Unaudited)

	For the 3 months ended Sep. 30		For the 9 months ended Sep. 30	
	2006	2005	2006	2005
Revenues	\$ 1,832,733	\$ 371,203	\$ 3,509,640	\$ 944,938
Direct Costs	847,559	25,829	1,432,113	133,433
Gross Profit	985,173	345,374	2,077,526	811,505
Expenses				
General & Administration	584,607	269,892	1,506,151	582,526
Research & Development	960	3,762	7,571	7,787
Marketing	4,453	5,191	84,150	48,191
Amortization	15,147	5,355	45,441	25,924
Interest	1,960	1,042	5,330	3,989
Foreign Exchange Loss (Gain)	(68,012)	13,744	3,158	35,941
Stock Based Compensation	32,412	2,411	102,335	67,235
Total Expenses	571,527	301,397	1,754,135	771,593
Earnings (loss) for the period	413,646	43,977	323,391	39,912
Per share	\$0.03	\$0.00	\$0.02	\$0.00

*ILI Technologies (2002) Corp. is a high technology company, whose principal business is to develop, manufacture and market oil and gas industry Information Technology (IT) and Operational solutions that improve business performance.*

For further information, please contact Serge Bonnet, President, ILI Technologies (2002) Corp, at: Phone: (403) 543-0060, Fax: (403) 543-0069 or E-mail: [invest@ilitech.com](mailto:invest@ilitech.com) - Website: <http://www.ilitech.com>

**The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.**