



Calfrac Announces Multi-Year Fracturing Fleet Modernization Plan

December 22, 2022

CALGARY, AB, Dec. 22, 2022 /CNW/ - Calfrac Well Services Ltd. ("Calfrac" or "the Company") (TSX: CFW) is pleased to announce that the Company has initiated a multi-year fracturing fleet modernization plan for its North American operations, which commences with the conversion of 50 Tier II pumping units into Tier IV dual-fuel capable dynamic gas blending ("DGB") pumping units. A Tier IV DGB engine displaces diesel in fracturing operations by increasing the use of natural gas and represents one of the cleanest pressure pumping options currently available in the market.

This fleet modernization plan serves to meet the expanding Environmental, Social and Governance ("ESG") commitments of the Company's customers with the significant addition of next generation, low emission equipment. These multi-year investments totaling approximately \$90.0 million will be offset in part by a reduction in the Company's planned annual maintenance capital expenditures related to certain major components for 2023 and 2024. This plan supplements the delivery of nine Tier IV DGB pumping units which were committed to in 2022 and are anticipated to be deployed by the end of the first quarter of 2023.

Pat Powell, Calfrac's Chief Executive Officer, commented, "Our newly constituted fleet modernization plan will optimize the conversion of Calfrac's existing Tier II equipment fleet into new, low emission Tier IV equipment over a multi-year horizon and underlies our significant commitment to meeting our client's ESG goals, while also improving our environmental footprint and performance in the field."

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeted", "intend", "could", "might", "should", "believe", "forecast" or similar words suggesting future outcomes, are forward-looking statements and information.

In particular, forward-looking statements and information in this press release include, but are not limited to, statements with respect to the initiation of Calfrac's multi-year fracturing fleet modernization plan and existing Tier IV DGB pumping unit investments, including without limitation expectations as to (i) timing, cost and scope, (ii) impacts on the Company's annual maintenance expenditures, and (iii) the operational and ESG benefits to be realized by the Company and its customers.

These forward-looking statements and information are derived from certain assumptions and analyses made by the Company based on its experience and perception of historical trends, current conditions, expected future developments and other factors that it believes are appropriate in the circumstances, including, but not limited to, the economic and political environment in which the Company operates, including the anticipated impacts of inflation on the Company's operations and demand for its services; the Company's expectations for its current and prospective customers' capital budgets and geographical areas of focus; the effect of environmental, social and governance factors on customer and investor preferences and capital deployment; the Company's existing contracts and the status of current negotiations with key customers and suppliers; the continued effectiveness of cost reduction measures instituted by the Company; and the likelihood that the current tax and regulatory regime will remain substantially unchanged.

Forward-looking statements are subject to a number of known and unknown risks and uncertainties that could cause actual results to differ materially from the Company's expectations. Such risk factors include but are not limited to: volatility of industry conditions including the level of exploration, development and production for oil and natural gas in Canada, the U.S. and Argentina and market prices for oil and natural gas impacting the demand for oilfield services; sourcing, pricing and availability of raw materials, component parts, equipment, suppliers, facilities and skilled personnel; industry equipment levels and the effect of competition on the Company's ability to retain current clients and obtain new ones; risks associated with foreign operations, including risks relating to unsettled political conditions, war, including the ongoing Russia and Ukraine conflict and any expansion of that conflict, foreign exchange rates and controls, international trade and regulatory controls and sanctions, and doing business with national oil companies; the impacts of the Russia-Ukraine conflict on the global supply and demand for oil and gas; and those other risk factors set forth under the heading "Risk Factors" in Calfrac's Annual Information Form for the year ended December 31, 2021 dated March 18, 2022 and under the heading "Business Risks" in Calfrac's Management's Discussion and Analysis for the year ended December 31, 2021 dated March 18, 2022, which are available at www.sedar.com and are incorporated herein by reference.

The forward-looking statements and information contained in this press release speak only as of the date hereof and Calfrac does not undertake any obligation to update publicly or revise any such forward-looking statements or information, whether due to new information, future events or otherwise, unless so required by applicable securities laws. The Company's actual results could also differ materially from those anticipated in these forward-looking information and statements due to the risk factors discussed above and incorporated herein by reference.

ADDITIONAL INFORMATION

Calfrac's common shares and warrants are publicly traded on the Toronto Stock Exchange under the trading symbols "CFW" and "CFW.WT", respectively.

Further information regarding Calfrac Well Services Ltd., including the most recently filed Annual Information Form, can be accessed on the Company's website at www.calfrac.com or under the Company's public filings found at www.sedar.com.

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