



*For Immediate Release: December 23, 2014*

## **CWC ENERGY SERVICES CORP. ANNOUNCES 2015 CAPITAL EXPENDITURE BUDGET AND IMPLEMENTATION OF DRIP AND STOCK DIVIDEND PROGRAM**

*NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES*

**CALGARY, ALBERTA** – (TSXV: CWC) CWC Energy Services Corp. (“**CWC**” or the “**Company**”) is pleased to announce that its Board of Directors has approved a 2015 capital expenditure budget totaling \$14.6 million. In addition, CWC believes the adoption and implementation of a dividend reinvestment plan (the “**DRIP**”) and a stock dividend program (the “**SDP**”) is a prudent cash resource measure, at this time, given the current volatility and uncertainty in the oil price environment. Eligible shareholders may elect to participate in the DRIP or the SDP commencing with the dividend to be paid on January 15, 2015 to shareholders of record on December 31, 2014. Participation in the DRIP or the SDP is optional and will not affect shareholders' cash dividends unless they elect to participate in the DRIP or the SDP. The adoption of the DRIP and SDP provides CWC with additional cash resources while ensuring that it continues to maintain its balance sheet flexibility allowing for the payment of a cash or stock dividend at its current quarterly amount of \$0.0175 per common share (\$0.07 per common share annually). It is the intention of CWC’s two largest shareholders, Brookfield Capital Partners Ltd. and Brookfield Private Equity Direct Investments Holdings LP, to elect to participate in the DRIP and/or the SDP for all of their outstanding common shares (66% of the total outstanding shares of CWC).

### **2015 Capital Expenditure Budget**

The 2015 capital expenditure budget of \$14.6 million has been allocated as follows:

- \$9.1 million in growth capital
- \$5.5 million in maintenance capital

The previously announced 2014 capital expenditure budget which included a \$17.8 million carryover into 2015 has been amended to the new 2015 capital expenditure budget. Growth capital of \$9.1 million is primarily directed at completing two new slant service rigs and supporting equipment to expand our growth in heavy oil and SAGD wells with delivery expected in Q1 2015; upgrading of drilling rig #2 to expand its capabilities to depths of 4,500 metres with completion expected in Q3 2015; and continuing the build of our new telescopic double drilling rig #10 at a slower pace than previously announced with a completion date beyond Q4 2015. Maintenance capital of \$5.5 million will primarily be directed at drilling rig recertification costs and upgrades or additions to field equipment for the service rig and coil tubing divisions and information technology infrastructure. CWC intends to finance its 2015 capital expenditure budget from operating cash flows.

The 2015 capital expenditure budget demonstrates CWC’s commitment to maintaining a premier drilling and well servicing rig fleet while ensuring that shareholders continue to generate a return on investment through either a cash or stock dividend. CWC will continue to evaluate and expand its operations in a disciplined manner and make any required adjustments to its capital expenditure program as market conditions improve.

### **Dividend Reinvestment Plan and Stock Dividend Program**

CWC has received conditional approval from the TSX Venture Exchange (“**TSXV**”) to put in place a DRIP and SDP beginning with the December 31, 2014 dividend to be paid on January 15, 2015. Currently, there are an aggregate of 27,000,000 common shares reserved for issuance under the DRIP and SDP. Any increase in the number of common shares reserved for issuance under the DRIP and SDP shall be subject to: (i) approval of the Board of Directors of the Company; (ii) disclosure to the public of the increase in the number of common shares reserved for issuance under the DRIP and SDP by way of news release; and (c) approval of the TSXV or other exchanges on which the common shares may be listed for trading. The following is a summary of the key attributes of the DRIP and the SDP. A complete copy of the DRIP, the SDP and the DRIP/SDP enrollment form are available on CWC's website at [www.cwcenergyservices.com](http://www.cwcenergyservices.com). Shareholders should carefully read the complete text of the DRIP and the SDP before making any decisions regarding their participation in the DRIP or the SDP. For further information regarding the DRIP or the SDP, please contact Computershare Trust Company of Canada at 1-800-564-6253.

The DRIP allows eligible shareholders of CWC to reinvest their cash dividends into additional common shares of CWC, which when issued from treasury will be issued at 95% of the Average Market Price (as defined in the DRIP) on the applicable dividend payment date. Registered and beneficial owners of common shares who are not a resident in Canada are not eligible to participate in the DRIP. While it is currently the intention of CWC to issue the required additional common shares through treasury, CWC may, from time to time and in its discretion, direct that such common shares be purchased through the facilities of the TSXV at prevailing market prices. CWC may discontinue the declaration and payment of stock dividends at any time. CWC also reserves the right to limit the amount of new equity available under the DRIP on any particular dividend date. No commissions, service charges or brokerage fees are payable in connection with the purchase of common shares from treasury under the DRIP. Eligible shareholders who wish to participate in the DRIP indirectly through the broker or other nominee through which their common shares are held should consult such broker or nominee to confirm whether commissions, service charges or other fees (if any) are payable.

Participation in the DRIP does not relieve shareholders of any liability for taxes that may be payable in respect of dividends that are reinvested in new common shares under the DRIP. Shareholders should consult their tax advisors concerning the tax implications of their participation in the DRIP having regard to their particular circumstances.

Registered shareholders who wish to participate in the DRIP for the January 15, 2015 dividend must deliver a properly completed DRIP/SDP enrollment form to Computershare Trust Company of Canada (the “**Plan Agent**”) no later than 5:00 p.m. (Calgary time) on December 30, 2014. Beneficial shareholders (i.e., owners of common shares that are held through a nominee) who wish to participate in the DRIP should contact the broker, investment dealer, financial institution or other nominee who holds their common shares to inquire about the applicable enrolment deadline and to request enrollment in the DRIP.

The SDP delivers increased optionality for eligible CWC shareholders. While it is similar to the DRIP, the SDP is expected to have certain favorable income tax attributes. Registered and beneficial owners of common shares who are not a resident in Canada are not eligible to participate in the SDP.

The SDP enables CWC to issue common shares as payment of all or a portion of dividends declared on the common shares for those shareholders who elect to receive stock dividends instead of cash dividends. Such stock dividends will be issued at 95% of the Average Market Price (as defined in the SDP) on the applicable dividend payment date. CWC may discontinue the declaration and payment of stock dividends at any time. Common shares issued pursuant to the SDP will be issued directly by CWC to the Plan Agent on behalf of SDP participants. No commissions, service charges or brokerage fees are payable in connection with the issue of common shares under the SDP. Eligible shareholders who wish to participate in the SDP indirectly through the broker or other nominee through which their common shares are held should consult such broker or nominee to confirm whether commissions, service charges or other fees (if any) are payable.

Participation in the SDP will not relieve shareholders of any liability for taxes that may be payable on dividends. Shareholders should consult their own tax advisors concerning the tax implications of their participation in the SDP having regard for their own personal circumstances.

Registered shareholders who wish to receive the January 15, 2015 dividend as a stock dividend pursuant to the SDP must deliver a properly completed DRIP/SDP enrollment form to the Plan Agent no later than 5:00 p.m. (Calgary time) on December 30, 2014. Beneficial shareholders (i.e., owners of common shares that are held through a nominee) who wish to participate in the SDP should contact the broker, investment dealer, financial institution or other nominee who holds their common shares to inquire about the applicable enrolment deadline and to request enrollment in the SDP.

### **About CWC Energy Services Corp.**

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CWC Energy Services Corp. is a premier contract drilling and well servicing company operating in the Western Canadian Sedimentary Basin with a complementary suite of oilfield services including drilling rigs, service rigs, coil tubing and well testing. The Company's corporate office is located in Calgary, Alberta, with operational locations in Nisku, Grande Prairie, Slave Lake, Red Deer, Lloydminster, Provost and Brooks, Alberta and Weyburn, Saskatchewan. The Company's shares trade on the TSX Venture Exchange under the symbol “CWC”.

**Reader Advisory**

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

*This news release does not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States, in any province or territory of Canada or in any other jurisdiction. The common shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws and may not be offered or sold in the United States absent registration or absent an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. There shall be no sale of common shares in any jurisdiction in which an offer to sell, a solicitation of an offer to buy or a sale would be unlawful.*

**Forward Looking Statements**

*This news release contains forward-looking information that involves known and unknown risks and uncertainties, most of which are beyond the control of CWC. Forward-looking information in this press release includes, but is not limited to, CWC's 2015 capital expenditure budget, benefits of the DRIP and SDP, CWC's dividend policy and the amount of and timing related to the payment of future dividends.*

*Certain statements contained in this press release, including statements which may contain such words as "could", "should", "believe", "expect", "will", and similar expressions and statements relating to matters that are not historical facts are forward-looking statements, including, but not limited to, statements as to the timing of dividend payments. Management has made certain assumptions and analyses which reflect their experiences and knowledge in the industry, including, without limitations, assumptions pertaining to drilling and well servicing demand as a result of commodity prices. These assumptions and analyses are believed to be accurate and truthful at the time, but the Company cannot assure readers that actual results will be consistent with these forward-looking statements. However, whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to known and unknown risks and uncertainties which could cause actual results to differ materially from the Company's expectations. All forward-looking statements made in the press release are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected outcomes to, or effects on, the Company or its business operations. The Company does not intend and does not assume any obligation to update these forward-looking statements, except as expressly required to do so pursuant to applicable securities laws. Any forward-looking statements made previously may be inaccurate now.*

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