



Calfrac Announces Extension and Amendment of Credit Facilities

September 29, 2023

CALGARY, Alberta, Sept. 29, 2023 (GLOBE NEWSWIRE) -- **Calfrac Well Services Ltd. ("Calfrac" or "the Company") (TSX-CFW)** is pleased to announce that it has entered into an agreement with a syndicate of Canadian financial institutions which amends and extends its credit facilities (the "**Credit Facilities**").

The principal amendments to the \$250.0 million Credit Facilities include, among others, the following items:

- an extension of the maturity date from July 1, 2024 to the earlier of: (a) July 1, 2026 or (b) six months prior to the maturity of the Company's 2020 Second Lien Notes on March 15, 2026;
- the syndicated facility was increased from \$205.0 million to \$215.0 million and the operating facility was decreased from \$45.0 million to \$35.0 million;
- removing the borrowing base requirement and the Funded Debt to Capitalization and Current Ratio covenants; and
- introducing an Interest Coverage Ratio covenant of greater than 2.75:1.00 and a Total Debt to EBITDA Ratio covenant of less than 4.00:1.00. As at June 30, 2023 the Interest Coverage Ratio and Total Debt to EBITDA ratio from continuing operations would have been 7.93:1.00 and 1.04:1.00, respectively.

The Company's banking syndicate is now led by HSBC Bank Canada and ATB Financial, as Co-Lead Arrangers and Joint Bookrunners, with HSBC Bank Canada serving as sole Administrative Agent. The syndicate also includes The Toronto-Dominion Bank and Canadian Western Bank.

Calfrac's Chief Financial Officer, Mike Olinek, commented: "We are pleased to report an extension of the Company's Credit Facilities with a newly configured lending syndicate consisting of four major financial institutions. As Calfrac expects its operations in North America and Argentina to continue to perform well during this upcycle, management remains focused on expanding profit margins, reducing long-term debt and improving its asset quality. This two-year extension of the Company's Credit Facilities is a significant step towards executing on Calfrac's strategy in the face of sustained business growth and an improving outlook."

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

Calfrac provides specialized oilfield services to exploration and production companies designed to increase the production of hydrocarbons from wells with continuing operations focused throughout western Canada, the United States and Argentina. During the first quarter of 2022, management committed to a plan to sell its Russian division, resulting in the associated assets and liabilities being classified as held for sale and presented in the Company's financial statements as discontinued operations.

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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 "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly, this press release contains forward-looking statements relating to the Company's operational and financial outlook and strategy.

These forward-looking statements and information are based on certain key expectations and assumptions made by Calfrac in light of its experience and perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate in the circumstances, including, but not limited to, the following: 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, schedule and geographical areas of focus; the seasonal weather patterns affecting the Company's operations; industry equipment levels; the effect of competition on the Company's ability to retain current clients and obtain new ones; 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; the Company's ability to obtain and retain qualified staff; the Company's future capital expenditures and sources of financing thereof; the effect of the military conflict in the Ukraine and related Canadian, U.S. and international sanctions involving Russia and counter-sanctions by Russia on the broader markets for the Company's services; and the likelihood that the current tax and regulatory regime will remain substantially unchanged.

The Company's actual results could also differ materially from those anticipated in these forward-looking statements due to the risk factors set forth under the heading "Risk Factors" in Calfrac's Annual Information Form for the year ended December 31, 2022 dated March 16, 2023 and under the

heading "Business Risks" in Calfrac's Management's Discussion and Analysis for the year ended December 31, 2022 dated March 16, 2023, which are available at www.sedarplus.ca and are incorporated herein by reference.