

MATCO INVESTMENTS LTD. AND RONALD P. MATHISON FILE EARLY WARNING REPORT REGARDING WESTERN ENERGY SERVICES CORP.

December 28, 2018 – On December 27, 2018, MATCO Investments Ltd. ("**MATCO**") acquired beneficial ownership and control of an aggregate of 3,000,000 common shares ("**Common Shares**") in the capital of Western Energy Services Corp. (the "**Corporation**") through the facilities of the Toronto Stock Exchange for an aggregate price of \$1,050,000, representing an average purchase price of \$0.35 per Common Share. Ronald P. Mathison ("**Mathison**") is the President, Chief Executive Officer and sole shareholder of MATCO and is the Chairman of the Board of Directors of Western.

Immediately prior to these acquisitions, Mathison and MATCO beneficially owned and/or controlled an aggregate of 15,236,485 Common Shares, 69,300 options to purchase Common Shares (the "**Options**") and 26,790 restricted share units which may be settled through the issue of Common Shares (the "**Restricted Share Units**"). If all of the Options were exercised and all Restricted Share Units were redeemed, Mathison and MATCO would have then owned and/or had control or direction over 15,332,575 Common Shares, representing approximately 16.6% of the then issued and outstanding Common Shares (assuming no other Common Shares have been issued by the Corporation). Immediately following these acquisitions, Mathison and MATCO beneficially own and control an aggregate of 18,236,485 Common Shares, 69,300 Options and 26,790 Restricted Share Units. Immediately following these acquisitions, if all of the Options were exercised and all Restricted Share Units were redeemed, Mathison and MATCO would then own and/or have control or direction over 18,332,575 Common Shares, representing approximately 19.8% of the then issued and outstanding Common Shares (assuming no other Common Shares have been issued by the Corporation).

The acquisition of Common Shares by MATCO was made for investment purposes. Subject to applicable law, Mathison and MATCO may from time to time dispose of, or acquire, additional securities of the Corporation.

The Corporation is located at 1700, 215 – 9th Avenue S.W. Calgary, Alberta T2P 1K3. Mathison and MATCO are located at 4900, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1. This press release is issued pursuant to National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, which also requires a report to be filed with regulatory authorities in each of the jurisdictions in which the Corporation is a reporting issuer containing information with respect to the foregoing matters (the "**Early Warning Report**"). A copy of the Early Warning Report will appear with the Corporation's documents on the System for Electronic Document Analysis and Retrieval and may be obtained upon request from Ryan Jennings at (403) 294-0101.