YOUR RIGHTS CERTIFICATE IS ENCLOSED. PLEASE READ THIS MATERIAL CAREFULLY AS YOU ARE REQUIRED TO MAKE A DECISION PRIOR TO 5:00 P.M. (CALGARY TIME) ON FRIDAY, JUNE 28, 2010

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws. Accordingly, the securities offered hereby may not be offered, sold or delivered within the United States of America, its territories or possessions (the "United States") except in transactions exempt from such registration. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Details of the Offering - Ineligible Holders".

***Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Petrowest Energy Services Trust at 1020, 407 2nd Street SW, Calgary, Alberta T2P 2Y3, Telephone: (403) 384-0404 and are also available electronically at www.sedar.com.*

SHORT FORM PROSPECTUS

RIGHTS OFFERING **May 26, 2010**

PETROWEST ENERGY SERVICES TRUST

Maximum: $7,773,703
Minimum: $7,500,000
Offering of Rights to Subscribe for
53,571,429 Trust Units at a Price of $0.14 per Trust Unit and
1,955,021 Subordinated Units at a Price of $0.14 per Subordinated Unit

Petrowest Energy Services Trust ("PRW" or the "Trust") is distributing to the holders of its outstanding trust units (the "Trust Units") and subordinated units (the "Subordinated Units") (the Trust Units and the Subordinated Units are collectively referred to as the "Units") of record (collectively, the "Holders") at the close of business (Calgary time) on June 7, 2010 (the "Record Date") one right (a "Right") for each Unit held, which, based on 31,786,308 Trust Units and 1,160,000 Subordinated Units outstanding, would entitle Holders to subscribe for, as applicable, an aggregate of 53,571,429 Trust Units and 1,955,021 Subordinated Units (collectively, the "Offering"). This short form prospectus (the "Prospectus") qualifies for distribution of the Rights, the Units issuable upon exercise of the Rights, the Commitment Units (defined below) and the Warrants (defined below) (together, the "Securities"). It is a condition to the completion of the Offering that the Trust receive a minimum of $7,500,000, in the aggregate, from the exercise of Rights and from the Stand-by Purchasers. In the event that the minimum gross proceeds of $7,500,000 are not received by the Trust in connection with the Offering and from the Stand-by Purchasers, all amounts received from the Holders who have exercised their Rights will be returned to such Holders without interest or deduction.

The Rights are evidenced by transferable certificates in registered form (the "Rights Certificates"). Each Holder is entitled to one Right for each Unit held on the Record Date. For every Right held, the Holder of Trust Units will be entitled subscribe for 1.685362 Trust Units per Right, such that a Holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit at a price of $0.14 (the "Subscription Price") and for every Right held, the Holder of Subordinated Units will be entitled to subscribe for 1.685363 Subordinated Units per Right, such that a Holder of Subordinated Units may exercise 0.593344 Rights to purchase one Subordinated Unit for the Subscription Price (the right to subscribe for Trust Units or Subordinated Units as aforementioned is referred to herein as the "Basic Subscription Privilege"). Holders may exercise their Rights prior to 5:00 p.m. (Calgary time) (the "Expiry Time") on June 28, 2010 (the "Expiry Date).

No fractional Units will be issued. Each holder of a Rights Certificate which evidences a number of Rights not evenly divisible by 1 will have the right to round up the number of Trust Units or Subordinated Units it is entitled to subscribe for to the next nearest whole number. **HOLDERS OF RIGHTS WILL NOT BE PERMITTED TO EXERCISE SUCH RIGHTS SUBSEQUENT TO THE EXPIRY TIME**. Holders who exercise their Rights to subscribe for Trust Units in full are entitled to subscribe on a pro rata basis for additional Trust Units (the "Additional Units"), if available, pursuant to an additional subscription privilege (the "Additional Subscription Privilege"). See "Description of Offered Securities - Additional Subscription Privilege". For greater certainty, no additional subscription privilege is being offered in connection with the Subordinated Units.

The Subscription Price was determined by reference to the rules and policies of the Toronto Stock Exchange (the "TSX") and represents a discount of 25.5% of $0.1879, the volume weighted average price of the Trust Units on the TSX during the five trading days ended May 25, 2010.

	Offering Price to the Public	**Dealer Manager's Fee(1)**	**Net Proceeds to The Trust (2) (3)**
Per Trust Unit	$0.14	$0.0049	$0.1351
Per Subordinated Unit	$0.14	$0.0049	$0.1351
Total(4)	$7,773,703	$272,079.61	$7,501,623.39

Notes:

(1) The Trust has engaged Mackie Research Capital Corporation as dealer manager ("Dealer Manager") to form a soliciting dealer group to solicit, on a commercially reasonable efforts basis, the exercise of the Rights. In consideration of such services and other advisory services conducted by the Dealer Manager (as described below), the Trust has agreed to pay the Dealer Manager a fee equal to 3.5% of the gross proceeds of the Offering. See "Plan of Distribution".

(2) Before deducting the expenses of the Offering, estimated to be approximately $300,000.

(3) Assuming the exercise of all Rights.

(4) In the event that all of the Warrants (defined below) are exercised in accordance with their terms, the Trust will receive additional consideration of $1,054,615.19.

The Dealer Manager has not been engaged as an underwriter in connection with the Offering and has not been involved in the preparation of, or performed any review of, this Prospectus in the capacity of an underwriter.

In addition to its role as dealer manager, the Dealer Manager has provided certain additional services to the Trust including assistance in renegotiating the Trust's credit facility and facilitating discussions between the Trust and its syndicate of lenders and the Trust and certain of its significant unitholders, including certain of the Stand-by Purchasers. The Trust has agreed to pay the Dealer Manager a fee of three and one half percent (3.5%) of the gross proceeds of the Offering in consideration for its past services and the services of the Dealer Manager for this Offering. See "Plan of Distribution".

In addition, the Trust has entered into a stand-by agreement dated May 11, 2010 (the "Stand-by Agreement") among the Trust and PetroCorp Group Inc. ("PetroCorp"), Larry Patriquin, Murray Head, Ron Head, Roy Larson, Jim Moffatt, Rick Quigley, and Bernie Reed (collectively, the "Stand-by Purchasers"). PetroCorp is a corporation listed for trading under the trading symbol "PCG.H" on the NEX board of the TSX Venture Exchange and Mr. Patriquin is the Chief Executive Officer of PetroCorp. Each of Murray Head, Ron Head, Roy Larson, Jim Moffatt, Rick Quigley, and Bernie Reed are managers of various operational divisions of the Trust. The Stand-by Purchasers have agreed to purchase from the Trust, at the Subscription Price, all of the Trust Units that are not otherwise subscribed for in the Offering by Holders of such Rights prior to the Expiry Time (the "Commitment Units"). However, the Stand-by Agreement does not require the Stand-by Purchasers to purchase any Subordinated Units that are not otherwise subscribed for in the Offering by Holders of such Rights. The Standby Agreement may be terminated by the Standby Purchasers prior to the Expiry Time in certain circumstances. The Stand-by Agreement is subject to certain terms and conditions, see "Plan of Distribution". The full text of the Stand-by Agreement is available on SEDAR at www.sedar.com.

In the event that no Rights to purchase Units are exercised in connection with the Offering and all of the Commitment Units are purchased in accordance with the provisions of the Stand-by Agreement, PetroCorp would control approximately 21% of the total issued and outstanding Trust Units, Larry Patriquin would control approximately 4% of the total issued and outstanding Trust Units and the remaining Stand-by Purchasers would control, in the aggregate, 47% of the total issued and outstanding Trust Units.

In connection with the Offering, the Trust has agreed to grant to the Stand-by Purchasers, in the aggregate, transferable warrants (the "Warrants") entitling the holder thereof to acquire such number of Trust Units as is equal to 10.67% of the number of Trust Units issued pursuant to the Offering, at a price of $0.1879 per Trust Unit and expiring on the date that is 12 months from the date of issuance of the Warrants. The Warrants are being issued to the Stand-by Purchasers in consideration for their commitment to acquire the Commitment Units and will be distributed among the Stand-by Purchasers in accordance with the provisions of the Stand-by Agreement.

The Stand-by Purchasers, with the exception of PetroCorp, have entered into a voting support agreement with AWG Ventures Inc. ("AWG") pursuant to which they have agreed to support a future transaction between the Trust and PetroCorp which would, among other things, have the impact of combining the business of the Trust and PetroCorp and convert the capital structure of the Trust from an income trust to a corporation. See "Voting Support Agreements".

In addition, pursuant to separate agreements with the Dealer Manager the Stand-by Purchasers have deposited an aggregate of $7,500,000 into accounts with the Dealer Manager or other financial institutions and have provided the Dealer Manager with directions to apply up to an aggregate of $7,500,000 in their respective accounts towards purchases of Commitment Units in the proportions set forth in the Stand-by Agreement. See "Plan of Distribution".

The obligations of the Stand-by Purchasers are subject to certain conditions and the Stand-by Purchasers may, in certain circumstances, terminate the Stand-by Agreement prior to the Expiry Time. In the event that the minimum gross proceeds of $7,500,000 are not received by the Trust in connection with the Offering and from the Stand-by Purchasers, all amounts received from the Holders who have exercised their Rights will be returned to such Holders without interest or deduction. See "Plan of Distribution".

The Offering and distribution of the Securities is qualified in the Eligible Jurisdictions (as defined herein) by this Prospectus. Listing of the Rights, the Trust Units issuable upon exercise of the Rights distributed under this Prospectus and the Commitment Units has been conditionally approved by the TSX. Listing of the Rights, the Trust Units issuable upon exercise of the Rights distributed under this Prospectus and the Commitment Units will be subject to fulfilling all of the listing requirements of the TSX. The currently outstanding Trust Units are listed and posted for trading on the TSX under the symbol "PRW.UN". On April 29, 2010, the last trading day prior to the public announcement of the Offering, the closing price for the Trust Units on the TSX was $0.19 per Trust Unit. On May 25 2010, the last trading day prior to the date of this Prospectus, the closing price of the Trust Units on the TSX was $0.185 per Trust Unit. For greater certainty, Holders are advised that neither the Rights to subscribe for Subordinated Units, nor the Subordinated Units issuable upon exercise of such Rights, will be listed for trading on the TSX.

The Trust has appointed Valiant Trust Company (the "Subscription Agent") to receive subscriptions and payments for Units and Additional Units subscribed for hereunder and shall perform the services relating to the exercise of the Rights. It is a condition to the completion of the Offering that the Trust receive a minimum of $7,500,000, in the aggregate, from the exercise of Rights and from the Stand-by Purchasers. In the event that the minimum gross proceeds of $7,500,000 are not received in connection with the Offering and from the Stand-by Purchasers, all amounts received from the Rights Holders who have exercised their Rights will be returned to such Holders without interest or deduction. The Subscription Agent shall also act as depository for the subscription proceeds received from the exercise of Rights. In the event that the Trust fails to raise the minimum proceeds from the Offering as provided for in this Prospectus and from the Stand-by Purchasers, the Subscription Agent shall return all amounts received by Holders wishing to exercise their Rights, without interest or deduction. The Subscription Agent shall be performing these functions from its principal office in the City of Vancouver, British Columbia located at 600, 750 Cambie Street, Vancouver, B.C. V6B 0A2 (the "Subscription Office"). See "Description of Offered Securities – Subscription Agent".

For Units held through a securities broker or dealer, bank or trust company, or other participant (a "CDS Participant") in the book based system administered by CDS Clearing and Depository Services Inc. ("CDS"), a subscriber may subscribe for applicable Units by instructing the CDS Participant holding the subscriber's Rights to exercise all or a specified number of such Rights and forwarding the Subscription Price for each Unit subscribed for to such CDS Participant in accordance with the terms of this Offering. A Holder of Trust Units wishing to subscribe for Additional Units pursuant to the Additional Subscription Privilege must forward its request to the CDS Participant that holds the subscriber's Rights prior to the Expiry Time on the Expiry Date, along with payment for the number of Additional Units requested. Any excess funds will be returned by mail or credited to the subscriber's account with its CDS Participant without interest or deduction. Subscriptions for Units made through a CDS Participant are irrevocable and subscribers will be unable to withdraw their subscriptions for Units once submitted. CDS Participants may have an earlier deadline for receipt of instructions and payment than the Expiry Date. See "Description of Offered Securities - Rights Certificate - Units Held Through CDS". For Units held in registered form, a Rights Certificate evidencing the number of Rights to which a holder is entitled will be mailed with a copy of this Prospectus to each registered Holder with an address of record in an Eligible Jurisdiction as of the close of business on the Record Date. In order to exercise the Rights represented by the Rights Certificate, the holder of Rights must complete and deliver the Rights Certificate(s) to the Subscription Agent in the manner and upon the terms set out in this Prospectus. All exercises of Rights are irrevocable and subscribers will be unable to withdraw their subscriptions once submitted, except in accordance with applicable securities legislation. See "Description of Offered Securities - Rights Certificate - Trust Units Held in Registered Form".

If a Holder does not exercise its Rights, then such Holder's current percentage ownership in the Trust, as applicable, will be diluted as a result of the exercise of Rights by other Holders, as applicable.

This Prospectus qualifies the Offering and distribution of the Securities in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and other jurisdictions where it is not unlawful to do so (but not elsewhere) (the "Eligible Jurisdictions", and the holders resident therein the "Eligible Holders"). The Offering is not being made in any jurisdictions outside the Eligible Jurisdictions, including the United States (the "Ineligible Jurisdictions"). Consequently, the Securities have not been and will not be registered under the 1933 Act. Accordingly, the Trust is not making an Offering and subscriptions will not be accepted from Holders who are resident in any jurisdiction outside of the Eligible Jurisdictions ("Ineligible Holders"), subject to the exceptions described below. Certificates for Securities and a copy of this prospectus will not be mailed to addresses outside of the Eligible Jurisdictions, except as described under "Description of Offered Securities - Ineligible Holders".

There are risks associated with an investment in the Units pursuant to the Offering. See the risk factors set forth under "Risk Factors" in this Prospectus and the AIF (defined below) for a discussion of factors that should be considered by prospective investors and their advisors in assessing the appropriateness of an investment in the Units.

TABLE OF CONTENTS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains "forward-looking information" within the meaning of Canadian legislation, concerning the business, operations and financial performance and condition of PRW. Forward-looking information includes, but is not limited to statements with respect to the anticipated dilution of Holders that do not participate in the Offering; statements with respect to anticipated developments in PRW's operations in future periods; the adequacy of PRW's financial resources and other events or conditions that may occur in the future; the ability of PRW to continue to create value for its unitholders; the ability of PRW to meet expected financing requirements and to continue as a going concern; capital expenditures of PRW; currency exchange rate fluctuations and environmental risks. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled estimates", "forecasts", "intends", "anticipates", "does not anticipate", or "believes", or variations of such words and phrases or statement that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur", or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of PRW to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: timing and availability of external financing on acceptable terms; conclusions of economic evaluations; as well as those factors discussed herein or in the Trust's AIF and MD&A (as defined herein) incorporated by reference herein, filed with the securities regulatory authorities in Canada and available at www.sedar.com. Although management of PRW has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. PRW does not undertake to update any forward-looking statements that are incorporated herein, except in accordance with applicable securities laws. In particular, forward-looking information and statements include, but are not limited to the following, each of which is subject to significant risks and uncertainties and is based on a number of assumptions which may prove to be incorrect:

- Accounting policies and tax liabilities; most significantly being the entity's ability to refinance the debt before its maturity date and continue as a going concern;
- Ability of management to acquire an extension from the Lenders (defined below) of the date by which the Offering must close.
- Use of proceeds received in connection with the Offering;
- Anticipated length of the current economic downturn;
- Ability of capital expenditures to be funded through operating cash flows;
- Refinancing of long-term debt;
- Performance of the oil and natural gas industry;
- Demand for and status of service equipment;
- Costs and financial trends for companies operating in the oil and natural gas industry;
- Capital expenditures, including the amount and nature thereof;
- Demand for products and services;
- Expected cash provided by continuing operations;
- The Trust's business strategy and outlook for business segments;
- Expansion and growth of the Trust's business and operations;
- The maintenance of existing customer, supplier and partner relationships;
- Supply channels;
- Expected payments pursuant to contractual obligations, and the timing thereof;
- The prospective impact of recent or anticipated regulatory changes;
- Credit and liquidity risks; and
- Other such matters.

The foregoing forward-looking statements are based on assumptions that, among other things, (i) the Trust will be able to obtain financing on acceptable terms; (ii) competition will not significantly increase; (iii) the economic and political environment in which the Trust operates will remain stable; (iv) any and all required regulatory approvals will be obtained in a timely manner; (v) the Trust will be able to obtain qualified staff, equipment and services in a timely and cost-efficient manner; (vi) field production rates will not significantly decline and decline rates will remain stable; (vii) future oil and natural gas prices will not decline significantly; (viii) volatility in currency, exchange and interest rates will not significantly increase; and (ix) the regulatory framework regarding royalties, taxes and environmental matters will not change in a manner that significantly negatively affects the Trust's business or earnings. Further information regarding these risks and uncertainties may be found under the heading "Risk Factors" in this Prospectus, "Risk Factors" in the Trust's AIF and in the Trust's most recent financial statements, information circular and quarterly reports.

SUMMARY

The following is a summary of the principal features of the Offering and should be read together with, and is qualified in its entirety by, the more detailed information and financial data and statements contained elsewhere or incorporated by reference in this Prospectus. Certain terms used in this summary and in this Prospectus are defined elsewhere herein.

Issuer:	Petrowest Energy Services Trust
Offering:	Holders of Trust Units will receive Rights to subscribe for up to approximately 53,571,429 Trust Units (subject to adjustment for rounding). Holders of Subordinated Units will receive Rights to subscribe for up to approximately 1,955,021 Subordinated Units (subject to adjustment for rounding). Each Holder on the Record Date will receive one Right for each Trust Unit held and one Right for each Subordinated Unit held. For every Right held, the Holder of Trust Units will be entitled to subscribe for 1.685362 Trust Units per Right such that a Holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit for the Subscription Price per Trust Unit. For every Right held, the Holder of Subordinated Units will be entitled to subscribe for 1.685363 Subordinated Units per Right such that a Holder of Subordinated Units may exercise 0.593344 Rights to purchase one Subordinated Unit for the Subscription Price. It is a condition to the completion of the Offering that the Trust receive a minimum of $7,500,000, in the aggregate, from the exercise of Rights and from the Stand-by Purchasers. In the event that the minimum gross proceeds of $7,500,000 are not received in connection with the Offering and from the Stand-by Purchasers, all amounts received from the Holders who have exercised their Rights will be returned to such Holders without interest or deduction.
Record Date:	June 7, 2010
Expiry Date:	June 28, 2010.
Expiry Time:	5:00 p.m. (Calgary time) on the Expiry Date. Holders of Rights will not be permitted to exercise such rights subsequent to the Expiry Time.
Subscription Price:	The Subscription Price per Trust Unit and Subordinated Unit will be equal to $0.14.
Net Proceeds:	In the event the maximum proceeds are raised, $7,201,623.39 (subject to adjustment for rounding) after deducting the expenses of the Offering, expected to be approximately $572,079.61. In the event that the minimum proceeds are raised, $6,937,500 (subject to adjustment for rounding) after deducting expenses of approximately $562,500.
Stand-by Commitment:	Pursuant to the Stand-by Agreement, the Stand-by Purchasers have agreed, subject to certain terms and conditions, to purchase all Trust Units not otherwise subscribed for under the Basic Subscription Privilege and the Additional Subscription Privilege. As consideration for their commitment to purchase the Commitment Units, the Trust has agreed to issue Warrants equalling 10.67% of the Trust Units issued pursuant to the Offering, including the Commitment Units. The Warrants shall be exercisable for $0.1879 per Trust Unit and will expire 12 months from the closing of the Offering.
Dealer Manager:	Pursuant to the Dealer Manager Agreement, the Trust has appointed Mackie Research Capital Corporation to form a dealer manager group comprised of the Investment Dealers Association of Canada and the Canadian stock exchanges to use commercially reasonable efforts to solicit the exercise of Rights for subscriptions for Units. In addition to its role as dealer manager, the Dealer Manager has provided certain additional services to the Trust including assistance in renegotiating the Trust's credit

	facility and facilitating discussions between the Trust and its syndicate of lenders and the Trust and certain of its significant unitholders, including certain of the Stand-by Purchasers. The Dealer Manager has not been engaged as an underwriter in connection with the Offering and has not been involved in the preparation of, or performed any review of, this Prospectus in the capacity of an underwriter. Pursuant to the Dealer Manager Agreement, the Trust has agreed to pay the Dealer Manager a fee of three and one-half percent (3.5%) of the gross proceeds of the Offering in consideration for its past services and the services of the dealer manager under the Dealer Manager Agreement.
Basic Subscription Privilege and Exercise of Rights:	Each Holder of Trust Units is entitled to subscribe for 1.685362 Trust Units per Right such that a Holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit for the Subscription Price per Trust Unit. Each Holder of Subordinated Units is entitled to subscribe for 1.685363 Subordinated Units per Right such that a Holder of Subordinated Units may exercise 0.593344 Rights to purchase one Subordinated Unit for the Subscription Price per Subordinated Unit. For all Holders whose Units are held in registered form with an address of record in an Eligible Jurisdiction, a Rights Certificate representing the total number of Rights to which such Holder is entitled as at the Record Date, will be mailed with a copy of this Prospectus to each such Holder. In order to exercise the Rights represented by the Rights Certificate, the Holder must complete Form 1A, in respect of Trust Units, or Form 1B, in respect of Subordinated Units, indicating the number of Trust Units and Subordinated Units the Holder is subscribing for and return the completed Rights Certificate(s) together with a certified cheque, bank draft or money order payable to the order of the Subscription Agent or the amount payable for the Units, including, in respect of Holders of Trust Units wishing to exercise their Additional Subscription Privilege, the payment for any Additional Units subscribed for under the Additional Subscription Privilege. If the Units of a Holder are held through a CDS Participant, a Holder may subscribe for Units by instructing the CDS Participant holding the Holder's Rights to exercise all, or a specified number, of such Rights and forwarding the payment for the Subscription Price for each Unit subscribed for in accordance with the terms of this Offering to such CDS Participant. No fractional Units will be issued. Each holder of a Rights Certificate which evidences a number of Rights not evenly divisible by 1 will have the right to round up the number of Trust Units or Subordinated Units it is entitled to subscribe for to the next nearest whole number. See "Description of Offered Securities - Basic Subscription Privilege".
Additional Subscription Privilege:	All Holders of Trust Units who exercise the Basic Subscription Privilege for their Rights in full are also entitled to subscribe on a pro rata basis for Additional Units pursuant to the Additional Subscription Privilege. All Holders of Trust Units that fully exercise their Rights under the Basic Subscription Privilege and wish to participate in the Additional Subscription Privilege must complete and sign Form 2 on the Rights Certificate and include the necessary funds for any such subscription with the amount payable for the Basic Subscription Privilege. The subscription price under the Additional Subscription Privilege is the same as the subscription price under the Basic Subscription Privilege. In the event there are more subscriptions for Additional Units under the Additional Subscription Privilege than Additional Units available, such available Additional Units will be allocated on a pro rata basis among Holders participating in the Additional Subscription Privilege in the manner described in this document under the heading "Description of the Offered Securities – Additional Subscription Privilege", with the maximum initial allocation to a Holder being a percentage of the available Additional Units equal to the same percentage that the number of Rights to subscribe for Trust Units exercised under the Basic Subscription Privilege by such Holder bears to the aggregate number of Rights to subscribe for Trust Units previously exercised under the Basic Subscription Privilege by all Holders participating in the Additional Subscription Privilege. If any Holder participating in the Additional Subscription Privilege subscribes for fewer

	Additional Units than such Holder's maximum allotment, the excess Additional Units will be allocated in a similar manner among the Holders who were allocated fewer Additional Units than they subscribed for. Any excess funds delivered by a Holder who is ultimately allocated fewer Additional Units than it subscribed for will be returned without interest or deduction. For greater certainty, no additional subscription privilege is being offered in connection with the Subordinated Units.
Holders in Ineligible Jurisdictions:	Rights Certificates and this Prospectus will not be delivered to Ineligible Holders. Instead, Ineligible Holders will be sent a letter advising them that their Rights Certificates will be issued to and held by the Subscription Agent, which will hold those Rights as agent for the benefit of all Ineligible Holders. The Subscription Agent will hold the Rights of such Ineligible Holders until the tenth day prior to the Expiry Date to give beneficial owners of Units registered in the name of a resident of an Ineligible Jurisdictions time to notify the Subscription Agent that such beneficial holder wishes to participate in the Offering. In that case, the beneficial holder must furnish to the Trust an investor letter, the form of which is available from the Subscription Agent upon request, certifying that the subscription by the Ineligible Holder is lawful and in compliance with the securities laws of the Ineligible Jurisdictions. Upon receipt of such investor letter, the Trust shall, in its sole discretion, confirm such Ineligible Holder's eligibility to participate in the Offering, and, if such Ineligible Holder's eligibility is confirmed, the Trust will instruct the Subscription Agent to forward a Rights Certificate and Prospectus to such Ineligible Holder. See "Description of Offered Securities - Ineligible Holders".
Use of Proceeds:	The Trust intends to use the net proceeds of the Offering to fund its daily operations and to fund working capital. See "Use of Proceeds".
Listing and Trading:	The Trust has received the conditional approval of the TSX to list the Rights to subscribe for Trust Units on the TSX under the symbol "PRW.RT". The Rights will be posted for trading on the TSX until 12:00 noon (Toronto time) on the Expiry Date at which time they will be halted from trading. Holders of Rights may sell or transfer their Rights by completing Form 3 on the Rights Certificate and delivering the Rights Certificate to the transferee. Listing of the Rights, the Trust Units issuable upon exercise of the Rights distributed under this Prospectus and the Commitment Units has been conditionally approved by the TSX. Listing of the Rights, the Trust Units issuable upon exercise of the Rights distributed under this Prospectus and the Commitment Units will be subject to fulfilling all of the listing requirements of the TSX. See "Description of the Offered Securities - Sale or Transfer of Rights". For greater certainty Holders are advised that neither the Rights to subscribe for Subordinated Units, nor the Subordinated Units issuable upon exercise of such Rights will be listed for trading on the TSX.
Risk Factors:	An investment in Trust Units is subject to a number of risk factors. See "Risk Factors".

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference into this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of documents incorporated herein by reference may be obtained upon request without charge from the Chief Financial Officer of the Trust at 1020, 407 - 2nd Street SW, Calgary, Alberta T2P 2Y3 Telephone: (403) 384-0404 and are also available electronically at www.sedar.com. The following documents, filed with the securities regulatory authorities in the jurisdictions in Canada in which the Trust is a reporting issuer, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

(a) The annual information form dated March 31, 2010 (the "AIF");

(b) The audited financial statements of the Trust as at and for the financial years ended December 31, 2009 and 2008, together with the auditors' report thereon and the notes thereto;

(c) The management's discussion and analysis of the Trust for the financial years ended December 31, 2009 and 2008 (the "Annual MD&A");

(d) The unaudited interim financial statements of the Trust for the three (3) month period ended March 31, 2010;

(e) The management's discussion and analysis of the Trust for the three (3) month period ended March 31, 2010; and

(f) The Management Information Circular of the Trust dated June 4, 2009.

Documents referenced in any of the documents incorporated by reference in this Prospectus but not expressly incorporated by reference therein or herein and not otherwise required to be incorporated by reference therein or herein are not incorporated by reference in this Prospectus. Any documents of the type required by National Instrument 44-101 to be incorporated by reference in a prospectus, including any annual information form, annual financial statements and the auditors' report thereon, interim financial statements, management's discussion and analysis of financial conditions and results of operations, material change report (except confidential material change report), business acquisition report and information circular, filed by the Trust with the securities commissions or similar authorities in Canada after the date of this Prospectus and before the termination of the distribution, are deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference into this Prospectus, modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Prospectus.

THE TRUST

The Trust was formed on July 6, 2006 and is an unincorporated, open-ended, limited purpose mutual fund trust established under and governed by the laws of the Province of Alberta pursuant to the Deed of Trust. The registered office of the Trust is 4500, 855- 2nd Street S.W., Calgary, Alberta and the head office of the Trust is located at Suite 204, 10605 Westside Drive, Grande Prairie, Alberta. The Trust also has a corporate office located at 1020, 407 – 2nd Street S.W., Calgary, Alberta. The Trust became a reporting issuer in certain provinces of Canada upon the completion of the Initial Public Offering and its outstanding Trust Units were listed and posted for trading on the TSX on September 7, 2006. The Trust was established to hold business notes of, and a 100% beneficial interest in, the Petrowest Energy Services Business Trust, an unincorporated, open-ended limited purpose trust established under and governed by the laws of the Province of Alberta (the "Petrowest Business Trust"). The trustee of the Trust is Petrowest Energy Services Trustee Ltd., a corporation incorporated under Alberta Business Corporations Act (the "ABCA"). Petrowest Energy Services General Partner Ltd. (the "General Partner") is responsible for overseeing and managing the Trust and Petrowest Business Trust. The General Partner is a corporation that was incorporated under the ABCA on July 6, 2006, all of the outstanding Units of which are held by the Petrowest Business Trust. PRW's Trust Units trade on the TSX under the symbol "PRW.UN".

BUSINESS OF THE TRUST

The Trust is a diversified services trust that provides pre-drilling and post-completion oilfield services to the northern region of the Western Canadian Sedimentary Basin as well as hauling, logging, gravel crushing and civil construction for infrastructure and commercial projects. The Trust services the region via its head and operational office in Grande Prairie, Alberta and 12 full-service locations throughout northern Alberta and British Columbia, each with a staging area, shop area, and sales and service personnel.

The Trust is based in the Grande Prairie area of northern Alberta. For the three month period ended December 31, 2009, approximately 44% (2008 – 41%) of the Trust's services were directly related to the energy sector with the remainder of services related to non-energy sectors services. For the twelve month period ended December 31, 2009, approximately 41% (2008 – 46%) of services were directly related to the energy sector. These percentages do not factor in the energy sector activities of the rig mobilization and demobilization assets of the Trust's transportation division which were disposed of in the second quarter of 2009 the ("Discontinued Operations") and relate to activities from continuing operations. For the three month period ended December 31, 2009 the energy sector percentage was 3% greater compared to the same period of 2008. The increase is primarily related to a significant infrastructure project in the last quarter of 2008. The percentage of services directly related to the energy services sector decreased by 5% for the twelve months ended December 31, 2009 compared to 2008 due to significant decreases in all business sectors of the Trust except lumber hauling which had a proportionately smaller year over year decline.

Petrowest Construction LP

Petrowest Construction LP ("Construction LP"), a limited partnership that is, indirectly, wholly owned by the Trust, operates under the trade names of "Gordon Bros. Construction", "Roy Larson Construction", "Wales Contractors", "Jim Moffatt Construction", and "Quigley Contracting", and specializes in the construction of oil and gas lease well site pads, road construction, remediation of oil and gas well sites and civil infrastructure work for non oil and gas related clients. Construction LP operates a fleet of heavy equipment including dozers, tracked hoe excavators, articulated rock haulers, compactors, graders, and scrapers as well as other ancillary support equipment.

Petrowest Transportation LP

Petrowest Transportation LP ("Transportation LP"), a limited partnership that is, indirectly, wholly owned by the Trust, operates under the trade names of "Murtron Hauling" and "Cutbank Trucking" and specializes in specialty hauling services including log loading and hauling, gravel loading and hauling, and heavy equipment hauling. Transportation LP operates a fleet of heavy transport trucks, trailers, jeeps, boosters, log and gravel loading equipment as well as other ancillary support equipment. The Discontinued Operations had operated under the trade name "D&D Well Services".

Petrowest Civil Services LP

Petrowest Civil Services LP ("Civil Services LP"), a limited partnership that is, indirectly, wholly owned by the Trust, operates under the trade names of "R Bee Crushing", "Tri-Dave Gravel Sales" and "S.O.S. Oilfield Safety". The Civil Services LP specializes in mobile aggregate rock crushing and sand screening for gravel supply operations throughout Alberta and British Columbia operating a fleet of cone and jaw crusher units, conveyor and sand stacker units, loaders, dozers, tracked hoe excavators and articulated rock trucks. Civil Services LP also provides safety services including safety supervision and rental of safety air units and wash units provide for safety support during oil and gas drilling operations and plant turnarounds.

Petrowest Services Rentals LP

Petrowest Services Rentals LP ("Rentals LP"), a limited partnership that is, indirectly, wholly owned by the Trust, operates under the trade name of "Nu-Northern Tractor Rentals" and specializes in heavy equipment rentals to oil and gas companies, oil sand clients, and independent contractors working in the oil and gas, mining, logging, pulp and paper and civil construction industries. Rentals LP operates a fleet of heavy equipment including dozers, tracked hoe excavators, articulated rock haulers, compactors and sideboom pipelayers.

In March of 2010 the Trust began the orderly wind-up of Nu Northern Tractor Rentals. Nu Northern Tractor Rentals will remain in the market as a semi dormant operation. The Trust will continue to lease equipment into the market by taking equipment if available from operations. The semi dormant trade name will be the framework for re-entering the market in the future as markets turn around.

Recent Developments

Amended and Restated Credit Agreement

As at March 31, 2010, $69.3 million was outstanding under the Trust's revolving bank term loan (including bank overdraft). The term of the credit facility expired on December 14, 2009 and the banking syndicate had not extended this date. As a result, as at March 31, 2010, the Trust was subject to the requirement 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 for which the banking syndicate provided a deferral until January 15, 2010. As at March 31, 2010, the waivers and deferrals above had not been extended by the banking syndicate and, as a result, as at March 31, 2010, the Trust was in default under the credit facility which was effectively due on demand.

On May 17, 2010, the General Partner, as borrower, and the Trust and each of its direct and indirect subsidiaries, as guarantors, entered into an amended and restated credit agreement (the "Amended and Restated Credit Agreement") with a syndicate of Canadian chartered banks and other financial institutions (the "Lenders"), which amended and restated the Trust's existing credit facilities in their entirety. The Amended and Restated Credit Agreement provides for credit facilities in an initial aggregate principal amount of $70,000,000, consisting of a revolving credit facility in the principal amount of $63,000,000 and a working capital facility in the principal amount of $7,000,000 subject to the following scheduled reductions over the term of the facility: a reduction of $2.5 million on June 30, 2010; a reduction of $3.75 million on September 30, 2010; a reduction of $3.75 million on December 31, 2010; and a reduction of $2.5 million on March 31, 2011. All outstanding borrowings under the Amended and Restated Credit Agreement will be repayable in full on April 30, 2011 (the "Maturity Date"), unless the Lenders agree to extend the Maturity Date.

The obligations of the General Partner, as borrower, under the credit facilities are guaranteed by the Trust and each of its direct and indirect subsidiaries (other than the General Partner as borrower) and are secured by a lien on substantially all of the assets of the Trust and each of its direct and indirect subsidiaries.

The Amended and Restated Credit Agreement also provides that all outstanding borrowings will effectively be due on demand upon the occurrence of an event of default. Among other events of default, it is an event of default under the Amended and Restated Credit Agreement if the Trust does not receive gross proceeds of $7,500,000 from the Offering on or before June 15, 2010. The Trust intends to request an extension of this date to coincide with the expiry of the Rights; management of the Trust has discussed this request with the Lenders and believes that there is a good likelihood that the Lenders will agree to extend this date.

The Amended and Restated Credit Agreement requires the maintenance of the following financial ratios at all times on a consolidated basis: (i) a quarterly funded debt to EBITDA ratio to be no greater than 10.0:1.0 for the first fiscal quarter of 2010, 5.5:1.0 for the second fiscal quarter of 2010, 5.0:1.0 for the third fiscal quarter of 2010, and 4.0:1.0 thereafter; and (ii) a fixed charge coverage ratio to be at least 1.0:1.0 at the end of each fiscal quarter. As at the date hereof, the General Partner and the Trust are in compliance with the foregoing covenants.

The borrowings under the Amended and Restated Credit Agreement will bear interest at the following rates: (i) prime rate plus a margin of 5.5%; or (ii) in the case of borrowings made available by letters of credit or letters of guarantee, a fee of 6.5% per annum. In addition, there will be a commitment fee of 1.0% of the unused portion of the facilities made available under the Amended and Restated Credit Agreement.

The following fees are applicable in connection with the entering into of the Amended and Restated Credit Agreement: (i) an amendment fee of 100 basis points payable to each Lender under the Amended and Restated Credit Agreement on a pro rata basis; and (ii) certain other customary fees and expenses of the Lenders and the administration agent.

Pursuant to the Amended and Restated Credit Agreement 100% of the proceeds of asset sales or other divestitures by the Trust or its subsidiaries shall be used for mandatory prepayment of the loans made available under the Amended and Restated Credit Agreement. In addition, the Amended and Restated Credit Agreement provides for mandatory prepayments from quarterly cash sweeps equal to 50% of free cash flow of the Trust and its subsidiaries, which will permanently reduce the loans provided under the Amended and Restated Credit Agreement. In addition to mandatory prepayments, the Amended and Restated Credit Agreement will provide for voluntary prepayments of the loans at any time without premium or penalty, subject to customary unwinding and breakage costs.

The Amended and Restated Credit Agreement also contains customary covenants, including, but not limited to, restrictions on the Trust's and its subsidiaries' ability to: enter into mergers, consolidations or amalgamations; incur additional indebtedness; incur liens or other encumbrances on their assets; make acquisitions, loans, advances, investments or capital expenditures; pay dividends or distributions (including by the Trust to unitholders); sell or dispose of assets; optionally prepay or modify terms of any subordinated indebtedness; enter into transactions with affiliates; or change their lines of business.

USE OF PROCEEDS

In the event that the maximum proceeds are raised, the estimated net proceeds of the Offering to be received by the Trust will be an amount of $7,201,623.39 (after deducting the expenses of the Offering, expected to be approximately $572,079.61). In the event that the minimum proceeds are raised, the estimated net proceeds of the Offering will be an amount of $6,937,500 (after deducting expenses of approximately $562,500). In the event that either the minimum or the maximum amount of proceeds are raised, the entirety of the net proceeds derived from the Offering will be used to fund its daily operations and to fund working capital. In the event that all of the Warrants are exercised in accordance with their terms, the Trust will receive additional consideration of $1,054,615.19.

The Trust intends to use the entire net proceeds of the Offering to fund its working capital requirements and to fund its daily operations, primarily fuel, salaries and operating lease payments, for approximately two to three months from the date hereof, until the Trust begins to collect the receivables the Trust is currently generating. The Trust believes that the net proceeds of the Offering will be adequate for its intended purposes.

The Trust's business is subject to seasonal cycles throughout the year and the Trust commonly has accounts receivable that are outstanding from its customers for 60 to 75 days. During this period of the cycle following spring break-up, the Trust intends to use the proceeds of the Offering, as well as proceeds from its ongoing operations to fund its ongoing operational expenses while it is waiting to collect the resulting accounts receivable. Management of the Trust believes that with the proceeds of the Offering and the proceeds from its ongoing operations, the Trust shall have a sufficient amount of cash to meet the needs of its ongoing operations. In the immediate term, the net proceeds of the Offering will be used to reduce the amount drawn on the Trust's working capital facility.

DESCRIPTION OF OFFERED SECURITIES

Issue of Rights and Record Date

Holders of record at the close of business (Calgary time) on the Record Date will receive Rights on the basis of one Right for each Unit held at that time. The Rights permit the holders thereof (provided that such holders are in an Eligible Jurisdiction) to subscribe for and purchase from the Trust an aggregate of approximately 53,571,429 Trust Units and 1,955,021 Subordinated Units. The Rights are transferable in Canada by the holders thereof. See "Sale or Transfer of Rights".

The Rights will be represented by the Rights Certificates that will be issued in registered form. For Holders who hold their Units in registered form, a Rights Certificate evidencing the number of Rights to which a Holder is entitled as at the Record Date and the number of Units which may be obtained on exercise of those Rights will be mailed with a copy of this Prospectus to each Holder as of the close of business (Calgary time) on the Record Date. See "Rights Certificate - Units Held in Registered Form".

Holders that hold their Units through a CDS Participant will not receive physical Rights Certificates evidencing their ownership of Rights. On the Record Date, a global certificate representing such Rights will be issued in registered form to, and in the name of, CDS or its nominee. See "Rights Certificate - Trust Units Held Through CDS".

Subscription Basis

Each Holder of Trust Units is entitled to subscribe for 1.685362 Trust Units per Right such that a Holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit for the Subscription Price per Trust Unit. Each Holder of Subordinated Units is entitled to subscribe for or 1.685363 Subordinated Units per Right such that a Holder of Subordinated Units may exercise 0.593344 Rights to purchase one Subordinated Unit for the Subscription Price per Subordinated Unit. Any exercise of Rights will be irrevocable once submitted. Fractional Units will not be issued upon the exercise of Rights. Each holder of a Rights Certificate which evidences a number of Rights not evenly divisible by 1 will have the right to round up the number of Trust Units or Subordinated Units it is entitled to subscribe for to the next nearest whole number. CDS Participants that hold Rights for more than one beneficial holder may, upon providing evidence satisfactory to the Trust, exercise Rights on behalf of its accounts on the same basis as if the beneficial owners of Trust Units were holders of record on the Record Date.

Commencement Date and Expiration Date

The Rights will be eligible for exercise following June 2, 2010 (the "Commencement Date") and will expire at the Expiry Time on the Expiry Date. Holders who exercise the Rights will become holders of Trust Units or Subordinated Units, as applicable, issued through the exercise of the Rights on the completion of the Offering, which is expected to occur on or before the second business day following the Expiry Date. **HOLDERS OF RIGHTS WILL NOT BE PERMITTED TO EXERCISE SUCH RIGHTS SUBSEQUENT TO THE EXPIRY TIME.**

Basic Subscription Privilege

Each Holder at the close of business on the Record Date is entitled to receive one Right for each Unit held. For each Right held, a Holder of Trust Units (other than an Ineligible Holder) is entitled to subscribe for 1.685362 Trust Units per Right, such that a Holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit for the Subscription Price per Trust Unit under the Basic Subscription Privilege, and, for each Right held, a Holder of Subordinated Units (other than an Ineligible Holder) is entitled to subscribe for 1.685363 Subordinated Units per Right, such that a Holder of Subordinated Units may exercise 0.593344 Rights to purchase one Subordinated Unit for the Subscription Price per Subordinated Unit under the Basic Subscription Privilege. Subscriptions for Units as aforesaid may be completed by subscribing and making payment in the manner described herein before the Expiry Time on the Expiry Date.

Each Holder of Trust Units is entitled to subscribe for 1.685362 Trust Units per Right such that a Holder of Trust Units may exercise 0.593344 Rights to purchase one Trust Unit for the Subscription Price per Trust Unit. Each Holder of Subordinated Units is entitled to subscribe for or 1.685363 Subordinated Units per Right such that a Holder of Subordinated Units may exercise 0593344 Rights to purchase one Subordinated Unit for the Subscription Price per Subordinated Unit.

A holder of Rights to subscribe for Trust Units that subscribes for some, but not all, of the Trust Units pursuant to its Basic Subscription Privilege will be deemed to have elected to waive its right to purchase the unexercised balance of such Rights and the Trust Units otherwise issuable pursuant to such unexercised balance of Rights will form part of the Additional Units and will have no value to such Holder. Holders of Rights to subscribe for Trust Units who exercise in full the Basic Subscription Privilege for their Rights are also entitled to subscribe for the Additional Units, if any, that are not otherwise subscribed for by other holders of Rights to subscribe for Trust Units pursuant to their Basic Subscription Privilege, pursuant to the Additional Subscription Privilege. See "Additional Subscription Privilege".

Fractional Units will not be issued upon the exercise of Rights. Each holder of a Rights Certificate which evidences a number of Rights not evenly divisible by 1 will have the right to round up the number of Trust Units or Subordinated Units it is entitled to subscribe for to the next nearest whole number. CDS Participants that hold Rights for more than one beneficial holder as at the Record Date may, upon providing evidence satisfactory to the Trust and the Subscription Agent, exercise Rights on behalf of their accounts on the same basis as if the beneficial owners of Trust Units were holders of record on the Record Date.

For Rights held in registered form, in order to exercise the Rights represented by a Rights Certificate, the Holder of Rights must complete and deliver the Rights Certificate to the Subscription Agent in accordance with the terms of this Offering and in the manner and upon the terms set out in this Prospectus and pay the aggregate Subscription Price. Subscribers will be unable to withdraw their subscriptions for Units once submitted, except in accordance with applicable securities legislation.

For Rights held through a CDS Participant, a holder may subscribe for Units by instructing the CDS Participant holding the Rights to exercise all or a specified number of such Rights and forwarding the Subscription Price for the Units subscribed for in accordance with the terms of this Offering to such CDS Participant. Subscriptions for Units made in connection with the Offering through a CDS Participant will be irrevocable and subscribers will be unable to withdraw their subscriptions for Units once submitted. CDS Participants will have an earlier deadline for receipt of instructions and payment than the Expiry Time on the Expiry Date.

The Subscription Price is payable in Canadian funds by certified cheque, bank draft or money order drawn to the order of the Subscription Agent. In the case of subscription through a CDS Participant, the Subscription Price is payable by certified cheque, bank draft or money order drawn to the order of such CDS Participant, by direct debit from the subscriber's brokerage account or by electronic funds transfer or other similar payment mechanism. The entire Subscription Price for Units subscribed for must be paid at the time of subscription and must be received by the Subscription Agent at the Subscription Office prior to the Expiry Time on the Expiry Date. Accordingly, a subscriber subscribing through a CDS Participant must deliver its payment and instructions sufficiently in advance of the Expiry Date to allow the CDS Participant to properly exercise the Rights on its behalf. The Subscription Agent will provide assistance to CDS Participants with respect to exercising their Rights.

Payment of the Subscription Price will constitute a representation to the Trust and, if applicable, to the CDS Participant, by the subscriber (including by its agents) that: (a) the subscriber is not a citizen or resident of an Ineligible Jurisdiction and the subscriber is thus an Eligible Holder, as applicable; (b) the subscriber is not purchasing the Units for resale to any person who is a citizen or resident of an Ineligible Jurisdiction; and (c) the subscriber is not a person who is prevented by any applicable legal, regulatory or contractual restrictions from purchasing the Units. Holders may transfer any Rights without any costs being levied by the Trust.

Additional Subscription Privilege

Each holder of Rights to subscribe for Trust Units who has exercised its Basic Subscription Privilege in full may subscribe on a pro rata basis for Additional Units, if available, at a price equal to the Subscription Price for each Additional Unit. The total number of Additional Units available will be the difference, if any, between the total number of Trust Units issuable upon exercise of Rights and the total number of Trust Units subscribed and paid for pursuant to the Basic Subscription Privilege at the Expiry Time on the Expiry Date. Subscriptions for Additional Units will be received subject to allotment only and the number of Additional Units, if any, that may be allotted on a pro rata basis to each subscriber will be equal to the lesser of: (a) the number of Additional Units that such subscriber has subscribed for; and (b) the product (disregarding fractions) obtained by multiplying the number of Additional Units available to be issued by a fraction, the numerator of which is the number of Rights to subscribe for Trust Units previously exercised by the subscriber and the denominator of which is the aggregate number of Rights to subscribe for Trust Units previously exercised under the Offering by all Holders of Rights to subscribe for Trust Units that have subscribed for Additional Units. If any Holder of Rights to subscribe for Trust Units has subscribed for fewer Additional Units than such Holder's maximum allotment of Additional Units (as calculated under (b) above), the excess Additional Units will be allotted in a similar manner among the Holders who were allotted fewer Additional Units than they subscribed for.

To apply for Additional Units under the Additional Subscription Privilege, each holder of Rights must forward its request to the Subscription Agent at the Subscription Office or their CDS Participant, as applicable, prior to the Expiry Time on the Expiry Date. Payment for Additional Units, in the same manner as required upon exercise of the Basic Subscription Privilege, must accompany the request when it is delivered to the Subscription Agent or a CDS Participant, as applicable. Any excess funds will be returned by mail by the Subscription Agent or credited to a subscriber's account with its CDS Participant, as applicable, without interest or deduction. Payment of such price must be received by the Subscription Agent prior to the Expiry Time on the Expiry Date, failing which the subscriber's entitlement to such Additional Units will terminate. Accordingly, a holder of Rights to subscribe for Trust Units subscribing through a CDS Participant must deliver its payment and instructions to its CDS Participant sufficiently in advance of the Expiry Time on the Expiry Date to allow the CDS Participant to properly exercise the Additional Subscription privilege on its behalf. CDS Participants may have an earlier deadline for receipt of instructions and payment than the Expiry Time on the Expiry Date.

Payment of the Subscription Price will constitute a representation to the Trust and, if applicable, to the CDS Participant, by the subscriber (including by its agents) that: (a) the subscriber is not a citizen or resident of an Ineligible Jurisdiction and the subscriber is thus an Eligible Holder, as applicable; (b) the subscriber is not purchasing the Units for resale to any person who is a citizen or resident of an Ineligible Jurisdiction; and (c) the subscriber is not a person who is prevented by any applicable legal, regulatory or contractual restrictions from purchasing the Trust Units.

Subscription Agent

The Subscription Agent has been appointed the agent of the Trust to receive subscriptions and payments from holders of Rights Certificates, to perform certain services relating to the exercise and transfer of Rights and to assist Holders with any questions with respect to the Offering or completing any of the Offering documents to exercise their Rights. The Trust will pay for the services of the Subscription Agent acting in its role as dealer manager. Subscriptions and payments under the Offering should be sent (by hand, courier or registered mail) to the Subscription Agent at:

Valiant Trust Company
600, 750 Cambie Street
Vancouver, British Columbia V6B 0A2

Attention:	Reorganization Department
Fax:	(604) 681-3067

Inquiries relating to the Offering should be addressed to the Subscription Agent by telephone at 1-866-313-1872.

The Subscription Agent shall also act as depository for the subscription proceeds received from the exercise of Rights. In the event that the Trust fails to raise the minimum proceeds from the Offering and from the Stand-by Purchasers, the Subscription Agent shall return all amounts received by Holders wishing to exercise their Rights, without interest or deduction.

Rights Certificate - Units Held in Registered Form

To each Holder with an address of record in an Eligible Jurisdiction whose Units are held in registered form, a Rights Certificate representing the total number of Rights to which each such Holder is entitled as at the Record Date and the number of Units which may be obtained on exercise of those Rights will be mailed with a copy of this Prospectus to each such Holder. In order to exercise the Rights represented by the Rights Certificate, such holder of Rights must complete and deliver the Rights Certificate in accordance with the instructions set out under "How to Complete the Rights Certificate". Holders of Rights will not be permitted to exercise such Rights subsequent to the Expiry Time.

Rights Certificate - Trust Units Held Through CDS

For all Holders who hold their Units through a securities broker or dealer, bank or trust company or other CDS Participant with an address of record in an Eligible Jurisdiction in the book based system administered by CDS, a global certificate representing the total number of Rights to which all such Holders as at the Record Date are entitled will be issued in registered form to CDS and will be deposited with CDS on the Commencement Date. The Trust expects that each beneficial Holder will receive a confirmation of the number of Rights issued to it from its CDS Participant in accordance with the practices and procedures of that CDS Participant. CDS will be responsible for establishing and maintaining book -entry accounts for CDS Participants holding Rights.

Neither the Trust nor the Subscription Agent will have any liability for: (a) the records maintained by CDS or CDS Participants relating to the Rights or the book-entry accounts maintained by them; (b) maintaining, supervising or reviewing any records relating to such Rights; or (c) any advice or representations made or given by CDS or CDS Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or CDS Participants.

The ability of a Holder having an interest in Rights held through a CDS Participant to pledge such interest or otherwise take action with respect to such interest (other than through a CDS Participant) may be limited due to the lack of a physical certificate. Unitholders who hold their Units through a CDS Participant must arrange transfers of Rights through their CDS Participant. It is anticipated by the Trust that each such transferor or transferee of a Right will receive a customer confirmation of transfer from the CDS Participant through which such Right is transferred in accordance with the practices and policies of such CDS Participant. See - "Sale or Transfer of Rights".

How to Complete the Rights Certificate

(a) Forms 1A and 1B - *Basic Subscription Privilege.* The maximum number of Rights that may be exercised pursuant to the Basic Subscription Privilege is shown in the box on the upper right hand corner on the face of the Rights Certificates. Form 1A must be completed and signed to exercise all or some of the Rights to subscribe for Trust Units represented by the Rights Certificate pursuant to the Basic Subscription Privilege. Form 1B must be completed and signed to exercise all or some of the Rights to subscribe for Subordinated Units represented by the Rights Certificate pursuant to the Basic Subscription Privilege. If Form 1A is completed so as to exercise some but not all of the Rights represented by the Rights Certificate, the Holder of the Rights Certificate will be deemed to have waived the unexercised balance of such Rights to subscribe for Trust Units and the Trust Units otherwise issuable pursuant thereto will form part of the Additional Units and will have no value to such Holder.

(b) Form 2 - *Additional Subscription Privilege.* Complete and sign Form 2 on the Rights Certificate only if you also wish to participate in the Additional Subscription Privilege. See "Additional Subscription Privilege."

(c) Form 3 - *Transfer of Rights.* Complete and sign Form 3 on the Rights Certificate only if you wish to transfer the Rights. Your signature must be guaranteed by a Canadian Schedule I bank or a member of an acceptable Medallion Signature Guarantee Program, including STAMP, SEMP, and MSP Members of STAMP, which organizations are usually members of a recognized stock exchange in Canada or members of the Investment Industry Regulatory Organization of Canada. The guarantor must affix a stamp bearing the actual words "Signature Guaranteed." It is not necessary for a transferee to obtain a new Rights Certificate to exercise the Rights, but the signatures of the transferee on Forms 1 and 2 must correspond in every particular with the name of the transferee (or the bearer if no transferee is specified) as the absolute owner of the Rights Certificate for all purposes. If Form 3 is completed, the Subscription Agent will treat the transferee as the absolute owner of the Rights Certificate for all purposes and will not be affected by notice to the contrary.

(d) Form 4 - *Dividing or Combining.* Complete and sign Form 4 on the Rights Certificate only if you wish to divide or combine the Rights Certificate and surrender it to the Subscription Agent at the

Subscription Office. Rights Certificates need not be endorsed if the new Rights Certificates are issued in the same name. The Subscription Agent will then issue a new Rights Certificate in such denominations (totalling the same number of Rights as represented by the Rights certificates being divided or combined) as are required by the Rights Certificate Holder. Rights Certificates must be surrendered for division or combination in sufficient time prior to the Expiry Time on the Expiry Date to permit the new Rights Certificates to be issued to and used by the Rights Certificate Holder.

(e) *Payment.* Enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Valiant Trust Company. The amount of payment will be $0.14 per Unit. Payment must also be included for any Additional Units subscribed for under the Additional Subscription Privilege.

(f) *Deposit.* Deliver or mail the completed Rights Certificate and payment in the enclosed return envelope addressed to the Subscription Agent so that it is received by the Subscription Office listed above before the Expiry Time on the Expiry Date. If mailing, registered mail is recommended. Please allow sufficient time to avoid late delivery. The signature of the Rights Certificate holder must correspond in every particular with the name that appears on the face of the Rights Certificate.

Signatures by a trustee, executor, administrator, guardian, attorney, officer of a Trust or any person acting in a fiduciary or representative capacity should be accompanied by evidence of authority satisfactory to the Subscription Agent. All questions as to the validity, form, eligibility (including time of receipt) and acceptance of any subscription will be determined by the Trust in its sole discretion, and any determination by the Trust will be final and binding on the Trust and its security holders. Upon delivery or mailing of the completed Rights Certificate to the Subscription Agent, the exercise of the Rights and the subscription for Units is irrevocable. The Trust reserves the right to reject any subscription if it is not in proper form, if in breach of the terms and conditions provided herein, or if the acceptance thereof or the issuance of Units pursuant thereto could be unlawful. The Trust also reserves the right to waive any defect in respect of any particular subscription. Neither the Trust nor the Subscription Agent is under any duty to give any notice of any defect or irregularity in any subscription, nor will they be liable for the failure to give any such notice. **Any holder of Rights that fails to complete its subscription in accordance with the foregoing instructions prior to the Expiry Time on the Expiry Date will forfeit its Rights under the Basic Subscription Privilege and, with respect to Rights to subscribe for Trust Units, the Additional Subscription Privilege attaching to those Rights.**

Undeliverable Rights

Rights Certificates returned to the Subscription Agent as undeliverable will not be sold by the Subscription Agent and no proceeds of sale will be credited to the holders of those Rights. The Trust Units issuable upon exercise of the Rights represented by such undeliverable Rights Certificates will be Additional Units for which other holders may subscribe under the Additional Subscription Privilege.

Sale or Transfer of Right

Holders of Rights in registered form in Canada may, instead of exercising their Rights to subscribe for Units, sell or transfer their Rights to any person that is not an Ineligible Holder by completing Form 3 on the Rights Certificate and delivering the Rights Certificate to the transferee. See "How to Complete the Rights Certificate - Form 3 - Transfer of Rights". A permitted transferee of the Rights of a registered holder of a Rights Certificate may exercise the Rights transferred to such permitted transferee without obtaining a new Rights Certificate. If a Rights Certificate is transferred in blank, the Trust and the Subscription Agent may thereafter treat the bearer as the absolute owner of the Rights Certificate for all purposes and neither the Trust nor the Subscription Agent will be affected by any notice to the contrary. Holders of Rights through CDS Participants in Canada who wish to sell or transfer their Rights must do so in the same manner in which they sell or transfer Units. See "Rights Certificate - Units Held Through CDS".

Dividing or Combining Rights Certificates

A Rights Certificate may be divided, exchanged or combined. See "How to Complete the Rights Certificate - Form 4 - *Dividing or Combining*".

Reservation of Units

The Trust will, at all times, reserve sufficient unissued: (i) Trust Units and Subordinated Units as will permit the exchange of all the outstanding Rights for Trust Units and Subordinated Units during the period beginning on the Commencement Date and ending on the Expiry Time on the Expiry Date; and (ii) Trust Units for issuance upon exercise of the Warrants.

Dilution to Existing Holders

If a Holder sells or does not exercise all of its Rights to purchase Units pursuant to the Basic Subscription Privilege, the Holder's current percentage ownership in the Trust Units or Subordinated Units, as applicable, will be diluted by the issuance of Trust Units or Subordinated Units, as applicable, upon the exercise of Rights by holders of Rights, as well as the issuance of Trust Units to the Stand-by Purchasers in connection with the terms and conditions of the Stand-by Agreement. **Holders should be aware that the Stand-by Purchasers have agreed to purchase all Trust Units not purchased by Holders in connection with the Rights under the Basic Subscription Privilege and the Additional Subscription Privilege, subject to certain limitations. See "Plan of Distribution".**

Stand-by Commitment

Pursuant to the Stand-by Agreement, the Stand-by Purchasers have agreed, subject to certain terms and conditions, to purchase all Trust Units not otherwise subscribed for under the Basic Subscription Privilege and the Additional Subscription Privilege. As consideration for their commitment to purchase the Commitment Units, the Trust has agreed to issue Warrants equalling 10.67% of the Trust Units issued pursuant to the Offering, including the Commitment Units. The Warrants shall be exercisable for $0.1879 per Trust Unit and will expire 12 months from the closing of the Offering.

Ineligible Holders

This Prospectus constitutes an offering of securities of the Trust only in the Eligible Jurisdictions. This Offering is not being made in any jurisdictions outside the Eligible Jurisdictions or the United States. Consequently, the Securities have not been and will not be registered under the 1933 Act or any state securities laws. Accordingly, the Securities are not being offered to persons in or whose addresses of record are in any other jurisdiction outside of the Eligible Jurisdictions or the United States. Subject to the exception described below, neither the Trust, nor the Subscription Agent will accept subscriptions from any Holder or from any transferee of Rights who is or appears to be, or who the Subscription Agent has reason to believe is a resident of any jurisdiction outside of the Eligible Jurisdictions or the United States, except in certain circumstances noted below.

Notwithstanding the foregoing, Ineligible Holders who establish to the satisfaction of the Trust that the receipt by them of the Rights and the issuance to them of Units upon the exercise of Rights will not be in violation of the laws of their jurisdiction of residence or other applicable jurisdiction will be allowed to participate in the Offering and exercise their Rights. Such Ineligible Holders shall furnish an investor letter to the Subscription Agent, in writing (at the Subscription Office or by facsimile transmission – fax no. (604) 681-3067), satisfactory to the Trust, on or before June 17, 2010. The form of investor letter will be available from the Trust or the Subscription Agent upon request. In addition to the investor letter, the Trust or the Subscription Agent may request such additional information as it may deem necessary (such as an opinion of counsel) to ensure that the issuance of Rights (and Units upon issuance thereof) is lawful and in compliance with all securities and other laws applicable in the jurisdiction where such holder is resident. Any person resident outside of the Eligible Jurisdictions, who is subject to the laws of a jurisdiction where this Offering may be lawful, should seek advice from an attorney or other qualified securities authority to satisfy himself or herself with respect to the availability and applicability of any exemption or other provision of the applicable securities legislation that would make this Offering to him or her lawful.

Certificates for Securities will not be issued and forwarded by the Trust to Ineligible Holders. Holders will be presumed to be resident in the place of their registered address, unless the contrary is shown to the satisfactory of the Trust. The Rights Certificates which would have been issued to Ineligible Holders will be issued to and held by the Subscription Agent as agent for the benefit of Ineligible Holders. The Subscription Agent will hold the Rights until June 18, 2010 (the tenth day prior to the Expiry Date) in order to give Ineligible Holders, at their expense, an opportunity to prove to the satisfaction of the Trust that they are residents of an Eligible Jurisdiction or that the receipt by them of the Rights and the issuance of Units pursuant to the exercise of Rights will not be in violation of the laws of the applicable jurisdiction, without imposing any requirement on the Trust to comply with legal requirements of the applicable jurisdiction other than those being complied with for the offering of Rights in the Eligible Jurisdictions, or if management of the Trust, in its own discretion, agrees to meet the legal requirements of the applicable jurisdiction.

Following such date, the Subscription Agent will attempt, on a best-efforts basis, for the account of such Ineligible Holders, to sell the Rights allocable to such Ineligible Holders and evidenced by Rights Certificates in the possession of the Subscription Agent prior to the Expiry Time on a date or dates and at a price or prices as the Subscription Agent determines in its sole discretion. **The Subscription Agent's ability to sell Rights, and the prices obtained for the Rights, will be dependent on market conditions. Neither the Trust nor the Subscription Agent will be subject to any liability for failure to sell any Rights of Ineligible Holders at any particular price or prices, or at all.** The proceeds received by the Subscription Agent from the sale of Rights, net of any applicable costs, brokerage fees and expenses, will be divided among the Ineligible Holders *pro rata* according to the total number of Trust Units held by them as at the close of business on the Record Date. The Subscription Agent will mail cheques to Ineligible

Holders at their addresses appearing in the records of the Subscription Agent for their respective proportions of those net proceeds, subject to any applicable taxes which must be withheld for particular Holders, provided that the Subscription Agent shall not be required to make any such payment to an Ineligible Holder in the event the amount owing to such Holder is less than $10.00. Such amount shall be forwarded to the Trust to be used by the Trust to set-off a portion of the remuneration payable to the Subscription Agent for its services hereunder.

No charge will be made for the sale of such Rights by the Subscription Agent except for a proportionate share of any brokerage commissions incurred by the Subscription Agent and the costs of or incurred by the Subscription Agent in connection with the sale of the Rights. Registered Ineligible Holders will not be entitled to instruct the Subscription Agent in respect of the price or the time at which the Rights are to be sold. The Subscription Agent will endeavour to effect sales of Rights, on a reasonable best efforts basis, on the open market and any proceeds received by the Subscription Agent with respect to the sale of Rights net of brokerage fees and costs incurred and, if applicable, the Canadian tax required to be withheld, will be divided on a pro rata basis among such registered Ineligible Holders and delivered by mailing cheques (in Canadian funds) of the Subscription Agent therefor as soon as practicable to such registered Ineligible Holders at their addresses recorded on the books of the Trust. Amounts of less than $10.00 will not be remitted. Such amount will be forwarded to the Trust to be used by the Trust to set-off a portion of the remuneration of the Subscription Agent for its services hereunder. The Subscription Agent will act in its capacity as agent of the registered Ineligible Holders on a reasonable efforts basis only and the Trust and the Subscription Agent do not accept responsibility for the price obtained on the sale of, or the inability to sell, the Rights on behalf of any Ineligible Holder. Neither the Trust nor the Subscription Agent will be subject to any liability for the failure to sell any Rights of registered Ineligible Holders or as a result of the sale of any Rights at a particular price or on a particular day. **There is a risk that the proceeds received from the sale of Rights will not exceed the costs related to or incurred by the Subscription Agent in connection with the sale of such Rights and, if applicable, the Canadian tax required to be withheld. In such event, no proceeds will be remitted.**

Holders of Securities who are not resident in Canada should be aware that the acquisition, exercise, disposition or lapse of Securities may have tax consequences in the jurisdiction where they reside and in Canada, which are not described herein. Accordingly, such holders should consult their own tax advisors about the specific tax consequences in the jurisdiction where they reside and in Canada of acquiring, exercising, holding and disposing of Securities.

PLAN OF DISTRIBUTION

Pursuant to the Dealer Manager Agreement, the Trust has appointed the Dealer Manager to form a dealer manager group comprised of the Investment Dealers Association of Canada and the Canadian stock exchanges to use commercially reasonable efforts to solicit the exercise of Rights for subscriptions for Units. In addition to its role as dealer manager, the Dealer Manager has provided certain additional services to the Trust including assistance in renegotiating the Trust's credit facility and facilitating discussions between the Trust and its syndicate of lenders and the Trust and certain of its significant unitholders, including certain of the Stand-by Purchasers.

The Trust has agreed to pay the Dealer Manager a fee equal to three and one half percent (3.5%) of the gross proceeds of the Offering, equal to $0.0049 per Right to subscribe for Units. All fees payable to the Dealer Manager will be paid on account of services rendered in connection with, and prior to, the Offering and will be paid from the proceeds of the Offering.

The Subscription Price was determined by reference to the rules and policies of the TSX and represents a discount of 25.5% of $0.1879, the volume weighted average price of the Trust Units on the TSX during the five trading days ended May 25, 2010.

Pursuant to the Dealer Manager Agreement, the Trust has agreed to indemnify the Dealer Manager and its affiliates and their respective directors, officers, employees and agents against certain liabilities.

Pursuant to the Stand-by Agreement, the Stand-by Purchasers have agreed, subject to certain terms and conditions, to purchase all Trust Units not otherwise subscribed for under the Basic Subscription Privilege and the Additional Subscription Privilege. It is a provision of the Stand-by Agreement that PetroCorp shall be entitled to purchase up to the first $2,500,000 of Commitment Units available for purchase thereunder. Following PetroCorp's initial $2,500,000 purchase, the remaining Commitment Units shall be purchased by the other Stand-by Purchasers as provided for in the Stand-by Agreement. In the event that less than $1,500,000 of Commitment Units are available for purchase in connection with the Stand-by Agreement, neither PetroCorp nor Larry Patriquin shall purchase any Commitment Units and any such remaining amounts shall be divided among the other Stand-by Purchasers in accordance with the percentages set forth in the Stand-by Agreement. As consideration for their commitment to purchase the Commitment Units, the Trust has agreed to issue Warrants equalling 10.67% of the Trust Units issued pursuant to the Offering, including the Commitment Units. The Warrants shall be exercisable for $0.1879 per Trust Unit and will expire 12 months from the closing of the Offering. The full text of the Stand-by Agreement is available on SEDAR at www.sedar.com.

In the event that no Rights to purchase Units are exercised in connection with the Offering and all of the Commitment Units are purchased in accordance with the provisions of the Stand-by Agreement, PetroCorp would control approximately 21% of the total issued and outstanding Trust Units, Larry Patriquin would control approximately 4% of the total issued and outstanding Trust Units and the remaining Stand-by Purchasers would control, in the aggregate, 47% of the total issued and outstanding Trust Units.

The rights of the Stand-by Purchasers to terminate their obligations under the Stand-by Agreement generally include, among other things: (i) the occurrence of a material change which may have a materially adverse effect on the Trust or the trading price of the Trust Units (ii) the occurrence of an event of national or international consequence which may adversely affect or involve the business, operations or affairs of the Trust; (iii) the breach by the Trust of its representations warranties or covenants under the Stand-by Agreement; (iv) the failure by the Trust to deliver executed copies of the Amended and Restated Credit Agreement (defined below) prior to the closing date of the purchase of the Trust Units pursuant to the terms of the Stand-by Agreement; and (v) any order or ruling is made which has the effect of suspending trading of the Trust Units or restricts the issuance of the Trust Units issuable in connection with the Offering or issuable to the Stand-by Purchasers pursuant to the Stand-by Agreement.

Pursuant to the Stand-by Agreement, the Trust has provided certain covenants to the Stand-by Purchasers including, among others: (i) the obligation to ensure that all necessary corporate actions have or will be taken to authorize the issuance of the Rights, the Trust Units, the Warrants and the Trust Units issuable in connection with the exercise of the Warrants; (ii) compliance by the Trust with applicable securities laws and regulations in connection with the distribution of the Rights, the Trust Units, the Warrants and the Trust Units issuable in connection with the exercise of the Warrants; (iii) preparation, completion and filing of the final prospectus within prescribed time-frames; (iv) causing the Rights, the Trust Units issuable upon exercise thereof and the Commitment Units to be listed on the TSX; and (v) delivery of all closing documents contemplated in the Stand-by Agreement. In addition, the Trust must deliver a copy of the Amended and Restated Credit Facility with the Lenders on or before the closing date of the purchase of the Commitment Units and, on closing, the Trust's Chief Executive Officer and Chief Financial Officer shall provide a certificate to the Stand-by Purchasers stating, among other things, that the Trust is in compliance with its financial covenants under the re-negotiated credit facility as at the closing date of the purchase of the Commitment Units.

The issuance and exercise of the Rights offered hereunder is conditional upon the Stand-by Purchasers not terminating the Stand-by Agreement, as provided for therein.

Pursuant to separate agreements with the Dealer Manager, the Stand-by Purchasers have deposited an aggregate of $7,500,000 into accounts with the Dealer Manager or other financial institutions and have provided, or will provide, the Dealer Manager with irrevocable directions to apply up to an aggregate of $7,500,000 in their respective accounts with the Dealer Manager towards purchases of Commitment Units in the proportions set forth in the Stand-by Agreement.

The obligations of the Stand-by Purchasers are subject to certain conditions and the Stand-by Purchasers may, in certain circumstances, terminate the Stand-by Agreement prior to the Expiry Time. In the event that the minimum gross proceeds of $7,500,000 are not received by the Trust in connection with the Offering and from the Stand-by Purchasers, all amounts received from the Holders who have exercised their Rights will be returned to such Holders without interest or deduction.

Each Holder on the Record Date will receive one Right for each Trust Unit held. Listing of the Rights, the Trust Units issuable upon exercise of the Rights distributed under this Prospectus and the Commitment Units has been conditionally approved by the TSX. Listing of the Rights, the Trust Units issuable upon exercise of the Rights distributed under this Prospectus and the Commitment Units will be subject to fulfilling all of the listing requirements of the TSX. The currently outstanding Trust Units are listed and posted for trading on the TSX under the symbol "PRW.UN". On April 29, 2010, the last trading day prior to the public announcement of the Offering, the closing price for the Trust Units on the TSX was $0.19 per Trust Unit. On May 25, 2010, the last trading day prior to the date of this Prospectus, the closing price of the Trust Units on the TSX was $0.185 per Trust Unit. For greater certainty, Holders are advised that neither the Rights to subscribe for Subordinated Units, nor the Subordinated Units issuable upon exercise of such Rights will be listed for trading on the TSX.

The Offering and distribution of the Securities is qualified in the Eligible Jurisdictions by this Prospectus. None of the Securities are qualified under the securities laws of, or, except as described herein, being distributed or offered in, any Ineligible Jurisdictions and, except under the circumstances described herein, Rights may not be exercised by or on behalf of an Ineligible Holder. This Prospectus is not, and under no circumstances is to be construed as, an offering of any Rights, Units or Warrants for sale in any Ineligible Jurisdictions or a solicitation therein of an offer to buy any securities. Rights Certificates will not be sent to Holders with addresses of record in any Ineligible Jurisdictions.

Instead, such Ineligible Holders will be sent a letter advising them that their Rights Certificates will be held by either the Subscription Agent, who will hold such Rights as agent for the benefit of such Ineligible Holders, or CDS, depending upon how they hold their Trust Units. See "Description of Offered Securities -Ineligible Holders".

VOTING SUPPORT AGREEMENTS

Murray Head, Ron Head, Roy Larson, Jim Moffatt, Larry Patriquin, Rick Quigley and Bernie Reed (collectively, the "Supporting Purchasers") have entered into a voting support agreement with AWG, a corporation which holds 49% of the outstanding common shares of PetroCorp, whereby the Supporting Purchasers have agreed to vote in favour of, or otherwise support, a future plan of arrangement, or other similar transaction, between the Trust and PetroCorp which would have the impact of, among other things, combining the business of the Trust and PetroCorp and convert the capital structure of the Trust from an income trust to a corporation (a "Transaction"). All of the common shares of AWG are held by Larry Patriquin. In a separate voting support agreement, AWG has agreed with the Supporting Purchasers that it shall vote all shares it holds in PetroCorp in favour of any such Transaction.

DESCRIPTION OF THE UNITS

The authorized capital of PRW is comprised of an unlimited number of Trust Units and an unlimited number of Subordinated Units, of which 31,786,308 Trust Units and 1,160,000 Subordinated Units were issued and outstanding as at May 26, 2010.

Each Trust Unit and Subordinated Unit carries one vote at all meetings of unitholders of the Trust, participates rateably in any distributions declared by the board of directors of the Trust and carries the right to receive a proportionate share of the assets of PRW available for distribution to holders of Trust Units in the event of a liquidation, dissolution or winding-up of PRW.

In the event that the Trust pays distributions to its unitholders, the holders of Trust Units shall have the right to receive such distributions in priority to the holders of Subordinated Units, all in accordance with the provisions of the Deed of Trust of the Trust, dated July 6, 2006 (the "Deed of Trust"). Effective January 22, 2008, the Trust suspended payment of distributions to all Unitholders, and no distributions were declared following that date. The Deed of Trust also provides for a conversion of Subordinated Units into Trust Units in the event of certain circumstances. No Subordinated Units have been converted into Trust Units since the inception of the Trust.

PRICE RANGES AND TRADING VOLUMES OF TRUST UNITS

The Trust Units are listed and posted for trading on the TSX under the symbol "PRW.UN". The following table sets forth the reported high and low sales prices and the cumulative volume of trading of the Trust Units on the TSX for the periods indicated:

	Price Range		Trading
Period	**High**	**Low**	**Volume**
2009			
May	0.295	0.215	415,321
June	0.29	0.21	1,558,174
July	0.26	0.19	316,589
August	0.24	0.195	790,676
September	0.24	0.195	296,415
October	0.22	0.16	247,226
November	0.195	0.13	472,064
December	0.195	0.15	331,237
2010			
January	0.25	0.155	396,596
February	0.195	0.155	139,846
March	0.205	0.155	365,869
April	0.20	0.175	143,240
May 1-25	0.20	0.17	462,730

On May 25, 2010, the closing price of the Trust Units on the TSX was $0.185.

PRIOR SALES

No Subordinated Units were issued by the Trust during the past 12 months.

The following table summarizes the issuances of Trust Units within the twelve month period prior to the date of this Prospectus.

Date of Issuance	Description of Transaction	Number of Trust Units or Securities	Price per Security
May 15, 2009	Issuance of Deferred Trust Units ("DTU") in accordance with the Trust's DTU Plan	1,418,215	$0.185[(1)]

Note:

(1) Pursuant to the provisions of the DTU Plan, DTUs may be converted into Trust Units issued from treasury. This figure represents the value per DTU if these DTUs were converted on the date immediately prior to the date hereof.

INTENTIONS OF INSIDERS WITH RESPECT TO THE OFFERING

Each of the directors and officers of the Trust who holds Trust Units has indicated to the Trust the intention opposite his or her name below regarding the exercise of any Rights which he or she will be issued by the Trust:

Director or Officer	Intention
Hugh Gillard	None
Walter DeBoni	None
Mark Schweitzer	None
Rene E. Amirault	None
Gerry Romanzin	20,000
Brad D. Markel	None
Ralph C. Hesje	20,000
Lloyd Wiggins	20,000
Keith Hudson	30,000

The information as to the intentions of our insiders is not within our knowledge and has been furnished by the respective insiders. No assurance can be given that the respective insiders will subscribe for Trust Units in the amounts set out above or at all.

OWNERSHIP OF SECURITIES

To the knowledge of the directors and senior officers of the Trust, as at May 26, 2010, no person beneficially owned, directly or indirectly, or exercised control or direction over Units of the Trust carrying 10% or more of the voting rights attached to all of the Units of the Trust.

MANAGEMENT CONTRACTS

All applicable members of the management of the General Partner have waived their rights under their respective employment contracts to receive certain payments upon a change of control of the Trust if such change of control arises as a result of the issuance of Trust Units pursuant to the Offering.

RISK FACTORS

An investment in the Units pursuant to the Offering is subject to a number of risks. A prospective purchaser of such securities should carefully consider the information and risks faced by the Trust described in this Prospectus and the documents incorporated by reference herein, including without limitation, the risk factors set out under the heading "Risks Factors" in the AIF and in the Annual MD&A.

Going Concern Risk

The Trust does not have control over conditions in the financial markets. As a result of the global credit crisis there was a collapse of some of the world's largest financial institutions and an extreme tightening of global credit markets, resulting in a dramatic reduction in the amount of debt and equity financing available. As a result of these factors, there is no guarantee that the Trust's credit facility will be restructured or that alternative financing could be arranged. The Trust would not have sufficient resources to repay the entire balance of the credit facility if the loan is demanded. See Notes 2 and 9 of the 2009 consolidated financial statements for further details.

Indebtedness

The Trust and its subsidiaries have incurred substantial debt, which could have a material adverse effect on its financial position and limit its future operations.

The Trust and its subsidiaries have a significant amount of debt. As of the date hereof, the Trust's total outstanding debt was approximately $69.4 million on a consolidated basis.

The Trust's substantial debt could have a material adverse effect on its financial condition and results of operations as well as on the distributions that the Trust may pay to unitholders. In particular, it could:

- increase the Trust's vulnerability to general adverse economic and industry conditions and require it to dedicate a substantial portion of its cash flow from operations to payments on its indebtedness, thereby reducing the availability of its cash flow to fund working capital, capital expenditures, acquisitions, other debt service requirements, distributions to unitholders and other general corporate purposes;

- increase the Trust's exposure to risks inherent in interest rate fluctuations because certain of its borrowings (including certain borrowings under the Amended and Restated Credit Agreement) are at variable rates of interest, which would result in higher interest expense to the extent the Trust has not hedged these risks against increases in interest rates;

- limit the Trust's flexibility in planning for, or reacting to, changes in its business or the industry in which it operates;

- place the Trust at a competitive disadvantage compared to its competitors that have less debt;

- limit the Trust's ability to borrow funds to meet its operating expenses, to make acquisitions and for other purposes; and

- limit the Trust's ability to purchase or otherwise acquire new equipment.

The Trust and its subsidiaries may be able to incur additional debt in the future, including additional secured debt pursuant to the Amended and Restated Credit Agreement and under other credit facilities. This could further exacerbate the risks associated with its substantial debt.

The Trust will Require Significant Amounts of Cash to Service Indebtedness

The Trust will require significant amounts of cash in order to service and repay indebtedness. The ability to generate cash in the future will be, to a certain extent, subject to general economic, financial, competitive and other factors that may be beyond management's control. In addition, the ability to borrow funds in the future to service debt will depend on covenants in the Amended and Restated Credit Agreement and other debt agreements that may be entered into in the future. Future borrowings may not be available to the Trust under the Amended and Restated Credit Agreement or from the capital markets in amounts sufficient to enable the Trust to pay obligations as they mature or to fund other liquidity needs (including the required repayments on under the Amended and Restated Credit Agreement described under "Business of the Trust – Recent Developments – Amended and Restated Credit Agreement"). If the Trust is not able to obtain such borrowings or generate cash flow from operations in an amount sufficient to enable it to service and repay indebtedness, the Trust will need to refinance indebtedness or it will be in default under the agreements governing indebtedness. Such refinancing may not be available on favourable terms or at all. The inability to service, repay and/or refinance indebtedness could negatively impact the Trust's financial condition and results of operations.

The Amended and Restated Credit Agreement Contains Restrictive Covenants

The Amended and Restated Credit Agreement contains a number of covenants that, among other things, will restrict the ability of the Trust and its subsidiaries to conduct certain activities. See "Business of the Trust – Recent Developments – Amended and Restated Credit Agreement".

In addition, under the Amended and Restated Credit Agreement, the Trust will be required to satisfy and maintain certain financial ratio tests. The Trust's ability to meet such tests could be affected by events beyond its control, and the Trust may not be able to meet such tests. A breach of any of these covenants or the other covenants and terms of the Amended and Restated Credit Agreement could result in a default under the Amended and Restated Credit Agreement. Upon the occurrence of an event of default under the Amended and Restated Credit Agreement, the Lenders could elect to declare all amounts outstanding under the Amended and Restated Credit Agreement to be immediately due and payable and terminate all commitments to extend further credit. If the Trust is unable to repay those amounts, the Lenders under the Amended and Restated Credit Agreement could proceed to foreclose or otherwise realize upon the collateral granted to them to secure the indebtedness. If the Lenders under the Amended and Restated Credit Agreement accelerate the repayment of borrowings, the Trust may not have sufficient assets to repay the Amended and Restated Credit Agreement as well as its other indebtedness. The acceleration of indebtedness under one agreement may permit acceleration under other agreements that contain cross-default or cross-acceleration provisions. If indebtedness is accelerated, the Trust may not be able to repay its indebtedness or borrow sufficient funds to refinance it. Even if the Trust is able to obtain new financing, it may not be on commercially reasonable terms or on terms that are acceptable. The restrictions in the Amended and Restated Credit Agreement may adversely affect the ability to finance future operations and capital needs and to pursue available business opportunities. Moreover, any new indebtedness incurred by the Trust may impose financial restrictions and other covenants that may be more restrictive than the Amended and Restated Credit Agreement.

Additional Funding Requirements

The Trust's cash flow from its operations may not be sufficient to fund its ongoing activities at all times. From time to time, the Trust may require additional financing in order to carry out its operations. Failure to obtain such financing on a timely basis could cause the Trust to reduce or terminate its operations. If the Trust's revenues from its operations decrease as a result of decreased activity in the oil and gas industry or otherwise, it will affect the Trust's ability to expend the necessary capital to continue operations. If the Trust's cash flow from operations is not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on terms acceptable to the Trust.

Dilution

If a Holder sells or does not exercise all of its Rights to subscribe for Trust Units or Subordinated Units in connection with the Rights pursuant to the Basic Subscription Privilege, the Holder's percentage ownership in the Trust will be diluted by the issuance of Units upon the exercise of Rights by Holders, as well as the purchase of and sale of the Commitment Units by the Stand-by Purchasers. See "Plan of Distribution".

Liquidity

The liquidity of the Trust Units may be negatively impacted by the Offering in the event that a substantial number of Commitment Units are purchased by the Stand-by Purchasers. This concentration of ownership may result in fewer Trust Units being available for trading in the open market and may result in a reduction to the liquidity of the Trust Units.

Sale of the Commitment Units may Permit one or more Individuals to Exercise Significant Control over the Trust

In the event that the Stand-by Purchasers purchase sufficient Commitment Units, any such persons may, acting individually, be able to elect substantially all of the directors of the Trust and any such person may exercise significant control over the Trust, giving it the ability, among other things, to approve significant corporate transactions. Should they purchase a sufficient number of Commitment Units, any one of the Stand-by Purchasers may have the ability to control the outcome of any matter submitted for the vote or consent of the Trust's unitholders. In some cases, the interests of the foregoing persons may not be the same as those of the Trust's other unitholders, and conflicts of interest may arise from time to time that may be resolved in a manner which could be deemed to be detrimental to the Trust or its minority unitholders.

Trading Market for Rights

Although the Trust expects that the Rights will be listed on the TSX, the Trust cannot provide any assurance that an active or any trading market in the Rights will develop or that Rights can be sold on the TSX at any time. **The market price of the securities of the Trust may be subject to significant fluctuations which may be based on factors unrelated to its financial performance or prospects.** The trading price of the securities of the Trust has been and may continue to be subject to significant fluctuations which may be based on factors unrelated to the Trust's financial performance or prospects. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries.

Current Market Conditions

General adverse economic conditions globally, including the current recession and possible future recessions in Canada and the worldwide economic slowdown, recent disruptions to the credit and financial markets in Canada and worldwide and local economic turmoil may adversely affect the value of the Trust's business and value of its securities and assets. In addition, the Trust's financial condition, operating results and future growth are dependent in large part on activity in the oil and gas sector, which in turn depends on prevailing prices for oil and natural gas. Historically, the markets for oil and natural gas have been volatile and such markets are likely to continue to be volatile in the future. Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes to the demand for oil an d natural gas, whether the result of uncertainty or a variety of additional factors beyond the control of the Trust. Any substantial decline in the prices of oil or natural gas could have a material adverse effect on the Trust's business and the value of its securities and assets. No assurance can be given that oil and natural gas prices will be sustained at levels which will enable the Trust to operate profitably.

Business Risks

Activity in the oil and gas industry is subject to a range of external factors that are difficult to actively manage, including resource demand, commodity pricing and climate. The Trust seeks to mitigate these risks by maintaining a strong balance sheet and remaining responsive to changes in industry dynamics. The Trust has a comprehensive insurance policy to help safeguard its assets, operations and employees. This is reviewed annually and revised as changes in circumstances warrant.

Credit Risks

The Trust's policy is to enter into agreements with customers that are well-established and well-financed within the oil and gas industry. There is always a risk relating to the financial stability of customers and their ability to pay. Management will continue to periodically assess the credit worthiness of all its customers and views the credit risk on its accounts receivable as normal for its industry.

Foreign Currency Risk

Foreign currency risk arises from the fluctuations in foreign exchange rates and the degree of volatility of these rates relative to the Canadian dollar. The Trust is not significantly exposed to foreign currency risk

Seasonal Risk

The level of activity in the oilfield service industry is influenced by seasonal weather patterns. During the spring months, wet weather and the spring thaw make the ground unstable. Consequently, municipalities and provincial transportation departments enforce road bans that restrict the movement of service equipment, which reduces activity levels and places an increased level of importance on the location of the Trust's equipment prior to imposition of road bans. The timing and length of road bans is dependent on the weather conditions leading to the spring thaw and weather conditions during the thaw period. The Trust's business results depend, at least in part, upon the severity and duration of the Canadian winter and the spring thaw, which may lead to reduced oil and gas exploration activity and corresponding declines in the demand for the Trust's service equipment during those times.

Competitive Conditions

The operating climate within the Western Canadian Sedimentary Basin is very competitive, resulting in fluctuations of price and utilization rates. The Trust attempts to mitigate these risks by offering a comprehensive suite of services, creating good working relationships with its customers and focusing on longer term contracts.

Future Sales May Affect the Market Price of the Trust Units

In order to finance future operations, the Trust may raise funds through the issuance of Units or the issuance of debt instruments or other securities convertible into Units. The Trust cannot predict the size of future issuances of Units or the issuance of debt instruments or other securities convertible into Units or the effect, if any, that future issuances and sales of the Trust's securities will have on the market price of the Trust Units.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Bennett Jones LLP, counsel to the Trust, the following is, as of the date hereof, a fair and adequate summary of the principal Canadian federal income tax consequences pursuant to the *Income Tax Act* (Canada) (the "Tax Act") arising in respect of the receipt and exercise of Rights pursuant to the Offering. This summary is generally applicable to Holders who acquire such Rights pursuant to the Offering in their capacity as a unitholder and who holds their Rights and their Units as capital property for the purposes of the Tax Act and who, at all material times, deal at arm's length with, and are not and will not be affiliated with the Trust for the purposes of the Tax Act (a "Rights Holder").

Generally, the Rights and the Units will be considered to be capital property to a Rights Holder unless they are held in the course of carrying on a business or were acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade. Rights Holders who may not hold their Rights and their Units as capital property should consult their own tax advisors regarding their particular circumstances.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder ("Regulations") in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments"), Counsel's understanding, based on publicly available published materials, of the current administrative and assessing practices and policies of the Canada Revenue Agency (the "CRA"). This summary assumes that all such Proposed Amendments will be enacted substantially as proposed, although no assurance can be given that the Proposed Amendments will be enacted in the form proposed or at all. This summary does not otherwise take into account or anticipate any changes in law, whether by way of legislative, judicial or administrative action or interpretation, nor does it address other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations discussed in this section. This summary is not applicable to a Rights Holder: (i) that is a "**financial institution**" or a "**specified financial institution**" as defined in the Tax Act; (ii) that is exempt from tax under Part I of the Tax Act; (iii) an interest in which would be a "**tax shelter**" or a "**tax shelter investment**" as defined in the Tax Act; or (iv) to whom the "functional currency" reporting rules in subsection 261(4) of the Tax Act apply. Such Rights Holders should consult their own tax advisors.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal, business or tax advice to any particular Rights Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Rights Holders are urged to consult their own tax advisors having regard to their own particular circumstances.

Residents of Canada

The following portion of the summary is relevant to Rights Holders who, for purposes of the Tax Act, are resident or deemed to be residents of Canada at all relevant times (a "Resident Holder").

Rights

Acquisition of Rights

A Resident Holder who acquires a Right under the Offering will be required to include the fair market value of such Right at the time of receipt in computing the Resident Holder's income for purposes of the Tax Act. The cost of the Right to such Resident Holder will equal the amount included in the Resident Holder's income. Management has advised that it believes that the fair market value of a Right at the time of the Offering will be nominal.

Disposition of Rights

A Resident Holder who disposes of or is deemed to dispose of a Right (otherwise than by the exercise thereof) will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Right to the Resident Holder. The cost of a Right acquired by a Resident Holder will be averaged with the adjusted cost base of all other rights held by the Resident Holder as capital property for purposes of determining the adjusted cost base to that Resident Holder of each Right so held.

Exercise of Rights

The exercise of a Right will not be a disposition for purposes of the Tax Act, with the result that no gain or loss will be realized by a Resident Holder upon the exercise of a Right. Units acquired by a Resident Holder upon exercise of Rights will have an aggregate cost to the Resident Holder equal to the aggregate of the Subscription Price paid for such Units and the adjusted cost base to the Resident Holder of the Rights exercised (if any). For the purpose of determining the adjusted cost base of each Unit held by a Resident Holder, the cost of Units acquired by the Resident Holder upon the exercise of Rights must be averaged with the adjusted cost base to the Resident Holder of all other Units held by the Resident Holder as capital property immediately prior to the acquisition.

Expiry of Rights

The expiry of an unexercised Right will result in a capital loss to a Resident Holder equal to the adjusted cost base, if any, of the Right immediately before its expiry. As noted above, management has advised that it believes that the fair market value of a Right at the time of distribution will be nominal. Any such capital loss will be subject to the treatment described below under "*Canadian Federal Income Tax Considerations – Taxation of Capital Gains and Capital Losses*".

Distributions on Units Prior to the Application of SIFT Rules

A Resident Holder generally will be required to include in computing income for a particular taxation year, the portion of the net income of the Trust for a taxation year, including taxable dividends and net realized taxable capital gains, that is paid or payable to the Resident Holder in that particular taxation year, whether such amount is payable in cash or in kind, including Units. Income of a Resident Holder from Units should be considered to be income from property for the purposes of the Tax Act. Any loss of the Trust for the purposes of the Tax Act cannot be treated as a loss of a Resident Holder.

Provided that appropriate designations are made by the Trust, such portions of its net taxable capital gains and taxable dividends as are paid or payable to a Resident Holder will effectively retain their character and be treated as such in the hands of the Resident Holder for purposes of the Tax Act. The non-taxable portion of such net realized capital gains of the Trust that is paid or payable to a Resident Holder in a year will not be included in computing the holder's income for the year and will not reduce the adjusted cost base of the holder's Units. Any other amount in excess of the net income of the Trust that is paid or payable by the Trust to a Resident Holder in a year is considered a return of capital and generally will not be included in the Resident Holder's income for the year. However, such amounts, other than proceeds of disposition of a Unit, generally will reduce the adjusted cost base of Units held by such Resident Holder. If such adjusted cost base becomes a negative amount at any time, that holder will be deemed at that time to have realized a capital gain from the disposition of Units equal to such negative amount, and such adjusted cost base shall immediately thereafter be nil.

A Resident Holder that throughout the relevant taxation year is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including taxable capital gains and certain income of the Trust that is required to be included in the holder's income.

Distributions on Units After Application of SIFT Rules

Under the SIFT Rules (which, as discussed below, are not expected to apply to the Trust until January 1, 2011 provided the Trust does not exceed "normal growth" before then), distributions to Resident Holders by the Trust of "non-portfolio income" for purposes of the Tax Act (which is expected to comprise all or substantially all of the income of the Trust) would be treated as taxable dividends received from a taxable Canadian corporation. In the case of a Resident Holder who is an individual, such distributions should qualify for the enhanced gross-up and dividend tax credit applicable to eligible dividends received from taxable Canadian corporations. In the case of a Resident Holder that is a corporation, such distributions generally should be eligible for the inter-corporate dividend deduction in computing taxable income. A Resident Holder that is a "private corporation" or a "subject corporation" (as defined in the Tax Act) generally should be required to pay a 33 1/3% refundable tax on such distributions under Part IV of the Tax Act to the extent such distributions were deductible in computing its taxable income.

Amounts distributed in excess of the income of the Trust are not affected by the SIFT Rules and will continue to be considered a return of capital and will not be required to be included in income. See the above discussion under the heading "*Canadian Federal Income Tax Considerations - Distributions on Units Prior to Application of SIFT Rules*".

Disposition of Units held by Resident Holders

Where a Resident Holder disposes of a Unit, or is deemed to dispose of a Unit, the holder will realize a capital gain (or sustain a capital loss) to the extent the proceeds of disposition for the Unit exceed (or are less than) the aggregate of the adjusted cost base to the holder of the Unit and reasonable disposition costs.

Taxation of Capital Gains and Capital Losses

Under the Tax Act, one-half of any capital gain realized by a Resident Holder will be included in such holder's income as a taxable capital gain. Subject to certain specific rules in the Tax Act, one-half of any capital loss realized by a Resident Holder generally is deducted from any taxable capital gains realized by such holder in the year of disposition and any excess may be deducted from taxable capital gains realized in any of the three preceding taxation years or in any subsequent taxation year.

A Resident Holder that throughout the relevant taxation year is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including taxable capital gains.

A capital loss realized on the disposition of a Unit by a Resident Holder that is a corporation or a trust (other than a "mutual fund trust"), whether directly or indirectly or as a member of a partnership, may be reduced in respect of certain distributions to the Resident Holder out of dividends received by the Trust directly or through a partnership of which it is a member and designated by the Trust in respect of the Resident Holder to the extent and under the circumstances described in the Tax Act. Resident Holders to which these rules may apply should consult their own tax advisors.

Non-Residents of Canada

The following portion of the summary is relevant to Rights Holders who, at all relevant times for purposes of the Tax Act, are non-residents or are deemed to be non-residents of Canada and do not use or hold and are not deemed to use or hold their Rights or Units in the course of carrying on a business in Canada (a "Non-Resident Holder"). Special rules, which are not discussed in this summary, may apply to a non-resident Rights Holder that is an insurer carrying on business in Canada and elsewhere.

The Rights

Acquisition of Rights

With respect to the receipt of Rights, the tax considerations for Non-Resident Holders are generally the same as for residents of Canada. See "*Canadian Federal Income Tax Considerations – Residents of Canada*".

Disposition of Rights or Units

A Non-Resident Holder who disposes of or is deemed to dispose of Rights or Units and who realizes a capital gain, generally will be subject to tax under the Tax Act only where the security being disposed of constitutes "taxable Canadian property" under the Tax Act and the Non-Resident Holder is not entitled to relief under an applicable tax treaty between Canada and the Non-Resident Holder's country of residence. Generally, Rights and Units should not be "taxable Canadian property" at the time of the disposition thereof provided that: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm's length (within the meaning of the Tax Act), or the Non-Resident Holder together with such persons, did not own 25% or more of the issued Units at any time during the 60 month period preceding the time of the disposition and (as proposed in the March 4, 2010 federal budget), more than 50% of the fair market value of the Units was derived from Canadian resource properties, real or immovable property situated in Canada, timber resource properties or any combination thereof; (ii) the Trust is a "mutual fund trust" at the time of the disposition; and (iii) Units are not otherwise deemed to be "taxable Canadian property".

Even if the Rights or the Units are taxable Canadian property to a Non-Resident Holder at the time of their disposition, a capital gain realized upon such disposition may be exempt from tax under an applicable income tax convention. In the event that the Rights or Units constitute taxable Canadian property but are not treaty-protected property to a particular Non-Resident Holder, the tax consequences pertaining to capital gains (or capital losses) as described above under the headings "Residents of Canada - Disposition of Rights or Units" and "Treatment of Capital Gains and Capital Losses". **Non-Resident Holders should consult their own tax advisors regarding any Canadian reporting requirements arising from this transaction.**

Taxation of Trust Unit Distributions to Non-Resident Holders

Until the SIFT Rules begin to apply to the Trust, all income of the Trust determined in accordance with the Tax Act (except taxable capital gains) paid or credited by the Trust in a taxation year to a Non-Resident Holder generally will be subject to Canadian withholding tax at a rate of 25%, subject to a reduction in such rate under an applicable tax treaty or convention, whether such income is paid or credited in cash or in Units. The rate of Canadian withholding tax generally is reduced to 15% in respect of amounts that are paid or credited by the Trust to a Non-Resident Holder that is a resident of the United States for the purposes of the *Canada-United States Income Tax Convention (1980)*, as amended (the "**Canada-United States Tax Convention**"). Under the SIFT Rules, commencing January 1, 2011 (provided the Trust does not exceed "normal growth" before then as discussed below), such distributions should be characterized as taxable dividends and similarly should be subject to Canadian withholding tax at a rate of 25%, unless such rate is reduced under the provisions of an applicable treaty or convention. A Non-Resident Holder that is a resident of the United States who is entitled to claim the benefit of the Canada-United States Tax Convention, generally will be entitled to have the rate of withholding tax reduced to 15%. Not all persons who are residents of the United States for purposes of the Canada-United States Tax Convention will qualify for the benefits thereunder. A Non-Canadian Resident should consult its own tax advisor in this regard.

ELIGIBILITY FOR INVESTMENT

The Trust

Mutual Fund Trust

The Trust has represented to Bennett Jones LLP that it qualifies as a "mutual fund trust", as defined in the Tax Act and this summary assumes that the Trust will continue to so qualify at all material times. To qualify as a mutual fund trust certain factual conditions must be met by the Trust throughout its existence. The Trust has advised Bennett Jones LLP that these requirements have been met. If the Trust were to not qualify as a mutual fund trust at any particular time, the income tax considerations for the Trust and the Holders would be materially different in certain respects from those contained in this Prospectus.

SIFT Rules

Recent changes to the Tax Act (the "SIFT Rules") will affect publicly traded trusts and their unitholders.

The SIFT Rules apply to trusts that are resident in Canada for purposes of the Tax Act that hold one or more "non-portfolio properties", and the units of which are listed on a stock exchange or other public market (a "SIFT Trust"). In the case of a trust that was a SIFT Trust on October 31, 2006, the SIFT Rules will generally not take affect until January 1, 2011, provided that the Trust experiences only "normal growth" and no "undue expansion" before then. On December 15, 2006, the Department of Finance issued guidelines with respect to what would be considered "normal growth" for this purpose (as revised December 4, 2008, the "Guidelines"). The Trust would be a "SIFT Trust" under the SIFT Rules. Pursuant to the SIFT Rules, a SIFT Trust will be subject to tax on its income from non-portfolio properties and taxable capital gains from dispositions on non-portfolio properties at a rate comparable to the combined federal and provincial corporate income tax rate, and distributions of such income to unitholders will be treated as eligible dividends paid by a taxable Canadian corporation. The properties owned by the Trust will constitute "non-portfolio properties" under the SIFT Rules, with a result that all or substantially all of the trust income will be subject to the new tax.

As noted, the SIFT Rules are not expected to take effect until 2011. However, the Trust could become subject to the SIFT Rules sooner than 2011 if it experiences growth other than "normal growth" before then. Under the Guidelines, a SIFT Trust will be considered to have experienced only "normal growth" if its issuances of new equity, which includes Units and debt convertible into Units, do not exceed certain thresholds measured by reference to the SIFT Trust's market capitalization as of the close of trading on October 31, 2006. The permitted expansion thresholds are the greater of:

(i) $50,000,000 in any year; and

(ii) A cumulative limit of a SIFT Trust's October 31, 2006 market capitalization available as follows:

    (A) 40% for the period from October 31, 2006 to the end of 2007, 20% for the period January 1, 2008 to December 4, 2008 and the remainder thereafter.

The Trust has advised Bennett Jones LLP that it has not exceeded "normal growth" prior to the date of the Offering and the completion of the Offering will not, in and of itself, cause the Trust to exceed its permitted normal growth threshold under the Guidelines. It is therefore assumed for purposes of this summary, that the Trust will not be subject to the SIFT Rules until January 1, 2011. However, no assurance can be made that the SIFT Rules will not apply to the Trust prior to 2011.

Taxation of the Trust

Subject to the application of the SIFT Rules, the Trust is subject to taxation in each taxation year on its income for the year, including net realized taxable gains, less the portion thereof that is paid or payable in the year to Holders and which is deducted by the Trust in computing its income for purposes of the Tax Act. An amount will be considered to be payable to the Holder in a taxation year if it is paid in the year by the Trust or the Holder is entitled in that year to enforce payment of the amount. Provided that appropriate designations are made by the Trust, all dividends which would otherwise be included in its income will be deemed to have been received by Holders and not to have been received by the Trust. The taxation year of the Trust will end on December 31st of each year.

Once the Trust becomes subject to the SIFT Rules, the Trust will no longer be able to deduct amounts payable to Holders in respect of: (i) income from businesses carried on in Canada or from non-portfolio properties other than taxable dividends; and (ii) taxable capital gains from dispositions of non-portfolio properties. "Non-portfolio properties" include: (i) Canadian real and resource properties if the total fair market value of such properties is greater than 50% of the equity of the SIFT itself; and (ii) a property that the SIFT (or a non-arm's length person or partnership) uses in the course of carrying on a business in Canada; and (iii) securities of a "subject entity" (as defined in the Tax Act) if the SIFT holds securities of the subject entity that have a fair market value greater than 10% of the subject entity's equity value or if the SIFT holds securities of the subject entity or its affiliates that have a total fair market value greater than 50% of the SIFT's equity value. A subject entity includes a corporation resident in Canada, a trust resident in Canada, and a Canadian resident partnership.

Income which a SIFT is unable to deduct will be taxed in the SIFT at rates of tax comparable to the combined federal and provincial corporate tax rate. Accordingly, it is anticipated that the application of the SIFT Rules to the Trust will result in a reduction in the amount of cash available for distributions to Holders. The SIFT Rules do not change the tax treatment of distributions that are paid as returns of capital.

In the opinion of Bennett Jones LLP, counsel to the Trust, provided that the Trust qualifies as a "mutual fund trust" within the meaning of the Tax Act on the closing date of the Offering, the Rights and Trust Units will, if issued on the closing date of the Offering, each be a "qualified investment" under the Tax Act and the regulations thereunder in effect on the date hereof, for trusts governed by registered retirement savings plans, registered education savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans and tax-free savings accounts (a "TFSA"). Notwithstanding that the Rights and Trust Units may be a qualified investment for a trust governed by a TFSA, the holder of a TFSA will be subject to a penalty tax on the Rights and Trust Units held in the TFSA if such Rights and Trust Units are a "prohibited investment" for the purposes of section 207.01 of the Tax Act. The Rights and Trust Units will generally be a "prohibited investment" if the holder of the TFSA does not deal at arm’s length with the Trust for the purposes of the Tax Act or has a "significant interest" (as defined in the Tax Act) in the Trust or a Trust, partnership or trust with which the Trust does not deal at arm’s length for the purposes of the Tax Act. Such Holders are urged to consult their own tax advisors.

CAPITALIZATION

The following table sets forth the capitalization of the Trust: (i) as at December 31, 2009; (ii) as at March 31, 2010, the date of the Trust's most recently filed financial statements; (iii) as at March 31, 2010 after giving effect to the minimum Offering; and (iv) as at March 31, 2010, after giving effect to the maximum Offering. The table should be read in conjunction with the consolidated financial statements of the Trust for the year ended December 31, 2009, including the notes thereto, and management's discussion and analysis related thereto.

	As at December 31, 2009	**As at March 31, 2010**	**As at March 31, 2010 After Giving Effect to the Minimum Offering (1)**	**As at March 31, 2010 After Giving Effect to the Maximum Offering (1)**
Trust Units	31,786,308	31,786,308	85,357,737	85,357,737
Subordinated Units	1,160,000	1,160,000	1,160,000	3,115,021
Bank Debt and Capital Leases	69,095,000	71,213,000	64,275,500	64,011,376.61

Note:

(1) After deducting the estimated expenses of the Offering.

INTEREST OF EXPERTS

Certain legal matters in connection with the issuance and delivery of the Securities qualified by this Prospectus will be passed upon on behalf of the Trust by Bennett Jones LLP. As at the date hereof, partners and associates of Bennett Jones LLP as a group, including Brad D. Markel, partner of Bennett Jones LLP and corporate secretary of the General Partner, beneficially owned, directly or indirectly, less than 1% of the outstanding Units.

PricewaterhouseCoopers LLP, auditors of the Trust, has advised the Trust that it is independent within the meaning of the Rules of Professional Conduct in Alberta of the Institute of Chartered Accountants of Alberta.

AUDITORS

The auditors for the Trust are PricewaterhouseCoopers LLP, independent chartered accountants, located at Calgary, Alberta.

TRANSFER AGENT AND REGISTRAR

Valiant Trust Company is the transfer agent and registrar for the Trust Units at its principal offices in Calgary, Alberta.

PURCHASERS' RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

AUDITORS' CONSENT

We have read the short form prospectus (the "Prospectus") of Petrowest Energy Services Trust (the "Trust") dated May 26, 2010 relating to the issue and sale of Rights to subscribe for trust units and subordinated units of the Trust. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the Prospectus of our report to the unitholders of the Trust on the balance sheets of the Trust as at December 31, 2009 and 2008 and the statements of loss, comprehensive loss and accumulated loss and cash flows for the years then ended. Our report is dated March 9, 2010.

Calgary, Canada (signed) "*PricewaterhouseCoopers LLP*"

May 26, 2010 Chartered Accountants

CERTIFICATE OF THE TRUST

Dated: May 26, 2010

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

PETROWEST ENERGY SERVICES TRUST

(Signed) *"Ralph Hesje"* President and Chief Executive Officer	(Signed) "*Lloyd Wiggins"* Chief Financial Officer

On behalf of the Board of Directors

(Signed) *"Walter DeBoni"* Director	(Signed) "*Mark Schweitzer"* Director

CERTIFICATE OF THE DEALER MANAGER

Dated: May 26, 2010

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

Mackie Research Capital Corporation

(Signed) "*P. Gage Jull*"