

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAW

High Arctic Announces Loan

Red Deer, Canada – March 11, 2011 – High Arctic Energy Services Inc. (TSX: HWO) (“High Arctic” or the “Corporation”) announces that it will enter into loan agreements with certain directors and officers of the Corporation (each a “Borrower” and collectively, the “Borrowers”) whereby the Borrowers will receive loans from Corporation (each a “Loan” and collectively, the “Loans”) in the total aggregate amount of up to \$1,110,398. The purpose of the Loans is to assist the Borrowers with the payment of Canadian income taxes payable by the Borrowers as a result of the issuance to the Borrowers of Common Shares of the Corporation (“Incentive Shares”) pursuant to the Corporation’s executive and director share incentive plan (the “Plan”). The amount of each Loan will be a maximum of 50% of the estimated amount of such taxes payable by the Borrower. The participants of the Plan are subject to taxation immediately upon issuance of the Incentive Shares despite the shares being held by a trustee as part of a three year vesting arrangement under the Plan.

The principal amount of each Loan will be advanced to each Borrower on or about April 15, 2011 and will bear interest at an annual rate of 2%. Each Loan will be fully payable on the earlier of (i) thirty days after the date that a Borrower ceases to be an employee or director of the Corporation and (ii) April 15, 2014. Pursuant to the terms and conditions of the loan agreement, a Borrower cannot withdraw vested Incentive Shares from the trustee of the Plan unless the Borrower first makes a payment to the Corporation on account of the principal amount of the Loan then outstanding in an amount equal to the number of Incentive Shares to be withdrawn multiplied by \$0.10 per share. In addition, any bonus amount (net of taxes) payable to a Borrower after April 15, 2011 will be applied against any Loan outstanding.

This transaction constitutes a “related party transaction” under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The transaction is exempt from the formal valuation and minority approval requirements of MI 61-101 pursuant to the exemptions found in sections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that the fair market value of the total amount of the Loans do not exceed 25% of High Arctic’s market capitalization.

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, 2009 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

Morley Myden
Chief Financial Officer
403 340 9825
morley.myden@haes.ca