



ANNUAL INFORMATION FORM

Year Ended December 31, 2011

March 22, 2012

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FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements contained in this Annual Information Form constitute forward-looking information and statements (collectively “forward-looking statements”). These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and other similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. We believe the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Annual Information Form should not be unduly relied upon. These statements speak only as of the date of this Annual Information Form.

In particular, this Annual Information Form contains forward-looking statements pertaining to the following:

- expected equipment capacity in 2012 for all operating regions;
- expectation that strong pressure pumping demand in Canada will continue in 2012;
- expectation that Canadian pressure pumping demand in 2012 will be supported by the continued strength of horizontal drilling and oil and liquids-rich gas activity;
- expectation that strong oil prices will support growth in oil and liquids-rich gas regions with growth expected to be partially offset by declines in dry gas areas;
- expectation that declines in activity in dry gas areas will result in industry-wide redeployment of some equipment out of the dry gas regions and into the oil and liquids-rich gas regions;
- expectation that U.S. demand will be strong enough in the oil and liquids-rich gas regions to absorb additional capacity from redeployment of equipment in dry gas areas;
- expectation that our U.S. operations will benefit from substantial equipment growth in 2012;
- expectation that our 2012 U.S. financial results will benefit from a full year of equipment availability from our 2011 capital budget;
- expectation that U.S. equipment from our 2012 capital budget will be deployed throughout the second half of the year;
- expectation that new equipment from our 2012 U.S. capital budget will be deployed into oil and liquids-rich gas focused areas, which is expected to include new geographic regions for Trican;
- expectation that Trican Russia’s 2012 revenue will increase by approximately 10%, as measured in roubles, relative to 2011;
- expectation that the estimated 2012 revenue increase in Russia is based on an 8% expected increase in activity combined with a 2% expected increase in average revenue per job;
- expectation that the increase in average revenue per job in Russia will be the combined result of increased pricing partially offset by the impact of smaller fracturing job sizes and a shift in the sales mix toward the cementing, coiled tubing and nitrogen service lines;
- belief that the oil and gas industry in Kazakhstan is still in the early stages of development and the pressure pumping market is small with relatively basic technological needs;
- expectation that the Kazakhstan market will continue to grow and technical solutions will become increasingly important within the region;
- expectation that our strategy for Algeria in 2012 will be to maintain our presence in the region and increase utilization to acceptable levels;
- expectation that we will look to further establish Trican's operating presence in Australia in 2012 and ultimately grow our Australian operations to a meaningful size;
- expectation that Trican will submit work tenders in 2012 with customers in Saudi Arabia with our cementing service line;
- expectation to initiate industrial services in Saudi Arabia in 2012;
- expectation that the trend toward more oil directed drilling and less gas directed drilling in Canada will continue in 2012;
- expectation that Trican will increase Canadian fracturing horsepower capacity by 92,500 to 413,700 HP by the end of 2012;

- expectation that 95% of our Canadian fracturing fleet will be equipped with high rate fracturing pumps, transmissions and motors and that this will give us a strategic advantage when working on unconventional projects and provide a solid base for continued growth; and
- expectation that Australia will increase liquefied natural gas exports over the next 5 years.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Annual Information Form:

- volatility in market prices for oil and natural gas;
- liabilities inherent in oil and natural gas operations;
- competition from other suppliers of oil and gas services;
- competition for skilled personnel;
- changes in income tax laws or changes in other laws and incentive programs relating to the oil and gas industry; and
- the other factors discussed under "Risk Factors".

Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward-looking statements are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although management of Trican believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Trican can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment; the timely receipt of any required regulatory approvals; Trican's policies with respect to acquisitions; the ability of Trican to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability to operate our business in a safe, efficient and effective manner; the ability of Trican to obtain capital financing; the performance and characteristics of various business segments; the regulatory framework; the timing and effect of pipeline, storage and facility construction and expansion; and future commodity, currency, exchange and interest rates.

The forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable law.

Unless the context indicates otherwise, a reference in this Annual Information Form to "Trican", the "Company", "we", "us" or "our" refers to Trican Well Service Ltd. and, where appropriate in the context, to its direct or indirect subsidiaries and partnership interests.

All references herein to "\$" or "dollars" are to Canadian dollars except as otherwise stated.

TRICAN WELL SERVICE LTD.

Incorporation History

Trican Well Service Ltd. was incorporated under the *Companies Act* (Alberta) on April 11, 1979 under the name 216858 Oilwell Service Co. Ltd. The Company's name was changed to Trican Oilwell Service Co. Ltd. on May 15, 1979. The Company was continued under the *Business Corporations Act* (Alberta) by Articles of Continuance dated December 30, 1983. On September 17, 1996, the Company filed Articles of Amendment to amend its share capital to create common shares ("Common Shares") and preferred shares, and to redesignate and deem all outstanding shares to be Common Shares. On October 4, 1996, the Company filed Articles of Amendment to delete its private company restrictions. On June 4, 1997, Trican filed Articles of Amendment to change its name to "Trican Well Service Ltd." On January 1, 1999, Trican Well Service Ltd. and Superior Oilwell Cementers Inc. filed Articles of Amalgamation and the amalgamated company continued as Trican Well Service Ltd. On May 26, 2005, Trican filed Articles of Amendment to split the Common Shares on a three-for-one basis. On May 25, 2006, Trican filed Articles of Amendment to split the Common Shares on a two-for-one basis. On May 7th 2010, Trican closed a

Common Share offering whereby 17,698,500 Common Shares were issued for aggregate proceeds of approximately \$230 million.

Our registered office is 3500, 855- 2nd Street SW, Calgary, Alberta, T2P 4J8 and our corporate head office is at Suite 2900, 645 - 7th Avenue S.W., Calgary, Alberta, T2P 4G8.

Intercorporate Relationships

The following table sets forth the material operating subsidiaries owned directly or indirectly by Trican, their jurisdictions of formation and the percentage of voting securities beneficially owned, controlled or directed by Trican as at December 31, 2011.

Name of Subsidiary⁽¹⁾	Jurisdiction of Formation	Percentage of Voting Securities Owned⁽²⁾
Trican Partnership ⁽³⁾	Alberta, Canada	100.0%
Trican Well Service LLC	Raduzhny, Russia	100.0%
Trican Well Service, L.P.	Delaware, U.S.A.	100.0%

Notes:

- (1) This table does not include all of the subsidiaries of Trican. The assets, sales and operating revenues of unnamed operating subsidiaries of Trican did not individually exceed 10%, and in the aggregate did not exceed 20%, of the total consolidated assets or total consolidated sales and operating revenues, respectively, of Trican as at, and for the year ended, December 31, 2011.
- (2) None of the material subsidiaries have outstanding non-voting securities.
- (3) Effective March 1, 2001, Trican and its wholly-owned subsidiaries Northline Energy Ltd., Canadian Oilfield Stimulation Services Ltd. and Birchwood Industries Ltd. began carrying on business as the sole partners of the Trican Partnership, a general partnership formed pursuant to the *Partnership Act* (Alberta). Pursuant to agreements dated February 27 and March 1, 2001, each of the partners transferred substantially all of their respective net assets and operations to the Trican Partnership. The Trican Partnership, by its managing partner, Trican, assumed all of the rights, duties, liabilities and obligations of the partners pertaining to all lands, assets, contracts, agreements or any other interests whatsoever relating to the beneficial ownership of the assets transferred to the Trican Partnership. Effective March 28, 2007, Trican Geological Solutions Ltd. was added as a partner to the Trican Partnership.

GENERAL DEVELOPMENT OF THE BUSINESS

History

Trican is a multinational provider of specialized products, equipment and services used during the exploration and development of oil and natural gas reserves. Headquartered in Calgary, Alberta, Canada, Trican has operations in seven countries: Canada, the United States, Russia, Kazakhstan, Algeria, Australia and Saudi Arabia.

Since our initial public offering in December 1996, Trican has invested \$2.1 billion to expand our operations via capital expenditures and acquisitions. As a result of our aggressive expansion program, we have evolved from a regional supplier of cementing services in western Canada to one of the world's largest pressure pumping companies. This expansion has been accomplished through two basic growth strategies: diversifying the suite of services we offer to our customers and broadening our geographic base of operations.

Trican's geographic reach was first expanded outside the Western Canadian Sedimentary Basin ("WCSB") in 2002 with our entry into the Russian market. Since then we have further expanded the geographic scope of our operations through the commencement of operations in Kazakhstan, the United States, Algeria, Australia and Saudi Arabia. Expansion into these geographic areas has been achieved principally through organic growth with the exception of the United States and Australia. Expansion into the United States was initially through an acquisition, and since 2008 we have expanded our U.S. operations organically. Trican expanded into Australia through the acquisition of a private enterprise in 2011.

We have enhanced our existing services by making significant investments in new equipment and facilities and assembling what we estimate to be one of the newest and largest equipment fleets in western Canada with 321,200

horsepower ("HP") of pressure pumping capacity. In the United States, we are currently operating twelve fracturing crews, all of which are less than 6 years old, with a total pumping capacity of 514,500 HP. Trican Russia and Trican Kazakhstan together currently operate 109,300 HP and maintain a leading position in the Russian and Kazakhstan fracturing market.

Trican remains committed to providing innovative and cost-effective solutions to our customers. Our continued development of new technology and processes has contributed to our success to date and will be a key element of our future success. Our research and development efforts remain focused on providing specific solutions to the problems experienced by our customers in the geographic areas in which we operate. To support our ongoing research and development initiatives, we maintain one of the largest laboratories of its type in western Canada. This state of the art facility is a key element in our ongoing effort to be the leading provider of technology to the oil and gas sector. To support this goal, particularly in regard to the development of unconventional natural gas reserves, in March 2007 we acquired Trican Geological Solutions Ltd., previously known as CBM Solutions Ltd., a Calgary-based technology company that specializes in the provision of geological and engineering services related to the development of these reserves. In 2012, Trican also opened research and development centers in Russia and the United States to ensure that the Company continues to provide innovative solutions to the specific problems our customers are encountering in each of these key markets.

Canada

In Canada, Trican operates in a variety of the sectors of the oilfield pressure pumping services industry including: cementing; fracturing, coalbed methane ("CBM") fracturing; acidizing and production enhancement; CO₂ fracturing; coiled tubing; nitrogen; geological services; microseismic fracture mapping; and industrial services. We offer these services to customers from operations bases located across the WCSB. A description of each of Trican's various services can be found under "Description of Services" in this AIF.

Since 2008, the Canadian market has undergone significant changes with the emergence of unconventional oil and gas plays and related horizontal drilling throughout the WCSB. Trican's activity levels, as measured by job count, had typically been directly proportional to the number of wells drilled in the basin. With the emergence of unconventional oil and gas plays, we have seen a divergence from this trend. Most unconventional oil and gas reservoirs are developed using horizontal wells, which must be fractured several times along the horizontal length to achieve commercial gas rates. The fracturing treatments on these wells are usually much larger than conventional treatments, requiring larger fracturing crews and using significantly higher HP per crew, which drives higher revenue per job. In addition, the number of fracture treatments on each well ranges between ten and thirty compared to two to four for conventional wells. Equipment utilization rates also tend to improve with horizontal wells, as the equipment will remain on the same well until all fracturing treatments are completed. In some cases, the fracturing treatments are performed one after the other with no break between fracturing jobs. On larger jobs, however, the interval between treatments ranges between four hours and one day. The increase in the number of fracture treatments also positively impacts activity of our coiled tubing units which are used during fracturing operations to clean out the well before and after fracturing, to lift fluid from the wellbore and to drill out plugs and other tools that are left in the well following the completion of the fracturing treatments.

In 2009, the financial crisis and worldwide economic recession reduced demand for our services and contributed to a reduction in our revenue and operating income. The challenging economic conditions led to a significant drop in well count, which fell to 8,405 in 2009 from 16,877 in 2008. Despite the 50% drop in well count, Trican's strong position in the unconventional oil and gas plays led to an increase in revenue per job and only a 31% reduction in jobs completed. In response to the decrease in activity, our capital spending focused primarily on sustaining our existing asset base and was \$17.8 million for the year.

In 2010, a recovery in the Canadian economic environment produced strong operating results for Trican. The Canadian industry saw a 58% increase in the number of active drilling rigs in 2010 compared to 2009, led largely by oil and liquids-rich gas directed activity. Oil prices increased substantially from the lows seen in mid-2009 and maintained momentum throughout 2010. Although gas prices improved from the lows of 2009, strong production growth from U.S. and Canadian shale plays kept gas inventory levels high and led to relatively low natural gas prices throughout most of 2010. Overall, Canadian revenue increased 106% compared to 2009 and 2010 operating income as a percentage of total revenue improved to 32.6% compared to 14.8% in 2009.

In 2011, Canadian demand for pressure pumping remained strong and led to record financial results for our Canadian operations. The industry saw a 21% increase in the number of active drilling rigs compared to 2010, led largely by oil and liquids rich-gas directed activity. Throughout 2011, natural gas prices remained weak as production from shale plays in the U.S and Canada continued to keep gas inventory at high levels. This led to a decrease in dry gas drilling during 2011, which partially offset the increased drilling in oil and liquids-rich gas reservoirs. Canadian results also benefitted from increased demand for fracturing services performed on horizontal wells. During 2011, we executed a Canadian capital budget of \$215 million, which included 62,500 HP of additional fracturing capacity, 5 cementing units, and additional acidizing and nitrogen equipment. Overall, 2011 Canadian revenue increased 49% compared to 2010 and operating income as a percentage of total revenue improved to 36.2% compared to 32.8% in 2010.

Canadian demand for pressure pumping services was strong in 2011 and we expect this trend to continue in 2012. We expect Canadian demand to be supported by the continued strength of horizontal drilling and oil and liquids-rich gas activity.

United States

In the United States, Trican operated under the name Liberty Pressure Pumping LP ("Liberty") from March 8, 2007 to December 21, 2009. Effective December 22, 2009, Liberty changed its name to Trican Well Service, L.P. ("Trican U.S."). Trican U.S. provides fracturing, cementing, nitrogen, acidizing, and coiled tubing services from eight operating bases located in Springtown, Texas; Longview, Texas; Searcy, Arkansas; Woodward, Oklahoma; Shawnee, Oklahoma; Mill Hall, Pennsylvania; Mathis, Texas; and Odessa, Texas. During 2011, Trican's U.S. regional office relocated to Houston, Texas from Denton, Texas. From the acquisition of Liberty in March 2007 to the end of 2011, we have invested \$627.8 million in Trican U.S.'s equipment and operating facilities, expanding our operational reach and service offering.

Trican U.S. has a solid platform in the major shale plays and operates a fracturing fleet with 514,500 HP and recently continued expansion into other service lines. This capacity is divided as follows: twelve fracturing crews operating out of all eight U.S. bases, cement crews operating out of bases in Longview and Mathis, acid crews operating out of bases in Longview and Shawnee, and coiled tubing crews operating out of bases in Mathis and Woodward.

2009 was a challenging year for Trican U.S. as the economic recession significantly decreased demand for our services and as a result, revenue declined substantially. Excess equipment capacity in the region put downward pressure on our pricing and operating margins. Cost control remained a focus for Trican throughout 2009. Our cost control initiatives allowed us to weather the challenging economic conditions experienced during 2009.

On March 2, 2010, we acquired the assets of a privately held U.S.-based fracturing company (the "U.S. Company"). Under the terms of the acquisition agreement, Trican U.S., through a wholly owned U.S. subsidiary, acquired 100% of the U.S. Company's assets, comprised of equipment, land and base infrastructure, for cash consideration of U.S.\$46.0 million plus associated expenses. The assets acquired consisted of 56,250 fracturing HP and the necessary ancillary equipment to operate two fracturing crews. In addition, Trican acquired two acidizing pumpers, including ancillary equipment, and an established base of operations in Shawnee, Oklahoma including some rail assets.

In 2010, a recovery in the U.S. economic environment led to strong operating results for Trican U.S. 2010 U.S. revenue increased by 129% compared to 2009 and operating income increased to approximately \$70 million compared to a loss of approximately \$5 million in 2009. Demand for fracturing services increased in all of our operating regions and we benefited from horizontal drilling growth and strong oil prices. Although gas prices improved from the lows of 2009, strong production growth from the U.S. and Canadian shale plays kept gas inventory levels high and led to relatively low natural gas prices throughout most of 2010. The operational base in Shawnee, which was acquired in March, made substantial incremental contributions to total revenue for our U.S. operations with margins consistent with our other bases. We also opened a base in the Marcellus region during the fourth quarter of 2010.

In 2011, U.S. revenue increased by 105% and operating income increased by approximately 173% compared to 2010. 2011 U.S. financial results benefitted from strong demand for pressure pumping services, continued strength of horizontal drilling activity, and execution of our 2011 U.S. capital budget. Trican's 2011 U.S. capital budget included the addition of 205,000 fracturing HP, 10 cementing units and 6 coiled tubing units. In addition, 2 new operating bases were opened in Mathis and Odessa, Texas. Strong oil prices contributed to U.S. growth in areas containing oil and liquids-rich gas, such as the Eagle Ford, Permian and Oklahoma regions. Conversely, weak natural gas prices led to a decrease in year-over-year rig count in dry gas areas such as the Haynesville, Fayetteville and Barnett shales.

Strong oil prices are expected to support growth in oil and liquids-rich gas regions in the U.S. with growth expected to be partially offset by declines in dry gas areas. These declines have resulted in industry-wide redeployment of some equipment out of the dry gas regions and into the oil and liquids-rich gas regions. Management believes the industry-wide redeployment has largely been completed, however, there may still be additional equipment redeployed in 2012. We anticipate that U.S. demand will be strong enough in the oil and liquids-rich gas regions to absorb the additional capacity resulting from the equipment redeployment combined with additional capacity from industry-wide new build programs. We expect our U.S. operations will benefit from substantial equipment growth in 2012.

Our 2011 capital budget included 205,000 of additional fracturing horsepower, and substantial increases to our cementing and coiled tubing service lines. The majority of this equipment was deployed in the second half of 2011, therefore our 2012 financial results will benefit from a full year of the equipments availability. Additionally, equipment from our 2012 capital budget is expected to be deployed throughout the second half of the year. We intend to deploy the new equipment from our 2012 budget into oil and liquids-rich gas focused areas, which is expected to include new geographic regions for Trican.

Russia

In 2002, Trican invested in Newco Well Services LLC ("Newco"). Effective December 3, 2009, Newco changed its name to Trican Well Service LLC ("Trican Russia"). Newco began operations in Russia by providing cementing services to a variety of customers in the Tyumen region of western Siberia. Trican made its initial investment in Newco in 2002 and currently owns a 100% interest in Trican Russia via a 100% ownership in R-Can Services Ltd. a wholly-owned Cypriot subsidiary. Trican conducts its Russian operations through bases situated in western and eastern Siberia, Russia. Trican subsequently expanded from providing cement services to providing fracturing services. Russian work is largely oil-directed but there has been some diversification into gas with the commencement of work for Gazprom, Russia's largest gas production Company.

Trican Russia's 2009 results were consistent with 2008 levels. The global economic recession led to an overall decrease in industry demand in Russia during 2009. However, this decrease was not as severe as declines experienced in North America because of the increase in oil prices throughout the year. Despite the decrease in industry activity, our results in Russia benefitted from a strong performance during the 2009 contract award season. We also saw increased coiled tubing and nitrogen work throughout the year as we continued to develop these service lines. Revenue for 2009 was negatively impacted by unusually cold weather conditions experienced during the fourth quarter, which also had a negative impact on operating margins.

Russian activity levels increased in 2010 in comparison to 2009, as the Russian market benefitted from increasing oil prices and an economic recovery in Europe. However, our 2010 operating margins were lower than 2009 due to significant cost inflation experienced throughout the region. The strong North American recovery led to significant demand and cost increases for all of the major supply inputs, most notably proppant, used in fracturing treatments. This demand in North America diverted a portion of the Russian supply of proppant and other inputs away from Russian Operations and resulted in higher costs for these products within Russia.

2011 Russian revenue and activity levels were consistent with overall expectations for the region, based on the results of 2011 tendering process. Activity levels increased by approximately 7% and operating margins were relatively flat, as pricing increases were fully offset by higher costs. Cost inflation was a factor during the first half of the year, but stabilized during the second half. Despite the slowdown in overall inflation, our Russian operations experienced cost increases for items such as hauling, fuel and products during the second half of the year.

Trican Russia's 2011 capital budget totalled \$24 million, comprised of \$3 million in expansion capital and \$21 million in infrastructure and maintenance capital. The majority of the capital budget in 2011 was direct towards maintaining our current fleet of equipment to ensure it continues to meet the needs of our customers.

Trican expects Trican Russia's 2012 revenue to increase approximately 10%, as measured in roubles, relative to 2011. The estimated revenue increase is based on an 8% expected increase in activity combined with a 2% expected increase in average revenue per job. The expected increase in average revenue per job is the combined result of increased pricing partially offset by the impact of smaller fracturing job sizes and a shift in the sales mix toward the cementing, coiled tubing and nitrogen service lines. These service lines typically experience lower average revenue per job relative to the fracturing service line.

Kazakhstan

Trican Well Service LLC began operations in Kyzylorda, Kazakhstan in 2005 with a large fracturing contract secured from a western customer operating in the area. In 2009, a second operating base was opened in Aktau, Kazakhstan to meet the increased demand for fracturing services in the region. The majority of the activity within the region is directed at oil wells, as Kazakhstan has approximately 8 billion tonnes of proven recoverable oil reserves.

Activity levels were strong in Kazakhstan during 2011, and the utilization of our equipment remained high throughout the year. Activity levels were supported by strong oil prices, as well as government initiatives that targeted production increases and promoted foreign investment in the Kazakhstan oil and gas industry.

The oil and gas industry in Kazakhstan is still in the early stages of development and the pressure pumping market is small with relatively basic technological needs. However, we believe the Kazakhstan market will continue to grow and technical solutions will become increasingly important within the region.

North Africa (Algeria)

In Algeria, Trican operates out of one base in Hassi Messaoud. Trican runs two coiled tubing units, two nitrogen pumpers and two twin fluid pumpers in the region. Financial results for Algeria are included in our International financial results.

Trican's Algeria operations had their first full year of operations in 2008, which was characterized by financial underperformance coupled with the achievement of planned operational goals. Financially, Trican's operations underperformed for the first three quarters of the year as the customer with which we entered Algeria reduced activity and was eventually sold in the third quarter of 2008. As Trican's contract in Algeria limited its work solely to a single customer, our utilization dropped and financial results suffered. During the second half of 2008, Trican was granted the ability to work for another customer improving our utilization during the fourth quarter.

We started to gain traction in Algeria in 2009 as we expanded our customer base by adding a second coiled tubing/nitrogen package mid-way through the year. Also, late in 2009, a three year cementing contract was signed with a major customer.

In 2010, Algerian state-owned Sonatrach underwent internal reorganisation, which delayed production activities and led to low utilization of our equipment. These issues continued to create a difficult administrative environment and delayed tenders.

The delays within Sonatrach carried into the first half of 2011 and it was not until the latter part of 2011 that we began to see increased activity levels. This resulted in Algerian financial results that were below our expectations; however, supply commitments by Algeria to Europe indicate that Algeria must increase its local gas production over the next 2-3 years. Due to the long-term potential of this region, our strategy in 2012 will be to maintain our presence in Algeria and increase utilization to acceptable levels.

Australia

In July of 2011, Trican entered the Australian market through the acquisition of a privately owned company that provides cementing and environmental services in Eastern Australia. With an operating base in Roma, Queensland, Trican operates 3 cement pumpers, along with associated ancillary equipment and fluid logistics equipment.

Our operations in this region are small and our focus during the quarter was on introducing Trican's technology and standards to the cementing business in Australia. We will look to further establish Trican's operating presence in 2012 and ultimately grow our Australian operations to a meaningful size.

Saudi Arabia

In 2010, Trican entered into a joint venture agreement with a partner in Saudi Arabia. During 2011, we made substantial progress in establishing our technical qualifications with customers in Saudi Arabia and developing a sales presence within the region. We expect to submit bids for work tenders in 2012 with customers in Saudi Arabia with our cementing service line. In addition, we plan on initiating industrial services in Saudi Arabia in 2012.

DESCRIPTION OF THE BUSINESS AND OPERATIONS

General

The upstream oil and gas industry is comprised of two types of companies: service companies and exploration and production companies. Exploration and production companies generally explore for, develop and produce oil and gas reserves. Service companies provide specialized equipment, products and services to support the exploration, development and production of oil and gas.

Oil and gas reserves are generally located in permeable rock reservoirs accessible primarily by drilling. Optimization of the recovery of reserves requires highly sophisticated procedures and technology. In order to remain competitive, service companies are required to develop and apply technology to specific exploration and development problems to recover additional reserves. North America has been a prime source of this technology. This is particularly true of Canada where, on a global scale, oil and gas reserves per well are relatively small, encouraging oil and gas companies to develop and apply new technologies to enhance recovery.

Overview of Operations

Trican provides a comprehensive array of specialized products, equipment and services that are used during the entire lifecycle of an oil or gas well. We are a global provider of pressure pumping services, with operations in western Canada, the United States, Russia, Kazakhstan, Algeria, and Australia. Pressure pumping services are typically considered to include fracturing, CBM fracturing, cementing, acidizing, nitrogen and coiled tubing services.

Canadian Operations

The majority of services offered by Trican in Canada are used during the drilling and completion of oil and gas wells. In the past four years, we have seen a decrease in the number gas wells drilled in comparison to the number of oil wells drilled, largely due to the lower price of natural gas, and comparatively strong oil prices. This trend is expected to continue with strong oil prices and the success of horizontal drilling technology on oil reservoirs.

Trican is one of the largest full service pressure pumping company in Canada. We maintain a dominant market position within the unconventional oil and gas plays in the WCSB, and we believe our service bases are well situated to meet the demand as unconventional resource development grows. During 2012, we expect to increase our fracturing horsepower capacity by 92,500 to 413,700 HP. By the end of 2012, we plan to have 95% of our fracturing fleet equipped with high rate fracturing pumps, transmissions and motors. We believe this will give us a strategic advantage when working on unconventional projects and provide a solid base for continued growth.

The table below shows the progression of our domestic fleet over the past five years, as well as the expected equipment capacity for 2012. With this extensive fleet and our well-trained personnel, management of Trican believes that we are well positioned to respond to increased demand for our services.

TABLE 1

Number of Units at year end (Canada)	2008	2009	2010	2011^B	2012^C
Fracturing Crews ^A	18	18	18	18	22
HP	158,000	159,950	258,700	321,250	413,700
Cement Pumpers	49	52	48	53	58
Deep Coiled Tubing Units	16	16	19	20	20
Nitrogen Pumpers	25	26	27	33	38
Acidizing Units	13	13	15	17	19

Notes:

- A. a fracturing crew is made up of several pieces of specialized equipment
- B. operational or in the final stages of construction
- C. expected equipment capacity at year end based on approved budgets, which are subject to change

TABLE 2**Revenues Generated by Categories of Principal Services (Canada)**

Service	Year Ended December 31, 2011	Year Ended December 31, 2010
Fracturing services, including CBM	66%	68%
Cementing services	18%	17%

United States Operations

Fracturing has comprised a large portion of the services offered to date by Trican U.S. We have focused on building a solid platform in the unconventional oil and gas plays in the United States. As in Canada, it was considered virtually impossible to produce gas in commercial quantities from these plays until recent improvements were made in hydraulic fracturing technology and horizontal drilling. The majority of land-based wells drilled over the last 10 years in the United States have targeted natural gas reserves. However, with the application of horizontal fracturing technology to oil formations combined with the continuing strength of oil prices and relative weakness in natural gas prices, a shift toward more oil and liquids-rich drilling activity became further evident in 2011.

Trican U.S. operates a fracturing fleet of 514,500 HP. A base in Springtown, Texas targets activity in the Barnett Shale. A base in Longview, Texas targets activity in the Haynesville Shale in Louisiana. A base in Searcy, Arkansas targets activity in the Fayetteville Shale and other oil and gas fields and East Texas. Bases in Woodward and Shawnee, Oklahoma target activity in oil and gas plays in Oklahoma, including the Woodford and Granite Wash plays. A base in Mill Hall, Pennsylvania targets activity directed at the Marcellus play. A base in Mathis, Texas targets activity in the Eagle Ford play and a base in Odessa, Texas targets activity in the Permian region.

In the latter part of 2008, Trican U.S. began to offer cementing services in Longview. We added acid services to Longview in 2009 and Shawnee in 2010. During 2011, we initiated coiled tubing services in Woodward and Mathis as well as cementing services in Mathis. We continue to look at expanding our service lines and geographic reach in the U.S. to achieve our goal of becoming a full service provider in the region.

The table below shows the progression of our U.S. fleet over the past four years, as well as the expected equipment capacity for 2012.

TABLE 3

Number of Units at year end (U.S.)	2008	2009	2010	2011^B	2012^C
Fracturing Crews ^A	8	8	10	13	19
HP	211,500	211,500	364,500	514,500	712,000
Cement Pumpers	2	2	5	15	27
Nitrogen Pumpers	4	4	7	10	19
Coiled Tubing	-	-	-	8	18
Acidizing Units	1	2	4	6	13

Notes:

- A. a fracturing crew is made up of several pieces of specialized equipment
B. operational or in the final stages of construction
C. expected equipment capacity at year end based on approved budgets, which are subject to change

TABLE 4**Revenues Generated by Categories of Principal Services (U.S.)**

Service	Year Ended December 31, 2011	Year Ended December 31, 2010
Fracturing services	97%	98%

Russian Operations

Although gas fields in Russia are anticipated to be a promising growth area for Trican in the future given the significance of their gas reservoirs, oil reservoirs have been the focus of development in Russia to date. Unlike North America where fracturing is used mainly in gas and oil fields, in Russia, it is almost entirely used in oil reservoirs.

The Russian oil industry increased production by approximately 50% from 1999 to 2004. Over half of this increase was the result of fracturing treatments on fields which had already been producing in Soviet times and which by the 1990s were experiencing significant production declines.

The use of fracturing to increase production of wells grew slowly in Russia, partly because of the disarray in the Russian oil industry in the 1990s and partly because of low oil prices. However, as the price of oil increased the number and size of fracturing jobs performed each year grew rapidly. The number of fracture treatments in Russia increased from 2,000 treatments in 2000 to over 3,500 treatments in 2004.

In the midst of this growth, Trican made its initial investment in Trican Russia which was providing cementing services to a variety of customers in the Tyumen region of western Siberia. As fracturing of existing underperforming wells was introduced to deal with nation-wide production declines, Trican Russia added fracturing to its service offerings and it became the focus of its growth strategy. Trican Russia experienced a significant increase in demand for fracturing services as well as an increase in average size of well treatments. Trican Russia also expanded its geographic reach to support demand from its customers.

The demand for fracturing and fracturing related services remains strong in Russia and continues to be influenced by the price of oil. Trican believes in the long term potential of the Russian market, as this region contains significant oil and gas reserves throughout largely unexplored and undeveloped territory. Russian producers of oil and gas have a ready market, and the region is the primary supplier of energy to Europe. Trican believes its services will be required to optimize production from Russian resource basins, as producers move to more technically challenging reservoirs. Trican is committed to maintaining a leadership position within the Russian pressure pumping market, and intends to invest in the people and technology to ensure we maximize the potential of this geographic region.

The table below shows the progression of our domestic fleet over the past five years, as well as the expected equipment capacity for 2012.

TABLE 5

Number of Units at year end (Russia and Kazakhstan)	2008	2009	2010	2011^B	2012^C
Fracturing Crews ^A	11	11	15	15	15
HP	79,150	88,150	101,650	109,050	113,800
Cement Pumpers	6	6	6	6	8
Deep Coiled Tubing	5	5	6	6	6
Nitrogen Pumpers	9	10	10	11	11

Notes:

- A. a fracturing crew is made up of several pieces of specialized pieces of equipment
 B. operational or in the final stages of construction
 C. expected equipment capacity at year end based on approved budgets, which are subject to change

TABLE 6**Revenues Generated by Categories of Principal Services (Russia)**

Service	Year Ended December 31, 2011	Year Ended December 31, 2010
Fracturing services	77%	82%

Algeria Operations

In October 2007 Trican commenced operations in Algeria, pursuant to a contract with a Canadian exploration and production company for the provision of coiled tubing and nitrogen services. The majority of equipment required under this contract was transferred from our Canadian operating fleet.

Trican views Algeria as a strategic area of growth for the company. Algeria has significant oil and gas reserves and a ready market in Europe for their products. There is a large European and international customer base and an environment that allows us to demonstrate our technical and service capability. We started in Algeria in 2007 with one coiled tubing crew and doubled our presence in 2009 with a second crew. We also commenced cementing operations in the region during 2010. We continue to grow our operating reputation with our clients and anticipate continued growth in Algeria with additional contracts and service lines.

The table below shows the progression of our domestic fleet over the past five years, as well as the expected equipment capacity for 2012.

TABLE 8

Number of Units at end of year (Algeria)	2008	2009	2010	2011^A	2012^B
Deep Coil Tubing Units	1	2	2	2	2
Nitrogen Pumpers	1	2	2	2	2
Acidizing Units	1	2	2	2	2
Cement Pumpers	-	-	3	3	3

Notes:

- A. operational or in the final stages of construction
 B. expected equipment capacity at year end based on approved budgets, which are subject to change

Australia Operations

Trican entered the Australian market in 2011 through the acquisition of a cementing and environmental services company.

The Australian oil and gas industry is primarily a natural gas market with significant coal seam and shale gas plays in the Northeast quadrant of Australia. It is the world's 5th largest exporter of liquefied natural gas but has plans to increase exports over the next 5 years to become the largest.

Trican currently has modest cementing operations in Australia. We also provide environmental services, which involve the transportation and handling of water produced primarily from coal seam gas wells. Equipment used to provide environmental services include vacuum trucks and water haulers as well as access to an EPA approved disposal site.

Description of Services

Acidizing and Production Enhancement

Acid is used to stimulate production in all types of formations including injection, gas and/or oil producing, and disposal wells. Acids can be categorized into organic and inorganic, and various combinations of these two types are also used in specialty applications. Acid treatment types can be defined by injection rate and pumping pressure. Acid stimulation treatments carried out below formation fracture pressures are termed "Matrix Acidizing Treatments" while those carried out at pressures greater than formation fracture pressures are categorized as "Fracture Acidizing Treatments".

Carbon Dioxide ("CO₂")

CO₂ is used to energize a stimulation fluid in both fracturing and acidizing applications. CO₂ is pumped as a liquid at -18°C (0°F), and expands to a gas as the well is flowed back. After the treatment is completed and the pressure decreases, the liquid CO₂ expands significantly to lift fluids to the surface. This is known as the "pop bottle effect". Liquid CO₂ is also an excellent stimulation fluid that is used when formation damage due to fluid retention is suspected.

Cementing

Primary cementing is one of the most important operations performed on a well in order to ensure complete zonal isolation and aquifer protection. Without it, the well may never reach its full production potential, and liquids from one zone could interfere with another.

After drilling a well, steel pipe called casing is inserted into the hole. Cement is pumped down this pipe and up the annulus between the pipe and the newly drilled hole. In most wells, at least two strings of casing are run: one near the surface called "surface casing" and a second across the producing zone called "production casing". In some deeper wells, up to four strings are run. Trican cements all the casing strings in the well and will often travel to the well two to four times while it is drilled.

Coiled Tubing

Coiled tubing ("CT") is a continuous (without joints) reel of steel pipe that can be manufactured in any length desired. The pipe, which typically comes in sizes that vary from 31.8 mm (1 ¼ in) to 88.9 mm (3 ½ in), is spooled onto a large diameter reel and can be run into any oil or gas well. In general terms, coiled tubing is used as a conduit to circulate and place fluids and gases into the wellbore at a specific depth for either reservoir stimulation or wellbore cleanout purposes. CT is also used to convey tools for a multitude of functions including zonal isolation, perforation, fracturing, drilling, jetting, etc. Trican designs and manufactures specialized tools tailored to these functions and customer-specific needs. CT can also be used for specialized applications such as pipeline cleanouts, temporary flowlines or even as a replacement for conventional production tubulars in the right application.

The major advantage of using CT technology over regular jointed tubing is the ability to safely work on a live well without the need to kill it. Secondary advantages can be the increased speed of running a CT string in and out of a well, which has the potential to save time on some operations when compared to conventional jointed pipe.

Fracturing

Fracturing is a well stimulation process performed to improve production from geological formations where natural flow is restricted. Fluid is pumped into a well at sufficiently high pressure to fracture the formation. A proppant (sand or ceramic material) is then added to the fluid and injected into the fracture to prop it open, thereby permitting the hydrocarbons to flow more freely into the wellbore. Once the sand has been placed into the fracture, the fluid flows out of the well leaving the sand in place. This creates a very conductive pipeline into the formation.

Normal fracturing operations require that the fluid be viscosified to help create the fracture in the reservoir and to carry the proppant into this fracture. After placing the proppant, the viscous fluid is then required to “break” back to its native state with very little viscosity so it can flow back out of the well, leaving the proppant in place.

Increasingly, non-viscous slick water fracturing treatments are being pumped into shale and tight (low permeability) reservoirs, which are called unconventional reservoirs. These slick water treatments carry proppant without the need of viscosifiers, resulting in reduced cost and less potential damage to the formation.

CBM Fracturing

CBM formations are found throughout many parts of the Western Canadian Sedimentary Basin (“WCSB”) and the world. Some coal zones are dry and produce little to no water, while others produce large volumes of water from the coal prior to producing gas. Trican has experience in fracturing both types of coal reservoirs. Trican’s CBM fracturing services consist of high-rate nitrogen pumpers and bulk N₂ equipment designed to stimulate dry CBM wells. CBM fracturing involves pumping gaseous nitrogen into a coal zone at very high rates (500 to 4500 scm/min [17,650 to 160,000 scf/min]). This causes the nitrogen to fracture the coal, thereby allowing the methane to flow into the well. Nitrogen is inert and does not damage the formation.

Dry CBM wells normally contain a number of small coal layers. In order to optimize gas production, each of these layers must be fractured independently of one another. For this reason, Trican utilizes coiled tubing with an isolation tool on the bottom to isolate and fracture each small coal seam. In many wells, up to 25 fracs are completed using this coiled tubing fracturing technology.

In wet CBM wells, water needs to be produced (removed) in order to lower the reservoir pressure and release the methane gas. Specialty fluids are utilized to effectively carry the proppant into the fracture without damaging the coal formation and enable the release of water. When the reservoir is adequately un-pressurized, the gas flow is initiated through the created fracture.

Geological

Geological services specialize in the provision of geological and engineering services for unconventional gas wells, including gas content analysis, reservoir characterization and consulting services for CBM and shale gas wells.

Microseismic Fracture Mapping

Microseismic fracture mapping provides customers with a graphic representation of a fracture by monitoring the seismic events induced by the treatment being pumped. Monitoring is done through multiple receivers deployed in one or several neighbouring wellbores. These seismic events are then used to create an image of the fracturing treatment, displaying the geometric properties created by the fracture. These properties, along with other data, suggest how to pump fractures in subsequent wells.

Nitrogen

Nitrogen (“N₂”) is an inert (non-reactive) gas that is pumped into a wellbore to improve the safe recovery of introduced and produced fluid, while reducing the potential of formation damage. As a result of being an inert gas and the most abundant component in the Earth's atmosphere (78%), N₂ is intrinsically safe, easily accessible and in widespread use in the oilfield. Gaseous N₂ is most commonly used in the oilfield to displace or lighten fluids. This feature allows oil or gas to more easily flow from the well. Nitrogen is also pumped into many surface facilities and pipelines to purge air from the piping prior to welding and cutting. Trican's nitrogen units are used by themselves and in conjunction with our other service lines.

Industrial Services

Industrial services offers engineered solutions and services to oil sands, heavy oil, refinery, petrochemical, gas process, power generation, mining and pipeline facilities. Specialty services include mechanical and chemical descaling and passivating of process facilities, pipelines and storage tanks. Engineered services also include nitrogen displacement of pipelines and process facilities, nitrogen cooling and warming of process reactors, and pressure testing and leak detection of pipelines and process facilities. We offer a number of services to industrial plants, oil and gas facilities and pipeline operations. These include the mechanical or chemical descaling and cleaning of industrial plants, the inerting and purging of plants and pipelines with nitrogen, and pressure testing of vessels and pipelines.

Drilling Services

The coiled tubing Drilling Services line is a comprehensive package that meets post stimulation drilling needs for drill-outs following various completion methods, and restores the wellbore back to its full drift diameter. As well, other services are offered such as drift runs and additional drill-outs, including cement, float equipment, stage tools and debris subs. By adding coiled tubing Drilling Services to our offering, Trican is able to reduce costs and increase job efficiency for horizontal drilling applications, and offer customers a streamlined, single call approach.

Economic Dependence

Trican's business is primarily distributed across three geographic markets, Canada, the United States and Russia. The Company's customers in the Canadian and U.S. markets consist of a large number of oil and gas companies that vary in size. For the year ending December 31, 2011, our U.S. operations had one significant customer accounting for approximately 16% of consolidated revenue. Our operations with this customer are covered by a number of separate service contracts with separate work scopes, commercial terms and contract terms. Should this customer terminate all of its contracts with us, it would have a significant impact on our business operations and financial results.

The Russian market consists of a smaller number of large oil and gas companies, yet for the year 2011 no one customer represented a significant proportion of total consolidated revenue.

Changes to Contracts

The Company operates under a number of key supplier and customer arrangements. These contracts define the commercial terms under which materials will be supplied or work will be undertaken. The majority of the arrangements do not contain a guaranteed minimum commitment of materials or work.

In October 2011, the Company replaced its existing Revolving Credit Facility with a new syndicated CAD \$450 million four year extendible Revolving Credit Facility (the “New Facility”). The New Facility is unsecured and bears interest at prime rate, Banker's Acceptance rate or at LIBOR plus 50 to 325 basis points, dependent on certain financial ratios of the Company. The New Facility requires Trican to comply with certain financial and non-financial covenants that are typical for this type of arrangement.

Employees

As at December 31, 2011, Trican had 5,384 employees worldwide.

Foreign Operations

Trican's principal operations are in Canada; however, over the past few years the Company has invested significantly in its foreign operations in the United States and Russia. Our United States operations are conducted through a subsidiary which represented 40% of Trican's total consolidated assets as of December 31, 2011. Our International Operations, which include Russia, Kazakhstan, Algeria, Australia and Saudi Arabia, are conducted through a subsidiary that represented 12% of Trican's total consolidated assets as of December 31, 2011.

Social and Environmental Policies

Trican is committed to maintaining a safe working environment for our employees, to protecting and conserving the environment in which we operate and to protecting the health of all persons in the communities directly or indirectly affected by our corporate presence. To this end, we have implemented safety and training programs designed to improve performance and to raise awareness of the importance of safety in our operation and an environmental policy designed to minimize the impact of its operations on the environment in which we operate.

In order to implement these policies, each employee of Trican is provided a copy of the Safety Process and Policies Handbook and is expected to familiarize him or herself with its contents. Each employee is delivered a new handbook annually and is required to provide an annual certificate that they understand and agree to follow its requirements. This handbook provides information on regulations and responsibilities, worksite requirements, hazard identification, hazardous material handling, personal protective equipment and reporting of accidents. Further, each new employee of Trican receives an employee orientation manual that contains further information about the corporate safety and environmental policies, safety responsibilities and incident reporting.

On August 4, 2010, the Company formed a Health, Safety and Environment ("HSE") Committee of the Board of Directors to assist the directors in meeting their responsibilities in regard to the establishment of appropriate environment, health and safety policies and procedures and ensuring that the Company complies with applicable legal obligations in these areas. The committee is to be comprised of two independent directors and one management director, roles currently filled by Kenneth M. Bagan, Douglas F. Robinson and Donald R. Luft.

Our HSE Committee is responsible for reviewing, reporting and making recommendations to the Board on the development and implementation of the policies, standards and practices of the Company with respect to health, safety and environment. Its mandate includes (i) reviewing, and recommending to the Board for approval, fundamental policies pertaining to health, safety and environment; (ii) reviewing the Company's internal control systems, its strategies and policies regarding health, safety and environment; (iii) reviewing and reporting to the Board on the Company's performance with respect to health, safety and environment compliance, emerging trends in these areas and the results or findings of any reports or reviews pertaining to the Company; and (iv) investigating any activity of the Company that has an impact on health, safety or the environment. Trican's Vice President responsible for HSE matters is required to report to the HSE Committee on no less than a quarterly basis and to the full Board of Directors at least annually.

Environmental Protection

Participants in the well services industry are subject to various environmental laws and regulations. These laws and regulations primarily govern the manufacture, processing, importation, transportation, handling and disposal of certain materials used in Trican's operations and may require extensive remediation or impose civil or criminal liability for violations. Trican's customers are subject to similar laws and regulations, as well as limits on emissions into the air and discharges into surface and sub-surface waters.

Recently, stand-alone bills were introduced in both the United States House and the Senate related to the Fracturing Responsibility and Awareness of Chemicals ("FRAC") Acts 2009. The bills asserted that hydraulic fracturing processes use chemicals that could affect drinking water supplies and would have required the energy industry to

publicly disclose the chemicals it mixes with the water and sand it pumps underground in the fracturing process. The bills did not become law.

On March 15, 2011, the FRAC Act bill was reintroduced in both the U.S. House and Senate. If these bills are ultimately successful, it could lead to operational delays and increased operating costs. The adoption of any future federal or state laws or implementing regulations in the United States, or in other jurisdictions in which the Company carries on business, which impose reporting obligations on, or otherwise limiting the hydraulic fracturing process could make it more difficult for the Company to provide fracturing services for natural gas and oil wells and could have a material adverse impact on the Company's financial position and operating results.

Intellectual Property

When providing services, we rely on trade secrets and know-how to maintain our competitive position and where appropriate, we undertake to protect our intellectual property by applying for patent protection. There are currently five patents issued to Trican that include: a specialized fracturing fluid, an unconventional hydraulic fracturing method, an innovative multizone horizontal well fracturing method using coiled tubing, a down hole coiled tubing tool to enhance jetting technology, and a unique slick water fracturing fluid. There are also 15 patents pending. These pending patents consist of five new fluid systems for fracturing, three related to multizone fracturing technology, three related to coiled tubing technology for isolation tools and friction reduction, two for proppant and formation flow back prevention, one for unconventional gas production, and one innovative cementing tool. We have also negotiated exclusive Canadian licenses to use new and innovative technologies in relation to our cementing services for pulsation technology, and coiled tubing services related to reverse circulation drilling as well as non-exclusive licenses to certain fracturing technologies.

Seasonality

The well service industry is characterized by seasonality in Canada. The first calendar quarter is the most active in the well service industry, the second quarter is the least active, and the third and fourth quarters typically reflect increasing activity over the preceding quarter. During the second quarter when the frost leaves the ground, many secondary roads are temporarily rendered incapable of supporting the weight of heavy equipment resulting in restrictions in the level of well servicing activity. The duration of this period, commonly referred to as "spring break-up", has a direct impact on the level of our activities, particularly in Canada. Generally, the spring break-up period between March and May is the slowest period of activity for us.

During other periods of the year, rainfall can also render some of the secondary and oilfield service roads impassable for the Company's equipment. Additionally, if an unseasonably warm winter prevents sufficient freezing, Trican may not be able to access well sites. These factors can all reduce activity levels below normal or anticipated levels.

Activity levels in Russia are also impacted by seasonality, but to a lesser extent than Canada. Certain areas in Russia are subject to extreme cold temperatures during the winter months. If temperatures are colder than minus 35 degrees Celsius, our equipment is generally unable to operate. Conversely, our Russian operations can be impacted by the same "spring break-up" conditions that impact Canada as temperatures increase during the second quarter.

Activity levels in the U.S. are typically not impacted to the same extent by seasonality.

Competitive Conditions

The oilfield services market is highly competitive. The competitors in the well service market in Canada, Russia and the U.S. include Baker Hughes, Frac Tech, Halliburton Energy Services, Schlumberger Incorporated, and Calfrac Well Services Ltd. as well as other domestic companies in the markets in which we operate. Trican is one of the largest full service pressure pumping companies in Canada, based on HP in the market, and offers a broader range of services than its Canadian-based competitors. Trican is currently one of the top ten pressure pumpers in the U.S. fracturing market and Trican Russia is currently one of largest pressure pumping companies in Russia.

Trican is the only pressure pumping services company to make the list of Canada's Top 100 Corporate R&D Spenders in 2007, 2008, 2009 and 2011 for its industry leading commitment to technology and innovation.

New Products

Trican's operational excellence is a product of our intense commitment to Research and Development. The energy industry evolves by way of new discoveries, by producers who pioneer new regions, by the public who demand increased attentiveness, and by service companies who anticipate, respond and refine the equipment, tools and processes that make energy work.

The products, tools and procedures that the Company develops and implements help Trican to respond quickly and effectively to the needs of its customers in each of its geographic regions.

Trican has focused much of its research and development on technology for unconventional oil and gas wells. Some of Trican's recent technological innovations include:

- **SRVmax™**: an integrated service offering that will help customers determine where to drill their horizontal wells, what length to drill them, and the number and size of fracturing treatments to place in the well. This process combines Trican's expertise in geological analysis, microseismic fracture mapping, fracture modelling, and reservoir simulation to help ensure customers are obtaining maximum production from their horizontal wellbores.
- **MVP Frac**: a Maximum Volume Placement treatment that involves adding low percent volumes of nitrogen to Trican's FlowRider™ additive. The MVP Frac process was designed to dramatically reduce proppant settling that occurs during slick water fractures. The MVP Frac process fluidizes and suspends the sand, carrying it deeper and distributing it more effectively into the reservoir, resulting in a more effective proppant distribution across the fracture network, which enhances well production.
- **Navigator tool**: used to perform work over services in multi-leg wells using coiled tubing. This tool allows customers selective access to multiple legs in a horizontal wellbore, reducing overall job time and increasing the well's potential to produce, due to improved work over opportunities. Recent developments with Navigator include increased coil size and capabilities.
- **IsoJet**: a method of selectively stimulating multiple zones using jet perforation through coiled tubing. Trican recently won two product innovation awards for IsoJet in Russia. These awards recognized the IsoJet method and its application of sand jet perforating technology in combination with the multi-stage fracturing of a horizontal well.

Trican also recently introduced new innovative equipment to the market. This included Trican's mast units, which are built specifically to safely perform work on slant wells, but are also used for conventional coiled tubing jobs. These units are used primarily for 60.3 mm (2 3/8 in) and 73 mm (2 7/8 in) coiled tubing applications. The 24-wheel trailer, coupled with the crane truck used to transport coiled tubing tools and lubricator, corresponds to a package that presents a relatively small footprint on a lease. In addition, in 2011 Trican began operating in the Texas Eagle Ford Shale with a state-of-the-art deep coiled tubing unit. The first of its kind, this high capacity unit is capable of carrying more than 7,000 meters (23,000 feet) of 60.3 mm (2.375 inches) coil.

In addition to innovative equipment, tools and products, Trican also launched the coiled tubing Drilling Services line in early 2012. Drilling Services is a comprehensive package that provides post stimulation drilling following various completion methods, and restores the wellbore back to its full drift diameter. Other services are offered, such as drift runs and additional drill-outs, including cement, float equipment, stage tools and debris subs. By adding coiled tubing Drilling Services to our offering, Trican is able to reduce costs and increase job efficiency for horizontal drilling applications, and offer customers a streamlined, single call approach.

Trican continues to invest in minimizing the impact of our operations on the environment. We are working to make greener choices available to our customers in every service line we offer. In 2011, Trican expanded its line of EcoClean products, adding **EcoClean-XB™**, a crosslinked gelled water frac fluid used in higher permeability reservoirs where greater viscosity is required. Like others in the EcoClean line, this product includes additives that are non-toxic, bio-degradable and non-bioaccumulating, individually or in combination, and each will pass the

stringent Microtox[®] test. The EcoClean line also includes EcoClean-LW[™], a linear (gelled) water system, and EcoClean-GSW[™], designed for high performance slick water fracturing.

We have also opened new regional R&D centres in Moscow in 2012 and in Houston in 2011. This will enable us to learn from different regions and develop capabilities to address local issues. In Calgary, Trican has also expanded our tool development facility space by more than 50 percent, including a coiled tubing assembly line for BPS[™], and a new Bend Fatigue machine for coiled tubing. This machine is expected to extend the life of coiled tubing. Trican is also developing larger diameter tools for use with larger diameter coil in horizontal wells.

RISK FACTORS

Our business is subject to a number of risks and uncertainties, some of which are summarized below. We encourage you to review and carefully consider the risks described below, as well as those described elsewhere in this report and in other publicly disclosed reports and materials. If any such risks were to materialize, our business, financial condition, results of operations, cash flows or prospects could be materially adversely affected. In turn, this could have a material adverse effect on the trading price of our securities. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also adversely affect our business and operations.

Demand for Trican's services is dependent upon the level of expenditures in the oil and gas industry, which can be volatile.

The demand, pricing and terms for Trican's services depend significantly upon the level of expenditures made by oil and gas companies on exploration, development and production activities. Expenditures by oil and gas companies are typically directly related to the demand for and price of oil and gas. Generally, when commodity prices and demand are, or are predicted to be, relatively high, demand for Trican's services is high. The converse is also true.

The prices for oil and natural gas are subject to a variety of factors including: the demand for energy; the ability of the Organization of Petroleum Exporting Countries ("OPEC") to set and maintain production levels for oil; oil and gas production by non-OPEC countries; political and economic uncertainty and socio-political unrest; cost of exporting, producing and delivering oil and gas; technological advances affecting energy consumption; and weather conditions. Any prolonged or substantial reduction in oil and natural gas prices would likely decrease the level of activity and expenditures in oil and gas exploration, development and production activities and, in turn, decrease the demand for Trican's services.

In addition to current and future oil and gas prices, the level of expenditures made by oil and gas companies are influenced by numerous factors over which the Company has no control, including but not limited to: weak general economic conditions; the cost of exploring for, producing and delivering oil and gas; the expected rates of current production; the discovery rates of new oil and gas reserves; cost and availability of drilling equipment; availability of pipeline and other oil and gas transportation capacity; North American natural gas storage levels; political, regulatory and economic conditions; taxation changes; government regulation; environmental regulation; ability of oil and gas companies to obtain credit, equity capital or debt financing; and movement of the Canadian dollar and Russian rouble relative to the U.S. dollar. A material decline in expenditures by oil and gas companies, caused by a decrease in oil and gas prices or otherwise, could have a material adverse effect on Trican's business, financial condition, results of operations and cash flows. We may also be disadvantaged competitively and financially by a significant movement of exploration and production operation to areas of the world in which we are not currently active.

Additionally, during times of weak industry conditions, the risk of payment delays and failure to pay increases due to a reduction in customers' cash flow and challenges relating to their ability to access debt and equity markets among other factors.

Trican's Canadian Operations are susceptible to weather volatility.

The well service industry is characterized by considerable seasonality in Canada, and to a lesser extent in Russia and the U.S. During the second quarter when the frost leaves the ground, many secondary roads are temporarily rendered incapable of supporting the weight of heavy equipment resulting in severe restrictions in the level of well servicing

activity. The duration of this period, commonly referred to as the “spring break-up”, has a direct impact on the level of our activities, particularly in Canada. During other periods of the year, rainfall can also render some of the secondary and oilfield service roads impassable for the Company’s equipment. Additionally, if an unseasonably warm winter prevents sufficient freezing, Trican may not be able to access well sites.

These factors can all reduce activity levels below normal or anticipated levels. Activity levels in the U.S. and Russia are typically not impacted to the same extent by seasonality.

The oilfield services industry is highly competitive.

We compete with multi-national, national and regional competitors in each of our current service lines in each of our geographic regions. Certain of our competitors may have financial, technical, manufacturing and marketing advantages in certain regions and may be in a stronger competitive position than Trican as a result.

Competitive actions taken by our competitors such as price changes, new product and technology introductions and improvements in availability and delivery could affect our market share or competitive position. To be competitive, we must demonstrate value for our customers by developing new technologies and providing reliable products and services. The intense competition within our industry could lead to a reduction in revenue or prevent us from successfully pursuing additional business opportunities.

In addition, certain foreign jurisdictions and government-owned petroleum companies have adopted policies or regulations which may give local nationals in these countries a competitive advantage and which may impede our ability to expand into or to sustain a market share in such countries.

Trican would be adversely affected should access to a credit facility or additional financing be unavailable to Trican or its customers.

Trican's growth strategy is subject to the availability of additional financing for future costs of operations or expansion that may not be available, or may not be available on favourable terms. Trican’s activities may also be financed partially or wholly with debt, which may increase its debt levels above industry standards. The level of Trican's indebtedness from time to time could impair its ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise. If the Company's cash flow from operations is not sufficient to fund its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or, if available, on favourable terms.

Furthermore, many of our customers access the credit markets to finance their oil and natural gas drilling activity. If the availability of credit to our customers is reduced, they may reduce their drilling and production expenditures, thereby decreasing demand for our products and services. Any such reduction in spending by our customers could adversely impact our operating results and financial condition.

The loss of key customers could cause Trican’s revenue to decline substantially.

For the year ending December 31, 2011, Trican had one significant customer. This customer represented approximately 16% of our consolidated revenue and all of the revenue from this customer was generated in the United States. There can be no assurance that Trican’s relationships with this customer will continue, and a significant reduction or total loss of the business from this customer, if not offset by sales to new or existing customers, would have a material adverse effect on the Company’s business, financial condition, results of operations and cash flows.

Failure to receive timely delivery of new equipment and parts from suppliers could adversely affect Trican's growth plans.

The Company's ability to expand its operations and provide reliable service is dependent upon timely delivery of new equipment and replacement parts from fabricators and suppliers. During past periods of high industry activity, a shortage of skilled labour to build equipment coupled with high demand has placed a strain on some fabricators. If a similar strain occurs in the future, it could potentially increase the order time on new equipment and increase uncertainty surrounding final delivery dates. Significant delays in the arrival of new equipment from expected dates may constrain future growth and may have a material adverse effect on the financial performance of the Company.

Trican is subject to various risks from its foreign operations.

Some of Trican's current operations and related assets are located in Russia, Kazakhstan, Algeria and Australia. Further, Trican's growth plans may contemplate establishing operations in additional foreign countries where the political and economic systems may be less stable than those in North America. Operations in these countries may be subject to a variety of risks including, but not limited to: social unrest or civil war, currency fluctuations, devaluations and exchange controls; inflation; uncertain political and economic conditions resulting in unfavourable government actions such as unfavourable legislation or regulation, trade restrictions, nationalization, expropriation, unfavourable tax enforcement or adverse tax policies; the denial of contract rights; trade restrictions or embargoes imposed by other countries; restrictions on the repatriation of income or capital; and acts of terrorism, extortion, or armed conflict. If any of the risks described above materialize, it could reduce Trican's earnings and cash available for operations.

Further, government-owned oil companies located in some countries have adopted policies or are subject to governmental policies giving preference to the purchase of goods and services from companies that are majority-owned by local nationals. As a result, we may rely on joint ventures, license arrangements and other business combinations with local nationals in these countries. Activities in these countries may require protracted negotiation with host governments, national oil companies and third parties.

Our operations outside of Canada could also expose us to trade and economic sanctions or other restrictions imposed by the Canadian or other governments or organizations. Federal agencies and authorities may seek to impose a broad range of criminal or civil penalties against corporations or individuals for violations of securities laws, foreign corrupt practices laws or other federal statutes. If any of the above described risks materialize, it could materially impact Trican's operating results and financial condition.

Further, Trican is subject to various laws and regulations in the various jurisdictions in which it operates that govern the operation and taxation of its business. The imposition, application and interpretation of such laws and regulations can prove to be uncertain.

An oversupply of oilfield service equipment could lead to a decline in the demand for Trican's services.

Because of the long-life nature of oilfield service equipment and the lag between when a decision to build additional equipment is made and when the equipment is placed into service, the inventory of oilfield service equipment in the industry does not always correlate with the level of demand. Periods of high demand often result in increased capital expenditures on equipment and those capital expenditures may add capacity that exceeds actual demand. This excess capacity could cause Trican's competitors to lower their prices and could lead to a decrease in prices in the oilfield services industry generally. Consequentially, Trican could fail to secure enough work in which to employ its equipment. This could have a material adverse effect on Trican's operating results and cash flows.

Fluctuations in foreign currency exchange rates could adversely affect the Company.

Trican's consolidated financial statements are presented in Canadian dollars. The reported results of our foreign subsidiary operations are affected by the movement in exchange rates primarily between the Canadian and United States dollar and Russian rouble. Trican's Canadian Operations include exchange rate exposure as purchases of some equipment and materials are from United States suppliers. When acquiring Trican U.S., we took on United States dollar denominated debt which acts as a partial hedge against this investment. Other than natural hedges that

arise from day-to-day operations, the Company does not maintain an active hedge program for foreign exchange exposure.

Business acquisitions entail numerous risks and may disrupt Trican's business or distract management attention.

As part of Trican's business strategy, it will continue to consider and evaluate acquisitions of, or significant investments in, complementary businesses and assets. Any acquisition that Trican completes could have unforeseen and potentially material adverse effects on the Company's financial position and operating results.

Acquisitions involve numerous risks, including:

- unanticipated costs and liabilities;
- difficulty of integrating the operations and assets of the acquired business;
- the ability to properly access and maintain an effective internal control environment over an acquired company;
- potential loss of key employees and customers of the acquired company; and
- an increase in expenses and working capital requirements.

Trican may incur substantial indebtedness to finance acquisitions and also may issue equity securities in connection with any such acquisitions. Trican will be required to meet certain financial covenants in order to borrow money under its credit agreements to fund acquisitions. Debt service requirements could represent a significant burden on the Company's results of operations and financial condition and the issuance of additional equity could be dilutive to shareholders. Acquisitions could also divert the attention of management and other employees from Trican's day-to-day operations and the development of new business opportunities. In addition, Trican may not be able to continue to identify attractive acquisition opportunities or successfully acquire identified targets. Even if the Company is successful in integrating its recent or future acquisitions into its existing operations, it may not derive the benefits, such as operational or administrative synergies, that it expected from such acquisitions.

Failure to adequately protect its intellectual property could adversely impact Trican's business.

When providing services, Trican relies on trade secrets and know-how to maintain its competitive position and where possible, it undertakes to protect its intellectual property by applying for patent and trademark protection. Trican's business may be adversely affected if it fails to obtain patents, its patents are unenforceable, the claims allowed under its patents are not sufficient to protect its technology or its trade secrets are not adequately protected. Trican's competitors may be able to develop similar technology independently without infringing on its patents or gaining access to its trade secrets.

Furthermore, if any of its competitors obtain patents over valuable intellectual property, Trican may be unable to offer certain services in certain jurisdictions, may be forced to use less effective or costlier alternative technology, or required to enter into costly licensing agreements.

Trican's business is affected by governmental regulations and policies.

Trican's operations, and those of its customers, are subject to a variety of federal, provincial, state and local laws, regulations and guidelines, including laws and regulations related to health and safety, the conduct of operations, the manufacture, management, transportation and disposal of certain materials used in its operations. Trican believes it is in compliance with such laws and regulations and has invested financial and managerial resources to ensure such compliance. Such expenditures historically have not been material to Trican. However, because such laws and regulations are subject to change it is impossible for Trican to predict the cost or impact of such laws and regulations on its future operations, nor their impact on its customers' activities and thereby on the demand for its services.

Trican's operations are subject to inherent hazards which may not be covered by insurance.

Trican's operations are subject to hazards inherent in the oil and gas service industry, such as equipment defects, damage, loss, malfunctions and failures, and natural disasters which may result in fires, vehicle accidents, explosions and uncontrollable flows of natural gas or well fluids that can cause personal injury, loss of life, suspension of operations, damage to formations, damage to facilities, business interruptions, and damage to or destruction of property and equipment. These hazards could expose Trican to liability for personal injury, wrongful death, property damage and other environmental damages. Trican continuously monitors its activities for quality control and safety and maintains insurance coverage it believes to be adequate and customary in the industry. Additionally Trican seeks to obtain indemnification from its customers by contract for certain of the above risks. However, such insurance and indemnities may not be adequate to cover Trican's liabilities and may not be available in the future at rates Trican considers reasonable and commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, financial condition, results of operations and cash flow could be materially adversely affected.

Compliance with various environmental laws, rules, legislation and guidelines could impose greater costs on Trican's business or lead to a decline in the demand for services.

Participants in the well services industry are subject to various environmental laws and regulations. These laws and regulations primarily govern the manufacture, processing, importation, transportation, handling and disposal of certain materials used in Trican's operations and may require extensive remediation or impose civil or criminal liability for violations. Trican's customers are subject to similar laws and regulations. Industry participants are also subject to limits on emissions into the air and discharges into surface and sub-surface waters.

Recent regulatory initiatives have been undertaken in various jurisdictions to address assertions that hydraulic fracturing processes use chemicals that could affect drinking water supplies. Legislation has been enacted in some jurisdictions and is being proposed in others that require the energy industry to publicly disclose the chemicals it mixes with water and sand it pumps underground in the fracturing process. These actual and proposed legislative changes could lead to delays and increased operating costs. The adoption of any future federal or state laws or implementing regulations in Canada and/or the United States, or in other jurisdictions in which the Company carries on business, which impose reporting obligations on, or otherwise limit the hydraulic fracturing process could reduce demand for pressure pumping services or make it more difficult for the Company to provide fracturing services for natural gas and oil wells and could affect the Company's ability to utilize proprietary technological developments to compete effectively in the pressure pumping industry. This could have a material adverse impact on the Company's financial position and operating results.

Stringent regulation of fracturing services could have a material adverse impact on the Company's financial position and operating results.

Trican is subject to increasingly stringent environmental laws and regulations, some of which may provide for strict liability for damages to natural resources or threats to public health or safety. While Trican maintains liability insurance, the insurance is subject to coverage limits and may exclude coverage for damage resulting from environmental contamination. There can be no assurance that insurance will continue to be available to Trican on commercially reasonable terms, that the possible types of environmental liability will be covered by insurance or that the dollar amount of such liabilities will not exceed Trican's policy limits. Even a partially insured claim, if successful and of sufficient magnitude, could have a material adverse effect on Trican's business, results of operations and prospects.

Future regulatory developments could have the effect of reducing industry activity. Trican cannot predict the nature of the restrictions that may be imposed. Increase in production in the oil and gas industry from unconventional sources has raised concerns over hydraulic fracturing and seismic-related services, which may result in increased regulation. Trican may be required to increase operating expenses or capital expenditures in order to comply with any new restrictions or regulations. Such expenditures could be material.

Failure to maintain Trican's safety standards and record could lead to a decline in the demand for services.

Standards for the prevention of incidents in the oil and gas industry are governed by service company safety policies and procedures, accepted industry safety practices, customer specific safety requirements and health and safety legislation. In order to ensure compliance, Trican has developed and implemented safety and training programs which it believes meet or exceed the applicable standards. A key factor considered by customers in retaining oilfield service providers is safety. Deterioration of Trican's safety performance could result in a decline in the demand for Trican's services and could have a material adverse effect on its revenues, cash flows and profitability.

Trican may be subject to litigation, contingent liabilities and potential unknown liabilities.

From time to time, Trican is subject to costs and other effects of legal and administrative proceedings, settlements, reviews, 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 including in relation to its historical option granting practices.

Further there may be unknown liabilities assumed by Trican in relation to prior acquisitions or dispositions as well as environmental or tax issues. The discovery of any material liabilities could have an adverse effect on Trican's financial condition and results.

The results of litigation or any other proceedings or related matters cannot be precisely predicted due to uncertainty as to the final outcome. Trican's assessment of the likely outcome of these matters is based on its judgement of a number of factors including past history, precedents, relevant financial and other evidence and facts specific to the matter as known at the time of the assessment.

Trican may be adversely impacted by a shortage of qualified personnel.

Trican requires highly skilled personnel to operate and provide technical services and support for its business. Competition for the personnel required for its businesses intensifies as activity increases. Trican's ability to manage the costs associated with recruiting, training and retention of a highly skilled workforce could impact its business. In periods of high utilization it may become more difficult to find and retain qualified individuals. This could increase Trican's costs or have other adverse effects on its operations.

There are certain risks associated with Trican's dependence on third-party suppliers.

Trican sources raw materials, such as oilfield cement, proppant, nitrogen, carbon dioxide and coiled tubing, from a variety of suppliers, most of whom are located in Canada, Russia and the United States. Alternate suppliers exist for all raw materials. The source and supply of materials has been consistent in the past; however, in periods of high industry activity, Trican has occasionally experienced periodic shortages of certain materials. Management maintains relationships with a number of suppliers in an attempt to mitigate this risk. However, if the current suppliers are unable to provide the necessary materials, or otherwise fail to deliver products in the quantities required, any resulting delays in the provision of services to Trican's clients could have a material adverse effect on its results of operations and financial condition.

Merger and acquisition activity may reduce the demand for Trican's services.

Merger and acquisition activity in the oil and gas exploration and production sector may constrain demand for the Company's services as customers focus on reorganizing the business prior to committing funds to exploration and development projects. Further, the acquiring company may have preferred supplier relationships with oilfield service providers other than Trican.

New technology could place Trican at a disadvantage versus competitors.

The ability of the Company to meet customer demands in respect of performance and cost will depend upon continuous improvements in operating equipment. There can be no assurance that the Company will be successful in its efforts in this regard or that it will have the resources available to meet this continuing demand. Failure by Trican to do so could have a material adverse effect on the Company's business, financial condition, results of operation and cash flows. No assurances can be given that competitors will not achieve technological advantages over the Company.

Operations with independent third parties could create uncertainty.

Trican conducts some operations whereby control may be shared with unaffiliated third parties. Although Trican currently has a controlling interest in such arrangements, differences in views among participants may result in delayed decisions or in failures to agree on major issues. Trican may enter into similar arrangements as we pursue additional opportunities. Although the Company has not been constrained by our participation in such arrangements to date, no assurance can be given that the actions or decisions of third parties will not affect our business in a way that hinders our operations.

DIVIDEND RECORD AND POLICY

On May 3, 2006, Trican's Board of Directors resolved to commence semi-annual dividend payments to holders of Common Shares. The first dividend payment of \$0.05 per share was paid on July 15, 2006. The Company has since made semi-annual dividend payments in January and July of each subsequent year, each of \$0.05 per share. The most recent payment was made on January 13, 2012. Effective February 28, 2012, Trican's Board of Directors approved an increase to its semi-annual dividend from \$0.05 to \$0.15 per share, thereby increasing the annual dividend to \$0.30 per share. The increase will be effective for the anticipated July 2012 dividend payment. Dividend payments are made at the discretion of the Board of Directors and depend on the financial condition of the Company as well as other factors. Currently it is not anticipated that there will be a change in the Company's dividend policy.

DESCRIPTION OF CAPITAL STRUCTURE

We are authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. No preferred shares are issued and outstanding. All of the outstanding Common Shares are fully paid and non-assessable. The Common Shares rank junior to the preferred shares.

Common Shares

Subject to the provisions of the *Business Corporations Act (Alberta)*, the holders of Common Shares are entitled to receive notice of, to attend and vote at, all meetings of holders of Common Shares and are entitled to one vote, in person or by proxy, for each Common Share held.

Subject to the preferences given to the holders of preferred shares, the holders of Common Shares are entitled to receive such dividends as may be declared by our Board of Directors.

On the liquidation, dissolution or winding-up of Trican, whether voluntary or involuntary, the holders of the Common Shares will be entitled to receive pro rata all of the assets remaining for distribution after the payment to the holders of the preferred shares, in accordance with the preference or liquidation, dissolution or winding-up accorded to the holders of preferred shares.

Preferred Shares

The rights and privileges of each series of preferred shares would be established by our Board of Directors prior to their issuance. No preferred shares are outstanding.

In the event of the liquidation, dissolution or winding-up of Trican, whether voluntary or involuntary, the holders of each series of preferred shares would be entitled, in priority to the holders of Common Shares and any other shares of Trican ranking junior to the preferred shares on a distribution of capital, to be paid ratably with the holders of each other series of preferred shares the amount, if any, specified as being payable preferentially to the holders of such series on a distribution of capital of Trican.

The holders of each series of preferred shares would also be entitled, in priority to the holders of Common Shares and any other shares of Trican ranking junior to the preferred shares with respect to the payment of cumulative dividends, to be paid ratably with the holders of each other series of preferred shares, the amount of cumulative dividends, if any, specified as being payable preferentially to the holders of such series.

Senior Unsecured Notes

On April 28, 2011, Trican announced the closing of its private placement of senior unsecured notes (the "Notes"). The notes are unsecured and rank equally with Trican's bank facilities and other outstanding senior notes. The following outlines the key terms of the new Notes:

- Canadian \$45 million Series C Senior Notes maturing April 28, 2016, bearing interest at a fixed rate of 5.22% payable semi-annually on April 28 and October 28;
- Canadian \$15 million Series D Senior Notes maturing April 28, 2021, bearing interest at a fixed rate of 6.11% payable semi-annually on April 28 and October 28;
- U.S. \$65 million Series E Senior Notes maturing April 28, 2016, bearing interest at a fixed rate of 4.61% payable semi-annually on April 28 and October 28;
- U.S. \$80 million Series F Senior Notes maturing April 28, 2018, bearing interest at a fixed rate of 5.29% payable semi-annually on April 28 and October 28; and
- U.S. \$105 million Series G Senior Notes maturing April 28, 2021, bearing interest at a fixed rate of 5.90% payable semi-annually on April 28 and October 28.

MARKET FOR SECURITIES

Our Common Shares are listed and posted for trading on the Toronto Stock Exchange ("TSX") under the symbol "TCW". The following table sets forth the monthly price range and trading volume of the Common Shares for 2011 as reported by the TSX for the periods indicated.

Period	High	Low	Volume
January	22.10	18.06	15,133,564
February	23.65	21.45	9,426,792
March	23.09	19.20	14,121,631
April	24.00	19.80	11,583,921
May	23.50	20.93	13,303,578
June	23.26	20.96	8,555,222
July	26.73	22.74	10,449,344
August	25.21	19.00	18,867,095
September	23.00	14.76	19,485,105
October	19.29	13.44	21,031,459
November	20.17	16.35	20,380,469
December	19.09	16.10	13,748,233

On April 29, 2011, Trican announced the closing of its private placement of senior unsecured notes. The notes have five, seven and ten year terms, an average rate of 5.4% and a principal amount of US\$250 million and CAD\$60 million. The notes are unsecured and rank equally with Trican's bank facilities and other outstanding senior notes.

DIRECTORS AND OFFICERS

The names, province and country of residence, positions with the Company, and principal occupation of the current directors and executive officers of the Company are set out below and in the case of directors, the period each has served as a director of the Company. Our directors hold office until the next annual general meeting of our shareholders or until each director's successor is appointed or elected pursuant to the *Business Corporations Act* (Alberta).

Name and Province and Country of Residence	Position Held	Principal Occupation during the last 5 years	Director Since
Murray L. Cobbe Alberta, Canada	Chairman	Retired executive Murray Cobbe has been a director of Trican since September 20, 1996 and Chairman since January 1, 2012. From August 1, 2009 until December 31, 2011 he served as Executive Chairman. Prior to that date he was President and Chief Executive Officer of Trican, positions that he had held since September 1996.	Sept. 20, 1996
Dale M. Dusterhoft Alberta, Canada	Chief Executive Officer	Chief Executive Officer of the Company Mr. Dusterhoft is a director and was appointed our Chief Executive Officer on August 1, 2009. From February 2008 to August 2009, Mr. Dusterhoft served as Senior Vice President. From April 1998 to February 2008, Mr. Dusterhoft served as Vice President, Technical Services. Mr. Dusterhoft joined Trican in November 1996.	Aug. 5, 2009
Donald R. Luft ⁽⁴⁾ Alberta, Canada	President and Chief Operating Officer	President and Chief Operating Officer of the Company Mr. Luft is a director and was appointed our President and Chief Operating Officer on August 1, 2009. Prior thereto, Mr. Luft served as Senior Vice President, Operations and Chief Operating Officer and has been employed by the Company since August 1996.	Sept. 20, 1996
G. Allen Brooks ⁽¹⁾⁽³⁾⁽⁵⁾ Texas, United States	Lead Director	President, G. Allen Brooks, LLC (an energy market and financial consulting firm) Mr. Brooks is the President of G. Allen Brooks, LLC, an energy market and financial consulting firm since January 2005. Mr. Brooks also serves as an advisor to PPHB, LP, a boutique oilfield service investment banking firm. Prior to forming G. Allen Brooks, L.L.C., Mr. Brooks was an executive director of research of CIBC World Markets from 1997 to 2005. He is a Governance Fellow of the National Association of Corporate Directors.	Mar. 20, 2009

Name and Province and Country of Residence	Position Held	Principal Occupation during the last 5 years	Director Since
Kenneth M. Bagan ⁽¹⁾⁽²⁾⁽⁴⁾ Alberta, Canada	Director	<p>Independent Businessman</p> <p>From April 2008 until June 2011, Mr. Bagan was the President of Enerchem International Inc. Prior to joining Enerchem International Inc. in 2008, Mr. Bagan was President and Chief Executive Officer of Wellco Energy Services Trust from 2004 to 2008. Prior to December 2004, Mr. Bagan, who is a Barrister and Solicitor, was employed with Tesco Corporation from July 1997 to July 2004, initially as its General Counsel and finally as its Senior Vice President, Service Operations.</p>	Sept. 20, 1996
Douglas F. Robinson ⁽²⁾⁽³⁾⁽⁴⁾⁽⁶⁾ Alberta, Canada	Director	<p>Independent Businessman</p> <p>Since April 2008, Mr. Robinson has been an independent businessman. From January 2004 to March 2008 Mr. Robinson was President of Enerchem International Inc. From July 2002 to January 2004, Mr. Robinson was an independent businessman and from April 2000 until June 2002, Mr. Robinson was Chairman and Chief Executive Officer of Integrated Production Services Ltd. (a publicly traded oilfield services company).</p>	June 3, 1997
Kevin L. Nugent ⁽¹⁾⁽²⁾⁽³⁾ Alberta, Canada	Director	<p>President, Livingstone Energy Management Ltd. (privately held corporation providing capital to oil and gas companies)</p> <p>Mr. Nugent is President of Livingstone Energy Management Ltd., a privately held corporation created for the purpose of sourcing, evaluating and providing capital to the oil and gas industry. Mr. Nugent is a Chartered Accountant with more than 23 years of experience in the oil and gas industry including serving from 2004 to 2006 as President, Chief Executive Officer and Director of NQL Energy Services Ltd., which was a leading provider of downhole drilling tools.</p>	Mar. 7, 2008

Name and Province and Country of Residence	Position Held	Principal Occupation during the last 5 years	Director Since
Michael G. Kelly, C.A. Cyprus	Senior Vice President, EAME & CIS	Senior Vice President, EAME & CIS Mr. Kelly has been employed by us since May 1997. Mr Kelly was appointed our Senior Vice President, EAME & CIS on January 31, 2012. From June 2010 to January 2012, Mr. Kelly served as our Senior Vice President, Russia and the Middle East. From March 2009 to June 2010, Mr. Kelly served as our Senior Vice President, Corporate Development. Prior thereto, Mr. Kelly served as our Chief Financial Officer from June 1997 to March 2009 and was appointed Vice President, Finance and Administration in April 1998.	-
David L. Charlton ⁽⁷⁾ Alberta, Canada	Vice President, Sales and Marketing	Vice President, Sales and Marketing of the Company Mr. Charlton was our Vice President, Sales and Marketing, from April 1998 to December 2011. Mr. Charlton joined Trican in September 1996.	-
Bonita M. Croft Alberta, Canada	Vice President, Legal, General Counsel and Corporate Secretary	Vice President, Legal, General Counsel and Corporate Secretary of the Company Ms. Croft joined Trican as General Counsel in December 2005, was appointed Corporate Secretary in 2007 and was promoted to Vice President, Legal, General Counsel and Corporate Secretary in November 2008. Ms. Croft was a business owner and independent legal consultant from 2004 to 2005; from August 2000 to January 2004 Ms. Croft was employed with Tesco Corporation, initially as Senior Legal Counsel and finally as General Counsel. Prior to joining Tesco Corporation, Ms. Croft was employed as Legal Counsel with Talisman Energy Inc.	-
Michael A. Baldwin, C.A. Alberta, Canada	Vice President, Finance and Chief Financial Officer	Vice President, Finance and Chief Financial Officer of the Company Mr. Baldwin re-joined Trican as Vice President, Finance in November 2008 and was appointed Chief Financial Officer in March 2009. Prior to re-joining us, Mr. Baldwin was the Chief Financial Officer of Pure Energy Services Ltd. from June 2005 to November 2008. Prior to Mr. Baldwin's employment at Pure Energy Services Ltd., Mr. Baldwin served various positions within the Company's finance department from October 1997 to June 2005 with the most recent position being Treasurer.	-

Name and Province and Country of Residence	Position Held	Principal Occupation during the last 5 years	Director Since
Robert J. Cox Alberta, Canada	Vice President, Canadian Geographic Region	Vice President of the Canadian Geographic Region of the Company Mr. Cox has been employed by us since April 2000 and was promoted to Vice President of the Canadian Geographic Region in November 2008. Prior to that date Mr. Cox held the position of General Manager of the Canadian Geographic Region.	-

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Corporate Governance Committee.
- (4) Member of the Health, Safety and Environment Committee.
- (5) Until February 21, 2010 Mr. Brooks was a director of Turnkey E&P Inc. ("**Turnkey**"), which is incorporated under the laws of Alberta and which formerly traded on the NEX board of the Toronto Stock Exchange ("**TSX**"). On November 17, 2008, Turnkey's principal operating subsidiary in the United States filed for protection under Chapter 11 of the United States Bankruptcy Code. On June 8, 2010 Turnkey was delisted from the NEX. In addition, Turnkey is the subject of a cease trade order by the Alberta Securities Commission on December 14, 2009 and by other securities commissions in Canada subsequent to that date for failing to file interim unaudited financial statements, interim management discussion and analysis and certification of interim filings for the interim period ended September 30, 2009. Such cease trade orders are still in effect as of the date hereof.
- (6) Mr. Robinson is a director of Desmarais Energy Corporation ("**Desmarais**"), which is incorporated under the laws of Alberta and trades on the TSX Venture Exchange under the symbol "DES". On November 18, 2011, Desmarais filed a proposal under the *Bankruptcy and Insolvency Act (Canada)* respecting the restructuring of its financial affairs (the "**Proposal**"). On December 9, 2011, the Court of Queen's Bench of Alberta approved the Proposal, which was also approved at a meeting of unsecured creditors on December 8, 2011. Desmarais completed the terms of the Proposal on February 6, 2012.
- (7) Mr. Charlton retired as an executive officer on December 31, 2011.

We do not have an executive committee of our Board of Directors.

As at March 22, 2012, our directors and executive officers, as a group, beneficially owned, or controlled or directed, directly or indirectly, 2,236,763 of our Common Shares, or approximately 1.5% of the issued and outstanding Common Shares. In addition, as at March 22, 2012 our directors and executive officers, as a group, have outstanding options to purchase 1,741,740 Common Shares under our stock option plan and our outside directors held 221,996 deferred share units. As at March 22, 2012, our executive officers held 136,050 performance share units.

Conflicts of Interest

Circumstances may arise where members of our Board of Directors or our officers are directors or officers of corporations or other entities which are in competition to our interests. No assurances can be given that opportunities identified by such board members or officers will be provided to us. Pursuant to the *Business Corporations Act* (Alberta), a director or officer of a corporation who is a party to a material contract or proposed material contract with that corporation or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with that corporation shall disclose to the corporation the nature and extent of the director's or officer's interest. In addition, a director shall not vote on any resolution to approve a contract of the nature described except in limited circumstances.

Our management is not aware of any existing or potential material conflicts of interest between us or a subsidiary of us and one of our directors or officers or of one of our subsidiaries.

AUDIT COMMITTEE INFORMATION

The Audit Committee of the Board of Directors operates under a written Mandate & Terms of Reference that sets out its responsibilities and composition requirements. A copy of the Mandate & Terms of Reference is attached as Schedule "A" to this Annual Information Form. As at the effective date of this Annual Information Form, the members of the Audit Committee were: Kevin Nugent (chair), Kenneth Bagan and Allen Brooks, each of whom is financially literate and independent. The following sets out the education and experience of each director relevant to the performance of his duties as a member of the Committee:

Kevin Nugent is chair of the Audit Committee. He is a chartered accountant and has held various senior financial positions with public companies. He has held the positions of Chief Executive Officer and Chief Financial Officer in public oil and gas service companies. Mr. Nugent is also currently a director of Savanna Energy Services Corp. (a publicly traded drilling and service rig provider) and Secure Energy Services Inc. (a publicly traded oilfield waste management company).

Kenneth Bagan is an independent businessman. He has been President of a publicly traded company and has held various senior positions requiring regular review of financial statements.

G. Allen Brooks has had a 40-year career in the energy and investment industries as an energy securities analyst, an oilfield service company manager, a consultant to energy company managements and a member of the board of directors of several oilfield service companies. Mr. Brooks currently serves as an advisor to PPHB, LP, a boutique oilfield service investment banking firm. Mr. Brooks also has many years of experience working with oilfield service companies and currently serves on the board of directors of several publicly traded service companies in Canada. He is also a Governance Fellow of the National Association of Corporate Directors.

The Audit Committee Mandate & Terms of Reference requires all members to be financially literate. Financially literate means the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by our financial statements. The Board of Directors believes that all of the current members of the Audit Committee are financially literate.

In addition, the Committee charter contains independence requirements applicable to each member and each member currently meets those requirements in addition to the independence requirement set out in National Instrument 52-110 *Audit Committees*.

The Audit Committee has adopted policies and procedures with respect to the pre-approval of audit and permitted non-audit services to be provided by the auditors of Trican, currently KPMG LLP. Any such services must be permitted services and must be pre-approved by the Audit Committee pursuant to this policy. The Audit Committee must also pre-approve the audit services and the fees to be paid.

The following table discloses fees billed to us by our auditors, KPMG LLP during the past 2 years.

Type of Service Provided	2011	2010
Audit Fees ⁽¹⁾	\$565,900	\$530,847
Audit-Related Fees ⁽²⁾	87,000	81,000
Tax Fees ⁽³⁾	248,700	465,690
All Other Fees ⁽⁴⁾	-	87,500
Total	<u>\$901,600</u>	<u>\$1,165,037</u>

Notes:

- (1) Audit fees consist of fees for the audit or review of the Company's annual and quarterly financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.
- (2) Audit-related fees consist of fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported as Audit Fees.
- (3) Tax fees are considered non-audit fees and consist of tax advice and review of tax returns.
- (4) All other fees consist largely of corporate finance advisory services and are considered non-audit fees.

LEGAL PROCEEDINGS

There are no legal proceedings to which Trican or any of its subsidiaries is, or was during 2011, a party or that any of their property is, or was during 2011, the subject of, during 2011 that are anticipated to be material to the Company, nor is the Company aware of any contemplated or pending proceedings that might be material.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of our directors or executive officers, nor any shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, nor any known associate or affiliate of such persons, had a material interest, direct or indirect, in any transaction within the last three fiscal years nor in any proposed transaction that has materially affected or is reasonably expected to materially affect us.

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company of Canada, at its principal offices in Calgary, Alberta and Toronto, Ontario is the transfer agent and registrar of our Common Shares.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, there were no material contracts entered into by the Company within the most recently completed financial year, or before the most recently completed financial year, and which are still in effect.

INTERESTS OF EXPERTS

The only person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by us during, or related to, our most recently completed financial year is KPMG LLP, our auditors. KPMG LLP has confirmed to us that it is independent of us in accordance with the relevant rules and related interpretation prescribed by the Institute of Chartered Accountants of Alberta. As at the date of this Annual Information Form, KPMG LLP and its partners did not hold any registered or beneficial interests, directly or indirectly, in our securities or the securities of any of our associates or affiliates.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorized for issuance under equity compensation plans, is contained in our information circular for our most recent annual meeting of security holders that involved the election of directors. Additional financial information is contained in our consolidated financial statements for the year ended December 31, 2011 and the Management's Discussion and Analysis dated February 28, 2012.

The aforementioned documents, as well as additional information relating to the Company, can be found on SEDAR at www.sedar.com.

SCHEDULE A**MANDATE & TERMS OF REFERENCE OF THE AUDIT COMMITTEE****Role and Objectives**

The Audit Committee (the "Committee") is a committee of the board of directors (the "Board") of Trican Well Service Ltd. (the "Corporation") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for board of director approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the Corporation's financial statements and related matters;
2. To provide better communication between directors and external auditors;
3. To enhance the external auditors' independence;
4. To increase the credibility and objectivity of financial reports;
5. To monitor the performance and ensure the effectiveness of the Corporation's internal audit function; and
6. To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

Membership of the Committee

1. The Committee shall be comprised of three members or such greater number as the Board may from time to time determine, all of whom shall be independent (in accordance with the definition of "independent" set out in Multilateral Instrument 52-110 – Audit Committees).
2. The Board shall designate one of the members of the Committee, who shall be unrelated, to be the Chair of the Committee.
3. All of the members of the Committee shall be "financially literate" (in accordance with the definition of "financial literacy" set out in MI 52-110.)
4. The Secretary to the Board shall act as Secretary to the Committee.

Mandate and Responsibilities of the Committee

1. In addition to any other duties and authorities delegated to it by the Board from time to time, the Committee will have the authority and responsibility for:
 - (a) overseeing the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting;
 - (b) satisfying itself on behalf of the Board that the Corporation's internal control systems are satisfactory for the purpose of:
 - i. identifying, monitoring and mitigating business risks; and
 - ii. ensuring compliance with legal, ethical and regulatory requirements.
 - (c) reviewing the Corporation's annual financial statements prior to their submission to the Board for approval, including without limitation the following:
 - i. reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;

- ii. reviewing significant accruals or other estimates;
 - iii. reviewing accounting treatment of unusual or non-recurring transactions;
 - iv. ascertaining compliance with covenants under loan agreements;
 - v. reviewing disclosure requirements for commitments and contingencies;
 - vi. reviewing adjustments proposed by the external auditors, whether or not included in the financial statements;
 - vii. reviewing unresolved differences between management and the external auditors; and
 - viii. obtaining explanations of significant variances with comparative reporting periods and budgets/forecasts.
- (d) reviewing, and making a recommendation to the Board with respect to their approval of, the financial statements, prospectuses, management discussion and analysis (“MD&A”), annual information forms (“AIF”) and all public disclosure containing audited or unaudited financial information before release and prior to board approval;
- (e) satisfying itself that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and periodically assessing the accuracy of those procedures;
- (f) with respect to the appointment of external auditors by the Board:
- i. recommending to the Board the appointment of the external auditors;
 - ii. recommending to the Board the terms of engagement of the external auditors, including the compensation of the auditors and a confirmation that the external auditors shall report directly to the Committee;
 - iii. reviewing annually with the external auditors their plan for their audit;
 - iv. reviewing and approving any non-audit services to be provided by the external auditors' firm and considering the impact on the independence of the auditors; and
 - v. when there is to be a change in auditors, reviewing the issues related to the change and the information to be included in the required notice to securities regulators of such change.
- (g) Reviewing with external auditors and the internal auditor their assessment of the internal controls of the Corporation, their written reports containing recommendations for improvement and management's response and follow-up to any identified weaknesses;
- (h) Upon the external auditors' completion of the audit, reviewing the external auditors' reports upon the financial statements of the Corporation and its subsidiaries;
- (i) With respect to the internal audit function:
- i. reviewing the performance and independence of the internal audit function and whether internal audit has had full access to the Corporation's books, records and personnel;
 - ii. ensuring that the senior internal audit executive has access to the chair of the Committee, the Chief Executive Officer and the Chief Financial Officer;

- iii. reviewing with input from the Chief Financial Officer, and approving, the proposed annual internal audit plan including assessment of major risks, areas of focus, responsibilities and objectives and staffing;
 - iv. approve all elements of compensation for the senior internal audit executive;
 - v. receiving periodic reports from internal audit addressing: (1) progress on the annual internal audit plan, including any significant changes to it; (2) significant internal audit findings, including issues as to the adequacy of internal control over financial reporting and any procedures implemented in light of significant control deficiencies; and (3) any significant internal fraud issues;
 - vi. reviewing the mandate, budget plan, changes in the scope of the internal audit plan, activities, organizational structure and qualifications of the internal audit department, as needed;
 - vii. reviewing the appointment, performance, replacement or dismissal of the senior internal audit executive;
 - viii. reviewing significant reports prepared by the internal audit department together with management's response and follow-up to these reports; and
 - ix. reporting to the Board on any significant issues relating to the internal audit function.
- (j) reviewing the Corporation's risk management policies and procedures (e.g. regarding litigation and insurance);
 - (k) establishing a procedure for the handling of whistleblower complaints which procedure shall include provisions for:
 - i. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - ii. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
 - (l) reviewing and approving the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the Corporation;
 - (m) investigating any financial activity of the Corporation (with which investigations all employees of the Corporation shall cooperate as requested by the Committee); and
 - (n) retaining, as it determines appropriate, persons having special expertise and/or obtaining independent professional advice to assist in filling their responsibilities at the expense of the Corporation and without any further approval of the Board.

Meetings and Administrative Matters

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote.
2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for the purposes of the meeting.

3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee should be scheduled to take place at least four times per year and at such other times as the Chair of the Committee may determine.
5. Agendas, approved by the Chair, will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
6. The Committee may invite such officers, directors and employees of the Corporation as it sees fit from time to time to attend at meetings of the Committee and to assist in the discussion and consideration of the matters being considered by the Committee. However, the Committee shall ensure that its members meet regularly, and in no case less frequently than quarterly, on an in camera basis without the participation of non-independent directors, management, internal auditors or external auditors.
7. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the Board. Minutes of the Committee will be recorded and maintained by the Secretary to the Committee, and shall be circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.
8. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.
9. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated by the Committee Chair to the Chairman of the Board or to the Lead Director, as appropriate.
10. The Committee shall meet with the external auditor at least once per year (in connection with the preparation of the year end financial statements) and at such other times as the external auditor and the Committee consider appropriate.
11. The Committee shall meet in separate, non-management, closed sessions with the senior internal audit executive at each regularly scheduled meeting.