



NEWS RELEASE

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EXECUTIVE CHANGES

Red Deer, Canada – December 16, 2008 – High Arctic Energy Services Inc. (TSX: HWO) (“High Arctic” or the “Corporation”) announced that Jed Wood has resigned his office as President and Chief Executive Officer (“CEO”) of the Corporation effective immediately in order to focus his efforts on working with an investor group on a possible “going private” transaction to acquire control of High Arctic. His stepping down as President and CEO will help minimize any conflicts of interest. Mr. Wood will retain his position as Chairman of Optimal Pressure Drilling Services Inc. (“Optimal”) where he will continue to work to maximize the value of High Arctic’s investment in Optimal. Mr. Wood has also resigned as a director of High Arctic.

Dennis Sykora has been appointed as Chief Restructuring Officer (“CRO”). Mr. Sykora has been with High Arctic since April 2007, most recently as Executive Vice President and General Counsel. His primary responsibilities will be related to the financial restructuring activities. The title of CRO conveys the importance placed on maintaining strong financial discipline within the organization and the emphasis to be placed on strengthening our balance sheet and restoring the confidence of our shareholders. Mr. Sykora will continue to report to the Board of Directors.

We are pleased to announce that Bruce Thiessen, currently the Vice President of Marketing, has accepted the position of Interim CEO. His long involvement with High Arctic will ensure the continuity of leadership and the direction of our business. His primary responsibility will be to lead the Canadian business division during this transition.

High Arctic has developed and retained a team of experienced managers. Subject to the approval of the Toronto Stock Exchange, the Board of Directors has authorized a shares for debt private placement in order to satisfy up to \$600,000 in 2008 bonuses which are currently payable by the Corporation. Pursuant to this private placement, up to 3,000,000 common shares will be issued at a price of \$0.20 per share (being the 5 day volume weighted average trading price of the common shares). The Corporation has also proposed a retention plan for key personnel that includes retention bonuses payable December 31, 2009 plus the issuance of stock options within the terms of the existing stock option plan. The retention plan is subject to the approval of the Corporation’s senior lenders.

Jed Wood has entered into a Transaction Co-operation Agreement with a private equity investor group under which, among other things, he has agreed to cooperate exclusively with that group with respect to any going private transaction. The Wood-led group has advanced several possible transactions but the conditions attached to the proposals are such that it remains too early to discuss details or the probability of any transaction actually proceeding. An Independent Committee of the Board of Directors has been formed to deal with the situation and consider any proposals from that group. The Independent Committee is comprised of two directors, Michael Binnion, Chairman of the Board, and Chris Warren. They have engaged financial and legal advisors to assist them.

On April 7, 2008 the Corporation announced the formation of a Restructuring Committee comprised of Mr. Wood, Mr. Binnion and Mr. Sykora to deal with the lenders and the financial situation. Thanks to the



NEWS RELEASE

performance of all of the High Arctic employees, the results to date have met the Committee's expectations, notwithstanding the November 30, 2008 shortfall in mandatory asset sales announced on December 1, 2008.

Mr. Wood has resigned from the Restructuring Committee, though that does not affect the Pooling Agreement among the Restructuring Committee members described in High Arctic's Information Circular dated May 22, 2008 (found on SEDAR (www.sedar.com)). Mr. Warren has replaced Mr. Wood on the Restructuring Committee.

High Arctic will continue its efforts to de-lever its balance sheet by selling underperforming and non-core assets. The task ahead has been made more challenging by the ongoing credit situation and economic uncertainty. The worldwide deleveraging of corporate balance sheets has reduced demand for assets generally, but the Corporation believes it has marketable assets and that potential customers have the necessary financial resources to continue to grow their business.

Further to the Corporation's press release dated December 1, 2008, discussions continue with the lenders with respect to amendments to the credit facility. The Corporation is confident that under its new leadership it will be successful in those negotiations.

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, 2007 and in High Arctic's Annual Information Form for the year ended December 31, 2007 and High Arctic's Information Circular dated May 22, 2008, all found on SEDAR (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.

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, the Middle East 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.