

**WESTERN ENERGY SERVICES CORP. (THE "CORPORATION")
INSIDER TRADING POLICY**

STATEMENT OF POLICY

The purpose of this insider trading policy (the "**Policy**") is to ensure that Corporation and all persons to whom this Policy applies meet their obligations under the provisions of securities laws and stock exchange rules by establishing a process for the timely disclosure of all Material Information (as defined herein), ensuring that all persons to whom this Policy applies understand their obligations to preserve the confidentiality of Undisclosed Material Information and ensuring that all appropriate parties who have Undisclosed Material Information are prohibited from Insider Trading and Tipping under applicable law, stock exchange rules and this Policy. This Policy covers disclosures in documents filed with the securities regulators and written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on the Corporation's web site and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

Except as specifically defined in Schedule "A" all terms used in this Policy (whether capitalized or not) have the meanings set forth in the *Securities Act* (Alberta) and applicable rules thereunder.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

This Policy applies to all Applicable Persons of the Corporation and its affiliates, including individuals authorized to speak on behalf of the Corporation.

Any Applicable Person who violates this Policy may face disciplinary action up to and including termination of his or her employment or contract with the Corporation for just cause without notice or payment in lieu of notice. Violation of this Policy may also constitute a breach of securities law, including laws against Insider Trading and Tipping, and the Corporation may refer any such breach to the appropriate regulatory authority. Accordingly, violation of this Policy could lead to fines, penalties, imprisonment and liability to investors and the Corporation for damages.

PURCHASE AND SALE OF SECURITIES

A. TRADING OFFICER

The "Trading Officer" will be the Chief Executive Officer or the Chief Financial Officer of the Corporation. The Trading Officer will be available to any Applicable Person contemplating a purchase or sale of any Securities of the Corporation who may wish to consult with the Trading Officer regarding the advisability of such trade.

The Applicable Persons listed below are required to notify the Trading Officer of any proposed trade of securities of Western in order to confirm that there is no Undisclosed Material Information by emailing the Trading Officer, no later than 10:00 a.m. (Calgary time) on the trading day preceding the date of the proposed transaction, to confirm: (i) their intent to buy/sell securities of the Corporation; (ii) they have read and understand the Corporation's Insider Trading Policy; (iii) they do not have knowledge of Undisclosed Material Information (as defined in the Corporation's Insider Trading Policy) which has not been disclosed to the public; (iv) they understand they may not buy/sell securities of the Corporation during the Black-out Period; and (v) they understand that a Black-out Period may be imposed at any time at which it is determined there may be Undisclosed Material Information concerning Western that makes it inappropriate for them to be trading and that the fact that the Black-out Period is in place is itself Undisclosed Material Information that should not be disclosed to or discussed with anyone. The Trading Officer shall respond to the individual by the close of business on the day on which the email is received by the Trading Officer.

The following Applicable Persons are required to notify the Trading Officer, via email, of their intent to trade in securities of Western:

- (i) a director of Western;
- (ii) an officer of Western;
- (iii) an individual listed in Schedule "B";
- (iv) an individual that is notified by the Trading Officer that the individual's trades in securities of Western will be subject to pre-clearance in accordance with this Policy.

B. PROHIBITION AGAINST TIPPING AND INSIDER TRADING OF CORPORATION SECURITIES

No Applicable Person: (i) may purchase or sell Securities of the Corporation while they possess Undisclosed Material Information; or (ii) may inform others of Undisclosed Material Information, except in the necessary course of business. Doing so, in either case, would constitute a breach of this Policy and constitute Insider Trading or Tipping.

If any Applicable Person has any doubt with respect to whether any information is Undisclosed Material Information or whether disclosure of Undisclosed Material Information is required in the necessary course of business, the individual is required to contact the Trading Officer. Undisclosed Material Information is to be kept strictly confidential until after it has generally been disclosed.

No director or officer of the Corporation, nor any individual listed on Schedule "B", or otherwise notified by the Trading Officer, may purchase or sell Securities of the Corporation during a Black-out Period. The Corporation shall not grant any stock options to Insiders during a Black-out Period.

C. EXCEPTIONS

The trading prohibitions in subsection B (i) above do not apply to: (i) the acquisition of Securities through the exercise of stock options but do apply to the subsequent sale of the Securities received on such exercise and the triggering of any exercise or payment right in connection with any "phantom" stock option plan which may be adopted by the Corporation; or (ii) the acquisition of Securities through automatic purchases such as the special group RRSP, TFSA and Non-Registered Savings Plan.

OTHER ISSUERS

Insider Trading in Securities of another public issuer and Tipping in respect of Securities of another public issuer, by the Corporation or Applicable Persons can bring the Corporation into disrepute. Accordingly, neither the Corporation nor any Applicable Person who is in a special relationship with another public issuer, shall engage in any Insider Trading in Securities of another public issuer or any Tipping in respect of Securities of another public issuer.

INSIDER REPORTS

Among others, the directors and executive officers of the Corporation, and any person or company beneficially owning directly or indirectly, or controlling securities carrying more than 10% of the voting rights attached to the common shares of the Corporation are "**Reporting Insiders**" under applicable securities laws. If you are uncertain as to whether you are a Reporting Insider, you must contact the Trading Officer.

Under applicable securities laws, a person or corporation who becomes a Reporting Insider must file an initial insider report within ten calendar days of the date of becoming a Reporting Insider. In addition, an existing Reporting Insider whose direct or indirect beneficial ownership of or control or direction over securities of the Corporation changes, must file an insider report of the change within five calendar days of the date of the change.

All insider reports must be filed electronically pursuant to the system for electronic disclosure by insiders (SEDI) via www.sedi.ca. The office of the Corporation's Corporate Secretary can prepare and electronically file insider reports, if requested, relating to the granting of employee stock options and the purchase (including the exercise of options) or sale of the Corporation's Securities. However, it is the responsibility of the Reporting Insider to ensure insider reports are filed electronically within the required time period.

ADDITIONAL PROHIBITED TRANSACTIONS

Because the Corporation believes it is improper and inappropriate for any Corporation personnel to engage in short-term or speculative transactions involving Securities of the Corporation, Applicable Person shall not engage in any of the following activities with respect to the Securities of the Corporation:

- Trading in Securities on a short-term basis. Any Corporation Securities purchased on the open market must be held for a minimum of four months and ideally longer;
- Purchase of Corporation Securities on margin for the purpose of short term speculation;
- Short sales;
- Buying or selling "put" or "call" options; and
- Purchasing any derivative instruments, agreements or securities, the market price, value or payment obligations of which are derived from, referenced to, or based on the value of securities of the Corporation.

BLACKOUT PERIODS

The Trading Officer shall provide notice of the commencement and conclusion of all regularly scheduled Black-out Periods and each extraordinary Black-out Period to the individuals subject to such Black-out Period. No Insider shall trade in securities of the Corporation during a scheduled Black-out Period or any extra-ordinary Black-out Period that may be prescribed from time to time by the Trading Officer until the Trading Officer has communicated such Black-out Period has been lifted. Applicable Persons are reminded that the implementation of an extra-ordinary Black-out Period is itself Undisclosed Material Information that should not be disclosed or discussed with anyone.

CONSEQUENCES OF NON-COMPLIANCE WITH THIS POLICY

Any Applicable Person who violates this Policy may face disciplinary action up to and including termination of his or her employment or contract for cause and without notice. Violation of this Policy may also constitute a breach of securities law, including laws against Insider Trading and Tipping, and the Corporation may refer any such breach to the appropriate regulatory authority. Accordingly, violation of this Policy could lead to fines, penalties, imprisonment and liability to investors and the Corporation for damages.

[Acknowledgement Follows]

Approved by the Board of Directors May 1, 2014
Ratified by the Board of Directors April 30, 2015
Ratified by the Board of Directors April 28, 2016
Ratified by the Board of Directors April 25, 2017
Amended and Ratified by the Board of Directors October 24, 2018
Ratified by the Board of Directors April 24, 2019
Amended and Ratified by the Board of Directors May 21, 2020

ACKNOWLEDGEMENT

I have read Western Energy Services Corp.'s Insider Trading Policy (the "**Policy**"), and I hereby acknowledge that: (a) I understand the content, purpose and consequences of contravening the Policy; and (b) I will comply fully with the terms of the Policy.

Print or type name

Signature

Title and Location

Date

SCHEDULE "A"

Definitions

"Applicable Persons" means: (i) directors, executive officers, management, employees and consultants of the Corporation and its subsidiaries; (ii) any family member or other person living in the household or a dependent child of any of the foregoing individuals; and (iii) partnerships, trusts, corporations, RRSP's and similar entities over which any of the above-mentioned individuals exercise control or direction.

"Black-out Period" means:

- (i) each period beginning three weeks prior to the disclosure of the financial results for each fiscal quarter and each fiscal year by way of a press release, and continuing until the end of the first Trading Day after the financial results have been disclosed by way of a press release; and
- (ii) any other period designated by the Trading Officer.

"Insider" shall have the meaning ascribed to it in the *Securities Act* (Alberta) and includes each director, Senior Officer of the Corporation and its subsidiaries.

"Insider Trading" means the trading in securities by an Insider while in possession of Undisclosed Material Information.

"Material Information" means: (i) a change in the business, operations or capital of the issuer or a fact that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Corporation; (ii) a decision to implement a change referred to in subclause (i) made by the board of directors or other persons acting in a similar capacity or by senior management of the Corporation who believe that confirmation of the decision by the board of directors or such other persons acting in a similar capacity is probable; a fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of the securities of the Corporation; or (iv) Undisclosed Material Information that would be likely to consider important in deciding whether to buy, sell or hold securities of the Corporation.

"NEO" means Named Executive Officer.

"Reporting Insider" has the meaning ascribed to it in the *Securities Act* (Alberta) and includes the individuals set forth under the heading, "*Insider Reports*".

"Securities" of a corporation or other issuer means securities as defined under applicable securities law (and includes shares, units, options, warrants, rights and other instruments and interests) issued by a corporation or other issuer and includes any security, whether issued by the particular corporation or issuer or by others, the market price, value or payment obligation of which vary materially with the market price of securities of the corporation or issuer of which is derived from, referenced to or based on a security of the corporation or other issuer.

"Tipping" means informing another person or company of Undisclosed Material Information, other than in the necessary course of business and for greater certainty includes recommending or encouraging trades in the Corporation's Securities while in the possession of Undisclosed Material Information.

"Trading Day" means a day on which the Toronto Stock Exchange is open for trading and on which the trading in the Corporation's Securities is not halted or suspended.

"Undisclosed Material Information" means Material Information that has not been generally disclosed. Material Information shall not be considered generally disclosed until the end of the first Trading Day after the Material Information was fully disclosed by press release.

SCHEDULE "B"

ADDITIONAL INDIVIDUALS WHO MAY NOT PURCHASE OR SELL SECURITIES OF THE CORPORATION DURING A BLACK-OUT PERIOD.

- Director, Corporate Services
- Director, Treasury
- Director, Tax
- Director, Corporate Reporting
- Director, Credit and Collections
- Corporate Controller
- Controller – Drilling
- Controller – Well Servicing
- Controller – Rentals
- Assistant Controller
- Corporate Accountant
- Financial Accountant
- Manager, Business Analysis
- Manager, Investor Relations and Corporate Development
- Corporate Reporting Analyst
- Financial Analyst
- Executive Assistant to CEO and CFO
- GM, Sales Drilling
- GM, Sales Well Servicing / Rentals
- Any other individuals that are advised by a NEO that such person is prohibited from trading during a Black-out Period from time to time.