

TRICAN WELL SERVICE LTD.

Information Circular - Proxy Statement

For the Special and Annual Meeting
of the Shareholders to be Held on May 15, 2002

PROXIES

Solicitation of Proxies

This information circular - proxy statement is furnished in connection with the solicitation of proxies by or on behalf of the management of Trican for use at the special and annual meeting of the shareholders of Trican to be held in the Strand/Tivoli Room at the Metropolitan Centre, 333 - 4th Avenue S.W., Calgary, Alberta, on Wednesday, May 15, 2002, at 2:00 p.m., local time, and any adjournment thereof for the purposes set forth in the accompanying Notice of Meeting. Only shareholders of record on April 5, 2002 are entitled to notice of, and to attend and vote at, the Meeting, unless a shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the shares and demands that the transferee's name be included on the list of shareholders.

The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

The persons named in the enclosed instrument of proxy are our officers. **As a shareholder submitting a proxy you have the right to appoint a person (who need not be a shareholder) to represent you at the Meeting other than the person or persons designated in the instrument of proxy furnished by Trican. To exercise this right you should insert the name of the desired representative in the blank space provided in the instrument of proxy and strike out the other names or submit another appropriate proxy.** In order to be effective, the proxy must be mailed so as to be deposited at the office of our transfer agent, Computershare Trust Company of Canada, Suite 600, 530 - 8th Avenue, S.W., Calgary, Alberta, T2P 3S8, not later than 4:30 p.m. (Calgary time) on the second last business day preceding the date of the Meeting or any adjournment thereof. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to you if you do not hold your common shares in your own name. Only proxies deposited by shareholders whose names appear on our records as the registered holders of common shares can be recognized and acted upon at the meeting. If common shares are listed in your account statement provided by your broker, then in almost all cases those common shares will not be registered in your name on our records. Such common shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares 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. Common shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your shares.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the meeting. Often, the form of proxy supplied by your broker is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to the Independent Investor Communications Corporation. If you receive a voting instruction form from Independent Investor Communications Corporation it cannot be used as a proxy to vote shares directly at the meeting as the proxy must be returned (or otherwise reported as provided in the voting

instruction form) to Independent Investor Communications Corporation well in advance of the meeting in order to have the shares voted.

Revocability of Proxy

You may revoke your proxy at any time prior to a vote. If you or the person you give your proxy attends personally at the meeting you or 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 you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation. To be effective the instrument in writing must be deposited either with Computershare Trust Company of Canada at Suite 600, 530 - 8th Avenue, S.W., Calgary, Alberta, T2P 3S8, at any time prior to 4:30 p.m. (Calgary time) 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 the meeting on the day of the meeting, or any adjournment thereof.

Persons Making the Solicitation

This solicitation is made on behalf of our management. We will bear the costs incurred in the preparation and mailing of the form of proxy, notice of annual and special meeting and this information circular - proxy statement. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefore.

Exercise of Discretion by Proxy

The Common Shares represented by proxy in favour of management nominees will be voted on any poll at the meeting. Where you specify a choice with respect to any matter to be acted upon the shares will be voted on any poll in accordance with the specification so made. **If you do not provide instructions your shares will be voted in favour of the matters to be acted upon as set out herein.** The persons appointed under the form of proxy which we have furnished are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and notice of annual and special 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 - proxy statement, we know of no such amendment, variation or other matter.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

We are authorized to issue an unlimited number of Common Shares, without nominal or par value. As of March 31, 2002 there were 16,523,111 Common Shares issued and outstanding. The holders of Common Shares are entitled to one vote for each share held.

To the best of the knowledge of our directors and officers, the only persons who beneficially own directly or indirectly, or exercises control or direction over Common Shares carrying more than 10% of the votes attached to all of the issued and outstanding Common Shares, are as follows:

	<u>Designation of Class</u>	<u>Type of Ownership</u>	<u>Number of Shares</u>	<u>Percentage of Class</u>
R. Chaney & Partners III L.P. and R. Chaney & Partners IV L.P. ⁽¹⁾ Houston, Texas	Common Shares	of record	2,504,600	15%

Note:

(1) As at April 2, 2002. This information, not being within our knowledge, has been furnished by the person listed above.

MATTERS TO BE ACTED UPON AT THE MEETING

Election of Directors

Directors will be elected at the meeting.

Action is to be taken at the Meeting with respect to the election of directors. The board of directors of Trican (the "Board") presently consists of six members. It is proposed that the Board will be fixed at six members and the undermentioned persons will be nominated at the Meeting. Each director elected will hold office until the next annual meeting, or until his successor is duly elected or appointed, unless his office be earlier vacated.

It is the intention of the management designees, if named as proxy, to vote "FOR" the election of the following persons to the Board unless otherwise directed. Management does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, **the management designees, if named as proxy, reserve the right to vote for any other nominee in their sole discretion unless you have specified in your proxy that you Common Shares are to be withheld from voting on the election of directors.**

The following information relating to the nominees as directors is based partly on our records and partly on information received by us from the nominees, and sets forth the name and address of each of the persons proposed to be nominated for election as a director, his principal occupation, all other positions and offices with us held by him, the year in which he was first elected a director, and the number of Common Shares of the Company that he has advised are beneficially owned by him, directly or indirectly, or over which control or direction is exercised by him.

Nominees as Directors	Position Presently Held	Principal Occupation	Director Since	Common Shares Beneficially Owned or Controlled as of April 5, 2002
Murray L. Cobbe Calgary, Alberta	President, Chief Executive Officer and a director	President of Trican	Sept. 20, 1996	147,500
Donald R. Luft Calgary, Alberta	Senior Vice President, Operations, Chief Operating Officer and a director	Senior Vice President, Operations of Trican	Sept. 20, 1996	107,000
Kenneth M. Bagan ⁽¹⁾⁽²⁾ Calgary, Alberta	Director	Senior Vice President, Corporate Development and General Counsel, Tesco Corporation (a publicly traded oilfield rental and service company)	Sept. 20, 1996	2,000
Gary R. Bugeaud ⁽²⁾ Calgary, Alberta	Director	Partner, Burnet, Duckworth & Palmer LLP (law firm).	Aug. 13, 1998	9,150 ⁽³⁾
Douglas F. Robinson ⁽¹⁾⁽²⁾ Okotoks, Alberta	Director	Chairman and CEO, Integrated Production Services Ltd. (a publicly traded oilfield services company)	June 3, 1997	13,550
Victor J. Stobbe ⁽¹⁾ Okotoks, Alberta	Director	President, American Leduc Petroleum Limited (a publicly traded oil and gas company)	Sept. 20, 1996	5,000

Notes:

- (1) Member, audit committee.
- (2) Member, compensation and corporate governance committee.
- (3) Includes 800 Common Shares held by Mr. Bugeaud's spouse.
- (4) We do not have an executive committee of the Board.

Appointment of Auditors

Unless otherwise directed, it is management's intention to vote proxies in the accompanying instrument of proxy in favour of KPMG LLP, Chartered Accountants, of Calgary, Alberta, as our auditors, to hold office until the next annual meeting of our shareholders and to authorize the directors to fix their remuneration as such.

Amendment of Stock Option Plan

At the annual and special meeting of shareholders held May 16, 2001, a resolution was passed increasing the maximum number of Common Shares issuable under our stock option plan. Since May 16, 2001 the following activity in the plan has taken place:

Balance outstanding on May 16, 2001	1,272,650
Stock options granted	258,500
Stock options exercised	167,850
Stock options canceled	33,950
Balance outstanding on April 5, 2002	1,329,350
Common Shares issuable pursuant to the stock option plan, not currently subject to an option	44,249

On April 4, 2002, the Board approved an amendment to the plan to increase the Common Shares issuable under the plan by 261,227 Common Shares. If this increase is approved by Shareholders, the number of Common Shares issuable pursuant to Trican's stock option plan, prior to the exercise of any currently outstanding options, will be 1,634,826, or about 9.9% of the currently outstanding Common Shares of which 305,476 Common Shares will be available for issuance pursuant to additional option grants.

Accordingly, at the meeting, the following ordinary resolution (the "Stock Option Resolution") will be presented:

"Be it resolved, as an ordinary resolution of the shareholders of Trican Well Service Ltd. (the "Company"), that:

1. the number of Common Shares issuable under the stock option plan of the Company be increased by 305,476 Common Shares; and
2. any one officer or director of the Company be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolution."

This resolution must be approved by a simple majority of votes cast by shareholders who vote in person or by proxy at the Meeting in respect of this resolution.

EXECUTIVE COMPENSATION**Compensation of Executive Officers**

The following table provides a summary of compensation earned during the three fiscal years ended December 31, 2001 by the chief executive officer and the four next highest paid policy-making executive officers of Trican (collectively the "named executive officers") whose salary plus bonus in the year ended December 31, 2001 was in excess of \$100,000.

Summary Compensation Table

Name and Principal Position	Annual Compensation				Long-Term Compensation				
	Year	Salary	Bonus	Other Annual Compensation ⁽¹⁾	Awards		Payouts		All Other Compensation ⁽²⁾
					Securities Under Options/SARS Granted	Restricted Shares or Restricted Share Units	LTIP Payouts		
		(\$)	(\$)	(\$)	(#)	(\$)	(\$)	(\$)	
Murray L. Cobbe	2001	200,004	156,000	31,958	57,500 / -	-	-	87,800	
President and Chief Executive Officer	2000	140,000	96,100	13,333	57,500 / -	-	-	87,800	
	1999	125,000	41,200	14,283	- / -	-	-	-	
Donald R. Luft	2001	183,000	137,250	20,082	57,500 / -	-	-	70,000	
Senior Vice President, Operations	2000	139,200	95,000	-	57,500 / -	-	-	70,000	
	1999	124,800	61,250	6,248	- / -	-	-	-	
Michael G. Kelly	2001	150,000	112,500	18,250	18,250 / -	-	-	66,200	
Vice President, Finance	2000	113,400	71,900	13,333	8,750 / -	-	-	66,200	
	1999	109,600	39,200	15,742	25,000 / -	-	-	-	
David L. Charlton	2001	150,000	112,500	20,749	17,000 / -	-	-	75,000	
Vice President, Sales	2000	113,400	59,200	13,333	12,500 / -	-	-	91,600	
	1999	97,600	39,200	14,892	20,000 / -	-	-	-	
Dale M. Dusterhoft	2001	160,200	120,150	18,328	17,000 / -	-	-	58,800	
Vice President, Technical Services	2000	118,200	75,600	13,333	12,500 / -	-	-	58,800	
	1999	103,800	39,200	15,601	20,000 / -	-	-	-	

Notes:

- (1) Perquisites and other personal benefits do not exceed the lesser of \$50,000 and 10 % of the total of the annual salary and bonus of any of the named executive officers for any of the years indicated.
- (2) Contributions made on behalf of the named executive officers to a retirement compensation arrangement.

Stock Option Grants During the Year Ended December 31, 2001

The following table sets forth information in respect of options granted to the named executive officers during the most recently completed financial year.

Name	Securities Under Options Granted (#)	% of Total Options Granted in 2001	Exercise Price (\$/Share)	Market Value of Shares on the Date of Grant (\$/Share)	Expiry Date
Murray L. Cobbe	57,500	12%	\$13.50	\$13.70	Feb. 2, 2011
Donald R. Luft	57,500	12%	\$13.50	\$13.70	Feb. 2, 2011
Michael G. Kelly	18,250	4%	\$13.50	\$13.70	Feb. 2, 2011
David L. Charlton	17,000	4%	\$13.50	\$13.70	Feb. 2, 2011
Dale M. Dusterhoft	17,000	4%	\$13.50	\$13.70	Feb. 2, 2011

We had no plan for any of our employees involving stock appreciation rights during 2001.

Aggregated Option Exercises During the Year Ended December 31, 2001, and Year-End Option Values

The following table sets forth certain information with respect to options to acquire our Common Shares exercised by the named executive officers during the year ended December 31, 2001 and, based upon a closing price for the Common Shares on December 31, 2001 of \$13.30, value at year end of unexercised options.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at December 31, 2001 (#)		Value of Unexercised in-the-Money Options at December 31, 2001 (\$)	
			Exercisable/Unexercisable	Exercisable/Unexercisable	Exercisable/Unexercisable	Exercisable/Unexercisable
Murray L. Cobbe	43,000	506,050	143,250 / 100,625		\$1,532,475 / \$228,563	
Donald R. Luft	43,000	506,050	143,250 / 100,625		\$1,532,475 / \$228,563	
Michael G. Kelly	15,350	168,663	16,838 / 39,813		\$152,841 / \$166,406	
David L. Charlton	5,000	59,550	25,625 / 38,875		\$236,063 / \$160,688	
Dale M. Dusterhoft	17,000	200,550	31,125 / 38,875		\$298,213 / \$160,688	

Employment Contracts and Termination of Employment

Murray L. Cobbe and Donald R. Luft have employment agreements with us which provide for their continued employment in accordance with and subject to the existing arrangements for salary, bonuses, benefits and other matters until the termination of their employment or a change of control occurs, defined as an acquisition of more than 29% of the outstanding Common Shares, at which time Messrs. Cobbe or Luft may elect to trigger a severance benefit. This benefit would consist of 2 times their annual salary plus the average annual bonus paid over the previous 5 year period. If the benefit is paid, the recipient will be unable to compete against us for a period of time.

Michael G. Kelly has an agreement with the Company that provides that if a change of control occurs, defined as an acquisition of more than 29% of the outstanding Common Shares, Mr. Kelly may elect to trigger a severance benefit. This benefit would consist of 2 times his annual salary plus the average annual bonus paid over the previous 5 year period.

David L. Charlton and Dale M. Dusterhoft each have agreements similar to that outlined for Mr. Kelly except upon a change of control these individuals are only entitled to a severance benefit if their respective employments are terminated. The benefit for each of Messrs. Charlton and Dusterhoft would consist of 1 1/2 times their annual salary plus the average bonus paid over the previous 5 year period.

The Compensation and Corporate Governance Committee has reviewed the above contracts and has proposed certain revisions, including: a more comprehensive definition of "change of control"; payments on severance to include benefits, allowances and payments made to retirement and/or savings plans to reflect the changes in the compensation arrangements over time; non-competition provisions to include that in the event that a severance payment is made and as long as a change of control that triggers entitlement to the payment was not related to a take-over bid that was not recommended or otherwise supported by the Board, then the recipient will not compete against us in the pressure pumping business for a period of time, and to provide for all of the named executive officers to have employment contracts, instead of just "change of control" contracts as Messrs. Charlton, Dusterhoft and Kelly currently have. The Committee does not know if all or any of the proposed revisions will be implemented as they are subject to negotiation with the individuals.

Compensation of Directors

Our directors (other than directors who are members of management) are entitled to an annual retainer of \$5,000. In addition, each member receives a fee of \$500 for each meeting of the Board or a committee of the Board attended as well as reimbursement for out-of-pocket expenses for attendance at meetings of the Board and committees of the Board. In February 2001, each outside director was granted an option to acquire 8,000 Common Shares at an exercise price of \$13.50 per share, such options vesting at a rate of 25% per year commencing on the first anniversary of the date of grant.

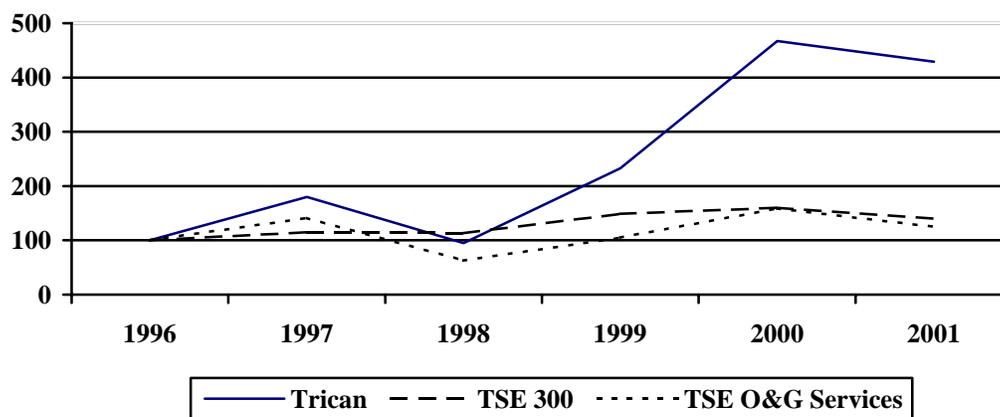
Retirement Plans

We have a retirement savings plan whereby we will match employee contributions at a rate of \$1.00 for every \$1.00 contributed by the employee to a maximum of 3.0% of the employee's salary and job bonus.

During 2000, we established a Retirement Compensation Arrangement ("RCA") with each of the named executive officers. Each RCA is a non-contributory plan, the contributions to which are determined annually by the Compensation and Corporate Governance Committee. The plan contains no requirement to fund, however, should we make contributions to the plans as they were designed, we will make contributions of between \$58,800 and \$87,800 to each of the plans for the next nine years. If funded as designed, the plans provide for annual payments of between \$67,200 and \$54,000 upon reaching either 60 or 65 years as defined in the individual plans.

PERFORMANCE GRAPH

The following graph compares the cumulative total shareholder return on Common Shares since December 9, 1996, with the cumulative total shareholder return on each of the Toronto Stock Exchange 300 Index and the Toronto Stock Exchange Oil and Gas Services Sub-Index, assuming the reinvestment of dividends, where applicable, for a comparable period.



	Dec. 31, 1996	Dec. 31, 1997	Dec. 31, 1998	Dec. 31, 1999	Dec. 31, 2000	Dec. 31, 2001
Trican	100	180	95	233	467	429
TSE 300	100	115	113	149	160	140
TSE O&G Services	100	141	63	105	159	125

REPORT ON EXECUTIVE COMPENSATION

Composition of the Compensation and Corporate Governance Committee

The compensation and corporate governance committee (the "Compensation and Corporate Governance Committee") is comprised of Douglas F. Robinson (Chair), Kenneth M. Bagan and Gary R. Bugeaud. All of the members of the Compensation and Corporate Governance Committee are outside and unrelated directors. It is noted by the Committee that Mr. Bugeaud's law firm provides ongoing legal services to us.

Report on Executive Compensation

The Compensation and Corporate Governance Committee is charged with the periodic review of and recommendation to the Board with respect to compensation of our executive officers and to review and make recommendations with respect to corporate governance. The Chief Executive Officer is charged with establishing compensation for our other employees.

Recent Developments

In late 2000, the Compensation and Corporate Governance Committee retained an independent advisor to review and make recommendations with respect to the overall compensation programs of our senior officers. The employment compensation consultants advised the committee that the compensation programs for our senior officers needed adjustment in order to adequately reflect our current stage of development, with the compensation programs to that point being typical of a company that had gone through a significant growth phase. Since that time, the base salaries of the named executive officers have been increased and employment or change of control contracts amended with further amendments currently being considered. The Compensation and Corporate Governance Committee had contemplated implementing a long term incentive program, which would have also resulted in maximum bonuses for current performance, as a percentage of salaries, being reduced. The Committee has determined not to proceed with a long term incentive plan at the current time and, therefore, maximum possible bonuses will not be limited to the same extent as though a long term incentive plan were in place.

Compensation Policies for 2001

Our compensation policies are designed to recognize and reward individual performance as well as to provide a competitive level of compensation. We do not have a pension plan or any other form of retirement compensation other than our retirement savings plan and our retirement compensation arrangements for the named executive officers described under the heading "Executive Compensation". Our current compensation plan consists of the following items:

- a competitive base salary;
- the retirement savings plan;
- Retirement Compensation Arrangements;
- a bonus plan; and
- a stock option plan.

The compensation for all of our executive officers in 2001 was consistent with the above policies and is delivered through the above plans. A description of the criteria used in each element of compensation is set forth below:

Base Salaries

Executive officers' salaries are reviewed annually and set by comparing individual salaries to those paid to executives in other companies of comparable size within the oil and gas services industry. Such information is provided from time to time to us by independent consultants who regularly review compensation practices in Canada.

Retirement Savings Plan

All of our employees are eligible to participate in our registered retirement savings plan. Under this plan we make a matching contribution to the registered retirement savings plan of each employee on a monthly basis at a rate of \$1.00 for every \$1.00 contributed by the employee to a maximum of 3.0% of the monthly salary and job bonus of the employee.

Profit Sharing Plan

In 2001, we had a profit sharing plan. All of our employees, who at the end of the year have been employed by us for more than six months, are eligible to participate in the plan. The purpose of the plan is to reward employees in those years when Trican has achieved or exceeded the specific performance benchmarks established by management and the Board. The plan includes a general profit sharing pool (the "General Pool") and a management profit

sharing pool (the "Management Pool"). In recent years during which Trican has achieved or exceeded the specific performance benchmarks a General Pool has been established in an amount equal to 4% of pre-tax income. The size of the General Pool is determined by the Compensation and Corporate Governance Committee and allocated by management based on individual performance and levels of responsibility.

In addition, a Management Pool in an amount equal to 3% of pre-tax income for the year had been established for members of senior management for 2001. The allocation of the Management Pool is entirely within the discretion of the Compensation and Corporate Governance Committee which in turn makes its recommendation in this regard to the Board. Effective for the 2002 fiscal year, the terms of awards for the named executive officers have been refined to provide specific objectives and criteria upon which to assess the named executive officer's performance. A maximum pool of funds available for the bonus allocations is yet to be determined.

Stock Option Plan

Directors, officers and employees are eligible to participate in our stock option plan. Awards of stock options are made from time to time to participants at varying levels consistent with the individual's level of responsibility within the Company. Options are usually priced at the closing trading price of our Common Shares on the business day immediately preceding the date of grant. Options generally vest at a rate of 25% per year commencing on the first anniversary of the date of grant. The term and other provisions of the options are subject to the terms of the stock option plan and to the discretion of the Board.

The stock option plan provides the potential for long-term rewards and above-average total compensation, provided the financial and operating results achieved by the Company are above-average in terms of enhancement of shareholder value.

Summary

Our compensation policies are reviewed by the Compensation and Corporate Governance Committee to ensure that they remain competitive with those companies in the oil and gas service industry with which we compete.

Submitted on behalf of the Compensation and
Corporate Governance Committee:

Douglas F. Robinson, Chair
Kenneth M. Bagan
Gary R. Bugeaud

CORPORATE GOVERNANCE

The Board has the obligation to oversee the conduct of our business and to supervise senior management who are responsible for the day-to-day conduct of the business. The Toronto Stock Exchange (the "TSE") has established guidelines (the "Guidelines") for effective corporate governance matters. The Guidelines address such matters as the constitution and independence of boards of directors, the functions to be performed by boards and their committees, and the relationship among a corporation's board, management and shareholders. Our disclosure with respect to the Guidelines follows:

1. *The Board should explicitly assume responsibility for the stewardship of the Company, including:*
 - a. *the adoption of a strategic planning process;*

At least once per year, Management presents and the Board reviews our business plan, including capital budgeting.

- b. *the identification of the principal risks of the Company's business and the implementation of appropriate systems to manage these risks;*

The principal risks faced by us are identified by Management and then discussed and monitored by the Board.

c. succession planning, including appointing, training and monitoring senior management;

The Compensation and Corporate Governance Committee is responsible for succession planning in regard to the Chief Executive Officer and has delegated to the Chief Executive Officer training and monitoring of other executive officers, which is periodically reported to the Board.

d. the Company's communications policy; and

We have appropriate measures in place to ensure effective communication between us, our stakeholders and the public. Although direct shareholder communications are generally handled by the Chief Executive Officer and Chief Financial Officer, all press releases are reviewed by at least one outside director prior to dissemination. These structures also include a policy on disclosure, confidentiality and trading of employees and directors.

e. the integrity of the Company's internal control and management information systems.

The Audit Committee supports the Board's stewardship responsibilities by reviewing the systems in place to ensure the integrity of our internal controls. Management reports regularly to the Audit Committee with respect to internal control and management information systems. The Audit Committee meets independently with management and the independent auditors.

2. The Board should be constituted with a majority of individuals who qualify as unrelated directors (i.e. free from conflicting interest).

Two of the six members of the Board, namely the Chief Executive Officer and the Chief Operating Officer, are related to us.

3. The analysis of the application of the principles supporting the conclusion in paragraph 2 above.

Kenneth M. Bagan	Unrelated, non-management with no business relationships with us other than as a director.
Gary R. Bugeaud	Unrelated, non-management. It was noted that Burnet, Duckworth & Palmer LLP, a law firm of which Mr. Bugeaud is a partner, provides legal services to us.
Murray L. Cobbe	Related, employee and officer of the Company.
Donald R. Luft	Related, employee and officer of the Company.
Douglas F. Robinson	Unrelated, non-management with no business relationships with us other than as a director.
Victor J. Stobbe	Unrelated, non-management with no business relationships with us other than as a director.

4. The Board should appoint a committee of directors composed exclusively of outside, i.e., non-management directors, a majority of whom are unrelated directors, with the responsibility for proposing to the full Board new nominees to the Board and for assessing directors on an ongoing basis.

No committee has been appointed to consider new nominees or to assess directors on an ongoing basis.

5. The Board should implement a process to be carried out by the Nominating Committee or other appropriate committee for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors.

The Board as a whole assesses Board effectiveness.

6. *The existence of an orientation and education program for new recruits of the Board.*

We do not have an orientation and education program for new recruits.

7. *The size of the Board and the impact of the number of directors upon the Board's effectiveness.*

The Board occasionally reviews its size in order to determine if the size is appropriate for effective decision-making.

8. *The adequacy and form of the compensation of directors should realistically reflect the responsibilities and risk involved in being an effective director.*

The Compensation and Corporate Governance Committee is delegated the responsibility of reviewing compensation of directors. Members of the Board are entitled to an annual retainer of \$5,000 and to fees for meetings of the Board or a committee of the Board of \$500 per meeting personally attended, \$250 per meeting attended by telephone.

9. *Committees of the Board should generally be composed of outside directors, a majority of whom are unrelated directors.*

All committees of the Board are comprised exclusively of outside, unrelated directors. The chair of each committee is an outside, unrelated director.

10. *The Board's responsibility for (or a committee of the Board's general responsibility for) developing the Company's approach to governance issues.*

The Compensation and Corporate Governance Committee is responsible for developing our approach to governance issues.

11. *The Board has developed:*

- a. *position descriptions for the Board and for the CEO, involving the definition of the limits to management's responsibilities; and*

The Board has not developed position descriptions for it or the Chief Executive Officer, however, various limits on managements' responsibilities and authority have been developed and the Chief Executive Officer is provided with objective criteria expected for job performance, principally related to entitlement to bonuses. For example, a capital budget is presented by management and reviewed by the Board at least annually.

- b. *the corporate objectives for which the CEO is responsible for meeting.*

Corporate objectives for the Chief Executive Officer are developed from the capital budgeting process and communicated to the Chief Executive Officer.

12. *The structures and procedures ensuring that the Board can function independently of management.*

The Board has implemented appropriate structures and procedures to ensure that it, and its committees, function independently of management. Each committee of the Board is exclusively comprised of outside, unrelated directors, and the chair of each committee is an outside, unrelated director.

- 13.a. *The Audit Committee of the Board should be composed only of outside directors and should have roles and responsibilities which are specifically defined.*

The Audit Committee is composed exclusively of outside, unrelated directors. The Audit Committee is responsible for:

- reviewing all interim and annual financial statements and related management discussion and analysis
 - reviewing the adequacy and effectiveness of internal controls over our accounting and financial reporting
 - reviewing environmental, health and safety issues
 - reviewing and recommending the retainer of the external auditors
- b. *The Audit Committee should have direct communication channels with the internal and external auditors to discuss and review specific issues as appropriate.*

The Audit Committee has direct access to our external auditors and at least quarterly meets with our external auditors without any members of management present.

14. *The existence of a system which enables an individual director to engage an outside adviser at the expense of the Company in appropriate circumstances.*

Individual members of the Board have the opportunity to engage independent counsel at our expense, subject to approval by Compensation and Corporate Governance Committee.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the most recently completed fiscal period was there any indebtedness of any director or officer, or any associate of any such director or officer to us or to any other entity which is, or at any time since the beginning of the most recently completed financial period, been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by us.

OTHER MATTERS COMING BEFORE THE MEETING

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

DIRECTORS' APPROVAL

The contents and the sending of this Circular have been approved by the Board.

AVAILABILITY OF CERTAIN DOCUMENTS

Under National Policy 41, adopted by the Canadian Securities Administrators, a person or company who wishes to receive interim financial statements from us must deliver a written request for such material to us, together with a signed statement that the person or company is the owner of securities (other than debt instruments) of the Company. Our policy is to provide interim financial statements to registered Shareholders, however, non-registered Shareholders who wish to receive interim financial statements are encouraged to send the enclosed return form, together with the completed form of proxy, in the addressed envelope provided to our agent, Computershare Trust Company of Canada. Our agent will maintain a supplemental list of persons and companies wishing to receive interim financial statements.

CERTIFICATE

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

(signed) Murray L. Cobbe
Chief Executive Officer

(signed) Michael G. Kelly
Chief Financial Officer

Calgary, Alberta
April 5, 2002