



NEWS RELEASE

WESTERN ENERGY SERVICES CORP. ANNOUNCES 2019 CAPITAL BUDGET

FOR IMMEDIATE RELEASE: December 6, 2018

CALGARY, ALBERTA - Western Energy Services Corp. ("**Western**") (TSX: WRG) is pleased to announce its 2019 capital expenditure budget of approximately \$15 million. The 2019 capital expenditure budget is expected to be comprised of approximately \$13 million of maintenance capital and \$2 million of expansion capital.

Maintenance capital of \$13 million includes \$10 million in the contract drilling segment and \$3 million in the production services segment. Maintenance capital spending is directly related to the activity of Western's equipment.

Expansion capital of \$2 million will be driven by specific customer requirements. Western remains committed to ensuring that funds will only be allocated to projects where capital can generate appropriate returns.

Western's capital budget is underpinned by an expectation of a similar level of activity in 2019 as compared to 2018. Given a number of macro factors impacting the oil and gas industry in Western Canada, including the recently announced production curtailments in Alberta, the outlook for 2019 is more uncertain than it has been in previous years. Western will continuously monitor the activity of its fleet and will adjust the planned 2019 capital budget as appropriate.

About Western

Western is an oilfield service company which provides contract drilling services in Canada through its Horizon Drilling division and in the United States through its wholly-owned subsidiary Stoneham Drilling Corporation. In Canada, Western also provides well servicing through its Eagle Well Servicing division and provides oilfield rental services through its Aero Rental Services division.

Forward-Looking Statements and Information

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "will", "outlook" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward-looking statements and information relating to Western's planned capital expenditures and levels of activity in 2019 as well as information regarding economic conditions in the Western Canadian oil and gas industry. These forward-looking statements and information are based on certain key expectations and assumptions made by Western, including that Western's level of activity in 2019 will be similar to 2018. Although Western believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information as Western cannot give any assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with general economic conditions, the demand for Western's services, volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oilfield services generally, currency exchange rate risk,

potential changes in cost structures in Western's industry, compliance with covenants and/or repayment obligations under Western's credit facilities, changes in legislation, dependence on, and concentration of, major customers, and the creditworthiness and performance by the Western's counterparties and customers.

Readers are cautioned that the foregoing list of risks and uncertainties is not exhaustive. Additional information on these and other risk factors that could affect Western's operations or financial results are included in Western's annual information form and may be accessed through the SEDAR website (www.sedar.com). The forward-looking statements and information contained in this press release are made as of the date hereof and Western does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

For more information, please contact: Alex R.N. MacAusland, President and CEO, or Jeffrey K. Bowers, Senior VP Finance and CFO at 403.984.5916.