



For Immediate Release

AIMCo Announces Significant Investment in Western Energy Services Corp.

Edmonton, Alberta (September 22, 2017) – Alberta Investment Management Corporation (“AIMCo”), on behalf of certain of its clients, is pleased to announce that it has entered into a strategic financing relationship with Western Energy Services Corp., (“Western”), a company with significant contract drilling, well servicing and rental operations across North America.

Based upon the terms of the agreement, the financing relationship with AIMCo comprises a \$215 million second lien senior secured term loan facility and a private placement of 9,100,000 common shares of Western at a price of \$1.25 per common share for gross proceeds of approximately \$11 million.

Funds under the second lien senior secured term loan facility will be made available to Western in a single draw, which is to occur no later than February 15, 2018, and will mature five years from the date that funds are drawn under the facility. Interest will be paid semi-annually, at the rate of 7.25% per annum. In conjunction with the closing of the loan facility, Western has agreed to issue AIMCo 7,099,546 warrants to purchase common shares, each warrant entitling AIMCo to acquire one common share at an exercise price per common share equal to a 45% premium to the volume weighted average price of the common shares for the five trading days ended prior to the date of issue of the warrants, at any time prior to three years following the date of issue of the warrants.

AIMCo has also committed to purchase, on a private placement basis, 9,100,000 common shares at a price of \$1.25 per common share for aggregate gross proceeds of \$11,375,000. On a pro forma basis upon completion of the private placement and bought deal financing, AIMCo will own approximately 10% of Western’s outstanding common shares (approximately 16% of Western’s outstanding common shares if the warrants are exercised in full).

“AIMCo, on behalf of our clients, is again demonstrating our commitment to supporting Alberta investment with this important commitment to Western,” said Kevin Uebelein, AIMCo CEO. “Western embodies the commitment to sound management and good governance that we seek. The organization has demonstrated a keen ability to manage through the cyclicity of the energy sector, and we have great confidence in Management’s ability to most effectively utilize this investment to navigate current challenges facing the market, while also positioning the company for future growth.”

Alex R.N. MacAusland, President & CEO of Western, commented “We are pleased to have reached this financing agreement with AIMCo. We look forward to a long-term relationship with our new partner as we continue to position our business to provide best-in-class service to our valued customer base, and to maximize returns for our stakeholders.”

About Alberta Investment Management Corporation (AIMCo)

AIMCo is one of Canada's largest and most diversified institutional investment managers with more than \$100 billion of assets under management. Established on January 1, 2008, AIMCo's mandate is to provide superior long-term investment results for its clients. AIMCo operates at arms-length from the Government of Alberta and invests globally on behalf of 32 pension, endowment and government funds in the Province of Alberta. For more information on AIMCo please visit www.aimco.alberta.ca.

About Western Energy Services Corp. (Western)

Western is an oilfield service company which provides contract drilling services in Canada through its Horizon Drilling division and in the United States through its wholly-owned subsidiary, Stoneham Drilling Corporation. In Canada, Western also provides well servicing through its Eagle Well Servicing division and provides oilfield rental services through its Aero Rental Services division.

-30-

Media Contact

Dénes Németh

Corporate Communication

O: 780-392-3857

M: 780-932-4013

E: denes.nemeth@aimco.alberta.ca