



**FOR IMMEDIATE RELEASE: February 23, 2010**  
**TSX SYMBOL: PES.UN**

**Peak Energy Services Trust Announces Details of Rights Offering for up to  
\$25.0 Million in Trust Units**

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES.**

**CALGARY, Alberta** – Peak Energy Services Trust (“Peak” or the “Trust”) announced today that it has filed a final short form prospectus in relation to its previously announced rights offering pursuant to which Peak will distribute rights to purchase up to 125.0 million trust units at a price of \$0.20 per unit for gross proceeds of up to \$25.0 million.

Under the terms of the rights offering, unitholders of record on March 4, 2010 who are resident in a Province of Canada will receive 3.14052 rights for each trust unit held. For every one right held, the holder of such right will be entitled to subscribe for one trust unit at \$0.20. Subscriptions for trust units must be submitted prior to 3:00 p.m. (Calgary time) on March 29, 2010. Rights holders who fully exercise their basic subscription privilege will be entitled to subscribe for additional trust units (on a pro rata basis) not subscribed for by the holders of rights. Subscriptions for additional trust units must also be submitted prior to 3:00 p.m. (Calgary time) on March 29, 2010.

Unitholders will be issued 3.14052 rights for each trust unit held for up to a total of 125.0 million rights. While the number of rights to be issued pursuant to the rights offering would be 403.2 million based on the 128.4 million trust units currently outstanding, only up to a total of 125.0 million rights are capable of being exercised. This is the result of the subscribers to the recent private placement of 80.0 million trust units at \$0.20 per unit, which closed on February 16, 2010, having agreed not to participate in the rights offering.

If all rights are exercised, 125.0 million additional trust units would be issued representing 97.4 percent of the 128.4 million trust units currently outstanding. Deans Knight Capital Management Ltd., who participated in the private placement, currently controls 83.2 million trust units (representing 64.8 percent of the trust units currently outstanding) and assuming all rights are exercised would control approximately 32.8 percent of the then outstanding trust units.

Net proceeds of the rights offering will be used to repay outstanding indebtedness under Peak’s operating line and thereafter for general purposes, which may include, funding growth opportunities and/or the prepayment of indebtedness of Peak under its senior loan facilities.

The trust units are expected to commence trading on the Toronto Stock Exchange (“TSX”) on an ex-rights basis at the opening of business on March 2, 2010, meaning that trust units purchased on or following that date will not be entitled to receive the rights under the rights offering. On March 2, 2010, the rights are expected to be posted for trading on the TSX on a “when-issued” basis and will thereafter trade under the symbol “PES.RT”. **Trading of the rights is expected to continue until 12:00 noon (Calgary time) on March 29, 2010, at which time the rights will be halted and rights which are not exercised by 3:00 p.m. (Calgary time) on this date will be void and have no value.**

A copy of the prospectus and rights certificates representing rights will be mailed on March 5, 2010, to registered unitholders who are resident in a Province of Canada on March 4, 2010. Registered unitholders wishing to exercise their rights must forward the completed rights certificates along with the applicable funds to Valiant Trust Company (the subscription agent) by no later than 3:00 p.m. (Calgary time) on March 29, 2010. Unitholders who own their units through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

The closing of the rights offering is expected to occur on March 30, 2010 and is subject to customary closing conditions and the receipt of necessary regulatory approvals, including the approval of the TSX. The trust units issued from the rights offering are expected to commence trading on the TSX at the open of business on the closing date under the symbol “PES.UN”.

The prospectus is available electronically on SEDAR at [www.sedar.com](http://www.sedar.com) and Peak’s website at [www.peak-energy.com](http://www.peak-energy.com). Furthermore, copies of the prospectus and documents incorporated by reference may be obtained on request, without charge, from the Chief Financial Officer of Peak at Suite 900, 222 – 3<sup>rd</sup> Avenue SW, Calgary, Alberta T2P 0B4, telephone (403) 543-7331.

Peak has engaged Kingsdale Shareholders Services Inc. (“Kingsdale”) as the information agent with respect to the rights offering. Questions and requests for assistance relating to the rights offering should be directed to Kingsdale at [contactus@kingsdaleshareholder.com](mailto:contactus@kingsdaleshareholder.com) or by telephone at 1 (877) 659-1819.

### **About Peak Energy Services Trust**

Peak Energy Services Trust 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. It is the current policy of the Trust to evaluate its past forward-looking information and where it deems appropriate, provide updates subject to requirements 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: successful issuance of the rights offering; successful completion of the financing for trust units; the intention for the rights and associated trust units to be listed on the TSX; expectations that the prospectus will receive regulatory approval, including the TSX; assumptions regarding the gross proceeds to be generated from the rights offering; assumptions regarding the dilution to trust units currently outstanding; and assumptions regarding Deans Knight Capital Management Ltd.'s control percentage upon completion of the rights offering. 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: necessary approvals by regulatory bodies are not obtained; the transactions are not completed in the contemplated time period required; 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 transaction and delisting review of Peak; that a market will develop for the rights; 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.*

*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 have neither approved nor disapproved the information contained herein.