

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

FOR IMMEDIATE RELEASE: February 22, 2010

Western Energy Services Corp. Announces Private Company Acquisitions and Financing Update

CALGARY, ALBERTA – Further to its press release of December 23, 2009, whereby Western Energy Services Corp. (“Western” or the “Company”) (TSXV: WRG) announced a capital restructuring, a new management team, a new board of directors and a corporate strategy of taking steps to consolidate certain sectors of the Canadian energy services market, Western hereby provides an update of certain of its activities since that time.

Western announces that it has entered into two separate non-binding letters of intent to acquire all of the issued and outstanding shares of two separate privately held companies, each of which owns and operates oil and gas drilling rigs for a total purchase price of approximately \$84.1 million including the assumption of debt (the “Proposed Acquisitions”).

Under the terms of the non-binding letter of intent with one of the private companies (“PrivateCo #1”), Western is required to offer cash consideration for all of PrivateCo #1’s outstanding shares. Under the terms of the non-binding letter of intent with the other private company (“PrivateCo #2”), Western is required to offer shares of Western as consideration for all of PrivateCo #2’s outstanding shares.

As any binding agreement which would be entered into with respect to the acquisition of PrivateCo #1 would be subject to Western raising adequate financing, Western hired Cormark Securities Inc. and Raymond James Limited as co-advisors (the “Advisors”) to identify financing alternatives in relation to the Proposed Acquisitions. Through this process, the Advisors and Western have met, subject to the provision of confidentiality agreements, 58 institutional investors in North America over a two week period to assess interest from such investors in a potential private placement financing by Western. These meetings have resulted in firm interest in Western’s common shares in an amount sufficient to complete both acquisitions and to maintain a strong pro forma balance sheet. However, the price at which those prospective institutional investors have indicated an interest in completing a proposed private placement is outside the permitted discount to market price allowed by the rules of the TSX Venture Exchange (“TSXV”) in the context of a private placement, therefore, at this time a private placement offering may not proceed on this basis.

Western formally requested the TSXV provide discretionary relief from its policies in order to allow a private placement issuance of Western’s common shares at approximately \$0.20 per share. The TSXV did not approve such request. As such, neither of the Proposed Acquisitions can proceed at this time and Western is examining alternatives in order to determine how to proceed with its previously stated objectives.

FORWARD-LOOKING INFORMATION

This press release contains certain statements or disclosures relating to the Company that are based on the expectations of the Company as well as assumptions made by and information currently available to the Company which may constitute forward-looking information under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Company anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as “forecast”, “future”, “may”, “will”, “expect”, “anticipate”, “believe”, “potential”, “enable”, “plan”, “continue”, “contemplate”, “pro-forma”, or other comparable terminology.

In particular, this press release makes reference to non-binding letters of intent to acquire shares of certain unnamed private corporations and also makes reference to a possible private placement financing. Readers are cautioned that certain conditions must be met before any of the foregoing transactions can proceed. Such conditions include the trading price of the common shares of Western. Even if the trading price of the common shares are at a level which allows for the anticipated transactions to proceed, there is no assurance that the private entities will enter into a binding agreement, or, if a binding agreement is entered into, there is no assurance that such acquisitions will close. In addition, even if the private corporations enter into binding agreements to allow the acquisitions to proceed there is also no assurance that the required financing will ultimately be available to the Company.

As such, many factors could cause the performance or achievement of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

For more information, please contact:

Dale E. Tremblay
Chief Executive Officer
403-262-9439

Alex MacAusland
President & COO
403-262-9013

Jeffrey K. Bowers
VP Finance & CFO
403-262-9548