

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>Western Energy Services Corp.</b>		2 Issuer's employer identification number (EIN) <b>98-0497362</b>	
3 Name of contact for additional information <b>Senior VP Finance and CFO</b>	4 Telephone No. of contact <b>403 984 5916</b>	5 Email address of contact <b>ir@wesc.ca</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>1700 215 9th Ave SW</b>		7 City, town, or post office, state, and ZIP code of contact <b>Calgary, AB T2P 1K3</b>	
8 Date of action <b>August 2, 2022</b>		9 Classification and description <b>Stock</b>	
10 CUSIP number <b>958159</b>	11 Serial number(s)	12 Ticker symbol <b>(TSX) WRG</b>	13 Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶  
**On August 2, 2022, Western Energy Services Corp. completed a 120:1 stock consolidation of all its outstanding common shares.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶  
**The basis of each security held would be consolidated such that each share is worth 120 time more than the previously held share. However the stock consolidation results in an overall reduction in the outstanding common shares in the market at factor of 120:1 and therefore each US taxpayer would hold 1 share for every 120 shares the US taxpayer previously held.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶  
**The total number of shares outstanding was reduced at a factor of 120:1 and the value of the remaining shares increased at a factor of 1:120 For example, a US taxpayer holding 600 shares with a value of \$0.04 per share before the stock consolidation would hold 5 shares with a basis of \$4.80 per share after the stock consolidation.**

**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC 368(a), 354, 1036, 358

Blank lined area for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ n/a

Blank lined area for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ n/a

Blank lined area for providing other information necessary to implement the adjustment.

<b>Sign Here</b>	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature ▶ <u><i>[Handwritten Signature]</i></u>	Date ▶ <u>Nov 29/22</u>		
<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Jeffrey Bowers</u>	Title ▶ <u>VP Finance and Chief Financial Officer</u>		
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		