**WESTERN ENERGY SERVICES CORP. RELEASES FOURTH QUARTER AND YEAR END 2024 FINANCIAL AND OPERATING RESULTS**

**FOR IMMEDIATE RELEASE: February 26, 2025**

CALGARY, ALBERTA – Western Energy Services Corp. ("Western" or the "Company") (TSX: WRG) announces the release of its fourth quarter and year end 2024 financial and operating results. Additional information relating to the Company, including the Company's financial statements and management's discussion and analysis ("MD&A") as at and for the year ended December 31, 2024 and 2023 will be available on SEDAR+ at www.sedarplus.ca. Non-International Financial Reporting Standards ("Non-IFRS") measures and ratios, such as Adjusted EBITDA, Adjusted EBITDA as a percentage of revenue, revenue per Operating Day, revenue per Service Hour and Working Capital, as well as abbreviations and definitions for standard industry terms are defined later in this press release. All amounts are denominated in Canadian dollars (CDN$) unless otherwise identified.

## Operational and Financial Highlights

*Three Months Ended December 31, 2024*

Financial Highlights:

- Fourth quarter revenue of $59.7 million in 2024 was $3.4 million (or 6%) higher than the fourth quarter of 2023, as higher contract drilling revenue in Canada was offset partially by lower production services revenue.
- The Company had a net loss of $2.0 million in the fourth quarter of 2024 ($0.06 net loss per basic common share) as compared to a net loss of $2.2 million in the fourth quarter of 2023 ($0.06 net loss per basic common share) as lower Adjusted EBITDA and higher income tax expense were offset by decreases in depreciation expense and finance costs.
- Adjusted EBITDA of $10.3 million in the fourth quarter of 2024 was $3.1 million (or 23%) lower compared to $13.4 million in the fourth quarter of 2023, mainly due to one-time reorganization costs of $2.9 million. After normalizing for the one-time reorganization costs, Adjusted EBITDA in the fourth quarter of 2024 would have totalled $13.2 million, a decrease of $0.2 million due to lower production services activity in Canada, which was partially offset by higher drilling revenue in Canada and higher day rates in the United States ("US").
- Fourth quarter additions to property and equipment of $5.8 million in 2024 compared to $3.4 million in the fourth quarter of 2023, consisting of $1.5 million of expansion capital related to rig upgrades and $4.3 million of maintenance capital.

Operational Highlights:

- In Canada, Operating Days of 986 in the fourth quarter of 2024 were 153 days (or 18%) higher compared to 833 days in the fourth quarter of 2023. Drilling rig utilization in Canada was 32% in the fourth quarter of 2024, compared to 27% in the same period of the prior year, mainly due to improved demand for the Company's upgraded rig fleet.
- Revenue per Operating Day in Canada averaged $35,081 in the fourth quarter of 2024, which was consistent with the same period of the prior year.
- In the US, drilling rig utilization averaged 31% in the fourth quarter of 2024, compared to 36% in the fourth quarter of 2023, due to continued low industry activity in the US.
- Revenue per Operating Day in the US for the fourth quarter of 2024 averaged US$32,603, a 23% increase compared to US$26,530 in the same period of the prior year, mainly due to changes in rig mix.
- In Canada, service rig utilization was 34% in the fourth quarter of 2024, compared to 37% in the same period of the prior year, as Service Hours decreased by 12% to 13,750 hours from 15,712 hours in the same period of the prior year, as customers deferred their programs due to low natural gas prices or capital overspend from earlier in 2024.
- Revenue per Service Hour averaged $1,010 in the fourth quarter of 2024 and was 1% lower than the fourth quarter of 2023, due to area-specific rig requirements.
- Subsequent to December 31, 2024, on January 27, 2025, the Company announced that it extended the maturity date of its Second Lien Facility (as defined in this press release) from May 18, 2026 to May 18, 2027.

*Year Ended December 31, 2024*

Financial Highlights:

- Revenue for the year ended December 31, 2024, decreased by $10.4 million (or 4%), to $223.1 million compared to $233.5 million for the year ended December 31, 2023, as revenue was negatively impacted by lower activity in contract drilling in the US due to lower commodity prices in 2024 and lower third-party recoveries in Canada, offset partially by higher Operating Days in contract drilling in Canada.

- The Company had a net loss of $6.9 million for the year ended December 31, 2024 ($0.20 net loss per basic common share), consistent with a net loss of $6.9 million in the prior year ($0.20 net loss per basic common share). Net loss was unchanged year over year as the decreases in stock based compensation expense, finance costs and depreciation expense, were partially offset by a decrease in Adjusted EBITDA.
- Administrative expenses for the year ended December 31, 2024 were $5.9 million higher than 2023, mainly due to higher employee related costs including one-time reorganization costs of $5.7 million incurred in 2024.
- Adjusted EBITDA of $42.2 million for the year ended December 31, 2024 was $5.5 million (or 12%) lower compared to $47.7 million in 2023 and included one-time reorganization costs of $5.7 million. After normalizing for the one-time reorganization costs, Adjusted EBITDA for the year ended December 31, 2024 would have totalled $47.9 million, an increase of $0.2 million from 2023. Adjusted EBITDA in 2024 was comparable to the prior year as higher drilling activity in Canada was partially offset by lower drilling activity in the US.
- Additions to property and equipment of $21.6 million in 2024 compared to $22.6 million in 2023, consisting of $11.5 million of expansion capital related to rig upgrades and $10.1 million of maintenance capital.
- On August 7, 2024, the Company made a voluntary $10.0 million repayment on its Second Lien Facility (as defined in this news release) through available cash on hand and a draw on the Company's Credit Facilities (as defined in this news release).

Operational Highlights:

- In Canada, Operating Days of 3,710 days for the year ended December 31, 2024 were 135 days (or 4%) higher compared to 3,575 days for the year ended December 31, 2023. Drilling rig utilization in Canada was 30% for the year ended December 31, 2024, compared to 29% in the prior year, due to improved industry activity year over year.
- Revenue per Operating Day in Canada for the year ended December 31, 2024 averaged $33,092, which was 1% lower than the prior year mainly due to lower third-party recoveries in 2024, which were partially offset by higher day rates.
- In the US, drilling rig utilization averaged 29% for the year ended December 31, 2024, compared to 38% in the prior year.
- Revenue per Operating Day in the US for the year ended December 31, 2024, averaged US$30,621, a 1% decrease compared to US$30,861 in the prior year, mainly due to higher day rates which were offset by lower third-party recoveries in 2024 and higher mobilization revenue in 2023.
- In Canada, service rig utilization of 35% for the year ended December 31, 2024 was higher than 34% in the prior year with Service Hours increasing by 1% from 57,792 hours in 2023 to 58,117 hours in 2024.
- Revenue per Service Hour averaged $1,020 for the year ended December 31, 2024 and was 1% lower than the year ended December 31, 2023.

**Selected Financial Information**

**(stated in thousands, except share and per share amounts)**

| Financial Highlights | Three months ended December 31 2024 | 2023 | Change | Year ended December 31 2024 | 2023 | Change |
|---|---|---|---|---|---|---|
| Revenue | 59,720 | 56,255 | 6% | 223,078 | 233,451 | (4%) |
| Adjusted EBITDA(1) | 10,316 | 13,370 | (23%) | 42,227 | 47,739 | (12%) |
| Adjusted EBITDA as a percentage of revenue(1) | 17% | 24% | (29%) | 19% | 20% | (5%) |
| Cash flow from operating activities | 14,332 | 6,268 | 129% | 46,798 | 51,353 | (9%) |
| Additions to property and equipment | 5,844 | 3,404 | 72% | 21,604 | 22,622 | (5%) |
| Net loss | (1,995) | (2,194) | 9% | (6,866) | (6,885) | - |
| – basic and diluted net loss per share | (0.06) | (0.06) | - | (0.20) | (0.20) | - |
| Weighted average number of shares | | | | | | |
| – basic and diluted | 33,843,022 | 33,843,009 | - | 33,843,018 | 33,841,864 | - |
| Outstanding common shares as at period end | 33,843,022 | 33,843,009 | - | 33,843,022 | 33,843,009 | - |

(1) See "Non-IFRS Measures and Ratios" included in this press release.

| Operating Highlights(2) | Three months ended December 31 2024 | 2023 | Change | Year ended December 31 2024 | 2023 | Change |
|---|---|---|---|---|---|---|
| **Contract Drilling** | | | | | | |
| *Canadian Operations:* | | | | | | |
| Operating Days | 986 | 833 | 18% | 3,710 | 3,575 | 4% |
| Revenue per Operating Day(3) | 35,081 | 35,211 | - | 33,092 | 33,328 | (1%) |
| Drilling rig utilization | 32% | 27% | 19% | 30% | 29% | 3% |
| CAOEC industry Operating Days(4) | 15,696 | 14,527 | 8% | 61,457 | 57,842 | 6% |
| *United States Operations:* | | | | | | |
| Operating Days | 197 | 229 | (14%) | 743 | 1,072 | (31%) |
| Revenue per Operating Day (US$)(3) | 32,603 | 26,530 | 23% | 30,621 | 30,861 | (1%) |
| Drilling rig utilization | 31% | 36% | (14%) | 29% | 38% | (24%) |
| **Production Services** | | | | | | |
| Service Hours | 13,750 | 15,712 | (12%) | 58,117 | 57,792 | 1% |
| Revenue per Service Hour(3) | 1,010 | 1,017 | (1%) | 1,020 | 1,027 | (1%) |
| Service rig utilization | 34% | 37% | (8%) | 35% | 34% | 3% |

(2) See "Defined Terms" included in this press release.
(3) See "Non-IFRS Measures and Ratios" included in this press release.
(4) Source: The Canadian Association of Energy Contractors ("CAOEC") monthly Contractor Summary, calculated on a spud to rig release basis.

| Financial Position at (stated in thousands) | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| Working capital(1) | 9,911 | 20,125 | 21,923 |
| Total assets | 430,981 | 442,933 | 475,708 |
| Long-term debt – non current portion | 96,325 | 111,174 | 126,527 |

(1) See "Non-IFRS Measures and Ratios" included in this press release.

**Business Overview**

Western is an energy services company that provides contract drilling services in Canada and in the US and production services in Canada through its various divisions, its subsidiary, and its first nations relationships.

*Contract Drilling*

Western markets a fleet of 41 drilling rigs specifically suited for drilling complex horizontal wells across Canada and the US. Western is currently the fourth-largest drilling contractor in Canada, based on the CAOEC registered drilling rigs[1].

Western's marketed and owned contract drilling rig fleets are comprised of the following:

| | As at December 31 | | | | | |
|---|---|---|---|---|---|---|
| | 2024 | | | 2023 | | |
| **Rig class(1)** | **Canada** | **US** | **Total** | **Canada** | **US** | **Total** |
| Cardium | 11 | - | 11 | 11 | - | 11 |
| Montney | 18 | 1 | 19 | 18 | 1 | 19 |
| Duvernay | 5 | 6 | 11 | 5 | 6 | 11 |
| **Total marketed drilling rigs(2)** | **34** | **7** | **41** | **34** | **7** | **41** |
| **Total owned drilling rigs** | **48** | **7** | **55** | **48** | **7** | **55** |

(1) See "Contract Drilling Rig Classifications" included in this press release.
(2) Source: CAOEC Contractor Summary as at February 26, 2025.

*Production Services*

Production services provides well servicing and oilfield equipment rentals in Canada. Western operates 62 well servicing rigs and is the second-largest well servicing company in Canada based on CAOEC registered well servicing rigs[2].

Western's well servicing rig fleet is comprised of the following:

| **Owned well servicing rigs** | **As at December 31** | |
|---|---|---|
| **Mast type** | **2024** | **2023** |
| Single | 27 | 30 |
| Double | 27 | 27 |
| Slant | 8 | 8 |
| **Total owned well servicing rigs** | **62** | **65** |

**Business Environment**

Crude oil and natural gas prices impact the cash flow of Western's customers, which in turn impacts the demand for Western's services. The following table summarizes average crude oil and natural gas prices, as well as average foreign exchange rates, for the three months ended December 31, 2024 and 2023, and for the years ended December 31, 2024 and 2023.

| | Three months ended December 31 | | | Year ended December 31 | | |
|---|---|---|---|---|---|---|
| | **2024** | **2023** | **Change** | **2024** | **2023** | **Change** |
| **Average crude oil and natural gas prices(1)(2)** | | | | | | |
| **Crude Oil** | | | | | | |
| West Texas Intermediate (US$/bbl) | 70.27 | 78.32 | (10%) | 75.73 | 77.63 | (2%) |
| Western Canadian Select (CDN$/bbl) | 81.32 | 76.86 | 6% | 83.90 | 79.53 | 5% |
| **Natural Gas** | | | | | | |
| 30 day Spot AECO (CDN$/mcf) | 1.54 | 2.39 | (36%) | 1.44 | 2.74 | (47%) |
| **Average foreign exchange rates(2)** | | | | | | |
| US dollar to Canadian dollar | 1.40 | 1.36 | 3% | 1.37 | 1.35 | 1% |

(1) See "Abbreviations" included in this press release.
(2) Source: Sproule December 31, 2024, Price Forecast, Historical Prices.

- West Texas Intermediate ("WTI") on average decreased by 10% and 2% respectively, for the three months and year ended December 31, 2024 compared to the same periods in the prior year. In the fourth quarter of 2024, crude oil prices were impacted by higher oil production, while the year ended December 31, 2024 was impacted by weaker global demand and ongoing geopolitical conflicts in Eastern Europe and the Middle East.

[1] Source: CAOEC Drilling Contractor Summary as at February 26, 2025.

[2] Source: CAOEC Well Servicing Fleet List as at February 26, 2025.

- Pricing on Western Canadian Select crude oil improved by 6% and 5% respectively, for the three months and year ended December 31, 2024, compared to the same periods of the prior year.
- Natural gas prices in Canada declined in 2024 due to lower demand, as the 30-day spot AECO price decreased by 36% and 47% respectively, for the three months and year ended December 31, 2024, compared to the same periods of the prior year.
- The US dollar to the Canadian dollar foreign exchange rate for the three months and year ended December 31, 2024 strengthened by 3% and 1% respectively, compared to the same periods in the prior year.
- Lower WTI prices in 2024 contributed to weaker industry drilling activity in the US. As reported by Baker Hughes Company[3], the number of active drilling rigs in the US decreased by approximately 5% to 589 rigs as at December 31, 2024 as compared to 622 rigs at December 31, 2023 and averaged 586 rigs during the fourth quarter of 2024, compared to 623 rigs in the fourth quarter of 2023. Similarly, the average number of active drilling rigs in the US decreased by approximately 13% for the year ended December 31, 2024 to average 599 rigs compared to 687 rigs in 2023.
- In Canada there were 136 active rigs in the Western Canadian Sedimentary Basin ("WCSB") at December 31, 2024, compared to 104 active rigs as at December 31, 2023, representing an increase of approximately 31%; however, the CAOEC[4] reported that for drilling in Canada, the total number of Operating Days in the WCSB for the three months ended December 31, 2024, were 8% higher than the same period in the prior year. Similarly, for the year ended December 31, 2024, the total number of Operating Days in the WCSB were 6% higher than the prior year.

**Outlook**

In 2024, commodity prices were impacted in the short term by concerns surrounding demand due to continued uncertainty concerning the ongoing conflicts in Eastern Europe and in the Middle East. It is expected that these ongoing conflicts will continue to impact commodity prices in 2025 and events such as these contribute to the volatility of commodity prices. Additionally, the results of the 2024 presidential election in the US and the related changes in government policies, including potential tariffs on Canadian crude oil and natural gas exports to the US, as well as a potential change in Canadian government policies resulting from a federal election in 2025, creates uncertainty for the Canadian energy services industry. The precise duration and extent of the adverse impacts of the current macroeconomic environment and global economic activity on Western's customers and operations remains uncertain at this time. Additionally, the threatened shutdown and relocation of a portion of the Enbridge Line 5 pipeline and the challenge and notice of civil claim related to the Blueberry River First Nations agreement in British Columbia by the Treaty 8 nations contribute to continued uncertainty regarding takeaway capacity and resource development.

The Trans Mountain pipeline expansion commenced operations as of May 1, 2024 and has brought much needed takeaway capacity to the market. The completed Trans Mountain pipeline project, the Coastal GasLink pipeline project, which has entered commercial in-service and is expected to be online in 2025, and the LNG Canada liquefied natural gas project in British Columbia, now more than 90% complete and expected to be online by mid- 2025, may contribute to increased industry activity. Additionally, some optimism exists from the US tariff threats, as it may help realign the provinces in Canada on the importance of independence from the US, which could result in more energy projects receiving approval in Canada. Controlling fixed costs, maintaining balance sheet strength and flexibility, repaying debt and managing through a volatile market are priorities for the Company, as prices and demand for Western's services are expected to continue to improve.

Western's board of directors has approved a capital budget for 2025 of $20 million, comprised of $2 million of expansion capital and $18 million of maintenance capital. The 2025 budget includes approximately $3 million of committed expenditures from 2024 that will carry forward into 2025. Western will continue to manage its costs in a disciplined manner and make required adjustments to its capital program as customer demand changes. Currently, 20 of Western's drilling rigs and 21 of Western's well servicing rigs are operating.

As at December 31, 2024, Western had $4.4 million drawn on its Credit Facilities and $4.7 million outstanding on its committed term non-revolving facility (the "HSBC Facility"), which matures on December 31, 2026. As at December 31, 2024, Western had $88.3 million outstanding on its second lien secured term loan with Alberta Investment Management Corporation (the "Second Lien Facility"), which matures on May 18, 2027 after the extension announced on January 27, 2025. Western will continue to focus its efforts on deleveraging the business going forward.

Energy service activity in Canada will be affected by volatile commodity prices, the continued development of resource plays in Alberta and northeast British Columbia, ongoing pipeline completions that will increase takeaway capacity, environmental regulations, and the level of investment in Canada. With Western's upgraded drilling rigs, the Company is well positioned to be the contractor of choice to supply drilling rigs in a tightening market. Western is also active with four fit for purpose drilling rigs in the Clearwater formation in northern Alberta. In the short term, the largest challenges facing the energy service industry are volatile commodity prices and the restrained growth in customer drilling activity due to their continuing preference to return cash to shareholders through share buybacks, increased dividends and repayment of debt, rather than grow production. If commodity prices stabilize for an extended period, then as customers strengthen their balance sheets by reducing debt levels, we expect that

[3] Source: Baker Hughes Company, 2024 Rig Count monthly press releases.

[4] Source: CAOEC, monthly Contractor Summary.

drilling activity will increase. In the medium term, Western's rig fleet is well positioned to benefit from the increased drilling and production services activity expected to be generated by the LNG Canada liquefied natural gas project and the Trans Mountain pipeline completion as well as renewed interest in national self-determination. The total rig fleet in the WCSB has decreased from 387 drilling rigs at December 31, 2023 to 373 drilling rigs as of February 26, 2025, representing a decrease of 14 drilling rigs, or 4%, which reduces the supply of drilling rigs for such projects. It remains Western's view that its upgraded drilling rigs and modern well servicing rigs, reputation for quality and capacity of the Company's rig fleet, and disciplined cash management provides Western with a competitive advantage.

## Non-IFRS Measures and Ratios

Western uses certain financial measures in this press release which do not have any standardized meaning as prescribed by International Financial Reporting Standards ("Non-IFRS"). These measures and ratios, which are derived from information reported in the consolidated financial statements, may not be comparable to similar measures presented by other reporting issuers. These measures and ratios have been described and presented in this press release to provide shareholders and potential investors with additional information regarding the Company. The Non-IFRS measures and ratios used in this press release are identified and defined as follows:

*Adjusted EBITDA and Adjusted EBITDA as a Percentage of Revenue*

Adjusted earnings before interest and finance costs, taxes, depreciation and amortization, other non-cash items and one-time gains and losses ("Adjusted EBITDA") is a useful Non-IFRS financial measure as it is used by management and other stakeholders, including current and potential investors, to analyze the Company's principal business activities prior to consideration of how Western's activities are financed and the impact of foreign exchange, income taxes and depreciation. Adjusted EBITDA provides an indication of the results generated by the Company's principal operating segments, which assists management in monitoring current and forecasting future operations, as certain non-core items such as interest and finance costs, taxes, depreciation and amortization, and other non-cash items and one-time gains and losses are removed. The closest IFRS measure would be net income (loss) for consolidated results.

Adjusted EBITDA as a percentage of revenue is a Non-IFRS financial ratio which is calculated by dividing Adjusted EBITDA by revenue for the relevant period. Adjusted EBITDA as a percentage of revenue is a useful financial measure as it is used by management and other stakeholders, including current and potential investors, to analyze the profitability of the Company's principal operating segments.

The following table provides a reconciliation of net loss, as disclosed in the consolidated statements of operations and comprehensive loss, to Adjusted EBITDA:

| | **Three months ended December 31** | | **Year ended December 31** | |
|---|---|---|---|---|
| **(stated in thousands)** | **2024** | **2023** | **2024** | **2023** |
| **Net loss** | **(1,995)** | **(2,194)** | **(6,866)** | **(6,885)** |
| Income tax recovery | (230) | (452) | (1,716) | (1,383) |
| **Loss before income taxes** | **(2,225)** | **(2,646)** | **(8,582)** | **(8,268)** |
| Add (deduct): | | | | |
| Depreciation | 10,378 | 11,333 | 41,043 | 42,164 |
| Stock based compensation | 374 | 549 | 807 | 2,761 |
| Finance costs | 2,427 | 2,687 | 10,053 | 11,397 |
| Other items | (638) | 1,447 | (1,094) | (315) |
| **Adjusted EBITDA** | **10,316** | **13,370** | **42,227** | **47,739** |

The following table reconciles Adjusted EBITDA, previously defined, to operating earnings (loss) as disclosed in the consolidated financial statements for the three months and year ended December 31, 2024 and 2023:

| | | | | **Three months ended December 31, 2024** |
|---|---|---|---|---|
| (stated in thousands) | **Contract Drilling** | **Production Services** | **Corporate** | **Total** |
| Adjusted EBITDA | 10,866 | 3,033 | (3,583) | 10,316 |
| Depreciation | (7,989) | (1,981) | (408) | (10,378) |
| **Operating earnings (loss)** | **2,877** | **1,052** | **(3,991)** | **(62)** |

| | | | | **Three months ended December 31, 2023** |
|---|---|---|---|---|
| (stated in thousands) | **Contract Drilling** | **Production Services** | **Corporate** | **Total** |
| Adjusted EBITDA | 9,252 | 4,953 | (855) | 13,370 |
| Depreciation | (8,621) | (2,233) | (479) | (11,333) |
| **Operating earnings (loss)** | **631** | **2,720** | **(1,314)** | **2,037** |

| (stated in thousands) | Contract Drilling | Production Services | Corporate | Total |
|---|---|---|---|---|
| | | | | **Year ended December 31, 2024** |
| Adjusted EBITDA | 33,740 | 17,027 | (8,540) | 42,227 |
| Depreciation | (31,200) | (8,284) | (1,559) | (41,043) |
| **Operating earnings (loss)** | **2,540** | **8,743** | **(10,099)** | **1,184** |

| (stated in thousands) | Contract Drilling | Production Services | Corporate | Total |
|---|---|---|---|---|
| | | | | **Year ended December 31, 2023** |
| Adjusted EBITDA | 33,915 | 17,756 | (3,932) | 47,739 |
| Depreciation | (31,393) | (8,941) | (1,830) | (42,164) |
| **Operating earnings (loss)** | **2,522** | **8,815** | **(5,762)** | **5,575** |

*Revenue per Operating Day*

This Non-IFRS measure is calculated as drilling revenue for both Canada and the US respectively, divided by Operating Days in Canada and the US respectively. This calculation represents the average day rate by country, charged to Western's customers.

*Revenue per Service Hour*

This Non-IFRS measure is calculated as well servicing revenue divided by Service Hours. This calculation represents the average hourly rate charged to Western's customers.

*Working Capital*

This Non-IFRS measure is calculated as current assets less current liabilities as disclosed in the Company's consolidated financial statements.

## Defined Terms

*Drilling rig utilization:* Calculated based on Operating Days divided by total available days.

*Operating Days:* Defined as contract drilling days, calculated on a spud to rig release basis.

*Service Hours:* Defined as well servicing hours completed.

*Service rig utilization:* Calculated as total Service Hours divided by 217 hours per month per rig multiplied by the average rig count for the period as defined by the CAOEC industry standard.

## Contract Drilling Rig Classifications

*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).

*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).

*Duvernay class rig:* Defined as any contract drilling rig which has a total hookload equal to or greater than 500,000 lbs (or 222,000 daN).

## Abbreviations

- Barrel ("bbl");
- Canadian Association of Energy Contractors ("CAOEC");
- DecaNewton ("daN");
- International Financial Reporting Standards ("IFRS");
- Pounds ("lbs");
- Thousand cubic feet ("mcf");
- Western Canadian Sedimentary Basin ("WCSB"); and
- West Texas Intermediate ("WTI").

**Forward-Looking Statements and Information**

This press release contains certain forward-looking statements and forward-looking information (collectively, "forward-looking information") within the meaning of applicable Canadian securities laws, as well as other information based on Western's current expectations, estimates, projections and assumptions based on information available as of the date hereof. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and words and phrases such as "may", "will", "should", "could", "expect", "intend", "anticipate", "believe", "estimate", "plan", "predict", "potential", "continue", or the negative of these terms or other comparable terminology are generally intended to identify forward-looking information. Such information represents the Company's internal projections, estimates or beliefs concerning, among other things, an outlook on the estimated amounts and timing of additions to property and equipment, anticipated future debt levels and revenues or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. This forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

In particular, forward-looking information in this press release includes, but is not limited to, statements relating to: the business of Western; industry, market and economic conditions and any anticipated effects on Western and its customers; commodity pricing; the future demand for the Company's services and equipment; the effect of inflation and commodity prices on energy service activity; expectations with respect to customer spending; the impact of Western's upgraded drilling rigs; the potential continued impact of the current conflicts in Eastern Europe and the Middle East on crude oil prices; the Company's capital budget for 2025, including the allocation of such budget; Western's plans for managing its capital program; the energy service industry and global economic activity; the potential shutdown and relocation of the Enbridge Line 5 pipeline; expectations of increased industry activity with respect to the Trans Mountain pipeline project, the Coastal GasLink pipeline project and the LNG Canada facility; the expectation that the Coastal GasLink pipeline project will be online in 2025; the impact of the recent challenge and notice of civil claim related to the Blueberry River First Nations decision by the Treaty 8 nations; potential changes in government policies, including potential tariffs on Canadian crude oil and natural gas exports to the US and the impacts thereof, resulting from the 2024 presidential election in the US; potential changes in Canadian government policies resulting from a federal election in 2025; the development of Alberta and British Columbia resource plays; expectations relating to the increase in takeaway capacity resulting from ongoing pipeline completions; challenges facing the energy service industry; the Company's focus on debt reduction; expectations with respect to increased drilling activity; and the Company's ability to maintain a competitive advantage, including the factors and practices anticipated to produce and sustain such advantage.

The material assumptions that could cause results or events to differ from current expectations reflected in the forward-looking information in this press release include, but are not limited to: demand levels and pricing for oilfield services; demand for crude oil and natural gas and the price and volatility of crude oil and natural gas; pressures on commodity pricing; the impact of inflation; the continued business relationships between the Company and its significant customers; crude oil transport, pipeline and LNG export facility approval and development; that all required regulatory and environmental approvals can be obtained on the necessary terms and in a timely manner, as required by the Company; liquidity and the Company's ability to finance its operations; the effectiveness of the Company's cost structure and capital budget; the effects of seasonal and weather conditions on operations and facilities; the competitive environment to which the various business segments are, or may be, exposed in all aspects of their business and the Company's competitive position therein; the ability of the Company's various business segments to access equipment (including spare parts and new technologies); global economic conditions and the accuracy of the Company's market outlook expectations for 2025 and in the future; the impact, direct and indirect, of epidemics, pandemics, other public health crisis and geopolitical events, including the conflicts in Eastern Europe and the Middle East and the results of the 2024 presidential election in the US on Western's business, customers, business partners, employees, supply chain, other stakeholders and the overall economy; changes in laws, regulations or policies, including as a result of a Canadian federal election in 2025; currency exchange fluctuations; the ability of the Company to attract and retain skilled labour and qualified management; the ability to retain and attract significant customers; the ability to maintain a satisfactory safety record; that any required commercial agreements can be reached; that there are no unforeseen events preventing the performance of contracts and general business, economic and market conditions.

Although Western believes that the expectations and assumptions on which such forward-looking information is based on are reasonable, undue reliance should not be placed on the forward-looking information as Western cannot give any assurance that such will prove to be correct. By its nature, forward-looking information is subject to 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, volatility in market prices for crude oil and natural gas and the effect of this volatility on the demand for oilfield services generally; reduced exploration and development activities by customers and the effect of such reduced activities on Western's services and products; political, industry, market, economic, and environmental conditions in Canada, the US and globally; supply and demand for oilfield services relating to contract drilling, well servicing and oilfield rental equipment services; the proximity, capacity and accessibility of crude oil and natural gas pipelines and processing facilities; liabilities and risks inherent in oil and natural gas operations, including environmental liabilities and risks; changes to laws, regulations and policies; the ongoing geopolitical events in Eastern Europe and the Middle East and the duration and impact thereof; fluctuations in foreign exchange, inflation or interest rates; failure of counterparties to perform or comply with their obligations under contracts; regional competition and the increase in new or upgraded rigs; the Company's ability to attract and retain skilled labour; Western's ability to obtain debt or equity financing and to fund capital operating and other expenditures and obligations; the potential need to issue additional debt or equity and the potential resulting dilution of shareholders; uncertainties in weather and temperature affecting the duration of the service periods and the activities that can be completed; the Company's ability to comply with the covenants under the Credit Facilities, HSBC Facility and the Second Lien Facility and the restrictions on its operations and activities if it is not compliant with such covenants; Western's ability to protect itself from "cyber-attacks" which could compromise its information systems and critical infrastructure; disruptions to global supply chains; and other general industry, economic, market and business conditions. Readers are cautioned that the foregoing list of risks, uncertainties and assumptions are not exhaustive. Additional information on these and other risk factors that could affect Western's operations and financial results are discussed under the headings "*Risk Factors*" in Western's annual information form for the year ended December 31, 2024, which is available under the Company's SEDAR+ profile at www.sedarplus.ca.

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 and information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. Any forward-looking statements contained herein are expressly qualified by this cautionary statement.

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