

## **WESTERN ENERGY SERVICES CORP. (THE “CORPORATION”) COMMUNICATIONS POLICY**

### Statement of Policy

The Corporation is committed to a policy of timely, fair and accurate public disclosure of all Material Information (as defined herein) relating to it, in order to keep Shareholders of the Corporation and the investing public appropriately informed about the affairs of the Corporation.

The directors of the Corporation (the “**Directors**”), along with Senior Management of the Corporation, believe that this policy of timely, fair and accurate public disclosure of all Material Information is of fundamental importance to the Corporation and believe that all directors, executive officers, management, employees and consultants (“**Applicable Persons**”) of the Corporation has an obligation to ensure that the Corporation conducts itself in accordance with the provisions of this Communications Policy (this “**Policy**”) and its objectives.

This Policy outlines the approach of the Corporation to the dissemination of Material Information and provides guidelines intended to achieve consistent disclosure practices.

### Definitions

Capitalized terms used in this Policy shall have the respective meanings set forth in Schedule “A” attached hereto.

### Scope

This Policy has been approved by the Directors and applies to all Applicable Persons and those authorized to speak on behalf of the Corporation.

The provisions of this Policy apply to all methods of public communication in respect of the Corporation, including the dissemination of annual and interim reports, news releases and letters to Shareholders of the Corporation, management presentations, information contained on the Corporation’s web sites and other forms of electronic communication. It also extends to oral statements made in meetings and telephone conversations with analysts and investors and interviews with the media, as well as speeches, press conferences and conference calls.

### Other Relevant Policies

This Policy should be read in conjunction with the rules with respect to insider information and disclosure of confidential information contained in the Code of Business Conduct and Ethics (the “**Code**”) and the Insider Trading Policy. Applicable Persons are reminded that they are required to maintain the confidentiality of confidential information of the Corporation in accordance with the Code and that such confidential information is proprietary of the Corporation. The Insider Trading Policy prohibits persons from trading while in possession of non-public material information and provides for black out periods during which persons subject to such provisions must consider whether they should refrain from trading in securities of the Corporation before making such a trade.

### Authorized Spokespersons

The Chief Executive Officer and the Chief Financial Officer of the Corporation are responsible for overseeing the Corporation’s disclosure practices and are the official spokespersons for the Corporation for the purpose of public disclosure of Material Information. Individuals holding

these offices may, from time to time, designate others within the Corporation to speak on behalf of the Corporation with respect to certain matters or to respond to specific inquiries.

Applicable Persons who are not authorized spokespersons are not permitted to speak on behalf of the Corporation or to respond to inquiries from the investment community or from the media in respect of matters which could involve the disclosure of non-public Material Information, unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred to the Chief Executive Officer or the Chief Financial Officer of the Corporation.

In circumstances where an authorized spokesperson has made an oral statement on behalf of the Corporation which may constitute a Public Oral Statement and such statement contains non-public Material Information or a potential misrepresentation, such individual shall promptly prepare a written record of such oral statement and submit same to the Chief Executive Officer or the Chief Financial Officer in order to determine whether such Public Oral Statement contains non-public Material Information or a misrepresentation. In circumstances where a Public Oral Statement is found to contain non-public Material Information or a misrepresentation, the Corporation shall immediately issue a release disclosing such information or correcting the misrepresentation, as the case may be.

#### Timing of Disclosure of Material Information

Applicable securities laws and stock exchange rules require prompt disclosure of all Material Information. Unfavourable news must be disclosed just as promptly and completely as favourable news. Where confidential information is withheld, the Corporation will take appropriate precautions to keep such information confidential. Examples of potentially Material Information are set forth in Schedule B to this Policy.

#### Procedure for Disclosure

The Chief Executive Officer and the Chief Financial Officer are responsible for reviewing and supervising the preparation of the Corporation's:

- (a) Core Documents;
- (b) News releases containing financial information, earnings guidance, information about material acquisitions or dispositions or other information material to the Corporation's shareholders; and
- (c) Correspondence containing information broadly disseminated to shareholders of the Corporation including financial information, whether in writing or by way of Public Oral Statements.

Accordingly, prior to the filing of any Document, the issuance of any news release or the broad dissemination of Material Information to Shareholders of the Corporation, whether in writing or by way of a Public Oral Statement, the Chief Executive Officer or the Chief Financial Officer shall review the proposed disclosure and approve such filing or issuance.

All releases of Material Information will be managed by the Chief Financial Officer or, if that person is not for any reason available, by such other officer of the Corporation designated by the Chief Financial Officer and by no other department or individual.

The Chief Executive Officer or the Chief Financial Officer will determine whether:

- (a) the Corporation should request that the exchange on which the Corporation's Shares are listed implement a trading halt pending the release of the Material Information; and
- (b) whether pre-clearance of a news release with any such exchanges is required. News releases will be disseminated through a newswire service and filed on SEDAR.

The audit committee of the Corporation (the "**Audit Committee**") will review with the external auditors of the Corporation and management of the Corporation and recommend to the Board of Directors for approval, the annual financial statements of the Corporation, the notes and management's discussion and analysis accompanying any such financial statements, the Corporation's annual report and any financial information of the Corporation contained in any prospectus or information circular of the Corporation. The Audit Committee will review and recommend to the Board of Directors for approval the release of the interim financial statements of the Corporation and the notes and management's discussion and analysis accompanying such financial statements and, prior to their dissemination to the public, approve any news releases containing information based on the Corporation's financial statements which is disseminated prior to the release of such financial statements.

Each Applicable Person who is involved in the review of the public disclosure of Material Information by the Corporation, whether as a member of the Audit Committee or otherwise, is responsible for ensuring that all such disclosure is complete and accurate. This responsibility is of paramount importance to the Corporation and such individuals are expected to devote such amount of time and attention to this role as is necessary to ensure that all public disclosure of Material Information made by the Corporation is correct and accurate.

If any Applicable Person who is involved in the review of the form of public disclosure of Material Information by the Corporation becomes aware of any information which may constitute undisclosed Material Information or a misrepresentation in such disclosure, such individual shall immediately present the information to the Chief Executive Officer or Chief Financial Officer for review.

Each manager of the Corporation must encourage all employees under their direct supervision to report any issues within or relating to such business unit or division to a member of management in order to assist the Corporation in making timely, complete and accurate disclosure of all Material Information. Such individuals should promote an environment of communication in order to achieve these objectives.

#### Conference Calls/Investor Presentations

Conference calls or investor presentations with market participants may be held for the purposes of discussing quarterly or annual earnings or other material developments in the affairs of the Corporation. Any such presentations will be accessible simultaneously to all interested parties via conference call or pursuant to a webcast over the Internet. Advance notice of any such presentations will be provided on the Corporation's web sites and in the Corporation's news releases. Any supplemental information distributed in connection with such conference call or investor presentation will also be posted to the Corporation's web sites for others to view.

### Responding to Rumours

The Corporation does not comment, affirmatively or negatively, on rumours. If asked to comment on a rumour, authorized spokespersons will respond with, "It is our policy not to comment on market rumours or speculation." Should the stock exchange request that the Corporation make a definitive statement in response to a market rumour that is causing significant volatility in the market(s) for the shares of the Corporation, the Chief Executive Officer or the Chief Financial Officer will consider the matter and decide whether to make a definitive statement.

### Communications with Financial Analysts and Investors

Non-public Material Information of the Corporation will not be provided to financial analysts and/or selected investors by employees or officers of the Corporation, whether or not a confidentiality agreement has been entered into with such financial analysts and investors.

If non-public Material Information is inadvertently disclosed to financial analysts or selected investors, the discloser shall promptly advise the Chief Executive Officer or the Chief Financial Officer who shall cause the Corporation to take prompt action to achieve broad public dissemination of the information.

### Quiet Periods

The Corporation will observe regular "quiet periods" commencing on the first day following the end of a quarter and ending with the issuance of a news release disclosing results for the quarter then ended. Meetings or discussions with analysts and investors will not be initiated by the Corporation during a quiet period. Except for responding to unsolicited inquiries respecting factual matters, participation in meetings or discussions with analysts and investors during a quiet period shall be subject to the prior approval of the Chief Executive Officer or the Chief Financial Officer.

### Reviewing Analyst Draft Reports and Models

The Chief Executive Officer or the Chief Financial Officer may occasionally and upon request review financial analysts' reports or models (an "**Analyst Report**"). Such persons are prohibited from providing any comments on any Analyst Report provided for review as aforesaid other than pointing out errors in fact in circumstances where such error can be corrected by reference to previously disclosed information or undisclosed information that is not Material Information. In the event that any such person elects to review any Analyst Report for the reasons aforesaid, they shall promptly advise the Chief Executive Officer or the Chief Financial Officer and provide a copy of their comments on such Analyst Report to such representative prior to its distribution to the financial analyst.

### Managing Expectations

The Corporation will try to ensure, through its regular public dissemination of quantitative and qualitative information that analysts' estimates are in line with the Corporation's own expectations. The Corporation will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' models and earnings estimates. If the Corporation has determined that it will be reporting results materially below or above publicly held expectations, it will consider, and if deemed appropriate in the circumstances, disclose this information in a press release in order to enable discussion without risk of selective disclosure.

### Distributing Analyst Reports

Analyst reports are proprietary products of the analyst's firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Corporation of the report. For these reasons, the Corporation will not provide analyst reports through any means to persons outside of the Corporation or to employees other than Senior Management and Directors of the Corporation, including posting such information on its website. The Corporation may post on its website a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Corporation. If provided, such list will not include links to the analysts' reports or publications or any other third party websites or publications.

### Forward-looking Information

The Corporation may provide forward-looking information in compliance with applicable securities law requirements. Material forward-looking information contained in the Corporation's written documents or in any Public Oral Statement must:

- (a) identify the forward-looking information as such;
- (b) caution users of the forward-looking information that actual results may vary from the forward-looking information and identify material risk factors that would cause actual results to differ materially from the forward-looking information;
- (c) disclose the material factors or assumptions that were used to develop forward looking information; and
- (d) describe the Corporation's policy for updating forward-looking information (if - applicable).

### Information on the Website and Electronic Communications

The Chief Financial Officer is responsible for updating the investor relations section of the Corporation's web site and for monitoring all information placed on the web site to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws. The Chief Financial Officer is also responsible for approving hypertext links to other web sites which are placed on such web site. Investor Relations Material shall be contained within a separate section of the Corporation's web site and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures.

Any postings of non-public Material Information on the Corporation's web site will be preceded by the issuance of a news release. All data posted to the web site, including text and audiovisual material, shall show the date such material was issued or prepared.

Applicable Persons are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Corporation.

### Distribution of Information During or in Anticipation of a Public Offering

The dissemination of Material Information prior to or during the course of any public offering is generally prohibited and if made, must be carefully co-ordinated so that it cannot be viewed as

“preparing” the market. Care must also be taken to ensure that any information which is released during such period is consistent with the Corporation’s prospectus or other offering documents.

Communication and Enforcement

This Communications Policy extends to all Applicable Persons. Any Applicable Person who violates this Communications Policy may face disciplinary action up to and including termination of his or her employment with the Corporation for just without notice or payment in lieu of notice. The violation of this Communications Policy may also violate certain securities laws. If it appears that an Applicable Person may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities.

Any questions regarding the application of this Policy should be referred to the Chief Financial Officer.

**ACKNOWLEDGEMENT**

I hereby acknowledge that I have read and comply with the above Communications Policy and the attached Schedules “A” and “B” and the entirety of the contents contained therein.

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Name (please print)	Signature	Date

*APPROVED BY THE BOARD OF DIRECTORS MARCH 22, 2010*  
*APPROVED BY THE BOARD OF DIRECTORS – NOVEMBER 9, 2011*  
*Approved by Board of Directors – October 31, 2012*  
*Ratified by the Board of Directors – October 30, 2013*  
Approved by the Board of Directors February 26, 2015

## SCHEDULE A

“Core Document” means a prospectus, a take-over bid circular, an issuer bid circular, a directors’ circular, a rights offering circular, management’s discussion and analysis, an annual information form, an information circular, annual financial statements, interim financial statements, a material change report of the Corporation;

“Document” means any written communication, including a communication prepared and transmitted only in electronic form:

- (a) that is required to be filed with the Alberta Securities Commission (“ASC”) or other Canadian Securities Commission “Canadian Securities Regulation”; or
- (b) that is not required to be filed with the ASC and:
  - (i) that is filed with the ASC;
  - (ii) that is filed or required to be filed with a government or an agency of a government under applicable securities or corporate law or with any stock exchange or quotation and trade reporting system under its by-laws, rules or regulations; or
  - (iii) that is any other communication the content of which would reasonably be expected to affect the market price or value of the shares or other securities of the Corporation,

and, for greater certainty, includes all Core Documents;

“Insider Trading Policy” means the Insider Trading Policy of the Corporation

“Investor Relations Material” includes the Corporation’s annual and interim reports, proxy circulars, annual information forms, material change reports, news releases, committee charters, presentations and fact sheets;

“Material Change” means:

- (a) a change in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of the Shares of the Corporation; or
- (b) a decision to implement a change referred to in paragraph (a) made by the Directors, or by Senior Management of the Corporation who believe that confirmation of the decision by the Directors is probable;

“Material Fact” means a fact that would reasonably be expected to have a significant effect on the market price or value of the units or other securities of the Corporation;

“Material Information” includes any Material Fact or Material Change;

“Misrepresentation” means:

- (a) an untrue statement of Material Fact; or

- (b) an omission to state a Material Fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made; and

“Public Oral Statement” means an oral statement made in circumstances in which a reasonable person would believe that information contained in the statement will become generally disclosed.

“Senior Management” of the Corporation includes the Chief Executive Officer, Chief Financial Officer, President, Vice-President or any other individual who performs functions for the Corporation similar to those normally performed by a person holding such office.



## **SCHEDULE “B”**

### **Examples of Potentially Material Information**

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The following are examples of the types of events or information which may be material. This list is not exhaustive and is not a substitute for the exercising judgement in making materiality determinations:

#### **Changes in Corporate Structure**

- changes in share ownership that may affect control of the Corporation
- major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids
- changes in capital structure
- the public or private sale of additional Shares or other securities of the Corporation (“Securities”)
- planned repurchases or redemptions of Securities
- planned splits of Securities or offerings of warrants or rights to buy Securities
- any Securities consolidation, exchanges, or dividends
- changes in the dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to rights of Security holders

#### **Changes in Financial Results**

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the assets of the Corporation
- any material change in the accounting policy

## **Changes in Business and Operations**

- any development that affects the Corporation's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant discoveries by resource companies
- changes to the board of trustees, the board of directors of the Corporation or executive management, including the departure of the Corporation's CEO, COO or CFO (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Corporation's Securities or their movement from one quotation system or exchange to another

## **Acquisitions and Dispositions**

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies or the Corporation, including a take-over bid for, or merger with, another company or the Corporation

## **Changes in Credit Arrangements**

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements