

Financial Review

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

Three months ended March 31,	2003	2002
Revenue	\$ 78.1	\$ 50.4
Operating income*	22.5	15.3
Net income	11.8	7.4
Net income per share (basic)	\$ 0.67	\$ 0.45
(diluted)	\$ 0.64	\$ 0.43
Funds from operations	19.0	9.5

Trican Well Service Ltd. ("Trican") is pleased to announce its financial and operating results for the three months ended March 31, 2003 with comparison to the same period last year. The results for the quarter reflect high levels of activity experienced in Western Canada during the quarter. Oil and gas prices continued at high levels which created a very strong winter drilling season. During the quarter, 5,408 wells were drilled in Western Canada, the second highest level of activity ever achieved in the Western Canadian Sedimentary Basin ("WCSB") and a 21% increase over last year's activity levels. However, the Company's overall financial performance was hampered by a continuation of service pricing weakness which carried over from 2002.

As a result of higher activity, revenue, net income and cash flow for the quarter increased from the levels achieved in the same period of 2002. Revenue increased 55% for the three months ended March 31 compared to the first quarter of 2002. Net income for the period increased 59% to \$11.8 million in 2003 from \$7.4 million recorded in the first quarter of 2002. Similarly, the Company recorded earnings per share of \$0.67 (\$0.64 diluted) for the quarter compared with earnings per share of \$0.45 (\$0.43 diluted) recorded in the first quarter of 2002. Funds from operations for the quarter increased \$9.5 million or 100% to \$19.0 million compared to the first quarter of 2002.

Management's Discussion & Analysis

FINANCIAL REVIEW

Well Service Division	Mar 31	% of	Mar 31	% of	Year Over
Three months ended (\$ thousands)	2003	Revenue	2002	Revenue	Year Change
Revenue	\$ 69,857		\$ 43,283		61%
Expenses					
Material and operating	47,185	67.5%	28,636	66.2%	65%
General and administrative	857	1.2%	102	0.2%	740%
Total Expenses	48,042	68.8%	28,738	66.4%	67%
Operating income	21,815	31.2%	14,545	33.6%	50%
Number of Jobs	4,734		3,536		34%
Revenue per job	\$ 14,866		\$ 12,375		20%

Revenue for the first quarter in the Well Service division, which includes deep coiled tubing, nitrogen, fracturing and cementing services, increased by 61% as a result of increased activity. Revenue per job increased by 20% and the number of jobs increased by 34% as a result of an increase in activity compared to the levels seen in the first quarter of 2002. Increased demand was experienced for all services; however, demand for cementing services was particularly strong in the first quarter. Activity levels for fracturing services were hampered by staffing difficulties as an insufficient number of trained staff were available to man the eighth crew. As well, limited industry-wide short-term product shortages also negatively impacted fracturing activity. Improvements in revenue per job resulted from a greater proportion of total revenue coming from the deeper and more technical areas of the WCSB. Sales from the Well Service Division made up 89% of total sales, an increase over the Q1 2002 level of 86%. Consistent with the first quarter of 2002, cementing services was the largest contributing segment in the first quarter of 2003.

Total expenses as a percentage of sales increased as a result of a number of factors including: an increased proportion of total sales from cementing services, which typically has a lower operating margin than the other services; higher energy and insurance costs which increased overall operating costs; and a continuation of pricing weakness from 2002. Although discounts decreased from the fourth quarter of 2002, they were still higher than the level experienced during the same period last year. Price recovery is expected to continue through the year with the anticipated strong demand for services. An increase in the provision for doubtful accounts produced the increase in general and administrative expenses over the prior year.

Production Services Division	Mar 31	% of	Mar 31	% of	Year Over
Three months ended (\$ thousands)	2003	Revenue	2002	Revenue	Year Change
Revenue	8,213		7,072		16%
Expenses					
Material and operating	5,684	69.2%	4,872	68.9%	17%
General and administrative	68	0.8%	7	0.1%	-
Total Expenses	5,752	70.0%	4,879	69.0%	18%
Operating income	2,461	30.0%	2,193	31.0%	12%
Number of Jobs	791		788		0%
Revenue per job	\$ 5,999		\$ 4,204		43%
Number of hours	7,842		8,488		(8)%
Revenue per hour	\$ 447		\$ 452		(1)%

The production services division comprises intermediate depth coiled tubing services, stimulation services, Polybore and jet pumping. During the quarter, revenue from the production services division increased 16% over 2002. The number of jobs completed stayed constant with the prior year; however, the average revenue per job increased by 43% as strong gains were achieved in acidizing services. The number of hours for the intermediate depth coiled tubing service line decreased 8% over the first quarter 2002 as a result of a decrease in project activity.

Total expenses as a percentage of sales remained consistent with the first quarter of 2002.

CORPORATE DIVISION

Corporate expenses for the quarter, which include general and administrative expenses, increased \$0.3 million to \$1.7 million over the first quarter 2002.

OTHER EXPENSES

Interest expense was 1.0% of revenue for the quarter compared with 1.6% in the first quarter of 2002. Depreciation increased by \$0.8 million for the quarter. This non-cash expense has increased as a result of the continued expansion of the Company's equipment capacity.

LIQUIDITY

Funds from operations for the three months ended March 31, 2003 amounted to \$19.0 million compared with \$9.5 million for the three months ended March 31, 2002. Capital expenditures for the quarter totalled \$7.3 million which represents an increase of 251% compared to the first quarter of 2002 as the capital expansion program announced in the fall of 2002 was completed during the first quarter of 2003. Other assets increased by \$0.7 million in the quarter as a result of the pre-commercial costs associated with the Polybore technology.

At March 31, 2003, the Company had working capital of \$28.2 million compared to \$18.3 million at the end of 2002. Included in current portion of long-term debt are loans arising from our investment in R-Can Services Inc., totalling \$4.1 million. These loans are repayable over the next two years; however, as they are demand loans, they have been included in current portion of long-term debt. The Company has an operating line of credit to finance working capital requirements. Maximum availability under the line is \$23.0 million subject to certain conditions. At March 31, 2003, \$12.9 million was drawn on this facility. Subsequent to the end of the quarter, the Company finalized a new financing arrangement which includes a \$15.0 million operating line and a \$25.0 million revolving equipment and acquisition line. This facility is subject to terms and conditions that are typical for this type of arrangement. The inventory of operating supplies, parts and materials required to carry on daily operations remain at levels consistent with those at December 31, 2002.

CAPITAL RESOURCES

Trican had long-term debt (excluding current portion) of \$23.1 million at the end of the first quarter compared with \$24.3 million at the end of 2002. This debt is in the form of lease facilities involving certain pieces of the Company's operating equipment. These arrangements are reflected in the accounts of the Company as capital leases, and are repayable over 84 months from the commencement of the lease. The Company believes that its strong balance sheet and unutilized borrowing capacity combined with funds from operations will provide sufficient capital resources to fund its on-going operations and future expansion.

INVESTING ACTIVITIES

Capital expenditures of \$7.3 million were incurred during the first quarter compared with \$2.1 million during the same period in 2002. This capital program was funded by cash flow from operations and through existing facilities.

During the quarter, the Company, through a subsidiary, increased its investment in R-Can Services Ltd., a Cypriot company that has a subsidiary operating in Russia. With this additional investment, the Company increased its ownership to more than 50%. R-Can currently provides fracturing and cementing services; however, with Trican's increased involvement, will seek opportunities to expand its services.

CASH REQUIREMENTS

The Company has historically financed its capital expenditures with funds from operations, equity issues and debt. The Company has a number of ongoing projects in its 2002 and 2003 capital programs. The Company estimates that at the end of the quarter, \$9.8 million of additional investment will be required to complete these projects. These expenditures are expected to be funded over the next six to nine months and will be funded through existing debt facilities. Trican continues to review opportunities for growth both in Canada and other parts of the world. The capital budget may be increased as required by viable business opportunities identified by the Company.

BUSINESS RISKS

The demand for Trican's services is largely dependent upon the level of expenditures by oil and gas companies on exploration, development and production activities. The price received by our customers for the crude oil and natural gas they produce has a direct impact on cash flow available to them to finance the acquisition of services provided by the Company. Exploration, development and production activities are also influenced by a number of factors including taxation and regulatory changes, access to pipeline capacity and changes in equity markets. Demand for crude oil and natural gas is also strongly influenced by the strength of the global economy, but particularly the strength of the U.S. economy. An extended slow down in the U.S. economy could weaken demand for crude oil and natural gas and reduce the demand for well services.

A more complete discussion on the business risks faced by the Company may be found in Trican's 2002 annual report.

As the demand for well services is strongly influenced by a number of different factors, the Company believes that it is difficult to predict, with any degree of accuracy, future levels of activity. To mitigate this risk, Trican has maintained a streamlined operation and effective cost structures so that it can respond quickly to evolving market conditions. In addition, our strong balance sheet and adherence to conservative financing practices provides the resilience to withstand and benefit from volatility in activity levels in our sector.

OUTLOOK

Demand for services during the first quarter of the year was strong as high commodity prices supported increased levels of activity. Second quarter activity levels have been impacted by poor weather; however, based upon current commodity prices, management expects strong levels of demand for services over the next 12 months. North American natural gas inventory levels at the end of the quarter were at very low levels, which suggests there will be strong demand for services related to natural gas directed drilling. This should enhance demand for all of our services but will particularly bolster demand for fracturing services.

** Operating income is not a recognized measure under Canadian generally accepted accounting principles (GAAP). Management believes that in addition to net income, operating income is a useful supplemental measure as it provides investors with an indication of earnings before depreciation, taxes and interest. Investors should be cautioned that operating earnings should not be construed as an alternative to net income determined in accordance with GAAP as an indicator of Trican's performance. Trican's method of calculating operating earnings may differ from other companies and accordingly may not be comparable to measures used by other companies.*

Consolidated Balance Sheets

(Stated in Thousands of Dollars)	March 31, 2003 (Unaudited)	December 31, 2002
Assets		
Current assets		
Cash and short-term deposits	\$ –	\$ 4,679
Accounts receivable	63,445	41,954
Inventory	7,468	5,585
Prepaid expenses	1,543	1,366
	72,456	53,584
Property and equipment	136,364	132,489
Other assets	7,403	6,684
Goodwill	8,657	8,454
	\$ 224,880	\$ 201,211
Liabilities & Shareholders' Equity		
Current liabilities		
Bank loans	\$ 12,930	\$ –
Accounts payable and accrued liabilities	19,784	23,427
Current income taxes payable	2,666	3,816
Current portion of long-term debt	8,830	8,030
	44,210	35,273
Long-term debt	23,112	24,329
Future income taxes (note 4)	21,651	18,185
Non-controlling interest (note 1)	1,613	1,264
Shareholders' equity		
Share capital (note 3)	63,661	63,351
Retained earnings	70,633	58,809
	134,294	122,160
	\$ 224,880	\$ 201,211

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Operations and Retained Earnings

(Stated in Thousands of Dollars Except Per Share Amounts, Unaudited)	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Revenue	\$ 78,070	\$ 50,355
Expenses		
Materials and operating	52,993	33,682
General and administrative	2,533	1,337
Operating income	22,544	15,336
Interest expense	743	796
Depreciation and amortization	3,492	2,726
Income before income taxes and non-controlling interest	18,309	11,814
Provision for income taxes	6,309	4,433
Income before non-controlling interest	12,000	7,381
Non-controlling interest	176	-
Net income	11,824	7,381
Retained earnings, beginning of quarter	58,809	47,505
Retained earnings, end of quarter	\$ 70,633	\$ 54,886
Earnings per share		
Basic	\$ 0.67	\$ 0.45
Diluted	\$ 0.64	\$ 0.43

See accompanying notes to the consolidated financial statements.

Consolidated Cash Flow Statements

(Stated in Thousands of Dollars, Unaudited)	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Cash Provided By (Used In):		
Operations		
Net income	\$ 11,824	\$ 7,381
Charges to income not involving cash		
Depreciation and amortization	3,492	2,726
Future income taxes	3,508	(602)
Non-controlling Interest	176	-
Funds from operations	19,000	9,505
Net change in non-cash working capital from operations	(32,130)	(13,421)
	(13,130)	(3,916)
Investing		
Purchase of property and equipment	(7,313)	(2,086)
Purchase of other assets	(773)	(1,009)
Business acquisition	(30)	-
Net change in non-cash working capital from the purchase of property and equipment	3,786	(4,113)
	(4,330)	(7,208)
Financing		
Net proceeds from issuance of share capital	268	320
Issuance of long-term debt	726	-
Repayment of long-term debt	(1,143)	(1,129)
Net change in bank loans	12,930	10,885
	12,781	10,076
Decrease in cash and short-term deposits	(4,679)	(1,048)
Cash and short-term deposits, beginning of quarter	4,679	1,164
Cash and short-term deposits, end of quarter	\$ -	\$ 116

See accompanying notes to the consolidated financial statements.

Notes To The Interim Consolidated Financial Statements

(Amounts Stated in Thousands, Except Per Share Amounts)

The Company's accounting policies applied to these consolidated financial statements are consistent with and should be read in conjunction with those described in the 2002 Annual Report.

The Company's businesses are seasonal in nature with the highest activity in the winter months (first and fourth fiscal quarters) and the lowest activity during spring break-up (second fiscal quarter) due to road weight restrictions and reduced accessibility to remote areas.

NOTE 1 – ACQUISITIONS

In February 2003, the Company subscribed for shares of R-Can Services Limited (“R-Can”) for \$1,094 including \$30 of costs representing 17.7% of the issued and outstanding shares. This subscription increased the Company's share ownership to 50.5%. In 2002, the Company had acquired a 32.8% interest in R-Can for \$2,230. The acquisition has been recorded using the purchase method with results of operations of R-Can included in the consolidated financial statements from the initial acquisition in 2002 on the basis that the Company, through an unanimous shareholder agreement, had effective control of R-Can. The details of the acquisition are as follows:

Net assets acquired at fair market value:	2002	2003	Total
Working capital, excluding demand equipment loans	\$ 1,034	\$ –	\$ 1,034 (a)
Property and equipment	3,529	–	3,409
Goodwill	1,368	203	1,691 (b)
Demand equipment loans	(2,422)	–	(2,422)
	\$ 3,509	\$ 203	\$ 3,712
Non-controlling interest	(1,279)	(173)	(1,452)
	\$ 2,230	\$ 30	\$ 2,260

Financed by:

Cash	\$ 927	\$ 30	\$ 957
Long-term receivable	1,303	–	1,303
	\$ 2,230	\$ 30	\$ 2,260

(a) Includes cash of \$1,099

(b) Goodwill has been attributed to the Well Services reporting segment and is not considered deductible for tax purposes.

NOTE 2 – SEGMENTED INFORMATION

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

- Well service provides cementing, fracturing, deep coiled tubing and nitrogen services which are performed on new and producing oil and gas wells;
- Production services provides acidizing, intermediate depth coiled tubing, Polybore, jet pumping and Industrial Services which are predominantly used in the stimulation and reworking of existing oil and gas wells.

	Well Service	Production Services	Corporate	Total
Three months ended March 31, 2003				
Revenue	\$ 69,857	\$ 8,213	\$ –	\$ 78,070
Operating income	21,815	2,461	(1,732)	22,544
Assets	185,239	37,556	2,085	224,880
Capital expenditures	6,773	178	362	7,313
Three months ended March 31, 2002				
Revenue	\$ 43,283	\$ 7,072	\$ –	\$ 50,355
Operating income	14,557	2,192	(1,413)	15,336
Assets	144,195	32,868	2,313	179,376
Capital expenditures	1,974	112	–	2,086

NOTE 3 – SHARE CAPITAL

The issued and outstanding common shares of the Corporation along with securities convertible into common shares are as follows:

	March 31, 2003	December 31, 2002
Issued and outstanding:		
Common shares	17,699	17,589
Securities convertible into common shares:		
Employee stock options	1,465	1,575
Common share purchase warrants	200	200
	19,364	19,364

As at April 30, 2003, the Company had 17,701 common shares, 1,463 employee stock options and 200 common share purchase warrants outstanding.

Stock-based compensation:

The Company applies the intrinsic value based method of accounting for stock options granted to employees under its incentive stock option plan. Had compensation expense been determined based on the fair value at the grant dates for options awarded under the stock option plan, the company's net income for the three months ended March 31, 2003 would have been reduced by \$163 to \$11,661 (diluted earnings per share – \$0.63). These proforma earnings reflect compensation cost amortized over the option's vesting period.

NOTE 4 – INCOME TAXES

Three Months Ended March 31	2003	2002
Current	\$ 2,801	\$ 5,035
Future	3,508	(602)
	\$ 6,309	\$ 4,433

Corporate Information

BOARD OF DIRECTORS

Kenneth M. Bagan ⁽¹⁾ ⁽²⁾

Senior Vice President, Corporate Development
and Law, Tesco Corporation

Gary R. Bugeaud ⁽²⁾

Partner, Burnet, Duckworth & Palmer LLP

Murray L. Cobbe

President and Chief Executive Officer

Donald R. Luft

Senior Vice President, Operations and
Chief Operating Officer

Douglas F. Robinson ⁽¹⁾ ⁽²⁾

Independent Businessman

Victor J. Stobbe ⁽¹⁾

President, American Leduc Petroleum Limited

OFFICERS

Murray L. Cobbe

President and Chief Executive Officer

Donald R. Luft

Senior Vice President, Operations and
Chief Operating Officer

Michael G. Kelly, C.A.

Vice President, Finance, Chief Financial Officer
and Corporate Secretary

Dale M. Dusterhoft

Vice President, Technical Services

David L. Charlton

Vice President, Marketing

Michael A. Baldwin, C.A.

Treasurer

Nadine A. Godlonton, C.G.A.

Controller

CORPORATE OFFICE

Trican Well Service Ltd.

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Calgary, Alberta T2P 4G8

Telephone: (403) 266-0202

Facsimile: (403) 237-7716

Website: www.trican.ca

AUDITORS

KPMG LLP, Chartered Accountants

Calgary, Alberta

SOLICITORS

Burnet, Duckworth & Palmer LLP

Calgary, Alberta

BANKERS

Royal Bank of Canada

Calgary, Alberta

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada

Calgary, Alberta

STOCK EXCHANGE LISTING

The Toronto Stock Exchange

Trading Symbol: TCW

INVESTOR RELATIONS INFORMATION

Requests for information should be directed to:

Murray L. Cobbe

President and Chief Executive Officer

Michael G. Kelly, C.A.

Vice President, Finance, Chief Financial Officer
and Corporate Secretary

(1) Member of the Audit Committee

(2) Member of the Compensation and
Corporate Governance Committee