



PETROWEST ENERGY SERVICES TRUST

INFORMATION CIRCULAR

Accompanying Notice of Annual General Meeting of Unitholders
to be held on
Wednesday, June 30, 2010

SOLICITATION OF PROXIES BY MANAGEMENT

ANNUAL GENERAL MEETING

This Information Circular is furnished in connection with the solicitation of proxies by the management of Petrowest Energy Services Trust (the "Trust" or "Petrowest") for use at the Annual General Meeting of the Unitholders of the Trust (the "Meeting") to be held at the offices of Bennett Jones LLP, 4500, 855-2nd Street SW, Calgary, Alberta, in the Bennett Boardroom, on Wednesday, June 30, 2010, at 11:00 a.m. (Mountain Daylight Time), or at any adjournment thereof, for the purposes set forth in the Notice of Meeting.

Unless otherwise specified, the information contained herein is given as of June 1, 2010.

There is enclosed herewith a form of proxy for use at the Meeting. Each holder of trust units ("Trust Units") and subordinated units ("Subordinated Units") (collectively, "Units") of the Trust (each such holder, a "Unitholder") who is entitled to attend and vote at the Meeting is urged to participate in the Meeting and to vote on matters to be considered in person or by proxy.

This solicitation of proxies is made on behalf of the management of the Trust. The costs incurred in the preparation and mailing of both the proxy and this Information Circular will be borne by the Trust. In addition to the use of the mail, proxies may be solicited by personal interviews or telephone by directors, officers and employees of the Trust who will not be directly compensated therefor.

APPOINTMENT OF PROXIES

Those Unitholders who wish to be represented by proxy at the Meeting must deposit their forms of proxy at the Trust's corporate office at 1020, 407 – 2nd Street S.W., Calgary, Alberta T2P 2Y3, or with Valiant Trust Company at its offices at Suite 310, 606 – 4th Street S.W. Calgary, Alberta T2P 1T1 or by fax at (403) 233-2857 at least 24 hours prior to the commencement of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, prior to the use thereof at the Meeting or adjourned meeting. A proxy must be executed by the Unitholder or his or her attorney authorized in writing, or if the Unitholder is a Corporation, its corporate seal must be affixed and the proxy must be executed by an officer or attorney thereof duly authorized in writing. A proxy is valid only at the meeting in respect of which it is given or any adjournment of that meeting.

Mr. Ralph Hesje and Mr. Lloyd Wiggins (the management designees named in the accompanying Instrument of Proxy) are directors and/or officers of Petrowest Energy Services General Partner Ltd., the administrator of the Trust (the "Administrator"). **Each Unitholder submitting a proxy has the right to**

appoint a person or corporation, other than Mr. Hesje or Mr. Wiggins to represent him, her or it at the Meeting. The Unitholder may exercise this right by striking out the names of Mr. Hesje and Mr. Wiggins in the accompanying Instrument of Proxy and inserting the name of the desired representative in the blank space provided, or by completing another proper form of proxy and in either case depositing the proxy at the place and within the time specified above for the deposit of proxies.

REVOCAION OF PROXIES

An instrument of proxy may be revoked by the person giving it, any time prior to the exercise thereof. **If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person.** In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Unitholder or his or her attorney authorized in writing, or if the Unitholder is a corporation, its corporate seal must be affixed and the instrument in writing must be executed by an officer or attorney thereof duly authorized in writing, and deposited either at the place for the delivery of proxies, at any time up to and including 4:00 p.m. on the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of such Meeting on the day of the Meeting, or adjournment thereof, and upon the occurrence of either of such events the proxy is revoked.

VOTING OF PROXIES

The Units represented by the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions of the Unitholder. The persons appointed under the enclosed form of proxy are conferred with discretionary authority to act in accordance with their best judgment with respect to amendments or variations of those matters specified in the proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. At the time of printing this Information Circular, the management of the Administrator knows of no such amendment, variation, or other matter.

Unless otherwise specified, proxies in the accompanying form will be voted in favour of each of the resolutions set forth in the Notice of Meeting.

VOTING OF UNITS

Voting of Units - General

Only persons who were registered as holders of Units as of the close of business on May 28, 2010, the record date, are entitled to receive notice of the Meeting. The Trust will prepare a list of the *registered* holders of Units (the "Register of Unitholders") as of the close of business on May 28, 2010. At the Meeting, each holder of Units named in that list will be entitled to vote the Units set out opposite the holder's name on the list, except to the extent that: (a) the Unitholder has transferred any of his or her Units after May 28, 2010; and (b) the transferee of those Units produces properly endorsed unit certificates or otherwise establishes ownership of such Units and demands, at least 10 days before the Meeting, that the transferee's name be included on the Unitholder's list, in which case the transferee will be entitled to vote such Units at the Meeting.

The Trust is also authorized to issue Special Voting Units the holders of which are also entitled to attend and vote at the Meeting, but no Special Voting Units were issued and outstanding on May 28, 2010.

Voting of Units - Advice to Beneficial Holders of Units

The information set forth in this section is important to many Unitholders of the Trust, as a substantial number of Unitholders do not hold Units in their own name. Unitholders who do not hold their units in their own name (referred to in this Proxy Circular as "Non-registered Unitholders") should note that only proxies deposited by Unitholders whose names appear on the Register of Unitholders (as the holders of Units) will be recognized and acted upon at the Meeting. If Units are listed in an account statement provided to a Unitholder by a broker, then in almost all cases those Units will not be registered in the Unitholder's name on the Register of Unitholders. Such Units will more likely be registered under the name of the Unitholder's broker or an agent of that broker. In Canada, the vast majority of such Units are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Units held by brokers or their agents or nominees can only be voted (for or against resolutions) at the direction of the Non-registered Unitholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Units for the brokers' clients. **Therefore, Non-registered Unitholders should ensure that instructions respecting the voting of their units are communicated to the appropriate person well in advance of the Meeting.**

National Instrument 54-101 (Communications with Owners of Securities) requires intermediaries (such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs or similar plans) to seek voting instructions from Non-registered Unitholders in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-registered Unitholders in order to ensure that their Units are voted at the Meeting. In accordance with National Instrument 54-101, the Trust has distributed copies of this Information Circular and the Notice of Meeting (collectively, the "meeting materials") to depositories and intermediaries for onward distribution to Non-registered Unitholders. Non-registered Unitholders will receive either a voting instruction form or, less frequently, a form of proxy with the meeting materials forwarded to them. The purpose of those forms is to permit Non-registered Unitholders to direct the voting of the Units they beneficially own (but which are not registered in their name). Non-registered Unitholders should follow the procedures set out below, depending on which type of form they receive.

(a) **Voting Instruction Form.** In most cases, a Non-registered Unitholder will receive, as part of the meeting materials, a voting instruction form. If the Non-registered Unitholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the voting instruction form must be completed, signed and returned in accordance with the instructions on the form, in order to ensure the Non-registered Unitholder's Units are voted at the Meeting. If a Non-registered Unitholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the Non-registered Unitholder must complete, sign and return the voting instruction form in accordance with the directions provided on or with the voting instruction form; or

(b) **Form of Proxy.** Less frequently, a Non-registered Holder will receive, as part of the meeting materials, a form of proxy that has already been signed by an intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Units beneficially owned by the Non-registered Unitholder, but which is otherwise incomplete. If the Non-registered Unitholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the Non-registered Unitholder must complete the form of proxy and deposit it with Valiant Trust Company at its offices at Suite 310, 606 - 4th Street S.W. Calgary, AB T2P 1T1 or by fax at (403) 233-2857 at least 24 hours prior to the commencement of the Meeting, in order to ensure that the Non-registered Unitholder's Units are voted at the Meeting. If a Non-registered Unitholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the Non-registered Unitholder must cross out the names of the persons named in the proxy and insert the Non-

registered Unitholder's (or such other person's) name in the blank space provided and deposit the completed proxy with Valiant Trust Company.

Non-registered Unitholders should follow the instructions on the forms they receive and contact their intermediaries promptly if they need assistance.

A Non-registered Unitholder who receives a Voting Instruction Form cannot use that form to vote Units directly at the Meeting – the Voting Instruction Form must be returned to the applicable intermediary (or instructions respecting the voting of units otherwise communicated to the applicable intermediary) well in advance of the Meeting in order to have the Units voted.

UNITS AND PRINCIPAL HOLDERS THEREOF

As at May 28, 2010, there were 31,786,308 Trust Units and 1,160,000 Subordinated Units issued and outstanding, each carrying the right to one vote at the Meeting. Each Unit confers upon the holder thereof on a poll the right to one vote. May 28, 2010 is the date for the determination of Unitholders who are entitled to notice of and to attend and vote at the Meeting. Any transferee after such date may, on proof of ownership of Units, demand not later than ten days before the Meeting that his or her name be included in the list of persons entitled to attend and vote at the Meeting. Persons acquiring Units from treasury after May 28, 2010 may, on proof of ownership of Units, attend at and vote such Units at the Meeting.

To the knowledge of the directors and senior officers of the Administrator as at May 28, 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.

ELECTION OF DIRECTORS

Each of Messrs. Rene Amirault, Walter DeBoni, D. Hugh Gillard, Ralph Hesje and Gerald Romanzin and Mark Schweitzer was elected to the board of directors of the Administrator (the "Board of Directors" or "Board") at the last annual meeting of shareholders of the Administrator. The terms of each of the foregoing members of the Board will expire at the next annual meeting of shareholders of the Administrator, which is anticipated to take place immediately after Meeting.

Messrs. D. Hugh Gillard, Rene Amirault and Walter DeBoni have advised the Trust of their desire to retire from the Board of Directors. Mr. Gillard has served as Chairman of the Board since the inception of the trust on July 6, 2006 and has served as member of the Audit Committee. Mr. Amirault has also served as a director since the inception of the Trust on July 6, 2006 and has served as a member of the Health Safety and Environment Committee. Mr. DeBoni has served as a director since October 18, 2006, as Chairman of the Health Safety and Environment Committee and as a member of the Compensation Committee. The Trust wishes to thank these gentlemen for their service.

Mr. Hesje has served as a member of the Board of Directors since November 28, 2008, when he was appointed to the position of President and Chief Executive Officer of the Administrator. Mr. Hesje will not be standing for re-election to the Board of Directors at the Meeting, but will continue on in his duties as President and Chief Executive Officer.

At the Meeting, it is proposed that a resolution be passed that will direct the Trust to cause the seven individuals listed below (the "Nominees") to be elected until the next annual meeting of the Administrator or until their successors are elected or appointed. Pursuant to the Deed of Trust and the *Business Corporations Act* (Alberta), the Directors of the Administrator stand for election at each annual meeting of shareholders of the Administrator and hold office until the next annual meeting or until their successors have been duly elected.

Unless otherwise specified, proxies in the accompanying form will be voted in favour of causing the Trustee to elect the Nominees as directors of the Administrator.

The following table sets forth, in respect of each Nominee, all positions currently held with the Administrator, present principal occupation or employment, material occupations and positions currently held with respect thereto and the approximate number of Units beneficially owned directly or indirectly as of May 28, 2010. The information contained herein is based upon information furnished to the Trust by the respective Nominees.

<u>Nominee</u>	<u>Year First Became Director of the Administrator</u>	<u>Office or Position with the Administrator</u>	<u>Principal Occupation</u>	<u>Units Beneficially Owned or Controlled Directly or Indirectly</u>
Roy Larson Grande Prairie, Alberta Canada	Nominee	N/A	From 1998 to September 2006, President of Roy Larson Construction Ltd.; From 2006 to present, Vice President of the Construction Division of the Trust.	1,147,563 Trust Units 100,000 Subordinated Units
Larry Patriquin Edmonton, Alberta Canada	Nominee	N/A	Mr. Patriquin was a director and officer of Den-Ray Rathole Drilling Ltd. ("Denray") from June 1986 to June 2006 and President of Den-Ray Rathole Drilling L.P. from June 2006 until December 2007, when Denray was acquired by Impax Energy Services Income Trust in June of 2006; Since 2008, Mr. Patriquin has been employed by PowerComm Inc, predecessor to PetroCorp, with responsibilities in a number of areas including corporate relations; Currently , Mr. Patriquin is President, CEO and chairman of the board of PetroCorp.	Nil
Rick Quigley Fort Saint John, British Columbia Canada	Nominee	N/A	From 1990 to May 2007, President of Quigley Contracting Ltd.; From May 2007 to present, general manager of the Trust's British Columbia operations.	1,895,936 Trust Units
Gerald A. Romanzin, CA ⁽¹⁾⁽³⁾ Calgary, Alberta Canada	July 6, 2006	Director	Executive Vice President of the TSX Venture Exchange from November 1999 to April 2002 and acting President of the TSX Venture Exchange from December 2001 to April 2002. Since April 2002, independent businessman.	25,000 Trust Units 20,000 Subordinated Units

Nominee	Year First Became Director of the Administrator	Office or Position with the Administrator	Principal Occupation	Units Beneficially Owned or Controlled Directly or Indirectly
W. Mark Schweitzer ⁽¹⁾⁽³⁾ Calgary, Alberta Canada	May 31, 2007	Director	From April 2005 to November 2006, Executive Vice President and Chief Financial Officer of Superior Plus Income Fund. From November 2006 to August 2007, Independent businessman. From August 2007 to present, Vice President and Chief Financial Officer of CE Franklin Ltd.	75,000 Trust units
William (Bill) Smith ⁽²⁾ Edmonton, Alberta Canada	Nominee	N/A	From October 1995 to 2005, mayor of the City of Edmonton, Alberta; From October 2004, principal of Bill Smith & Associates Inc., President of Cypress Food and Beverage Inc. ("Cypress") and Senior Vice President of BioNeutra Inc., parent company of Cypress.	Nil
Garry G. Wetsch Q.C. Edmonton, Alberta Canada	Nominee	N/A	From July 1971 to December 2006, Mr. Wetsch practiced law with the law firm that ultimately became Hustwick, Wetsch, Moffat & McCrae; From January 2, 2007 to May 8, 2010, Mr. Wetsch was an independent contractor with Winalta Inc. ("Winalta"). During the period of January 2007 to December 2008, Mr. Wetsch served in the role of Vice President of the community development division of Winalta and, from December 2008 until September 2009, Mr. Wetsch served in the role of president of Winalta Homes Inc. ("Winalta Homes"), a separate division of Winalta, at which time the role of president of Winalta Homes was eliminated. Mr. Wetsch continued to act as an independent contractor with Winalta from October 2009 until May 8, 2010; From May 8, 2010 to present, independent businessman. ⁽⁵⁾	Nil

Notes:

- (1) Member of Audit Committee
- (2) Proposed member of the Audit Committee, if elected at the Meeting.
- (3) Member of Compensation Committee
- (4) Member of Health, Safety and Environment Committee
- (5) On April 26, 2010, Winalta and certain of its subsidiaries, including Winalta Homes, obtained creditor protection under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA") pursuant to an order granted by the Court of Queen's Bench of Alberta.

The order provides Winalta and Winalta Homes with CCAA protection for an initial period expiring May 21, 2010, which was extended until July 2, 2010, and may be further extended at the discretion of the Court, during which time Winalta has indicated it will continue to pursue its strategic alternatives.

Qualifications of Petrowest's Nominee Directors

The following is a brief description of the professional qualifications and experience of each of the individuals being nominated to serve on the Board of Directors.

Roy Larson

Mr. Larson has over 30 years experience in the oilfield construction industry. Mr. Larson is the Vice President of the Construction Division of the Trust. Mr Larson built Roy Larson Construction Ltd. from 1998 to when the company was sold to the Trust in 2006. He has held various positions within the oil and gas industry in western Canada.

Gerald A. Romanzin

Gerald A. Romanzin is an independent businessman and has served as a director of the administrator of each of Crescent Point Energy Trust from March 2004 to present and Focus Energy Trust from August 2002 to February 2008. Mr. Romanzin has also been a trustee and director of Trimac Income Fund since February 2005 and a member of the independent review committee of Titan Funds Incorporated since June 2007. In addition, Mr. Romanzin was a director of Kereco Energy from January 2005 to September 30, 2008.

Mr. Romanzin graduated from the University of Calgary with a Bachelor of Commerce and is a Chartered Accountant.

Larry Patriquin

Mr. Patriquin moved to Alberta in 1974 to work on the construction of the new ESSO oil refinery. He acted as an operator of various types of heavy equipment until buying his first truck in 1978. Mr. Patriquin owned and operated trucks as an independent operator until 1985. Mr. Patriquin founded Den-Ray Rathole Drilling in 1985 along with three other partners and operated and grew that business until 2006, when it was sold to a newly formed trust. He remained on as president and CEO until the end of 2007, when he left the business to concentrate on his other investments. At this time he was also a leader in the organizing committee of the Alberta Winter Games being staged in his hometown of Leduc. Mr. Patriquin was an early stage investor in PowerComm Inc., and became a full time advisor to the company in March 2008. He remains with PetroCorp Group Inc. ("PetroCorp"), the successor to PowerComm Inc., company as President and CEO, and serves as Chairman of the board. PetroCorp is a Edmonton-based corporation listed for trading on the NEX board of the TSX Venture Exchange. Mr Patriquin serves as a member of the Nisku Oilmen's association as well as the Leduc Golf Club.

Rick Quigley

Mr. Quigley has over 25 years of experience in the oilfield industry working in the drilling and construction industries. Mr. Quigley built Quigley Contracting from 1990 to 2007 when the company was sold to the Trust. Mr. Quigley is the general manager of the British Columbia operations of the Trust.

Mark Schweitzer

Mr. Schweitzer was appointed as Vice President and Chief Financial Officer of CE Franklin Ltd. in August 2007. Prior to joining CE Franklin, Mr. Schweitzer was the Executive Vice President and Chief Financial Officer of Superior Plus Income Fund and has extensive financial experience in oil and

gas, mining and other industry sectors. Mr. Schweitzer graduated from Queen's University with a Bachelor of Commerce Degree and is a Chartered Accountant.

William (Bill) Smith

Mr. Smith is a businessman, Canadian politician, and former mayor of Edmonton, Alberta. He was also an Edmonton Eskimos football player, and helped the team to win the Grey Cup. Mr. Smith has built a number of businesses in western Canada and most recently worked as consultant with Foundation Group, a business brokerage firm. He has previously served on various boards, including the University Hospital, Newman Theological College, Edmonton Aviation Heritage Society, Edmonton Chamber of Commerce, and the Kiwanis and Kinsmen Clubs. Director of the Variety Club.

Garry Wetsch

Mr. Wetsch is a lawyer admitted to the Bar in Alberta in 1972. Mr. Wetsch is a founder and shareholder of a number of businesses in western Canada. He serves on a number of private company and volunteer boards. In addition, Mr. Wetsch is a director of PetroCorp. Mr. Wetsch, in his practice of law, advised corporations in a broad area that included commercial transaction, employment law, strategic planning, international transactions and finance. He has been involved in all industrial segments and is a strong supporter of innovation and science in Alberta. Mr. Wetsch is the recipient of the Queen's Golden Jubilee Commemorative Medal for his economic development accomplishments.

In connection with his independent contractor relationship with Winalta, from December 2008 to September 2009, Mr. Wetsch served the role of president of Winalta Homes, a division of Winalta. On September 30, 2009, the position of president of Winalta Homes was eliminated and Mr. Wetsch continued his relationship as an independent contractor with Winalta until May 8, 2010. On April 26, 2010, Winalta and certain of its subsidiaries, including Winalta Homes, obtained creditor protection under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA") pursuant to an order granted by the Court of Queen's Bench of Alberta. The order provides Winalta and Winalta Homes with CCAA protection for an initial period expiring May 21, 2010, which was extended until July 2, 2010, and may be further extended at the discretion of the Court, during which time Winalta has indicated it will continue to pursue its strategic alternatives.

AUDIT COMMITTEE MATTERS

Composition and Related Matters

The Administrator's audit committee (the "Audit Committee") currently consists of Mark Schweitzer (Chair), Gerald Romanzin and Hugh Gillard, all of whom are independent in accordance with applicable Canadian securities legislation. Assuming the proposed nominees for the Board of Directors are elected it is anticipated that the Audit Committee will consist of Mark Schweitzer (Chair), Gerald Romanzin and Bill Smith, all of whom are financially literate and independent in accordance with applicable Canadian securities legislation. The Audit Committee is responsible for those matters outlined in the Trust's Audit Committee Charter. The information required to be disclosed pursuant to National Instrument 51-110 – *Audit Committees* can be found on pages 50 to 52 of the Trust's Annual Information Form (the "AIF"), dated March 31, 2010 under the heading "Audit Committee Information", and the Trust's Audit Committee Charter is set forth in Appendix "A" to the AIF. The AIF is available on SEDAR at www.sedar.com.

COMPENSATION DISCUSSION AND ANALYSIS

Overview

The Compensation Committee of the Administrator has overall responsibility for determining the executive compensation policy for Petrowest's Named Executive Officers (the "NEOs"), as that term is defined in National Instrument Form 51-102F6 – *Statement of Executive Compensation*. The Compensation Committee is appointed by the Board of Directors of the Administrator to discharge the Board's duties and responsibilities with respect to establishing and implementing the compensation policy for executives of the Trust in addition to reviewing executive succession plans. For the 2009 fiscal year, the Compensation Committee was comprised of Messrs. Gerald A. Romanzin (Chair), Walter DeBoni and W. Mark Schweitzer. Each member of the Compensation Committee was an independent director as defined in applicable securities legislation.

Compensation Philosophy and Structure

The compensation paid to the NEOs is determined on the basis of several factors, including competitive compensation within the energy services industry, individual performance and overall corporate performance. Competitive compensation (i.e., base salary) is established with reference to the compensation paid to named executive officers within other energy services and civil and industrial infrastructure construction companies and trusts of similar scope and size to the Trust. Base salaries and benefits for each of Petrowest's NEOs, including the Chief Executive Officer, are established at median levels for similar positions in organizations of comparable size within the energy services and civil and industrial infrastructure construction industries. While compensation paid to the Chief Executive Officer tends to draw closer scrutiny, the Compensation Committee believes that the compensation of all executive officers as well as other senior management of the Trust and business unit managers is critical to the success of the Trust's performance and the committee reviews and approves the compensation paid to all such individuals.

The Compensation Committee believes that overall levels of compensation should be tied to success in meeting specific, predetermined corporate objectives. Incentive-based compensation is provided in the form of a short term incentive plan ("STIP") and a long-term Trust Unit-based program in the form of the deferred trust unit plan of the Trust (the "DTU Plan"). Pursuant to the STIP, bonuses for NEOs are tied to: (i) overall consolidated performance; (ii) operating segment performance; and (iii) individual business unit performance. Other factors considered when making awards under the STIP and the DTU Plan include individual performance and contributions to the success of Petrowest. NEOs are also eligible to participate in the DTU Plan, which is intended to provide a longer term incentive and retention element to Petrowest's executive compensation program. The Board of Directors of Petrowest retains the discretion to take other factors into consideration in determining whether to make awards under the STIP and DTU Plan to NEOs and has ultimate discretion over the same.

The Compensation Committee believes that a compensation program should align the interests of management with the interests of Unitholders. This is achieved by structuring compensation to achieve the following objectives:

- Provide a structure to attract, retain and motivate qualified executives;
- Provide compensation which incentivizes and rewards executives for achieving specific financial goals established in the annual strategic plan;
- Provide a compensation program which is applied on a reasonable basis as viewed by both employees and Unitholders; and

- Encourage individual growth and development.

The Compensation Committee conducts an annual review to consider and adjust executive compensation. In conducting its review, the committee compares current compensation levels with published industry and internal surveys and, if considered necessary, engages specialists in human resources and compensation to augment this comparative analysis. In addition, the Chief Executive Officer provides an individual performance review for each officer, excluding himself. The Chairman of the Board and the Chairman of the Compensation Committee conduct a performance review in respect of the Chief Executive Officer. Through this process, individual salary levels are determined and, if warranted in the determination of the committee, bonuses are awarded. The philosophy adopted by the Board of Directors in respect of compensation matters is to establish, to the extent reasonably possible, objective criteria that both motivate senior management and also correspond to industry and Unitholder expectations. Based upon the recommendation of the Compensation Committee, the compensation of the Chief Executive Officer, the Chief Financial Officer, the Vice President, Business Development and other senior management of the Trust and business unit managers is reviewed and, if considered appropriate, approved by the Board of Directors.

Elements of Executive Compensation

In 2009, the Trust's components of executive compensation included: base salary, bonuses pursuant to the STIP and deferred trust units ("DTUs"). In addition to the main elements above, the compensation program includes a competitive benefits program to provide executives with wellness security. There were three NEOs as at December 31, 2009, all of whom were subject to employment agreements with a fixed base salary.

A major intention of the Trust's compensation program is to reward performance. The award of bonuses pursuant to the STIP and the award of DTUs pursuant to the DTU Plan are both based on financial metrics which are in turn derived from the annual strategic plan. This incentivizes executives to achieve superior financial and operating results. The increase in the price of units directly affects the long-term incentive program, as DTUs are issued for this element of the compensation program.

The financial metric utilized in measuring performance for both short term and long-term incentive elements is EBITDA (earnings before interest, taxes, amortization and depreciation), adjusted for an interest component (based on projected debt levels) and capital expenditures. This "adjusted EBITDA" forms the basis for the incentive portions of executive compensation. Business unit managers and other senior management are incentivized with adjusted EBITDA with a weighting of 50% to the overall consolidated performance of the Trust, 25% performance to the segment in which their business unit is located and 25% to the individual business unit performance. The NEOs are weighted 100% to the overall consolidated financial results of the Trust.

The adjusted EBITDA is calculated on a per unit basis and comprised four ranges: <\$0.42 (minimum), \$0.43 - \$0.52 (low), \$0.53 - \$0.63 (mid) and >\$0.64 (high). Adjusted EBITDA assumed a projected debt level of \$90.0 million at 7%, or \$0.20 per unit) and capital expenditures of \$15.0 million (\$0.47 per unit). In 2009, consolidated EBITDA was \$6.8 million (\$0.21 per unit). Therefore, adjusted EBITDA was (\$0.46) per unit which is in the minimum range. Each range has dollar amounts dependent on the level of management.

Base Salary

Base salary for each NEO is set out in the respective executive employment agreements for the term of such agreement. There is a provision for changes to the base salary at the sole discretion of the Board of Directors, as recommended by the Compensation Committee. The purpose of a base salary is to provide a fixed portion of compensation for executives for performance of the regular duties and

functions associated with their respective executive management positions. The base salary and benefits program for NEOs is targeted at the median level for similar organizations. Mr. Wiggins and Mr. Hudson were the only NEOs as at December 31, 2009 that were NEOs in 2008. Mr. Wiggins and Mr. Hudson's base salary remained unchanged at \$200,000 per annum for both 2008 and 2009.

Annual Incentive Plan

The STIP is based on adjusted EBITDA. The objective is to ensure funding of the STIP is based on operating earnings after providing for projected interest costs and ensuring there are sufficient cash flows available to fund capital expenditures. This financial metric is specifically focused on a net cash number. In 2009 this financial metric was below the STIP threshold and therefore no awards were made under the program.

No STIP program was approved for 2010.

Long-term Incentive Program

The primary objective of the long-term incentive program, forming part of the total compensation program, is to promote a significant alignment of interests between the Trust's senior management and Unitholders. This is accomplished by incentivizing senior management relating to the longer term performance of the Trust through the award of DTUs in connection with the DTU Plan. Pursuant to the DTU Plan, DTUs may either be paid out in cash or by the issuance of Trust Units from treasury.

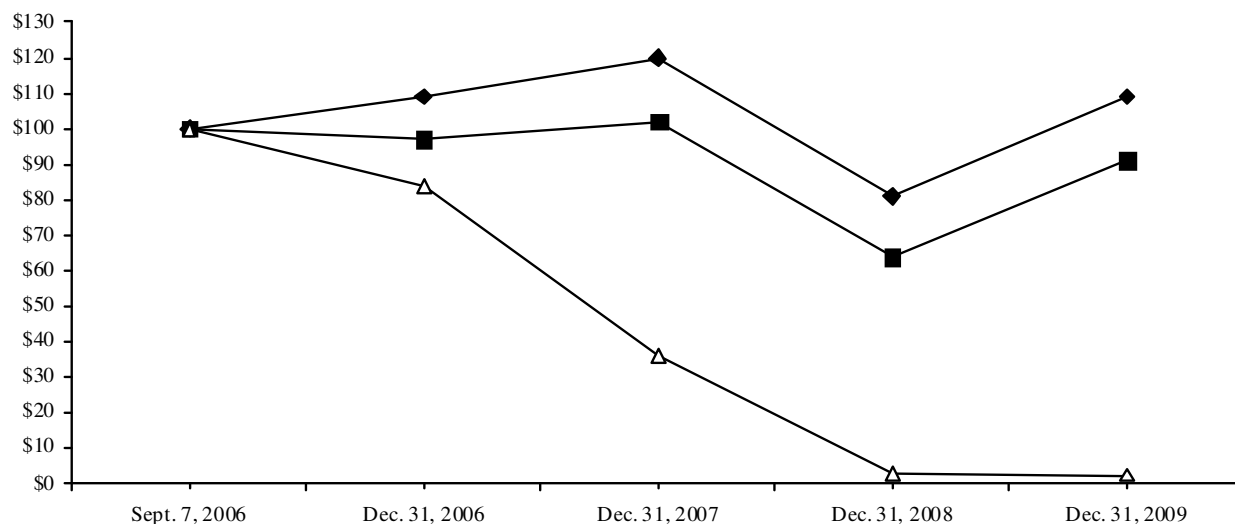
The initial grant of DTUs to those entitled to receive benefits under the DTU Plan (each a "Participant") occurred on April 15, 2008 and was based on the "low range" of the STIP program compensation grid. The total dollar amount was converted to notional DTUs based on the 10 day weighted average trading price of the Trust Units, which was \$1.2198 per Trust Unit at the time of the grant. The first settlement was based on the 10 day weighted average trading price of the Trust Units on April 15, 2009 in cash equal to the vested DTUs multiplied by \$0.3149 per unit.

Also during 2008 a grant of 600,000 DTUs was provided to Mr. Hesje based on a 10 day weighted average trading price of the Trust units of \$0.3646. These DTUs vest and become payable as to 1/3 on each of the three following anniversary dates of the grant date, being December 1, 2008.

During 2009 a grant of DTUs to Participants was based on the "low range" for performance in 2008. The total dollar amount was converted to notional DTUs based on the 10 day weighted average trading price of the Trust Units, which was \$0.3149 per Trust Unit at the time of the grant.

Performance Graph

The following performance graph compares the cumulative total return to Unitholders on the Units (assuming a \$100 investment was made on September 7, 2006, the date the Trust Units first commenced trading on the TSX at a closing price of \$10.24) with a cumulative total return on the S&P/TSX Composite Index and the S&P/TSX Oil & Gas Equipment & Services Sub-Industry Index (assuming the reinvestment of dividends) during the period commencing September 7, 2006 and ending December 31, 2010.



	Sept. 7, 2006	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009
◆ S&P/TSX Composite Index	\$100	\$109	\$120	\$81	\$109
■ S&P/TSX Oil & Gas Equipment & Services Sub-Industry Index	\$100	\$97	\$102	\$64	\$91
△ Petrowest (including distributions for the period)	\$100	\$84	\$36	\$2.75	\$2.27
Petrowest Unit Close Price	\$10.24	\$8.20	\$2.60	\$0.20	\$0.165

The Trust Units were listed on the TSX on September 7, 2006. Since this date, the S&P/TSX Composite Index has increased by 6%. Petrowest's cumulative return has declined significantly since being listed on the TSX. On October 31, 2006, fifty-five days subsequent to the initial trading on the TSX, the Canadian federal government announced the proposed taxation of income trusts. During the past three years the Alberta Government announced a number of amendments to Alberta's regime for collecting royalties on oil and gas production in the province, which has created uncertainty and had a negative impact on oil and gas drilling activity. In addition, the price of crude oil and natural gas has been volatile over the past 2 years, leading to uncertainty and an overall decrease in energy sector activity.

Of the three NEOs, Mr. Hudson is the longest serving, having commenced employment on July 9, 2007. Mr. Wiggins commenced employment on January 9, 2008 and Mr. Hesje on November 28, 2008. The base salaries of the three remaining NEOs were fixed by contract upon commencing employment with no changes made in any contract since execution. No awards pursuant to Petrowest's Annual Incentive Plan (STIP bonuses) were paid in 2009.

Summary Compensation Table

The following table and notes thereto set out information concerning the compensation paid to the NEOs.

Effective December 31, 2008, the Canadian Securities Administrators adopted a new form of executive compensation disclosure (new Form 52-106F6), which requires additional information to be included in the Summary Compensation Table in respect of compensation to NEOs for the 2008 financial year. As permitted under these new rules, information with respect to financial years prior to 2008 is not required and has not been restated in the table below.

Name and Principal Position	Year	Salary (\$)	Trust Unit- based awards ⁽¹⁾ (\$)	Option- based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long- term incentive plans			
Ralph Hesje ⁽²⁾⁽³⁾ President and Chief Executive Officer	2009	286,778 ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	50,000 ⁽⁵⁾	325,345
	2008	27,014	218,760	Nil	Nil	Nil	Nil	Nil	245,774
Lloyd Wiggins ⁽⁶⁾ Chief Financial Officer	2009	200,000	46,298	Nil	Nil	Nil	Nil	Nil	246,298
	2008	195,616	24,995	Nil	40,000	Nil	Nil	Nil	260,611
Keith Hudson Vice President, Business Development	2009	200,000	46,298	Nil	Nil	Nil	Nil	Nil	246,298
	2008	200,000	40,009	Nil	40,000	Nil	Nil	18,500	298,509

Notes:

- (1) Represents the fair value, on the date of grant of DTUs, awarded to NEOs based on the 10 day weighted average trading price of the Trust Units. For Messrs. Wiggins and Hudson the fair value on the date of grant was \$1.2198 for 2008 and \$0.3149 for 2009 and for Mr. Hesje, \$0.3646 for 2008. The fair values presented in the above table differ from the fair value as determined in accordance with Section 3870 of the CICA Handbook. Initially, the Trust accounted for the DTU Plan using the equity method which is based on the fair value of Trust Units (weighted average) on the respective grant dates and using the graded vesting as required in Section 3870. This assumes that the DTUs would be settled on vesting with the issuance of Trust Units, net of applicable withholdings. Subsequent to the third quarter of 2008 the Trust decided to settle the first vesting requirement on April 15, 2009 with cash, net of applicable withholdings. Therefore, the Trust changed the accounting of the DTU Plan to the liability method where the unit based compensation expense is based on the fair value of the Trust Units at each reporting date when they are "marked to market". It is anticipated that the Trust will settle all remaining vesting obligations with Trust Units and will therefore change back to the equity method of accounting.
- (2) Mr. Hesje joined the Administrator as President and Chief Executive Officer and a member of the Board on November 28, 2008.
- (3) Mr. Hesje did not receive any compensation in 2009 for his duties as a director of the Administrator.
- (4) \$10,742 of this amount was paid to Hesje & Associates, Mr. Hesje's personal consulting company, in connection with the first two pay periods of 2009.
- (5) Upon his appointment as President and Chief Executive Officer, Mr. Hesje received a signing bonus of \$50,000 which was paid in the 2009 fiscal year.
- (6) Mr. Wiggins joined the Administrator as Chief Financial Officer on January 9, 2008.

Named Executive Officer Incentive Plan Awards

The following table and notes thereto set out, for each NEO, information concerning all option-based and Trust Unit-based awards outstanding at December 31, 2009.

Name	Option-based Awards			Trust Unit-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Trust Units or units of Trust Units that have not vested (#)	Market or payout value of Trust Unit-based awards that have not vested ⁽¹⁾ (\$)
Ralph Hesje President and Chief Executive Officer	Nil	Nil	Nil	Nil	400,000	145,440
Lloyd Wiggins Chief Financial Officer	Nil	Nil	Nil	Nil	154,018	60,862
Keith Hudson Vice President, Business Development	Nil	Nil	Nil	Nil	162,224	70,871

Notes:

(1) For Messrs. Wiggins and Hudson, the figures represent the DTUs awarded in 2008 which will vest and be settled in cash or Trust Units with a vesting schedule of 1/3 to vest each year on the anniversary date of the grant. The estimated payout value is determined by multiplying the number of DTUs vesting by the 10 day weighted average trading value of Trust Units on April 15, 2008 of \$1.2198 for the 2008 award and \$0.3149 for the 2009 award. For Mr. Hesje, the figure represents DTUs awarded in 2008 which will vest and be settled in cash or Trust Units with a vesting schedule of 1/3 to vest on each of December 1, 2009, 2010 and 2011. The estimated payout value is determined using the weighted average trading value of Trust Units on December 1, 2008 of \$0.3646. The amount actually settled on the vesting dates will vary depending on the 10 day weighted average trading price of Trust Units on the date of vesting. See note (1) of "Summary Compensation Table", above, for description of accounting treatment of the DTUs.

The following table and notes thereto set out, for each NEO, information concerning the value vested or earned on all option-based awards, Trust Unit-based awards, and non-equity incentive plan compensation during the financial year ended December 31, 2009.

Name	Option-based awards – Value vested during the year (\$)	Trust Unit-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ralph Hesje President and Chief Executive Officer	Nil	31,880	Nil
Lloyd Wiggins Chief Financial Officer	Nil	4,250	Nil
Keith Hudson Vice President, Business Development	Nil	5,542	Nil

Termination and Change of Control Benefits

General

The Trust has entered into executive employment agreements (the "Employment Agreements") with Messrs. Hesje, Wiggins and Hudson in addition to other senior management that are not NEOs. The Trust believes that the Employment Agreements provide NEOs with certainty relating to termination and change of control in addition to providing their entitlement to base salary and to participate in the STIP and the DTU Plan.

Summary of Employment Agreements with Named Executive Officers

Mr. Ralph Hesje

Mr. Hesje entered into an employment agreement with the Trust effective November 28, 2008 for an annual base salary of \$290,000 in addition to participation in the STIP and DTU Plan. There is not a specified term relating to the expiration of his agreement. Mr. Hesje was also granted a signing bonus of \$50,000, subject to applicable withholdings, with the requirement to purchase a minimum of \$50,000 of Trust Units in the open market prior to January 30, 2009. In addition, Mr. Hesje received a grant of 600,000 DTUs effective December 1, 2008 with 1/3 to vest on each anniversary date of the grant date.

Mr. Lloyd Wiggins

Mr. Wiggins entered into an employment agreement with the Trust effective January 9, 2008 for an annual base salary of \$200,000 in addition to participation in the STIP and the DTU Plan. The agreement has a five year term expiring January 9, 2013. Mr. Wiggins was granted a signing bonus of 20,000 Trust units, payable upon completion of one year of service.

Mr. Keith Hudson

Mr. Hudson entered into an employment agreement with the Trust effective July 9, 2007 for an annual base salary of \$200,000 in addition to participation in the STIP and the DTU Plan. The agreement has a five year term expiring July 9, 2012. Mr. Hudson was granted a signing bonus of 10,000 Trust units, payable upon completion of one year of service.

Termination

The Employment Contracts for each of Messrs. Hesje, Wiggins and Hudson provide for certain payments to the NEOs in the event of termination of employment without just cause. For each of Messrs. Wiggins and Hudson, they would be entitled to receive 100% of their base salary plus an amount equal to 10% of their base salary which would be considered as payment in lieu of benefits. Mr. Hesje would be entitled to receive 150% of his base salary plus an amount equal to 10% of the base salary as payment in lieu of benefits. In addition, Mr. Hesje would be entitled to a bonus equal to 150% of the average bonus paid in the three years immediately preceding the termination of his contract. In the event that Mr. Hesje had completed less than three years of service prior to his termination, but more than one year, then he would be entitled to receive a bonus equal to 150% of the average bonus for the most recently completed year or two years, whichever is greater. If Mr. Hesje's employment is terminated prior to the completion of one year of service then he would be entitled to a bonus equal to a pro-rata portion of the bonus received under the STIP for the first year of service.

The following table summarizes the amounts payable on termination for each NEO if termination occurred in 2010 and there were no changes to base salary or the Employment Agreements:

Named Executive Officer	Base Salary Component	Payment in lieu of Benefits	Total
Ralph Hesje ⁽¹⁾	\$435,000	\$43,500	\$478,500
Lloyd Wiggins	\$200,000	\$20,000	\$220,000
Keith Hudson	\$200,000	\$20,000	\$220,000

Note:

(1) This table does not include any amount relating to possible bonus entitlements accruing upon termination.

Change of Control

The employment agreements for both Messrs. Wiggins and Hudson do not contain change of control clauses. Mr. Hesje's employment agreement includes change of control provisions. In Mr. Hesje's employment agreement a change of control is defined to mean, generally: (i) any event which has the effect of causing a change in the ownership of 50% or more of the issued and outstanding Units; (ii) the entering into any agreement by the Trust to merge, consolidate, restructure, initiate an arrangement or be absorbed by, into or with another entity; or (iii) the winding up, liquidation or significant re-arrangement of the Trust; or (iv) the removal or replacement of the Board in connection with a duly constituted meeting of Unitholders involving a contest for the election of directors to the Board. However, in connection with the events listed in (i) through (iii) above, a change in control shall not be deemed to occur if, following such a transaction, the members of the Board remain the same as prior to the occurrence of the transaction.

Following a change of control as defined above, and the occurrence certain "triggering events" as provided for in Mr. Hesje's employment agreement within 6 months of the change of control, Mr. Hesje may terminate his employment with the Trust within 30 days of such "triggering event". Following such termination, Mr. Hesje would receive all compensation payable under the terms of his employment agreement in the same manner as if his employment had been terminated without cause.

Director Compensation

Non-executive directors are paid an annual retainer of \$20,000 (\$30,000 in the case of the board chairman). In addition, the chair of each committee is paid an additional \$5,000. For each meeting non-executive directors attend, directors are paid \$1,000 if they attend in person and \$500 if they attend by teleconference. The following table sets out information concerning the compensation paid in 2009 to the members of the Board of Directors who are not also NEOs.

Name	Fees earned (\$)	Trust Unit-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
D. Hugh Gillard	40,725	Nil	Nil	Nil	Nil	Nil	40,725
Rene Amirault	30,500	Nil	Nil	Nil	Nil	Nil	30,500
Kenneth N. Drysdale	18,000	Nil	Nil	Nil	Nil	Nil	18,000
Gerald A. Romanzin	36,250	Nil	Nil	Nil	Nil	Nil	36,250
Walter DeBoni	35,850	Nil	Nil	Nil	Nil	Nil	43,125
W. Mark Schweitzer	43,125	Nil	Nil	Nil	Nil	Nil	47,000

Director Incentive Plan Awards

The following table and notes thereto set out information concerning all option-based and Trust Unit-based awards outstanding at December 31, 2009, for the following individuals who were directors of the Administrator during the financial year ended December 31, 2009, excluding those directors who were NEOs.

Name	Option-based Awards				Trust Unit-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Trust Units or units of Trust Units that have not vested (#)	Market or payout value of Trust Unit-based awards that have not vested ⁽¹⁾ (\$)
D. Hugh Gillard	Nil	Nil	Nil	Nil	23,066	25,120
Rene Amirault	Nil	Nil	Nil	Nil	10,933	13,336
Gerald A. Romanzin	Nil	Nil	Nil	Nil	10,933	13,336
Kenneth N. Drysdale	Nil	Nil	Nil	Nil	Nil	Nil
Walter DeBoni	Nil	Nil	Nil	Nil	10,933	13,336
W. Mark Schweitzer	Nil	Nil	Nil	Nil	10,933	13,336

Note:

(1) Represents the fair value, on the date of grant of DTUs, awarded to NEOs based on the 10 day weighted average trading price of the Trust Units of \$1.2198.

The following table sets out information concerning the value vested or earned on all option-based awards, Trust Unit-based awards, and non-equity incentive plan compensation during the financial year ended December 31, 2009, for the following individuals who were directors of the Administrator during the financial year ended December 31, 2009, excluding those directors who were NEOs.

Name	Option-based awards – Value vested during the year (\$)	Trust Unit-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
D. Hugh Gillard	Nil	3,107	Nil
Rene Amirault	Nil	1,721	Nil
Gerald A. Romanzin	Nil	1,721	Nil
Kenneth N. Drysdale	Nil	1,721	Nil
Walter DeBoni	Nil	1,721	Nil
W. Mark Schweitzer	Nil	1,721	Nil

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

Except as disclosed in this Information Circular, no director, executive officer or senior officer of the Administrator, or proposed nominee for election as a director of the Administrator, or their respective associates, was as at the date hereof, or was during the fiscal year ended December 31, 2009, indebted to the Trust or the Administrator.

The Subordinated Units were issued to certain directors, officers and employees of the Trust at a price of \$3.00 per Subordinated Unit. The aggregate purchase paid by each such director, officer and employee was satisfied in the following manner: (i) one-third in cash, and (ii) two-thirds by the issuance of a promissory note to the Trust. Each promissory note has a three-year maturity and is non-interest

bearing. No security was provided by any director, officer or employee in respect of the promissory notes. Each promissory note will be forgiven over a three-year period if the issuer of the note remains a director, officer or employee of the Trust.

For further information about the material terms of the Subordinated Units, please see "Information Concerning Petrowest – The Trust – Units" in the Trust's Annual Information Form dated March 31, 2010 which is available on SEDAR at www.sedar.com.

Aggregate Indebtedness

The following table shows the aggregate indebtedness of all executive officers, directors, employees and former executive officers, directors and employees of Petrowest to the Trust or its subsidiaries as at the date of this Information Circular. All of such debt is pursuant to the notes issued in connection with the Subordinated Units.

<u>Purpose</u>	<u>To the Trust and its Subsidiaries</u>	<u>To Other Entities</u>
Unit Purchases	\$2,095,000	Nil
Other	Nil	Nil

Indebtedness of Directors and Officers

<u>Name and Principal Position</u>	<u>Involvement of Trust or Subsidiary</u>	<u>Largest Amount Outstanding During 2009</u>	<u>Amount Outstanding as at June 1, 2010</u>	<u>Financially Assisted Purchases During 2009</u>	<u>Security for Indebtedness</u>	<u>Amount Forgiven During 2009</u>
		(\$)	(\$)	(#)		(\$)
Brad Markel Corporate Secretary	Indebtedness to the Trust	10,000	10,000	–	–	–
D. Hugh Gillard Director and Chairman	Indebtedness to the Trust	40,000	40,000	–	–	–
Rene Amirault Director	Indebtedness to the Trust	40,000	40,000	–	–	–
Gerald A. Romanzin Director	Indebtedness to the Trust	40,000	40,000	–	–	–

APPOINTMENT OF AUDITORS

It is proposed that PricewaterhouseCoopers LLP, Chartered Accountants, be appointed as the auditors of the Trust to hold office until the next annual meeting of Unitholders of the Trust. If appointed, the Directors will be authorized to fix the remuneration of the auditors. PricewaterhouseCoopers LLP has acted as the auditors of the Trust since July 6, 2006.

OTHER MATTERS TO BE ACTED UPON

Other than the foregoing, the Board of Directors of the Administrator knows of no matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the meeting. For the purpose of this paragraph "Person" shall include each person: (a) who has been a director or executive officer of the Administrator since the commencement of the Trust's last completed financial year; (b) who is a nominee to the Board of Directors of the Administrator; or (c) who is an associate or affiliate of a person referred to in (a) or (b), above.

INTERESTS OF INSIDERS AND OTHERS IN MATERIAL TRANSACTIONS

The Trust has recently announced an offering of rights ("Rights") to subscribe for up to 53,571,429 Trust Units and 1,955,021 Subordinated Units at a subscription price of \$0.14 per Trust Unit or Subordinated Unit. In connection with the offering of Rights, the Trust has entered into a stand-by purchase agreement dated May 11, 2010 (the "Stand-by Agreement") among the Trust, PetroCorp, Larry Patriquin, Murray Head, Ron Head, Roy Larson, Jim Moffatt, Rick Quigley and Bernie Reed (collectively, the "Stand-by Purchasers") whereby the Stand-by Purchasers have agreed to purchase all Trust Units that are not otherwise purchased in connection with the exercise of Rights.

Pursuant to the provisions of the Stand-by Agreement, PetroCorp has agreed to purchase up to \$2,500,000 of Trust Units, equaling up to 17,857,143 Trust Units, that may be available for purchase upon completion of the Rights offering. As stated above, Mr. Patriquin is chairman of the board of directors and chief executive officer of PetroCorp and Mr. Wetsch is a director of PetroCorp.

Also pursuant to the provisions of the Stand-by Agreement, the following nominees to the Board of Directors have agreed to purchase up to the following amounts of Trust Units that may be available for purchase upon completion of the Rights offering:

Nominee	Dollar Amount	Number of Trust Units
Roy Larson	\$1,000,000	7,142,857
Rick Quigley	\$1,000,000	7,142,857
Larry Patriquin	\$500,000	3,571,429

For further details regarding the Rights offering and the Stand-by Agreement, please see the final short form prospectus of the trust dated May 26, 2010, and the full text of the Stand-by Agreement, both of which are available on SEDAR at www.sedar.com.

Except as otherwise disclosed in this Information Circular, no informed person of the Trust or the Administrator and no person nominated for election as a director of the Administrator (nor any associate or affiliate of any such person) had any material interest, direct or indirect, in any transaction undertaken since the commencement of the Trust's most recently completed financial year, has materially affected the Trust and none of such persons has any material interest in any transaction proposed to be undertaken by the Trust that will materially affect the Trust.

CORPORATE GOVERNANCE

The Board of Directors and senior management of the Administrator consider good corporate governance to be an integral part of the effective and efficient operation of Canadian business entities. Disclosure of the Administrator's corporate governance practices, in accordance with National Instrument 58-101, is attached to this Information Circular as Schedule A.

ADDITIONAL INFORMATION

Additional information relating to the Trust is available on SEDAR at www.sedar.com. Financial information is provided in the Trust's comparative financial statements and management's discussion and analysis ("MD&A") for its most recently completed financial year. Unitholders may request copies of the Trust's financial statements and MD&A by contacting Ralph Hesje, President and Chief Executive Officer or Lloyd A. Wiggins, Chief Financial Officer at (403) 237-0881.

DATED as of the 1st day of June, 2010.

BY ORDER OF the board of directors of Petrowest
Energy Services General Partner Ltd., the administrator
of PETROWEST ENERGY SERVICES TRUST

(signed) "Ralph Hesje"

Ralph Hesje
President and Chief Executive Officer

SCHEDULE A
CORPORATE GOVERNANCE DISCLOSURE
FORM 58-101F1

Disclosure Requirement	Petrowest Corporate Governance Practices
1. Board of Directors	
(a) Disclose the identity of directors who are independent.	<p>If elected, the following directors will be independent as that term is defined in section 1.4 of National Instrument 52-110 - <i>Audit Committees</i>:</p> <p>Gerald A. Romanzin Mark Schweitzer William (Bill) Smith</p>
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	<p>Neither Roy Larson nor Rick Quigley are independent as they are both employees of the Trust's operating divisions.</p> <p>Larry Patriquin and Garry Wetsch are not independent as they are both directors of PetroCorp, which has entered into Stand-by Agreement pursuant to which it has agreed to purchase up to 17,857,143 Trust Units in connection with the Trust's recently announced Rights offering. Also pursuant to the Stand-by Agreement, Mr. Patriquin has agreed to purchase, for his personal account, up to 3,571,429 Trust Units.</p>
(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board of Directors does to facilitate its exercise of independent judgment in carrying out its responsibilities.	<p>If elected three of seven directors will be independent so that a minority of the directors will be independent.</p> <p>In order to facilitate its exercise of independent judgment with a minority of independent directors, the chairman of the Trust's Governance Committee is independent and is charged with making determinations as to the independence of the other members of Board and whether they will be permitted to participate in decisions where a conflict may arise. In addition, the Board will strike special committees and retain independent third party advisors as required in order to ensure that independent judgment is exercised.</p>

Disclosure Requirement

(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.

(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board

Petrowest Corporate Governance Practices

The following directors are also directors of the issuers set out beneath their respective names below:

Roy Larson

- Not applicable

Larry Patriquin

- PetroCorp

Rick Quigley

- Not applicable

Gerald A. Romanzin

- Trimac Income Fund

- Crescent Point Energy Trust

Mark Schweitzer

- Not applicable

William (Bill) Smith

- Not applicable

Garry G. Wetsch, Q.C.

- PetroCorp

The Board of Directors conducts an in camera session without management at each regular meeting of the Board.

If elected, Mr. Bill Smith will become the Chairman of the Board of Directors. Mr. Smith is an independent director. Pursuant to the position description adopted by the Board for the chairman of the Board, the duties of the chair include: providing leadership to the directors by organizing the Board to function independently, including

Disclosure Requirement

has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.

- (g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.

2. Board Mandate

Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.

Petrowest Corporate Governance Practices

regularly arranging meetings of the Board without management and non-independent directors present; managing the affairs of the Board to ensure that the Board is organized properly and functions effectively; taking reasonable steps to ensure that the members of the Board execute their duties pursuant to the mandates of the Board; preside at, call and schedule each meeting of the Board; preside at the meetings of the shareholders; coordinating with management to ensure materials are distributed to directors in sufficient time in advance of meetings for thorough review and ensuring the matters are properly presented for the Board's consideration, the Board has an appropriate opportunity to discuss issues at each meeting and that the Board has an appropriate opportunity to question executive officers, management, employers, external auditors, experts and advisors regarding all matters of importance to the Board; communicating with each member of the Board to ensure that each director has the opportunity to participate in decision making and that each director is accountable to the Board and to each committee on which they serve, arranging for the preparation, accuracy and distribution of minutes, ensuring that each committee of the Board appropriately reports to the Board and assisting in maintaining effective working relationships between Board members, the Chief Executive Officer, external auditors, experts, advisors, executive officers and management.

The attendance record of each director at Board, Committee and other relevant meetings is attached as Schedule C.

The mandate of the Board is attached as Schedule B and is also available on the Trust's website at www.petro-west.com.

Disclosure Requirement

Petrowest Corporate Governance Practices

3. Position Descriptions

- (a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.
- (b) Disclose whether or not the board and Chief Executive Officer have developed a written position description for the Chief Executive Officer. If the board and Chief Executive Officer have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the Chief Executive Officer.

The Board has approved written position descriptions for the Chairman and the chair of each Board committee. Copies of these descriptions are available on the Trust's website at www.petro-west.com.

The Board has approved a written position description for the Chief Executive Officer. The position description is reviewed annually by the Compensation Committee and is available on the Trust's website at www.petro-west.com.

4. Orientation and Continuing Education

- (a) Briefly describe what measures the board takes to orient new directors regarding:
- (i) the role of the board, its committees and its directors, and
 - (ii) the nature and operation of the issuer's business.
- (b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

New directors are provided with the Trust's Board reference materials (the "Reference Materials") which includes the Trust's constating documents and all Board policies, mandates and position descriptions and meet with the senior management of the Trust to review the documents and obtain a firsthand report on the nature and operation of the Trust's business. New directors are advised that the Trust's legal counsel is available to answer any questions they may have on the legal aspects of the role of the Board, its committees and its directors.

The Board annually reviews the Reference Materials with management in order that the directors maintain the skill and knowledge necessary to meet their obligations as directors.

Directors stay abreast of new developments in corporate governance through regular briefings from a variety of experts, including the Trust's legal counsel.

Disclosure Requirement

Petrowest Corporate Governance Practices
5. Ethical Business Conduct

- (a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:
- (i) disclose how a person or company may obtain a copy of the code;
 - (ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and
 - (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.
- (b) Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.
- (c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.

The Board has adopted a written Code of Conduct and Ethics, (the "Code") which is subject to constant review and revision to ensure it is in line with best practices.

A copy of the Code may be obtained upon request from the Chief Financial Officer of the Trust at 1020, 407 – 2nd Street S.W., Calgary, AB T2P 2Y3, Facsimile: (403) 237-0880. The Code is also available on the Trust's website at www.petro-west.com.

A copy of the Code has been provided to each director, officer and employee of the Trust and each such person is required to acknowledge that he or she has read the Code and disclosed any transactions or matters of potential conflict. Similarly, copies of the Code will be provided to each new director, officer and employee of the Trust, and each such person shall acknowledge that he or she has read the Code before commencing activities as a director, officer or employee, as the case may be.

No material change reports have been filed by the Trust since July 6, 2006 (the date of formation) relating to a director's or executive officer's departure from the Code. Further, no waivers of the Code have ever been granted to any director, officer or other employee of the Trust.

Directors who have, or may be reasonably perceived to have, a personal interest in a transaction or agreement being contemplated by the Trust are required to declare such interest at any directors' meeting where the matter is being considered and to refrain from voting on such matter.

The Board encourages and promotes a culture of ethical business conduct by expecting each other, all officers and management to act in a manner that exemplifies ethical business conduct. This expectation sets the tone for all employees of the Trust. The Trust makes every effort to ensure that prospective employees are of good character.

Disclosure Requirement**Petrowest Corporate Governance Practices****6. Nomination of Directors**

- (a) Describe the process by which the board identifies new candidates for board nomination.
- (b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.
- (c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

The nomination process for new directors is currently the responsibility of the independent members of the Board. The Chairman of the Board surveys all directors to determine whether or not new directors should be nominated and, if so, names of prospective new directors who have the skills and experience required to fill any gaps on the Board. The Board then reviews the information and makes the decision.

The independent members of the Board are responsible for nominating new directors.

The Board is responsible for reviewing the size and composition of the Board from time to time. The independent members of the Board consider persons as nominees for directors for the approval of the Board and election by the Unitholders.

7. Compensation

- (a) Describe the process by which the board determines the compensation for the issuer's directors and officers.

The Compensation Committee is responsible for assessing the compensation of directors and officers and making recommendations to the Board. The Compensation Committee reviews director compensation on an annual basis to determine whether such compensation is appropriate for the responsibilities, time commitment and risks assumed by the directors. The Compensation Committee also reviews officer compensation annually against information from other Trusts and published data, and targets total compensation at the median of the Trust's peer group.

Please refer to pages 8 through 18 of the Information Circular for details of the executive compensation structure and policies.

Disclosure Requirement

- (b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.
- (c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.
- (d) If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.

Petrowest Corporate Governance Practices

The Board has a Compensation Committee and each of the members of the existing committee and the proposed committee is independent.

The Compensation Committee annually reviews and determines executive compensation packages for the senior officers of the Trust, including salary, bonuses, stock options or awards, unit appreciation rights and other incentives. The Compensation Committee also reviews and recommends directors' compensation from time to time, as appropriate. In addition, the Compensation Committee prepares and reviews public or regulatory disclosure respecting compensation and the basis on which performance is measured.

The Trust did not use a compensation consultant in 2010.

Disclosure Requirement

Petrowest Corporate Governance Practices
8. Other Board Committees

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

In addition to the audit committee and the Compensation Committee, the Board has a Health, Safety and Environmental Committee that makes recommendations to the Board on the development and implementation of policies, standard and practices of the Trust with respect to health, safety and environment. The objectives of this committee are to assist the Board in discharging its responsibilities in respect of the Trust meeting its legal, industry and community obligations pertaining to the areas of health, safety and environment, and to assist the Board in discharging its responsibilities in respect of the Trust establishing appropriate environment, health and safety policies and procedures and maintaining management systems to implement such policies and monitor compliance.

9. Assessments

Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.

The performance of the Board of Directors, its committees and its individual directors is monitored and assessed by the Chairman of the Board on an ongoing basis to determine the effectiveness and abilities of the Board and to ensure its members are effective and make appropriate contributions to the Board as a whole.

A board effectiveness survey has been conducted by the Board.

Copies of position descriptions and mandates noted herein as being available on the Trust's website at www.petro-west.com may also be obtained on request from the Corporate Secretary.

SCHEDULE B

PETROWEST ENERGY SERVICES GENERAL PARTNER LTD. MANDATE OF THE BOARD OF DIRECTORS

The purpose of this document is to establish the mandate (the "Mandate") of the board of directors (the "Board") of Petrowest Energy Services General Partner Ltd. (the "Corporation").

1. STEWARDSHIP OF THE CORPORATION, TRUST AND RELATED ENTITIES

The Board is responsible for the overall stewardship of the business and affairs of the Corporation as well as Petrowest Energy Services Trust (the "Trust") and all its related entities (collectively, "Petrowest") on behalf of all stakeholders by evaluating the effectiveness of management of the business and affairs of Petrowest and providing leadership to Petrowest by practicing responsible and ethical decision making.

2. DIRECTOR OBLIGATIONS

Each Director has the responsibility to attend all regularly scheduled meetings of the Board and all of the committees of the Board on which they serve and to be prepared for such meetings by reviewing materials provided in advance of meetings. In addition, each director is expected to act honestly and in good faith with a view to the best interests of Petrowest and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3. COMPOSITION

A majority of the Board will, at all times, be independent directors as defined in the current laws applicable to Petrowest. To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings, their personal affairs and in the discharge of their duties to and on behalf of Petrowest.

The Board is responsible for evaluating its size and determining the appropriate number of directors for the Board.

4. MEETINGS

The Board will meet in person, or by telephone conference call, at least four times per year and as often thereafter as required to discharge the duties of the Board. The Board will hold meetings of the independent directors without management and non-independent directors present. The Board will implement structures and procedures to ensure that it functions independently of management. Minutes of all meetings of the Board shall be maintained.

5. RESPONSIBILITIES AND DUTIES

SELECTION OF DIRECTORS

- (a) The Board, with the assistance of the Governance Committee (should the board form a Governance Committee) is responsible for approving new nominees to the Board.
- (b) The Board will annually review the assessment of the Board's performance and recommendations provided by the Governance Committee (if such a committee is formed) and evaluate its own effectiveness in accordance with Petrowest's corporate

governance policy. The Board will take appropriate action based upon the results of the review process.

COMMITTEES OF THE BOARD

- (c) The Board shall establish committees to assist it in performing its duties, which shall include (i) an Audit Committee and (ii) a Compensation Committee. Should the board find it desirable to so, a Health and Safety and/or a Governance Committee may also be established, or any other committee as the board may deem appropriate.
- (d) The Board shall appoint directors to serve as members of each committee. The board shall take into account the recommendations made by the Governance Committee (if such a committee is formed) in appointing directors to each committee. In addition, the Board shall appoint a chair of each committee to provide leadership, manage the affairs and ensure the committee functions effectively in fulfilling its duties to the Board and Petrowest.
- (e) The Board will regularly receive and consider reports and recommendations from each committee.
- (f) The Board shall receive minutes of all committee meetings.
- (g) The Board will annually evaluate the performance and review the work of its committees, including their respective mandates and the sufficiency of such mandates.

SUPERVISION OF MANAGEMENT

- (h) The Board will select and appoint the Chief Executive Officer, and with the assistance of the Chairman of the Board of Directors, establish goals and objectives developed for the Chief Executive Officer and review the assessment of the Chief Executive Officer's performance in relation to such objectives.
- (i) The Board will annually receive and consider a report from its Compensation Committee on succession planning, including appointing, training and monitoring of senior management and the Chief Executive Officer.
- (j) The Board will assist the CEO to select and appoint executive officers; establish executive officers' goals and objectives and monitor their performance.

GENERAL RESPONSIBILITIES OF THE BOARD

- (k) The Board will oversee the management of Petrowest. In doing so, the Board will establish a productive working relationship with the Chief Executive Officer and other members of senior management.
- (l) The Board will adopt a strategic planning process and annually approve a strategic plan for increasing shareholder value taking into account, among other items, the opportunities and risks of Petrowest's business, and monitor Petrowest's performance against its strategic plan, approve capital and operating budgets to implement the strategic plan and conduct periodic reviews of Petrowest's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan.

- (m) The Board will, through its Audit Committee, review the integrity of Petrowest's internal control and management information systems.
- (n) The Board will engage in a review of short and long-term performance of Petrowest in accordance with approved plans.
- (o) The Board will adopt a process to identify business risks and ensure appropriate systems to manage risks are in place, and together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of Petrowest's disclosure controls and procedures; internal controls over financial reporting and management information systems.
- (p) The Board will approve material capital expenditures or material dispositions or other material financial commitments and will put in place a policy to specify spending authorizations.
- (q) The Board will review and on the advice of the Audit Committee, approve, prior to their public dissemination:
 - (i) interim and annual financial statements and notes thereto;
 - (ii) managements' discussion and analysis of financial condition and results of operations;
 - (iii) relevant sections of the annual report, annual information form and management information circular containing financial information;
 - (iv) forecasted financial information and forward looking statements;
 - (v) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed.
- (r) The Board will adopt prudent financial standards with respect to the businesses of Petrowest and prudent levels of debt in relation to Petrowest's consolidated capitalization.
- (s) The Board will approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.
- (t) The Board will also consider and approve:
 - (i) transactions out of the ordinary course of business;
 - (ii) special employment contracts, upon recommendation of the Compensation Committee;
 - (iii) all matters that would be expected to have a major impact on unitholders of the Trust; and
 - (iv) the appointment of any person to any position that would qualify such person as an officer of any Petrowest entity.

- (u) The Board shall approve and implement a communications policy that provides for the disclosure and communications practices governing Petrowest.
- (v) The Board shall approve and maintain a process for Petrowest's stakeholders to contact the independent directors directly with concerns and questions regarding Petrowest.
- (w) The Board shall annually review and, on the advice of the Governance Committee (if such a committee is created), either approve or require revisions to this Mandate and the Mandate of each committee of the Board, position descriptions, and all other policies of Petrowest (collectively the "Governance Documents");
- (x) The Board shall take steps to (i) satisfy itself that each director, the CEO and the executive officers are performing their duties ethically; conducting business on behalf of Petrowest in accordance with the requirements and the spirit of the Governance Documents; (ii) foster a culture of integrity throughout Petrowest; and (iii) arrange for the Governance Documents to be publicly disclosed when required by law or deemed appropriate.
- (y) The Board will ensure that all new directors receive a comprehensive orientation and that all new directors should fully understand the role of the Board and its committees; and provide continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of Petrowest's business remains current.

REMUNERATION OF THE DIRECTORS

- (z) The Board of Directors will consider and approve the adequacy and form of the compensation of directors, upon recommendation of the Compensation Committee.

GENERAL

- (aa) The Board will consider and approve such other matters as the Board may, from time to time, determine.
- (bb) The Board shall have access to all books, records, facilities and personnel of Petrowest necessary for the discharge of its duties.
- (cc) The Board has the power, at the expense of Petrowest, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.

Adopted and approved by the Board of Directors – September 11, 2006

SCHEDULE C
MEETINGS HELD DURING 2009

Directors' Attendance Records

	Board⁽¹⁾	Committees			
		Compensation	Audit	Health, Safety and Environment⁽²⁾	Special Committee
Number of Meetings	8	2	4	2	4
D. Hugh Gillard	8/8	n/a	4/4	n/a	4/4
Ralph Hesje	8/8	n/a	n/a	n/a	n/a
Kenneth N. Drysdale ⁽¹⁾	3/8	n/a	n/a	n/a	n/a
Rene Amirault	7/8	n/a	n/a	2/2	3/4
Gerald A. Romanzin	7/8	2/2	4/4	n/a	n/a
Walter DeBoni	8/8	2/2	n/a	2/2	4/4
Mark Schweitzer	8/8	2/2	4/4	n/a	n/a

Note:

(1) Mr. Drysdale did not stand for re-election in June 2009.