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High Arctic Proposes Debt Conversion

Red Deer, Canada – March 25, 2010 – High Arctic Energy Services Inc. (TSX: HWO) (“High Arctic” or the “Corporation”) today announced that it has advanced a proposed restructuring plan to convert a portion of its debt into equity at a price of \$0.25 per share. The plan is part of the effort to reduce debt levels and to meet the conditions imposed by the senior creditors for an extension of the credit facilities.

As part of its restructuring proposal, High Arctic has now entered into conditional agreements with the two largest affected creditors. High Arctic has entered into an agreement with a group holding \$23 million principal amount, out of the total of \$27.9 million, of outstanding subordinated convertible debentures. That group has agreed to convert their principal and accrued interest into common shares of High Arctic at \$0.25 per share. An agreement signed with Jed Wood and J.M. Wood Investments Ltd. (the “Wood Group”) would settle their outstanding claims and lawsuits at a settlement value of \$8.2 million in exchange for common shares of High Arctic at that same price.

Michael Binnion, Chairman of the Board, commented “We are encouraged by the favourable reaction from those two large creditors and remain optimistic on the prospects for a successful restructuring. Much work remains to gain the support of the remaining debenture holders and to negotiate a new senior credit facility, but our stakeholders remain supportive.”

The agreements with the debenture holder group and the Wood Group are conditional on a number of requirements, including the satisfactory completion of the larger restructuring plan, an extension of the senior credit facility for a term of at least one year, the participation of other debenture holders and establishment of an appropriate executive compensation plan. The conditions in the agreements must be met by April 30, 2010, provided that the date can be extended to June 30, 2010 under certain conditions. High Arctic is reviewing the approval requirements, including that of the Toronto Stock Exchange, as well as its options for implementing the restructuring plan. There is no assurance that High Arctic will be successful with its restructuring plan.

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 both the Corporation’s Management Discussion and Analysis for the year ended December 31, 2009 and the Annual Information Form for the year ended December 31, 2008 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 provider of specialized oilfield equipment and services, including drilling, completion and workover operations. Based in Red Deer, Alberta, High Arctic has domestic operations throughout Western Canada and international operations primarily in Papua New Guinea.

Further Information

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