For Immediate Release: February 28, 2020

CWC ENERGY SERVICES CORP. ANNOUNCES FOURTH QUARTER AND YEAR END 2019 OPERATIONAL AND FINANCIAL RESULTS

CALGARY, ALBERTA – (TSXV: CWC) CWC Energy Services Corp. ("CWC" or the "Company") announces the release of its operational and financial results for the three months and year ended December 31, 2019. The Financial Statements and Management Discussion and Analysis ("MD&A") for the three months and year ended December 31, 2019 are filed on SEDAR at www.sedar.com.

Financial and Operational Highlights

$ thousands, except shares, per share amounts and margins	Three months ended December 31, 2019	2018	Change %	Year ended December 31, 2019	2018	2017
FINANCIAL RESULTS						
Revenue						
Contract Drilling	7,705	13,081	(41%)	28,497	38,223	35,222
Production Services	22,962	22,397	3%	79,949	106,539	76,993
	30,667	35,478	(14%)	108,446	144,762	112,215
Adjusted EBITDA (1)	3,491	4,978	(30%)	12,166	18,489	16,063
Adjusted EBITDA margin (%) (1)	11%	14%		11%	13%	14%
Net (loss) income	(854)	(157)	444%	(1,700)	(1,702)	4,861
Net (loss) income margin (%) (1)	(3%)	(0%)	(2%)	(2%)	(1%)	4%
Capital expenditures	1,185	1,983	(40%)	5,349	11,753	44,532
Per share information:						
Weighted average number of shares outstanding – basic	510,443,613	518,513,776		511,106,531	520,576,582	399,008,915
Weighted average number of shares outstanding - diluted	510,443,613	518,513,776		511,106,531	520,576,582	403,359,537
Adjusted EBITDA (1) per share - basic and diluted	$ 0.01	$ 0.01		$ 0.02	$ 0.04	$ 0.04
Net (loss) income per share - basic and diluted	$ (0.00)	$ (0.00)		$ (0.00)	$ (0.00)	$ 0.01

$ thousands, except ratios	As at December 31, 2019	2018	2017
FINANCIAL POSITION AND LIQUIDITY			
Working capital (excluding debt) (1)	18,534	19,028	19,543
Working capital (excluding debt) ratio (1)	3.3:1	3.4:1	2.6:1
Total assets	243,398	252,665	264,354
Total long-term debt (including current portion)	40,552	44,896	49,810
Shareholders' equity	182,032	184,231	186,519

(1)Please refer to the "Reconciliation of Non-IFRS Measures" section for further information.

Working capital (excluding debt) for December 31, 2019 has decreased $0.5 million (2%) since December 31, 2018 driven by decreases in cash ($0.4 million (76%)), accounts receivable ($0.9 million (4%)), and prepaid expenses and deposits ($0.1 million (3%)) partially offset by a decrease in accounts payable of $0.9 million (11%). Long-term debt (including current portion) has decreased $4.3 million (10%) from December 31, 2018 driven by cash generated from operations which was used to pay down long-term debt. Shareholders' equity has decreased since December 31, 2018 primarily due to the net loss for the year ended December 31, 2019 and the purchase and cancellation of common shares under the NCIB program.

Highlights for the Three Months Ended December 31, 2019

- Average Q4 2019 crude oil pricing, as measured by WTI, of US$56.85/bbl was 1% higher than the Q3 2019 average price of US$56.40/bbl (Q4 2018: US$59.32/bbl). The price differential in Q4 2019 between Canadian heavy crude oil, as represented by WCS, and WTI widened to over US$20.00/bbl. The Government of Alberta announcements in Q3 2019 reducing the production curtailment to 125,000 bbls/day and extending the curtailment end date to December 31, 2020 while increasing the exemption limit from 10,000 to 20,000 bbls/day starting October 1, 2019, effectively reduced the number of Alberta exploration and production ("E&P") companies affected by the production curtailment. The widening price differential between WTI and WCS is partially a result of this increased crude oil supply which saw an increase in Alberta crude oil storage levels in November 2019 nearing all-time highs last achieved in 2018. Natural gas prices, as measured by AECO, increased 141% from an average of $0.97/GJ in Q3 2019 to $2.34/GJ in Q4 2019 (Q4 2018 $1.53/GJ); a result of the Canadian Energy Regulator's approval of TC Energy's Temporary Service Protocol ("TSP") application which caused the differential between Alberta gas prices and other North American natural gas prices, such as NYMEX, to narrow.
- CWC's Canadian drilling rig utilization in Q4 2019 of 36% (Q4 2018: 59%) exceeded the Canadian Association of Oilwell Drilling Contractors ("CAODC") industry average of 23%. Canadian activity levels in Q4 2019 decreased 53% to 232 drilling rig operating days from seven Canadian drilling rigs (Q4 2018: 491 drilling rig operating days from nine Canadian drilling rigs) as E&P customers deferred their drilling programs into Q1 2020. U.S. drilling rig activity levels in Q4 2019 were 56 drilling rig operating days from two U.S. drilling rigs for a utilization of 31% (Q4 2018: nil) as the Company moved one drilling rig from Texas to Wyoming in November 2019 to start operations in late December 2019. U.S. Contract Drilling revenue of $2.6 million represented 34% of CWC's total Contract Drilling revenue in Q4 2019 with the average revenue per operating day of US$45,461 from U.S. operations (which includes a one-time recovery of mobilization costs). CWC's service rig utilization in Q4 2019 of 61% (Q4 2018: 51%) was driven by 33,656 operating hours being 8% higher than the 31,232 operating hours in Q4 2018; a result of E&P customers choosing to do workovers to optimize production on their wells prior to the end of the year.
- Revenue of $30.7 million, a decrease of $4.8 million (14%) compared to $35.5 million in Q4 2018. The decrease in Q4 2019 revenue is a direct result of lower utilizations in the Canadian drilling rig division partially offset by increased activity and higher day rates in the U.S. drilling rig division and increased activity in the Canadian service rig divisions.
- Adjusted EBITDA(1) of $3.5 million, a decrease of $1.5 million (30%) compared to $5.0 million in Q4 2018, is a result of the decrease in revenue offset by lower costs associated with the reduced activity levels in the Canadian drilling rig division. CWC has achieved 26 consecutive quarters of positive Adjusted EBITDA(1) since Q2 2013.
- Net loss of $0.9 million, an increase of $0.7 million compared to a net loss of $0.2 million in Q4 2018. The increase in net loss in Q4 2019 is partially due to a loss on disposal of equipment of $0.4 million in Q4 2019.
- During Q4 2019, 1,453,500 common shares (Q4 2018: 7,828,000) were purchased under the Normal Course Issuer Bid ("NCIB") and 1,342,000 common shares (Q4 2018: 7,828,000) were cancelled and returned to treasury.

(1) Please refer to the "Reconciliation of Non-IFRS Measures" section for further information.

Highlights for the Year Ended December 31, 2019

- CWC's Canadian drilling rig utilization in 2019 of 30% (2018: 49%) exceeded the CAODC industry average of 22% (2018: 28%). CWC's U.S. drilling rig utilization in 2019 was 60% (2018: n/a) after CWC started its U.S. drilling operations in mid-June 2019. CWC's service rig utilization in 2019 was 51% compared to 59% in 2018. Activity levels in both the Canadian drilling rig and service rig divisions dropped in 2019 as a result of CWC's E&P customers reducing or delaying their drilling and well maintenance programs due to lower crude oil prices and the Government of Alberta mandated production curtailment program temporarily slowing down the need for newly drilled wells and workover and maintenance work on producing wells.

- Revenue of $108.5 million, a decrease of $36.3 million (25%) compared to $144.8 million in 2018. The decrease is primarily a result of reduced activity levels in the Contract Drilling and Production Services segments due to the aforementioned Alberta production curtailments and lower crude oil prices.

- Adjusted EBITDA(1) of $12.2 million, a decrease of $6.3 million (34%) compared to $18.5 million in 2018. The decrease in Adjusted EBITDA(1) is consistent with the reduced revenue from lower activity levels in both segments as a result of the aforementioned Alberta production curtailments and lower crude oil prices partially offset by significantly lower selling and administrative expenses as a result of lower bad debt expenses in 2019 compared to 2018.

- Net loss of $1.7 million, unchanged from a net loss of $1.7 million in 2018. Net loss in 2019 is a result of the decreased Adjusted EBITDA(1) partially offset by a reduction in selling and administrative expenses and depreciation and amortization expenses, and deferred income tax recoveries as a result of a reduction in the Alberta provincial corporate tax rates from 12% to 8% by 2022.

- On September 27, 2019, CWC and its syndicated lenders completed an extension of its credit facilities and certain other amendments to provide financial security and flexibility to July 31, 2022. At the request of the Company, the credit facilities were reduced from $75.0 million to $60.0 million to reduce borrowing costs and standby charges. The amendments further provide the Company access to another equity cure under the same terms and conditions and a reduction in the minimum liquidity from $10.0 million to $5.0 million. Additionally, the amendments exclude the Mortgage Loan from the consolidated debt definition used in calculating the quarterly financial covenants. The covenant for Consolidated Debt to Consolidated EBITDA ratio is as follows:

For the Quarter Ended	Previously	Currently
December 31, 2019	4.00 : 1.00	3.75 : 1.00
March 31, 2020	4.00 : 1.00	3.75 : 1.00
June 30, 2020	4.00 : 1.00	3.75 : 1.00
September 30, 2020	n/a	3.50 : 1.00
December 31, 2020	n/a	3.50 : 1.00
March 31, 2021	n/a	3.25 : 1.00
June 30, 2021	n/a	3.25 : 1.00
September 30, 2021 and thereafter	n/a	3.00 : 1.00

- On April 10, 2019, the Company renewed its NCIB with an Automatic Securities Purchase Plan ("ASPP") with Raymond James Ltd., which expires on April 14, 2020. During 2019, the Company purchased 4,532,000 (2018: 11,421,000) common shares under its NCIB. 4,402,500 shares which were cancelled and returned to treasury (2018:11,421,000). The 4,532,000 common shares purchased under the NCIB represented 38% of the 11,930,386 shares traded on the TSX Venture Exchange ("TSXV") in 2019 (2018: 47%).

(1) Please refer to the "Reconciliation of Non-IFRS Measures" section for further information.

Operational Overview

Contract Drilling

CWC Ironhand Drilling, the Company's Contract Drilling segment, has a fleet of nine telescopic double drilling rigs with depth ratings from 3,200 to 5,000 metres. Eight of nine rigs have top drives and three have pad rig walking systems. All of the drilling rigs are well suited for the most active depths for horizontal drilling in the Western Canadian Sedimentary Basin ("WCSB"), including the Montney, Cardium, Duvernay and other deep basin horizons. The Company has expanded its drilling rig services into select United States basins including the Eagle Ford, Denver-Julesburg ("DJ") and Bakken. One of the Company's strategic initiatives is to continue to increase the capabilities of its existing fleet to meet the growing demands of E&P customers for deeper depths at a cost effective price while providing a sufficient internal rate of return for CWC's shareholders.

	Three months ended							
OPERATING HIGHLIGHTS	**Dec. 31, 2019**	**Sep. 30, 2019**	**Jun. 30, 2019**	**Mar. 31, 2019**	**Dec. 31, 2018**	**Sep. 30, 2018**	**Jun. 30, 2018**	**Mar. 31, 2018**
Drilling Rigs – Canada								
Total drilling rigs, end of period	7	7	7	9	9	9	9	9
Revenue per operating day [1]	$22,161	$20,685	$22,750	$23,895	$26,642	$21,263	$21,227	$23,485
Drilling rig operating days	232	130	72	382	491	500	133	498
Drilling rig utilization % [2]	36%	19%	11%	47%	59%	60%	16%	61%
CAODC industry average utilization %	23%	23%	18%	29%	28%	30%	17%	52%
Wells drilled	18	12	10	39	34	41	11	45
Average days per well	12.9	10.9	8.0	9.8	14.4	12.2	12.1	11.1
Meters drilled (thousands)	75.6	39.6	26.7	119.8	127.8	155.2	41.0	161.7
Meters drilled per day	326	304	373	314	261	310	309	325
Average meters per well	4,199	3,300	2,966	3,070	3,708	3,786	3,724	3,593
Drilling Rigs - United States								
Total drilling rigs, end of period	2	2	2	-	-	-	-	-
Revenue per operating day (US$)[1]	$45,461[3]	$36,097	$54,188[3]	-	-	-	-	-
Drilling rig operating days	56	155	25	-	-	-	-	-
Drilling rig utilization % [2]	31%	84%	69%	-	-	-	-	-
Wells drilled	5	16	1	-	-	-	-	-
Average days per well	11.3	9.7	16.6	-	-	-	-	-
Meters drilled (thousands)	14.5	50.7	2.9	-	-	-	-	-
Meters drilled per day	258	327	177	-	-	-	-	-
Average meters per well	2,942	978	2,939	-	-	-	-	-

(1) Revenue per operating day is calculated based on operating days (i.e. spud to rig release basis). New or inactive drilling rigs are added based on the first day of field service.
(2) Drilling rig utilization is calculated based on operating days (i.e. spud to rig release basis).
(3) Revenue is enhanced by one-time recovery of mobilization costs.

Canadian Contract Drilling revenue of $5.1 million for Q4 2019 (Q4 2018: $13.1 million) was achieved with a utilization rate of 36% (Q4 2018: 59%), compared to the CAODC industry average of 23%, as CWC's E&P customers deferred their drilling programs into Q1 2020. CWC completed 232 Canadian drilling rig operating days with seven drilling rigs in Q4 2019, a 53% decrease from the 491 Canadian drilling rig operating days with nine drilling rigs in Q4 2018 as activity levels in Q4 2019 were reduced as a result of the Government of Alberta mandated production curtailment, which continued to temporarily slow down the need for newly drilled wells. The Q4 2019 average revenue per operating day of $22,161 was a decrease of 17% from $26,642 in Q4 2018 which included a one-time contract payout amount of $0.7 million.

U.S. Contract Drilling revenue of $2.6 million for Q4 2019 (Q4 2018: nil) was achieved with a utilization rate of 31% (Q4 2018: nil) with 56 U.S. drilling rig operating days completed. Q4 2019 average revenue per operating day in the U.S. was US$45,461 and included $0.8 million in one-time recovery of mobilization costs. CWC plans to move two more drilling rigs into the United States by the end of 2020, subject to obtaining contracts with U.S. customers.

Production Services

With a fleet of 146 service rigs, CWC is the largest well servicing company in Canada as measured by active fleet and operating hours. CWC's service rig fleet consists of 75 single, 57 double, and 14 slant rigs providing services which include completions, maintenance, workovers and well decommissioning with depth ratings from 1,500 to 5,000 metres. CWC has chosen to park 62 of its service rigs and focus its sales and operational efforts on the remaining 84 active service rigs due to the reduction in the number of service rigs currently required to service the WCSB, in part as a result of the Government of Alberta's mandated crude oil production curtailments.

CWC's fleet of nine coil tubing units consist of six Class I and three Class II coil tubing units having depth ratings from 1,500 to 3,200 metres. While the Company continues to service steam-assisted gravity drainage ("SAGD") wells that are shallower in depth and more appropriate for coil tubing operations, it has recently shifted its sales and operational focus on decommissioning of abandoned wells.

CWC's fleet of 13 swabbing rigs operate under the trade name CWC Swabtech. The swabbing rigs are used to remove liquids from the wellbore and allow reservoir pressures to push the commodity up the tubing. The Company has chosen to park eight of its swabbing rigs and focus its sales and operational efforts on the remaining five active swabbing rigs. In January 2020, CWC sold one of its inactive swabbing rigs for a current fleet of 12 swabbing rigs.

OPERATING HIGHLIGHTS	Three months ended Dec. 31, 2019	Sep. 30, 2019	Jun. 30, 2019	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018
Service Rigs								
Active service rigs, end of period	84	84	92	93	92	102	107	108
Inactive service rigs, end of period	62	64	56	55	56	46	41	41
Total service rigs, end of period	146	148	148	148	148	148	148	149
Operating hours	33,656	29,528	23,129	30,875	31,232	42,316	28,831	53,979
Revenue per hour	$664	$644	$646	$671	$663	$628	$642	$637
Revenue per hour excluding top volume customers	$682	$660	$687	$690	$696	$664	$677	$681
Service rig utilization % (1)	62%	52%	39%	53%	51%	63%	41%	78%
Coil Tubing Units								
Active coil tubing units, end of period	7	8	8	8	8	8	8	8
Inactive coil tubing units, end of period	2	1	1	1	1	1	1	1
Total coil tubing units, end of period	9	9	9	9	9	9	9	9
Operating hours	448	318	301	1,730	1,647	898	1,212	3,007
Revenue per hour	$646	$730	$830	$555	$625	$731	$762	$724
Coil tubing unit utilization % (1)	10%	6%	6%	34%	31%	17%	23%	54%
Swabbing Rigs								
Active swabbing rigs, end of period	5	5	8	8	8	9	8	8
Inactive swabbing rigs, end of period	8	8	5	5	5	4	5	5
Total swabbing rigs, end of period	13	13	13	13	13	13	13	13
Operating hours	1,141	865	661	1,655	2,313	881	958	2,258
Revenue per hour	$282	$284	$262	$288	$283	$273	$265	$310
Swabbing rig utilization % (1)	35%	19%	13%	32%	41%	15%	18%	44%

(1) Effective September 1, 2019, the CAODC changed its methodology on how it calculates service rig utilization. Service rig, coil tubing unit and swabbing rig utilization is now calculated based on 10 operating hours a day x number of days per quarter x 5 days a week divided by 7 days in a week to reflect maximum utilization available due to hours of service restrictions on rig crews. Utilization percentages have been retroactively updated to reflect this new CAODC methodology. Service and swabbing rigs requiring their 24,000 hour recertification, refurbishment or have been otherwise removed from service for greater than 90 days are excluded from the utilization calculation until their first day back in field service. Coil tubing units that have been removed from service for greater than 90 days are excluded from the utilization calculation until their first day back in field service.

Production Services revenue was $23.0 million in Q4 2019, up $0.6 million (3%) compared to $22.4 million in Q4 2018. The increase in Q4 2019 activity levels for our production-oriented service rigs was a result of our E&P customers choosing to do workovers to optimize production on their wells prior to the end of the year. CWC's Production Services segment was affected by a tight labour market for field employees during Q4 2019. Had rig crews been available, CWC believes it could activate 19 of the 62 inactive service rigs with minimal capital expenditure resulting in a 103 active service rig fleet.

CWC's service rig utilization in Q4 2019 of 61% (Q4 2018: 51%) was driven by 33,656 operating hours being 8% higher than the 31,232 operating hours in Q4 2018. In addition, the Q4 2019 average revenue per hour of $664 remained relatively unchanged compared to the $663 per hour in Q4 2018. Q4 2019 average revenue per hour excluding the Company's top volume customers of $682 was $14 per hour (2%) lower than Q4 2018 average revenue per hour of $696 as CWC was able to increase its hourly rate with its largest volume customers while being more competitive at slightly lower rates offered by our competitors for its smaller volume customers.

CWC's coil tubing utilization in Q4 2019 of 10% (Q4 2018: 31%) with 448 operating hours was 73% lower than the 1,647 operating hours in Q4 2018. Average revenue per hour for coil tubing services of $646 in Q4 2019 is $21 per hour higher (3%) than $625 in Q4 2018. The lower utilization reflects the continuing challenge of lower crude oil prices during the quarter, compared to a year ago, as well as the Government of Alberta mandated production curtailments temporarily slowing down the need for work on SAGD wells.

CWC swabbing rig utilization in Q4 2019 of 35% (Q4 2018: 41%) with 1,141 operating hours was 51% lower than the 2,313 operating hours in Q4 2018 as CWC had three less swabbing rigs active during the quarter compared to the prior year, due to lower customer demand from continued low natural gas prices. Average revenue per hour for swabbing rigs of $282 in Q4 2019 is relatively unchanged from $283 in Q4 2018.

Capital Expenditures

$ thousands	Three months ended December 31, 2019	Three months ended December 31, 2018	Change $	Change %	Year ended December 31, 2019	Year ended December 31, 2018	Change $	Change %
Capital expenditures								
Contract drilling	24	414	(390)	(94%)	1,477	7,116	(5,639)	(79%)
Production services	1,156	1,569	(413)	(26%)	3,616	4,609	(993)	(22%)
Other equipment	5	-	5	n/m[1]	256	28	228	814%
	1,185	1,983	(798)	(40%)	5,349	11,753	(6,404)	(54%)
Growth capital	-	-	-	n/m[1]	386	5,859	(5,473)	(93%)
Maintenance and infrastructure capital	1,185	1,983	(798)	(40%)	4,963	5,894	(931)	(16%)
Total capital expenditures	1,185	1,983	(798)	(40%)	5,349	11,753	(6,404)	(54%)

[1] Not meaningful.

Capital expenditures of $1.2 million in Q4 2019, a decrease of $0.8 million (40%) compared to $2.0 million in Q4 2018.

Capital expenditures were $5.3 million for the year ended December 31, 2019, a decrease of $6.4 million (54%) compared to $11.8 million in 2018. The Company met its 2019 capital expenditure budget of $5.4 million which was announced on January 16, 2019.

The 2020 capital expenditure budget of $6.7 million was approved by the Board of Directors on December 12, 2019 and is comprised of $6.0 million of maintenance and infrastructure capital related to recertifications, additions and upgrades to field equipment for the drilling rig and service rig divisions as well as information technology infrastructure, and $0.7 million related to growth capital to upgrade one of the drilling rigs.

Outlook

Crude oil, as represented by WTI, averaged US$56.85/bbl in Q4 2019, an increase of 1% compared to Q3 2019 average price of US$56.40/bbl (Q4 2018: US$59.32/bbl). The price differential in Q4 2019 between Canadian heavy crude oil, as represented by WCS, and WTI widened to over US$20.00/bbl. The Government of Alberta announcements in Q3 2019 reducing the production curtailment to 125,000 bbls/day and extending the curtailment end date to December 31, 2020 while increasing the exemption limit from 10,000 to 20,000 bbls/day starting October 1, 2019, effectively reduced the number of Alberta E&P companies affected by the production curtailment. The widening price differential between WTI and WCS is partially a result of this increased crude oil supply which saw an increase in Alberta crude oil storage levels in November 2019 nearing all-time highs last achieved in 2018. As more pipeline space gets freed up on existing pipelines, crude-by-rail continues to grow and once construction of the Enbridge Line 3 Replacement Project is completed, the WTI – WCS differential should begin to narrow, thereby allowing increased activity level for oilfield services in the WCSB. Natural gas prices, as measured by AECO, increased 141% from an average of $0.97/GJ in Q3 2019 to $2.34/GJ in Q4 2019 (Q4 2018 $1.53/GJ); a result of the Canadian Energy Regulator's approval of the TSP application which caused the differential between Alberta gas prices and other North American natural gas prices, such as NYMEX, to narrow. The TSP was enacted with the goal of providing TC Energy more flexibility in how they deal with curtailments on the Nova Gas Transmission System during times of maintenance.

In Q1 2020, CWC is currently experiencing higher utilization than at any point in 2019 for both drilling rigs and service rigs which we believe will continue through to spring breakup. The Canadian Association of Petroleum Producers ("CAPP") has recently stated that it expects $37 billion, about $2 billion (6%) more than 2019, will be invested in the Canadian upstream energy sector in 2020; the first increase since 2014 when investment levels were $81 billion. In addition, on January 30, 2020, the Petroleum Services Association of Canada ("PSAC") increased its forecast for the number of wells to be drilled in Canada for 2020 by 300 wells (7%) to 4,800 wells. These industry forecasts suggest that CWC's Canadian activity levels should be stronger throughout 2020 with its only significant constraint being able to find sufficient field labour. However, CWC cautions that the current global uncertainty with respect to the spread of the COVID-19 virus (the "coronavirus") and its effect on the disruption of supply and demand for products and services to the broader global economy, including its effect on oil and natural gas produced by our E&P customers, may have a significant negative effect to oilfield service activity levels in Canada and the U.S.

While CWC remains focused on its operational and financial performance, it also recognizes the need to pursue opportunities that create long-term shareholder value. With the support of the Board of Directors, management continues to actively pursue business combinations in North America and globally. CWC cautions that there are no guarantees that strategic opportunities will result in a transaction, or if a transaction is undertaken, as to its terms or timing.

About CWC Energy Services Corp.

CWC Energy Services Corp. is a premier contract drilling and well servicing company operating in the WCSB and the United States with a complementary suite of oilfield services including drilling rigs, service rigs, swabbing rigs and coil tubing units. The Company's corporate office is located in Calgary, Alberta, with a U.S. office in Denver, Colorado and operational locations in Nisku, Grande Prairie, Slave Lake, Sylvan Lake, Drayton Valley, Lloydminster, Provost and Brooks, Alberta. The Company's shares trade on the TSX Venture Exchange under the symbol "CWC".

For more information, please contact:

CWC Energy Services Corp.
610, 205 – 5th Avenue SW
Calgary, Alberta T2P 2V7
Telephone: (403) 264-2177
Email: info@cwcenergyservices.com

Duncan T. Au, FCPA, FCA, CFA
President & Chief Executive Officer

Stuart King, CPA, CA
Chief Financial Officer

Forward-Looking Information

This News Release contains certain forward-looking information and statements within the meaning of applicable Canadian securities legislation. Certain statements contained in this News Release including most of those contained in the section titled "Outlook" and including statements which may contain such words as "anticipate", "could", "continue", "should", "seek", "may", "intend", "likely", "plan", "estimate", "believe", "expect", "will", "objective", "ongoing", "project" and similar expressions are intended to identify forward-looking information or statements. In particular, this News Release contains forward-looking statements including management's assessment of future plans and operations, planned levels of capital expenditures, expectations as to activity levels, expectations on the sustainability of future cash flow and earnings, expectations with respect to crude oil and natural gas prices, activity levels in various areas, expectations regarding the level and type of drilling and production and related drilling and well services activity in the WCSB, expectations regarding entering into long term drilling contracts and expanding its customer base, and expectations regarding the business, operations, revenue and debt levels of the Company in addition to general economic conditions. Although the Company believes that the expectations and assumptions on which such forward-looking information and statements are based are reasonable, undue reliance should not be placed on the forward-looking information and statements because the Company can give no assurances that they will prove to be correct. Since forward-looking information and statements 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, the risks associated with the drilling and oilfield services sector (i.e. demand, pricing and terms for oilfield drilling and services; current and expected oil and gas prices; exploration and development costs and delays; reserves discovery and decline rates; pipeline and transportation capacity; weather, health, safety and environmental risks), integration of acquisitions, competition, and uncertainties resulting from potential delays or changes in plans with respect to acquisitions, development projects or capital expenditures and changes in legislation, including but not limited to tax laws, royalties and environmental regulations, stock market volatility and the inability to access sufficient capital from external and internal sources. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Company's financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through SEDAR at www.sedar.com. The forward-looking information and statements contained in this News Release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information or statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. Any forward-looking statements made previously may be inaccurate now.

Reconciliation of Non-IFRS Measures

$ thousands, except shares, per share amounts and margins	Three months ended December 31, 2019	Three months ended December 31, 2018	Year ended December 31, 2019	Year ended December 31, 2018	Year ended December 31, 2017
NON-IFRS MEASURES					
Adjusted EBITDA:					
Net (loss) income	(854)	(157)	(1,700)	(1,702)	4,861
Add:					
Depreciation	3,183	3,853	13,168	16,441	17,103
Finance costs	516	857	2,431	2,756	2,054
Transaction costs	-	-	-	-	1,549
Income tax expense	(51)	140	(2,944)	(150)	(1,285)
Stock based compensation	329	339	921	1,102	869
Gain on acquisition	-	-	-	-	(9,128)
Loss (gain) on sale of equipment	368	(54)	290	42	40
Adjusted EBITDA[(1)]	3,491	4,978	12,166	18,489	16,063
Adjusted EBITDA per share – basic and diluted [(1)]	$ 0.01	$ 0.01	$ 0.02	$ 0.04	$ 0.04
Adjusted EBITDA margin (Adjusted EBITDA/Revenue)[(1)]	11%	14%	11%	13%	14%
Weighted average number of shares outstanding - basic	510,443,613	518,513,776	511,106,531	520,576,582	399,008,915
Weighted average number of shares outstanding - diluted	510,443,613	518,513,776	511,106,531	520,576,582	403,359,537
Gross margin:					
Revenue	30,667	35,478	108,446	144,762	112,215
Less: Direct operating expenses	22,803	25,788	79,609	107,984	82,361
Gross margin [(2)]	7,864	9,690	28,837	36,778	29,854
Gross margin percentage [(2)]	26%	27%	27%	25%	27%

$ thousands	December 31, 2019	December 31, 2018	December 31, 2017
Working capital (excluding debt):			
Current assets	26,642	26,893	31,745
Less: Current liabilities	(9,249)	(8,793)	(12,378)
Add: Current portion of long term debt	1,141	928	176
Working capital (excluding debt) [(3)]	18,534	19,028	19,543
Working capital (excluding debt) ratio[(3)]	3.3:1	3.4:1	2.6:1
Net debt:			
Long term debt	39,411	43,968	49,634
Less: Current assets	(26,642)	(26,893)	(31,745)
Add: Current liabilities	9,249	8,793	12,378
Net debt [(4)]	22,018	25,868	30,267

(1) Adjusted EBITDA (Earnings before interest and finance costs, income tax expense, depreciation, amortization, gain or loss on disposal of asset, goodwill impairment, stock based compensation and other one-time gains and losses) is not a recognized measure under IFRS. Management believes that in addition to net income, Adjusted EBITDA is a useful supplemental measure as it provides an indication of the Company's ability to generate cash flow in order to fund working capital, service debt, pay current income taxes, repurchase common shares under the Normal Course Issuer Bid, and fund capital programs. Investors should be cautioned, however, that Adjusted EBITDA should not be construed as an alternative to net income (loss) determined in accordance with IFRS as an indicator of the Company's performance. CWC's method of calculating Adjusted EBITDA may differ from other entities and accordingly, Adjusted EBITDA may not be comparable to measures used by other entities. Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by revenue and provides a measure of the percentage of Adjusted EBITDA per dollar of revenue. Adjusted EBITDA per share is calculated by dividing Adjusted EBITDA by the weighted average number of shares outstanding as used for calculation of earnings per share.

(2) Gross margin is calculated from the statement of comprehensive loss as revenue less direct operating costs and is used to assist management and investors in assessing the Company's financial results from operations excluding fixed overhead costs. Gross margin percentage is calculated as gross margin divided by revenue. The Company believes the relationship between revenue and costs expressed by the gross margin percentage is a useful measure when compared over different financial periods as it demonstrates the trending relationship between revenue, costs and margins. Gross margin and gross margin percentage are non-IFRS measures and do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures provided by other companies.

[3] Working capital (excluding debt) is calculated based on current assets less current liabilities excluding the current portion of long-term debt. Working capital (excluding debt) is used to assist management and investors in assessing the Company's liquidity. Working capital (excluding debt) does not have any meaning prescribed under IFRS and may not be comparable to similar measures provided by other companies. Working capital (excluding debt) ratio is calculated as current assets divided by the difference of current liabilities less the current portion of long term debt.

[4] Net debt is not a recognized measure under IFRS and does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures provided by other companies. Management believes net debt is a useful indicator of a company's debt position.