Calfrac Reports First Quarter 2024 Results

May 7, 2024

CALGARY, Alberta, May 07, 2024 (GLOBE NEWSWIRE) -- **Calfrac Well Services Ltd. ("Calfrac" or "the Company") (TSX: CFW)** announces its financial and operating results for the three months ended March 31, 2024. The following press release should be read in conjunction with the management's discussion and analysis and interim consolidated financial statements and notes thereto as at March 31, 2024. Readers should also refer to the "Forward-looking statements" legal advisory and the section regarding "Non-GAAP Measures" at the end of this press release. All financial amounts and measures are expressed in Canadian dollars unless otherwise indicated. Additional information about Calfrac is available on the SEDAR+ website at www.sedarplus.ca, including the Company's Annual Information Form for the year ended December 31, 2023.

CEO'S MESSAGE

Calfrac's financial results were lower than the same period last year primarily due to lower utilization in North America as several customers in the Rockies region chose to defer work out of the winter months into subsequent quarters. Low natural gas prices also contributed to the reduction in completions activity across the industry. As a result, Calfrac idled two fracturing fleets in North America during the first quarter and will only reactivate fleets at pricing levels that generate an adequate return on capital. The Company continued to safely and efficiently execute during the first quarter and reduced its trailing twelve-month Total Recordable Injury Frequency ("TRIF") from 1.05, as it exited 2023, to 0.87 as of March 31, 2024, which was the lowest in recent history.

Calfrac's Chief Executive Officer, Pat Powell commented: "I want to commend the Calfrac team for demonstrating their commitment to safe and efficient operations throughout the first quarter. I am looking forward to the remainder of the year as we expect strong utilization in North America and Argentina to drive strong returns for our shareholders."

SELECT FINANCIAL HIGHLIGHTS – CONTINUING OPERATIONS

	Three Months Ended Mar. 31,		
	2024	2023	Change
(C$000s, except per share amounts)	***($)***	*($)*	*(%)*
(unaudited)			
Revenue	**330,096**	493,323	(33)
Adjusted EBITDA(1)	**26,057**	83,794	(69)
Consolidated cash flows provided by operating activities	**3,773**	40,894	(91)
Capital expenditures	**48,072**	34,474	39
Net (loss) income	**(2,903)**	36,313	(108)
Per share – basic	**(0.03)**	0.45	(107)
Per share – diluted	**(0.03)**	0.41	(107)

As at	**Mar. 31, 2024**	Dec. 31, 2023	Change
(C$000s)	***($)***	*($)*	*(%)*
(unaudited)			
Cash and cash equivalents	**58,239**	34,140	71
Working capital, end of period	**273,712**	236,392	16
Total assets, end of period	**1,166,363**	1,126,197	4
Long-term debt, end of period	**314,948**	250,777	26
Net debt(2)	**280,677**	241,065	16
Total consolidated equity, end of period	**623,743**	615,903	1

(1) *Refer to "Non-GAAP Measures" on page 6 for further information.*

(2) *Refer to note 10 of the consolidated interim financial statements for further information.*

During the quarter, Calfrac:

- generated revenue of $330.1 million, a decrease of 33 percent from the first quarter in 2023 resulting primarily from reduced activity in North America offset partially by higher activity in Argentina;
- reported Adjusted EBITDA of $26.1 million versus $83.8 million in the first quarter of 2023;
- reported a net loss from continuing operations of $2.9 million or $0.03 per share diluted compared to net income of $36.3 million or $0.41 per share diluted during the first quarter in 2023;
- idled two fracturing fleets in North America in response to lower activity due to the impact of lower natural gas prices and the deferral of customer work programs in the Rockies region into subsequent quarters;
- disposed of a non-core real estate asset in North America for net proceeds of $11.4 million which generated a gain on sale

of $5.9 million;

- had a cash position of $58.2 million of which approximately 60 percent was held in Argentina. The Argentina cash balance includes an investment of US$18.0 million in Argentinean government bonds (Bopreal Bonds) that will allow for the repatriation of cash to Canada beginning in July 2024 over a 12-month period;
- reported an increase in period-end working capital to $273.7 million from $236.4 million at December 31, 2023, primarily due to the investment in Bopreal Bonds and higher inventory requirements; and
- incurred capital expenditures of $48.1 million, which included approximately $28.4 million related to the Company's fracturing fleet modernization program.

FINANCIAL OVERVIEW – CONTINUING OPERATIONS
THREE MONTHS ENDED MARCH 31, 2024 VERSUS 2023

NORTH AMERICA

	Three Months Ended Mar. 31,		
	2024	2023	Change
(C$000s, except operational and exchange rate information)	***($)***	*($)*	*(%)*
(unaudited)			
Revenue	**248,959**	413,047	(40)
Adjusted EBITDA[(1)]	**14,872**	76,487	(81)
Adjusted EBITDA (%)	**6.0**	18.5	(68)
Fracturing revenue per job ($)	**33,518**	43,237	(22)
Number of fracturing jobs	**7,176**	9,223	(22)
Active pumping horsepower, end of year (000s)	**951**	1,017	(6)
US$/C$ average exchange rate[(2)]	**1.3486**	1.3526	—

[(1)] *Refer to "Non-GAAP Measures" on page 6 for further information.*

[(2)] *Source: Bank of Canada.*

OUTLOOK

Activity has significantly improved in the second quarter with the Company currently operating 12 fracturing fleets and anticipating high utilization of these crews and its six coiled tubing units across North America for the remainder of the year. Utilization in North America was impacted by typical spring break-up conditions to begin the quarter, but has subsequently built significant momentum which the Company expects to carry through the third quarter and into the fourth quarter. Pricing has stabilized lower in certain operating regions, due to the decline in natural gas-related activity, and is expected to remain at these levels to the end of 2024.

The Company continues to make progress on its strategic priorities by deploying additional Tier IV Dynamic Gas Blending ("DGB") fracturing pumps in North America as well as divesting of a non-core property for net proceeds of $11.4 million. With its revised capital program, Calfrac expects to operate up to five next-generation fleets in North America by the end of the year.

THREE MONTHS ENDED MARCH 31, 2024 COMPARED TO THREE MONTHS ENDED MARCH 31, 2023

REVENUE

Revenue from Calfrac's North American operations decreased to $249.0 million during the first quarter of 2024 from $413.0 million in the comparable quarter of 2023. The significant reduction in first-quarter activity and financial performance was mainly due to a slower than expected start to the year as planned completion programs in the Rockies region were deferred until later in the year combined with the impact of the year-over-year decline in natural gas prices. As a result, Calfrac idled two fracturing fleets in February and operated an average of 10 crews in North America during the first quarter in 2024 compared to 15 fleets in the comparable quarter of 2023. In addition, an increase in activity where its customer provides the sand, as well as pricing pressure in the United States, contributed to the 22 percent decrease in average revenue per job in the first quarter of 2024 versus the same quarter in 2023. Coiled tubing revenue decreased by 40 percent as compared to the first quarter in 2023 mainly due to lower utilization of Calfrac's six deep coiled tubing units combined with a decrease in job size.

ADJUSTED EBITDA

The Company's operations in North America generated Adjusted EBITDA of $14.9 million or 6 percent of revenue during the first quarter of 2024 compared to $76.5 million or 19 percent of revenue in the same period in 2023. This decrease was due primarily to the significant decline in fracturing fleet utilization combined with slightly lower pricing relative to the same period in 2023.

ARGENTINA

	Three Months Ended Mar. 31,		
	2024	2023	Change
(C$000s, except operational and exchange rate information)	***($)***	*($)*	*(%)*
(unaudited)			
Revenue	**81,137**	80,276	1
Adjusted EBITDA[(1)]	**16,100**	11,540	40
Adjusted EBITDA (%)	**19.8**	14.4	38
Fracturing revenue per job ($)	**74,354**	88,174	(16)
Number of fracturing jobs	**672**	555	21
Active pumping horsepower, end of period (000s)	**139**	139	—
US$/C$ average exchange rate[(2)]	**1.3486**	1.3526	—

[(1)] *Refer to "Non-GAAP Measures" on page 6 for further information.*

[(2)] *Source: Bank of Canada.*

OUTLOOK
Calfrac's Argentinean operations leveraged high utilization with superior service quality to generate a divisional record for first-quarter Adjusted EBITDA of $16.1 million. During the quarter, this division also set a record for hours pumped in a day, while establishing a new country standard for lowest trailing twelve-month TRIF of 0.42 at quarter end. Calfrac expects to maintain this momentum throughout 2024 across all three service lines as operators seek to execute on their development plans. As government leaders in Argentina implement new economic reforms and encourage additional domestic oil and gas development, Calfrac expects to capitalize on future opportunities to improve its operating and financial performance.

THREE MONTHS ENDED MARCH 31, 2024 COMPARED TO THREE MONTHS ENDED MARCH 31, 2023

REVENUE
Calfrac's Argentinean operations generated revenue of $81.1 million during the first quarter of 2024 versus $80.3 million in the comparable quarter in 2023 as the Company maintained strong activity across all service lines. The slight increase in revenue was due to improved job mix for its fracturing service line. Coiled tubing and cementing revenue were consistent with the comparable quarter in 2023.

ADJUSTED EBITDA
The Company's operations in Argentina generated Adjusted EBITDA of $16.1 million during the first quarter of 2024 compared to $11.5 million in the same quarter of 2023, while the Company's Adjusted EBITDA margins also improved to 20 percent from 14 percent. This increase was primarily due to job mix in the Vaca Muerta shale play relative to the comparable period in 2023.

SUMMARY OF QUARTERLY RESULTS – CONTINUING OPERATIONS

Three Months Ended	Jun. 30, 2022	Sep. 30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023	Sep. 30, 2023	Dec. 31, 2023	**Mar. 31, 2024**
(C$000s, except per share and operating data)	*($)*	*($)*	*($)*	*($)*	*($)*	*($)*	*($)*	***($)***
(unaudited)	*Revised [1]*	*Revised [1]*						
Financial								
Revenue	318,511	438,338	447,847	493,323	466,463	483,093	421,402	**330,096**
Adjusted EBITDA[1][2][3]	40,734	94,289	75,954	83,794	87,785	91,286	62,591	**26,057**
Net income (loss)	(6,776)	45,352	14,757	36,313	50,531	97,523	13,202	**(2,903)**
Per share – basic	(0.18)	1.15	0.27	0.45	0.62	1.20	0.16	**(0.03)**
Per share – diluted	(0.18)	1.10	0.17	0.41	0.58	1.09	0.15	**(0.03)**
Capital expenditures[3]	15,240	24,745	35,810	34,474	30,718	50,825	49,397	**48,072**

[1] Adjusted EBITDA reflects a change in definition and excludes all foreign exchange gains and losses.
[2] Refer to "Non-GAAP Measures" on page 6 for further information.
[3] Effective January 1, 2023, recorded expenditures related to fluid end components as an operating expense rather than as a capital expenditure. This change in accounting estimate was recorded on a prospective basis.

CAPITAL EXPENDITURES

	Three Months Ended Mar. 31,		
	2024	2023	Change
(C$000s)	***($)***	*($)*	*(%)*
North America	**37,174**	33,748	10
Argentina	**10,898**	726	NM
Continuing Operations	**48,072**	34,474	39

Capital expenditures were $48.1 million for the three months ended March 31, 2024 versus $34.5 million in the comparable period in 2023. Calfrac's Board of Directors approved a 2024 total capital budget of approximately $210.0 million in December 2023. This was an increase of $45.0 million from the previous year, primarily to continue its fracturing fleet modernization program in North America and dedicate $40.0 million to support its Argentinean operations while implementing new company-wide field-based technologies. On March 13, 2024, the Board of Directors approved a deferral of up to $50.0 million of capital allocated to its North American fleet modernization program to align with current market conditions.

NON-GAAP MEASURES
Certain supplementary measures presented in this press release, including Adjusted EBITDA, Adjusted EBITDA Margin and net debt, do not have any standardized meaning under IFRS and, because IFRS have been incorporated as Canadian generally accepted accounting principles (GAAP), these supplementary measures are also non-GAAP measures. These measures have been described and presented to provide shareholders and potential investors with additional information regarding the Company's financial results, liquidity and ability to generate funds to finance its operations. These measures may not be comparable to similar measures presented by other entities, and are explained below.

Adjusted EBITDA is defined as net income or loss for the period less interest, taxes, depreciation and amortization, foreign exchange losses (gains), non-cash stock-based compensation, and gains and losses that are extraordinary or non-recurring. Adjusted EBITDA is presented because it gives an indication of the results from the Company's principal business activities prior to consideration of how its activities are financed and the impact of foreign exchange, taxation and depreciation and amortization charges. Adjusted EBITDA for the period was calculated as follows:

Three Months Ended March 31,	**2024**	2023
(C$000s)	***($)***	*($)*
(unaudited)		
Net (loss) income from continuing operations	**(2,903)**	36,313
Add back (deduct):		
Depreciation	**27,995**	30,162
Foreign exchange losses (gains)	**(1,049)**	1,486
(Gain) loss on disposal of property, plant and equipment	**(6,241)**	(537)

Litigation settlements	**—**	(6,805)
Restructuring charges	**—**	1,333
Stock-based compensation	**2,185**	544
Interest	**6,032**	8,174
Income taxes	**38**	13,124
Adjusted EBITDA from continuing operations (1)	**26,057**	83,794

(1) For bank covenant purposes, EBITDA includes the deduction of an additional $3.2 million of lease payments for the three months ended March 31, 2024 (three months ended March 31, 2023 – $2.9 million) that would have been recorded as operating expenses prior to the adoption of IFRS 16.

The definition and calculation of net debt is disclosed in note 10 to the Company's interim financial statements for the corresponding period.

ADVISORIES

FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively, "forward-looking statements"). These statements relate to future events or the future performance of the Company (as hereinafter defined). All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "forecast", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" or similar expressions.

In particular, forward-looking statements in this press release include, but are not limited to, statements with respect to activity, demand, utilization and outlook for the Company's operating divisions in North America and Argentina; the supply and demand fundamentals of the pressure pumping industry; input costs, margin and service pricing trends and strategies; operating and financing strategies, performance, priorities, metrics and estimates, such as the Company's strategic priorities to maximize free cash flow, repay debt and capital investment plans, including the Company's fleet modernization program and timing thereof; the Company's debt, liquidity and financial position; the Company's service quality and the Company's intentions and expectations with respect to the foregoing.

These statements 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 current state of the pressure pumping market; the Company's expectations for its customers' capital budgets, demand for services and geographical areas of focus; the effect of unconventional oil and gas projects have had on supply and demand fundamentals for oil and natural gas; the effect of environmental, social and governance factors on customer and investor preferences and capital deployment; the effect of the military conflict in the Ukraine and related international sanctions and counter-sanctions and restrictions by Russia on the Company's ownership and planned sale of the Russian division; industry equipment levels including the number of active fracturing fleets marketed by the Company's competitors and the timing of deployment of the Company's fleet upgrades; 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: (A) industry risks, including but not limited to, global economic conditions and the level of exploration, development and production for oil and natural gas in North America and Argentina; excess equipment levels; impacts of conservation measures and technological advances on the demand for the Company's services; an intensely competitive oilfield services industry; and hazards inherent in the industry; (B) business operations risks, including but not limited to, fleet reinvestment risk, including the ability of the Company to finance the capital necessary for equipment upgrades to support its operational needs while meeting government and customer requirements and preferences; difficulty retaining, replacing or adding personnel; failure to continuously improve equipment, proprietary fluid chemistries and other products and services; seasonal volatility and climate change; reliance on equipment suppliers and fabricators; cybersecurity risks; a concentrated customer base; obsolete technology; failure to maintain safety standards and records; constrained demand for the Company's services due to merger and acquisition activity; improper access to confidential information or misappropriation of Company's intellectual property rights; failure to realize anticipated benefits of acquisitions and dispositions; loss of one or more key employees; and growth related risk on internal systems or employee base; (C) financial risks, including but not limited to, restrictions on the Company's access to capital, including the impacts of covenants under the Company's lending documents; direct and indirect exposure to volatile credit markets, including interest rate risk; fluctuations in currency exchange rates and increased inflation; price escalation and availability of raw materials, diesel fuel and component parts; actual results which are materially different from management estimates and assumptions; insufficient internal controls; the Company's access to capital and common share price given a significant number of common shares are controlled by two directors of the Company; possible dilution of outstanding stock-based compensation, additional equity or debt securities; and changes in tax rates or reassessment risk by tax authorities; (D) geopolitical risks, including but not limited to, foreign operations exposure, including risks relating to unsettled political conditions, war, foreign exchange rates and controls; the sale of the discontinued operations in Russia may not occur or be delayed; and risk associated with compliance with applicable law; (E) legal and regulatory risks, including but not limited to, federal, provincial and state legislative and regulatory initiatives and laws; health, safety and environmental laws and regulations; and legal and administrative proceedings; and (F) environmental, social and governance risks, including but not limited to, failure to effectively and timely address the energy transition; the direct and indirect costs of various existing and proposed climate change regulations; various types of activism; and reputational risk or legal liability resulting from ESG commitments and disclosures. Further information about these and other risks and uncertainties are set forth in the Company's most recently filed Annual Information Form under the heading "Risk Factors" which is available on the SEDAR+ website at www.sedarplus.ca under Company's profile.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and there can be no assurance that actual results or developments anticipated by the Company will be realized, or that they will have the expected consequences or effects on the Company or its business or operations. These statements speak only as of the respective date of this press release or the document by reference herein. The Company assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws.

BUSINESS RISKS

The business of Calfrac is subject to certain risks and uncertainties. Prior to making any investment decision regarding Calfrac, investors should carefully consider, among other things, the risk factors set forth in the Company's most recently filed Annual Information Form under the heading "Risk Factors" which is available on the SEDAR+ website at www.sedarplus.ca under the Company's profile. Copies of the Annual Information Form may also be obtained on request without charge from Calfrac at Suite 500, 407 - 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1E5, or at www.calfrac.com.

ADDITIONAL INFORMATION

Calfrac's common shares are publicly traded on the Toronto Stock Exchange under the trading symbol "CFW".

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 the Company's 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. The results of the Company's discontinued operations are excluded from the discussion and figures presented above unless otherwise noted. See Note 3 to the Company's interim consolidated financial statements for the three months ended March 31, 2024 for additional information on the Company's discontinued operations.

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.sedarplus.ca.

FIRST QUARTER CONFERENCE CALL

Calfrac will be conducting a conference call for interested analysts, brokers, investors and news media representatives to review its 2024 first-quarter results at 10:00 a.m. (Mountain Time) on Tuesday, May 7, 2024. To participate in the conference call, please register at the URL link below. Once registered, you will receive a dial-in number and a unique PIN, which will allow you to ask questions.

https://register.vevent.com/register/BIf1de2b8a2d7c478baf52d01b20b8f825

The call will also be webcast and can be accessed through the link below. A replay of the webcast call will also be available on Calfrac's website for at least 90 days.

https://edge.media-server.com/mmc/p/st2in5vt/

CONSOLIDATED BALANCE SHEETS

	March 31, 2024	**December 31, 2023**
(C$000s)	***($)***	*($)*
ASSETS		
Current assets		
Cash and cash equivalents	**58,239**	34,140
Accounts receivable	**197,023**	243,187
Income taxes recoverable	**—**	794
Inventories	**141,985**	123,015
Prepaid expenses and deposits	**26,159**	22,799
	423,406	423,935
Assets classified as held for sale	**46,448**	34,084
	469,854	458,019
Non-current assets		
Property, plant and equipment	**644,481**	614,555
Right-of-use assets	**23,028**	24,623
Deferred income tax assets	**29,000**	29,000
	696,509	668,178
Total assets	**1,166,363**	1,126,197
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**133,895**	176,817
Income taxes payable	**4,986**	—
Current portion of lease obligations	**10,813**	10,726
	149,694	187,543
Liabilities directly associated with assets classified as held for sale	**32,897**	20,858
	182,591	208,401
Non-current liabilities		
Long-term debt	**314,948**	250,777
Lease obligations	**13,155**	13,702
Deferred income tax liabilities	**31,926**	37,414
	360,029	301,893
Total liabilities	**542,620**	510,294
Capital stock	**910,908**	910,908
Contributed surplus	**80,852**	78,667
Accumulated deficit	**(392,025)**	(389,872)
Accumulated other comprehensive income	**24,008**	16,200
Total equity	**623,743**	615,903
Total liabilities and equity	**1,166,363**	1,126,197

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31, 2024	2023
(C$000s, except per share data)	***($)***	*($)*
Revenue	**330,096**	493,323
Cost of sales	**316,208**	425,636

Gross profit	**13,888**	67,687
Expenses		
Selling, general and administrative	**18,011**	9,127
Foreign exchange (gains) losses	**(1,049)**	1,486
(Gain) loss on disposal of property, plant and equipment	**(6,241)**	(537)
Interest, net	**6,032**	8,174
	16,753	18,250
(Loss) income before income tax	**(2,865)**	49,437
Income tax expense (recovery)		
Current	**6,414**	4,398
Deferred	**(6,376)**	8,726
	38	13,124
Net (loss) income from continuing operations	**(2,903)**	36,313
Net income from discontinued operations	**750**	2,024
Net (loss) income	**(2,153)**	38,337
Earnings (loss) per share – basic		
Continuing operations	**(0.03)**	0.45
Discontinued operations	**0.01**	0.03
	(0.02)	0.47
Earnings (loss) per share – diluted		
Continuing operations	**(0.03)**	0.41
Discontinued operations	**0.01**	0.02
	(0.02)	0.43

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2024	2023
(C$000s)	***($)***	*($)*
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net (loss) income	**(2,153)**	38,337
Adjusted for the following:		
Depreciation	**27,995**	30,162
Stock-based compensation	**2,185**	544
Unrealized foreign exchange losses (gains)	**2,638**	(292)
(Gain) loss on disposal of property, plant and equipment	**(6,256)**	(538)
Impairment of property, plant and equipment	**693**	—
Impairment of inventory	**2,414**	1,100
Impairment of other assets	**235**	1,151
Interest	**5,926**	8,143
Interest paid	**(9,611)**	(10,243)
Deferred income taxes	**(6,376)**	8,726
Changes in items of working capital	**(13,917)**	(36,196)
Cash flows provided by operating activities	**3,773**	40,894
FINANCING ACTIVITIES		
Issuance of long-term debt, net of debt issuance costs	**60,000**	33,233
Long-term debt repayments	**—**	(25,000)
Lease obligation principal repayments	**(2,840)**	(2,604)
Proceeds on issuance of common shares from the exercise of warrants and stock options	**—**	254
Cash flows provided by financing activities	**57,160**	5,883
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(56,420)**	(35,397)
Proceeds on disposal of property, plant and equipment	**11,523**	199
Proceeds on disposal of right-of-use assets	**227**	516
Cash flows used in investing activities	**(44,670)**	(34,682)
Effect of exchange rate changes on cash and cash equivalents	**(1,464)**	(2,807)
Increase in cash and cash equivalents	**14,799**	9,288
Cash and cash equivalents, beginning of period	**45,190**	18,393
Cash and cash equivalents, end of period	**59,989**	27,681
Included in the cash and cash equivalents per the balance sheet	**58,239**	23,169
Included in the assets held for sale/discontinued operations	**1,750**	4,512

For further information, please contact:
Pat Powell, Chief Executive Officer

Mike Olinek, Chief Financial Officer

Telephone: 403-266-6000
www.calfrac.com