

# Pason Systems Inc. Announces Investment in Well Completions Technology Company

CALGARY, Oct. 2, 2019 /CNW/ - Pason Systems Inc. ("Pason") (TSX:PSI) is pleased to announce that it has entered into an agreement to invest C\$25 million to acquire a minority interest in Intelligent Wellhead Systems Inc. ("IWS"). IWS is a privately-owned oil and gas technology and service company that provides proprietary and unique surface control systems for various markets globally, including unconventional shale, subsea intervention, critical well intervention, and offshore operations. "Our investment in IWS represents the first truly compelling opportunity we have seen in the completions space. Building on Pason's deep expertise in end-to-end data management and ruggedized field technologies, we couldn't be more excited to play a role in IWS' continued growth," said Marcel Kessler, President and Chief Executive Officer of Pason.

The core technology on which IWS is built, the inVision System, is a proven technology that allows operators to have a digital window into the pressure control stack. This patented, non-invasive technology shows the real-time lateral position and size of tools and wireline within the pressure control stack, providing operators with the data required to enable automation and engineered safety controls. In unconventional shale, IWS' system enables operators to frac more stages per day by decreasing swap time, speeding up wireline operations, preventing well control incidents, and providing real-time data to optimize site operations.

"We are thrilled to have Pason as a strategic investor and partner as we continue to expand our operations globally across the completions industry," said IWS Co-Founder and CEO, Mitch Carlson. "When we thought about pursuing a strategic partnership for IWS, we wanted to align ourselves with the preeminent provider of rugged technologies deployed to remote areas, with an unparalleled reputation for outstanding customer service. With their 40-year track record as a global leader providing exceptional technology and service to the drilling industry, Pason was the ideal strategic partner for us."

Pason has agreed to provide capital over a three-year period to support IWS and will also provide expertise in the domains critical to IWS' growth. Over the last seven years, IWS has built an exceptional track record of business growth and commercialization. Pason would like to congratulate the founders for being nominated as finalists in the 2019 EY Entrepreneur of the Year® Awards.

Along with Pason's C\$25 million investment, Werklund Growth Fund L.P. ("WGF") has acquired an additional C\$10 million of equity in IWS. "As an early strategic investor in IWS we recognized the significance and potential of IWS' technology," said David Werklund, Chairman of Werklund Family Office Inc. ("WFO"). "We continue to believe in management and the IWS team's ability to reshape and provide significant safety and efficiency gains to the industry. Our investment with Pason is another wonderful example of finding and supporting locally developed disruptive technologies that can be revolutionary on a global stage."

Credit Suisse acted as financial advisor to WFO.

## **About Pason Systems Inc.**

Pason is a leading global provider of specialized data management systems for drilling rigs. Our solutions, which include data acquisition, wellsite reporting, remote communications, web-based information management, and analytics, enable collaboration between the rig and the office. Pason's common shares trade on the Toronto Stock Exchange under the symbol PSI. For further information: For more information about Pason, visit the company's website at [www.pason.com](http://www.pason.com).

## **About Intelligent Wellhead Systems Inc.**

IWS is the first to develop, patent, and market the disruptive inVision technology for the energy

industry. Their mission: to protect their clients from the negative impacts of well control incidents and increase efficiency of operations through technology advancements that facilitate new standard operating procedures and data analytics. The company is private and backed by WGF, headquartered in Calgary, Alberta, with partnerships in Houston, Texas and throughout the Middle East, Asia and South America. For more information about IWS, visit the company's website at [www.intelligentwellheads.com](http://www.intelligentwellheads.com).

### **About Werklund Growth Fund L.P.**

WGF is a private equity and venture capital fund managed by WFO. As one of Canada's largest privately-owned investment funds, WGF seeks active investments in private industrial companies, disruptive and innovative technologies or special situation merchant banking opportunities.

*Pason Systems Inc. referred to herein as the "Company". Certain information regarding the Company contained herein may constitute forward-looking information under applicable securities law. The words "anticipate", "expect", "believe", "may", "should", "will", "estimate", "project", "outlook", "forecast" or other similar words are used to identify such forward-looking information and statements. Forward-looking statements in this document may include statements, express or implied regarding the anticipated business prospects and financial performance of the Company; expectations or projections about future strategies and goals for growth and expansion; expected and future cash flows and revenues; and expected impact of future commitments. These forward-looking statements are based upon various underlying factors and assumptions, including the state of the economy; the Company's business prospects and opportunities; and estimates of the financial and operational performance of the Company.*

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*Additional information on risks and uncertainties and other factors that could affect the Company's operations or financial results are included in the Company's reports on file with the Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)) or through the Company's website ([www.pason.com](http://www.pason.com)). Furthermore, any forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.*

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**For further information:** For more information about Pason Systems Inc., visit the company's website at [www.pason.com](http://www.pason.com) or contact: Marcel Kessler, President and CEO, (403) 301-3400; Jon Faber, Chief Financial Officer, (403) 301-3400

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CNW 17:00e 02-OCT-19