



**FOR IMMEDIATE RELEASE: August 25, 2010
TSX SYMBOL: PES.UN**

Peak Energy Services Trust Announces Wastewater Treatment Contract

CALGARY, Alberta – Peak Energy Services Trust ("Peak" or the "Trust") announces that it has entered into a contract with a major oil and gas exploration client for the provision of a wastewater treatment system valued at approximately \$2.0 million with an expected delivery date of June 2011. The Trust expects to record approximately 30% or \$0.6 million of this revenue in 2010 based on work that will be completed by year end.

Sanitherm Inc. ("Sanitherm"), a wholly owned subsidiary of Peak, will design, manufacture and commission a wastewater treatment system which will service up to 800 personnel at the client's northern Alberta operations site. The system features the Sanitherm SaniBrane® technology.

Mr. Whitteron commented "We are very pleased with the sale of this system featuring the SaniBrane® configuration as it represents the third major contract for Sanitherm in the last few months. Furthermore, this sale represents another milestone for the Sanitherm group as they expand on their abilities to provide innovative, environmentally sound and proven solutions to satisfy customer requirements for the treatment of wastewater in remote locations."

About Peak Energy Services Trust

Peak Energy Services Trust is a diversified energy services organization operating in western Canada and the United States of America. 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.

Sanitherm is a wholly owned subsidiary of Peak that designs, manufactures, installs and operates package sewage treatment plants. Since its inception over sixty years ago, Sanitherm has been involved with over 350 installations worldwide and has provided hundreds of package plants in western Canada for a variety of industries. In addition to this, it currently represents over 20 premier manufacturers from Canada, USA, Japan and Europe, selling water and wastewater treatment equipment and processes throughout the world.

Peak's units are listed on the Toronto Stock Exchange under the symbol "PES.UN"

Note: SaniBrane® is a registered trademark in Canada and the United States of America.

FOR FURTHER INFORMATION PLEASE CONTACT:

Peak Energy Services Trust
Mr. Curt Whitteron
President and Chief Executive Officer
(403) 543-7325
(403) 543-7335 (FAX)

- or -

Peak Energy Services Trust
Mr. Matt Huber
Executive Vice President
(403) 543-7325
(403) 543-7335 (FAX)

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

FORWARD-LOOKING INFORMATION

This news 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 news release are made as of the date hereof. Additionally, the Trust undertakes no obligation to comment on expectations of, or statements made by, third parties in respect of this news release.

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: fluctuations in the demand for wastewater treatment services; currency fluctuations; fluctuations in the demand for services that the Trust provides; the existence of competition from other 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 use of services supplied by 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.