



FOR IMMEDIATE RELEASE: February 5, 2010
TSX SYMBOL: PES.UN

Peak Energy Services Trust announces update with respect to its previously announced \$41 million of equity financings

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CALGARY, Alberta – Peak Energy Services Trust ("**Peak**" or the "**Trust**") announced that the Toronto Stock Exchange (the "**TSX**") has conditionally accepted the Trust's previously announced non-brokered private placement (the "**Private Placement**") of 80,000,000 trust units to Deans Knight Capital Management Inc. and certain directors and officers of the Trust for gross proceeds of \$16 million. Closing of the Private Placement is expected to occur on February 12, 2010. Final approval of the Private Placement will be subject to Peak fulfilling all of the requirements of the TSX.

The TSX has granted the Trust an exemption from the securityholder approval requirements with respect to the Private Placement pursuant to the financial hardship exemption contained under section 604(e) of the TSX Company Manual. Pursuant to the TSX Company Manual, an application under section 604(e) automatically results in a delisting review to confirm that Peak continues to meet TSX listing requirements, which Peak understands has been initiated. Peak believes that it currently complies with the applicable TSX listing requirements and expects to continue to comply with such requirements following the completion of the Private Placement.

Peak is also pleased to announce that it expects to file a preliminary short-form prospectus on or about February 12, 2010 in connection with its previously announced offering of rights to acquire trust units for gross proceeds of up to an additional \$25 million.

About Peak Energy Services Trust

Peak is a diversified energy services organization operating in western Canada and the United States. Through its various operating divisions, Peak provides drilling and production services to its customers both in the conventional oil and natural gas industry as well as the oil sands regions of western Canada. The Trust also provides water technology solutions to a variety of customers throughout North America. Peak's units are listed on the TSX under the symbol "PES.UN".

Forward-looking information

This press release contains forward-looking information within the meaning of applicable Canadian securities legislation regarding expected future events and financial and operating results of the Trust. By its nature, forward-looking information requires the Trust to make assumptions and is subject to numerous inherent risks and uncertainties. There is significant risk that assumptions, predictions and

other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking information as a number of factors could cause actual future results, conditions, actions or events to differ materially from expectations, estimations or intentions expressed in the forward-looking information. The Trust disclaims any intention or otherwise to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this press release are made as of the date hereof. Additionally, Peak undertakes no obligation to comment on expectations of, or statements made by, third parties in respect of these transactions.

Specifically, this press release contains forward-looking statements relating to: the completion of the private placement and the gross proceeds thereof, TSX final approval of Private Placement, the TSX's delisting review and the Trust's ability to continue to satisfy the TSX's listing requirements, the filing of a preliminary short-form prospectus for the Rights Offering and the gross proceeds thereof. Such forward-looking statements are subject to important risks, uncertainties and assumptions. The results or events predicated in these forward-looking statements may differ materially from actual results or events.

As a result, you are cautioned not to place undue reliance on these forward-looking statements. These statements are based on certain assumptions and analysis made by the Trust in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances. However, whether actual results, performance or achievements will conform to the Trust's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from the Trust's expectations. Such risks and uncertainties include, but are not limited to: the risk that the conditions precedent to the completion of the transactions are not satisfied or waived by the applicable party; that the necessary approvals by regulatory bodies are not obtained, including the approval of the TSX; that a material adverse affect occurs in respect of Peak; that the transactions are not completed as contemplated or at all; the risk that Peak does not meet the minimum listing requirements of the TSX following the completion of the transactions and delisting review of Peak; fluctuations in the price and demand for oil and natural gas; currency fluctuations; fluctuations in the level of oil and natural gas exploration and development activities; fluctuations in the demand for oilfield services that the Trust provides; the effects of weather conditions on operations; the existence of competition from other oilfield service entities; general economic, market or business conditions including the consequences of the current global economic recession; public market volatility and the related ability to access sufficient capital to fund activities; availability to access debt financing to fund activities; government policy changes; changes in laws or regulations, including taxation and environmental regulations; the lack of availability of qualified personnel or management; and other unforeseen conditions which could impact the Trust. No assurances can be given that all required regulatory and stock exchange approvals will be obtained or on terms and conditions satisfactory to the parties.

Consequently, all of the forward-looking information made in this document are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Trust will be realized or, even if substantially realized, that they will have the expected consequences to or effects on the Trust or its business or operations.

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The TSX has neither approved nor disapproved the information contained herein.