Calfrac Announces Completion of 1.5 Lien Note Early Conversion Incentive Program

December 22, 2022

CALGARY, AB, Dec. 22, 2022 /CNW/ - Calfrac Well Services Ltd. ("Calfrac" or "the Company") (TSX: CFW) is pleased to announce the completion of the conversion incentive program announced November 22, 2022 (the "Program") in respect of its 10.0% 1.5 Lien Senior Secured Convertible PIK Notes due 2023 (the "Notes"). Approximately $44.8 million principal amount of Notes were converted under the Program. As a result of the Program, the Company:

- issued approximately 33.6 million common shares upon conversion of the participating Notes;
- reduced its outstanding indebtedness by approximately $44.8 million, leaving approximately $2.7 million principal amount of Notes outstanding; and
- realized savings of approximately $2.3 million of interest otherwise payable on the Notes to the maturity date.

Pat Powell, Calfrac's Chief Executive Officer, commented "We are pleased to execute this conversion program in collaboration with our investors. Moving forward, we will continue to focus on opportunities to deleverage the Company's balance sheet as a primary method to return value to shareholders."

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 (1) the Program and the consequences and benefits thereof, including debt reduction and interest savings to be realized by the Company, and (2) the Company's strategy and intention to continue deleveraging its balance sheet.

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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