

FORM 62-103F1

EARLY WARNING REPORT

Item 1 - Security and Reporting Issuer

- 1.1 *State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.*

This report relates to common shares ("**Savanna Shares**") in the capital of Savanna Energy Services Corp. ("**Savanna**").

Savanna's head office address is:

Suite 800, 311 – 6th Avenue S.W.
Calgary, Alberta T2P 3H2

- 1.2 *State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.*

In connection with the offer (the "**Offer**") by Total Energy (as defined below), dated December 9, 2016, as amended, to purchase all of the issued and outstanding Savanna Shares (including any Savanna Shares issued subsequent to December 9, 2016), on June 20, 2017, Total Energy completed a subsequent acquisition transaction by way of an amalgamation (the "**Amalgamation**") between Total Energy, Savanna and 2043224 Alberta Ltd. ("**Subco**"), a wholly-owned subsidiary of Total Energy, pursuant to Section 181 of the *Business Corporations Act* (Alberta) and in accordance with the terms and conditions of the amalgamation agreement dated May 19, 2017 between Savanna, Total Energy and Subco.

The Amalgamation resulted in the acquisition by Total Energy of the remainder of the issued and outstanding Savanna Shares not owned by Total Energy prior to June 20, 2017, being 16,779,186 Savanna Shares (representing approximately 14.18% of the Savanna Shares issued and outstanding as of that date).

Although the Savanna Shares are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "SVY", Total acquired the remaining Savanna Shares pursuant to the Amalgamation, rather than through the facilities of the TSX. The Savanna Shares are expected to be delisted from the TSX effective as of the close of trading on June 23, 2017

Item 2 - Identity of the Acquiror

- 2.1 *State the name and address of the acquiror*

Total Energy Services Inc. ("**Total Energy**")

Total Energy's head office address is:

2550, 300 – 5th Avenue S.W.
Calgary, Alberta T2P 3C4

- 2.2 *State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.*

Under the Amalgamation, Total Energy acquired 16,779,186 Savanna Shares (representing approximately 14.18% of the Savanna Shares issued and outstanding as of June 20, 2017).

Pursuant to the Amalgamation, each holder of Savanna Shares (each, a "**Savanna Shareholder**") (other than Total Energy) received 0.1300 of a common share of Total Energy (each whole share, a "**Total Share**") and one (1) Series A redeemable preferred share of Total Energy (each, a "**Total Redeemable Preferred Share**") for each Savanna Share held. Immediately following the issuance of the certificate of amalgamation in relation to the Amalgamation (the "**Effective Time**"), each Total Redeemable Preferred Share was redeemed for \$0.20 in cash per Total Redeemable Preferred Share. At the Effective Time, the corporation resulting from the Amalgamation, "Savanna Energy Services Corp." ("**Amalco**"), became a wholly-owned subsidiary of Total Energy.

In connection with the Amalgamation, Total Energy provided Computershare Investor Services Inc. (the "**Depository**"), the depository for Amalgamation, with an aggregate of 2,181,294 Total Shares and 16,779,186 Total Redeemable Preferred Shares, which Total Redeemable Preferred Shares were redeemed for an aggregate of \$3,355,837.20 in cash.

- 2.3 *State the names of any joint actors.*

Not applicable.

Item 3 - Interest in the Securities of the Reporting Issuer

- 3.1 *State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror's securityholding percentage in the class of securities.*

On June 20, 2017, Total Energy acquired 16,779,186 Savanna Shares, represented an increase of approximately 16.52% of the total number of issued and outstanding the Savanna Shares held by Total Energy prior to the Effective Time.

Prior to the Effective Time, Total Energy owned an aggregate of 101,572,765 Total Shares, 99,772,765 of which were previously acquired by Total Energy under the Offer and 1,800,000 of which were previously acquired through the facilities of the TSX in support of Total Energy's objective of acquiring all of the Savanna Shares.

- 3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.*

Refer to Item 3.1 above.

- 3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

- 3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

Prior to the Effective Time, Total Energy owned an aggregate of 101,572,765 Total Shares, representing approximately 85.82% of the issued and outstanding Savanna Shares. Effective as of the Effective Time, Total Energy owned an aggregate of 118,351,951 Savanna Shares, representing 100% of the issued and outstanding Savanna Shares.

- 3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which*

(a) *the acquiror, either alone or together with any joint actors, has ownership and control,*

Refer to Item 3.4 above.

(b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

Not applicable.

(c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Not applicable.

- 3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

Not applicable.

- 3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

Item 4 - Consideration Paid

4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

In connection with the Amalgamation, Total Energy provided the Depository with an aggregate of 2,181,294 Total Shares and 16,779,186 Total Redeemable Preferred Shares, which Total Redeemable Preferred Shares were redeemed for an aggregate of \$3,355,837.20 in cash immediately after the Effective Time. Based on the five-day volume weighted moving average price of the Total Shares on the TSX up to, and including, June 19, 2017, Total Energy paid an implied acquisition price of CAD\$1.8743 per Savanna Share and an implied aggregate purchase price for all Savanna Shares acquired by it under the Amalgamation of CAD\$31,449,949.03.

4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

Refer to Item 4.1 above.

4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Not applicable.

Item 5 - Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) *the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;*
- (b) *a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;*
- (c) *a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;*
- (d) *a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;*
- (e) *a material change in the present capitalization or dividend policy of the reporting issuer;*
- (f) *a material change in the reporting issuer's business or corporate structure;*
- (g) *a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;*
- (h) *a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;*

- (i) *the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;*
- (j) *a solicitation of proxies from securityholders;*
- (k) *an action similar to any of those enumerated above.*

The purpose of the Amalgamation was to enable Total Energy to acquire all of the issued and outstanding Savanna Shares not already owned by it at the Effective Time.

On June 15, 2017, an application to cease to be a reporting issuer was made on behalf Savanna with the applicable securities regulatory authorities in each of the jurisdictions in which Savanna was a reporting issuer (or equivalent).

The Savanna Shares are expected to be delisted from the TSX effective as of the close of trading on June 23, 2017.

Item 6 - Agreements, Arrangements, Commitments or Understandings with Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 - Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 - Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 - Certification

The acquiror must certify that the information is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

I, as the acquiror, certify, or I, as the agent filing the report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED as of the 22nd day of June, 2017.

TOTAL ENERGY SERVICES INC.

Per: (signed) "Cam Danyluk"
Name: Cam Danyluk
Title: Vice President, Legal and General
Counsel