For Immediate Release: February 28, 2017

CWC ENERGY SERVICES CORP. ANNOUNCES FOURTH QUARTER AND YEAR END 2016 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 and twelve months ended December 31, 2016. The Financial Statements and Management Discussion and Analysis ("MD&A") for the three and twelve months ended December 31, 2016 are filed on SEDAR at www.sedar.com.

Highlights for the Three Months Ended December 31, 2016

- In Q4 2016 the Company experienced increased demand for drilling and well services largely attributable to higher commodity prices. The Q4 2016 average crude price, as measured by WTI, of US$49.04/bbl was a 9% increase over Q3 2016 average price of US$44.85/bbl and 17% higher than US$41.94/bbl in Q4 2015. Natural gas prices, as measured by AECO, increased 33% from an average of $2.22/GJ in Q3 2016 to $2.95/GJ in Q4 2016 (Q4 2015: $2.35/GJ).

- CWC's drilling rig utilization of 31% in Q4 2016 (Q4 2015: 23%) exceeded the Canadian Association of Oilwell Drilling Contractors ("CAODC") industry average of 24%. Q4 2016 drilling rig operating days were affected by unusually warm weather and wet operating conditions in October and November 2016, which negatively impacted our ability to access well sites and move drilling rig equipment to customer locations. CWC achieved 257 drilling rig operating days in Q4 2016 and estimates an additional 134 drilling rig operating days were lost due to the warm and wet weather conditions. Nevertheless, increased activity levels in Q4 2016 compared to Q4 2015 reflects the increasing optimism of our E&P customers as a result of the OPEC agreement on production cuts and the resultant increase in global crude oil prices subsequent to their November 30, 2016 meeting.

- CWC's service rig utilization of 45% in Q4 2016 (Q4 2015: 36%) with 27,091 operating hours was 29% higher than the 21,008 operating hours in Q4 2015. Q4 2016 service rig operating hours were also affected by the unusually warm weather and wet operating conditions in October and November 2016, which limited the ability to move service rig equipment to customer locations. CWC estimates an additional 4,200 service rig operating hours were lost due to the wet operating conditions. Despite the unfavourable weather, CWC's Q4 2016 service rig operating hours and utilization was its highest since Q4 2014 (28,644 hours and 45% respectively) suggesting that CWC's activity with its E&P customers have returned to pre-downturn activity levels.

- CWC's coil tubing utilization of 32% in Q4 2016 (Q4 2015: 23%) from 2,349 operating hours was 41% higher than the 1,665 operating hours in Q4 2015. The increased activity level is a direct result of a greater demand by our E&P customers to service their steam assisted gravity drainage ("SAGD") wells.

- Revenue of $21.0 million, an increase of $2.2 million (12%) compared to $18.8 million in Q4 2015. The increase from Q4 2015 is a result of increased year-over-year activity levels offset by lower year-over-year pricing consistent with prior 2016 quarters.

- EBITDAS (1) of $2.9 million, an increase of $0.6 million (26%) compared to $2.3 million in Q4 2015. Increased EBITDAS is a direct result of increased year-over-year activity levels and lower variable and fixed costs from the Company's 2015 and 2016 cash savings initiatives offset by lower year-over-year pricing in both the Contract Drilling and Production Services business segments.

- Net loss of $1.7 million, a decrease of $5.0 million (-75%) compared to a net loss of $6.7 million in Q4 2015. The year-over-year reduction in net loss is primarily due to an impairment of goodwill and assets of $6.9 million in Q4 2015 with no similar impairment in Q4 2016, an increase in Q4 2016 EBITDAS, decreases in finance costs and deferred income tax recovery, all partially offset by an increase in non-cash stock based compensation.

Highlights for the Year Ended December 31, 2016

- CWC's drilling rig utilization of 26% in 2016 (2015: 31%) exceeded the CAODC industry average of 17%. The lower activity level in 2016 (814 drilling rig operating days) compared to 2015 (1,028 drilling rig operating days) is a result of persistent uncertainty throughout most of 2016 on our E&P customers as to when crude oil prices would recover from their low levels due to the ongoing oversupply of crude oil production globally. This uncertainty resulted in lower demand by our E&P customers in 2016 compared to 2015 for our Contract Drilling services.

- CWC's service rig utilization was 40% in 2016 (2015: 29%). The Company's continuing increase in market share since Q4 2015 can be attributed to its modern fleet of 74 service rigs, exceptional sales and operational management, and experienced rig crews performing work safely and efficiently. Customer appreciation and acceptance of our outstanding service and safety performance and high quality and well maintained equipment are strong and has been a key differentiating factor for CWC.

- CWC's coil tubing utilization was 30% in 2016 (2015: 31%). The Company's slightly lower year-over-year utilization was affected by lost operating hours in Q2 2016 as a result of our E&P customers having to shut down operations due to the Fort McMurray wildfires in May 2016. This temporary shutdown resulted in pent up demand for our coil tubing services in Q3 and Q4 2016 resulting in increased operating hours for those quarters compared to Q3 and Q4 2015.

- Revenue of $73.1 million, a decrease of $8.2 million (-10%) compared to $81.3 million in 2015. The decline from the previous year is predominately due to lower drilling rig activity and pricing combined with lower service rig and coil tubing pricing charged to our E&P customers, which was partially offset by a significant increase in service rig activity.

- EBITDAS[(1)] of $8.2 million, a decrease of $3.8 million (-32%) compared to $12.0 million in 2015. Decreased EBITDAS is a direct result of lower drilling rig activity and lower drilling rig, service rig and coil tubing pricing charged to E&P customers, which was partially offset by a significant increase in service rig activity and lower variable and fixed costs from the Company's cash savings initiatives which began in 2015 for which the benefits continued to be realized in 2016.

- Net loss of $7.5 million, a decrease of $21.6 million (-74%) compared to a net loss of $29.1 million in 2015. The year-over-year reduction in net loss is due to an impairment of goodwill and assets of $24.2 million in 2015 with no similar impairment in 2016, an increase in deferred income tax recovery, a decrease in depreciation and amortization expense and non-cash stock based compensation partially offset by lower 2016 EBITDAS and an increase in finance costs.

- On April 25, 2016, the Company extended its credit agreement with its banking syndicate to include, among other things, the following terms:
  - the maturity date of the credit facilities were extended to July 31, 2018;
  - the credit facilities were voluntarily reduced from $75.0 million to $65.0 million with the ability to increase the credit facilities by an additional $60.0 million through an accordion feature, subject to approval by the banking syndicate;
  - amendments to the quarterly financial covenants for Consolidated Debt to Consolidated EBITDA ratio; and
  - the inclusion of an equity cure provision which allows the Company to apply the proceeds of equity offerings in the calculation of Consolidated EBITDA towards the Consolidated Debt to Consolidated EBITDA ratio until March 31, 2018, subject to certain conditions as follows:
    - an equity cure may be utilized in no more than two quarters during such period;
    - an equity cure may not be utilized in consecutive quarters; and
    - an equity cure utilized in any quarter is not to exceed the greater of 50% of total Consolidated EBITDA over the prior twelve month period or $15.0 million.

- On June 2, 2016, CWC announced the closing of its equity rights offering and the issuance of an additional 97.5 million common shares. The equity rights offering was oversubscribed and generated $14.6 million in gross proceeds. $7.0 million of these proceeds was used to reduce long-term debt in July 2016 and the remainder of the $7.6 million is held in a segregated bank account and has been deducted from long-term debt at December 31, 2016.

- The Company renewed its Normal Course Issuer Bid ("NCIB") effective June 8, 2016 to purchase from time to time, as it considers advisable, up to 19,512,200 of issued and outstanding common shares through the facilities of the TSX Venture Exchange ("TSXV") or other recognized marketplaces. The price that the Company will pay for any common share under the NCIB will be the prevailing market price on the TSXV at the time of such purchase. To December 31, 2016, no common shares were purchased under the NCIB. The NCIB expires on June 7, 2017 unless renewed.

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

Financial and Operational Highlights

$ thousands, except shares, per share amounts, margins and ratios	Three months ended December 31, 2016	2015	% Change	Year ended December 31, 2016	2015	2014[1]
FINANCIAL RESULTS						
Revenue						
Contract Drilling[1]	5,299	4,769	11%	15,903	27,758	38,819
Production Services	15,693	14,018	12%	57,219	53,502	104,847
	20,992	18,787	12%	73,122	81,260	143,666
EBITDAS [2]	2,923	2,327	26%	8,220	12,037	34,058
EBITDAS margin (%) [2]	14%	12%	n/a[3]	11%	15%	24%
Funds from operations [2]	2,923	2,327	26%	8,220	12,037	33,217
Net loss and comprehensive loss	(1,717)	(6,747)	(75%)	(7,468)	(29,106)	(13,451)
Net loss and comprehensive loss margin (%)	(8%)	(36%)	28%	(10%)	(36%)	(9%)
Dividends declared	-	-	-	-	3,579	17,171
Per share information						
Weighted average number of shares outstanding – basic	390,655,440	291,693,064		349,836,144	285,524,891	227,675,260
Weighted average number of shares outstanding – diluted	390,655,440	291,693,064		349,836,144	285,524,891	227,675,260
EBITDAS [2] per share – basic and diluted	$0.01	$0.01		$0.02	$0.04	$0.15
Net loss per share - basic and diluted	($0.00)	($0.02)		($0.02)	($0.10)	($0.06)
Dividends declared per share	$0.00	$0.00		$0.00	$0.0125	$0.06875

$ thousands, except ratios	December 31, 2016	December 31, 2015	December 31, 2014
FINANCIAL POSITION AND LIQUIDITY			
Working capital (excluding debt) [2]	11,333	11,822	20,603
Working capital (excluding debt) ratio [2]	2.5:1	3.1:1	2.2:1
Total assets	210,750	222,428	275,353
Total long-term debt (including current portion)	33,142	52,241	65,666
Shareholders' equity	155,482	147,462	172,705

(1) CWC entered into the contract drilling business on May 15, 2014, through the acquisition of Ironhand Drilling Inc. and results are included May 16, 2014 onward.

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

(3) Not meaningful.

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, two have pad rig walking systems. The drilling rig fleet has an average age of seven years. All of the drilling rigs are well suited for the most active depths for horizontal drilling in the WCSB, including the Montney, Cardium, Duvernay and other deep basin horizons. Given the downturn in the industry CWC chose to park one of its drilling rigs at the beginning of 2016 and focus its sales and operational efforts on the remaining eight drilling rigs. CWC found a customer for its one inactive drilling rig in Q3 2016 and as such all nine drilling rigs are now active.

	Three months ended							
OPERATING HIGHLIGHTS	**Dec. 31, 2016**	**Sep. 30, 2016**	**Jun. 30, 2016**	**Mar. 31, 2016**	**Dec. 31, 2015**	**Sep. 30, 2015**	**Jun. 30, 2015**	**Mar. 31, 2015**
Drilling Rigs								
Active drilling rigs, end of period	9	9	8	8	9	9	9	9
Inactive drilling rigs, end of period	-	-	1	1	-	-	-	-
Total drilling rigs, end of period	9	9	9	9	9	9	9	9
Revenue per operating day [(1)]	$20,623	$16,835	$21,754	$21,565	$24,996	$24,740	$26,661	$30,553
Drilling rig operating days	257	301	65	191	191	379	99	359
Drilling rig utilization % [(2)]	31%	37%	9%	26%	23%	46%	12%	44%
CAODC industry average utilization %	24%	17%	7%	20%	20%	24%	13%	34%

(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) in accordance with the methodology prescribed by the CAODC.

Contract Drilling revenue of $5.3 million for Q4 2016 (Q4 2015: $4.8 million) was achieved with a utilization rate of 31% (Q4 2015: 23%), compared to the CAODC industry average of 24%. Q4 2016 drilling rig operating days were affected by unusually warm weather and wet operating conditions in October and November 2016, which negatively impacted our ability to access well sites and move drilling rig equipment to customer locations. CWC achieved 257 drilling rig operating days in Q4 2016 and estimates an additional 134 drilling rig operating days were lost due to the warm and wet weather conditions. Q4 2016 revenue was 11% higher compared to Q4 2015 as increased activity more than offset the impact of reduced pricing.

Contract Drilling revenue of $15.9 million for the year ended December 31, 2016 (2015: $27.8 million) was achieved with a utilization rate of 26%, compared to the CAODC industry average of 17%. 2016 revenue was 43% lower than 2015 as persistent uncertainty throughout most of 2016 on our E&P customers as to when crude oil and natural gas prices would recover from their low prices kept drilling activity at historically low levels. According to the CAODC, the total Canadian drilling industry operating days was 42,307 in 2016, a 35% reduction from 2015 operating days of 64,580. In comparison, CWC’s 21% reduction from 1,028 operating days in 2015 to 814 operating days in 2016 outperformed the CAODC industry average and is attributable to the Company having the most modern, relevant and well maintained drilling rigs as well as a reputation for safe and efficient operations, exceptional management and experienced drilling rig crews.

Production Services

CWC is the second largest service rig provider in the WCSB, based on our modern fleet of 74 service rigs as at December 31, 2016 which consists of 41 single, 27 double, and 6 slant rigs. CWC's fleet is amongst the newest in the WCSB and provides services which include completions, maintenance, workovers and abandonments with depth ratings from 1,500 to 5,000 metres. Given the current downturn in the industry, CWC chose to park nine of its service rigs at the beginning of 2016 and focus its sales and operational efforts on the remaining 65 service rigs. In Q3 and Q4 2016, the Company found customers for two of its inactive service rigs and as such have reactivated these two service rigs for a total active fleet of 67 service rigs at December 31, 2016.

CWC’s Class I, II and III coil tubing units have depth ratings from 1,500 to 4,000 metres. As at December 31, 2016, the Company’s fleet of nine coil tubing units consists of five Class I, three Class II and one Class III coil tubing units. In light of competitive challenges for CWC’s Class III coil tubing unit, the Company has chosen to focus its sales and operational efforts on its eight Class I and II coil tubing units which are better suited at servicing SAGD wells, which are shallower in depth and more appropriate for these coil tubing operations. In Q4 2016 the company acquired an additional Class I coil tubing unit which is expected to be put into service in Q1 2017.

OPERATING HIGHLIGHTS	Three months ended Dec. 31, 2016	Sep. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Dec. 31, 2015	Sep. 30, 2015	Jun. 30, 2015	Mar. 31, 2015
Service Rigs								
Active service rigs, end of period	67	66	65	65	64	65	66	66
Inactive service rigs, end of period	7	8	9	9	10	9	8	7
Total service rigs, end of period	74	74	74	74	74	74	74	73
Operating hours	27,091	22,927	21,724	23,466	21,008	16,676	14,051	16,580
Revenue per hour	$536	$543	$548	$580	$615	$657	$668	$769
Service rig utilization % (1)	45%	38%	37%	40%	36%	27%	23%	29%
Coil Tubing Units								
Active coil tubing units, end of period	8	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	10	9	9	9	9	9	9	9
Operating hours	2,349	2,160	1,147	3,034	1,665	1,048	2,111	4,351
Revenue per hour	$507	$458	$508	$662	$657	$771	$724	$885
Coil tubing units utilization % (2)	32%	29%	16%	42%	23%	14%	29%	60%

(1) Service rig utilization is calculated based on 10 hours a day, 365 days a year. New service rigs are added based on the first day of field service. Service 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.

(2) Coil tubing unit utilization is calculated based on 10 hours a day, 365 days a year. New coil tubing units are added based on the first day of field service.

Production Services revenue was $15.7 million in Q4 2016, up $1.7 million (12%) compared to $14.0 million in Q4 2015, as the impact of increased activity for the Company's service rigs and coil tubing units were partially offset by lower revenue per hour. Revenue per hour has continued to decline since Q4 2014 as reduced industry activity resulted in intense competition and aggressive pricing of services. The increase in operating hours for both service rigs and coil tubing units in Q4 2016 from Q3 2016 coincides with seasonal increased demand from our customers combined with an improved commodity price environment.

CWC's service rig utilization of 45% in Q4 2016 (Q4 2015: 36%) with 27,091 operating hours was 29% higher than the 21,008 operating hours in Q4 2015. Q4 2016 service rig operating hours were also affected by the unusual warm weather and wet operating conditions in October and November 2016, which limited the ability to move service rig equipment to customer locations. CWC estimates an additional 4,200 service rig operating hours were lost due to the wet operating conditions. Despite the unfavourable weather, CWC's Q4 2016 service rig operating hours and utilization was its highest since Q4 2014 (28,644 hours and 45% respectively) suggesting that CWC's activity with its E&P customers have returned to pre-downturn activity levels.

CWC's coil tubing utilization of 32% in Q4 2016 (Q4 2015: 23%) from 2,349 operating hours was 41% higher than the 1,665 operating hours in Q4 2015. The increased activity level is a direct result of a greater demand by our E&P customers to service their SAGD wells. Coil tubing's average hourly rate of $507 per hour in Q4 2016, a 23% decline from $657 per hour in Q4 2015 is due to a higher activity mix from its lower priced Class I units working on SAGD wells compared to the deeper Class II units and overall pricing pressure from our E&P customers compared to a year ago.

For the year ended December 31, 2016 Production Services revenue of $57.2 million was 7% higher than the $53.5 million achieved in 2015 as CWC outperformed the CAODC service rig industry and incrementally increased its operating hours in each quarter by increasing market share, which was partially offset by lower average revenue per hour. CWC's 95,208 service rig operating hours in 2016, a 39% increase to the 68,315 operating hours in 2015 is in sharp contrast to the total reported CAODC service rig industry decline of 7% in operating hours from 2015 to 2016. The Company's Q4 2016 estimated market share of 10% was earned with 7% of the CAODC active industry rig fleet and is 3% higher than the 7% market share in Q4 2015. The Company's operating hours were higher than any other CAODC registered service rig contractor in 2016. CWC's strong market share is a result of: (i) a focus on production work; (ii) an increase in market share with a select number of senior E&P customers; (iii) an aggressive pricing strategy initiated in Q4 2015; and (iv) a service rig fleet, amongst the newest in the WCSB, which stands out in an industry characterized by ageing equipment and infrastructure.

CWC's coil tubing utilization was 30% for the year ended December 31, 2016 (2015: 31%). The Company's slightly lower year-over-year utilization was affected by lost operating hours in Q2 2016 as a result of our E&P customers having to shut down operations due to the Fort McMurray wildfires in May 2016. This temporary shutdown resulted in pent up demand for our coil tubing services in Q3 and Q4 2016 resulting in increased operating hours for those quarters compared to Q3 and Q4 2015.

Capital Expenditures

$ thousands	Three months ended December 31, 2016	2015	Year ended December 31, 2016	2015
Contract Drilling	1,303	123	1,662	4,330
Production Services	451	537	996	4,846
Total capital expenditures	1,754	660	2,658	9,176
Growth capital	207	84	207	4,482
Maintenance and infrastructure capital	1,547	576	2,451	4,694
Total capital expenditure	1,754	660	2,658	9,176

Capital expenditures in 2016 of $2.7 million are $6.5 million (-71%) lower than $9.2 million in 2015 and primarily consist of recertification costs, leasehold improvements, new drill pipe, a new coil tubing unit and vehicles. This compares to 2015 capital expenditures related to costs associated with completion of slant service rigs #505 and #506, the purchase of new drill pipe, the addition of a pad rig walking system to drilling rig #3, and costs incurred prior to the decision to delay the upgrade of drilling rig #2 and build of new drilling rig #10.

A 2017 capital expenditure budget of $5.9 million was approved by the Board of Directors on December 6, 2016 comprised of $5.4 million of maintenance and infrastructure capital related to recertifications, additions and upgrades to field equipment for the drilling rigs, service rigs and coil tubing divisions as well as for information technology and $0.5 million of growth capital.

Outlook

Crude oil, as represented by WTI, averaged US$49.04/bbl in Q4 2016, and increase of 9% over Q3 2016 average price of US$44.85/bbl and 17% higher than US$41.94/bbl in Q4 2015. Natural gas prices, as represented by AECO, averaged $2.95/GJ, 33% higher than the Q3 2016 average of $2.22/GJ. For the year ended December 31, 2016, approximately 73% of revenue is from work on crude oil wells, 25% was from natural gas wells, and 2% was other. Further, approximately 26% was related to drilling and completions work, 63% from maintenance and workovers on producing wells and 11% from abandonments. Higher crude oil prices in the US$50/bbl to US$55/bbl range as a result of the OPEC agreement on November 30, 2016 to reduce oil production supply has resulted in increased activity levels in the WCSB to start 2017. Indeed on January 30, 2017 the Petroleum Services Association of Canada ("PSAC") increased its 2017 Canadian Drilling Activity Forecast by 975 wells or 23% to 5,150 wells from the original November 2016 forecast. CWC continues to experience strong utilizations in 2017 with all of our business lines, and currently has nine of nine drilling rigs (100%) contracted, 54 of 67 service rigs (81%) and eight of nine coil tubing units (89%) working. These Q1 2017 activity levels have returned to pre-downturn levels last achieved in October 2014. As demand for services increase across the industry, it has become apparent that the deterioration in the skilled labour force due to the lack of work and layoffs that have occurred over the last two years has become a limiting factor as to how quickly oilfield service companies will be able to service their E&P customers. As one of the most active drilling and service rig contractors in the WCSB, CWC has been able to retain experienced, high quality rig crews. However, we are finding it increasingly difficult to find and hire qualified field employees to staff the next incremental drilling rig, service rig or coil tubing unit to meet increasing customer demand. The Company anticipates that if this tight labour market stays in the industry for several quarters, it should lead to increased pricing for our services and improved operating and cash flow margins in future quarters.

CWC's 2015 and 2016 proactive focus on targeted reductions to variable and fixed costs, headcount and wages, suspension of dividends and strategic and prudent capital expenditures has contributed to the Company being able to achieve positive EBITDAS and cash flow throughout 2016 despite competitive pricing pressures. CWC's financial stability was significantly enhanced in Q2 2016 with its rights offering and extension of its credit facilities with its banking syndicate. These operational and financial measures will result in significant and sustainable benefits to the Company in 2017 as we strive to improve EBITDAS and cash flow margins and strive to return to profitability.

While CWC continues to maintain focus on its operational and financial performance, it is also mindful of taking advantage of opportunities as they arise. Management continues to actively evaluate strategic opportunities and pursue those it believes will fundamentally position CWC well for the future with the overriding criteria of being able to create long-term shareholder value.

About CWC Energy Services Corp.

CWC Energy Services Corp. is a premier contract drilling and well servicing company operating in the WCSB with a complementary suite of oilfield services including drilling rigs, service rigs and coil tubing units. The Company's corporate office is located in Calgary, Alberta, with operational locations in Nisku, Grande Prairie, Slave Lake, Red Deer, 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, CPA, CA, CFA
President & Chief Executive Officer

Craig Flint, CPA, CA
Chief Financial Officer

Reconciliation of Non-IFRS Measures

$ thousands except share and per share amounts	Three months ended December 31, 2016	Three months ended December 31, 2015	Year ended December 31, 2016	Year ended December 31, 2015	Year ended December 31, 2014
NON-IFRS MEASURES					
EBITDAS:					
Net loss and comprehensive loss	(1,717)	(6,747)	(7,468)	(29,106)	(13,451)
Add:					
Depreciation	3,733	3,730	14,248	15,469	19,543
Finance costs	502	559	2,515	2,203	2,186
Transaction costs	-	-	-	-	841
Deferred income tax expense (recovery)	(420)	(2,271)	(2,414)	(1,966)	2,960
Stock based compensation	594	200	945	1,008	1,345
Impairment of goodwill and assets held for sale	-	6,892	-	24,214	20,880
Loss (gain) on sale of equipment	231	(36)	394	215	(246)
EBITDAS (1)	2,923	2,327	8,220	12,037	34,058
EBITDAS per share – basic and diluted (1)	$0.01	$0.01	$0.02	$0.04	$0.15
EBITDAS margin (EBITDAS/Revenue) (1)	14%	12%	11%	15%	24%
Weighted average number shares outstanding - basic	390,655,440	291,693,064	349,836,144	285,524,891	227,675,260
Weighted average number shares outstanding - diluted	390,655,440	291,693,064	349,836,144	285,524,891	227,675,260
Funds from operations:					
Cash flows from operating activities	2,300	5,964	8,710	25,427	34,974
Add (deduct): Change in non-cash working capital	623	(3,637)	(490)	(13,390)	(1,754)
Funds from operations (2)	2,923	2,327	8,220	12,037	33,217
Gross margin:					
Revenue	20,992	18,787	73,122	81,260	143,666
Less: Direct operating expenses	15,248	13,003	53,209	55,124	91,751
Gross margin (3)	5,744	5,784	19,913	26,136	51,915
Gross margin percentage (3)	27%	31%	27%	32%	36%

$ thousands	December 31, 2016	December 31, 2015	December 31, 2014
Working capital (excluding debt):			
Current assets	18,691	17,333	38,405
Less: Current liabilities	(7,535)	(5,716)	(18,003)
Add: Current portion of long term debt	176	205	201
Working capital (excluding debt) (4)	11,332	11,822	20,603
Working capital (excluding debt) ratio (4)	2.5:1	3.1:1	2.2:1
Net debt:			
Long term debt	32,966	52,036	65,465
Less: Current assets	(18,691)	(17,333)	(38,405)
Add: Current liabilities	7,535	5,716	18,003
Net debt (5)	21,810	40,419	45,063

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

(2) Funds from operations is not a recognized measure under IFRS. Management believes that in addition to cash flow from operations, funds from operations is a useful supplemental measure as it provides an indication of the cash flow generated by the Company's principal business activities prior to consideration of changes in working capital. Investors should be cautioned, however, that funds from operations should not be construed as an alternative to cash flow from operations determined in accordance with IFRS as an indicator of the Company's performance. CWC's method of calculating funds from operations may differ from other entities and accordingly, funds from operations may not be comparable to measures used by other entities. Funds from operations is equal to cash flow from operations before changes in non-cash working capital items related to operations.

(3) Gross margin is calculated from the statement of comprehensive income 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.

(4) 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.

(5) 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.