



**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

TSX-BAD
January 16, 2012

BADGER DAYLIGHTING LTD. JANUARY CASH DIVIDEND

Calgary, Alberta – Badger Daylighting Ltd. (“Badger”) today announced that the directors of Badger declared a cash dividend for the month of January of \$0.085 per share, representing \$1.02 per share on an annualized basis. Payment will be made on or about February 15, 2012 to shareholders of record on January 31, 2012.

Badger expects that the dividends will be “eligible dividends” for income tax purposes and thus qualify for the enhanced gross-up and tax credit regime for certain shareholders.

Badger is North America’s largest provider of non-destructive excavating services. Badger traditionally works for contractors and facility owners in the utility and petroleum industries. Our key technology is the Badger Hydrovac, which is used primarily for safe digging in congested grounds and challenging conditions. The Badger Hydrovac uses a pressurized water stream to liquefy the soil cover, which is then removed with a powerful vacuum system and deposited into a storage tank. Badger manufactures its truck-mounted hydrovac units.

Badger’s business model involves the provision of excavating services through two distinct entities: the Operating Partners (franchisees in the United States and agents in Canada), and Badger Corporate. Badger Corporate works with its Operating Partners to provide Hydrovac service to the end user. In this partnership, Badger provides the expertise, the trucks, and North American marketing and administration support. The Operating Partners deliver the service by operating the equipment and developing their local markets. All work is invoiced by Badger and then shared with the Operating Partner based upon a revenue sharing formula. In certain locations Badger has established corporate run operations to market and deliver the service in the local area.

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

For more information regarding this Press Release, please contact:

Tor Wilson
President and CEO
1000, 635 – 8th Avenue SW
Calgary, Alberta T2P 3M3

Greg Kelly, CA
Vice President Finance and CFO
Phone (403) 264-8500
Fax (403) 228-9773