



**Press Release**

TSX – TCW  
March 4, 2010

**TRICAN 2009 FOURTH QUARTER AND YEAR END RESULTS**

**Financial Review**

(\$ millions, except per share amounts, unaudited)

	Three months ended December 31,			Years ended December 31,		
	2009	2008	2007	2009	2008 (restated)**	2007
Revenue	\$ 219.9	\$ 322.8	\$ 195.8	\$ 811.5	\$ 1,016.1	\$ 836.4
Operating income *	24.9	73.2	34.2	70.2	181.8	195.1
Net (loss)/income	14.7	(96.3)	18.2	(8.5)	(71.4)	111.8
Net (loss)/income per share						
(basic)	0.12	(0.77)	0.15	(0.07)	(0.57)	0.93
(diluted)	0.12	(0.77)	0.15	(0.07)	(0.57)	0.91
Adjusted net income/(loss)*	7.4	38.7	21.4	(8.1)	72.3	124.5
Adjusted net income per share*						
(basic)	0.06	0.32	0.18	(0.07)	0.58	1.03
(diluted)	0.06	0.31	0.17	(0.07)	0.58	1.01
Funds provided by operations*	27.5	78.9	41.8	38.8	166.2	131.8

\* Trican makes reference to operating income, adjusted net income/(loss) and funds provided by operations. These are measures that are not recognized under Canadian Generally Accepted Accounting Principles (GAAP). Management believes that, in addition to net income/(loss), operating income, adjusted net income/(loss) and funds provided by operations are useful supplemental measures. Operating income provides investors with an indication of earnings before depreciation, taxes and interest. Adjusted net income/(loss) provides investors with information on net income excluding one-time non-cash charges and the non-cash effect of stock-based compensation expense. Funds provided by operations provide investors with an indication of cash available for capital commitments, debt repayments and other expenditures. Investors should be cautioned that operating income, adjusted net income/(loss), and funds provided by operations should not be construed as an alternative to net income/(loss) determined in accordance with GAAP as an indicator of Trican's performance. Trican's method of calculating operating income, adjusted net income/(loss) and funds provided by operations may differ from that of other companies and accordingly may not be comparable to measures used by other companies.

\*\* See note 2 of the financial statements for details of the prior period restatement.

**FOURTH QUARTER HIGHLIGHTS**

**Current Quarter versus Q4 2008**

Consolidated revenue for the fourth quarter of 2009 decreased by 32% compared to the same period in 2008 and net income increased to \$14.7 million from a loss of \$96.3 million. Before the impact of one-time non-cash charges and stock-based compensation, fourth quarter net income decreased to \$7.4 million from \$38.7 compared to the fourth quarter of 2008. Before the impact of one-time non-cash charges and stock-based compensation, diluted net income per share was \$0.06 compared to \$0.31 in the fourth quarter of 2008.

Revenue in Canada decreased by 27% compared to the fourth quarter of 2008 as a 29% decline in rig count had a negative impact on overall activity levels and pricing.

Russian operations were negatively impacted by unusually cold weather conditions during the fourth quarter as revenue decreased by 30% relative to the fourth quarter of 2008. Operating margins were also impacted by increased fuel usage due to the cold weather and an increase in repairs and maintenance expenses.

Excess equipment capacity and low natural gas prices hindered U.S. operations as revenue and job count for the fourth quarter of 2009 decreased by 46% and 23%, respectively, compared to the fourth quarter of 2008.

### ***Current Quarter versus Q3 2009***

Operating results for the fourth quarter compared to the third quarter of 2009 reflect improved operating conditions in Canada and the U.S. and difficulties encountered in Russia due to unfavorable weather conditions.

Canadian fourth quarter revenue improved by 39% as rig count increased by 46% and pricing discounts decreased by 60 basis points on a sequential basis. Cost cutting was an area of focus throughout much of 2009 in Canada. However, improved operating conditions seen in the fourth quarter have provided an opportunity to increase staffing levels and reverse wage roll-backs implemented earlier in the year.

Although demand for services remains strong in Russia, fourth quarter results were significantly hindered by the extreme cold weather experienced during the quarter as revenue decreased by 12% compared to the third quarter of 2009.

Several positive developments occurred in the U.S. during the fourth quarter including a recovery in natural gas prices and an 11% increase in rig count compared to the third quarter of 2009. These positive developments contributed to an 11% increase in revenue on a sequential basis.

### ***U.S. Asset Acquisition***

On March 2, 2010, Trican announced that it reached an agreement to purchase the assets of a privately held U.S. based company (the "U.S. Company"). Headquartered in Shawnee, Oklahoma, the U.S. Company is a provider of pressure pumping services in the Oklahoma region. Under the terms of the agreement Trican, through a wholly owned U.S. subsidiary, will acquire all of the U.S. Company's equipment, land and base infrastructure for cash consideration of U.S.\$46.0 million plus associated expenses. Trican expects to assume lease agreements with obligations of approximately U.S.\$3.4 million as part of the acquisition. The total cash consideration will be funded from existing bank facilities.

The assets acquired consist of 56,250 fracturing horse power ("HP") and the necessary ancillary equipment to operate two fracturing crews. Subsequent to closing this transaction, Trican will have 515,850 HP, of this total; 267,750HP will operate in the U.S. market. Based on the allocation of the cash consideration and assumed debt to the fracturing assets acquired, Trican paid US\$773 per HP. In addition, Trican acquired two acidizing pumpers, including ancillary equipment, and an established base of operations in Shawnee, Oklahoma including some rail assets.

Trican currently intends to integrate the acquired equipment into its existing U.S. operating fleet. The near term strategy is to have this equipment operating out of the acquired base in Shawnee, Oklahoma.

### ***Capital Budget Update***

We have increased our 2010 capital budget by \$29 million to \$110 million. The increase consists of an additional \$23 million for our Canadian operations, \$5 million for our Russian operations and \$1 million for our US operations. This 2010 capital budget excludes the US asset acquisition that was announced on March 2, 2010.

## COMPARATIVE QUARTERLY INCOME STATEMENTS

(\$ thousands, unaudited)

Three months ended December 31,	2009	% of Revenue	2008	% of Revenue	Quarter-Over-Quarter Change	% Change
<b>Revenue</b>	<b>219,862</b>	<b>100.0%</b>	322,822	100.0%	(102,960)	-31.9%
<b>Expenses</b>						
Materials and operating	<b>182,697</b>	<b>83.1%</b>	232,417	72.0%	(49,720)	-21.4%
General and administrative	<b>12,252</b>	<b>5.6%</b>	17,186	5.3%	(4,934)	-28.7%
Operating income*	<b>24,913</b>	<b>11.3%</b>	73,219	22.7%	(48,306)	-66.0%
Goodwill impairment	-	<b>0.0%</b>	179,771	55.7%	(179,771)	-100.0%
Other asset impairment	<b>(10,766)</b>	<b>-4.9%</b>	18,454	5.7%	(29,220)	-158.3%
Interest expense	<b>2,436</b>	<b>1.1%</b>	2,323	0.7%	113	4.9%
Depreciation and amortization	<b>24,772</b>	<b>11.3%</b>	28,168	8.7%	(3,396)	-12.1%
Foreign exchange loss/(gain)	<b>311</b>	<b>0.1%</b>	(6,352)	-2.0%	6,663	-104.9%
Other (income)/expense	<b>(3,054)</b>	<b>-1.4%</b>	2,049	0.3%	(5,103)	-249.0%
Income/(loss) before income taxes and non-controlling interest	<b>11,214</b>	<b>5.0%</b>	(151,194)	-46.5%	162,408	107.4%
Provision for income taxes	<b>(3,446)</b>	<b>-1.6%</b>	(54,894)	-17.0%	51,448	-93.7%
Income/(loss) before non-controlling interest	<b>14,660</b>	<b>6.7%</b>	(96,300)	-29.5%	110,960	115.2%
Non-controlling interest	<b>(41)</b>	<b>-0.0%</b>	(38)	-0.0%	(3)	7.9%
<b>Net income/(loss)</b>	<b>14,701</b>	<b>6.7%</b>	(96,262)	-29.5%	110,963	115.3%

\* see first page of this report

## CANADIAN OPERATIONS

Three months ended, (\$ thousands, unaudited)	Dec. 31, 2009	% of Revenue	Dec. 31, 2008	% of Revenue	Sept. 30, 2009	% of Revenue
<b>Revenue</b>	<b>127,256</b>		175,194		91,651	
<b>Expenses</b>						
Materials and operating	<b>95,730</b>	<b>75.2%</b>	120,867	69.0%	70,299	76.7%
General and administrative	<b>4,057</b>	<b>3.2%</b>	7,498	4.3%	3,859	4.2%
Total expenses	<b>99,787</b>	<b>78.4%</b>	128,365	73.3%	74,158	80.9%
Operating income*	<b>27,469</b>	<b>21.6%</b>	46,829	26.7%	17,493	19.1%
Number of jobs	<b>4,730</b>		6,028		3,717	
Revenue per job	<b>26,421</b>		29,193		24,254	

\* see first page of this report

## Sales Mix

Three months ended, (\$ thousands, unaudited)	Dec. 31, 2009	Dec. 31, 2008	Sept. 30, 2009
<b>% of Total Revenue</b>			
Fracturing	<b>57%</b>	58%	57%
Cementing	<b>22%</b>	20%	23%
Coiled Tubing	<b>6%</b>	6%	7%
Nitrogen	<b>5%</b>	6%	5%
Acidizing	<b>4%</b>	4%	3%
Other	<b>6%</b>	6%	5%
<b>Total</b>	<b>100%</b>	100%	100%

## **Operations Review**

Activity levels in the fourth quarter of 2009 decreased compared to the same period in 2008, reflecting a 29% decrease in the number of active drilling rigs in Canada. We experienced a significant increase in fourth quarter activity levels relative to the third quarter as natural gas prices continued to improve and more oil directed activity occurred during the quarter. The active number of drilling rigs in Canada increased by 46% in the fourth quarter compared to the third quarter of 2009.

Cost cutting was an area of focus for much of 2009. Reduced staffing levels, wage roll-backs, improved pricing from suppliers and a focus on discretionary spending enabled us to weather the most significant reduction in activity since 1992. An increase in activity levels experienced during the fourth quarter of 2009 allowed us to reverse the wage roll-backs implemented earlier in the year and resulted in a hiring program that enabled us to capitalize on an improved operating environment.

We continue to focus on strengthening our market position across all service lines, but particularly within fracturing as it relates to the unconventional oil and gas plays. Fracturing services has been our strongest source of revenue throughout the year due to the growing interest in horizontal drilling primarily driven by activity in the unconventional oil and gas plays. We believe that our investment in developing a strong market position in the unconventional plays will continue to provide us with opportunities for growth as the activity levels for these plays increase.

### **Current Quarter versus Q4 2008**

Revenue for the quarter decreased 27% to \$127.3 million, as lower natural gas prices had a negative impact on overall activity levels and pricing.

Revenue per job decreased to \$26,421 from \$29,193, reflecting a year-over-year increase in discounts of 890 basis points that have been driven by a more competitive pricing environment. This increase was partially offset by an increase in job sizes due to a higher proportion of unconventional work performed. Materials and operating expenses increased as a percentage of revenue to 75.2% compared to 69.0% for the same period in 2008. Decreased operational leverage on our fixed cost structure and higher pricing discounts contributed to the increase in materials and operating expenses as a percentage of revenue. These factors were partially offset by a decrease in expenses from cost control initiatives implemented during 2009.

General and administrative expenses decreased due to a reduction in bad debt expense and lower stock based compensation costs.

### **Current Quarter versus Q3 2009**

Revenue increased sequentially by 39% due to higher activity levels as rig count increased by 46%. Revenue per job increased by 9% compared to the third quarter of 2009 due to an increase in job sizes resulting from jobs performed on unconventional plays and improved pricing as discounts decreased by 60 basis points.

Materials and operating expenses decreased as a percentage of revenue to 75.2% compared to 76.7% for the third quarter of 2008. The decrease reflects improved operational leverage on our fixed cost structure and an increase in pricing. In dollar terms, general and administrative expenses remained virtually the same as all major expense categories remained relatively consistent with the third quarter of 2009.

## RUSSIAN OPERATIONS

Three months ended, (\$ thousands, unaudited)	Dec. 31, 2009	% of Revenue	Dec. 31, 2008	% of Revenue	Sept. 30, 2009	% of Revenue
<b>Revenue</b>	<b>55,905</b>		79,997		63,733	
<b>Expenses</b>						
Materials and operating	48,550	86.8%	60,924	76.2%	47,156	74.0%
General and administrative	2,009	3.6%	3,356	4.2%	3,289	5.2%
Total expenses	50,559	90.4%	64,280	80.4%	50,445	79.2%
Operating income*	5,346	9.6%	15,717	19.6%	13,288	20.8%
Number of jobs**	1,001		1,073		1,052	
Revenue per job**	54,140		74,063		58,065	

\* see first page of this report

\*\* Prior period figures have been adjusted to reflect our revised methodology for determining job count and revenue per job data for coiled tubing and nitrogen.

## Sales Mix

Three months ended, (\$ thousands, unaudited)	Dec. 31, 2009	Dec. 31, 2008	Sept. 30, 2009
<b>% of Total Revenue</b>			
Fracturing	80%	80%	81%
Coiled Tubing	13%	7%	12%
Cementing	4%	8%	5%
Nitrogen	3%	5%	2%
Total	100%	100%	100%

## Operations Review

Russian operations, which for reporting purposes include operations in Kazakhstan and Algeria, were negatively impacted by unusually cold weather conditions during the quarter. December was particularly challenging with our Far North bases experiencing temperatures between minus 35 and 50 degrees Celsius for a significant portion of the month and our other bases also losing a significant number of operating days to cold weather. Cold weather starts to impair operations below minus 30 degrees Celsius with slowdown in rig activity, and below minus 35 degrees Celsius we would not start up new work. Cold weather also increases fuel usage and equipment wear, which had a negative impact on operating margins.

Fracturing activity decreased during the quarter compared to the third quarter of 2009 due to the expected seasonal slowdown that occurs during the fourth quarter, which was accentuated by cold weather. Cementing activity also declined with the successful completion of a major three year contract early in the fourth quarter, which was not renewed. Coiled tubing and nitrogen service lines continued to grow with sequential increase in activity and improved utilization, however these service line were also negatively impacted by the cold weather.

The ruble strengthened by on average 4% against the Canadian dollar compared to average rates seen during the third quarter. However, the 22% year over year devaluation of the ruble significantly impacted operations relative to the fourth quarter of 2008.

Relatively strong oil prices and improving natural gas prices has led to an expectation of increased pressure pumping activity in Russia during 2010 relative to 2009. Our success in the 2010 contract award process and strong market presence in this region will provide us with continued stability and opportunities for growth during 2010. The company is also actively pursuing new technologies and solutions, specifically for Russian operations, to enhance oil and gas production.

### Current Quarter versus Q4 2008

Revenue for the quarter decreased by \$24.1 million or 30% relative to the fourth quarter of 2008, as unfavorable weather conditions and a 22% decrease in the value of the ruble had a negative impact on earnings. The devaluation of the ruble and smaller fracturing jobs performed during the fourth quarter compared to the same period last year contributed to the 27% decrease in the revenue per job.

Materials and operating expenses increased from 76.2% to 86.8% of revenue due to the fixed nature of many costs and the relatively lower revenues caused by cold weather. High fuel consumption and higher than average repair costs, following record Q3 activity and utilizations, further contributed to the margin contraction.

General and administrative expenses decreased by \$1.3 million due to lower employee costs and bad debt expenses.

### Current Quarter versus Q3 2009

Revenue declined by 12% compared to the third quarter due to decreased activity caused by seasonal slowdown of activity and unusually cold weather conditions. Revenue per job decreased by 7% due to a higher proportion of coiled tubing work performed during the quarter. The revenue and revenue per job declines were partially offset by a 4% strengthening of the fourth quarter average Russian ruble exchange rate compared to the third quarter.

The cold weather experienced during the fourth quarter had a negative impact on margins and led to an increase in fixed and variable operating expenses. Higher repairs and maintenance costs, following record Q3 activity and utilizations, also has a negative impact on margins. General and administrative expenses decreased by \$1.3 million due to lower employee costs and bad debt expenses.

### UNITED STATES OPERATIONS

Three months ended, (\$ thousands, unaudited)	Dec. 31, 2009	% of Revenue	Dec. 31, 2008	% of Revenue	Sept. 30, 2009	% of Revenue
<b>Revenue</b>	<b>36,701</b>		67,631		33,053	
<b>Expenses</b>						
Materials and operating	<b>35,782</b>	<b>97.5%</b>	48,291	71.4%	35,863	108.5%
General and administrative	<b>1,860</b>	<b>5.1%</b>	3,274	4.8%	1,724	5.2%
Total expenses	<b>37,642</b>	<b>102.6%</b>	51,565	76.2%	37,587	113.7%
Operating income*	<b>(941)</b>	<b>-2.6%</b>	16,066	23.8%	(4,534)	-13.7%
Number of jobs	<b>467</b>		605		474	
Revenue per job	<b>78,965</b>		111,878		69,796	

\* see first page of this report

### Operations Review

Low natural gas prices caused U.S. industry activity to be slow resulting in excess industry equipment capacity experienced throughout 2009. This was reflected in the fourth quarter results as a \$0.9 million operating loss was recognized during the quarter. However, several positive developments occurred during the fourth quarter including a modest recovery in natural gas prices and an 11% rig count increase in the areas in which we operate compared to the third quarter of 2009. These factors have led to a shift in pricing as discounts decreased slightly near the end of the fourth quarter and are expected to improve further in 2010.

Cost control remained a focus throughout 2009. Our cost control initiatives have allowed us to weather the challenging economic conditions experienced during 2009. With industry conditions showing signs of improvement late in the year, our strategy in the U.S. to preserve market share while maintaining a lean cost structure should serve us well.

### Current Quarter versus Q4 2008

Revenue decreased by 46% in the fourth quarter versus the fourth quarter of 2008 due to a decrease in job count and revenue per job. The 23% decrease in job count reflects the reduced industry activity as rig count in the areas that we operate decreased by 39% in the fourth quarter compared to the same period in 2008. Revenue per job decreased by 29% compared to the fourth quarter of 2008 reflecting an increase in discounts of 790 basis points and a 13% year-over-year decline in the fourth quarter U.S. dollar average exchange rate.

Materials and operating expenses increased from 71.4% to 97.5% of revenue as the increase in discounts led to significant margin contraction. The impact of increased margins was partially offset by cost cutting measures implemented throughout the year. General and administrative costs decreased by \$1.4 million as cost cutting initiatives led to lower employee and discretionary costs.

### Current Quarter versus Q3 2009

Revenue increased by 11% on a sequential basis largely due to a 13% increase in revenue per job. Revenue per job increased due to larger job sizes and a 50 basis point decrease in pricing discounts partially offset by a 4% weakening of the U.S. dollar.

Materials and operating expenses as a percentage of revenue decreased to 97.5% from 108.5% in the previous quarter due to a decrease in pricing discounts and increased operational leverage on our fixed cost structure. Fourth quarter general and administrative expenses remained relatively consistent with the third quarter.

### CORPORATE DIVISION

Three months ended, (\$ thousands, unaudited)	Dec. 31, 2009	% of Revenue	Dec. 31, 2008	% of Revenue	Sept. 30, 2009	% of Revenue
<b>Expenses</b>						
Materials and operating	2,635	1.2%	2,335	0.7%	2,186	1.2%
General and administrative	4,326	2.0%	3,058	0.9%	4,167	2.2%
Total expenses	6,961	3.2%	5,393	1.7%	6,353	3.4%
Operating loss*	(6,961)		(5,393)		(6,353)	

\* see first page of this report

Corporate Division expenses consist of salaries, stock-based compensation and office costs related to corporate employees, as well as public company costs.

### Current Quarter versus Q4 2008

Corporate Division expenses were up \$1.6 million from the same quarter last year largely because of an increase in deferred share unit expenses and professional fees. Director share unit expenses are revalued based on the Company's share price, which rose by 77% on a year-over-year basis.

### Current Quarter versus Q3 2009

Corporate Division expenses were up \$0.6 million on a sequential basis, reflecting increased professional fees incurred during the quarter.

### OTHER EXPENSES AND INCOME

Interest expense remained relatively stable compared to the fourth quarter of 2008 as interest rates were unchanged. Depreciation and amortization decreased by \$3.4m or 12% for the quarter compared to the same period in 2008 as a result of a decrease in the average U.S. dollar and Russian ruble exchange rates.

Foreign exchange losses were \$0.3 million in the quarter compared to a gain of \$6.4 million for the comparable prior period as a result of U.S. dollar and Russian ruble currency fluctuations relative to the Canadian dollar.

Other income was \$3.1 million in the fourth quarter of 2009 and consisted mainly of \$2.5 million in loan receipts from an unrelated party and \$0.6 million in gains on disposal of assets in the U.S.

The other asset impairment reversal of \$10.8 million relates to the reversal of the impairment provision on a loan to an unrelated third party.

## **INCOME TAXES**

The income tax recovery decreased to \$3.4 million in the quarter from \$54.9 million for the comparable period of 2008 because of the future tax recovery recorded on the impairment write-down for goodwill in 2008. The tax recovery recorded during the quarter was a result of losses incurred in the U.S., which are taxed at a higher rate than income in other jurisdictions.

## **2009 HIGHLIGHTS**

The financial crisis and global economic recession reduced demand for our services and contributed to a reduction in revenue and operating income within our Canadian and U.S. regions during 2009. Demand for our services in Russia remained strong throughout 2009 due to success during the 2009 contract award process. Overall, Russian industry activity did not decline as much as North American activity, as a recovery in oil prices and devaluation of the ruble supported more active work programs for our customers in the Russian region.

2009 consolidated revenue decreased by 20% to \$811.5 million compared to 2008, and net income decreased from \$72.3 million to a loss of \$8.1 million before the impact of one-time non-cash charges and stock based compensation expense. Adjusted diluted net income per share fell to a loss of \$0.07 from income of \$0.58 and funds from operations decreased to \$38.8 million from \$166.2 million compared to 2008.

The after-tax impact on net income from one-time charges included a \$4.4 million charge relating to the settlement of a patent infringement lawsuit, and \$9.5 million of income relating to the reversal of an impairment provision booked on a loan to an unrelated third party.

Canadian operating results in 2009, when compared to 2008, were negatively impacted by lower natural gas prices and reduced industry demand. However, cost cutting initiatives and our ability to meet the technical requirements of the unconventional oil and gas plays allowed us to weather the economic challenges faced in 2009.

Excluding the impact of a 19% reduction in the value of the Russian ruble versus the Canadian dollar, revenue for our Russian operations remained relatively consistent with 2008 as demand for services remained strong throughout the year. Results were negatively impacted by challenging weather conditions experienced near the end of the year.

U.S. operations were slowed by excess equipment capacity and low natural gas prices throughout most of 2009. To maximize fleet utilization and maintain market share, pricing discounts were increased significantly compared to 2008. The margin contraction that resulted from the pricing decrease was partially offset by cost cutting measures implemented throughout the year.

**COMPARATIVE ANNUAL INCOME STATEMENTS**  
(\$ thousands, unaudited)

Years ended December 31,	2009	% of Revenue	(restated)** 2008	% of Revenue	Year-Over-Year Change	% Change
<b>Revenue</b>	<b>811,488</b>	<b>100%</b>	1,016,083	100.0%	204,595	20.1%
<b>Expenses</b>						
Materials and operating	<b>689,520</b>	<b>85.0%</b>	780,006	76.8%	-90,486	-11.6%
General and administrative	<b>51,758</b>	<b>6.4%</b>	54,285	5.3%	-2,527	-4.7%
Operating income*	<b>70,210</b>	<b>8.7%</b>	181,792	17.9%	-111,582	61.4%
Goodwill impairment	-	<b>0.0%</b>	179,771	17.7%	-179,771	-100.0%
Other asset (impairment reversal)/impairment	<b>(10,766)</b>	<b>-1.3%</b>	18,454	1.8%	-29,220	-158.3%
Interest expense	<b>10,389</b>	<b>1.3%</b>	13,782	1.4%	-3,393	-24.6%
Depreciation and amortization	<b>96,805</b>	<b>11.9%</b>	93,394	9.2%	3,411	3.7%
Foreign exchange losses/(gains)	<b>5,882</b>	<b>0.7%</b>	(5,971)	-0.6%	11,853	198.5%
Other income	<b>(2,244)</b>	<b>-0.3%</b>	(2,033)	-0.2%	(211)	10.4%
(Loss)/Income before income taxes and non-controlling interest	<b>(29,856)</b>	<b>-3.7%</b>	(115,605)	-11.4%	85,749	74.2%
Provision for income taxes	<b>(21,147)</b>	<b>-2.6%</b>	(44,267)	-4.4%	23,120	-52.2%
(Loss)/income before non-controlling interest	<b>(8,709)</b>	<b>-1.1%</b>	(71,388)	-7.0%	62,679	87.8%
Non-controlling interest	<b>(196)</b>	<b>-0.0%</b>	24	0.0%	-220	-916.7%
<b>Net (loss) / Income</b>	<b>(8,513)</b>	<b>-1.1%</b>	(71,362)	-7.0%	62,849	88.1%

\* see first page of this report

\*\* see note 2 of the financial statements for details of the prior period restatement

**CANADIAN OPERATIONS**

Year ended December 31, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year-Over-Year Change
<b>Revenue</b>	<b>415,630</b>		554,554		-25%
<b>Expenses</b>					
Materials and operating	<b>336,008</b>	<b>80.8%</b>	404,868	73.0%	-17%
General and administrative	<b>18,057</b>	<b>4.3%</b>	22,452	4.0%	-20%
Total expenses	<b>354,065</b>	<b>85.2%</b>	427,320	77.1%	-17%
Operating income*	<b>61,565</b>	<b>14.8%</b>	127,234	22.9%	-52%
Number of jobs	<b>16,262</b>		23,621		-31%
Revenue per job	<b>25,153</b>		23,625		6%

\* see first page of this report

Revenue from Canadian operations decreased 25% from the previous year to \$415.6 million and job count decreased by 31% to 16,262. These decreases relate to lower industry activity as the average number of active drilling rigs decreased by 41% during the year. Average revenue per job increased by 6% because of larger jobs performed in unconventional oil and gas plays. The increase was partially offset by lower average pricing experienced during the year due to lower industry activity.

Materials and operating expenses increased as a percentage of revenue to 80.9% from 73.0%. The increase is a result of higher discounts and reduced operational leverage on our fixed cost structure. The increase was partially offset by cost control measures implemented during the year and lower fuel costs.

General and administrative costs decreased \$4.5 million from the prior year as a result of lower stock compensation costs and a decrease in bad debt expense.

## RUSSIAN OPERATIONS

Year ended December 31, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year-Over-Year Change
<b>Revenue</b>	<b>238,492</b>		295,703		-19.3%
<b>Expenses</b>					
Materials and operating	191,533	80.3%	240,988	81.5%	-20.5%
General and administrative	9,264	3.9%	8,677	2.9%	-6.8%
Total expenses	200,797	84.2%	249,665	84.4%	-19.6%
Operating income*	37,695	15.8%	46,038	15.6%	-18.1%
Number of jobs	3,781		3,648		3.6%
Revenue per job	61,090		80,675		-24.3%

\* see first page of this report

The year-over-year revenue decrease of 19.3% was a result of a 19% decline in the average ruble exchange rate compared to the prior year. Activity was up slightly with a 3.6% increase in number of jobs, due largely from more coiled tubing and nitrogen work performed during the year. Revenue per job decreased because of the decline in the ruble and the increase in coiled tubing and nitrogen work, which generates less revenue per job than fracturing work.

Materials and operating expenses remained relatively consistent as a percentage of sales. Margin improvement during the first three quarters from cost control programs and lower fuel costs were offset by poor fourth quarter margins caused by unfavorable weather conditions. General and administrative expenses remained relatively consistent with the previous year.

## UNITED STATES OPERATIONS

Year ended December 31, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year-Over-Year Change
<b>Revenue</b>	<b>157,366</b>		165,826		-5%
<b>Expenses</b>					
Materials and operating	153,323	97.4%	126,438	76.2%	21%
General and administrative	9,117	5.8%	11,009	6.6%	-17%
Total expenses	162,440	103%	137,447	82.9%	18%
Operating income*	(5,074)	-3.2%	28,379	17.1%	-118%
Number of jobs	1,825		1,648		11%
Revenue per job	86,416		100,792		-14%

\* see first page of this report

U.S. revenue decreased by 5% compared to 2008. An increase in job count was more than offset by a reduction in revenue per job. Revenue per job decreased 14% due mainly to an increase in discounts offered to customers offset partially by a 7% increase in the value of the U.S. dollar relative to the Canadian dollar. Job count was up 11% despite a rig count decrease of 34% in the areas in which we operate as the prior year was impacted by sand supply issues. Also, our focus on preserving market share in 2009 offset the reduction in rig count.

Materials and operating costs as a percentage of revenue increased from 76.2% to 97.4% largely because of higher discounts offered to customers. The margin contraction resulting from increased discounts was partially offset by cost savings generated by our cost control initiatives. These initiatives also led to reductions in salary and other discretionary costs, which contributed to the \$1.9 million decrease in general and administrative expenses.

## CORPORATE DIVISION

Year ended December 31, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year-Over-Year Change
<b>Expenses</b>					
Materials and operating	8,656	1.1%	7,712	0.8%	12.2%
General and administrative	15,320	1.9%	12,147	1.2%	26.1%
Total expenses	23,976	3.0%	19,859	2.0%	20.7%
Operating loss*	(23,976)		(19,859)		

\* see first page of this report

Corporate Division expenses increased \$4.1 million compared to last year due to an increase in deferred share unit expenses and professional fees, offset partially by a decrease in profit sharing expenses.

### **OTHER EXPENSES AND INCOME**

Interest expense decreased by \$3.4 million relative to 2008 as a result of lower average debt balances and lower interest rates on our debt facilities.

Depreciation and amortization increased to \$96.8 million for the year compared to \$93.4 million for the same period in 2008. Depreciation in the U.S. increased as capital expansion projects undertaken during 2008 increased equipment balances in 2009 relative to 2008. Also, the average annual U.S. dollar exchange rate increased by 7% compared to 2008. The increase in the U.S. was partially offset by a decrease in Russia due to devaluation of the Russian ruble and a decrease in Canada from the parked equipment on which no depreciation was taken for part of the year.

Foreign exchange losses were \$5.9 million for 2009. The weakening of the U.S. dollar and Russian ruble relative to the Canadian dollar during 2009 resulted in a foreign exchange loss on our U.S. dollar and Russian ruble net monetary assets.

Other income in 2009 was \$2.2 million and consisted largely of \$8.5 million in payments received on a loan from unrelated third party, partially offset by a \$6.2 million payment made on settlement of a patent infringement lawsuit. Other income in 2008 consisted primarily of interest on a loan issued to an unrelated third party and a reduction in the value of the share component of the deferred consideration owing to former owners of CBM Solutions.

The other asset impairment reversal of \$10.8 million relates to the reversal of the impairment provision on a loan to an unrelated third party.

### **INCOME TAXES**

Trican recorded an income tax recovery of \$21.1 million in the year compared to \$44.3 million for the comparable period of 2008. The Company's effective tax rate for 2009 was a recovery of 70.8% versus 38.6% for 2008. The change in the Company's effective tax rate is primarily attributable to increased non-capital losses in the U.S., which have higher corporate tax rates than other jurisdictions.

### **OTHER COMPREHENSIVE INCOME**

The consolidated statement of other comprehensive income for the year ended December 31, 2009 includes \$60.7 million in unrealized losses on translating the financial statements of our self-sustaining foreign operations. The losses arise primarily on translation of the net assets of certain U.S. and Russian subsidiaries using the current rate method, given that the subsidiaries are considered self-sustaining for Canadian GAAP purposes. During 2009, the Canadian dollar strengthened by 15% and 21% respectively against the U.S. dollar and the Russian ruble, decreasing the value of our net asset position in these subsidiaries in Canadian dollar terms.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Operating Activities**

Funds provided by operations in 2009 decreased by \$127.4 million to \$38.8 million compared to the previous year. The decrease was largely income related as net income decreased by \$80.8 million excluding the impact of the asset write downs in 2008.

At December 31, 2009 the Company had working capital of \$166.1 million, down \$75.8 million from the previous year. There were significant decreases in all current asset balances due to the decrease in activity experienced during 2009.

The Company has commitments for operating lease agreements, primarily for vehicles and office space, in the aggregate amount of \$17.7 million (2008 - \$20.8 million). The Company also has commitments for capital lease agreements for equipment in the aggregate amount of \$2.8 million (2008 - \$nil). Payments over the next five years are as follows:

<b>(Stated in thousands)</b>	<b>Payments due by period</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Operating leases	4,855	4,074	3,099	3,010	2,664
Capital leases	804	804	804	402	-

### **Investing Activities**

During the first quarter ended March 31, 2009 and pursuant to an agreement amended in March 2007, the Company increased its ownership interest in R-Can Services Limited by 0.6% to 99.4%. The Company paid \$1.4 million for this acquisition, increasing goodwill by \$1.1 million and reducing non-controlling interest by \$0.3 million.

During the first quarter ended March 31, 2009 and pursuant to an agreement dated March 2007, the Company paid \$0.3 million of contingent consideration in connection with its acquisition of CBM Solutions Ltd. All of the contingent consideration was recorded as goodwill.

Capital expenditures for the year totaled \$45.9 million compared with \$124.4 million for the same period in 2008. This investment was directed to equipment and operating facilities across all regions.

At the end of 2009, the Company had a number of ongoing capital projects and estimates that \$4.4 million of additional investment will be required to complete them.

Our consolidated capital budget for 2010 is approximately \$110 million. Cash flows provided by operations will be used to fund the 2010 capital budget.

### **Financing Activities**

During 2009, our debt balances have decreased by \$101 million due primarily to \$78 million in payments made on our long-term debt and bank loan facilities. The remaining decrease of \$23 million was a result of the devaluation of the U.S. dollar.

At December 31, 2009 we have \$143.8 million of available debt under our existing facilities.

We are in the final stages of securing a new facility agreement to replace our Equipment and Acquisition loan that expires on March 6, 2011. The new facility is expected to be a \$250 million extendible revolving three year term credit facility provided by a syndicate of lenders. The facility is unsecured and is expected to bear interest at bank's prime, U.S. base rate, U.S. prime, Bankers Acceptance, LIBOR or EURIBOR plus 150 to 400 basis points, dependant on certain financial ratios of the Company.

As at March 4, 2010, Trican had 125,642,419 common shares and 6,086,334 employee stock options outstanding.

## **OUTLOOK**

The outlook for 2010 is improved relative to 2009. We have seen an increase in North American drilling activity levels, which has resulted in very high utilization in both our Canadian and United States operations. We will be focused on increasing our pricing in both of these regions to continue to improve our operating margins.

Much of the activity in Canada has been driven by the growth of horizontal fracturing on oil reservoirs. We believe that oil prices will remain at a level that will sustain this activity and are committed to developing technology that will positively impact customer operations and our competitive position. Activity levels in the tight gas regions continue to grow, as is evidenced by the activity in the Montney. Finding and development costs in the Montney are some of the lowest in North America, and this play saw a meaningful level of activity in 2009. We expect this activity to continue and likely increase in 2010. Other plays within Canada are more dependent on higher natural gas prices. We will keep a watchful eye on the price of natural gas as we proceed throughout the year, as this will have an impact on our activity in these regions. Trican will continue to perform work in the Horn River area, with the majority occurring in the second and third quarters of 2010. It remains our opinion that higher gas prices will be required to significantly increase activity in the Horn River.

Our United States operations have benefited from an increase in horizontal well drilling and a decrease in pressure pumping capacity. The horizontal well rig count in our area of operations is now at pre-slowdown levels. This combination has resulted in high utilization levels throughout our operations, which will allow us to improve pricing. The focus of our U.S. operations for the upcoming quarters will be to return to normal operating margins.

Our Russian operations were very successful in their 2010 tenders. We were awarded contracts from a greater number of customers relative to 2009 and expect to increase revenue by 10 to 15 percent. However, we expect operating margins will remain at a similar percentage of revenue as those seen in 2009. We are anticipating a continuation of the 8 to 10 percent rate of inflation in Russia which should increase many of our costs and offset the margin improvements typically expected from higher revenues.

We continue to grow our coiled tubing operations in Russia and will add additional fracturing equipment to meet our work requirements. In 2010, we will continue to grow our customer base in Kazakhstan and will also explore additional opportunities in neighbouring CIS\* countries. The fracture treatments we have completed to date on gas wells in Russia have been very successful, and we see this as a long-term growth opportunity for Trican in this region.

In Algeria, we will establish our cementing operations this year and will start working on growing into the fracturing market. Trican is also focused on adding another international region in 2010. As our customers move to lower quality reservoirs throughout the world, there will be opportunities to expand our operations in other regions of the world in the upcoming year and beyond.

**Selected Annual Information** (\$000s, except per share amounts and operational information)

	2009	(restated)* 2008	2007
Revenue	811,488	1,016,083	836,373
Net (loss)/income	(8,513)	(71,362)	111,817
(Loss)/earnings per share:			
- Basic	(0.07)	\$ (0.57)	\$ 0.93
- Diluted	(0.07)	\$ (0.57)	\$ 0.91
Funds provided by operations	38,819	166,210	131,755
Capital expenditures	45,867	124,383	160,178
Total assets	1,029,839	1,231,976	1,049,064
Total long-term financial liabilities	174,660	244,032	193,102
Shareholders' equity	647,193	718,577	683,669
Average shares outstanding - Basic	125,616	124,726	120,724
Average shares outstanding - Diluted	125,616	124,726	123,493
Shares outstanding at year end	125,639	125,563	122,450
Dividend per share	\$ 0.10	\$ 0.10	\$ 0.10

\* See note 2 of the financial statements for details of the prior period restatement

**Operational Information**

	2009	2008	2007
Canadian operations			
Number of jobs completed	16,262	23,621	22,768
Revenue per job	25,153	23,625	21,074
Russian operations			
Number of jobs completed*	3,781	3,648	2,046
Revenue per job*	61,090	80,675	117,384
United States Operations			
Number of jobs completed	1,825	1,648	794
Revenue per job	86,416	100,792	133,040

\* Prior period figures have been adjusted to reflect our revised methodology for determining job count and revenue per job data for coiled tubing and nitrogen.

**NON-GAAP DISCLOSURE**

Adjusted net income does not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other issuers. The following is a reconciliation of adjusted net income, as used in this MD&A, to net income, being the most directly comparable measure calculated in accordance with GAAP. The reconciling items have been presented net of tax.

	Three months ended		Year ended	
	Dec. 31, 2009	Dec. 31, 2008 (restated)*	Dec. 31, 2009	Dec. 31, 2008 (restated)*
Adjusted net income/(loss)	7,362	38,675	(8,104)	72,314
Deduct/(Add):				
Goodwill impairment	-	114,658	-	114,658
Other asset (impairment reversal)/impairment	(9,465)	16,063	(9,465)	16,063
Stock-based compensation expense	2,126	3,530	9,874	12,269
Intangible asset impairment	-	686	-	686
Net income/(loss) (GAAP financial measure)	14,701	(96,262)	(8,513)	(71,362)

\* See note 2 of the financial statements for details of the prior period restatement

Other non-GAAP measures include operating income and funds provided by operations. A calculation of operating income is shown in the consolidated statements of operations and funds provided by operations is shown in the consolidated cash flow statements.

## FORWARD-LOOKING STATEMENTS

This document contains statements that constitute forward-looking statements within the meaning of applicable securities legislation. These forward-looking statements are identified by the use of terms and phrases such as "anticipate," "achieve", "achievable," "believe," "estimate," "expect," "intend", "plan", "planned", and other similar terms and phrases. These statements speak only as of the date of this document and we do not undertake to publicly update these forward-looking statements except in accordance with applicable securities laws. These forward-looking statements include, among others:

- expectations that our strong market position in the unconventional plays in Canada will provide us with opportunities for growth;
- expectations of increased pressure pumping activity in Russia during 2010 relative to 2009;
- anticipated stability and opportunities in Russia in 2010 due our strong market presence;
- expectations that pricing discounts will improve in the U.S. in 2010;
- expectations that our strategy in the U.S. to preserve market share while maintaining a lean cost structure will serve us well in 2010;
- estimates of additional investment required to complete ongoing capital projects;
- expectations of securing a new facility agreement in 2010
- expectations that the Company has sufficient funding to meet future borrowing requirements
- environmental protection requirements are not anticipated to have a significant impact on the Company operations or capital budget
- expected timing for completion of the assessment and design phase of our project plan for transition to IFRS;
- expectations with respect to changes to be made during the implementation phase of our project plan for transition to IFRS;
- expectations with respect to continued monitoring of changes in accounting standards relating to our IFRS changeover plan and participation with our peers in any related industry initiatives;
- expectations as to pricing for our services;
- expectations as to our future market position in the industry;
- expectations that the price of oil will remain at a level to sustain activity levels in Canada;
- expectations that activity in the Montney region will increase in 2010;
- expectations as to revenue increases and operating margins in Russia;
- expectations that we will grow our customer base in Kazakhstan in 2010;
- expectations that fracturing treatments and gas wells will be a source of growth and opportunity;
- expectations that there will be opportunities to expand our operations in other regions.

Forward-looking statements are based on current expectations, estimates, projections and assumptions, which we believe are reasonable but which may prove to be incorrect and therefore such forward-looking statements should not be unduly relied upon. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: industry activity; the general stability of the economic and political environment; effect of market conditions on demand for the Company's products and services; the ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability to operate its business in a safe, efficient and effective manner; the performance and characteristics of various business segments; the effect of current plans; the timing and costs of capital expenditures; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its products and services.

Forward-looking statements are subject to a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks and uncertainties include: fluctuating prices for crude oil and natural gas; changes in drilling activity; general global economic, political and business conditions; weather conditions; regulatory changes; the successful exploitation and integration of technology; customer acceptance of technology; success in obtaining issued patents; the potential development of competing technologies by market competitors; and availability of products, qualified personnel, manufacturing capacity and raw materials. In addition, actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth under the section entitled "Business Risks" in this document.

## CONSOLIDATED BALANCE SHEETS

(Stated in thousands of dollars; unaudited)	December 31, 2009	(restated - note 2) December 31, 2008
<b>ASSETS</b>		
Current assets		
Cash and short-term deposits	\$ 26,089	\$ 56,281
Accounts receivable	181,483	231,636
Income taxes recoverable	-	12,599
Inventory (note 4)	91,249	107,831
Prepaid expenses	8,568	20,062
	<b>307,389</b>	<b>428,409</b>
Property and equipment (note 5)	534,696	632,041
Intangible assets (note 6)	28,082	38,543
Future income tax assets (note 15)	104,838	86,206
Other assets (note 7)	17,918	11,221
Goodwill (note 8)	36,916	35,556
	<b>\$ 1,029,839</b>	<b>\$ 1,231,976</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities		
Bank loans (note 9)	\$ 27,997	\$ 61,230
Accounts payable and accrued liabilities	97,847	117,450
Deferred consideration (note 10)	1,882	1,572
Dividend payable	6,282	6,278
Current income taxes payable	6,505	-
Current portion of capital lease obligations	804	-
	<b>141,317</b>	<b>186,530</b>
Long-term debt (note 11)	174,660	242,460
Capital lease obligations	1,619	-
Future income tax liabilities (note 15)	64,754	82,036
Deferred consideration (note 10)	-	1,572
Non-controlling interest (note 3)	296	801
Shareholders' equity		
Share capital (note 12)	246,854	246,357
Contributed surplus	28,458	18,584
Retained earnings	441,234	462,312
Accumulated other comprehensive income	(69,353)	(8,676)
	<b>647,193</b>	<b>718,577</b>
	<b>\$ 1,029,839</b>	<b>\$ 1,231,976</b>

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED STATEMENTS OF OPERATIONS

		(restated - note 2)		(restated - note 2)
	Three Months Ended Dec. 31, 2009	Three Months Ended Dec. 31, 2008	Year Ended Dec. 31, 2009	Year Ended Dec. 31, 2008
(Stated in thousands, except per share amounts; unaudited)				
<b>Revenue</b>	<b>\$ 219,862</b>	<b>\$ 322,822</b>	<b>\$ 811,488</b>	<b>\$ 1,016,083</b>
<b>Expenses</b>				
Materials and operating	182,697	232,417	689,520	780,006
General and administrative	12,252	17,186	51,758	54,285
<b>Operating income</b>	<b>24,913</b>	<b>73,219</b>	<b>70,210</b>	<b>181,792</b>
Goodwill impairment	-	179,771	-	179,771
Other asset impairment/(impairment reversal) (note 6)	(10,766)	18,454	(10,766)	18,454
Interest expense on long-term debt and bank loans	2,436	2,323	10,389	13,782
Depreciation and amortization	24,772	28,168	96,805	93,394
Foreign exchange loss/(gain)	311	(6,352)	5,882	(5,971)
Other (income)/expense	(3,054)	2,049	(2,244)	(2,033)
Income/(loss) before income taxes and non-controlling interest	11,214	(151,194)	(29,856)	(115,605)
Current income tax expense/(recovery) (note 15)	(2,723)	1,581	23,132	24,369
Future income tax recovery (note 15)	(723)	(56,475)	(44,279)	(68,636)
Income/(loss) before non-controlling interest	14,660	(96,300)	(8,709)	(71,338)
Non-controlling interest	(41)	(38)	(196)	24
<b>Net income/(loss)</b>	<b>\$ 14,701</b>	<b>\$ (96,262)</b>	<b>\$ (8,513)</b>	<b>\$ (71,362)</b>
Income/(loss) per share (basic and diluted)	\$ 0.12	\$ (0.77)	\$ (0.07)	\$ (0.57)
Dividend per share	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.10
Weighted average shares outstanding - basic (note 13)	125,639	125,553	125,616	124,726
Weighted average shares outstanding - diluted (note 13)	126,145	125,553	125,616	124,726

## CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

		(restated - note 2)		(restated - note 2)
	2009	2008	2009	2008
(Stated in thousands of dollars; unaudited)				
<b>Net income/(loss)</b>	<b>\$ 14,701</b>	<b>\$ (96,262)</b>	<b>\$ (8,513)</b>	<b>\$ (71,362)</b>
Other comprehensive income				
Unrealized gains/(losses) on translating financial statements of self-sustaining foreign operations	(9,845)	48,482	(60,677)	70,706
<b>Other comprehensive income/(loss)</b>	<b>\$ 4,856</b>	<b>\$ (47,780)</b>	<b>\$ (69,190)</b>	<b>\$ (656)</b>

## CONSOLIDATED STATEMENTS OF RETAINED EARNINGS AND ACCUMULATED OTHER COMPREHENSIVE INCOME

		(restated - note 2)		(restated - note 2)
	2009	2008	2009	2008
(Stated in thousands of dollars; unaudited)				
Retained earnings, beginning of period	\$ 432,816	\$ 564,852	\$ 462,312	\$ 546,211
Dividend	(6,283)	(6,278)	(12,565)	(12,537)
Net income/(loss)	14,701	(96,262)	(8,513)	(71,362)
<b>Retained earnings, end of period</b>	<b>\$ 441,234</b>	<b>\$ 462,312</b>	<b>\$ 441,234</b>	<b>\$ 462,312</b>
Accumulated other comprehensive income, beginning of period	\$ (59,508)	\$ (57,158)	\$ (8,676)	\$ (79,382)
Unrealized gains/(losses) on translating financial statements of self-sustaining foreign operations	(9,845)	48,482	(60,677)	70,706
<b>Accumulated other comprehensive income, end of period</b>	<b>\$ (69,353)</b>	<b>\$ (8,676)</b>	<b>\$ (69,353)</b>	<b>\$ (8,676)</b>

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENTS

	(restated - note 2)	(restated - note 2)		
	Three Months Ended Dec. 31, 2009	Three Months Ended Dec. 31, 2008	Year Ended Dec. 31, 2009	Year Ended Dec. 31, 2008
(Stated in thousands of dollars; unaudited)				
<b>Cash Provided By/(Used In):</b>				
<b>Operations</b>				
Net income/ (loss)	\$ 14,701	\$ (96,262)	\$ (8,513)	\$ (71,362)
Charges to income not involving cash:				
Depreciation and amortization	24,772	28,168	96,805	93,394
Future income tax recovery	(723)	(56,475)	(44,279)	(68,636)
Non-controlling interest	(41)	(38)	(196)	24
Stock-based compensation	2,126	3,530	9,874	12,269
Loss/ (gain) on disposal of property and equipment	624	(13)	930	29
(Gain)/ loss on revaluation of deferred consideration	9	(820)	(95)	(1,375)
Realized foreign exchange gain from financing activities	-	6,482	-	6,482
Unrealized foreign exchange loss/(gain)	(661)	(4,773)	3,587	(3,767)
Writedown of goodwill and intangible assets	-	180,698	-	180,698
(Recovery on)/writedown of other assets	(13,317)	18,454	(19,294)	18,454
Funds provided by operations	27,490	78,951	38,819	166,210
Net change in non-cash working capital from operations	(4,053)	5,104	60,516	(67,031)
	23,437	84,055	99,335	99,179
<b>Investing</b>				
Purchase of property and equipment	(14,200)	(27,705)	(45,867)	(124,383)
Proceeds from the sale of property and equipment	556	(66)	2,656	221
Purchase of other assets	-	-	-	(1,319)
Payments received on/(Issuance of) loan to an unrelated third party	2,551	(2,088)	8,528	(15,727)
Business acquisitions	-	-	(1,670)	(23,636)
Net change in non-cash working capital from investing activities	1,175	(1,937)	(1,490)	1,071
	(9,918)	(31,796)	(37,843)	(163,773)
<b>Financing</b>				
Net proceeds from issuance of share capital	-	32	497	34,778
(Repayment)/issuance of bank loans	(62)	45,687	(28,342)	45,687
Issuance of long-term debt	-	40,584	-	130,000
Repayment of long-term debt	(10,000)	(100,000)	(50,000)	(100,000)
Partnership distribution	-	-	-	(1,046)
Dividend paid	-	-	(12,560)	(12,382)
	(10,062)	(13,697)	(90,405)	97,037
<b>Effect of exchange rate changes on cash</b>	<b>(1,019)</b>	<b>119</b>	<b>(1,279)</b>	<b>468</b>
Increase / (decrease) in cash and short-term deposits	2,438	38,681	(30,192)	32,911
Cash and short-term deposits, beginning of period	23,651	17,600	56,281	23,370
Cash and short-term deposits, end of period	\$ 26,089	\$ 56,281	\$ 26,089	\$ 56,281
<b>Supplemental information</b>				
Income taxes paid	16,606	7,606	29,637	31,317
Interest paid	2,505	3,807	18,018	13,746

See accompanying notes to the consolidated financial statements.

## **Selected Notes to Consolidated Financial Statements**

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**For the years ended December 31, 2009 and 2008**

### **NOTE 1 – NATURE OF BUSINESS AND BASIS OF PRESENTATION**

#### **Nature of business**

Trican Well Service Ltd. (the “Company” or “Trican”) is an oilfield services company incorporated under the laws of the province of Alberta. The Company provides a comprehensive array of specialized products, equipment, services and technology for use in the drilling, completion, stimulation and reworking of oil and gas wells in Canada, Russia, U.S., Kazakhstan, and Algeria.

#### **Basis of presentation**

The financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles. Management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from these estimates.

### **NOTE 2 - CHANGES IN ACCOUNTING POLICIES**

#### **Goodwill and Intangible Assets**

In February 2008, the Canadian Institute of Chartered Accountants (CICA) approved Handbook section 3064 “Goodwill and Intangible Assets”. Effective January 1, 2009, this new standard replaces section 3062 “Goodwill and Other Intangible Assets” and section 3450 “Research and Development Costs”. This standard changes the criteria for asset recognition in the financial statements and the ability to defer costs. In accordance with the transitional provisions, the revised guidance required the company to expense \$1.0 million of other assets that were previously capitalized. This change in accounting policy has been accounted for retrospectively, and the comparative statements for 2008 have been restated. As a result, other assets and retained earnings on the 2008 balance sheet have decreased by \$1.0 million. The restatement had an effect of \$(0.01) on earnings per share.

### **NOTE 3 – ACQUISITIONS**

During the first quarter of 2008 and pursuant to an agreement amended in March 2007, the Company increased its ownership interest in R-Can Services Limited by 0.6% to 98.8%. The Company paid \$3.4 million for this acquisition, increasing goodwill by \$3.0 million and reducing non-controlling interest by \$0.4 million. During the first quarter of 2009, the Company increased its ownership in R-Can Services Limited by 0.6% to 99.4%. The Company paid \$1.4 million for this acquisition, increasing goodwill by \$1.1 million and reducing non- controlling interest by \$0.3 million.

During the second quarter of 2008, the Company, through a wholly owned U.S. subsidiary, increased its ownership interest in Trican Well Service LP (“Trican U.S.”, formerly Liberty Pressure Pumping LP) by 1.8% to 95.0%. The Company paid \$5.9 million for this acquisition, increasing goodwill by \$3.4 million and reducing non-controlling interest by \$2.5 million. During the third quarter of 2008, the Company acquired the remaining 5% ownership interest in Trican U.S. and paid \$13.2 million for this remaining acquisition, increasing goodwill by \$7.2 million and reducing non-controlling interest by \$6.0 million.

During the first quarter of 2009 and pursuant to an agreement dated March 2007, the Company paid \$0.3 million of contingent consideration in connection with its acquisition of CBM Solutions Ltd. All the contingent consideration was recorded as goodwill. Contingent consideration may be paid for each calendar year ended 2010 and 2011 based upon financial results for the year.

## NOTE 4 – INVENTORY

<b>(Stated in thousands)</b>	<b>2009</b>	<b>2008</b>
Product inventory		
Chemicals and consumables	<b>\$43,292</b>	\$55,698
Coiled tubing	<b>14,847</b>	14,464
Parts	<b>33,110</b>	37,669
	<b>\$91,249</b>	\$107,831

The total amount of inventories recognized as an expense during the year was \$289.7 million (2008 – \$373.6 million).

## NOTE 5 – PROPERTY AND EQUIPMENT

<b>(stated in thousands)</b>	<b>2009</b>	<b>2008</b>
Property and Equipment:		
Land	<b>\$16,929</b>	\$16,728
Buildings and improvements	<b>54,062</b>	51,888
Equipment	<b>744,937</b>	789,307
Furniture and fixtures	<b>26,620</b>	23,357
	<b>842,548</b>	881,280
Accumulated Depreciation:		
Buildings and improvements	<b>12,025</b>	9,345
Equipment	<b>279,836</b>	226,393
Furniture and fixtures	<b>15,991</b>	13,501
	<b>307,852</b>	249,239
	<b>\$534,696</b>	\$632,041

Canadian operations included \$23.3 million (2008: \$nil) of equipment that was not being depreciated at December 31, 2009.

Included within equipment are assets held under capital lease with a gross value of \$3.0 million (2008 - \$nil) and accumulated depreciation of \$0.2 million. Interest expense of \$0.1 million relating to these capital leases has been charged to the Consolidated Statement of Operations in the year.

## NOTE 6 – INTANGIBLE ASSETS

<b>(Stated in thousands)</b>	<b>2009</b>	<b>2008</b>
Non-compete agreements (accumulated amortization 2009 - \$8,275, 2008 - \$6,080)	<b>\$15,799</b>	\$21,709
Customer relationships (accumulated amortization 2009 - \$7,478, 2008 - \$5,288)	<b>6,118</b>	9,821
CBM Process (accumulated amortization 2009 - \$2,338, 2008 - \$1,486)	<b>6,165</b>	7,013
	<b>\$28,082</b>	\$38,543

During 2008, the Company wrote off the net book value of \$0.9 million relating to a license which was reported under the Canadian operating division. The write-off was based on an assessment made by management which took into account the historical and future revenue streams generated from the license.

## NOTE 7 – LOAN TO AN UNRELATED THIRD PARTY AND OTHER ASSETS

At December 31, 2009, the Company had a U.S.\$19.3 million secured, interest bearing first mortgage real estate loan (the “loan”) to an unrelated third party located in the U.S. (2008 – U.S.\$24.1 million). During the year ended December 31, 2008, an impairment provision of U.S \$15.1 million was recorded against the loan and the carrying value was reduced to U.S.\$9.0 million. At December 31, 2009, the remaining

impairment provision of U.S.\$10.3 million was reversed due to a change in management's assessment of the recoverability of the balance.

The non-current portion of the loan of U.S.\$11.9 million has been included in other assets on the balance sheet. The current portion of the loan of U.S.\$7.4 million has been included in accounts receivable on the balance sheet.

Also included in other assets is U.S.\$4.9 million in other amounts receivable from the unrelated third party.

## NOTE 8 – GOODWILL

<b>(Stated in thousands)</b>	<b>2009</b>	<b>2008</b>
Balance at the beginning of the year	\$ 35,556	\$ 167,417
Acquisition of Trican U.S.	-	10,613
Acquisition of CBM Solutions	254	301
Acquisition of R-Can	1,106	2,988
Impact of foreign currency rate changes on goodwill	-	34,008
Goodwill impairment	-	(179,771)
Balance at the end of the year	<b>\$ 36,916</b>	<b>\$ 35,556</b>

See note 5 for additional information on the acquisitions made during 2008 and 2009.

As at December 31, 2008, the Company recorded a goodwill impairment of \$179.8 million relating to the acquisition of Trican U.S. due to weakened industry activity in the U.S. and a weakened U.S. economy. As at December 31, 2009, no impairment existed for the goodwill relating to Russian and Canadian acquisitions.

## NOTE 9 – BANK LOANS

The Company's U.S. subsidiary has a U.S.\$30 million demand revolving facility with a large international bank. This facility is unsecured, bears interest at Bank Prime plus 0.25% or LIBOR plus 1.50%, has been guaranteed by the Company and is subject to non-financial covenants that the Company complied with and are typical of this type of arrangement. At December 31, 2009, \$28.0 million (2008 - \$36.7 million) was drawn on this facility.

The Company's Russian subsidiary has a U.S.\$20 million demand revolving facility with a large international bank. This facility is unsecured, bears interest at LIBOR plus a premium, as determined by the bank, plus 2.75% and has been guaranteed by the Company. At December 31, 2009, nil was drawn on this facility (2008 - \$24.5 million).

The Company has a \$35 million (or U.S. dollar equivalent) demand revolving facility with a Canadian chartered bank which bears interest at Bank Prime plus 0.5% to 1.25% or at LIBOR plus 1.5% to 2.25%, dependent on certain financial ratios maintained by the Company. The facility is unsecured and is subject to non-financial covenants that the Company complied with and are typical of this type of arrangement. At December 31, 2009, nil was drawn on this facility (2008 – nil), and the borrowing base was reduced by a Letter of Credit in the amount of \$0.5 million.

## NOTE 10 – DEFERRED CONSIDERATION

<b>(Stated in thousands)</b>	<b>2009</b>	<b>2008</b>
Cash	\$ 1,167	\$ 2,333
Common Shares	715	811
	<b>\$ 1,882</b>	<b>\$ 3,144</b>
Amount classified as current	<b>\$ 1,882</b>	<b>\$ 1,572</b>

Deferred consideration on the CBM Solutions acquisition (note 5) consisted of \$3.5 million in cash and 152,552 common shares of the Company due on the first, second and third anniversary of the closing date, which was in March 2007. During 2009, \$1.2 million of cash (2008- \$1.2 million) was paid and 50,852 shares (2008- 50,852 shares) were issued as part of the deferred consideration.

## NOTE 11 – LONG-TERM DEBT

<b>(Stated in thousands)</b>	<b>2009</b>	<b>2008</b>
Notes payable	<b>\$104,660</b>	\$122,460
Equipment and acquisition loan	<b>70,000</b>	120,000
\$35 million EDC loan	-	-
	<b>\$174,660</b>	\$242,460

### Notes Payable

On June 21, 2007, the Company entered into an agreement with institutional investors in the U.S. providing for the issuance, by way of private placement of U.S. \$100 million of Senior Unsecured Notes (the “Notes”) in two tranches:

- U.S. \$25 Million Series A Senior Notes maturing June 22, 2012, bearing interest at a fixed rate of 6.02% payable semi-annually on June 22 and December 22; and
- U.S. \$75 Million Series B Senior Notes maturing June 22, 2014, bearing interest at a fixed rate of 6.10% payable semi-annually on June 22 and December 22.

The Notes require the Company to comply with certain financial and non-financial covenants that are typical for this type of arrangement. At December 31, 2009, the Company was in compliance with these covenants.

### Equipment and Acquisition Loan

The Company has a syndicated \$120 million (or U.S. dollar equivalent) three year extendible revolving acquisition and capital expenditure Term Credit Facility (the “facility”). The facility is reviewed annually by the lender, should it not be extended, repayment will be made at the end of the term. The current facility matures on March 6, 2011.

The facility is unsecured and bears interest at the bank's prime rate, U.S. base rate, Bankers' Acceptance rate or at LIBOR plus 0 to 125 basis points, dependent on certain financial ratios of the Company. The facility requires the company comply with certain financial and non-financial covenants that are typical for this type of arrangement. At December 31, 2009, \$70 million was drawn on this facility and the Company had complied with all covenants.

### Export Development Canada Loan

During 2009, the Company obtained a \$35 million credit facility with Export Development Canada (EDC). The facility bears interest at CAD-BA-CDOR, LIBOR or EURIBOR plus 250 to 350 basis points, dependant on certain financial ratios of the Company. The facility is unsecured and is subject to financial and non-financial covenants that are typical for this type of arrangement. At December 31, 2009, no amounts were drawn on the facility and the Company had complied with all covenants.

## NOTE 12 - SHARE CAPITAL

Authorized:

The Company is authorized to issue an unlimited number of common shares and preferred shares, issuable in series.

<b>Issued and Outstanding - Common Shares:</b>		
<b>(stated in thousands, except share amounts)</b>	<b>Number of Shares</b>	<b>Amount</b>
Balance, December 31, 2007	122,450,382	\$196,165
Exercise of stock options	3,061,533	34,778
Reclassification from contributed surplus on exercise of options	-	14,360
Issuance out of treasury for CBM deferred consideration	50,852	1,054
Balance, December 31, 2008	125,562,767	\$246,357
<b>Exercise of stock options</b>	<b>25,050</b>	<b>61</b>
<b>Reclassification from contributed surplus on exercise of options</b>	<b>-</b>	<b>84</b>
<b>Issuance out of treasury for CBM deferred consideration (note 12)</b>	<b>50,852</b>	<b>352</b>
<b>Balance, December 31, 2009</b>	<b>125,638,669</b>	<b>\$246,854</b>

## NOTE 13 – PER SHARE AMOUNTS

(Stated in thousands, except share and per share amounts)

(restated- note 2)

<b>Basic Loss Per Share</b>	<b>2009</b>	<b>2008</b>
Net loss available to common shareholders	<b>\$(8,513)</b>	\$(71,362)
Weighted average number of common shares	<b>125,615,955</b>	124,725,937
Basic loss per share	<b>\$(0.07)</b>	\$(0.57)

  

<b>Diluted Loss Per Share</b>	<b>2009</b>	<b>2008</b>
Net loss available to common shareholders	<b>\$(8,513)</b>	\$(71,362)
Weighted average number of common shares	<b>125,615,955</b>	124,725,937
Diluted effect of stock options	-	-
Diluted weighted average number of common shares	<b>125,615,955</b>	124,725,937
Diluted loss per share	<b>\$(0.07)</b>	\$(0.57)

As a result of the net loss recorded in 2009 and 2008, all dilutive options are considered to be anti-dilutive and have been excluded from the calculation of the diluted earnings per share.

## NOTE 14 – STOCK-BASED COMPENSATION

The Company has two stock-based compensation plans which are described below.

### Incentive stock option plan:

Options may be granted at the discretion of the Board of Directors and all officers and employees of the Company are eligible for participation in the Plan. The option price equals the weighted average closing price of the Company's shares on the Toronto Stock Exchange for the five trading days preceding the date of grant. Options granted prior to 2004 vest equally over a period of four years commencing on the first anniversary of the date of grant, and expire on the fifth or tenth anniversary of the date of grant.

In 2004, the Company prospectively revised the stock option plan so that one-third of new options issued vest on each of the first and second anniversary dates, and the remaining third vest ten months subsequent to the second anniversary date. These options expire on the third anniversary from the date of grant. The compensation expense that has been recognized in net income for the year is \$9.9 million (2008 - \$12.3 million). The corresponding amount has been recognized in contributed surplus. The weighted average grant date fair value of options granted during 2009 has been estimated at \$2.53 per option (2008 - \$4.91) using the Black-Scholes option pricing model. The Company has applied the following assumptions in determining the fair value of options on the date of grant:

	<b>2009</b>	<b>2008</b>
Expiration period (years)	<b>3.0</b>	3.0
Expected life (years)	<b>2.6</b>	2.6
Volatility	<b>55%</b>	44%
Risk-free interest rate	<b>1.5%</b>	3.3%
Expected dividend	<b>\$0.10</b>	\$0.10

The Company has reserved 12,563,867 common shares as at December 31, 2009 (December 31, 2008 – 12,556,277) for issuance under a stock option plan for officers and employees. The maximum number of options permitted to be outstanding at any point in time is limited to 10% of the Common Shares then outstanding. As of December 31, 2009, 6,163,159 options (December 31, 2008– 9,303,132) were outstanding at prices ranging from \$1.13 - \$25.67 per share with expiry dates ranging from 2010 to 2012.

The following table provides a summary of the status of the Company's stock option plan and changes during the years ending December 31:

	2009		2008	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding at the beginning of year	9,303,132	\$17.67	9,863,531	\$16.21
Granted	84,000	7.29	3,033,265	16.62
Exercised	(25,050)	2.44	(3,061,533)	11.39
Forfeited	(480,067)	18.04	(432,698)	20.61
Expired	(2,718,856)	24.09	(99,433)	21.40
Outstanding at the end of year	6,163,159	14.73	9,303,132	17.67
Exercisable at end of year	3,619,876	\$12.91	3,973,740	\$16.14

The following table summarizes information about stock options outstanding at December 31, 2009:

Range of Exercise Prices	Options Outstanding			Options Exercisable		
	Number Outstanding	Weighted Average Remaining Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercisable Price	
\$1.13 to \$2.50	794,760	1.1	\$2.19	794,760	\$2.19	
\$2.51 to \$3.75	523,900	2.2	2.83	523,900	2.83	
\$3.76 to \$8.50	81,915	2.1	6.70	7,639	7.53	
\$8.51 to \$12.75	156,000	2.0	9.74	43,668	9.80	
\$12.76 to \$19.15	2,155,884	1.7	16.37	724,306	16.37	
\$19.16 to \$25.67	2,450,700	0.8	20.48	1,525,603	20.44	
\$1.13 to \$25.67	6,163,159	1.3	\$14.73	3,619,876	\$12.91	

#### Deferred share unit plan:

In 2004, the Company implemented a deferred share unit ("DSU") plan for outside directors. Under the terms of the plan, DSU's awarded will vest immediately and will be settled with cash in the amount equal to the closing price of the Company's common shares on the date the director specifies upon tendering their resignation from the Board, which in any event must be after the date on which the notice of redemption is filed with the Company and within the period from the Director's termination date to December 15 of the first calendar year commencing after the Director's termination date. The Company has recorded a \$2.0 million expense (2008 - \$0.8 million recovery) in the year relating to DSU's and there are 204,330 DSU's outstanding at year end (2008 - 115,343). The DSU liability at December 31, 2009 is \$2.9 million (2008 - \$0.9 million) and has been included in accounts payable and accrued liabilities.

#### NOTE 15 - INCOME TAXES

(Stated in thousands)	2009	2008
Current income tax expense	\$ 23,132	\$ 24,369
Future income tax recovery	(44,279)	(68,636)
	\$ (21,147)	\$ (44,267)

The geographic income/(loss) before income taxes and non-controlling interest for the years ended December 31, are as follows:

	2009	2008
Canada	\$ 6,316	\$ 58,633
Foreign	(36,172)	(174,238)
	\$ (29,856)	\$ (115,605)

The net income tax provision differs from that expected by applying the combined Canadian federal and provincial income tax rate of 29.23% (2008 – 29.75%) to loss before income taxes for the following reasons:

	2009	2008
Expected combined federal and provincial income tax	\$ (8,720)	\$ (34,106)
Statutory and other rate differences	(10,958)	(19,732)
Non-deductible expenses	2,446	8,379
Translation of foreign subsidiaries	(1,115)	1,386
Changes to future income tax rates	(3,090)	(289)
Capital and other foreign tax	50	722
Other	240	(627)
	<b>\$ (21,147)</b>	<b>\$ (44,267)</b>

The components of the future income tax asset and liability as at December 31 are as follows:

	2009	2008
<b>Future income tax assets:</b>		
Goodwill	\$ 48,305	\$ 58,968
Non-capital loss carry forwards	44,001	20,689
Deferred interest expense	7,580	3,678
Capital loss carry forwards	1,883	1,907
Unrealized foreign exchange loss	2,176	-
Property, equipment and other assets	-	658
Deferred share units	735	238
Other	158	68
	<b>\$ 104,838</b>	<b>\$ 86,206</b>
<b>Future income tax liabilities:</b>		
Property, equipment and other assets	\$ 51,354	\$ 45,838
Partnership income	10,860	33,055
Intangible assets	2,540	3,143
	<b>\$ 64,754</b>	<b>\$ 82,036</b>

Included in the above tax pools are \$110.1 million (2008- \$55.7 million) related to non-capital losses available for carry forward to reduce taxable income in future years. These losses expire between 2026 and 2029.

Accumulated other comprehensive income has been presented net of \$5.2 million (2008 – \$1.4 million) in future income tax recoveries.

## NOTE 16 – CONTRACTUAL OBLIGATIONS

The Company has commitments for operating lease agreements, primarily for vehicles and office space, in the aggregate amount of \$17.7 million (2008- \$20.8 million). The Company also has commitments for capital lease agreements for equipment in the aggregate amount of \$2.8 million including interest (2008- \$nil). Payments over the next five years are as follows:

(Stated in thousands)	Payments due by period				
	2010	2011	2012	2013	2014
Operating leases	4,855	4,074	3,099	3,010	2,664
Capital leases	804	804	804	402	-

As at December 31, 2009, the Company has commitments totaling approximately \$4.4 million (2008 - \$12.4 million) relating to the construction of fixed assets in 2009.

## NOTE 17 – SEGMENTED INFORMATION

The Company operates in three main geographic regions: Canada, Russia (which includes Kazakhstan and Algeria), and the U.S. Each geographic region has a General Manager that is responsible for the operation and strategy of their region's business. Personnel working within the particular geographic region report to the General Manager; the General Manager reports to the corporate executive.

The Company provides a comprehensive array of specialized products, equipment, services and technology to customers through three operating divisions:

- Canadian Operations provides cementing, fracturing, coiled tubing, nitrogen, geological, and acidizing services, which are performed on new and existing oil and gas wells, and industrial services.
- Russian Operations provides cementing, fracturing, deep coiled tubing, and nitrogen services which are performed on new and existing oil and gas wells.
- U.S. Operations provides fracturing, cementing, and nitrogen services which are performed on new and existing oil and gas wells.

Corporate Division expenses consist of salary expenses, stock-based compensation and office costs related to corporate employees, as well as public company costs.

(Stated in thousands)	Canadian Operations	Russian Operations	United States Operations	Corporate	Total
<b>Year ended December 31, 2009</b>					
Revenue	\$ 415,630	\$ 238,492	\$ 157,366	\$ -	\$ 811,488
Operating income/(loss)	61,565	37,695	(5,074)	(23,976)	70,210
Interest expense	-	-	-	10,389	10,389
Depreciation and amortization	37,292	23,917	35,559	37	96,805
Assets	441,950	224,995	297,463	65,431	1,029,839
Goodwill	22,690	14,226	-	-	36,916
Property and equipment	279,992	105,027	148,542	1,135	534,696
Capital expenditures	14,356	22,163	8,245	1,103	45,867
Goodwill expenditures	254	1,106	-	-	1,360
<b>Year ended December 31, 2008</b>					
Revenue	\$ 554,554	\$ 295,703	\$ 165,826	\$ -	\$ 1,016,083
Operating income/(loss)	127,234	46,038	28,379	(19,859)	181,792
Interest expense	-	-	-	13,782	13,782
Depreciation and amortization	40,713	26,495	26,048	138	93,394
Assets	490,659	278,943	395,071	67,303	1,231,976
Goodwill	22,436	13,120	-	-	35,556
Property and equipment	306,761	123,957	201,202	121	632,041
Capital expenditures	48,365	29,544	46,304	170	124,383
Goodwill expenditures	301	2,988	10,613	-	13,902

The Corporate division incurred an operating loss of \$24.0 million (2008 - \$19.9 million) of which 96% (2008 – 96%) was incurred in Canada as this is where corporate head office is located.

Revenue from two external customers for the year ended December 31, 2009 amount individually to greater than 10% of the Company's total revenue. One of the customer's revenue is exclusively within Russia and totals \$108.6 million (2008 - \$157.8 million). The other customer's revenue is exclusively in the U.S and totals \$113.7 million (2008 - \$45.9 million).

## NOTE 18 – CONTINGENCIES

From time to time, Trican is subject to costs and other effects of legal and administrative proceedings, settlements, investigations, claims and actions. Trican may in the future be involved in disputes with other parties which could result in litigation or other actions, proceedings or related matters. The results of litigation or any other proceedings or related matters cannot be predicted with certainty. Amounts involved in such matters are not reasonably determinable due to uncertainty as to the final outcome. Trican's assessment of the likely outcome of these matters is based on its judgment of a number of factors including experience with similar matters, past history, precedents, relevant financial and other evidence and facts specific to the matter. Notwithstanding the uncertainty as to the final outcome, based upon the information currently available to it, Trican does not currently believe these matters in aggregate will have a material adverse effect on its consolidated financial position or results of operations.

The tax regulations and legislation in the various jurisdictions that the Company operates in are continually changing. As a result, there are usually some tax matters under review. Management believes that it has adequately met and provided for taxes based on the Company's interpretation of the relevant tax legislation and regulations.

## NOTE 19 – SUBSEQUENT EVENT

On March 2, 2010, Trican announced that it had reached an agreement to purchase the assets of a privately held U.S. based company (the "U.S. Company"). Headquartered in Shawnee, Oklahoma, the U.S. Company is a provider of pressure pumping services in the Oklahoma region. Under the terms of the agreement Trican, through a wholly owned U.S. subsidiary, will acquire all of the U.S. Company's equipment, land and base infrastructure for cash consideration of U.S. \$46.0 million plus associated expenses. In addition, Trican will assume indebtedness on asset leases of approximately U.S. \$3.4 million. The total cash consideration will be funded from existing bank facilities.

The Company will host a conference call on Friday, March 5, 2010 at 9:00 a.m. MT (11:00 a.m. ET) to discuss the Company's results for the Fourth Quarter and Year End 2009.

To listen to the webcast of the conference call, please enter:

<http://events.digitalmedia.telus.com/trican/030510/index.php> in your web browser or visit the Investor Information section of our website at [www.trican.ca](http://www.trican.ca).

To participate in the Q&A session, please call the conference call operator at 1-866-223-7781 (North America) or 416-340-8018 (outside North America) 15 minutes prior to the call's start time and ask for the "Trican Well Service Ltd. – Fourth Quarter and Year End 2009 Conference Call".

A replay of the conference call will be available until April 5, 2010 by dialing 1-800-408-3053 (North America) or 416-695-5800 (outside North America). Playback passcode: 8014660.

The conference call will be archived on Trican's website at [www.trican.ca](http://www.trican.ca).

FOR FURTHER INFORMATION PLEASE CONTACT:

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