Western
ENERGY SERVICES CORP.

INVESTOR PRESENTATION

June 2018

Forward-Looking Information

This presentation may contain certain statements or disclosures relating to Western Energy Services Corp. ("Western") that are based on the expectations of its management as well as assumptions made by and information currently available to Western which may constitute forward-looking information under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that Western anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as "forecast", "future", "may", "will", "expect", "anticipate", "estimate", "continue", "pro-forma", or other comparable terminology.

Forward-looking information contained in this presentation is included in, among other things, predictions of the Canadian drilling market, the 2018 Budgeted Capital Expenditures, market trends, commodity pricing, utilization of rigs, pricing for services, marketability, customer needs and demand. Completing those anticipated expenditures assumes that Western's cash flow will be sufficient and is subject to known and unknown risks, uncertainties and other factors that could influence Western's actual results and cause actual results to differ materially from those stated, anticipated or implied in the forward-looking information. Readers are cautioned not to place undue reliance on the forward-looking information, as no assurance can be provided as to future results, levels of activity or achievements. The risks, uncertainties, material assumptions and other factors that could affect actual results are discussed in more detail in Western's Annual Information Form and other documents available at www.sedar.com. and include risks associated with the oil and gas industry and demand for drilling rigs and oil and gas services.

Past performance of Western referred to in this presentation is shown for illustrative purposes only, does not guarantee future results of Western and is not meant to forecast, imply or guarantee the future performance of Western, which will vary.

The forward-looking information is made as of the date of this presentation and Western does not undertake any obligation to update or revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking information contained in this presentation is expressly qualified by this cautionary statement.

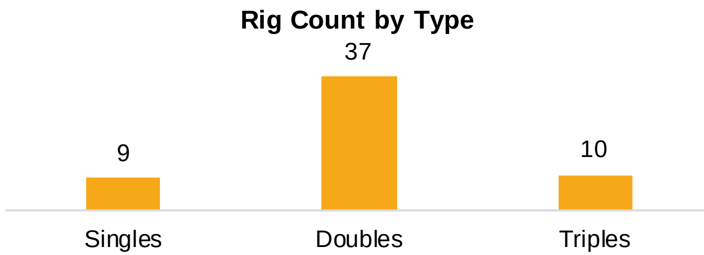
Capital Structure Overview

Share Summary	
Share price (May 31, 2018)	**$1.15**
52-week low	*$0.96*
52-week high	*$2.18*
All-time high	*$11.70*
Shares outstanding	**92.2 million**
Options + treasury settled RSU	*6.5 million*
Warrants (@ $1.77/share)	*7.1 million*
Shares outstanding - fully diluted	105.7 million
Book value	$4.15/share
Price / book value	28%
Insider ownership - fully diluted	19%

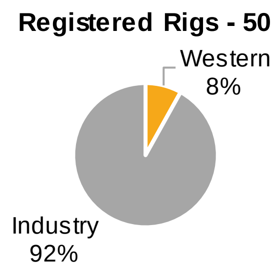
Capital Structure	
Market capitalization - basic	$106 million
Pro forma net debt	$229 million
Enterprise value	$335 million

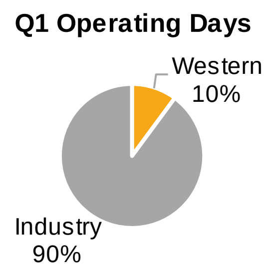
Western's Competitive Position

56 Drilling Rigs

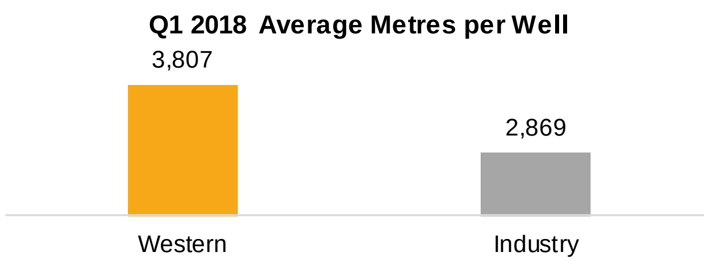


Significant Canadian Market Share





Drilling Longer Wells



Western operates 122 rigs plus a specialized oilfield rentals business

Notes:
Market share by registered rigs as of April 2018.
Industry well length per IHS.

Business Highlights

Horizon Drilling | Stoneham Drilling Corporation

- 56 modern drilling rigs
  - 24 Cardium Class[1)]
  - 19 Montney Class[2)]
  - 13 Duvernay Class[3)]
- Variety of rig configurations to meet customer demand
  - Rigs ideally suited for deep applications (Montney/Deep Basin/ND Bakken) to shallow applications (Saskatchewan Viking)

Eagle Well Servicing

- 66 modern well servicing rigs
- Operating bases in: Estevan, Red Deer, Slave Lake, Lloydminster and Grande Prairie
- Levered to production work

Aero Rental Services

- Pressure control rental specialists
  - BOPs, frac heads, etc.
- Locations in Fort St. John, Grande Prairie and Red Deer to best serve customers

1) *Cardium class rig: Defined as any contract drilling rig which has a total hookload less than or equal to 399,999 lbs (or 177,999 daN)*
2) *Montney class rig: Defined as any contract drilling rig which has a total hookload between 400,000 lbs (or 178,000 daN) and 499,999 lbs (or 221,999 daN)*
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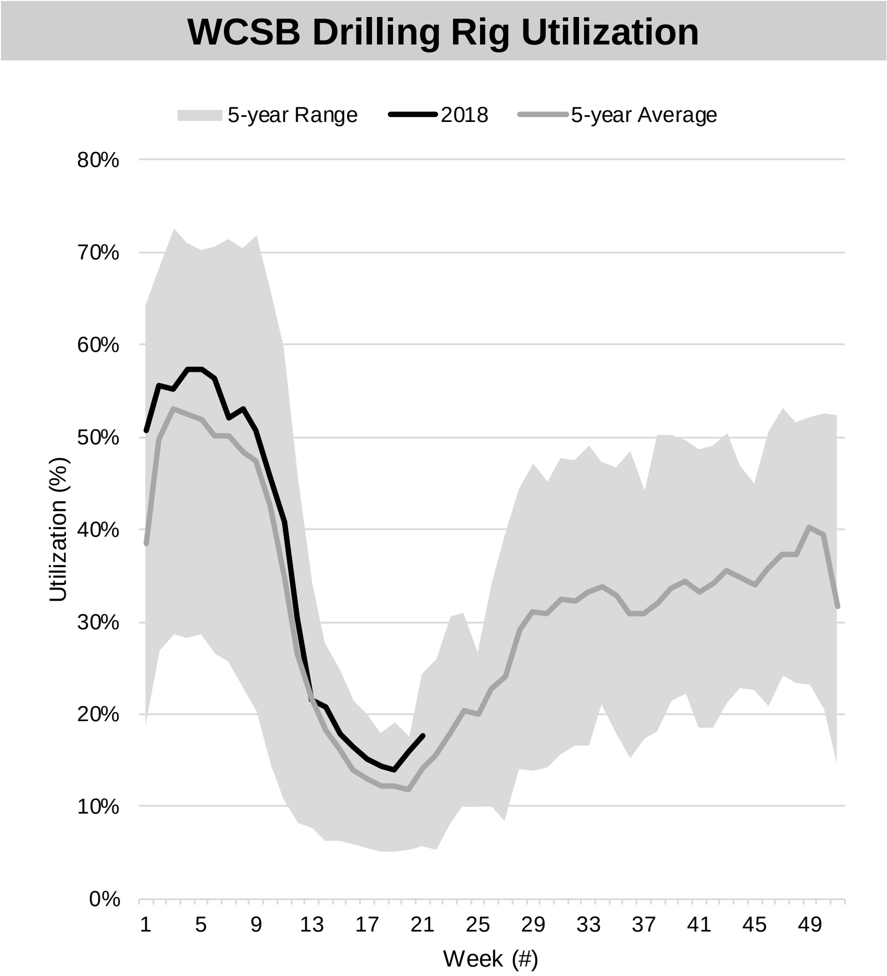
Canadian Drilling Market



- 620 industry drilling rigs
  - Down 26% from December 2012 peak of 841 rigs
  - Western's Canadian rig count increased by 14% over the same period
- Pricing improvement traditionally lags demand
  - Above 5-year average demand
  - Continuously increasing pricing with each bid
- CAODC forecast of 70,587 operating days for 2018
  - 63% increase from 2016 and 9% increase from 2015

Source: Canadian Association of Oilwell Drilling Contractors

In-Demand Fleet

Canadian Market Share by Rig Count	Drilling Rigs	Mrkt. Share
Company #1	135	21.8%
Company #2	81	13.1%
Company #3	70	11.3%
Company #4	55	8.9%
Western	**50**	**8.1%**
Company #5	42	6.8%
Company #6	27	4.4%

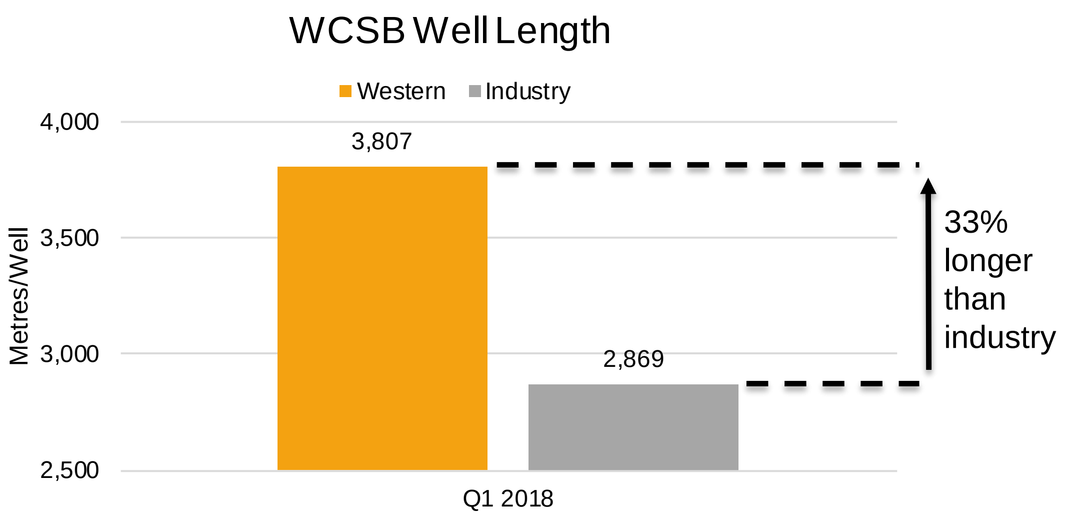
Canadian Market Share by Operating Days	Q1 2018	Mrkt. Share
Company #1	5,664	24.8%
Company #3	2,635	11.5%
Western	**2,351**	**10.3%**
Company #2	2,003	8.8%
Company #4	1,880	8.2%
Company #5	1,705	7.5%
Company #6	1,130	4.9%

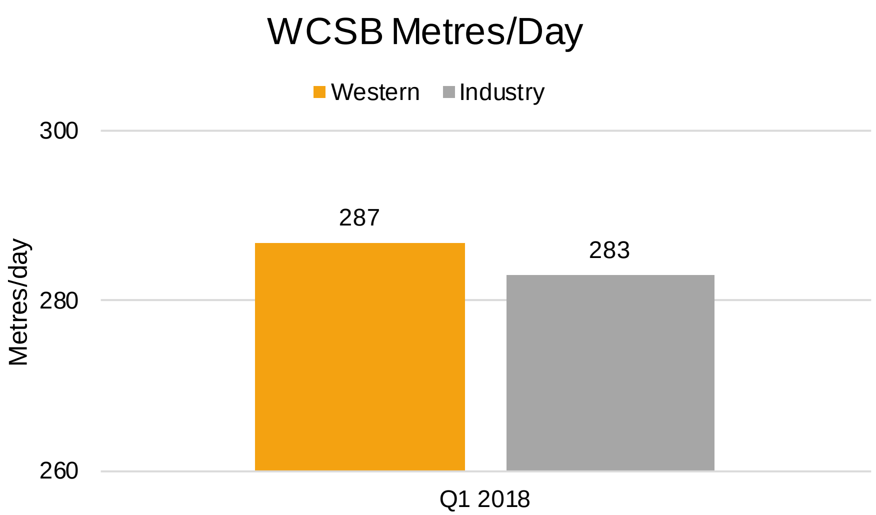
Canadian Utilization	Q1 2018
Western	**52%**
Company #6	47%
Company #1	47%
Company #5	45%
Company #3	43%
Company #4	38%
Company #2	27%

- Higher share of operating days than rig count would indicate
  - Increased pricing sequentially
- Western continues to broaden its customer base, providing the equipment demanded by the most active WCSB operators
  - Strategically allocate expansion capital to meet customer needs while achieving appropriate returns for our shareholders

Source: Canadian Association of Oilwell Drilling Contractors. Rig count as at March 31, 2018
Incudes Western plus six largest Canadian drilling companies by rig count

Continued Drilling Performance

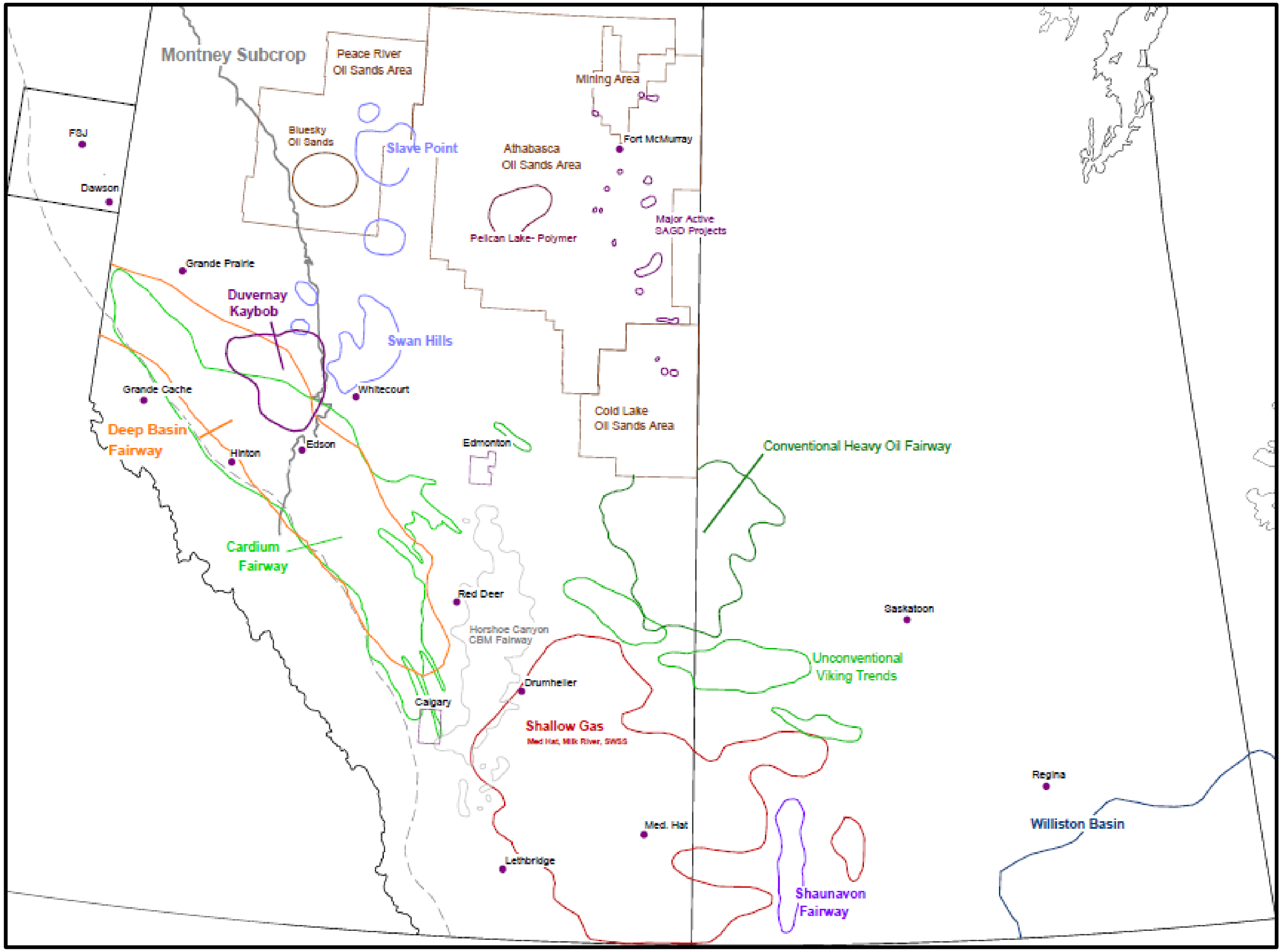




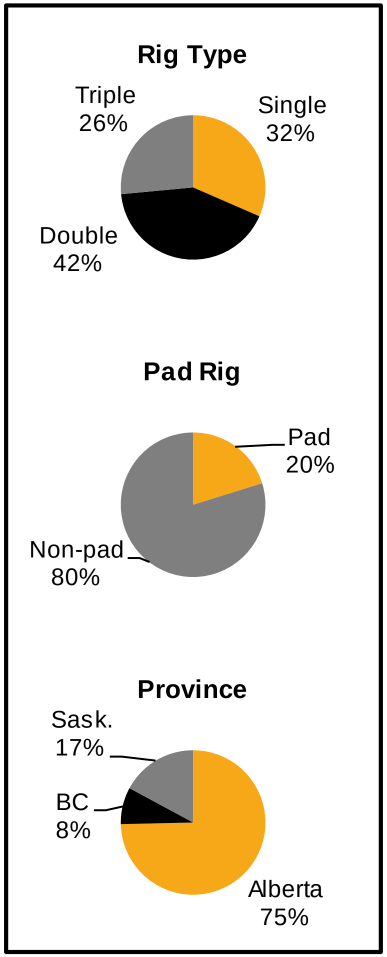
- Western increasing well length while improving drilling rate
- Strong performance is key differentiator
  - Western leads industry peers in utilization
- Fleet make-up allows Western to respond to more efficient drilling
  - Lower capability industry rigs may no longer compete

Source: Canadian Association of Oilwell Drilling Contractors and JWN DataCentral

Diversified Drilling Requirements



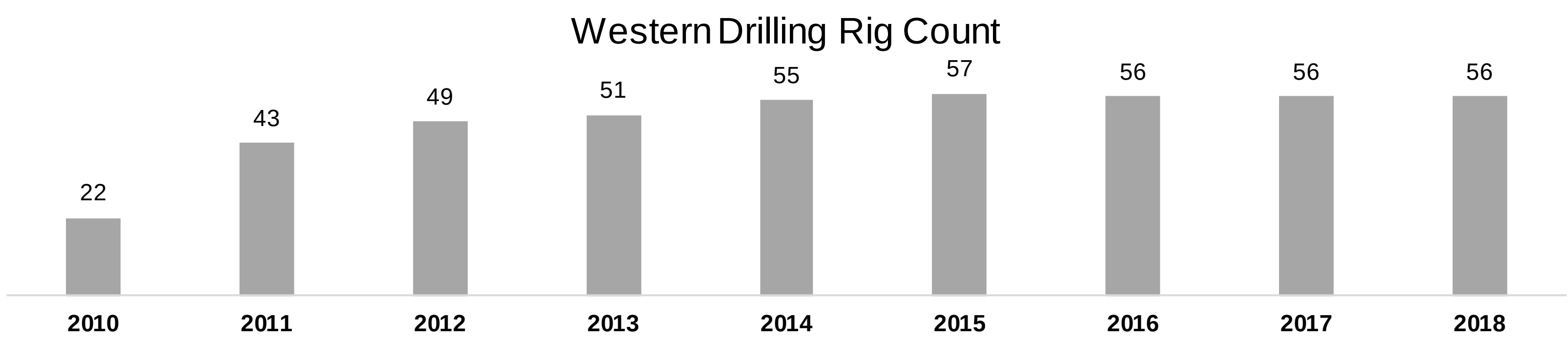
Q1 2018 Industry Days



Source: CAODC, Governments of Alberta, B.C. and Saskatchewan
Map per Peters & Co.

Stable Drilling Rig Count

- Since acquiring its first drilling rigs in 2010, Western has significantly grown its fleet
  - Now the fifth largest drilling contractor in Canada with the highest relative exposure
- Fleet remains highly marketable in Western Canada and North Dakota
- Through the downturn, Western decommissioned only 1 drilling rig
  - Allowed for cost-effective rig modification to increase competitiveness of Cardium class fleet
- Continue to achieve industry leading utilization, despite significant industry delistings/retirements



Competitive Technology

Western's drilling rig fleet is designed to meet the technological needs of our customers

Rig Features

Automated Drilling Control	7,500 psi Pumps	Digital Pump Controls	Dual-Fuel Systems
Drawworks control to optimize rate of penetration	Double and triple rigs fitted with high pressure piping to meet customer pumping requirements	Mechanical rigs fitted with digital pump controls making control competitive with AC rigs	Substitutes natural gas for diesel to reduce fuel cost and emissions
X+Y Walking Systems	**Smart Slide**	**Power-on-Demand**	**Remote Diagnostics**
Optimized for fast rig moves	Top drive programing to reduce sliding friction in horizontal sections	Generators programed to run at peak efficiency reducing fuel consumption and emissions	Allows for offsite troubleshooting and diagnostics to reduce downtime

Commodity Price Improvement

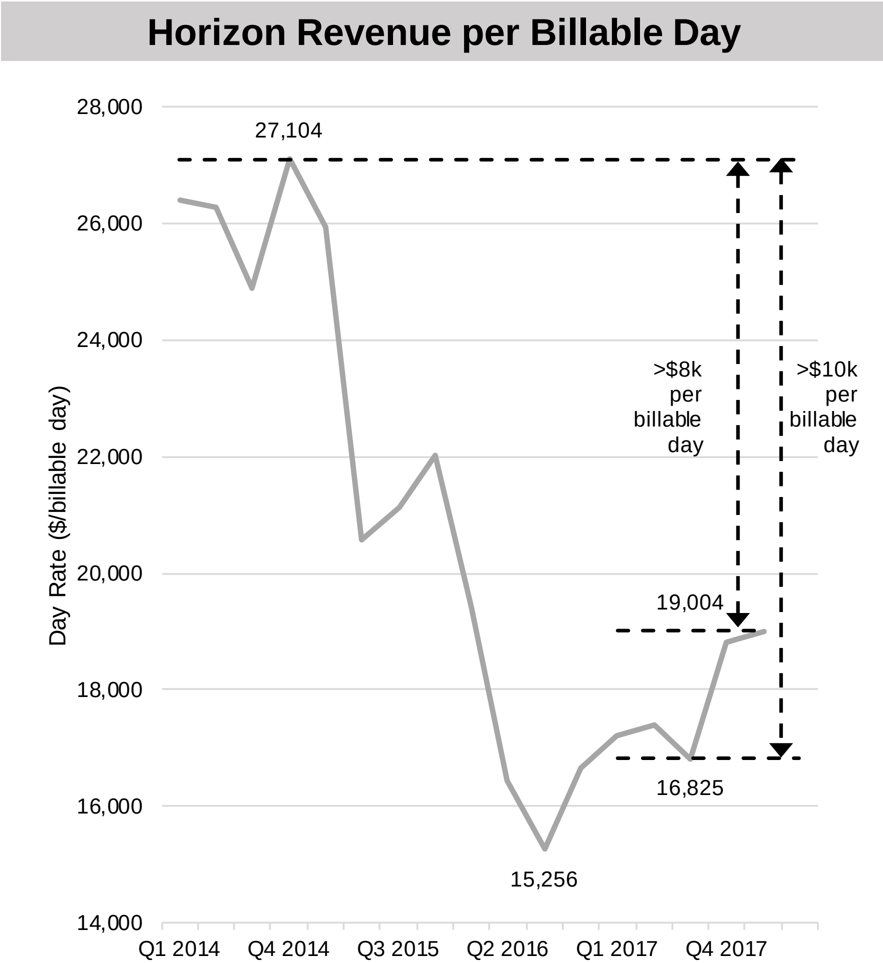
Crude Oil

- Oil prices have increased significantly over the past year
- Heavy oil differentials are marginally wider than average, though WCS realized prices are higher given improvement in WTI
- Fundamentals continue to improve
  - OPEC compliance continues
  - Global inventory drawdowns
  - Potential slowing of US growth
- Geopolitical uncertainty may provide further price support

Natural Gas

- Cold winter depleted natural gas inventories at greater than expected rate
- Variability continues but structural change to support prices over the longer term
  - NGTL system expansion
  - North American exports
  - Continued ability of producers to gain exposure to non-AECO price points

Significant Operating Leverage



- Contract drilling operating costs predominantly variable
  - No cost pressure to date
  - Largest input cost governed by CAODC
- Material upside to be generated through day rate increases
  - Term contracts atypical in Canada, yielding exposure to spot market
- Drilling rig estimated to be <15% of total well cost

2017 EBITDA Sensitivity - Canadian Contract Drilling

Avg. Day Rate *($/billable day)*	Increase *($/billable day)*	Add'l EBITDA[1)] *($ 000s)*	Increase[2)] *(%)*
17,558	-	-	-
19,000	1,442	10,863	30%
20,000	2,442	18,396	52%
21,000	3,442	25,929	73%
22,000	4,442	33,462	94%
23,000	5,442	40,995	115%
25,000	7,442	56,061	157%
27,000	9,442	71,127	199%

1) *Additional EBITDA calculated using 7,533 Billable days generated in Canadian Drilling in 2017 and assuming day rate as outlined above. Estimates are not annualized. No adjustments are made to cost structure in Canadian Drilling. Additional EBITDA excludes impact of potential price increases in other divisions.*
2) *Increase relative to Consolidated 2017 EBITDA of $35.7 million and Canadian operating revenue per billable day of $17,558.*

Balance Sheet Highlights

Capitalization Highlights		March 31, 2018
Cash	$	2,209
Property and equipment		643,253
Second Lien Facility		215,000
Revolving Facility		14,000
Operating Facility		1,881
		230,881
Shareholders' equity		382,714

Credit Facility Covenants	Covenant	@ March 31, 2018
Senior Debt (excluding Second Lien) to EBITDA Ratio	3.0 to 1 or less	0.45
Debt to Capitalization Ratio	60% or less	37%
Debt Service Coverage Ratio	1.0 to 1 or more[1)]	Not applicable[2)]

1) Debt Service Coverage Ratio is 1.0x at and prior to Q1 2018, 1.25x in Q2 2018, 1.5x in Q3 and Q4 2018, and 2.0x thereafter

2) The ratio is only tested when $40 million or more is drawn on the Credit Facilities or the net book value of PP&E is less than $400 million

Credit Facility Details

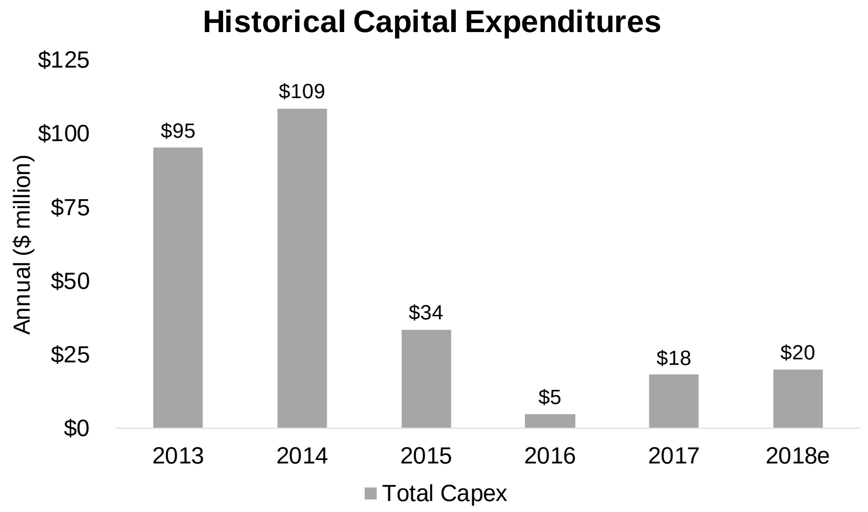
	Current Facility	Previous Facility	Change
Revolving Facility	**$70 million**	$50 million	Increased $20 million
Operating Facility	**$10 million**	$10 million	Unchanged
Credit Facilities	**$80 million**	$60 million	Increased $20 million
Senior Debt to EBITDA	**3.0:1.0 or less**	3.0:1.0 or less	Unchanged
Debt to Capitalization	**0.6:1.0 or less**	0.6:1.0 or less	Unchanged
Debt Service Coverage Ratio	**1.0:1.0 or more**[1)]	Not Applicable	Added
Interest Coverage Ratio	**Not Applicable**	See footnote[2)]	Removed
Current Ratio	**Not Applicable**	1.15:1.0 or more	Removed
Maturity	**December 17, 2020**	December 17, 2018	2 year extension

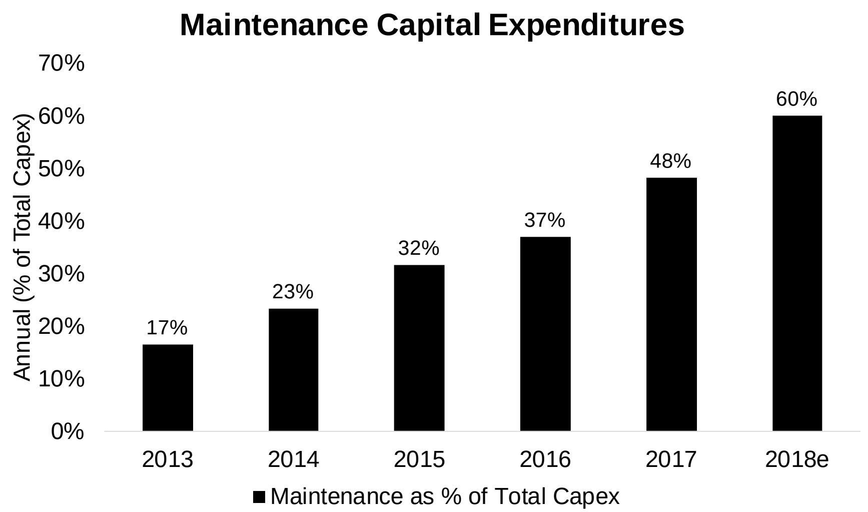
1) Debt Service Coverage Ratio is the ratio of Consolidated EBITDA to consolidated interest expense and scheduled long-term debt repayment. The ratio is only tested when $40 million or more is drawn on the Credit Facilities or the net book value of PP&E is less than $400 million. The ratio must meet or exceed 1.0x as at and prior to Q1 2018, 1.25x at Q2 2018, 1.5x at Q3 and Q4 2018, and 2.0x thereafter

2) Interest coverage covenant previously waived through 2017, 1.0x in Q1 2018, 1.25x in Q2 2018 and 1.5x thereafter. Removed in Amended Credit Facility

Well Maintained Fleet

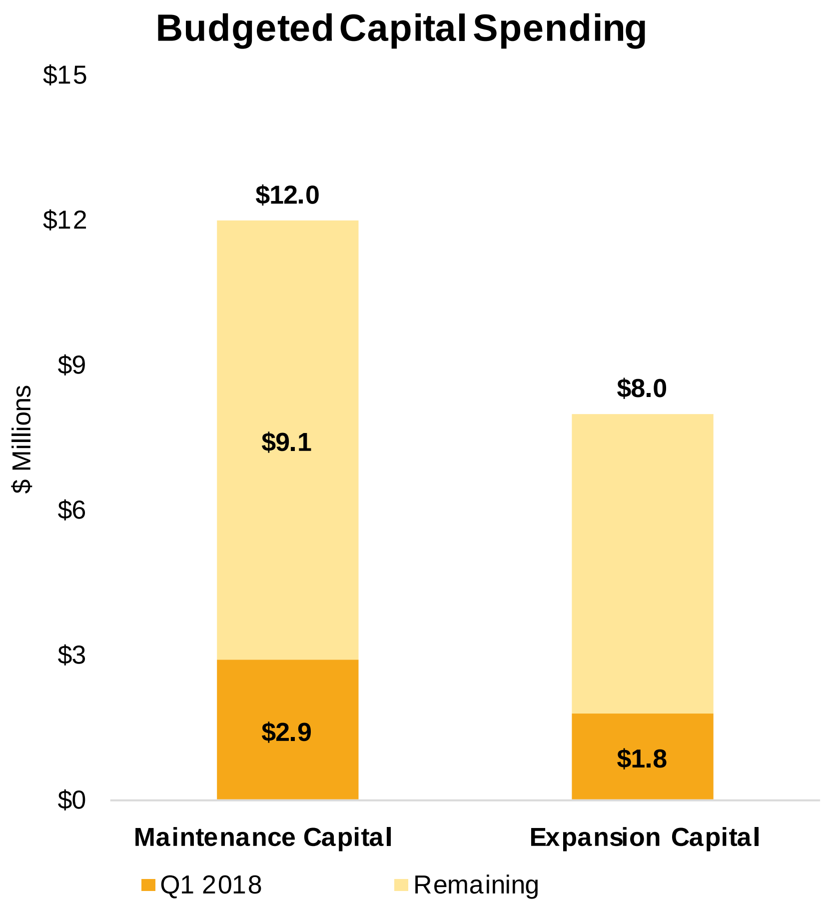
- Through 2014, Western invested in its fleet with 17 new build rigs and upgrades on existing rigs, resulting in a fleet that meets the current demands of E&P customers
- Taking a disciplined approached to the balance sheet, Western curtailed spending in the early part of 2015 and 2016
  - Maintenance was limited as there is no required capital investment on idle equipment
- As activity recovers, Western is prioritizing maintenance spending over growth capital to ensure fleet quality is maintained

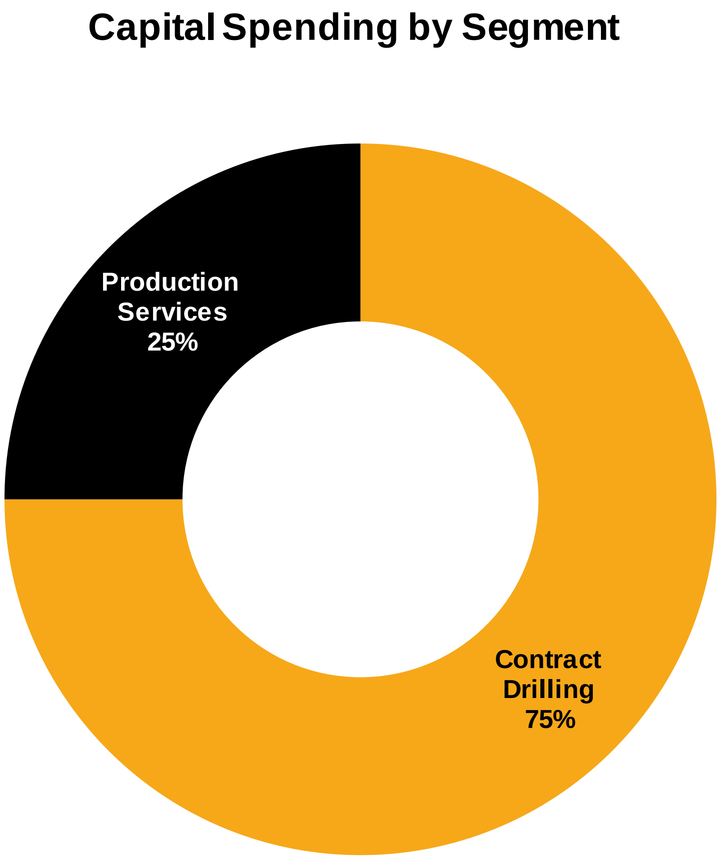




2018 Budgeted Capital Expenditures

$20 million





Management continually monitors customer demand and will adjust its capital plans as warranted

- Focused upgrade spending to ensure marketability of fleet

Why Western?

Diversified Fleet	• Ideally suited rigs for long horizontal wells and shorter wells as required for the diverse plays in Canada • To maximize efficiencies based on well requirements, offer: ✓ Pad rigs ✓ AC rigs ✓ Triple rigs ✓ Double rigs ✓ Single rigs • Convey appropriate technologies in line with customer needs
Operational & Safety Excellence	• Operating and safety performance attracts blue-chip customer base
Pricing Leverage	• Significant exposure to improving pricing environment
Capital Structure	• Appropriate capital structure • 7.25% debt termed out to 2023

APPENDIX

Financial Highlights

Financial Highlights (000s CDN$)	First Quarter 2018	First Quarter 2017	% Δ	Year Ended December 31 2017	2016	2015	2014	2013	2012
Operating Revenue[1]	72,965	78,153	(7%)	218,988	116,907	216,485	474,120	353,124	282,856
Utilization[2]	*52%*	*54%*	*(4%)*	*37%*	*17%*	*26%*	*58%*	*55%*	*54%*
Employees[3]	*na*	*na*	*na*	*993*	*881*	*632*	*1,420*	*1,436*	*934*
Gross Margin	**20,271**	**24,458**	**(17%)**	**58,310**	**25,762**	**85,951**	**207,231**	**147,559**	**131,063**
As a % of Operating Revenue	***28%***	***31%***	***(10%)***	***27%***	***22%***	***40%***	***44%***	***42%***	***46%***
Cash Administrative Expenses	5,159	5,833	(12%)	22,615	19,987	25,406	30,454	30,136	22,132
As a % of Operating Revenue	*7%*	*7%*	-	*10%*	*17%*	*12%*	*6%*	*9%*	*8%*
Adjusted EBITDA[1]	**15,112**	**18,625**	**(19%)**	**35,695**	**5,775**	**60,545**	**176,777**	**117,423**	**108,931**
As a % of Operating Revenue	***21%***	***24%***	***113%***	***16%***	***5%***	***28%***	***37%***	***33%***	***39%***
Net Income (Loss)	(5,947)	(4,365)	36%	(37,445)	(61,973)	(129,139)	36,450	35,246	45,178
per share (basic)	(0.06)	(0.06)	-	(0.48)	(0.84)	(1.74)	0.49	0.51	0.77
Dividends per share	-	-	n/a	-	-	0.275	0.300	0.300	0.150
Capital Expenditures	4,656	2,436	91%	18,132	4,719	33,562	108,604	95,234	127,231

(1) Includes shortfall commitment revenue and standby revenue from take or pay contracts (2012 - $2.2 million, 2014 - US$4.5 million, 2016 - $1.8 million, 2017 - $6.4 million)

(2) Canadian drilling rig utilization - operating day

(3) Employees at December 31

Operating Highlights

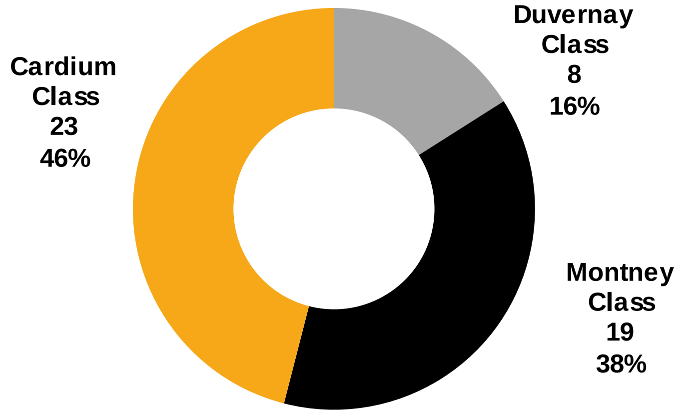
Operating Highlights	First Quarter 2018	2017	% Δ	Year Ended Dec 31 2017	2016	2015	2014	2013	2012
Contract Drilling									
Canadian Operations									
Rig fleet (end of period)	50	51	(2%)	50	51	52	49	47	44
Operating Revenue per Billable Day (C$)	19,004	17,198 (1)	11%	17,558 (1)	16,984 (2)	23,458	26,178	24,829	26,163 (4)
Drilling rig utilization - Billable Day	58%	60%	(3%)	41%	20%	29%	64%	61%	60%
Drilling rig utilization - Operating Day	52%	54%	(4%)	37%	17%	26%	58%	55%	54%
CAODC industry average utilization - Operating Day	41%	40%	2%	29%	17%	23%	44%	40%	42%
Average active rigs	29.1	30.5	(5%)	20.6	10.0	14.3	31.5	27.6	24.7
United States Operations									
Rig fleet (end of period)	6	5	20%	6	5	5	5	5	5
Operating Revenue per Billable Day (US$)	19,928	19,964	-	19,198	21,805	29,483 (3)	26,124	22,507	26,154
Drilling rig utilization - Billable Day	56%	47%	19%	61%	28%	32%	94%	81%	85%
Drilling rig utilization - Operating Day	51%	39%	31%	52%	24%	29%	83%	67%	68%
Average active rigs	3.3	2.3	43%	3.1	1.4	1.6	4.7	4.0	4.2
Well Servicing									
Rig fleet (end of period)	66	66	-	66	66	66	65	65	8
Service rig Operating Revenue per Service Hour (C$)	703	688	2%	673	643	779	817	766	596
Service rig utilization	31%	38%	(18%)	26%	20%	30%	54%	45%	36%
Average active rigs	20.6	25.0	(18%)	17.2	12.9	19.5	35.0	22.6	1.6

(1) Excludes $6.4 mm of shortfall commitment revenue from take or pay contracts
(2) Excludes $1.8 mm of shortfall commitment revenue from take or pay contracts
(3) Excludes US$4.5 mm of shortfall commitment and standby revenue from take or pay contracts
(4) Excludes $2.2 mm of shortfall commitment revenue from take or pay contracts

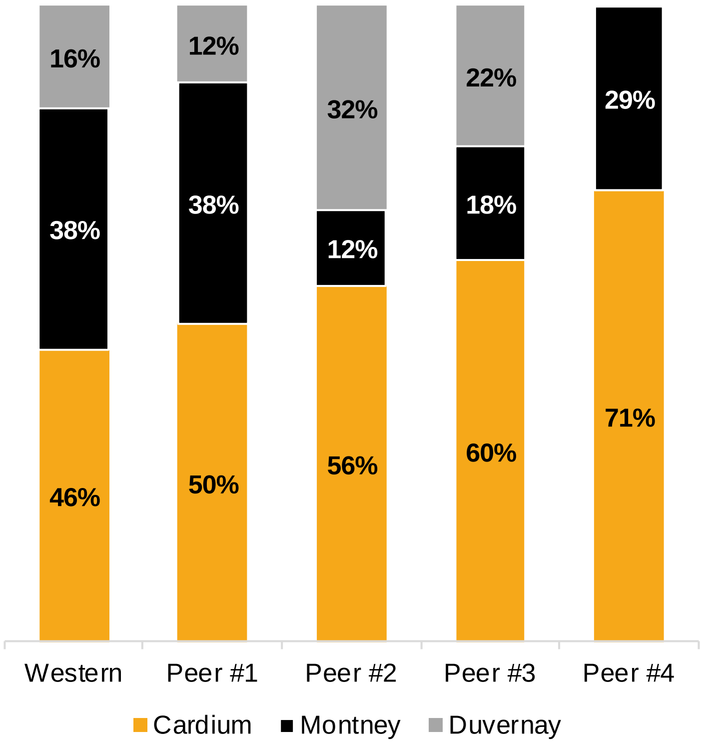
Canadian Drilling Rig Market

Canadian Industry Drilling Rigs by Class - 620

Western's Canadian Rig Fleet by Class



Industry Rig Fleet by Classification



Source: Public Disclosure as of April 2018 (based on Canadian listed companies of Western's size or greater)

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History of Western

December 2009
Announced new management team and recapitalization of $7 mm

February 2010
Raised $75 mm in equity

February 2010
Acquired 8 rigs from Horizon and 3 rigs from Cedar Creek for $84 mm

August 2010
Acquired 4 rigs with purchase of Impact

December 2010
Added 7 rigs with Pantera acquisition for $64 mm

March 2011
Raised $86 mm in equity

April 2011
Added 19 rigs with the acquisition of Stoneham for $245 mm

January 2012
Issued $175 of $7^{7/8}\%$ Senior Unsecured Notes

February 2013
Acquired IROC for $194 mm, adding 55 service rigs and Aero Rentals

September 2013
Private placement of $90 mm add-on to $7^{7/8}\%$ Senior Unsecured Notes

November 2013
Alex MacAusland appointed President & CEO

July 2015
Completed 17th drilling rig of new build program

February 2016
Suspended dividend and reduced capital budget to conserve cash

April 2016
Amended credit facility, adding a covenant relief period

September 2017
Announced comprehensive refinancing including Second Lien Term Loan, equity raises and amended credit facility

Alex R.N. MacAusland
President and Chief Executive Officer

Jeffrey K. Bowers
Sr. Vice President, Finance and Chief Financial Officer

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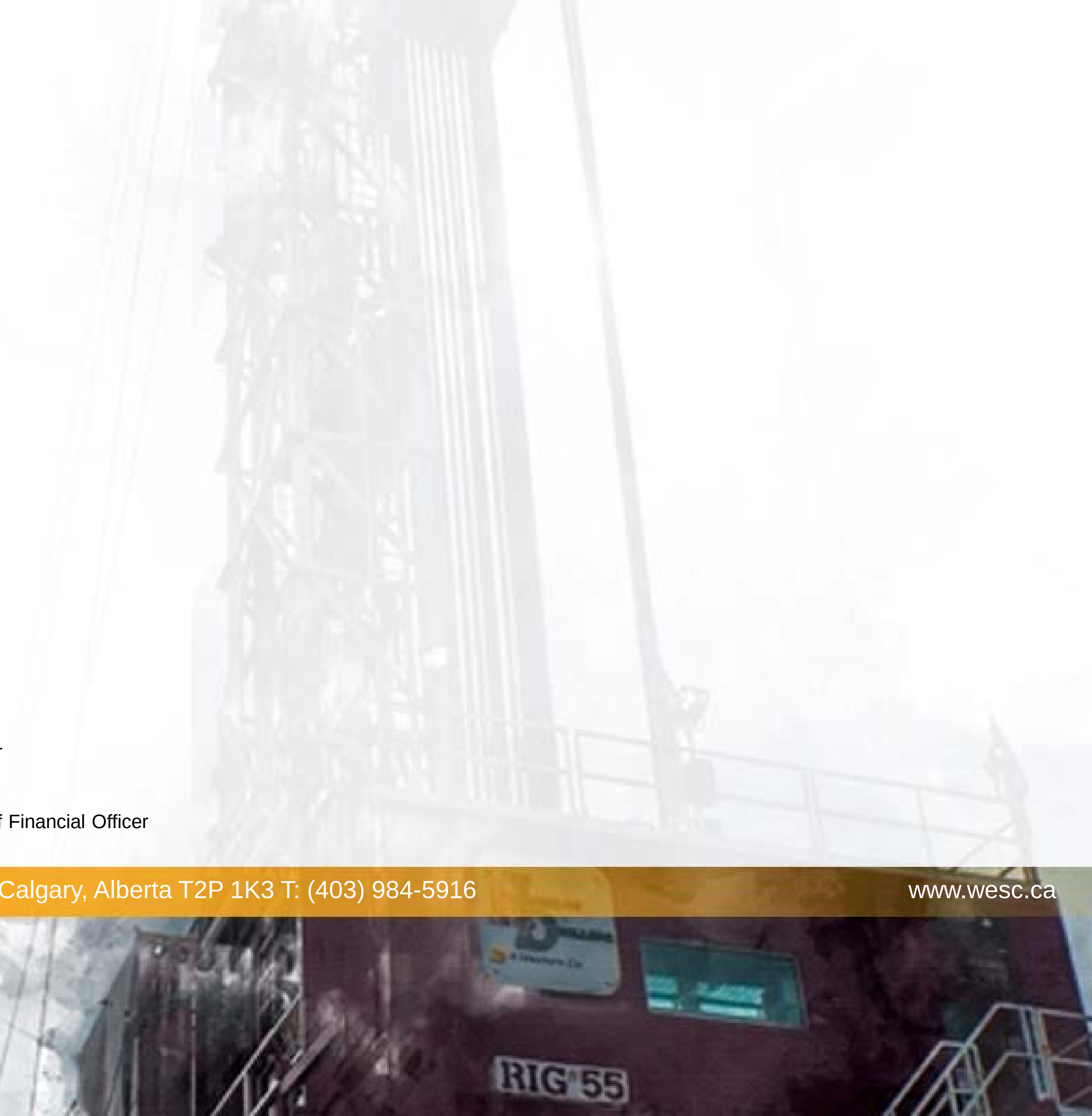

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