ESSENTIAL ENERGY SERVICES TRUST REPORTS 2008 FOURTH QUARTER AND YEAR END RESULTS AND DISTRIBUTION ANNOUNCEMENT

This news release contains "forward-looking information and statements". For a full discussion of the forward-looking information and statements and the inherent risks and uncertainties, see "Reader Advisory" near the end of this news release.

This news release contains Non-GAAP measures. These measures have been noted and an explanation of their purpose and usefulness can be found under "Non-GAAP Measures" near the end of this news release.

CALGARY, ALBERTA March 12, 2009 - Essential Energy Services Trust (TSX: ESN.UN) ("Essential" or the "Trust") is pleased to announce its 2008 fourth quarter and year end results.

2008 ACCOMPLISHMENTS

- Defined Strategy – On April 4, 2008 Essential merged with Builders Energy Services Trust ("Builders") and subsequently sold the Transport division on July 2, 2008 for proceeds of $135 million. These transactions enabled Essential to position itself as a provider of core oilfield services that are vital to Canadian oil and natural gas customers.

- Low Debt – Essential used the proceeds from the sale of the Transport division to significantly reduce its debt. As at December 31, 2008, the Trust had working capital of $28.3 million and long term debt of $17.5 million. Debt to EBITDAS(1) on a continuing operations basis (including Builders first quarter results and excluding Transport) was 0.6 times.

- Reduced Costs – In 2008 Essential realized $4 million in general and administrative synergies from the merger with Builders and $1 million in operating expense reductions. On an annualized basis, combined synergies are expected to be $8 million. In addition, management implemented significant cost reductions in February and March 2009.

SELECTED UNAUDITED COMBINED FINANCIAL INFORMATION

Essential and Builders Continuing Operations Combined As Of January 1, 2008 (see explanatory note below)

($ Thousands)	Three months ended March 31, 2008	June 30, 2008	September 30, 2008	December 31, 2008	Year ended December 31, 2008
Revenue	56,190	25,145	43,891	43,842	169,068
Gross margin(1)	18,694	1,513	11,236	12,086	43,529
Gross margin as a percentage of revenue(1)	33%	6%	26%	28%	26%
General and administrative expense	4,957	3,170	2,612	3,867	14,606
General and administrative expense as a percentage of revenue	9%	13%	6%	9%	9%
EBITDAS(1)	13,737	(1,657)	8,624	8,219	28,923
EBITDAS as a percentage of revenue(1)	24%	(7%)	20%	19%	17%
Working capital	3,703	32,768	35,848	28,298	28,298
Long term debt	74,167	150,706	22,063	17,525	17,525
	(70,464)	(117,938)	13,785	10,773	10,773

Note: In accordance with Canadian Generally Accepted Accounting Principles ("GAAP"), the reporting in the Management's Discussion and Analysis ("MD&A") and the Consolidated Financial Statements represents Essential's stand-alone activities (not including Builders' operating or financial results) for January 1, 2008 to April 3, 2008 and the combined operations of Essential and Builders from April 4, 2008 to December 31, 2008. In addition, GAAP requires the results from the Transport division for the current and comparative periods to be segregated on the Statement of Operations as discontinued operations.

The financial results for Essential have been audited by the Trust's auditors. The financial results for Builders for January 1, 2008 to April 3, 2008 are unaudited and have not been reviewed by the Trust's auditors.

The table above is provided to assist the reader in understanding the current operations of Essential by providing the combined results for Essential's continuing operations assuming the combination of Builders and Essential had occurred on January 1, 2008. Results from the disposed Transport division are not included in these numbers.

The following table reconciles revenue and EBITDAS(1) from the table above to the financial results for Essential, on a GAAP basis, for the year ended December 31, 2008.

($ Thousands)	Revenue	EBITDAS
Combined results per table above	$ 169,068	$ 28,923
Less: Results from Builders for the period January 1 to April 3, 2008	(41,144)	(10,122)
Results per Essential Consolidated Financial Statements	$ 127,924	$ 18,801

BASIS OF PRESENTATION

The following financial information and the consolidated financial statements as at and for the year ended December 31, 2008 have been prepared in accordance with GAAP. The completion of the two transactions noted above has resulted in various changes to the presentation of financial information for the current year and comparative periods:

- The financial results of the merger with Builders have been included in the consolidated financial statements and MD&A of the Trust since April 4, 2008. Segmented financial information has been provided for the two ongoing reporting segments of the Trust (Well Servicing and Wireline & Rentals).

- The financial results of the Transport division (which include the historical transport activities of the Trust plus the transport activities acquired as part of the Builders acquisition) have been segregated on the Balance Sheets, Statements of Operations and the Statements of Cash Flow. The assets and liabilities associated with the Transport division have been reclassified on the Balance Sheets under the captions of Assets Held for Sale and Liabilities Held for Sale, respectively. Operating results and cash flows for the Transport division have been reclassified on the Statements of Operations and Statements of Cash Flows under the captions of Earnings (loss) from discontinued operations and Funds flows from discontinued operations, respectively.

SELECTED FINANCIAL INFORMATION

($ Thousands, except per unit amounts)	Three months ended December 31, 2008	Three months ended December 31, 2007	For the year ended December 31, 2008	For the year ended December 31, 2007
		(restated)		(restated)
Revenue	43,842	11,930	127,924	50,197
Gross margin[1]	12,086	3,457	29,792	15,858
Gross margin as a percentage of revenue[1]	28%	29%	23%	32%
EBITDAS[1] from continuing operations	8,219	2,324	18,801	10,791
EBITDAS as a percentage of revenue[1]	19%	19%	15%	21%
Earnings (loss) from continuing operations before impairment of goodwill and income taxes	2,315	(2,212)	(3,685)	(3,672)
Loss from continuing operations	(14,685)	(38,287)	(23,443)	(39,747)
Per unit – basic and diluted	$ (0.25)	$ (1.07)	$ (0.44)	$ (1.23)
Earnings (loss) from discontinued operations	(1,265)	(192)	4,182	3,543
Per unit – basic and diluted	$ (0.02)	$ (0.02)	$ 0.08	$ 0.11
Net loss	(15,950)	(38,479)	(19,261)	(36,204)
Per unit – basic and diluted	$ (0.27)	$ (1.09)	$ (0.36)	$ (1.12)
Funds flow from operations [1]	6,113	3,799	15,987	20,008
Per unit – basic and diluted	$ 0.09	$ 0.10	$ 0.30	$ 0.61
Distributions to Unitholders	2,703	6,453	17,655	30,079
Per unit – diluted	$ 0.04	$ 0.18	$ 0.33	$ 0.93
Total assets	192,035	197,163	192,035	197,163
Total long term debt	17,525	57,001	17,525	57,001
Unitholders' equity	154,824	115,180	154,824	115,180

Certain comparative amounts have been reclassified to conform to the current period's presentation.

2008 OVERVIEW OF SECTOR ACTIVITY

The western Canadian oilfield services sector is cyclical and is significantly affected by the activity levels of exploration and production companies. Activity in the Western Canadian Sedimentary Basin ("WCSB") in 2008 continued to be impacted by the revised royalty program introduced by the Alberta government in the latter part of 2007 to be implemented in January 2009. Drilling rig utilization rates in the WCSB remained weak in comparison to prior years despite a slight increase from an average utilization of 38% in 2007 to 40% in 2008. Drilling rig utilization rates act as a barometer for oilfield service activity. Industry wide service rig utilization per Canadian Association of Oilfield Drilling Contractors ("CAODC") averaged 50% in 2008 and 2007. According to the CAODC, there was an increase in 2008 drilling activity over 2007 activity by 8%. A total of 20,679 wells were drilled on a completion basis in the WCSB during 2008 in comparison to 19,144 wells in 2007. Competition for oilfield services remained tight due to a surplus of equipment in the oilfield service sector, resulting in ongoing pricing pressure across the entire oilfield services sector.

The price of crude oil continued to reach record highs during the first half of the year and peaked at the beginning of July at US$145 per barrel. Additionally the first half of the year also saw significant improvement in the price of natural gas to reach US$13.58 per mcf in July. As a result of the global credit crisis and recessionary concerns, the price of both commodities dropped swiftly and significantly during the second half of the year. In the fourth quarter, the price of oil dropped to a four year low of US$34 per barrel, a 77% reduction from its high during the year. The price of natural gas dropped in the fourth quarter to a fifteen month low of US$5.27 per mcf, a 61% reduction from its high during the year. The sharp decline in commodity prices during the second half of 2008 has led exploration and production companies to decrease their spending, which had a direct impact on activity levels of oilfield service companies.

OVERVIEW OF 2008 RESULTS

The results from the year ended December 31, 2008 are generally not comparable to the results for 2007 due to the increased size, scope and geographical reach of the operations acquired in the Builders merger and the completion of the divestiture of the Transport division. After giving consideration to these two transactions, only four of the twelve business units that make up continuing operations as at December 31, 2008 are included in the December 31, 2007 comparable information. Additionally, all variances are further impacted by the exclusion of Builders results for the period from January 1, 2008 to April 3, 2008.

In summary:

- Revenue from continuing operations for the year ended December 31, 2008 was $127.9 million, compared to $50.2 million for the year ended December 31, 2007.

- Gross margin[1] and gross margin as a percentage of revenue[1] from continuing operations for the year ended December 31, 2008 were $29.8 million and 23% respectively, compared to $15.9 million and 32% for the year ended December 31, 2007.

- Loss from continuing operations for the year ended December 31, 2008 was $23.4 million, compared to $39.7 million for the year ended December 31, 2007. Included in the loss in the current year are non-cash charges for depreciation of $17.4 million, a writedown of goodwill of $17.9 million and interest on long-term debt of $2.9 million. Included in the loss for 2007 are non-cash charges for depreciation of $9.5 million, a writedown of goodwill of $35.1 million and interest on long-term debt of $3.0 million.

- Funds flow from operations[1] for the year ended December 31, 2008 was $16.0 million, compared to $20.0 million for the year ended December 31, 2007.

- As at December 31, 2008, the Trust had total assets of $192.0 million compared to total assets (excluding assets held for sale) of $104.4 million as at December 31, 2007.

- As at December 31, 2008, the Trust had total long-term debt of $17.5 million compared to total long-term debt of $57.0 million as at December 31, 2007.

- The Trust's working capital in excess of long-term debt[1], as at December 31, 2008 was $10.8 million compared to ($55.9) million as at December 31, 2007.

RESULTS OF OPERATIONS

(Thousands, except per unit amounts)	Three months ended December 31, 2008	Three months ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2007
		(restated)		(restated)
Revenue	$ 43,842	$ 11,930	$ 127,924	$ 50,197
Operating expenses	31,756	8,473	98,132	34,339
Gross margin(1)	12,086	3,457	29,792	15,858
Gross margin as a percentage of revenue(1)	28%	29%	23%	32%
General and administrative expenses	3,867	1,133	10,991	5,067
EBITDAS(1)	8,219	2,324	18,801	10,791
EBITDAS as a percentage of revenue(1)	19%	19%	15%	21%
Unit-based compensation	361	606	1,588	1,838
Depreciation and amortization	4,842	3,103	17,427	9,520
Interest on long-term debt	289	704	2,861	2,977
Other	412	123	610	128
Earnings (loss) from continuing operations before impairment of goodwill and income taxes	2,315	(2,212)	(3,685)	(3,672)
Impairment of goodwill	17,902	35,085	17,902	35,085
Loss from continuing operations before income taxes	(15,587)	(37,297)	(21,587)	(38,757)
Future income tax expense (recovery)	(902)	990	1,856	990
Loss from continuing operations	(14,685)	(38,287)	(23,443)	(39,747)
Earnings (loss) from discontinued operations	(1,265)	(192)	4,182	3,543
Net loss	$ (15,950)	$ (38,479)	$ (19,261)	$ (36,204)
Loss per unit – basic and diluted	$ (0.27)	$ (1.09)	$ (0.36)	$ (1.12)

Revenue

(Thousands)	Three months ended December 31, 2008	Three months ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2007
Revenue				
Well Servicing	$ 31,135	$ 11,930	$ 95,970	$ 50,197
Wireline & Rentals	12,707	-	31,954	-
	$ 43,842	$ 11,930	$ 127,924	$ 50,197

Revenue from continuing operations for the year ended December 31, 2008 was $127.9 million, compared to $50.2 million for the same period ended December 31, 2007. Revenue from continuing operations for the three months ended December 31, 2008 was $43.8 million, compared to $11.9 million for the same period ended December 31, 2007.

The period over period increase from 2007 to 2008 is due to the completion of the Builders transaction and the resultant increased size, nature and geographic reach of the Trust's equipment fleet and the addition of the downhole tool and rental operations. Comparative fleet information as at December 31, 2008 and 2007 is as follows:

	December 31, 2008	December 31, 2007
Well Servicing Equipment:		
Service Rigs	53	15
Rod Rigs/Swabbing Units	27	26
Coil Tubing/Nitrogen Units	39	25
Wireline Equipment		
E-line Units	13	-
Slickline Units	7	-

Well Servicing

Essential provides well completion and production/workover services across western Canada through its fleet of service rigs, coil tubing units, nitrogen units, rod rigs and swabbing units.

Well Servicing generated revenue of $96.0 million for the year ended December 31, 2008, compared to $50.2 million for the same period ended December 31, 2007. Well Servicing generated revenue of $31.1 million for the three months ended December 31, 2008, compared to $11.9 million for the same period ended December 31, 2007. This increase in revenue was due to the change in composition and size of the well servicing fleet as a result of the Builders transaction.

Industry wide service rig utilization averaged 50% for 2008 and 2007 based on the CAODC's Service Rig Activity Summary report. Essential's average service rig utilization for 2008 was 49%.

For the three months ended December 31, 2008, activity levels were impacted by the instability of commodity prices and the limited credit available for the Trust's customers. In addition, service rig activity was limited as winter access only work sites did not freeze up until the middle of November and then the extremely cold weather restricted job site activity. Essential achieved 48% service rig utilization in the fourth quarter which was slightly better than the CAODC average service rig utilization of 47%.

Wireline & Rentals

Essential offers both e-line and slickline wireline services in addition to its downhole tool and equipment rental operations, through the Wireline & Rentals business segment.

Wireline & Rentals generated revenue of $12.7 million and $32.0 million for the three months and year ended December 31, 2008, respectively. Prior to the completion of the Builders transaction, the Trust did not operate a Wireline & Rentals segment.

Despite lower than forecasted drilling rig utilization rates, customer demand within the Wireline & Rentals segment remained strong throughout most of the year. This is particularly true within the Trust's downhole tool, and rental businesses where the type and nature of the drilling programs undertaken by the Trust's customers resulted in increased demand for these service offerings.

Operating Expenses

	Three months ended December 31,		Year ended December 31,	
(Thousands)	2008	2007	2008	2007
Operating expenses	$ 31,756	$ 8,473	$ 98,132	$ 34,339
As a % of revenue	72%	71%	77%	68%

Operating expenses from continuing operations for the year ended December 31, 2008 were $98.1 million, compared to $34.3 million for the same period ended December 31, 2007. Operating expenses were $31.8 million for the three months ended December 31, 2008, compared to $8.5 million for the same period in 2007. Due to the completion of the Builders transaction and the resultant increased size and nature of the Trust's operations, the results from 2008 and 2007 are not comparable.

The Trust maintains a scalable cost infrastructure wherever possible which naturally adjusts to changing economic conditions. Operations during 2008 were impacted by escalating costs, particularly in the area of rising labour and fuel costs during the first three quarters of the year. The Trust managed its cost profile during the year, including introducing modest rate increases to offset declining operating margins.

Since closing the Builders transaction, management has focused on integrating the business operations of the two entities. Through this process, the Trust's operations have been reviewed and evaluated in an effort to optimize business performance and realize operational synergies. Cost saving measures were implemented including the combination of certain field locations, the redeployment of equipment between various field locations and the elimination of field positions. As a result of steps taken in 2008, the Trust realized operating expense savings of approximately $0.8 million during the year ($2.0 on an annualized basis).

General and Administrative Expenses

	Three months ended December 31,		Year ended December 31,	
(Thousands)	2008	2007	2008	2007
General and administrative expenses	$ 3,867	$ 1,133	$ 10,991	$ 5,067
As a % of revenue	9%	9%	9%	10%

General and administrative expenses from continuing operations for year ended December 31, 2008 were $11.0 million, compared to $5.1 million for the same period ended December 31, 2007. General and administrative expenses were $3.9 million for the three months ended December 31, 2008, compared to $1.1 million for the same period in 2007. Due to the completion of the Builders transaction and the resultant increased size and nature of the Trust's operations, the results from 2008 and 2007 are not comparable.

General and administrative expenses as a percentage of revenue(1) were 9% for the three months and year ended December 31, 2008 compared to 9% and 10%, respectively, for the same periods ended December 31, 2007.

Management completed several integration initiatives to realize synergies resulting from the Builders transaction and subsequent divestment of its Transport operations. The streamlined cost structure and operational efficiencies were realized through the elimination of seven executive positions from the combined operations of Essential and Builders, reduced public company and insurance costs and other benefits of integrating the two publicly traded Trusts. The Trust realized approximately $4 million ($6 million on an annualized basis) of cost savings as a result of the Builders transaction.

The general and administrative expense for the three months ended December 31, 2008 were higher than the prior quarter due to additional consulting fees related to the Trust's ongoing preparation and compliance associated with International Financial Reporting Standards and Internal Controls over Financial Reporting and one time charges related to the Builders acquisition recorded in the current quarter, while the expense for the third quarter of 2008 was offset by the reimbursement of costs in relation to a successful litigation against a former general manager of the Trust.

Income Taxes

	Three months ended December 31,		Year ended December 31,	
(Thousands)	2008	2007	2008	2007
Future income tax expense (recovery)	$ (902)	$ 990	$ 1,856	$ 990

Future income tax expense from continuing operations for year ended December 31, 2008 was $1.9 million, compared to $1.0 million for the same period ended December 31, 2007. Future income tax expense (recovery) was $(0.9) million for the three months ended December 31, 2008, compared to $1.0 million for the same period in 2007.

In June 2007, the Government of Canada enacted legislation imposing additional income taxes on trusts for taxation years commencing January 1, 2011. The future tax expense resulted from reduced deductions arising from lower distributions announced in the second quarter and reduced values in the Trust's tax pools associated with the disposition of the Transport division.

The Trust does not anticipate current taxes prior to 2011 as its tax pools should be sufficient to shelter any taxable income during those periods.

In July 2008, the Government of Canada released draft legislation to permit a trust to convert to a corporation. The legislation proposes to reduce the administration and compliance associated with a conversion and to allow for the tax deferred conversion of a trust to a corporation. The legislation was finalized and enacted November 28, 2008.

Impairment of Goodwill

(Thousands)	Three months ended December 31, 2008	Three months ended December 31, 2007	Year ended December 31, 2008	Year ended December 31, 2007
Impairment of goodwill	$ 17,902	$ 35,085	$ 17,902	$ 35,085

Impairment of goodwill for the three months and year ended December 31, 2008 was $17.9 million, compared to $35.1 million for the same periods ended December 31, 2007.

Goodwill is tested for impairment annually to determine if events or circumstances indicate that the asset might be impaired. As a result of the initial indication of impairment in the Well Servicing reporting unit, the estimated fair value of the reporting unit's goodwill was compared to its carrying value. The result of this comparison indicated the carrying value of goodwill in the Well Servicing reporting unit exceeded its fair value, and accordingly a goodwill impairment in the Well Servicing reporting unit of $17.9 million was recognized as at December 31, 2008. The Trust's Wireline & Rentals reporting unit was not considered as it did not have value assigned to goodwill. Subsequent to the recognition of this impairment on goodwill, the Trust no longer has any goodwill recorded on its Balance Sheet.

The conditions that gave rise to the goodwill impairment in 2007 and 2008 are similar in nature. In 2007 and 2008, the lack of stability in commodity prices combined with the revised royalty program implemented by the Alberta government resulted in an unstable operating environment in Alberta, where the Trust has its primary business activities. In addition to the continuance of this market uncertainty, the recent economic downturn, which has impacted the ability for the Trust's customers to access credit to continue exploration and production projects, further impaired the value of goodwill in 2008.

Credit Facility

The Trust's credit agreement with its banking syndicate is comprised of an extendible revolving loan facility (the "Facility"). Under this agreement, the Facility is limited to the lesser of $140.0 million or the sum of 75% of the Trust's accounts receivables less specific items (the "Borrowing Base") and 60% of the Trust's carrying value of property and equipment less term debt. The Borrowing Base must be at least 20% of the Facility otherwise the Facility is reduced by the amount of any shortfall. The Facility has no required principal repayments until expiry and bears interest that fluctuates with the bank's prime rate. A maximum of $104 million was available to the Trust as at December 31, 2008, of which $17.5 million was outstanding. On March 11, 2009, $20.4 million of long-term debt was outstanding.

The Facility expires on May 31, 2009 and can be renewed, at the lenders' option, for an additional 364-day period. If not renewed, the loan is repayable in equal monthly installments over a three-year period. The Trust anticipates that the Facility will be renewed by its expiry date.

As at December 31, 2008, all financial debt covenants were satisfied and all banking requirements were up to date. The Trust does not anticipate any financial resources or liquidity issues to restrict its future operating, investing or financing activities.

Equipment Expenditures

	Three months ended December 31,		Year ended December 31,	
(Thousands)	2008	2007	2008	2007
Equipment expenditures				
Well Servicing	$ 3,726	$ 1,763	$ 7,816	$ 4,896
Wireline & Rentals	3,220	-	5,289	-
Corporate	392	282	864	518
	7,338	2,045	13,969	5,414
Less proceeds on disposal of property and equipment	(719)	(273)	(1,619)	(719)
Net equipment expenditures(1)	$ 6,619	$ 1,772	$ 12,350	$ 4,695

Net equipment expenditures(1) for the year ended December 31, 2008 were $12.3 million compared to $4.7 million for the year ended December 31, 2007. Net equipment expenditures(1) for the three months ended December 31, 2008 were $6.6 million compared to $1.8 million for the three months ended December 31, 2007.

Net equipment expenditures(1) during 2008 were comprised of $7.3 million in growth capital(1), $4.3 million in net maintenance capital(1) and $0.7 million for information systems, operational facilities and leasehold improvements.

In light of current industry conditions and the outlook for 2009, the Trust has established a conservative 2009 capital spending budget of $8 million comprised of $5 million of growth capital and $3 million of net maintenance capital. Of the $5 million planned for growth capital, $4 million is to complete the capital programs announced in 2008.

Essential will continue to assess the appropriate level of capital spending relative to industry activity throughout 2009.

NORMAL COURSE ISSUER BID ("NCIB")

On October 29, 2008 the Trust received approval from the Toronto Stock Exchange ("TSX") to implement an NCIB commencing on October 31, 2008 and terminating on October 30, 2009. Purchases were made at the discretion of management at prevailing market prices, through the facilities of the TSX. As at December 31, 2008, a total of 419,900 units were acquired and cancelled under the NCIB at a cost of $0.4 million and a total of $1.4 million was transferred to contributed surplus upon the share cancellations. The NCIB continues until October 30, 2009 and the Trust intends to cancel any additional units acquired under the issuer bid.

OUTLOOK

By all indications, 2009 will be a very difficult year for the oil and natural gas industry. Compounded by the general economic slow down, commodity price and activity indicators in the first quarter are not encouraging. Oil and natural gas activity in western Canada is expected to be drastically lower in 2009 than in 2008. In Essential's view, 2009 is shaping up to be the worst year for oil and gas services in decades. Given these circumstances, Essential is taking decisive steps to ensure the long-term success of the Trust.

In January 2009, the Petroleum Services Association of Canada ("PSAC") forecast 13,500 wells will be drilled on a rig release basis in Canada in 2009. This represents a 21% decrease compared to their 2008 well count of 17,043. In February 2009, CAODC forecast 11,176 wells will be drilled on a well completion basis which represents a decrease of 46% compared to their 2008 well count of 20,679. PSAC expects declines in all of the western Canadian provinces except British Columbia. Due to the new Alberta royalty program, which took effect on January 1, 2009, the activity declines are expected to be particularly severe in Alberta where Essential has most of its operations. Although Alberta has recently announced several short term incentives related to the royalty program, a competitive, long-term royalty framework is still absent in Alberta.

Year-to-date drilling rig utilization, which acts as a barometer for oilfield service activity, has averaged 42%, compared to 60% in the comparable period of 2008. Utilization seems to have peaked in early February and spring break-up has arrived. The low utilization is driven by economic factors rather than just weather and road conditions as the limited access to capital and low commodity prices have led the Trust's customers to decrease their spending budgets. This is particularly concerning as the winter season is typically the busiest quarter. The second quarter is always a seasonally slow quarter, and with low natural gas prices and reduced customer credit availability, 2009 is expected to be even slower than normal. Looking to the third quarter, Essential believes that depressed natural gas prices will also preclude any significant increase in activity.

Given the extremely negative industry conditions, Essential has taken definitive steps to reduce costs and preserve cash flow. The Trust recently announced it is suspending company matching on its employee savings plan and suspending the 2009 annual incentive plan. The Trust has also implemented a hiring freeze and wage freeze for salaried employees. The senior management team has voluntarily accepted a 10% salary rollback. Further cost reductions are underway and will be implemented over the next few months. Essential's objective is to continue to operate profitably during this challenging period while retaining its workforce to the extent possible so the Trust is prepared for a sector turnaround, the timing of which is impossible to predict.

Despite these challenging industry conditions, management believes Essential's business units will continue to perform relatively well in the contracting market as a result of its experienced field managers, local customer relationships and the strength of its local brands. In addition, the Trust will benefit from its strong balance sheet and timely cost cutting measures. Approximately 50% of Essential's services are focused on production-related services, which are typically less affected during industry downturns, however, low commodity prices and continued uncertainty may significantly impact these services as well.

As the outlook clarifies and credit pressures begin to impact the sector, the Trust anticipates future opportunities may begin to unfold. In the face of this negative industry outlook, Essential remains well-positioned financially with low debt and minimal debt servicing costs. The steps being taken by Essential management today may translate into opportunities for future growth.

While the short-term outlook is bleak, management continues to believe in the long-term fundamentals for natural gas and oil drilling and the demand for oilfield services in the WCSB. Over the longer term, the fundamentals still point to an increasing demand for natural gas and oil. The high production decline rates in the WCSB will, over time, require more drilling to maintain current production levels. In the meantime, Essential's management will continue to manage spending and debt effectively.

DISTRIBUTION

In light of current conditions and the uncertain outlook for the year, Essential has announced a reduction in the distribution. The cash distribution for the period March 1, 2009 to March 31, 2009 has been set at $0.0033 per unit. The cash distribution will be paid on April 15, 2009 to unitholders of record on March 31, 2009. The ex-distribution date is March 27, 2009.

Starting in April 2009, Essential will begin paying a quarterly distribution commencing with the period April 1, 2009 to June 30, 2009, payable in July 2009. The quarterly distribution will be $0.01 per unit per quarter. Thereafter, the board will continue to monitor the distribution on a quarter-by-quarter basis as commodity prices and industry conditions evolve.

Investors and employees are both feeling the impact of the current slowdown. Preservation of cash is critical to the Trust's future success through this difficult period. The significant and difficult cost reduction initiatives, reduced capital spending plans and reduced distribution payment all combine to provide financial flexibility as we enter a very difficult and uncertain period that may be a prolonged downturn.

ESSENTIAL ENERGY SERVICES TRUST
CONSOLIDATED BALANCE SHEETS

(Thousands)	As at December 31, 2008	As at December 31, 2007
		(restated)
Assets		
Current assets		
Accounts receivable	$ 33,140	$ 22,206
Inventory	8,570	1,558
Prepaid expenses and deposits	2,650	683
Assets held for sale	-	92,720
	44,360	117,167
Property and equipment	142,464	57,861
Intangible assets	5,211	4,233
Goodwill	-	17,902
	$ 192,035	$ 197,163
Liabilities		
Current liabilities		
Bank indebtedness	$ 1,192	$ 1,092
Operating line of credit	-	13,316
Accounts payable and accrued liabilities	13,972	7,175
Distributions payable	898	1,763
Current portion of long-term debt	3,468	11,084
Liabilities held for sale	-	646
	19,530	35,076
Long-term debt	14,057	45,917
Future income tax liability	3,624	990
	37,211	81,983
Unitholders' Equity		
Unitholders' capital	265,573	192,041
Contributed surplus	5,508	2,480
Accumulated deficit	(116,257)	(79,341)
	154,824	115,180
	$ 192,035	$ 197,163

ESSENTIAL ENERGY SERVICES TRUST
CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND ACCUMULATED DEFICIT

(Thousands, except per unit amounts)	For the years ended December 31, 2008	2007 *(restated)*
Revenue	$ 127,924	$ 50,197
Operating expenses	98,132	34,339
	29,792	15,858
Expenses		
General and administrative	10,991	5,067
Unit-based compensation	1,588	1,838
Depreciation and amortization	17,427	9,520
Interest on long-term debt	2,861	2,977
Loss on disposal of assets	610	128
Loss from continuing operations before impairment of goodwill and income taxes	(3,685)	(3,672)
Impairment of goodwill	17,902	35,085
Loss from continuing operations before income taxes	(21,587)	(38,757)
Income tax expense		
Future	1,856	990
Loss from continuing operations	(23,443)	(39,747)
Earnings (loss) from discontinued operations, net of tax	(4,373)	3,543
Gain on sale of discontinued operations, net of tax	8,555	-
Earnings from discontinued operations	4,182	3,543
Net loss and comprehensive loss	(19,261)	(36,204)
Accumulated deficit, beginning of year	(79,341)	(13,058)
Distributions to unitholders	(17,655)	(30,079)
Accumulated deficit, end of year	$ (116,257)	$ (79,341)
Loss per unit from continuing operations		
Basic and diluted	$ (0.44)	$ (1.23)
Earnings per unit from discontinued operations		
Basic and diluted	$ 0.08	$ 0.11
Net loss per unit		
Basic and diluted	$ (0.36)	$ (1.12)

ESSENTIAL ENERGY SERVICES TRUST
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Thousands)	For the years ended December 31, 2008	2007 *(restated)*
Operating activities:		
Loss from continuing operations	$ (23,443)	$ (39,747)
Items not affecting cash:		
Depreciation and amortization	17,427	9,520
Future income tax expense	1,856	990
Unit-based compensation	1,588	1,838
Impairment of goodwill	17,902	35,085
Loss on disposal of assets	610	128
Funds flow from continuing operations	15,940	7,814
Funds flow from discontinued operations	47	12,194
	15,987	20,008
Changes in non-cash working capital	21,196	2,459
	37,183	22,467
Financing activities:		
Issue of Trust units, net of issue costs	-	32,618
Units repurchased for cancellation	(423)	-
Distributions paid	(18,521)	(30,617)
Increase (repayment) of operating line of credit	(13,216)	3,468
Increase in long-term debt	14,442	2,141
Repayment of long-term debt	(133,585)	(906)
Repayments of capital lease obligations	-	(102)
Changes in non-cash working capital	-	(538)
	(151,303)	6,064
Investing activities:		
Property and equipment	(13,969)	(5,378)
Business acquisitions	(8,004)	(8,772)
Proceeds on disposal of equipment	1,619	706
Proceeds on disposal of discontinued operations	133,029	-
(Increase) decrease in assets held for sale	1,983	(16,424)
Changes in non-cash working capital	(538)	227
	114,120	(29,641)
Decrease in cash	-	(1,110)
Cash, beginning of year	-	1,110
Cash, end of year	$ -	$ -
Supplementary cash flow information:		
Interest paid	$ 4,293	$ 4,643

[1]Non-GAAP Measures

Throughout this news release, certain terms that are not specifically defined in GAAP are used to analyze the operations. In addition to the primary measures of net earnings and net earnings per unit in accordance with GAAP, the Trust believes that certain measures not recognized under GAAP assist both the Trust and the reader in assessing performance and understanding the Trust's results. Each of these measures provides the reader with additional insight into the Trust's ability to fund future distributions, principal debt repayments and capital programs. These non-GAAP measures are not recognized measures under GAAP. As a result, the method of calculation may not be comparable with other companies or Trusts. These measures should not be considered alternatives to net earnings and net earnings per unit as calculated in accordance with GAAP.

Gross margin – This measure is considered a primary indicator of operating performance as calculated by revenue less operating expenses.

Gross margin as a percentage of revenue – This measure is considered a primary indicator of operating performance as calculated by gross margin divided by revenue.

EBITDAS (Earnings before interest, income taxes, depreciation, amortization, non-controlling interest earnings, losses or gains on disposal of equipment, results of discontinued operations, impairment of goodwill and unit based compensation) – This measure is considered an indicator of the Trust's ability to generate funds flow in order to meet distributions, fund required working capital, service debt, pay current income taxes and fund capital programs.

EBITDAS as a percentage of revenue – This measure is considered an indicator of the Trust's ability to generate funds flow as calculated by EBITDAS divided by revenue.

Funds flow or funds flow from (used in) operations – This measure is an indicator of the Trust's ability to generate funds flow in order to fund distributions, working capital, principal debt repayments and capital programs. Funds flow or funds flow from operations is defined as cash flow from operations before changes in non-cash operating working capital. This measure is useful in assessing the Trust's operational cash flow as it provides cash generated in the period excluding the timing of non-cash operating working capital. This reflects the ability of the operations of the Trust to meet the above noted funding requirements.

Working capital in excess of long-term debt – This measure is considered an indicator of the financial strength of the Trust.

Growth capital – Growth capital is capital spending which is intended to result in incremental increases in revenue. Growth capital is considered to be a key measure as it represents the total expenditures on equipment expected to add incremental revenues and funds flow to the Trust.

Net maintenance capital – Equipment additions that are incurred in order to refurbish or replace previously acquired equipment less proceeds on the disposal of retired equipment. Such additions do not provide incremental increases in revenue. Net maintenance capital is a key component in understanding the sustainability of the Trust's business as cash resources retained within the Trust must be sufficient to meet net maintenance capital needs to replenish the assets for future cash generation.

Net equipment expenditures – This measure is equipment expenditures less proceeds on the disposal of equipment. The Trust uses net equipment expenditures to assess net cash flows related to the financing of the Trust's oilfield services equipment.

ABOUT ESSENTIAL

Essential Energy Services Trust provides oilfield services to oil and gas producers in western Canada related to the ongoing servicing of producing wells and new drilling activity.

READER ADVISORY

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements including expectations of future cash flow and earnings, expectations regarding the Trust's ability to access credit from its lenders, expectations regarding the expected synergies and savings from the merger with Builders, expectations with respect to the demand for and price of oil and natural gas, expectations regarding the implementation of legislation, expectations regarding capital spending, the sources of capital and uses of such capital, expectations regarding the level of drilling and production activity in the Western Canadian Sedimentary Basin and expectations regarding the business, operations and revenues of the Trust in addition to general economic conditions. Although the Trust believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Trust can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oilfield services sector (e.g. demand, pricing and terms for oilfield services; current and expected oil and gas prices; exploration and development costs and delays; reserves discovery rates; pipeline and transportation capacity; weather, health, safety and environmental risks), integration of acquisitions, competition, and uncertainties resulting from potential delays or changes in plans with respect to acquisitions, development projects or capital expenditures and changes in legislation, including but not limited to tax laws, royalties and environmental regulations. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Trust's financial results are included in news releases on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). The forward-looking statements and information contained in this news release are made as of the date hereof and the Trust undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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