

## Q3

### Interim Report Nine Months Ended September 30, 2009

#### FINANCIAL REVIEW

(\$ millions, except per share amounts; unaudited)	<i>Three months ended</i>			<i>Nine months ended</i>	
	<b>Sept. 30, 2009</b>	Sept 30, 2008	June 30, 2009	<b>Sept. 30, 2009</b>	Sept. 30, 2008
Revenue	<b>\$ 188.4</b>	\$ 286.7	\$ 136.3	<b>\$ 591.6</b>	\$ 693.3
Operating income / (loss) *	<b>19.9</b>	60.3	(12.7)	<b>45.3</b>	108.6
Net income / (loss) before stock-based compensation *	<b>(5.4)</b>	20.8	(22.8)	<b>(15.5)</b>	33.6
Net income / (loss) before stock-based compensation per share *					
(basic)	<b>\$ (0.04)</b>	\$ 0.17	\$ (0.18)	<b>\$ (0.12)</b>	\$ 0.27
(diluted)	<b>\$ (0.04)</b>	\$ 0.17	\$ (0.18)	<b>\$ (0.12)</b>	\$ 0.27
Net income / (loss)	<b>(7.4)</b>	18.1	(25.5)	<b>(23.2)</b>	24.9
Net income / (loss) per share					
(basic)	<b>\$ (0.06)</b>	\$ 0.14	\$ (0.20)	<b>\$ (0.18)</b>	\$ 0.20
(diluted)	<b>\$ (0.06)</b>	\$ 0.14	\$ (0.20)	<b>\$ (0.18)</b>	\$ 0.20
Funds provided by / (used in ) operations*	<b>13.6</b>	54.9	(13.9)	<b>11.3</b>	87.3

#### Notes:

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

#### THIRD QUARTER HIGHLIGHTS

Trican's consolidated revenue decreased by \$98.3 million or 34% in the third quarter of 2009 compared to the same period in 2008. The net loss for the quarter was \$7.4 million compared to net income of \$18.1 million in the third quarter of 2008. The diluted net loss per share was \$0.06 in the third quarter of 2009 versus diluted net income per share of \$0.14 in the third quarter of 2008. Funds provided by operations was \$13.6 million compared to \$54.9 million in the third quarter of 2008.

The net loss increased as a result of a one-time charge relating to the settlement of a patent infringement lawsuit. The after-tax impact of the settlement was \$4.4 million increasing the diluted loss per share for the quarter by \$0.04. Adjusting for the impact of this one-time charge, our net loss and diluted loss per share for the 2009 third quarter were \$3 million and \$0.02, respectively.

Operating income was \$19.9 million in the third quarter of 2009 compared to \$60.3 million for the same period last year. In Canada, lower activity levels decreased operational leverage on our fixed cost structure and pricing pressures led to margin contraction relative to the 2008 third quarter. In the US, a highly competitive pricing environment has also reduced pricing and margins. Cost cutting initiatives in Canada and the US have partially offset these impacts. Operating income reductions in Canada and the US were partially offset by improved results in Russia as cost control measures implemented in 2008 have improved Russian margins.

Operating results for the third quarter reflect strength in our Russian region, improving operating conditions in Canada and continued weakness in the US. In Russia, where we perform the majority of our work on oil wells, higher oil prices have resulted in favorable operating conditions and increased activity levels. By contrast, low natural gas prices have led to reduced industry activity in North America where the rig count has decreased by 56% and 51% in Canada and the US respectively since the third quarter of 2008. However, activity in the Western Canadian Sedimentary Basin (WCSB) started to show signs of improvement during the quarter and contributed to better than expected operating results in Canada. Pricing continues to negatively impact US operations and, although it has started to stabilize, pricing remains low as a result of depressed industry activity and excess equipment capacity.

Low natural gas prices and high natural gas storage levels continue to depress activity levels and pricing in Canada as revenue and job count decreased by 42% and 43% respectively compared to the third quarter of 2008. However, the rig count in Canada has started to show signs of improvement and operating results strengthened accordingly during the second half of the third quarter. Cost cutting continues to be a focus in Canada and efforts on a year-to-date basis have resulted in savings of \$14.0 million. We expect additional savings in Canada of \$6.0 million for the final quarter of the year.

Russian revenue in the third quarter of 2009 decreased by 21% compared to the third quarter of 2008 largely due to a 23% weakening in the average rate of the Russian ruble relative to the Canadian dollar. Increased fracturing and nitrogen activity led to a 6% increase in job count, which was partially offset by a decrease in cementing activity. Operating margins are continuing to improve within our Russian region as cost control initiatives implemented during the second half of 2008 have improved 2009 operating margins.

Third quarter US revenue decreased by 31% compared to the same period in 2008 as low natural gas prices led to reduced industry activity. The reduced activity combined with excess equipment capacity has resulted in significant pricing pressure in our area of operations in the US. Revenue per job has decreased 33% in the third quarter compared to the same period in 2008 as the competitive pricing environment has led to an increase in discounts of 850 basis points. We remain focused on cost cutting in the US. Total savings of \$7.6 million have been achieved in the US thus far in 2009, with additional savings of \$3.6 million expected for the remainder of the year.

## **TECHNOLOGY HIGHLIGHTS**

During the third quarter, Trican successfully introduced three new technologies to the Canadian market that were designed for shale gas and horizontal fracturing applications. In the third quarter, Trican initiated our microseismic service line. Microseismic services map the fractures in the reservoir while the treatment is being performed. This service, when combined with our CBM Solutions geological service and our fracture design engineering allows us to improve our fracturing treatments for our customers and present a technical solution for shale gas and tight gas fracturing that provides an enhanced level of technology to our customers. We are continuing our research in this area and expect to add a reservoir simulator to this

product mix in the upcoming quarters. We also recently introduced a new patent pending horizontal completion technology that is expected to reduce costs in coiled tubing fracturing applications on horizontal or vertical wells compared to existing fracturing methods. This product has been well received by customers in the Cardium, Shaunavon and Bakken Oil plays in Canada. We expect that if customers acceptance continues as it has to date, this product will give us a competitive advantage in these areas. Trican also field tested our patent pending floating sand technology during the quarter with very successful results. This technology is particularly suited to slick water fracturing treatments. We are encouraged by the production results and plan on moving the product into additional applications.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) should be read in conjunction with the unaudited interim consolidated financial statements of Trican as at, and for, the three and nine months ended September 30, 2009 and 2008 and should also be read in conjunction with the audited consolidated financial statements and MD&A contained in Trican's annual report for the year ended December 31, 2008. The interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP). This MD&A is dated November 9, 2009. Additional information, including the Company's Annual Information Form is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Headquartered in Calgary, Alberta, Trican has operations in Canada, Russia, the US and North Africa. Trican provides a comprehensive array of specialized products, equipment and services that are used during the exploration and development of oil and gas reserves.

### COMPARATIVE QUARTERLY INCOME STATEMENTS

(\$ thousands, unaudited) Three months ended Sept. 30,	2009	% of Revenue	2008	% of Revenue	Quarter- Over- Quarter Change	% Change
<b>Revenue</b>	<b>188,437</b>	<b>100.0%</b>	286,737	100.0%	(98,300)	-34%
<b>Expenses</b>						
Materials and operating	<b>155,504</b>	<b>82.5%</b>	214,333	74.7%	(58,829)	-27%
General and administrative	<b>13,039</b>	<b>6.9%</b>	12,122	4.2%	917	8%
Operating income*	<b>19,894</b>	<b>10.6%</b>	60,282	21.0%	(40,388)	-67%
Interest expense	<b>2,252</b>	<b>1.2%</b>	4,272	1.5%	(2,020)	-47%
Depreciation and amortization	<b>23,975</b>	<b>12.7%</b>	23,773	8.3%	202	1%
Foreign exchange loss	<b>1,057</b>	<b>0.6%</b>	7,639	2.7%	(6,582)	-86%
Other loss / (income)	<b>4,357</b>	<b>2.3%</b>	(2,140)	-0.7%	6,497	-304%
Income / (loss) before income taxes and non-controlling interest	<b>(11,747)</b>	<b>-6.2%</b>	26,738	9.3%	(38,485)	-144%
Provision for / (recovery of) income taxes	<b>(4,374)</b>	<b>-2.3%</b>	8,688	3.0%	(13,062)	-150%
Income / (loss) before non-controlling interest	<b>(7,373)</b>	<b>-3.9%</b>	18,050	6.3%	(25,423)	-141%
Non-controlling interest	<b>14</b>	<b>0.0%</b>	(4)	0.0%	18	-450%
Net Income / (loss)	<b>(7,387)</b>	<b>-3.9%</b>	18,054	6.3%	(25,441)	-141%

**Notes:**

\* see first page of this report

## CANADIAN OPERATIONS

Three months ended, (\$ thousands, unaudited)	Sept. 30, 2009	% of Revenue	Sept. 30, 2008	% of Revenue	June 30, 2009	% of Revenue
<b>Revenue</b>	<b>91,651</b>		158,766		46,992	
<b>Expenses</b>						
Materials and operating	<b>70,299</b>	<b>76.7%</b>	111,011	69.9%	52,366	111.4%
General and administrative	<b>3,859</b>	<b>4.2%</b>	5,154	3.2%	4,524	9.6%
Total expenses	<b>74,158</b>	<b>80.9%</b>	116,165	73.2%	56,890	121.1%
Operating income / (loss)*	<b>17,493</b>	<b>19.1%</b>	42,601	26.8%	(9,898)	-21.1%
Number of jobs	<b>3,717</b>		6,574		2,490	
Revenue per job	<b>24,254</b>		23,781		18,383	

### Notes:

\* see first page of this report

## SALES MIX

Three months ended, (\$ thousands, unaudited)	Sept. 30, 2009	Sept. 30, 2008	June 30, 2009
<b>% of Total Revenue</b>			
Fracturing	<b>57%</b>	55%	<b>46%</b>
Cementing	<b>23%</b>	26%	<b>20%</b>
Coiled Tubing	<b>7%</b>	6%	<b>10%</b>
Nitrogen	<b>5%</b>	5%	<b>4%</b>
Industrial Services	<b>3%</b>	2%	<b>11%</b>
Acidizing	<b>3%</b>	3%	<b>5%</b>
Other	<b>2%</b>	3%	<b>4%</b>
Total	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Operations Review

Activity in the third quarter decreased compared to the third quarter of 2008 as lower natural gas prices reduced industry activity levels. Canadian industry activity, as measured by the average number of active drilling rigs, decreased by 56% compared to the same period in 2008. However, the rig count in Canada has started to show signs of improvement and we experienced better operating results towards the end of the quarter.

In light of the difficult business environment, we continue to focus on the cost cutting initiatives that have been implemented throughout 2009. Reduced staffing levels and wage roll-backs implemented earlier in the year decreased employee costs by 24% compared to the third quarter of 2008, and by 11% compared to the second quarter of 2009. We have achieved cost savings of approximately \$14.0 million in 2009 and we expect an additional \$6.0 million in savings through the remainder of the year. We will continue to review expenditure levels and implement further cost control initiatives as opportunities arise.

Continued interest in unconventional oil and gas plays has increased fracturing as a percentage of total revenue. Revenue per job is also higher, as these plays are generally more fracturing intensive. Our focus throughout 2008 and 2009 to develop a strong market position in the unconventional plays has been a key factor in enabling us to weather the economic recession thus far. We believe our strength in these technical areas, as well as our stable customer relationships, have positioned us to capitalize on opportunities for growth as market conditions improve.

### Current Quarter Versus Q3 2008

Revenue for the third quarter decreased by 42% to \$91.7 million compared to the same period in 2008, reflecting the impact of lower natural gas prices and high natural gas storage levels on activity levels and pricing.

The average number of active drilling rigs in Canada decreased 56% from the third quarter of 2008, reducing our job count by 2,857 or 43%. Trican's job count did not decrease as much as the industry rig count due to greater fracturing activity in the unconventional plays coupled with higher cement market share. Revenue per job increased 2% relative to the third quarter of 2008. The increase in revenue from unconventional plays had a positive impact on revenue per job, but was partially offset by an increase in discounts necessitated by the competitive pricing environment.

Material and operating expenses increased as a percentage of total revenue to 77% in the third quarter compared to 70% in the same period in 2008 as lower activity levels increased discounts and reduced operational leverage on our fixed cost structure. Continued pricing pressures contributed to the increase in material and operating expenses as discounts have increased by 820 basis points versus the third quarter of 2008. These factors were partially offset by a decrease in expenses from cost control initiatives implemented during 2009.

General and administrative expenses have decreased by \$1.3 million primarily because of lower stock compensation and profit sharing expenses.

### Current Quarter Versus Q2 2009

As expected, revenue during the third quarter was significantly higher than the second quarter. Drilling activity is typically lowest in Canada during the second quarter as spring thaws result in seasonal road bans.

The number of active drilling rigs increased by 100% compared to the second quarter, which led to an increase in job count of 1,227. Revenue per job increased 32% reflecting the higher proportion of fracturing jobs performed during the third quarter of 2009.

Materials and operating expenses decreased as a percentage of revenue to 77% compared to 111% for the second quarter of 2009 because of increased operating leverage as well as continued focus on cost control measures throughout the third quarter. General and administrative expenses decreased by \$0.7 million due to reductions in stock compensation costs and bad debt expense.

### RUSSIAN OPERATIONS

Three months ended, (\$ thousands, unaudited)	Sept. 30, 2009	% of Revenue	Sept. 30, 2008	% of Revenue	June 30, 2009	% of Revenue
<b>Revenue</b>	<b>63,733</b>		80,331		55,772	
<b>Expenses</b>						
Materials and operating	<b>47,156</b>	<b>74.0%</b>	62,724	78.1%	45,387	81.4%
General and administrative	<b>3,289</b>	<b>5.2%</b>	1,775	2.2%	2,332	4.2%
Total expenses	<b>50,445</b>	<b>79.2%</b>	64,499	80.3%	47,719	85.6%
Operating income*	<b>13,288</b>	<b>20.8%</b>	15,832	19.7%	8,053	14.4%
Number of jobs**	<b>1,052</b>		997		878	
Revenue per job**	<b>58,065</b>		79,997		62,010	

#### Notes:

\* See first page of this report

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

## SALES MIX

Three months ended, (\$ thousands, unaudited)	Sept. 30, 2009	Sept. 30, 2008	June 30, 2009
<b>% of Total Revenue</b>			
Fracturing	81%	82%	80%
Coiled Tubing	12%	9%	14%
Cementing	7%	9%	5%
Nitrogen	0%	0%	1%
Total	100%	100%	100%

### Operations Review

Operations in Russia were strong in the third quarter as new customers were added and favorable operating conditions and higher oil prices resulted in an increase in activity levels with existing customers. Fracturing activity was particularly robust; we performed 33% more fracturing jobs – albeit with smaller job sizes – in the third quarter than we did in the second quarter of 2009.

The ruble continued to remain relatively stable as the average exchange rate decreased by only 4% against the Canadian dollar compared to rates seen at the end of the second quarter. However, the 23% year over year devaluation of the ruble significantly impacted operations relative to the third quarter of 2008.

Operating income as a percentage of revenue increased from the same quarter of the prior year, as cost saving initiatives drove lower raw material, payroll and fuel costs, which were partially offset by increases in bad debts expenses. The improvement over the second quarter of 2009 is a result of increased leverage on our fixed cost structure and changes in the customer mix.

Kazakhstan operations improved reflecting a full quarter's operation of the second base. Algerian activity increased 54% from the second to the third quarter of 2009 but on lower margin work. While we achieved positive operating results during the quarter, operating difficulties caused by government bureaucracy still limit the ability to efficiently utilize equipment in Algeria.

### Current Quarter Versus Q3 2008

Revenue from operations decreased 21% in the third quarter compared to the same period in 2008. Increased revenue from Algerian and Kazakhstan operations was more than offset by a 23% weakening in the average rate of the Russian ruble relative to the Canadian dollar. Revenue from our Russian region was relatively stable in ruble terms. Increases in fracturing and nitrogen activity led to a 6% increase in job count during the third quarter. However, the number of cementing jobs decreased as low drilling activity continues to impact this service line. The weakening of the ruble combined with smaller job sizes resulted in a 27% decrease in revenue per job.

As a percentage of revenue, materials and operating expenses decreased to 74% from 78%. The decrease was caused primarily by lower fuel and raw material costs recognized during the quarter. General and administrative expenses increased by \$1.5 million because of an increase in the bad debt provision.

## Current Quarter Versus Q2 2009

Revenue increased by 14% and job count increased by 20% compared to the second quarter of 2009. The increases reflect the addition of new customers, the increased budgets of existing customers due to higher oil prices, and the favorable summer operating conditions. Revenue per job decreased by 6% as changes to the customer mix resulted in smaller jobs on average, and the value of the ruble declined 4% relative to the Canadian dollar.

Materials and operating costs decreased as a percentage of revenue to 74% as we continue to focus on cost cutting measures. In particular, we achieved lower raw material costs and repairs and maintenance expenses during the quarter. General and administrative expenses increased by \$1.0 million compared to second quarter of 2009 because of an increase in the bad debt provision.

## UNITED STATES OPERATIONS

Three months ended, (\$ thousands, unaudited)	Sept. 30, 2009	% of Revenue	Sept. 30, 2008	% of Revenue	June 30, 2009	% of Revenue
<b>Revenue</b>	<b>33,053</b>		47,640		33,522	
<b>Expenses</b>						
Materials and operating	<b>35,863</b>	<b>108.5%</b>	38,565	81.0%	36,644	109.3%
General and administrative	<b>1,724</b>	<b>5.2%</b>	2,965	6.2%	2,562	7.6%
Total expenses	<b>37,587</b>	<b>113.7%</b>	41,530	87.2%	39,206	117.0%
Operating income / (loss)*	<b>(4,534)</b>	<b>-13.7%</b>	6,110	12.8%	(5,684)	-17.0%
Number of jobs	<b>474</b>		458		434	
Revenue per job	<b>69,796</b>		104,017		77,349	

### Notes:

\* see first page of this report

## Operations Review

Operating conditions continue to be challenging in the US due to low commodity prices and excess equipment capacity. While rig count has recently shown signs of improvement and is now above 1,000 rigs, it is still 50% lower than peak rig counts reached in the third quarter of 2008. Significant pricing pressure continued during the third quarter with discounts increasing 850 basis points relative to the third quarter of 2008 and virtually unchanged from the second quarter. Pricing appears to have stabilized during the quarter, but remains very weak as a result of low industry activity levels and excess equipment capacity.

The significant pricing pressure resulted in an operating loss of \$4.5 million for the third quarter. The operating income percentage improved by 330 basis points compared to the second quarter of 2009 as we continue to focus on cost control measures during this challenging period. Cost savings to date in 2009 total \$7.6 million and we expect an additional \$3.6 million in savings during the final quarter of 2009.

The modest increase in US rig count and pricing stabilization suggest that US operating conditions are beginning to improve. Our strategy in the US to date has been to maintain a lean cost structure and to preserve market share by remaining price competitive. We will continue to monitor market conditions and pricing levels closely to ensure that we are balancing our long term US growth objectives with our short term operating results.

### Current Quarter Versus Q3 2008

Revenue for the three months ended September 30, 2009 was \$33.1 million or 31% lower than the third quarter of 2008, reflecting the low commodity prices that caused a 49% decrease in the US rig count.

Revenue per job decreased 33% year-over-year as a competitive pricing environment led to a significant increase in discounts. Sales mix also contributed to the decrease in revenue per job as higher priced fracturing work decreased as a percentage of total sales. Fracturing work represented 85% of jobs performed in the third quarter of 2009 compared to 98% in the third quarter of 2008.

Small increases to the value of the US dollar and the job count partially offset the impact of the decrease in revenue per job and changes in the sales mix. The average US dollar exchange rate in the third quarter of 2009 increased by 5% versus the Canadian dollar compared to the third quarter of 2008. Job count increased by 3% as we continue to increase our market presence in the cementing, acidizing and nitrogen service lines.

Materials and operating expenses as a percentage of revenue increased to 109% compared to 81% for the same period in 2008. The increase in discounts resulted in lower margins, although some of the margin decrease was offset by reduced expenses related to cost cutting efforts and lower fuel costs. General and administrative costs decreased by \$1.2 million as cost cutting initiatives led to lower employee and discretionary costs.

### Current Quarter Versus Q2 2009

Although revenue from US operations decreased by \$0.5 million during the third quarter of 2009, revenue increased by 5% in US dollar terms as the average US dollar exchange rate weakened by 6% compared to Canadian dollar. The increase in US dollar revenue and the 10% growth in job count are a result of our continued efforts to maintain market share during this difficult economic period.

Revenue per job decreased by 10% during the quarter because of a lower proportion of fracturing work as well as a 6% weakening of the US dollar.

Materials and operating expenses as a percentage of sales remained largely consistent with the second quarter as pricing in the US has started to stabilize. General and administrative expenses decreased by \$0.8 million as we continue to focus on cost cutting measures.

### CORPORATE DIVISION

Three months ended, (\$ thousands, unaudited)	Sept. 30, 2009	% of Revenue	June 30, 2008	% of Revenue	June 30, 2009	% of Revenue
<b>Expenses</b>						
Materials and operating	2,186	1.2%	2,033	0.7%	1,750	1.3%
General and administrative	4,167	2.2%	2,228	0.8%	3,389	2.5%
Total expenses	6,353	3.4%	4,261	1.5%	5,139	3.8%
Operating loss*	(6,353)		(4,261)		(5,139)	

**Notes:**

\* see first page of this report

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



### **Current Quarter Versus Q3 2008**

Corporate Division expenses increased \$2.1 million from the same quarter last year primarily due to higher deferred share unit expenses and professional fees.

### **Current Quarter Versus Q2 2009**

Corporate Division expenses increased \$1.2 million, reflecting increased professional fees and higher profit sharing expenses.

### **OTHER EXPENSES AND INCOME**

Interest expense decreased by \$2.0 million relative to the comparable quarter in 2008 as a result of lower average debt balances and lower interest rates on consolidated debt facilities.

Approximately 10% of the Canadian Operations property and equipment was temporarily removed from service, which resulted in a decrease to depreciation of approximately \$1.8 million in 2009. However, depreciation and amortization expenses remained consistent with the third quarter of 2008 as the reduction caused by equipment removed from service and ruble devaluation was offset by increases caused by capital additions, a strengthening US dollar and higher depreciation in our US operations.

Foreign exchange losses were \$1.1 million during the quarter as an 8% weakening of the US dollar resulted in losses on our net US dollar asset position.

Other loss of \$4.4 million consisted primarily of a \$6.2 million payment made on the settlement of a patent infringement lawsuit offset by \$1.5 million received on a loan from an unrelated third party.

### **INCOME TAXES**

An income tax recovery of \$4.4 million was recorded in the third quarter of 2009 compared to an expense of \$8.7 million for the same period last year. The recovery was caused by a net loss before income taxes recorded in the third quarter compared to net income recorded in 2008.

### **OTHER COMPREHENSIVE INCOME**

The consolidated statement of other comprehensive income for the quarter includes \$17.5 million in unrealized losses on translating the financial statements of our self-sustaining foreign operations. The change related to translating the net assets of our US and Russian operations using the current rate method, given that the subsidiaries are considered self-sustaining for Canadian GAAP purposes. The spot rates for the Russian ruble and US dollar weakened by 3% and 8% respectively relative to the Canadian dollar from June 30, 2009 to September 30, 2009. This resulted in a decrease to our net asset positions in our US and Russian subsidiaries in Canadian dollar terms.

## COMPARATIVE YEAR-TO-DATE INCOME STATEMENTS

(\$ thousands; unaudited) Nine months ended Sept. 30,	2009	% of Revenue	2008	% of Revenue	Year- Over- Year Change	% Change
<b>Revenue</b>	<b>591,626</b>	<b>100.0%</b>	693,261	100.0%	(101,635)	-15%
<b>Expenses</b>						
Materials and operating	<b>506,823</b>	<b>85.7%</b>	547,589	79.0%	(40,766)	-7%
General and administrative	<b>39,506</b>	<b>6.7%</b>	37,099	5.4%	2,407	6%
Operating income*	<b>45,297</b>	<b>7.7%</b>	108,573	15.7%	(63,276)	-58%
Interest expense	<b>7,953</b>	<b>1.3%</b>	11,459	1.7%	(3,506)	-31%
Depreciation and amortization	<b>72,033</b>	<b>12.2%</b>	65,226	9.4%	6,807	10%
Foreign exchange (gain) / loss	<b>5,571</b>	<b>0.9%</b>	381	0.1%	5,190	1,362%
Other loss / (income)	<b>810</b>	<b>0.1%</b>	(4,082)	-0.6%	4,892	-120%
Income / (loss) before income taxes and non-controlling interest	<b>(41,070)</b>	<b>-6.9%</b>	35,589	5.1%	(76,659)	-215%
Provision for / (recovery of) income taxes	<b>(17,701)</b>	<b>-3.0%</b>	10,627	1.5%	(28,328)	-267%
Income / (loss) before non-controlling interest	<b>(23,369)</b>	<b>-3.9%</b>	24,962	3.6%	(48,331)	-194%
Non-controlling interest	<b>(155)</b>	<b>0.0%</b>	62	0.0%	(217)	-350%
<b>Net income / (loss)</b>	<b>(23,214)</b>	<b>-3.9%</b>	24,900	3.6%	(48,114)	-193%

### Notes:

\* see first page of this report

## CANADIAN OPERATIONS

Nine months ended Sept. 30, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year- Over- Year Change
<b>Revenue</b>	<b>288,374</b>		379,360		-24%
<b>Expenses</b>					
Materials and operating	<b>240,278</b>	<b>83.3%</b>	284,001	74.9%	-15%
General and administrative	<b>14,000</b>	<b>4.9%</b>	14,954	3.9%	-6%
Total expenses	<b>254,278</b>	<b>88.2%</b>	298,955	78.8%	-15%
Operating income*	<b>34,096</b>	<b>11.8%</b>	80,405	21.2%	-58%
Number of jobs	<b>11,532</b>		17,593		-34%
Revenue per job	<b>24,633</b>		21,144		17%

### Notes:

\* see first page of this report

For the nine months ended September 30, 2009, revenue decreased 24% and job count decreased 34% compared to the same period in 2008. These decreases can be attributed to lower industry activity as the average number of active drilling rigs decreased by 46% over the period. Average revenue per job increased 17% due to larger fracturing jobs performed in unconventional oil and gas plays. This increase was partially offset by higher discounts as reduced industry activity continues to place downward pressure on pricing.

As a percentage of revenue, materials and operating expenses increased to 83% from 75% compared to the same period in 2008. The increase was due to higher discounts and reduced operating leverage on our fixed cost structure. These increases were partially offset by cost control measures implemented throughout 2009 and lower fuel costs.

## RUSSIAN OPERATIONS

Nine months ended Sept. 30, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year- Over -Year Change
<b>Revenue</b>	<b>182,587</b>		215,706		-15%
<b>Expenses</b>					
Materials and operating	<b>142,983</b>	<b>78.3%</b>	180,064	83.5%	-21%
General and administrative	<b>7,255</b>	<b>4.0%</b>	5,321	2.5%	36%
Total expenses	<b>150,238</b>	<b>82.3%</b>	185,385	85.9%	-19%
Operating income*	<b>32,349</b>	<b>17.7%</b>	30,321	14.1%	7%
Number of jobs**	<b>2,780</b>		2,575		8%
Revenue per job**	<b>63,562</b>		83,433		-24%

### Notes:

\* see first page of this report

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

The revenue decrease of 15% can be attributed to an 18% weakening of the average ruble exchange rate during the nine months ended September 30, 2009 compared to the same period in 2008. An 8% increase in job count was a result of a higher number of coiled tubing and nitrogen jobs partially offset by a reduction in fracturing and cementing work. The devaluation of the ruble, a lower proportion of fracturing jobs and smaller job sizes in part caused by customer mix changes, led to the 24% decrease in revenue per job.

Materials and operating costs have declined as a percentage of revenue due to cost control programs implemented in 2008, which resulted in significantly lower headcount and lower raw material costs, as well as a reduction in fuel prices. General and administrative costs have increased because of an increase in the bad debt provision.

## UNITED STATES OPERATIONS

Nine months ended Sept. 30, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year- Over -Year Change
<b>Revenue</b>	<b>120,665</b>		98,195		23%
<b>Expenses</b>					
Materials and operating	<b>117,541</b>	<b>97.4%</b>	78,147	79.6%	50%
General and administrative	<b>7,257</b>	<b>6.0%</b>	7,735	7.9%	-6%
Total expenses	<b>124,798</b>	<b>103.4%</b>	85,882	87.5%	45%
Operating income / (loss)*	<b>(4,133)</b>	<b>-3.4%</b>	12,313	12.5%	-134%
Number of jobs	<b>1,358</b>		1,043		30%
Revenue per job	<b>88,978</b>		94,151		-5%

### Notes:

\* see first page of this report

US revenue increased by 23% for the nine months ending September 30, 2009 compared to the same period in 2008. The majority of the increase can be attributed to a 13% strengthening of the average US dollar exchange rate for the nine months ending September 30, 2009 compared to 2008. Also contributing to the increase were sand supply issues that reduced activity in the early part of 2008 and expansion of our acidizing, cementing and nitrogen service lines. Revenue per job decreased 18% in US dollar terms due to the increase in discounts experienced in 2009. This decrease was partially offset by the impact of the strengthening US dollar resulting in a net decrease of 5% in Canadian dollar terms.

Materials and operating costs as a percentage of revenue increased because of higher discounts offered to customers. The margin contraction resulting from increased discounts was partially offset by cost savings generated by our cost control initiatives. General and administrative expenses decreased by only \$0.5 million in Canadian dollar terms but by \$1.5 million or 19% in US dollar terms. This decrease reflects cost control initiatives implemented throughout 2009.

## CORPORATE DIVISION

Nine months ended Sept. 30, (\$ thousands, unaudited)	2009	% of Revenue	2008	% of Revenue	Year- Over -Year Change
<b>Expenses</b>					
Materials and operating	6,021	1.0%	5,377	0.8%	12%
General and administrative	10,994	1.9%	9,089	1.3%	21%
Total expenses	17,015	2.9%	14,466	2.1%	18%
Operating loss*	(17,015)		(14,466)		18%

### Notes:

\* see first page of this report

Corporate Division expenses increased \$2.5 million compared to last year due to an increase in deferred share unit expenses and professional fees.

## OTHER EXPENSES AND INCOME

Interest expense decreased \$3.5 million relative to the comparable period in 2008 as a result of lower average debt balances and lower interest rates on consolidated debt facilities.

Depreciation and amortization increased by \$6.8 million compared to 2008. The majority of this increase was in the US, where depreciation and amortization rose because of a 15% increase in the average value of the US dollar combined with the addition of equipment and operations facilities in all of our operating regions within the last year. The increase was partially offset by a \$1.8 million reduction in Canadian depreciation due to equipment that was temporarily removed from service.

Foreign exchange losses were \$5.6 million for the nine months ended September 30, 2009. Gains on our net US dollar asset position were more than offset by losses on our net ruble assets as the ruble has weakened by 16% during 2009.

Other losses are primarily comprised of a \$6.2 million payment made on the settlement of a patent infringement lawsuit and a one-time write-off of \$0.8 million in leasehold improvements from a facility leased by our US operations. These were partially offset by \$6.0 million received on a loan from an unrelated third party.

## INCOME TAXES

An income tax recovery of \$17.7 million was recorded for the nine months ended September 30, 2009 compared to an income tax expense of \$10.6 million for the same period in 2008. The decrease in tax expense is largely attributable to lower earnings.

## **OTHER COMPREHENSIVE INCOME**

The consolidated statement of other comprehensive income for the first nine months of 2009 includes \$50.8 million in unrealized losses on translating the financial statements of our self-sustaining foreign operations. The change related to translating the net assets of our US and Russian operations using the current rate method, given that the subsidiaries are considered self-sustaining for Canadian GAAP purposes. From December 31, 2008 to September 30, 2009 the Canadian dollar spot rate increased by 14% and 16% against the US dollar and the Russian ruble, respectively. This decreased the value of our net asset position in these subsidiaries in Canadian dollar terms.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Operating Activities**

Funds provided by operations during the quarter was \$13.6 million compared to \$54.9 million in the third quarter of last year. This decrease was primarily a result of lower earnings.

### **Investing Activities**

Capital expenditures for the quarter totaled \$9.0 million compared with \$28.7 million for the same period in 2008. The majority of this investment was in equipment and infrastructure within our Russian region.

\$1.4 million was paid during the first quarter to the existing shareholder of R-Can Services Limited (R-Can) to increase Trican's ownership interest in R-Can by 0.6% to 99.4%. R-Can holds the investment in the Company's Russian operations. We also paid \$1.5 million in cash and issued 50,852 shares to the former owners of CBM Solutions relating to deferred and contingent payments.

At September 30, 2009, we had certain ongoing capital projects and estimate that \$21.1 million of additional investment will be required to complete them.

### **Financing Activities**

At September 30, 2009 we have \$134.6 million of available debt under our existing facilities.

During 2009, our debt balances have decreased by \$87.5 million due primarily to \$68.2 million in payments made on our long-term debt and bank loan facilities. The remaining \$19.3 million decrease was caused by the devaluation of the US dollar.

At September 30, 2009, Trican is in compliance with all financial and non-financial covenants associated with all existing debt facilities.

As at November 9, 2009, Trican had 125,638,669 common shares and 6,198,560 employee stock options outstanding.

## **BUSINESS RISKS**

A complete discussion of business risks faced by Trican may be found under the "Risk Factors" section of our Annual Information Form dated March 31, 2009, which is available under Trican's profile at [www.sedar.com](http://www.sedar.com).

## **CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING DURING THIRD QUARTER 2009**

There have been no changes in Trican's internal controls over financial reporting during the period ended September 30, 2009 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

## **INTERNATIONAL FINANCIAL REPORTING STANDARDS UPDATE FOR THE THIRD QUARTER 2009**

The Canadian Accounting Standards Board has confirmed that use of International Financial Reporting Standards (IFRS) will be required for years beginning on or after January 1, 2011 for profit-oriented publicly accountable entities. Trican has developed a project plan to complete the transition to IFRS by January 1, 2011, including the preparation of required comparative information.

The project plan consists of three phases: impact assessment, detailed assessment and design, and implementation. We have completed the impact assessment phase, which included:

- Developing a detailed conversion timeline
- Assessing resource and training needs
- Identifying differences between Canadian GAAP and IFRS that have the greatest potential impact to Trican considering the most significant impact on the financial statements and greatest risk in terms of complexity to implement; such areas identified to date include property & equipment, impairment testing, financial statement disclosures and stock based compensation
- Assessing the impact on Trican's IT systems

We have made progress on the detailed assessment and design phase focusing on the key areas listed above. Regular progress reports are provided to key management and the Audit Committee.

To date we have:

- Drafted a template for full IFRS financial statements, including draft IFRS accounting policies applicable to Trican
- Carried out a detailed assessment of significant components of our property and equipment and created a componentized model for use on transition
- Analyzed accounting policy alternatives and implementation options including the first time adoption exemptions detailed in IFRS 1
- Designed a new method for tracking share-based payments under IFRS and calculated initial transition accounting entries

We expect to complete the detailed assessment and design phase of the project during the remainder of 2009. This phase will require further comprehensive analysis of the impact of all differences identified in the initial scoping assessment.

During the implementation phase, we will execute the required changes to business processes, financial systems, accounting policies and internal controls over financial reporting.

We will continue to monitor our IFRS changeover plan and make the necessary modifications to reflect new and amended accounting standards issued by the International Accounting Standards Board. We will also participate with our peers in any related industry initiatives as appropriate.

At this time, the impact of the transition to IFRS on Trican's financial statements is not reasonably determinable.

## **OUTLOOK**

North American natural gas prices have been depressed during 2009 as a result of an increase in supply from shale gas resource plays and a significant decrease in natural gas demand. We expect that accelerating North American production decline in the coming months will help rebalance the current oversupply of natural gas. However, we believe that a combination of a meaningful production declines, increased broad economic demand and a typical winter withdrawal will be required to significantly drawdown the current record gas storage levels and support higher natural gas prices. It remains to be seen whether all three of these factors will come together and result in a sustained increase in natural gas prices.

Oil prices during most of 2009 have been healthier for the industry and have supported a decent level of activity in oil-focused regions in the world. Crude oil supply and demand fundamentals are in better balance than the North American natural gas market and as a result, we expect oil prices to continue to be supported in the US\$70 to US\$80 per barrel range. We anticipate this range of oil prices to result in oil-focused exploration and production (E&P) companies maintaining or modestly increasing their current expenditure levels.

The Canadian rig count significantly increased during the third quarter from the usual seasonal lows experienced during the second quarter. That being said, the rig count remains at historically low seasonal levels – the 2009 third quarter rig count was 56% below the 2008 third quarter. This decrease reflects the current state of North American natural gas prices. The sequential increase in activity combined with an increase in horizontal fracturing during the third quarter appears to be leveling the pricing for our services. However, we do not expect a meaningful increase in pricing to occur until we see a sustained increase in natural gas prices and corresponding growth in industry activity. We are not anticipating these factors to materialize until mid-2010 at the earliest. Some positive signs for Canadian industry activity have recently emerged including the rising spot price for natural gas, a recent increase in the amount of capital raised by E&P companies and an increase in oil-directed activity. These factors, combined with the continued growth of horizontal fracturing in unconventional resource plays, tight gas zones and oil reservoirs are supporting our expectation of a small sequential increase in activity and revenue resulting in a modest improvement in operating income over the next two quarters. We believe our customers are searching for more signs that the gas price increase will be sustainable before they will meaningfully increase their gas-directed budgets. We therefore expect the increase in oilfield service activity to remain slow moving in the near future.

The US market continues to be hampered by the reduction in industry activity and an oversupply of equipment resulting in a highly competitive marketplace. The US rig count has increased approximately 20% since the low set during the second quarter and is now over 1,000 rigs in operation. The number of oil rigs operating has increased 80%, while gas rigs have increased only 6%. In addition, the number of horizontal rigs in operation has increased approximately 30% which should positively impact demand for pressure pumping. As a result of the activity increase, pricing has stabilized; however, the increase has not been sufficient to meaningfully increase pricing. We expect the US rig count to continue its slow increase, which should modestly improve the weak US pricing environment and result in a gradual improvement in operating income in the near term. A reduction in the number of competitors and/or the amount of equipment servicing the US market is necessary to significantly improve financial results in the near term.

The positive third quarter financial results recorded by our Russian operations reflects the oil focus of our Russian customers and our success during the 2009 contract season. During the quarter, we experienced increased activity from existing clients and we secured additional work from new customers. The strong activity levels seen during the third quarter have continued into the beginning of the fourth quarter; however, we expect typical seasonal reductions in activity during the second half of the fourth quarter. We also expect some of our customers to complete their 2009 capital budgets prior to the end of the year. As a result, we are expecting a small sequential quarterly decrease in activity during the fourth quarter, with operating income margins similar to margins recorded during the first three quarters of the year. We are currently in the middle of the tendering process for 2010. Early indications are that overall industry activity is expected to increase, although the impact of this increase on our operations remains to be seen as the Russian market remains well serviced and competitive. We expect the majority of the Russian tenders to be awarded by the end of December, which should provide more clarity on the 2010 outlook for our Russian operations.

2009 has been a very challenging year for the industry. Like most companies, Trican has felt the impact of the recession. Our strong market positions in each of our geographic regions, our focus on our customers' needs and our continued emphasis on prudent financial management has allowed us to weather the impact of the economic downturn to date. We believe these attributes will continue to serve the company well and we remain optimistic that Trican will be in a stronger market position as the industry continues to recover from the bottom of the current economic cycle.

#### Summary of Quarterly Results (\$ millions, except per share amounts; unaudited)

	2009			2008				2007
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue	188.4	136.3	266.9	322.8	286.7	162.3	244.2	195.8
Net income / (loss)	(7.4)	(25.5)	9.6	(95.3)	18.1	(14.4)	21.2	18.2
Earnings / (loss) per share								
Basic	(0.06)	(0.20)	0.08	(0.76)	0.14	(0.12)	0.16	0.15
Diluted	(0.06)	(0.20)	0.08	(0.76)	0.14	(0.12)	0.16	0.15

#### NON-GAAP DISCLOSURE

Net income / (loss) before stock-based compensation does not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other issuers. The following is a reconciliation of net income / (loss) before stock-based compensation, as used in this report, to net income, being the most directly comparable measure calculated in accordance with GAAP. The reconciling items have been presented net of tax.

	Three months ended Sept. 30, 2009	Three months ended Sept. 30, 2008	Nine months ended Sept. 30, 2009	Nine months ended Sept. 30, 2008
(\$ thousands, unaudited)				
Net income (loss) before stock-based compensation	(5,355)	20,788	(15,466)	33,639
Deduct:				
Stock- based compensation expense	2,032	2,734	7,748	8,739
<b>Net (loss) / income (GAAP financial measure)</b>	<b>(7,387)</b>	<b>18,054</b>	<b>(23,214)</b>	<b>24,900</b>



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

#### **FORWARD-LOOKING STATEMENTS**

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

- anticipated savings associated with our cost cutting efforts with respect to our Canadian operations;
- anticipated savings associated with our cost cutting efforts with respect to our U.S. operations;
- expectations as to our continued monitoring of pricing levels in an effort to balance long term growth objectives with short term operating results;
- estimates of additional investment required to complete ongoing capital projects;
- expected timing for completion of the assessment and design phase of our project plan for transition to IFRS;
- expectations with respect to changes to be made during the implementation phase of our project plan for transition to IFRS;
- expectations with respect to continued monitoring of changes in accounting standards relating to our IFRS changeover plan and participation with our peers in any related industry initiatives;
- expectations as the effect of natural gas production declines in North America on natural gas prices;
- the anticipated required market conditions to support higher natural gas prices;
- projections of oil and gas commodity prices and industry activity levels;
- expectations as to pricing for our services;
- anticipated timing for improved market conditions;
- anticipated increase in demand for our pressure pumping services in the US;
- anticipated future operating income;
- anticipated required market conditions to improve our financial results with respect to our US operations;
- expectations as to timing of completion of our customers’ capital budgets and the anticipated effect on industry activity;

- expectations with respect to timing for the awards of Russian tenders;
- expectations with respect to successful implementation and market acceptance of technological developments; and
- expectations as to our future market position in the industry.

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

Forward-looking statements are subject to a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks and uncertainties include: fluctuating prices for crude oil and natural gas; changes in drilling activity; general global economic, political and business conditions; weather conditions; regulatory changes; the successful exploitation and integration of technology; customer acceptance of technology; success in obtaining issued patents; the potential development of competing technologies by market competitors; and availability of products, qualified personnel, manufacturing capacity and raw materials. In addition, actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth under the section entitled "Risk Factors" in the Annual Information Form of the Company dated March 27, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## CONSOLIDATED BALANCE SHEETS

	September 30, 2009	(restated - note 1) December 31, 2008
(Stated in thousands of dollars; unaudited)		
<b>ASSETS</b>		
Current assets		
Cash and short-term deposits	\$ 23,651	\$ 56,281
Accounts receivable	168,189	231,636
Income taxes recoverable	-	12,599
Inventory	88,656	107,831
Prepaid expenses	15,088	20,062
	<b>295,584</b>	428,409
Property and equipment	550,507	632,041
Intangible assets	30,203	38,543
Future income tax assets	99,034	86,206
Other assets	9,877	11,221
Goodwill (note 3)	36,916	35,556
	<b>\$ 1,022,121</b>	\$ 1,231,976
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities		
Bank loans (note 5)	\$ 29,002	\$ 61,230
Accounts payable and accrued liabilities	84,954	117,450
Deferred consideration	1,873	1,572
Dividend payable	-	6,278
Current income taxes payable	12,824	-
Current portion of capital lease obligations	412	-
	<b>129,065</b>	186,530
Long-term debt (note 6)	187,220	242,460
Capital lease obligations	755	-
Future income tax liabilities	58,251	82,036
Deferred consideration	-	1,572
Non-controlling interest (note 3)	337	801
Shareholders' equity		
Share capital (note 4)	246,854	246,357
Contributed surplus	26,331	18,584
Retained earnings	432,816	462,312
Accumulated other comprehensive income	(59,508)	(8,676)
	<b>646,493</b>	718,577
	<b>\$ 1,022,121</b>	\$ 1,231,976

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED STATEMENTS OF OPERATIONS

(Stated in thousands, except per share amounts; unaudited)	Three Months Ended Sept. 30, 2009	Three Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2009	Nine Months Ended Sept. 30, 2008
<b>Revenue</b>	\$ 188,437	\$ 286,737	\$ 591,626	\$ 693,261
<b>Expenses</b>				
Materials and operating	155,504	214,333	506,823	547,589
General and administrative	13,039	12,122	39,506	37,099
<b>Operating income</b>	<b>19,894</b>	60,282	<b>45,297</b>	108,573
Interest expense on long-term debt and bank loans	2,252	4,272	7,953	11,459
Depreciation and amortization	23,975	23,773	72,033	65,226
Foreign exchange loss	1,057	7,639	5,571	381
Other expense / (income)	4,357	(2,140)	810	(4,082)
Income / (loss) before income taxes and non-controlling interest	(11,747)	26,738	(41,070)	35,589
Provision for / (recovery of) current income taxes	(757)	6,047	25,855	22,788
Provision for / (recovery of) future income taxes	(3,617)	2,641	(43,556)	(12,161)
Income / (loss) before non-controlling interest	(7,373)	18,050	(23,369)	24,962
Non-controlling interest	14	(4)	(155)	62
<b>Net income / (loss)</b>	<b>\$ (7,387)</b>	\$ 18,054	<b>\$ (23,214)</b>	\$ 24,900
Earnings / (loss) per share				
Basic	\$ (0.06)	\$ 0.14	\$ (0.18)	\$ 0.20
Diluted	\$ (0.06)	\$ 0.14	\$ (0.18)	\$ 0.20
Dividend per share	\$ -	\$ -	\$ 0.05	\$ 0.05
Weighted average shares outstanding - basic	125,638	125,491	125,608	124,448
Weighted average shares outstanding - diluted	125,638	125,978	125,608	125,281

## CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

(Stated in thousands of dollars; unaudited)	Three Months Ended Sept. 30, 2009	Three Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2009	Nine Months Ended Sept. 30, 2008
<b>Net Income / (Loss)</b>	<b>\$ (7,387)</b>	\$ 18,054	<b>\$ (23,214)</b>	\$ 24,900
Other comprehensive income				
Unrealized gains / (losses) on translating financial statements of self-sustaining foreign operations	(17,473)	8,723	(50,832)	22,224
<b>Other comprehensive income</b>	<b>\$ (24,860)</b>	\$ 26,777	<b>\$ (74,046)</b>	\$ 47,124

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

(Stated in thousands of dollars; unaudited)	Three Months Ended Sept. 30, 2009	Three Months Ended Sept. 30, 2008	Nine Months Ended Sept. 30, 2009	Nine Months Ended Sept. 30, 2008
Retained earnings, beginning of period	\$ 440,203	\$ 546,798	\$ 462,312	\$ 546,211
Dividend	-	-	(6,282)	(6,259)
Net income / (loss)	(7,387)	18,054	(23,214)	24,900
<b>Retained earnings, end of period</b>	<b>\$ 432,816</b>	\$ 564,852	<b>\$ 432,816</b>	\$ 564,852
Accumulated other comprehensive income, beginning of period	\$ (42,035)	\$ (65,881)	\$ (8,676)	\$ (79,382)
Unrealized losses on translating financial statements of self-sustaining foreign operations	(17,473)	8,723	(50,832)	22,224
<b>Accumulated other comprehensive income, end of period</b>	<b>\$ (59,508)</b>	\$ (57,158)	<b>\$ (59,508)</b>	\$ (57,158)

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENTS

(Stated in thousands of dollars; unaudited)	<b>Three Months Ended Sept. 30, 2009</b>	Three Months Ended Sept. 30, 2008	<b>Nine Months Ended Sept. 30, 2009</b>	Nine Months Ended Sept. 30, 2008
Cash Provided By / (Used In):				
<b>Operations</b>				
Net income / (loss)	\$ (7,387)	\$ 18,054	\$ (23,214)	\$ 24,900
Charges to income not involving cash:				
Depreciation and amortization	23,975	23,773	72,033	65,226
Future income tax provision / (recovery)	(3,617)	2,641	(43,556)	(12,161)
Non-controlling interest	14	(4)	(155)	62
Stock-based compensation	2,032	2,734	7,748	8,739
(Gain) / loss on disposal of property and equipment	(266)	30	306	42
(Gain) / loss on revaluation of deferred consideration	189	(555)	(104)	(555)
Unrealized foreign exchange loss	155	8,222	4,248	1,006
Recovery on writedown of other assets	(1,468)	-	(5,977)	-
Funds provided by operations	13,627	54,895	11,329	87,259
Net change in non-cash working capital from operations	(20,869)	(45,742)	64,569	(72,135)
Net cash provided by operating activities	(7,242)	9,153	75,898	15,124
<b>Investing</b>				
Purchase of property and equipment	(11,064)	(28,740)	(31,667)	(96,678)
Proceeds from the sale of property and equipment	571	165	2,100	287
Purchase of other assets	-	-	-	(1,319)
Issuance of loan to unrelated third party	-	(678)	-	(13,639)
Payments received on loan to unrelated third party	1,468	-	5,977	-
Business acquisitions	-	(13,183)	(1,670)	(23,636)
Net change in non-cash working capital from investing activities	(578)	950	(2,665)	3,008
	(9,603)	(41,486)	(27,925)	(131,977)
<b>Financing</b>				
Net proceeds from issuance of share capital	90	5,604	497	34,746
(Repayment) / issuance of bank loans	-	-	(28,280)	89,416
Issuance of long-term debt	-	34,543	-	-
Repayment of long-term debt	-	-	(40,000)	-
Partnership distribution	-	-	-	(1,046)
Dividend paid	(6,282)	(6,259)	(12,560)	(12,382)
	(6,192)	33,888	(80,343)	110,734
<b>Effect of exchange rate changes on cash</b>	<b>341</b>	155	<b>(260)</b>	349
Increase / (decrease) in cash and short-term deposits	(22,696)	1,710	(32,630)	(5,770)
Cash and short-term deposits, beginning of period	46,347	15,890	56,281	23,370
Cash and short-term deposits, end of period	\$ 23,651	\$ 17,600	\$ 23,651	\$ 17,600
Supplemental information				
Income taxes paid	1,612	5,905	13,031	23,711
Interest paid	5,776	4,272	15,513	9,939

See accompanying notes to the consolidated financial statements.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three and Nine Months Ended September 30, 2009 (Unaudited)

The Company's interim financial statements do not conform in all respects to the requirements of generally accepted accounting principles for annual financial statements. The Company's interim financial statements should be read in conjunction with the most recent annual financial statements. The Company's interim financial statements follow the same accounting policies and methods of their application as of the most recent annual financial statements, except where any change has been noted in the interim financial statements.

The Company's Canadian operations and to a lesser extent Russian operations 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 – ACCOUNTING POLICIES

#### Accounting Policies Changes

##### *Goodwill and Intangible Assets*

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

#### Accounting Standards Pending Adoption

##### *International Financial Reporting Standards (IFRS)*

In February 2008, the Canadian Accounting Standards Board confirmed that effective January 1, 2011, all publicly accountable enterprises will be required to report under IFRS as issued by the International Accounting Standards Board (IASB). On January 1, 2011, these standards will apply to the Company. The impact of IFRS on the Company's financial statements is not determinable at this time.

##### *Business Combinations, Consolidated Financial Statements and Non-controlling interests*

Effective January 1, 2011, these Canadian accounting standards will amend previously existing standards on accounting for and reporting business acquisitions and non-controlling interests. The new standards change the recognition of assets and liabilities in purchase price allocations and require expensing of certain acquisition related costs. The impact of these standards on the Company's financial statements will depend on the nature of any future acquisitions.

## Financial Instruments – Disclosures

In May 2009, the CICA amended Section 3862, “Financial Instruments – Disclosures” to enhance disclosures around fair value measures. Items measured at fair value are required to be placed into one of three categories being: Level 1 – fair value determined from quoted prices (i.e. shares of a public entity); Level 2 – fair value determined principally from quoted prices (i.e. fair value of non-traded derivative contracts); and Level 3 – fair value not based on observable market data (i.e. fair value of credit facilities). These amendments are effective for Trican on December 31, 2009.

## NOTE 2 – SEGMENTED INFORMATION

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

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

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

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

(Stated in thousands)	Canadian Operations	Russian Operations	United States Operations	Corporate	Total
<b>Three months ended September 30, 2009</b>					
Revenue	\$ 91,651	\$ 63,733	\$ 33,053	\$ -	188,437
Operating income / (loss)	17,493	13,288	(4,534)	(6,353)	19,894
Interest expense	-	-	-	2,252	2,252
Depreciation and amortization	8,860	5,966	9,143	6	23,975
Assets	424,737	238,200	309,562	49,622	1,022,121
Goodwill	22,690	14,226	-	-	36,916
Property and equipment	290,990	101,748	156,997	772	550,507
Capital expenditures	3,049	5,378	2,114	523	11,064
<b>Three months ended September 30, 2008</b>					
Revenue	\$ 158,766	\$ 80,331	\$ 47,640	\$ -	\$ 286,737
Operating income / (loss)	42,601	15,832	6,110	(4,261)	60,282
Interest expense	-	-	-	4,272	4,272
Depreciation and amortization	10,896	6,748	6,090	39	23,773
Assets	513,489	287,337	407,629	41,327	1,249,782
Goodwill	22,436	13,120	155,594	-	191,150
Property and equipment	304,943	122,828	175,361	71	603,203
Capital expenditures	14,972	3,601	10,167	-	28,740
Goodwill expenditures	-	-	7,134	-	7,134

The corporate division incurred an operating loss of \$6.4 million (2008 - \$4.3 million) of which 96% (2008 - 94%) was incurred in Canada as this is where corporate head office is located.

(Stated in thousands)	Canadian Operations	Russian Operations	United States Operations	Corporate	Total
<b>Nine months ended September 30, 2009</b>					
Revenue	\$ 288,374	\$ 182,587	\$ 120,665	\$ -	591,626
Operating income / (loss)	34,096	32,349	(4,133)	(17,015)	45,297
Interest expense	-	-	-	7,953	7,953
Depreciation and amortization	27,227	17,815	26,972	19	72,033
Capital expenditures	12,369	12,790	5,785	723	31,667
Goodwill expenditures	254	1,106	-	-	1,360
<b>Nine months ended September 30, 2008</b>					
Revenue	\$ 379,360	\$ 215,706	\$ 98,195	\$ -	\$ 693,261
Operating income / (loss)	80,405	30,321	12,313	(14,466)	108,573
Interest expense	-	-	-	11,459	11,459
Depreciation and amortization	30,758	17,805	16,550	113	65,226
Capital expenditures	36,843	22,355	37,310	170	96,678
Goodwill expenditures	301	2,988	10,613	-	13,902

The corporate division incurred an operating loss of \$17.0 million (2008 - \$14.5 million) of which 95% (2008 - 95%) was incurred in Canada as this is where corporate head office is located.

Canadian operations include \$29.4 million of property and equipment that was not depreciated during the third quarter of 2009.

### NOTE 3 - ACQUISITIONS

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

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

### NOTE 4 - SHARE CAPITAL

Authorized:

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

#### Issued and Outstanding - Common Shares:

(stated in thousands, except share amounts)	Number of Shares	Amount
<b>Balance, December 31, 2008</b>	<b>125,562,767</b>	<b>\$ 246,357</b>
Issuance out of treasury, net of share issuance costs	50,852	352
Exercise of stock options	25,050	145
<b>Balance, September 30, 2009</b>	<b>125,638,669</b>	<b>\$ 246,854</b>

The shares issued out of treasury relate to the deferred consideration on the CBM Solutions Ltd. acquisition.



The securities convertible into common shares of the Company are as follows:

	<b>September 30, 2009</b>	December 31, 2008
<b>Securities convertible into common shares:</b>		
Employee stock options	<b>6,326,740</b>	9,303,132

#### **NOTE 5 - BANK LOANS**

<b>(Stated in thousands)</b>	<b>September 30, 2009</b>	December 31, 2008
Demand revolving facilities:		
US \$30 million held by US subsidiary	<b>23,588</b>	36,738
US \$20 million held by Russian subsidiary	<b>5,414</b>	24,492
\$35 million held in Canada	-	-
	<b>\$ 29,002</b>	\$ 61,230

#### **NOTE 6 - LONG-TERM DEBT**

<b>(Stated in thousands)</b>	<b>September 30, 2009</b>	December 31, 2008
Notes payable	<b>\$ 107,220</b>	\$ 122,460
Equipment and acquisition loan	<b>80,000</b>	120,000
\$35 million EDC loan	-	-
	<b>\$ 187,220</b>	\$ 242,460

At September 30, 2009, the Company had \$40.0 million of additional financing available under the equipment and acquisition loan facility.

During the prior quarter, the Company obtained a \$35.0 million credit facility with Export Development Canada (EDC). The facility bears interest at CAD-BA-CDOR, LIBOR or EURIBOR plus 250 to 350 basis points, dependant on certain financial ratios of the Company. The facility is unsecured and is subject to financial and non-financial covenants that are typical for this type of arrangement. At September 30, 2009, this facility had not been utilized.

#### **NOTE 7 - INCOME TAXES**

<b>(Stated in thousands)</b>	<b>September 30, 2009</b>	Sept. 30, 2008
<b>Nine months ended</b>		
Provision for current income taxes	<b>\$ 25,855</b>	\$ 22,788
Provision for future income taxes	<b>(43,556)</b>	(12,161)
	<b>\$ (17,701)</b>	\$ 10,627

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

Nine months ended	<b>September 30, 2009</b>	Sept. 30, 2008
Expected combined federal and provincial income tax	<b>\$ (11,997)</b>	\$ 10,588
Statutory and other rate differences	<b>(8,270)</b>	(6,206)
Non-deductible expenses	<b>3,426</b>	4,288
Translation of foreign subsidiaries	<b>(1,162)</b>	1,555
Future income tax rate reduction	<b>(430)</b>	(535)
Capital and other foreign tax	<b>579</b>	627
Other	<b>153</b>	310
	<b>\$ (17,071)</b>	\$ 10,627

## CORPORATE INFORMATION

### Board of Directors

**Kenneth M. Bagan (1) (2)**

President and Chief Executive Officer  
Enerchem International Inc.

**G. Allen Brooks (1) (3)**

President  
G. Allen Brooks, LLC

**Gary R. Bugeaud (3)**

Partner, Burnet, Duckworth & Palmer LLP

**Gary L. Warren (2) (3)**

Independent Businessman

**Murray L. Cobbe**

Chairman

**Donald R. Luft**

President and Chief Operating Officer

**Kevin Nugent (1)**

President  
Livingstone Energy Management Ltd.

**Douglas F. Robinson (2) (3)**

Independent Businessman

### Officers

**Dale M. Dusterhoft**

Chief Executive Officer

**Donald R. Luft**

President and Chief Operating Officer

**Michael G. Kelly, C.A.**

Senior Vice President,  
Corporate Development

**David L. Charlton**

Vice President, Sales and Marketing

**Bonita M. Croft**

Vice President, Legal, General Counsel  
and Corporate Secretary

**Michael A. Baldwin, C.A.**

Vice President, Finance and  
Chief Financial Officer

**Jeromie J. Kufflick, C.A.**

Corporate Controller

(1) Member of the Audit Committee

(2) Member of the Compensation Committee

(3) Member of the Corporate Government Committee

### Corporate Office

Trican Well Service Ltd.  
2900, 645 – 7th Avenue S.W.  
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  
HSBC Bank Canada  
Calgary, AB

### 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:

**Dale M. Dusterhoft**

Chief Executive Officer

**Michael A. Baldwin, C.A.**

Vice President, Finance and  
Chief Financial Officer