



PETROWEST ENERGY SERVICES TRUST ANNOUNCES FOURTH QUARTER AND TWELVE MONTH FINANCIAL RESULTS FOR 2009

Calgary, Alberta, March 10, 2010 - Petrowest Energy Services Trust (TSX: PRW.UN) announced today its consolidated financial results for the three and twelve month periods ended December 31, 2009.

Consolidated revenue from continuing operations for the year ended December 31, 2009 was \$119.6 million, a decrease of 37% over consolidated revenue from continuing operations of \$190.3 million in 2008. Gross margin and EBITDA decreased by 11% compared to 2008. For the twelve month period ended December 31, 2009 the net loss and comprehensive loss from continuing operations was \$51.7 million compared to \$29.1 million in 2008. For the twelve months ended December 31, 2009, the net loss from Discontinued Operations was \$7.5 million compared to a loss of \$3.5 million in 2008.

Revenue from continuing operations for the three months ended December 31, 2009 was \$32.3 million, a 38% decrease from revenue of \$52.2 million in the comparable period of 2008. Gross margin and EBITDA decreased by 14% compared to 2008. All segments had decreased revenue on a quarter over quarter basis as a result of a significant decrease in activity in the energy sector, lower utilization of equipment in the Civil segment, reduced demand in the lumber sector which affects the Transportation segment and lower pricing overall for all segments. For the three month period ended December 31, 2009, the net loss and comprehensive loss from continuing operations was \$4.0 million compared to \$23.1 million in 2008. One of the primary reasons for the \$19.1 million difference between periods was the \$19.4 million impairment of goodwill and intangible assets recorded in the fourth quarter of 2008. For the three month period ended December 31, 2009 the net loss from Discontinued Operations was nil compared to \$1.4 million for the comparable period of 2008.

As at December 31, 2009, \$68.2 million was outstanding under the Trust's revolving bank term loan (including bank overdraft), a reduction of \$12.9 million from the \$81.1 million (net of cash) that was outstanding as at December 31, 2008. The term of the credit facility expired on December 14, 2009 and the banking syndicate has not extended this date. As a result, the Trust is required to repay 1/12 of the amount outstanding at the end of each financial quarter following such date until December 14, 2011, at which time the remaining amount would be due and payable.

In addition, the Trust was not in compliance with three financial covenants contained in the credit facility as at December 31, 2009 and obtained waivers of these breaches of covenants from the banking syndicate until January 15, 2010. Furthermore, there were scheduled reductions and cancellations of commitments due September 30, 2009 and December 31, 2009 in the aggregate amount of \$9.5 million which the banking syndicate provided a deferral until January 15, 2010. The waivers and deferrals above have not been extended subsequent to January 15, 2010 by the banking syndicate, and as a result the Trust is in default under the credit facility which is effectively due on demand. The Trust's ability to continue operations is dependent on the continued support of the banking syndicate or the ability to refinance the existing bank credit facility. Currently, the Trust is negotiating with the banking syndicate on a new credit facility, but the outcome of such negotiations cannot be predicted at this time. Management and the Board are reviewing all debt and equity alternatives available. There is no assurance that the negotiations with the banking syndicate will result in a new credit facility acceptable to both the Trust and the banking syndicate or that the Trust will be successful in procuring alternate financing.

FINANCIAL HIGHLIGHTS

| (thousands of dollars, except per unit amounts, margins and ratios) | Three months ended December 31 | | Year ended December 31 | |
|---|-----------------------------------|------------|---------------------------|------------|
| | 2009 | 2008 | 2009 | 2008 |
| Revenue from continuing operations | 32,345 | 52,237 | 119,622 | 190,307 |
| Gross margin from continuing operations ⁽¹⁾ | 2,754 | 12,233 | 13,744 | 41,637 |
| Gross margin percentage ⁽¹⁾ | 9% | 23% | 11% | 22% |
| General and administrative | 1,411 | 2,218 | 6,898 | 8,504 |
| EBITDA from continuing operations ⁽¹⁾ | 1,343 | 10,015 | 6,846 | 33,133 |
| EBITDA margin percentage ⁽¹⁾ | 4% | 19% | 6% | 17% |
| Net loss and comprehensive loss from continuing operations | (4,029) | (23,098) | (51,687) | (29,117) |
| Discontinued operations, net of tax | 45 | (1,416) | (7,543) | (3,459) |
| Net loss and comprehensive loss | (3,984) | (24,514) | (59,230) | (32,576) |
| Cash provided from operating activities | 5,229 | 15,410 | 13,757 | 12,272 |
| Total units outstanding | 32,946,308 | 32,926,308 | 32,946,308 | 32,926,308 |
| Weighted average units outstanding – basic | 32,946,308 | 32,926,308 | 32,940,116 | 33,159,077 |

⁽¹⁾ See “Non-GAAP Measures” in Trust’s MD&A (available at www.sedar.com)

The Trust continues to focus on diversification into industrial and civil infrastructure activities. This diversification objective has had limited success due to pricing pressures in the bidding process with increased number of parties providing bids. The Construction segment has less non-energy related activities compared to other business segments, with 82% of activities directly relating to the energy sector during the three month period ended December 31, 2009 compared to 70% in the comparable period of 2008.

The oil and natural gas drilling sector will continue to impact the Trust’s operations and financial results and will remain an important part of the Trust’s operations going forward. The amount of the Trust’s services directly relating to the oil and gas sector will fluctuate as the activity in this sector changes in addition to the amount of non-oil and gas related projects which the Trust is successful in securing. The Trust continued to pursue geographic diversification in 2009 with redeployment of equipment and skilled personnel to capitalize on demand in nearby regions plus improving utilization rates and financial results. With the shift in the North American natural gas markets towards unconventional shale gas basins, the Trust has moved quickly to position itself in two of North America’s premier shale gas plays. The Trust has opened a full service office and maintenance facility in Fort Nelson and increased marketing emphasis in the northeastern British Columbia emerging Horn River and Montney shale gas plays. Petrowest has also undertaken a strategy to expand its presence in the oil sands mining sector by appointing a divisional vice president and by securing office and industrial space in Fort McMurray. This sector represents the largest area of potential growth for the Trust.

SELECTED FINANCIAL INFORMATION

Selected financial information for the three and twelve month periods ended December 31, 2009 and 2008 is attached below. This information should be read in conjunction with the audited consolidated financial statements for the three and twelve months ended December 31, 2009 and the Trust’s Management, Discussion and Analysis, available under the Trust’s profile on the SEDAR website at www.sedar.com.

FORWARD LOOKING INFORMATION

This news release contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "achievable," "believe," "expect," "estimate," "plan," "intend," "project," "may," "should", "could", "predict", "may," "will," or similar words suggesting future outcomes or language suggesting an outlook. Forward-looking statements and information are based on Petrowest's current beliefs as well as assumptions made by and information currently available to Petrowest concerning anticipated business performance. Although management of Petrowest considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward-looking statements are subject to many external variables that are beyond Petrowest's control, such as fluctuating prices for crude oil and natural gas, changes in drilling activity, and general local and global economic, political, business and weather conditions. If any of these, or other uncertainties, materialize the actual results of Petrowest may vary materially from those expected.

For further information, please contact Ralph Hesje, President and CEO, or Lloyd A. Wiggins, Chief Financial Officer, at (403) 237-0881 or info@petro-west.com.

Petrowest Energy Services Trust
Consolidated Balance Sheets
As at December 31

| (In thousands of dollars) | 2009 | 2008 |
|---|----------------|----------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | - | 2,348 |
| Accounts receivable | 28,262 | 44,306 |
| Prepaid expenses and other | 2,158 | 1,083 |
| Inventory | 3,984 | 4,495 |
| Assets related to discontinued operations | 174 | 4,549 |
| | 34,578 | 56,781 |
| Property and equipment | 67,972 | 87,636 |
| Intangible assets | 8,330 | 13,402 |
| Goodwill | - | 34,321 |
| Future income taxes | 4,560 | 727 |
| Discontinued assets held for sale | - | 11,880 |
| | 115,440 | 204,747 |
| Liabilities | | |
| Current liabilities | | |
| Bank overdraft | 270 | - |
| Accounts payable and accrued liabilities | 11,689 | 15,918 |
| Revolving bank term loan | 67,950 | 83,500 |
| Current portion of obligations under capital leases | 544 | 651 |
| Liabilities related to discontinued operations | 11 | 2,447 |
| | 80,464 | 102,516 |
| Obligations under capital leases | 331 | 874 |
| Future income taxes | 4,560 | 12,463 |
| | 85,355 | 115,853 |
| Unitholders' Equity | | |
| Units | 292,498 | 292,492 |
| Contributed surplus | 1,050 | 635 |
| Accumulated loss | (225,500) | (166,270) |
| Accumulated distributions to unitholders | (37,963) | (37,963) |
| | 30,085 | 88,894 |
| | 115,440 | 204,747 |

Petrowest Energy Services Trust

Consolidated Statements of Loss, Comprehensive Loss and Accumulated Loss

For the year ended December 31

| (In thousands of dollars, except per unit amounts) | 2009 | 2008 |
|--|------------------|-----------|
| Revenue | 119,622 | 190,307 |
| Expenses | | |
| Operating expenses | 105,878 | 148,670 |
| General and administrative | 6,898 | 8,504 |
| Interest | 4,853 | 6,693 |
| Amortization of property and equipment | 21,002 | 25,773 |
| Amortization of intangible assets | 3,765 | 4,632 |
| Impairment of property and equipment | 5,301 | - |
| Impairment of intangible assets and goodwill | 35,628 | 21,271 |
| | 183,325 | 215,543 |
| | (63,703) | (25,236) |
| Other income (loss) | | |
| Gain (loss) on disposal of property and equipment | 188 | (2,196) |
| Interest and other income | 92 | 10 |
| Net loss and comprehensive loss before taxes | (63,423) | (27,422) |
| Future income tax expense (recovery) | (11,736) | 1,695 |
| Net loss and comprehensive loss | (51,687) | (29,117) |
| Discontinued operations, net of tax | (7,543) | (3,459) |
| Net loss and comprehensive loss | (59,230) | (32,576) |
| Accumulated loss - beginning of year | (166,270) | (133,694) |
| Accumulated loss - end of year | (225,500) | (166,270) |
| Net loss per unit | | |
| -basic and diluted from continuing operations | \$(1.57) | \$(0.88) |
| -basic and diluted from discontinued operations | (0.23) | (0.10) |
| -basic and diluted | (1.80) | (0.98) |

Petrowest Energy Services Trust

Consolidated Statements of Cash Flows

For the year ended December 31

| (In thousands of dollars) | 2009 | 2008 |
|---|-----------------|----------------|
| Cash provided by (used in) | | |
| Operating activities | | |
| Net loss from continuing operations | (51,687) | (29,117) |
| Items not affecting cash | | |
| Amortization of property and equipment | 21,002 | 25,773 |
| Amortization of intangible assets | 3,765 | 4,632 |
| Impairment of property and equipment | 5,301 | - |
| Impairment of intangible assets and goodwill | 35,628 | 21,271 |
| Unit-based compensation expense | 415 | 34 |
| Units issued for service | 6 | - |
| Future income tax expense (recovery) | (11,736) | 1,695 |
| (Gain) loss on disposal of property and equipment | (188) | 2,196 |
| | 2,506 | 26,484 |
| Changes in non-cash working capital | | |
| Accounts receivable | 16,044 | (4,690) |
| Prepaid expenses and other | (1,075) | 715 |
| Inventory | 511 | 281 |
| Accounts payable and accrued liabilities | (4,229) | (10,518) |
| | 13,757 | 12,272 |
| Financing activities | | |
| Unitholder distributions | - | (953) |
| Repayment of capital lease obligations | (650) | (692) |
| Proceeds from revolving term bank loan | - | 1,500 |
| Repayment of revolving term bank loan | (15,550) | - |
| | (16,200) | (145) |
| Investing activities | | |
| Purchase of property and equipment | (7,022) | (12,753) |
| Proceeds on property and equipment disposals | 565 | 2,877 |
| Purchase price adjustment | - | (25) |
| | (6,457) | (9,901) |
| Net change in cash from continuing operations | (8,900) | 2,226 |
| Cash flow from discontinued operations | | |
| Operating activities | 498 | 958 |
| Financing activities | (10) | (8) |
| Investing activities | 5,794 | (1,043) |
| Net change in cash from discontinued operations | 6,282 | (93) |
| Increase (decrease) in cash and cash equivalents | (2,618) | 2,133 |
| Cash and cash equivalents, beginning of year | 2,348 | 215 |
| Cash and cash equivalents (bank overdraft), end of year | (270) | 2,348 |
| Supplementary cash flow information | | |
| Interest paid | 5,140 | 7,071 |
| Non cash transactions | | |
| Property and equipment financed by capital leases | - | 949 |

