FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company:**

   Precision Drilling Corporation (the "**Corporation**")
   4200, 150 - 6th Avenue S.W.
   Calgary, AB T2P 3Y7

2. **Date of Material Change:**

   June 1, 2010

3. **News Release:**

   A press release disclosing the material change, a copy of which is attached hereto as Schedule "A", was issued on June 1, 2010 through the facilities of MarketWire and was filed with the applicable securities regulatory authorities via SEDAR on such date.

4. **Summary of Material Change:**

   The Corporation has completed the previously announced reorganization of Precision Drilling Trust (the "**Trust**") to a corporation (the "**Conversion**") pursuant to a plan of arrangement (the "**Arrangement**") under the *Business Corporations Act* (Alberta) (the "**ABCA**") involving the Corporation, the Trust, Precision Drilling Limited Partnership, 1194312 Alberta Ltd., 1521502 Alberta Ltd. and 1521500 Alberta Ltd.

5. **Full Description of the Material Change:**

   On June 1, 2010, the Corporation completed the Conversion pursuant to the Arrangement under the ABCA. Pursuant to the Conversion, all outstanding units of the Trust and all outstanding exchangeable units of Precision Drilling Limited Partnership were exchanged for common shares in the capital of the Corporation on a one-for-one basis.

   The common shares of the Corporation are expected to commence trading on the Toronto Stock Exchange, under the symbol "PD" on or about June 4, 2010, and on the New York Stock Exchange, under the symbol "PDS", on or about June 2, 2010. Trust units are delisted concurrent with the commencement of trading of the common shares in each case.

   See the press release attached hereto as Schedule "A" for a full description of the material change.

6. **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102:**

   Not applicable.

7. **Omitted Information:**

   Not applicable.

8. **Executive Officer:**

For further information, please contact Darren Ruhr, Vice President, Corporate Services, at (403) 716-4500.

9. **Date of Report:**

June 1, 2010

SCHEDULE "A"

PRESS RELEASE

(Attached)

NEWS RELEASE

Precision Drilling

PRECISION DRILLING TRUST COMPLETES CONVERSION TO CORPORATION

Calgary, Alberta, Canada – June 1, 2010

Precision Drilling Corporation ("Precision" or the "Corporation") is pleased to announce the completion of the previously announced reorganization of Precision Drilling Trust (the "Trust") to a corporation (the "Conversion"). Pursuant to the Conversion, all outstanding units of the Trust and all outstanding exchangeable units of Precision Drilling Limited Partnership were exchanged for common shares of the Corporation on a one-for-one basis.

The common shares of Precision are expected to commence trading on the Toronto Stock Exchange, under the symbol "PD" on or about June 4, 2010, and on the New York Stock Exchange, under the symbol "PDS", on or about June 2, 2010. Trust units are delisted concurrent with the commencement of trading of the common shares in each case.

Most holders of trust units are not required to take any action as your broker will facilitate the conversion from units to shares. Registered Unitholders, who hold certificates directly, are reminded to follow the "Procedure for Exchange on Securities" on page 31 of the April 7, 2010 Information Circular which can be found at http://www.precisiondrilling.com/InvestorCentre/AnnualMeeting.cfm

"Precision is pleased to have the conversion completed and the benefits that come with a corporate capital structure which is well understood in all capital markets. This is an important step in our high performance high value strategic growth plan", stated Kevin Neveu, President and Chief Executive Officer of Precision.

About Precision

Precision is a leading provider of safe, high performance energy services to the North American oil and gas industry. Precision provides customers with access to an extensive fleet of contract drilling rigs, service rigs, camps, snubbing units, wastewater treatment units and rental equipment backed by a comprehensive mix of technical support services and skilled, experienced personnel.

Precision is headquartered in Calgary, Alberta, Canada.

For further information, please contact: David Wehlmann, Executive Vice President, Investor Relations

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