



# NEWS RELEASE

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## **High Arctic Corporate Update**

**Red Deer, Canada – June 15, 2009** – High Arctic Energy Services Inc. (TSX: HWO) (“High Arctic” or the “Corporation”) today announced that it is in continued discussions with its lenders with respect to further extensions of its credit facilities. As announced on May 1, 2009, the Corporation had received an extension of the maturity date of its senior facilities until June 12, 2009. The June 12th date was selected with the hope that it would allow sufficient time to complete the sale of High Arctic’s interest in the Optimal joint venture. The proceeds of the sale will go to reduce debt, which will have a material impact on setting the debt covenants and repayment obligations going forward.

High Arctic believes it is still on track to complete the Optimal sale and has been working with the purchaser to complete the definitive sale agreements and to ensure compliance with the requirements of the relevant foreign jurisdictions, including Mexico. However, a corporation controlled by the former Chief Executive Officer of the Corporation, Mr. Jed Wood, has asserted that it has a security interest over High Arctic’s Optimal interest that was registered as part of a \$2 million loan advanced by that corporation to High Arctic in October 2007. High Arctic does not agree that the particular legal entity holding the Optimal interest has ever granted or agreed to grant security to Mr. Wood’s corporation. High Arctic and its lenders are actively reviewing options to resolve the matter as expeditiously as possible.

Mr. Wood has also commenced a legal action against High Arctic to collect a second \$2 million loan that purportedly was made by him personally in January 2007. The Corporation is defending that action on several grounds, including that the loan is subject to the subordination agreement signed by Mr. Wood’s corporation with the senior lenders. The Corporation believes it has made an adequate accrual in its financial statements, the particulars of which are noted in the March 31, 2009 financial statements, for any amounts owing to Mr. Wood and his corporation.

The Corporation hopes that it can resolve these issues in a manner that balances the interests of all of its lenders. Additional press releases will be issued by the Corporation as material events occur with respect to the above mentioned issues.

### **Forward-Looking Statements**

This news release may contain forward-looking statements relating to expected future events and financial and operating results of the Corporation that involve risks and uncertainties. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including market and general economic conditions and the risks and uncertainties detailed in the Corporation’s Management Discussion and Analysis for the year ended December 31, 2008 and in High Arctic’s Annual Information Form for the year ended December 31, 2008 and High Arctic’s Information Circular dated April 6, 2009, all found on SEDAR ([www.sedar.com](http://www.sedar.com)). Due to the potential impact of these factors, the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.



**HIGH ARCTIC**  
ENERGY SERVICES

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## **About High Arctic**

The Corporation, through its subsidiaries, is a global provider of specialized oilfield equipment and services, including drilling, completion and workover operations. Based in Red Deer, High Arctic has domestic operations primarily in Alberta, British Columbia and the Northwest Territories. International operations are currently active in Mexico and Asia.

## **Further Information:**

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The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.