

PETROWEST ENERGY SERVICES TRUST

CODE OF CONDUCT AND ETHICS

Purpose

The purpose of this Code of Conduct and Ethics (the "Code") is to provide a brief summary of the standards of conduct that are the foundation of our business operations and to set and maintain a high standard of honesty and integrity in conducting our business.

This Code applies to all directors, officers, employees and consultants (each, a "Member") of Petrowest Energy Services Trust and Petrowest Energy Services General Partner Ltd. and their respective subsidiaries and affiliates (collectively, "Petrowest").

This Code does not specifically address every potential form of unacceptable conduct, and it is expected that Members will exercise good judgment in compliance with the principles set out in this Code. Each Member has a duty to avoid any circumstance that would violate the letter or spirit of this Code. Unscrupulous dealings, non-compliance with this Code or the law or other dishonest or unethical business practices are forbidden and may result in disciplinary action, including termination from employment or termination of contractual relations.

General Policy

It is Petrowest's policy to conduct its business in accordance with applicable laws, rules and regulations with the highest standards of ethics, honesty and integrity and in a manner that shows respect for all employees, clients and stakeholders.

Conflicts of Interest

It is the duty of all Members to avoid and appear to avoid financial, business or other relationships which may be at conflict or perceived to be at conflict, to Petrowest's interest. This requires that each Member act in such a manner that his or her conduct will bear the closest scrutiny should circumstances demand that it be examined.

The exchange of social amenities (ie. business lunches, entertainment and acceptance of nominal gifts and under **[\$200.00]** or equivalent value) is acceptable when reasonably related to a clear business purpose, good taste, and normal reciprocal business relationships.

Definitions of a conflict are any situation that may make it difficult, or may be perceived to be difficult, to perform your work on behalf of Petrowest objectively and effectively. Examples include:

- (a) you or members of your family receive improper benefits, loans or loan guarantees from companies or parties attempting to do business with or competing with Petrowest;
- (b) owning shares or substantial interest in companies that have material business dealings with Petrowest;
- (c) acting as a director, officer or consultant to companies that have material business dealings with Petrowest;
- (d) acting as director, officer or consultant to a potential competitor to Petrowest; and
- (e) accepting gifts, payments or services of significant value from companies seeking to do business with or competing with Petrowest.

Trust Opportunities

It is Petrowest's policy that all Members owe a duty to advance Petrowest's interests. Use of information, property of Petrowest, or position for personal gain, or competition with Petrowest directly or indirectly is prohibited.

Unauthorized Use of Trust Assets and Prohibited Payments

All Members are responsible for protecting Petrowest's assets. Personal use of Petrowest's property, including investment and other business opportunities, is not permitted without specific authorization.

It is Petrowest's policy that all Members are strictly prohibited from the use of funds of Petrowest or assets for any unlawful purpose. All dealings with clients, suppliers, governments and stakeholders should be straightforward and above board.

Payments in cash or services provided to government officials or private individuals to induce potential customers to purchase Petrowest's goods or services, obtain or retain business, or obtain or retain special concessions are prohibited.

Record Keeping

It is Petrowest's policy that the financial statements and books and records on which they are based must accurately reflect all transactions. All books and financial records must be maintained in accordance with Generally Accepted Accounting Principles (GAAP) and are subject to review by auditors operating with full co-operation and disclosure from Petrowest's staff. The following principles shall apply:

- (a) no undisclosed or unrecorded asset of Petrowest will be established for any purpose;

- (b) no false or artificial entry shall be made in Petrowest's books or records. All transactions shall be recorded properly to permit preparation of timely financial statements in accordance with GAAP. Where possible, the use of estimates and accruals will be minimized. All estimates and accruals necessary to ensure timely preparation, will be based on reasonable, sound and conservative measures in accordance with standards of the Audit Committee, GAAP and reasonable industry standards;
- (c) no payments on behalf of Petrowest shall be approved or made with the intention or understanding that they are for services for other purposes than that described in the underlying documents; and
- (d) books and records, including emails, internal memos, formal reports and correspondence often become public and, as such, derogatory, exaggeration, guesswork or inappropriate characterizations should be avoided.

Consultants Agents and Representatives

It is Petrowest's policy that all consultants, agents and representatives of Petrowest comply with this policy. All written hiring contracts should bind these parties to this policy.

Competition and Fair Dealing

It is Petrowest's policy that we seek to outperform our competition fairly and honestly using best practices of service to our clients. It is not Petrowest's policy to use unethical or illegal practices such as the theft of proprietary information or trade secrets to seek competitive advantages.

Confidentiality

Information entrusted to Members about the operations or future plans of Petrowest, or by our clients, competitors or suppliers should remain confidential at all times except where disclosure is required by law or regulation.

Confidential information includes all non-public information. The obligation to preserve confidential information continues after employment ends.

Protection of and Proper Use of Petrowest's Assets

Protection and proper use of Petrowest's assets (including proprietary information, plans, ideas, designs, records and salary information) directly impact profitability. Any suspected incident of fraud, theft or misuse should be immediately reported for investigation.

Securities Laws and Insider Trading

Securities regulations require prompt disclosure of material information about the operation of Petrowest. Such disclosure will be fair and accurate and enable full understanding of the material information.

Members must not use for personal gain, or reveal information outside of Petrowest to relatives, friends or other parties that is neither known or available to the general public. Specifically, Members must not either directly or indirectly through family members or associates, acquire or dispose of any interest, including publicly traded shares in Petrowest, in any energy, energy services or other company, by reason of having knowledge obtained in the course of work at Petrowest which has not been publicly disclosed.

Directors, officers, employees or consultants will refrain from trading units of the trust during periods of blackout as defined by the Board of Directors of Petrowest Energy Services General Partner Ltd.

Reporting Illegal or Unethical Behaviour

All personnel are encouraged to talk to supervisors, managers or other appropriate persons including the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Petrowest's counsel about observed illegal or unethical behavior.

You may find yourself in situations or be asked to perform tasks that it is difficult to determine in certain circumstances what is right and wrong. If these situations are encountered keep in mind the following:

- (a) make sure you have all the facts;
- (b) ask yourself, what am I specifically being asked to do;
- (c) discuss the problem with a supervisor;
- (d) seek help from Petrowest's resources;
- (e) you may report any ethical violation in confidence and without fear of retaliation; and
- (f) always ask first and then act.

Pursuant to Petrowest's Whistleblower Policy, confidential anonymous complaints or concerns may be made to the Chairman of the Audit Committee of Petrowest Energy Services General Partner Ltd. by (i) e-mail to chairaudit@petro-west.com or (ii) by mail to Petrowest's office at Suite 1020, Canada Place, 407 – 2nd Street S.W., Calgary, Alberta, T2P 2Y3 marked "Private and Confidential – Attention: Chairman of the Audit Committee".

Certification

Each Member of Petrowest shall annually certify that they have read this code, not violated any of the requirements and are not aware of any material violation of this code by any other person.

As an employee within Petrowest Energy Services Trust, I hereby acknowledge I have read, understood and agree to abide by it's Code of Conduct and Ethics.

Employee Name (please print)

Employee Signature

Date (MM/DD/YYYY)