For Immediate Release: April 29, 2021

CWC ENERGY SERVICES CORP. ANNOUNCES FIRST QUARTER 2021 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 ended March 31, 2021. The Financial Statements and Management Discussion and Analysis ("MD&A") for the three months ended March 31, 2021 are filed on SEDAR at www.sedar.com.

Financial and Operational Highlights

$ thousands, except shares, per share amounts, and margins	Three months ended March 31, 2021	2020	Change %
FINANCIAL RESULTS			
Revenue			
Contract Drilling	7,318	12,671	(42%)
Production Services	17,351	20,869	(17%)
	24,669	33,540	(26%)
Other income	1,065	-	n/m[3]
Adjusted EBITDA[1]	4,854	5,508	(12%)
Adjusted EBITDA margin (%)[1]	20%	16%	
Impairment of assets	(1,296)	(25,451)	(95%)
Net income (loss)	447	(19,177)	102%
Net income (loss) margin (%)[2]	2%	(57%)	59%
Capital expenditures	1,275	2,805	(55%)
Per share information:			
Weighted average number of shares outstanding – basic	506,047,702	510,936,431	
Weighted average number of shares outstanding - diluted	512,456,028	510,936,431	
Adjusted EBITDA[1] per share - basic and diluted	$ 0.01	$ 0.01	
Net income (loss) per share - basic and diluted	$ 0.00	$ (0.04)	

$ thousands, except ratios	March 31, 2021	December 31, 2020
FINANCIAL POSITION AND LIQUIDITY		
Working capital (excluding debt)[1]	16,505	12,069
Working capital (excluding debt) ratio[1]	3.4:1	2.9:1
Total assets	202,191	202,223
Total long-term debt (including current portion)	29,285	30,231
Shareholders' equity	158,108	157,977

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

(2) Net income (loss) margin is a Non-IFRS Measure which is calculated as net income (loss) divided by total revenue.

(3) Not meaningful.

Highlights for the Three Months Ended March 31, 2021

- Average Q1 2021 crude oil price, as measured by West Texas Intermediate ("WTI"), of US$58.13/bbl was 36% higher than the Q4 2020 average price of US$42.63/bbl (Q1 2020: US$42.57/bbl) and the price differential between Canadian heavy crude oil, as represented by Western Canadian Select ("WCS"), and WTI maintained a differential in the range of US$11.37/bbl to US$13.82/bbl during the first quarter of 2021. Natural gas prices, as measured by AECO, increased 17% from an average of $2.52/GJ in Q4 2020 to $2.94/GJ in Q1 2021 (Q1 2020: $1.93/GJ).
- CWC's Canadian drilling rig utilization in Q1 2021 of 50% (Q1 2020: 55%) continued to outperform the Canadian Association of Oilwell Drilling Contractors ("CAODC") industry average of 27% (Q1 2020: 35%). Average revenue per operating day of $22,497 resulted in revenue of $7.1 million (Q1 2020: $7.9 million) from the Canadian drilling operations. As a result of the COVID-19 health pandemic and the travel restrictions implemented between Canada and the U.S., CWC's two U.S. drilling rigs, which operate with Canadian rig crews, did not begin operations until the last week of March 2021 resulting in 2 operating days in the quarter (Q1 2020: 144 operating days). U.S. Contract Drilling revenue of $0.2 million with an average revenue per operating day of US$80,000 resulted primarily from one-time recovery of mobilization costs. Service rig utilization in Q1 2021 of 64% (Q1 2020: 56%) was driven by 27,087 operating hours which were 11% lower than the 30,442 operating hours in Q1 2020. Given the tight labour market experienced in the industry for service rig crews in Q1 2021, CWC parked 15 additional service rigs at the beginning of the year, resulting in 66 active service rigs for 2021.
- Revenue of $24.7 million, a decrease of $8.9 million (26%) compared to $33.5 million in Q1 2020. During Q1 2021, the Company earned $1.7 million in revenue on 90 oil and gas sites requiring well decommissioning under the Alberta Site Rehabilitation Program ("SRP") and 15 oil and gas sites under the Saskatchewan Accelerated Site Closure Program ("ASCP"). The $1.0 billion Alberta SRP, the $400 million ASCP and the $100 million B.C. Dormant Sites Reclamation Program ("DSRP") provide grants to eligible oilfield service contractors to perform well, pipeline, and oil and gas site closure and reclamation work, creating jobs and supporting the environment until December 31, 2022. CWC's Production Services segment is well positioned to provide well decommissioning work on these inactive wells.
- Adjusted EBITDA(1) of $4.9 million, a decrease of $0.6 million compared to $5.5 million in Q1 2020.
- Net income of $0.5 million, an increase of $19.7 million compared to a net loss of $19.2 million in Q1 2020.
- During Q1 2021, 2,249,500 common shares (Q1 2020: 3,674,500 common shares) were purchased, cancelled and returned to treasury under the Normal Course Issuer Bid ("NCIB").

(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, three have pad rig walking systems, three have 7,500 psi pumping systems and one has carbon reduction bi-fuel capabilities. 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. The Company also operates in 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 faster drilling times and more environmentally friendly solutions at a cost effective price while providing a sufficient internal rate of return for CWC's shareholders.

OPERATING HIGHLIGHTS	Three months ended Mar. 31, 2021	Dec. 31, 2020	Sep. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sep. 30, 2019	Jun. 30, 2019
Drilling Rigs – Canada								
Total drilling rigs, end of period	7	7	7	7	7	7	7	7
Revenue per operating day[(1)]	$22,497	$21,452	$19,214	$19,382	$22,849	$22,161	$20,685	$22,750
Drilling rig operating days	317	248	28	68	344	232	130	72
Drilling rig utilization %[(2)]	50%	39%	4%	11%	54%	36%	19%	11%
CAODC industry average utilization %	27%	16%	9%	4%	35%	23%	23%	18%
Wells drilled	28	23	4	4	26	18	12	10
Average days per well	11.3	10.8	7.1	17.1	13.2	12.9	10.9	8.0
Meters drilled (thousands)	112.4	88.5	13.7	20.2	99.6	75.6	39.6	26.7
Meters drilled per day	354	356	483	295	290	326	304	373
Average meters per well	4,014	3,848	3,412	5,053	3,831	4,199	3,300	2,966
Drilling Rigs – United States								
Total drilling rigs, end of period	2	2	2	2	2	2	2	2
Revenue per operating day (US$)[(1)]	$80,000[(3)]	-	-	-	$25,139	$34,448[(3)]	$27,159	$54,188[(3)]
Drilling rig operating days	2	-	-	-	144	56	155	25
Drilling rig utilization %[(2)]	1%	-	-	-	79%	31%	84%	69%
Wells drilled	-	-	-	-	10	5	16	1
Average days per well	-	-	-	-	14.4	11.3	9.7	16.6
Meters drilled (thousands)	-	-	-	-	40.5	14.5	50.7	2.9
Meters drilled per day	-	-	-	-	282	258	327	177
Average meters per well	-	-	-	-	4,053	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 $7.1 million for Q1 2021 (Q1 2020: $7.9 million) was achieved with a utilization rate of 50% (Q1 2020: 54%), compared to the CAODC industry average of 27% (Q1 2020: 35%). CWC completed 317 Canadian drilling rig operating days in Q1 2021, 8% lower than 344 Canadian drilling rig operating days in Q1 2020.

U.S. Contract Drilling revenue of $0.2 million for Q1 2021 (Q1 2020: $4.8 million) was achieved with a utilization rate of 1% (Q1 2020: 79%) with 2 U.S. drilling rig operating days, 99% lower than the 144 U.S. drilling rig operating days in Q1 2020. As a result of the COVID-19 health pandemic and the travel restrictions implemented between Canada and the U.S., CWC's two U.S. drilling rigs, which operate with Canadian rig crews, did not begin operations until the last week of March 2021.

Production Services

With a fleet of 145 service rigs, CWC is one of the largest well servicing companies in Canada as measured by active fleet and operating hours. CWC's service rig fleet consists of 75 single, 56 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. In 2021, CWC chose to park 79 of its service rigs and focus its sales and operational efforts on the remaining 66 active service rigs due to the reduction in the number of service rigs currently required to service the WCSB and the tight labour market experienced in the industry for service rig crews.

CWC's fleet of 12 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 chose to park seven of its swabbing rigs and focus its sales and operational efforts on the remaining five active swabbing rigs.

OPERATING HIGHLIGHTS	Three months ended Mar. 31, 2021	Dec. 31, 2020	Sep. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sep. 30, 2019	Jun. 30, 2019
Service Rigs								
Active service rigs, end of period	66	81	82	82	83	84	84	92
Inactive service rigs, end of period	79	64	63	63	62	62	64	56
Total service rigs, end of period	145	145	145	145	145	146	148	148
Operating hours	27,087	22,273	15,859	4,037	30,442	33,656	29,528	23,129
Revenue per hour	$630	$645	$605	$619	$666	$664	$644	$646
Revenue per hour excluding top volume customers	$651	$659	$623	$653	$673	$682	$660	$687
Service rig utilization %[1]	64%	42%	29%	8%	56%	62%	52%	39%
Swabbing Rigs								
Active swabbing rigs, end of period	5	5	5	5	5	5	5	8
Inactive swabbing rigs, end of period	7	7	7	7	7	8	8	5
Total swabbing rigs, end of period	12	12	12	12	12	13	13	13
Operating hours	976	1,339	686	513	1,088	1,141	865	661
Revenue per hour	$286	$280	$271	$288	$300	$282	$284	$262
Swabbing rig utilization %[1]	30%	41%	21%	16%	33%	35%	19%	13%

(1)) Effective September 1, 2019, the CAODC changed its methodology on how it calculates service rig utilization. Service rig 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.

Production Services revenue of $17.4 million in Q1 2021, down $3.5 million (17%) compared to $20.9 million in Q1 2020. The revenue decrease in Q1 2021 was a continued direct result of the decrease in industry activity, which started in March 2020, as the global health solutions to slow the spread of the COVID-19 virus resulted in a decrease in oilfield service activity compared to Q1 2020.

CWC's service rig utilization in Q1 2021 of 64% (Q1 2020: 56%) with 27,087 operating hours was 11% lower than the 30,442 operating hours in Q1 2020. Average revenue per hour of $630 in Q1 2021 was $36 per hour (5%) lower than the $666 per hour in Q1 2020 as a result of customer requested discounts during the quarter. Q1 2021 average revenue per hour of $651 excluding the Company’s top volume customers was $22 per hour (3%) lower than Q1 2020 average revenue per hour of $673.

CWC’s swabbing rig utilization in Q1 2021 of 30% (Q1 2020: 33%) with 976 operating hours was 10% lower than the 1,088 operating hours in Q1 2020. Average revenue per hour for swabbing rigs of $286 in Q1 2021 was $14 per hour (5%) lower compared to $300 in Q1 2020.

Capital Expenditures

$ thousands	Three months ended March 31, 2021	2020	Change $	Change %
Capital expenditures				
Contract drilling	955	786	169	22%
Production services	320	1,993	(1,673)	(84%)
Other equipment	-	26	(26)	(100%)
	1,275	2,805	(1,530)	(55%)
Growth capital	257	1,335	(1,078)	(81%)
Maintenance and infrastructure capital	1,018	1,470	(452)	(31%)
Total capital expenditures	1,275	2,805	(1,530)	(55%)

Capital expenditures of $1.3 million in Q1 2021, a decrease of $1.5 million compared to $2.8 million in Q1 2020.

On December 3, 2020, the Company announced its capital expenditure budget for 2021 of $3.9 million, $2.7 million of which is maintenance and infrastructure capital related to re-certifications, additions and upgrades to field equipment for the drilling rig and service rig divisions as well as information technology infrastructure, with the remaining $1.2 million being growth capital to upgrade two of the drilling rigs. On April 29, 2021, the Board of Directors approved an additional $0.7 million of growth capital to further upgrade one of the drilling rigs.

Outlook

In March 2020, the World Health Organization declared a global health pandemic due to COVID-19. In response to the COVID-19 outbreak, governments around the world implemented measures to control the spread of the virus from Q2 2020 through Q2 2021 including closure of non-essential businesses, restricting travel and encouraging its citizens to stay-at-home. These government actions contributed to a significant deterioration in the global economy including a material decline in the demand for crude oil, which initially resulted in a significant decrease in oil prices. The decline in oil prices negatively affected current and forecasted drilling and production service activities in Canada and the United States. In response to the decline in oil prices, OPEC+ and G20 oil producing nations reduced crude oil production resulting in a rebound in crude oil prices from the low US$20/bbl in April 2020 to over US$60/bbl in April 2021. While governments have, at various times, loosened and then tightened their economic restrictions related to COVID-19, further caution remains as the number of active COVID-19 cases globally have recently increased due to the emergence of more infectious variants of the virus.

Countering the recent increases in COVID-19 cases globally and the reinstatement by governments to implement measures to control the spread of the virus, the global COVID-19 vaccinations continue to be rolled out at increasing speeds resulting in the belief that the global economy may soon return to normalcy. This belief extends to the forecast for a steady rise in crude oil demand which has resulted in crude oil prices staying above US$60/bbl, and has driven an increase in oilfield service activity in Canada and the U.S. For the first time in a few years, there is optimism that 2021 will be a robust year for the Canadian oilfield services industry, supported by the re-opening of the global economy and buoyed by the financial stimulus provided by governments around the world. CWC has had a good Q1 2021, outperforming our own cautious expectations and forecasted activity levels. Activity levels for the remainder of 2021 appear to be continuing onward from where the winter season left off. CWC will continue to benefit from the well decommissioning program provided by the Government of Canada's $1.7 billion in funding to Alberta, Saskatchewan, British Columbia and the Alberta Orphan Well Association until December 31, 2022. While there are many positives to look forward to for the remainder of 2021, capitalizing upon them will primarily be constrained by the amount of available field labour or rig crews that CWC will be able to staff up. The labour market was extremely tight in Q1 2021. As such, the solutions to solve the labour shortage will be an increase to rig rates charged to our E&P customers to compensate for the wage inflation required to retain and attract field labour to work on our drilling and service rigs.

Looking out to the medium and longer term, CWC is optimistic about the future of the oil and gas industry in Canada. The Canadian oil and gas industry will continue to grow with the anticipated completion of Enbridge's Line 3 pipeline in late 2021, which will carry 760,000 bbls/day to Minnesota and eastern refineries and the Trans Mountain expansion project carrying 890,000 bbls/day by late 2022 to the west coast for oversea markets.

CWC will remain focused on its operational and financial performance in the short-term, but recognizes the need to pursue opportunities that have inevitably been created in this market to create medium and longer-term value for CWC's shareholders. With the support of the Board of Directors, management continues to actively pursue consolidation opportunities in North America. CWC cautions that there can be no guarantees that strategic opportunities will result in a transaction, or if a transaction is undertaken, as to its terms or timing.

Lastly, 2021 will also be the year that CWC produces its inaugural Environmental, Social and Governance ("ESG") report as societal demands put more onus on companies to document what and how they are responding to good corporate stewardship from an ESG perspective. Management is confident that when this ESG report is released in the summer of 2021, CWC will be regarded as a leader on ESG matters in our oilfield services industry.

About CWC Energy Services Corp.

CWC Energy Services Corp. is a premier contract drilling and well servicing company operating in Canada and the United States with a complementary suite of oilfield services including drilling rigs, service rigs, and swabbing rigs. 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".

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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 and U.S. basins, 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 including the implications of the COVID-19 health pandemic on the Company's business, operations and personnel. These factors and risks include, but are not limited to, the risks associated with the COVID-19 health pandemic and their implications on the demand and supply in 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), significant expansion measures to stop the spread of COVID-19 further restricting or prohibiting the operations of the Company's facilities and operations, actions to ensure social distancing due to COVID-19, the Company's cash saving initiatives, 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 March 31, 2021	Three months ended March 31, 2020
NON-IFRS MEASURES		
Adjusted EBITDA:		
Net income (loss)	447	(19,177)
Add:		
Stock based compensation	176	133
Finance costs	259	684
Depreciation and amortization	2,696	3,172
Impairment of assets	1,296	25,451
Loss (gain) on sale of equipment	(212)	1,051
Income tax expense (recovery)	192	(5,806)
Adjusted EBITDA(1)	4,854	5,508
Adjusted EBITDA per share – basic and diluted(1)	$ 0.01	$ 0.01
Adjusted EBITDA margin (Adjusted EBITDA/Revenue)(1)	20%	16%
Weighted average number of shares outstanding - basic	506,047,702	510,936,431
Weighted average number of shares outstanding - diluted	512,456,028	510,936,431
Gross margin:		
Revenue	24,669	33,540
Less: Direct operating expenses	17,548	23,615
Gross margin(2)	7,121	9,925
Gross margin percentage(2)	29%	30%

$ thousands	March 31, 2021	December 31, 2020
Working capital (excluding debt):		
Current assets	23,349	18,323
Less: Current liabilities	(7,570)	(7,004)
Add: Current portion of long-term debt	726	750
Working capital (excluding debt) (3)	16,505	12,069
Working capital (excluding debt) ratio(3)	3.4:1	2.9:1
Net debt:		
Long-term debt	28,559	29,481
Less: Current assets	(23,349)	(18,323)
Add: Current liabilities	7,570	7,004
Net debt (4)	12,780	18,162

(1) Adjusted EBITDA (earnings before interest and finance costs, income tax expense, depreciation, amortization, gain or loss on disposal of asset, impairment of assets, goodwill impairment, stock based compensation and other one-time non-cash 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 income (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 calculated based on long-term debt less current assets plus current liabilities. 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.