For Immediate Release: November 11, 2015

CWC ENERGY SERVICES CORP. ANNOUNCES THIRD QUARTER 2015 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 nine months ended September 30, 2015.

Highlights for the Three Months Ended September 30, 2015

- The steady increase in activity levels experienced at the end of Q2 2015 when crude oil prices, as represented by West Texas Intermediate ("WTI"), was at approximately US$60/bbl continued into Q3 2015. CWC's drilling rig utilization averaged 52% and 55% and service rig utilization was 29% and 31% in July and August 2015 respectively. In mid August 2015 the price of crude oil started declining to a six year low of approximately US$38/bbl. This decline combined with unusually wet weather conditions resulted in September 2015 activity levels declining significantly adding competitive pressures for further pricing decreases for our exploration and production ("E&P") customers. Average drilling rig revenue per operating day has decreased 11% while average service rig revenue per hour has decreased 13% in Q3 2015 compared to Q3 2014.

- CWC's industry leading drilling rig utilization of 46% in Q3 2015 (Q3 2014: 75%) significantly exceeded the Canadian Association of Oilwell Drilling Contractors ("CAODC") industry average of 24%. Service rig utilization was 27% in Q3 2015 (Q3 2014: 42%).

- CWC improved its operations in Q3 2015 by expanding into Drayton Valley, AB with its service rigs to complement its drilling rig fleet in the region; closed its service rig operations in Weyburn, SK; identified non-core assets, including the Well Testing division, which were monetized in October 2015; and continued to right size salaries and wages for all of its employees as well as reducing the employee count to approximately 340 employees, a reduction of 45% since the beginning of the year. 95% of CWC's field employees are paid on an hourly rate basis as opposed to a salary, resulting in a high variable based cost structure as opposed to a fixed cost structure (i.e. hourly field employees do not get paid if there is no activity).

- Revenue of $21.1 million, a decrease of $17.7 million (46%) compared to $38.8 million in Q3 2014. The revenue decrease is primarily due to lower activity levels from E&P customers as a result of lower commodity prices due to a global oversupply of crude oil and regional oversupply of natural gas in North America.

- EBITDAS[(1)] of $3.7 million, an decrease of $6.2 million (63%) compared to $9.9 million in Q3 2014. The EBITDAS decrease is a direct result of the lower activity levels and pricing, which was partly offset by lower costs as a result of the Company's 2015 cash saving initiatives.

- CWC recorded a $17.3 million charge for impairment of goodwill and assets held for sale due to the continuation of low crude oil and natural gas prices and the reduced outlook for contract drilling activity levels and pricing through the remainder of 2015 and 2016.

- Net loss of $18.1 million, a decrease of $20.3 million compared to net income of $2.3 million in Q3 2014. The increase in the net loss is due primarily from the impairment of goodwill and assets held for sale of $17.3 million combined with the impact of lower activity levels and pricing.

- The Company has a Dividend Reinvestment Plan ("DRIP") and a Stock Dividend Program ("SDP") in place. Shareholders of approximately 70% of the total outstanding common shares elected to participate in the DRIP or SDP for the September 30, 2015 dividend resulting in a cash savings of $0.5 million.

Highlights for the Nine Months Ended September 30, 2015

- Revenue for the first nine months of 2015 was $62.5 million, a decrease of $35.2 million (36%) compared to $97.7 million in the prior year. The Production Services segment decrease of $39.7 million was partially offset by a $4.5 million increase in revenue in the Contract Drilling segment as it commenced operations on May 16, 2014 representing only 4.5 months of revenue in 2014.

- EBITDAS[1] for the first nine months of 2015 was $9.7 million, a decrease of $10.8 million (53%) compared to $20.5 million in the prior year. EBITDAS for the Production Services segment declined $15.6 million from lower activity and pricing when compared to 2014. This decline was partially offset by a $1.0 million increase in EBITDAS for the Contract Drilling segment and $3.8 million decrease in corporate costs due to the 2015 cash saving initiatives.

- Net loss for the first nine months of 2015 was $22.4 million, a decrease of $24.7 million compared to a net income of $2.3 million in the prior year. The net loss is comprised primarily of a $17.3 million impairment of goodwill and assets held for sale combined with the impact of lower activity levels and pricing.

- $5.8 million in cash dividends has been saved in 2015 through the reduction of the quarterly dividend to $0.0025 per common share and the implementation of the DRIP and SDP. Although these plans are dilutive to shareholders who elect to receive a cash dividend it has provided the Company additional financial flexibility to navigate these difficult times while continuing to provide shareholders a return on their investment.

(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 September 30, 2015	2014[1]	% Change	Nine months ended September 30, 2015	2014[1]	% Change
FINANCIAL RESULTS						
Revenue						
Contract drilling[1]	9,377	15,271	(39%)	22,989	18,511	24%
Production services	11,758	23,575	(50%)	39,484	79,196	(50%)
	21,135	38,846	(46%)	62,473	97,707	(36%)
EBITDAS [2]	3,679	9,886	(63%)	9,710	20,518	(53%)
EBITDAS margin (%) [2]	17%	25%	(8%)	16%	21%	(6%)
Funds from operations [2]	3,679	9,886	(63%)	9,710	19,730	(51%)
Net income (loss)	(18,103)	2,246	n/m[3]	(22,359)	2,309	n/m[3]
Net income (loss) margin (%)	(86%)	6%	n/m[3]	(36%)	2%	n/m[3]
Dividends declared	723	4,848	(85%)	3,579	12,342	(71%)
Per share information						
Weighted average number of shares outstanding – basic	286,626,800	270,344,750		283,435,832	213,489,814	
Weighted average number of shares outstanding – diluted	286,626,800	276,398,591		283,435,832	219,278,506	
EBITDAS [2] per share – basic	$0.01	$0.04		$0.03	$0.10	
EBITDAS [2] per share – diluted	$0.01	$0.04		$0.03	$0.09	
Net income (loss) per share - basic and diluted	($0.06)	$0.01		($0.08)	$0.01	
Dividends declared per share	$0.0025	$0.0175		$0.0125	$0.05125	

$ thousands, except margins and ratios	September 30, 2015	December 31, 2014
FINANCIAL POSITION AND LIQUIDITY		
Working capital (excluding debt) (2)	15,421	20,603
Working capital (excluding debt) ratio (2)	3.7:1	2.2:1
Total assets	236,246	275,353
Total Long-term debt (including current portion)	57,519	65,666
Shareholders' equity	153,503	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

The acquisition of Ironhand Drilling Inc. ("Ironhand") on May 15, 2014 resulted in the aggregation of the well servicing and other oilfield services segments into the Production Services segment, as this acquisition shifted the Company's internal financial reporting and operational management structure. Management concluded that the well servicing and other oilfield services segments share similar economic characteristics and are also similar in other respects in accordance with IFRS 8.12.

Contract Drilling

Ironhand was acquired on May 15, 2014 and renamed CWC Ironhand Drilling representing our Contract Drilling segment. Our Contract Drilling segment has a fleet of nine telescopic double drilling rigs with depth ratings from 3,200 to 4,500 metres, eight of nine rigs have top drives and the rig fleet has an average age of six years. In Q2 2015 Rig #3 was upgraded to include a Pad Rig Walking System. 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.

	Three months ended					
OPERATING HIGHLIGHTS	Sep. 30, 2015	Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sep. 30, 2014	Jun. 30, 2014 (3)
Drilling Rigs						
Active drilling rigs, end of period	9	9	9	9	9	8
Revenue per operating day (1)	$24,740	$26,661	$30,553	$29,305	$27,715	$30,258
Drilling rig operating days	379	99	359	693	551	107
Drilling rig utilization % (2)	46%	12%	44%	84%	75%	29%
CAODC industry average utilization %	24%	13%	34%	45%	46%	26%

(1) Revenue per operating day is calculated based on operating days (i.e. spud to rig release basis). New 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.

(3) Ironhand was acquired on May 15, 2014, as such the Contract Drilling Segment includes the results for the period commencing May 16, 2014.

Contract Drilling revenue of $9.4 million for the quarter and $23.0 million year-to-date 2015 was achieved with a utilization rate of 46% and 34% respectively comparable to the CAODC industry average of 24% for each of the same periods. Drilling activity levels continue to be affected by the global oversupply of crude oil and corresponding collapse in oil prices of 55% which has led our E&P customers to reduce drilling, completions and production maintenance programs to conserve their cash resources until commodity prices recover.

Production Services

CWC is the third largest service rig provider in the WCSB, having a modern fleet of 74 service rigs as at September 30, 2015. The Company's service rig fleet consists of 41 single, 27 double, and 6 slant rigs. CWC's fleet is amongst the newest in the WCSB. Rig services include completions, maintenance, workovers and abandonments with depth ratings from 1,500 to 5,000 metres. Given the current downturn in the industry, CWC has chosen to park nine of its service rigs and focus its sales and operational efforts on the remaining 65 service rigs.

CWC's Class I, II and III coil tubing units have depth ratings from 1,500 to 4,000 metres. As at September 30, 2015, the Company's fleet of nine coil tubing units consist of five Class I, three Class II and one Class III coil tubing units. The market for the Class III deep coil tubing unit has become extremely competitive with an increased supply of new deep coil tubing units over the last several years having an adverse affect on industry utilization and pricing. In light of these competitive challenges for CWC's one 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 steam-assisted gravity drainage ("SAGD") wells, which are shallower in depth and more appropriate for these coil tubing units.

OPERATING HIGHLIGHTS	Three months ended Sep. 30, 2015	Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sep. 30, 2014	Jun. 30, 2014	Mar. 31, 2014	Dec. 31, 2013
Service Rigs								
Active service rigs, end of period	65	66	66	69	68	68	69	71
Inactive service rigs, end of period	9	8	7	3	3	3	2	0
Total service rigs, end of period	74	74	73	72	71	71	71	71
Operating hours	16,676	14,051	16,580	28,644	26,354	20,399	37,652	33,828
Revenue per hour	$657	$668	$769	$790	$756	$752	$820	$786
Service rig utilization % (1)	27%	23%	29%	45%	42%	33%	61%	52%
Coil Tubing Units								
Active coil tubing units, end of period	8	8	8	9	9	7	8	8
Inactive coil tubing units, end of period	1	1	1	0	0	0	0	0
Total coil tubing units, end of period	9	9	9	9	9	7	8	8
Operating hours	1,048	2,111	4,351	2,631	2,056	1,403	4,600	2,106
Revenue per hour	$771	$724	$885	$825	$894	$784	$967	$1,129
Coil tubing units utilization % (2)	14%	29%	60%	32%	29%	22%	64%	29%

(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 $11.8 million for the quarter, $39.5 million year-to-date, down $11.8 million (50%) and $39.7 million (50%) respectively year-over-year. Service rig revenue was severely impacted by a reduction in Q3 2015 activity levels to 27% compared to 42% in Q3 2014. E&P customers asked for and were given significant pricing reductions to help them become more competitive given the current commodity price environment and our competitors are working at lower rates to maintain or increase utilizations. Service rig average hourly rates have decreased approximately 13% compared to Q3 2014. Coil tubing utilization was 14% in Q3 2015 compared to 29% in Q3 2014 as lower demand and wet weather conditions delayed start dates on planned customer projects. The decrease of 14% in coil tubing units' average hourly rate is a function of less SAGD work in Q3 2015 compared to Q3 2014 and overall pricing pressures from our E&P customers. In September 2014, the Company sold its Snubbing assets and business which contributed year-to-date 2014 revenue of $3.0 million and EBITDAS of $0.8 million with no corresponding amounts in year-to-date 2015. In March 2015, CWC suspended its non-core Well Testing business, which contributed year-to-date 2014 revenue of $1.1 million and EBITDAS of ($53) thousand. These Well Testing assets along with other non-core Production Services assets were disposed of in October 2015 resulting in a write down to fair market value and were reclassified on CWC's balance sheet as assets held for sale.

Capital Expenditures

$ thousands	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Contract Drilling	947	5,656	4,209	7,461
Production Services	303	6,588	4,185	12,027
Total capital expenditures	1,250	12,244	8,394	19,488
Growth capital	246	9,539	4,400	12,983
Maintenance and infrastructure capital	1,004	2,705	3,994	6,505
Total capital expenditure	1,250	12,244	8,394	19,488

Year-to-date growth capital spending of $4.4 million was primarily incurred to complete slant service rigs #505 and #506 and supporting equipment in order to further expand our growth in heavy oil and SAGD wells. Additional growth capital was incurred to complete upgrades to Drilling Rig #2 and settle longer lead items on Drilling Rig #10. Maintenance capital spending of $3.9 million has been primarily directed at adding new drill pipe, a Pad Rig Walking System for Drilling Rig #3, required drilling and service rig recertification costs and upgrades, additions to field equipment for the service rig and coil tubing divisions and information technology infrastructure.

CWC revised 2015 capital expenditure budget is expected to be $8.8 million, a 19% decrease from the previously disclosed budget of $10.8 million. The revised capital expenditure budget is comprised of $4.4 million of growth capital and $4.4 million of maintenance and infrastructure capital. The following table summarizes the 2015 revised capital expenditure budget, the capital spending incurred for the nine months ended September 30, 2015 and the remaining capital expenditure budget expected to be incurred for the remainder of 2015:

$ thousands	2015 Budget at Mar. 9, 2015	Reductions	Revised 2015 Budget at Nov. 11, 2015	Nine months ended Sep.30, 2015 Capital Expenditures	2015 Capital Expenditure Budget Remaining
Growth capital	$6,100	($1,700)	$4,400	$4,400	$ -
Maintenance & infrastructure capital	4,700	(300)	4,400	3,994	406
Total capital expenditures	$10,800	($2,000)	$8,800	$8,394	$406

Outlook

Activity levels in the Canadian oil and natural gas industry continue to be affected by low commodity price as a result of global and regional oversupply of both crude oil and natural gas respectively. WTI started July 2015 at approximately US$60/bbl before dropping to a six year low of approximately US$38/bbl in August 2015 before recovering to approximately US$45/bbl by the end of September 2015. The drop in oil prices during Q3 2015 resulted in reduced activity for drilling and well servicing as our E&P customers delayed their drilling, completions, maintenance and abandonment programs. As oil prices are still approximately US$45/bbl today, Q4 2015 activity levels are not experiencing the traditional ramp up in winter activity as we would normally see at this time of year. Unless crude oil prices increase to the US$60/bbl level over the winter, CWC anticipates Q4 2015 and Q1 2016 activity levels to be similar to Q3 2015. On November 3, 2015 PSAC released its 2016 Canadian Drilling Activity Forecast of 5,150 wells, down 190 wells (3.5%) from its 2015 forecast of 5,340 wells, confirming a relatively flat outlook for 2016.

In response to the lower activity levels and pricing pressures from our E&P customers, CWC has been proactive in reducing our cost structure and cash requirements throughout 2015. Compared to 2014, annualized cash savings initiatives of approximately $32.2 million have been implemented comprised of dividend reductions and DRIP/SDP programs ($12.9 million); capital expenditure reductions ($13.6 million); employee layoffs and compensation reductions ($5.4 million) and reduced selling and administrative expense and interest expense ($0.3 million). These cash saving initiatives are significant and will ensure CWC is able to withstand the current slowdown in our industry.

The Company is currently in discussions with its banking syndicate to relax certain financial covenants in its credit facility for Q4 2015 and 2016. CWC expects these changes to be finalized by late November 2015 and expect our banking syndicate will continue to be supportive of CWC during these challenging times in our industry.

While CWC maintains focus on its cost structure in a lower oilfield services activity environment, it is also mindful of taking advantage of opportunities that may be created during these times in the commodity cycle. Management will continue to evaluate strategic growth 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.

The Interim Financial Statements ("Financial Statements") and Management Discussion and Analysis ("MD&A") for the three and nine month periods ended September 30, 2015 are expected to be finalized, approved by the Company's Board of Directors and filed on SEDAR at www.sedar.com on or about November 25, 2015, the date discussions with the Company's banking syndicate are expected to be concluded. Given that the Financial Statements and MD&A have not been finalized, readers are cautioned that the financial information contained in this press release may be subject to change and, accordingly, should be treated as preliminary.

About CWC Energy Services Corp.

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, and coil tubing. 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”.

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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 and the ability to pay dividends, expectations with respect to oil and natural gas prices , activity levels in various areas, continuing focus on cost saving measures, 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, expectations with respect to the potential relaxation of financial covenants in the Company's credit facility, the timing for the filing of the Financial Statements and MD&A and expectations regarding the business, operations and revenue 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 (ie. 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 and the inability to pay dividends. 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 share and per share amounts	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
NON-IFRS MEASURES				
EBITDAS:				
Net (loss) income	(18,103)	2,246	(22,359)	2,309
Add:				
Depreciation	4,277	5,708	11,739	13,794
Finance costs	545	588	1,644	1,554
Transaction costs	-	-	-	788
Income tax expense (recovery)	(533)	975	305	1,180
Stock based compensation	234	498	808	1,135
Goodwill impairment	17,322	-	17,322	-
Loss (gain) on sale of equipment	(63)	(129)	251	(242)
EBITDAS (1)	3,679	9,886	9,710	20,518
EBITDAS per share – basic(1)	$0.01	$0.04	$0.03	$0.10
EBITDAS per share – diluted(1)	$0.01	$0.04	$0.03	$0.09
EBITDAS margin (EBITDAS/Revenue) (1)	17%	25%	16%	21%
Weighted average number shares outstanding - basic	283,626,800	270,344,750	283,435,832	213,489,814
Weighted average number shares outstanding - diluted	283,626,800	276,398,591	283,435,832	219,278,506
Funds from operations:				
Cash flows from operating activities	(3,894)	2,491	19,463	25,573
Add (deduct): Change in non-cash working capital	7,573	(7,395)	(9,753)	(5,843)
Funds from operations (2)	3,679	9,886	9,710	19,730
Gross margin:				
Revenue	21,135	38,846	62,473	97,707
Less: Direct operating expenses	14,191	24,356	42,121	64,895
Gross margin (3)	6,944	14,490	20,352	32,812
Gross margin percentage (3)	33%	37%	33%	34%

$ thousands	September 30, 2015	December 31, 2014
Working capital (excluding debt):		
Current Assets	21,160	38,405
Less: Current Liabilities	(5,937)	(18,003)
Add: Current portion of long term debt	198	201
Working capital (excluding debt) (4)	15,421	20,603
Working capital (excluding debt) ratio (4)	3.7:1	2.2:1
Net debt:		
Long term debt	57,321	65,465
Less: Current assets	(21,160)	(38,405)
Add: Current liabilities	5,937	18,003
Net debt (5)	42,098	45,063

(1) EBITDAS (Earnings before interest and finance costs, income tax expense, depreciation, amortization, (gain) loss on disposal of asset, transaction costs, 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 (loss) income and comprehensive (loss) income 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.