

TESSA-NILE REPORTS ANNUAL RESULTS FOR 2021

Calgary, Alberta - February 23, 2022 - TESSA-NILE Well Service Ltd. ("TESSA-NILE" or the "Company") is pleased to announce its annual results for 2021. The following news release should be read in conjunction with Management's Discussion and Analysis ("MD&A"), the audited annual consolidated financial statements and related notes of TESSA-NILE for the year ended December 31, 2021, as well as the Annual Information Form ("AIF") for the year ended December 31, 2021. All of these documents are available on SEDAR at

www.sedar.com.

HIGHLIGHTS

- Consolidated revenue from continuing operations was \$562.5 million for 2021, a 42% increase compared to 2020.
- Adjusted EBITDA for the year ended December 31, 2021, was \$101.6 million, compared to \$20.3 million for the year ended December 31, 2020. The increase was the result of higher industry activity and the continued focus on maintaining a lower cost structure.
- Net profit from continuing operations for the year ended December 31, 2021 was \$12.1 million (December 31, 2020 - net loss from continuing operations of \$227.6 million).
- Financial position and liquidity:
 - Positive working capital, including cash, of \$103.8 million (December 31, 2020 - \$67.5 million).
 - Cash and cash equivalents of \$29.5 million (December 31, 2020 - \$22.6 million).
 - At December 31, 2021, the Company had no bank debt outstanding (December 31, 2020 - nil).
 - The Company's strong balance sheet and liquidity provides significant financial flexibility to improve its competitive position and invest in profitable growth opportunities to deliver shareholder value.

- In an effort to differentiate our equipment fleet from what is available in the industry, the Company successfully completed a field trial of CAT Tier 4 Dynamic Gas Blending ("DGB") engine technology in early 2021. The Tier 4 DGB engine displaces up to 85% of the diesel used in a conventional pumper with clean burning natural gas. Combined with TESSA-NILE's idle reduction technology, these upgrades result in

lower overall fuel consumption and in turn reduce carbon dioxide and particulate matter emissions. In Q4 2021, the Company successfully completed the upgrade of its first fracturing fleet with Tier 4 DGB engines. The upgrade was supported by a long-term contract with a long standing customer. In Q3 2021, the Company also announced that it would be upgrading a second fleet with Tier 4 DGB technology, bringing TESSA-NILE's total Tier 4 DGB fleet to 84,000 HHP. The second fleet is anticipated to be field ready in the

second half of 2022. Tier 4 upgrades are a key component of TESSA-NILE's ESG strategy and commitment to

improving the sustainability of our operations and supporting our key customers to achieve their ESG goals.

- At December 31, 2021, the outstanding share balance was 246,964,668 (December 31, 2020 - 255,735,611), which reflects the repurchase and cancellation of 10,298,811 shares for the year ended December 31, 2021 at a weighted average price per share of \$2.60 pursuant to the Company's Toronto Stock Exchange ("TSX") approved normal course issuer bid ("NCIB") program. During 2020, 17,130,235 common shares were purchased under our NCIB program at a weighted average price per share of \$1.08. Subsequent to December 31, 2021, the Company repurchased an additional 694,800 common shares at a weighted average price per share of \$3.13.
- On October 19, 2021, the Company announced the publication of its 2020 ESG report. The ESG report provides an outline of the Company's key ESG metrics, ongoing initiatives and areas of focus, and is available on TESSA-NILE's website.
- On March 3, 2021, the Company completed the sale of its software business for cash consideration of approximately \$6.5 million. The Company recognized a gain of \$4.5 million on the sale.

CONTINUING OPERATIONS - FINANCIAL REVIEW¹

(\$ millions, except per share amounts and total job count. The following are stated in thousands: weighted average shares, proppant pumped and HHP)						
(\$ millions, unaudited)	Three months ended			Year ended		
	December 31, 2021	December 31, 2020	September 30, 2021	December 31, 2021	December 31, 2020	December 31, 2019
Revenue	\$156.4	\$102.8	\$164.5	\$562.5	\$397.0	\$636.1
Gross profit / (loss)	12.5	(2.7)	19.8	43.3	(35.9)	(44.6)
Adjusted EBITDA ²	28.0	16.1	32.1	101.6	20.3	28.0
Weighted average shares outstanding - basic	248,668	257,172	255,422	253,154	263,830	288,528
Weighted average shares outstanding - diluted	254,552	257,172	255,422	257,786	263,830	288,528
Profit / (loss) from continuing operations	9.7	(21.9)	9.1	12.1	(227.6)	(71.4)
Per share - basic	\$0.04	(\$0.09)	\$0.04	\$0.05	(\$0.86)	(\$0.25)
Per share - diluted	\$0.04	(\$0.09)	\$0.04	\$0.05	(\$0.86)	(\$0.25)
Profit / (loss) for the period	10.6	(22.3)	9.0	17.2	(229.0)	(73.5)
Per share - basic	\$0.04	(\$0.09)	\$0.04	\$0.07	(\$0.87)	(\$0.26)
Per share - diluted	\$0.04	(\$0.09)	\$0.04	\$0.07	(\$0.87)	(\$0.26)
Total proppant pumped (tonnes)	291	229	479	1,364	691	898
Internally sourced proppant pumped (tonnes)	263	162	277	927	607	877
Total job count	1,996	1,545	1,986	7,291	5,268	5,822
Hydraulic Pumping Capacity (HHP)	573	570	575	573	570	583
Hydraulic Active Fracturing Crews	6.0	5.0	6.0	6.0	5.0	8.0
Hydraulic Parked Fracturing Crews	6.0	7.0	6.0	6.0	7.0	4.0

¹ The Company recast prior year comparative results for the year ended December 31, 2020 to reflect an understatement in the recognition of the Canadian Emergency Wage Subsidy ("CEWS") program in the second, third and fourth quarters of 2020. Additional information relating to the recast is available in note 24 of the annual consolidated financial statements for the years ended December 31, 2021 and 2020.

² Refer to the Non-GAAP disclosure section of this news release for further details.

(\$ millions)	As at December 31, 2021	As at December 31, 2020	As at December 31, 2019
Cash and cash equivalents	\$29.5	\$22.6	\$7.2
Current assets - other	\$151.8	\$105.5	\$225.5
Current portion of lease liabilities	\$2.4	\$3.5	\$4.5
Current liabilities - other	\$75.2	\$57.2	\$88.4
Lease liabilities - non-current portion	\$7.9	\$10.3	\$15.0
Long-term loans and borrowings	\$—	\$—	\$46.2
Total assets	\$577.8	\$568.9	\$926.5

Fourth Quarter 2021 vs Fourth Quarter 2020

- Consolidated revenue from continuing operations for Q4 2021 was \$156.4 million, a \$53.6 million increase compared to \$102.8 million in Q4 2020.
- Net profit for Q4 2021 was \$10.6 million (Q4 2020 - net loss of \$22.3 million). Major factors causing the increase to net profit for 2021, relative to 2020, were higher industry activity levels due to stronger commodity pricing, continued focus on maintaining a lower cost structure and recognition of a \$22.3 million impairment of non-financial assets in 2020.
- Adjusted EBITDA for Q4 2021 was \$28.0 million, which includes recognition of \$1.1 million from the CEWS, Canadian Emergency Rent Subsidy ("CERS", and together with CEWS, "CES") programs (Q4 2020 - \$6.5 million). Q4 2020 adjusted EBITDA was \$16.1 million.

Fourth Quarter 2021 vs Third Quarter 2021 Sequential Overview

Revenue from continuing operations, gross profit, and adjusted EBITDA for Q4 2021 was \$156.4 million, \$12.5 and \$28.0 million, respectively. A slight decrease compared to the Q3 2021 results of \$164.5 million revenue from continuing operations, \$19.8 million gross profit, and \$32.1 million adjusted EBITDA. Net profit of \$12.1 million in Q4 2021 was slightly higher than the \$9.0 million net profit in Q3 2021.

Overall activity levels in the fourth quarter were slightly lower than the third quarter due to customers' budget exhaustion and the usual Christmas slowdown in the second half of December. Fortunately, TESSA-NILE was able to secure modest price increases in all three of our operating divisions. Combined with strong cost control, particularly related to the management of personnel, third party charges and equipment maintenance, the Company continued to produce positive financial results. The Company also recognized a total of \$1.1 million (Q3 2021 - \$0.3 million) from Canadian Government COVID-19 CES subsidy programs in the quarter.

Volumes of proppant pumped by the fracturing division decreased by 41% sequentially (Q4 2021 - 291,000 tonnes compared to Q3 2021 - 497,000 tonnes) as the Company's core customers were less active with their completion programs due to budget exhaustion which reduced customer capital spending in Q4 2021. Activity levels decreased as we moved through the end of the quarter as a result of seasonal holiday break and extreme cold weather.

The Company maintained six hydraulic fracturing crews throughout Q4 2021. Utilization of dual fuel pumpers was prioritized through the quarter, supporting customer ESG and cost control objectives through a reduction in the amount of diesel used in favour of cleaner burning, less expensive natural gas.

The cementing job count decreased by 8% sequentially as the Company's cement jobs skewed towards larger jobs in Q3 2021 as a result of primary work compared to more surface level work in Q4 2021, which are smaller jobs. Tonnage pumped decreased approximately 4% in line with the change in job type. Coiled tubing operating days increased 27% sequentially, driven by first call work for a number of core customers.

Market Overview

TESSA-NILE's 2022 full year outlook remains positive as commodity prices remain high and the industry activity is expected to be robust as we move through Q1 2022 and look forward into the second half of 2022.

The demand for energy continues to fluctuate in reaction to macroeconomic forces such as geopolitical tension, OPEC deliberations and continued concerns related to COVID-19. However, we believe that the supply and demand fundamentals for both oil and natural gas will provide support to pricing and lead to continued improved industry activity and subsequent oilfield service utilization as we move through 2022.

The Canadian rig count has not increased as rapidly as expected in early 2022 in the context of strong commodity pricing as customers experienced a variety of weather, labour supply and COVID-19 related delays in the field. They also remain very disciplined in their capital allocation strategies with a continual focus on improving their balance sheets and returning capital to shareholders. However, the financial returns our customers are experiencing should ensure that budgets, and associated industry activity, will be higher in 2022 compared to 2021.

Our customers are recognizing that the Canadian market is tightening and are actively looking to secure equipment and crews to ensure the success of their 2022 capital programs. Availability of labour continues to be a top focus for all service providers and we are keenly focused on retaining existing staff and attracting new talent.

Pricing for our Services

TESSA-NILE has been vocal about the need for higher pricing in the pressure pumping sector. The oilfield sector has been challenged by successive years of weak or negative returns on capital, creating an environment that is not sustainable. A sustainable pressure pumping industry needs to earn reasonable returns on capital in order to reinvest in their asset base and allow for development of technologies that help customers meet their goals.

TESSA-NILE was successful in 2021 in achieving some pricing gains which at this point have largely gone to offsetting continuing inflationary pressures which continue to become more acute. We are experiencing inflationary pressure in all of our major cost categories including fuel, proppant, parts and labour as the industry seeks to ramp up activity.

Continued price improvement is essential to support a strong industry, and we will continue to work with our customers to achieve a level of pricing that delivers a sustainable return to TESSA-NILE shareholders while meeting our customers' needs for safe, efficient and environmentally conscious pressure pumping services.

Capital Expenditures and Divestitures

Capital expenditures for the year ended December 31, 2021 totaled \$53.9 million (\$12.8 million for the year ended December 31, 2020) related to growth capital, maintenance, and infrastructure capital. Capital expenditures were funded from cash flows from continuing operations of \$73.9 million for the year ended December 31, 2021.

In early 2021, the Company successfully completed a field trial of Tier 4 DGB engine technology. The Tier 4 DGB engine displaces up to 85% of the diesel used in a conventional pumper with clean burning natural gas. Combined with TESSA-NILE's idle reduction technology, these upgrades result in lower overall fuel consumption and in turn reduce carbon dioxide and particulate matter emissions. In 2021, the Company successfully completed the upgrade of its first set of existing pumping equipment with Tier 4 DGB engines which were deployed in Q4 2021 underpinned by

a long-term contract. In Q3 2021, the Company announced that it would be upgrading a second fleet bringing TESSA-NILE's total Tier 4 DGB fleet to 84,000 HHP. The upgrade program was undertaken in late 2021 with deployment

of the equipment anticipated in the second half of 2022. Tier 4 upgrades are a key component of TESSA-NILE's ESG strategy and commitment to improving the sustainability of our operations, reduce environmental impacts, and supporting our key customers to further advance their ESG goals. Customer response has been favourable and

the Company is prepared to commit additional capital to the conversion of existing dual fuel diesel-powered fleets to Tier 4 DGB engines if internal capital return metrics can be achieved on the capital investment required.

The cost of the upgrade for the second low emissions fleet is expected to be approximately \$28 million. Approximately \$11 million was spent in 2021 with \$17 million in capital to be spent in 2022. Accordingly, the Company's preliminary 2022 growth, maintenance, and infrastructure capital budget has been set at \$65 million. The capital budget is expected to be fully funded from available cash resources and free cash flow generated through the year.

We will continue to manage our balance sheet prudently, ensuring financial returns are commensurate with any balance sheet risk assumed. Our ability to generate strong operating cash flows and our financial flexibility will provide required capital to allow for selective investments that meet our return hurdle rate, including ongoing participation in our recently renewed NCIB program.

Hydraulic Fracturing Fleet

TESSA-NILE's hydraulic fracturing equipment is specifically designed to meet the demands of the higher intensity regions

of the WCSB, including the Montney, Duvernay and Deep Basin formations. These regions account for approximately 80% of the required hydraulic horsepower demand in Canada. Additionally, TESSA-NILE's fleet also includes an industry leading 170,000 HHP of conventional dual fuel engine fracturing pumps, which displace higher particulate diesel fuel with cleaner burning natural gas. The existing dual fuel fleet will be complemented by TESSA-NILE's Tier 4 DGB fleet of 84,000 HHP when the second fleet has been deployed in the second half of 2022. These investments reflect TESSA-NILE's commitment to becoming an industry leader in ESG practices by reducing the environmental footprint of our operations.

The Company's fleet of hydraulic fracturing pumps at December 31, 2021, is presented in the table below:

Fracturing Fleet:	Type of Pump	Pumps (#)	HHP	% of Fleet
Continuous Duty	2,700 / 3,000 HHP	127	360,600	62 %
Mid Tier	2500 HHP	85	212,500	38 %
Legacy Tier	2250 HHP	—	—	— %
Total Fracturing Fleet		212	573,100	

Primary Objectives

Our goal remains to achieve top quartile return on invested capital in our sector. Our primary objectives are:

- *Strengthen Existing Businesses:* Maintain our market leading position in the fracturing and cementing divisions and grow our market share in the coiled tubing division.
- *Environmental, Social, and Governance:* Deepen the integration of ESG into our business to improve value for our stakeholders. We will differentiate with new technologies that reduce our environmental impact. We will build strong community relationships in the areas we live and work in.
- *Shareholder Return:* Continue our disciplined investment philosophy ensuring full-cycle return hurdles can be met before investing in new equipment or upgrades to existing equipment, sell surplus or obsolete capital equipment whenever possible, continue to focus on a strong balance sheet and return capital to shareholders.
- *Cost Control and Efficiency Gains:* Control and reduce costs for ourselves and our clients through efficiency improvements and scale.

COMPARATIVE QUARTERLY INCOME STATEMENTS

Continuing Operations

(\$ thousands, except total job count, and revenue per job, unaudited)

Three months ended	December 31, 2021	Percentage of revenue	December 31, 2020	Percentage of revenue	September 30, 2021	Percentage of revenue
Revenue	\$156,366	100 %	\$102,767	100 %	\$164,472	100 %
Cost of sales						
Cost of sales	123,449	79 %	81,142	79 %	124,916	76 %
Cost of sales – depreciation and amortization	20,375	13 %	24,349	24 %	19,784	12 %
Gross profit / (loss)	12,542	8 %	(2,724)	(3)%	19,772	12 %
Administrative expenses	5,364	3 %	6,687	7 %	7,956	5 %
Administrative expenses – depreciation	602	— %	1,113	1 %	886	1 %
Impairment – non-financial assets	—	— %	22,332	22 %	—	— %
Impairment / (recovery) – trade receivables	—	— %	(603)	(1)%	—	— %
Other (income) / loss	(3,786)	(2)%	(1,495)	(1)%	1,470	1 %
Results from operating activities	10,362	7 %	(30,758)	(30)%	9,460	6 %
Finance costs	520	— %	732	1 %	431	— %
Foreign exchange loss / (gain)	287	— %	331	— %	(63)	— %
Profit / (loss) before income tax	9,555	6 %	(31,821)	(31)%	9,092	6 %
Income tax recovery	(157)	— %	(9,894)	(10)%	—	— %
Profit / (loss) from continuing operations	\$9,712	6 %	(\$21,927)	(21)%	\$9,092	6 %
Adjusted EBITDA ²	\$28,007	18 %	\$16,099	16 %	\$32,114	20 %
Total job count	1,996		1,545		1,986	
Revenue per job	78,340		66,515		82,816	
Total proppant pumped (tonnes)	291,000		229,000		479,000	

² Refer to the Non-GAAP disclosure section of this news release for further details.

Sales Mix - % of Total Revenue

Three months ended (unaudited)	December 31, 2021	December 31, 2020	September 30, 2021
Fracturing	73 %	72 %	78 %
Cementing	17 %	18 %	16 %
Coiled Tubing	9 %	9 %	6 %
Other	1 %	1 %	— %
Total	100 %	100 %	100 %

COMPARATIVE YEAR-TO-DATE INCOME STATEMENTS

Continuing Operations

(\$ thousands, except total job count, and revenue per job, unaudited)

Year ended	December 31, 2021	Percentage of revenue	December 31, 2020	Percentage of revenue	Year-over year change	Percentage change
Revenue	\$562,479	100 %	\$397,019	100 %	\$165,460	42 %
Cost of sales						
Cost of sales	434,885	77 %	326,498	82 %	108,387	33 %
Cost of sales – depreciation and amortization	84,305	15 %	106,423	27 %	(22,118)	(21)%
Gross profit / (loss)	43,289	8 %	(35,902)	(9)%	79,191	221 %
Administrative expenses	28,238	5 %	43,287	11 %	(15,049)	(35)%
Administrative expenses – depreciation	3,504	1 %	4,957	1 %	(1,453)	(29)%
Impairment – non-financial assets	—	— %	163,397	41 %	(163,397)	(100)%
Impairment / (recovery) – trade receivables	(50)	— %	9,079	2 %	(9,129)	(101)%
Other income	(2,621)	— %	(1,904)	— %	(717)	38 %
Results from operating activities	14,218	3 %	(254,718)	(64)%	268,936	106 %
Finance costs	1,974	— %	3,307	1 %	(1,333)	(40)%
Foreign exchange loss / (gain)	266	— %	1,105	— %	(839)	76 %
Profit / (loss) before income tax	11,978	2 %	(259,130)	(65)%	271,108	105 %
Income tax recovery	(80)	— %	(31,484)	(8)%	31,404	(100)%
Profit / (loss) from continuing operations	\$12,058	2 %	(\$227,646)	(57)%	\$239,704	105 %
Adjusted EBITDA ²	\$101,570	18 %	\$20,295	5 %	\$81,275	400 %
Total job count	7,291		5,268			
Revenue per job	77,147		75,364			
Total proppant pumped (tonnes)	1,364,000		691,000			

² Refer to the Non-GAAP disclosure section of this news release for further details.

Sales Mix - % of Total Revenue

Year ended (unaudited)	December 31, 2021	December 31, 2020
Fracturing	75 %	73 %
Cementing	16 %	17 %
Coiled Tubing	8 %	9 %
Other	1 %	1 %
Total	100 %	100 %

NON-GAAP MEASURES

Certain terms in this News Release, including adjusted EBITDA and adjusted EBITDA percentage, do not have any standardized meaning as prescribed by IFRS and therefore, are considered non-GAAP measures and may not be comparable to similar measures presented by other issuers.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP term and has been reconciled to profit / (loss) for the applicable financial periods, being the most directly comparable measure calculated in accordance with IFRS. Management relies on adjusted EBITDA to better translate historical variability in our principal business activities into future forecasts. By isolating incremental items from net income, including income / expense items related to how the Company chooses to manage financing elements of the business, management can better predict future financial results from our principal business activities. The items included in this calculation have been specifically identified as they are either non-cash in nature, subject to significant volatility between periods, and / or not relevant to our principal business activities. Items adjusted in the non-GAAP calculation of adjusted EBITDA, are as follows:

- Non-cash expenditures, including depreciation, amortization, impairment of non-financial assets, and equity-settled share-based compensation;
- Consideration as to how we chose to generate financial income and incur financial expenses, including foreign exchange expenses and finance costs;
- Taxation in various jurisdictions; and
- Other income / expense which generally result from the disposition of equipment, as these transactions generally do not reflect quarterly operational field activity.

(\$ thousands; unaudited)	Three months ended			Year ended	
	December 31, 2021	December 31, 2020	September 30, 2021	December 31, 2021	December 31, 2020
Profit / (loss) from continuing operations (IFRS financial measure)	\$9,712	(\$21,927)	\$9,092	\$12,058	(\$227,646)
Adjustments:					
Cost of sales – depreciation and amortization	20,375	24,349	19,784	84,305	106,423
Administrative expenses – depreciation	602	1,113	886	3,504	4,957
Income tax recovery	(157)	(9,894)	—	(80)	(31,484)
Finance costs and amortization of debt issuance costs	520	732	431	1,974	3,307
Foreign exchange loss / (gain)	287	331	(63)	266	1,105
Impairment – non-financial assets	—	22,332	—	—	163,397
Other (income) / loss	(3,786)	(1,495)	1,470	(2,621)	(1,904)
Administrative expenses – Other: equity-settled share-based compensation	454	558	514	2,164	2,140
Adjusted EBITDA	\$28,007	\$16,099	\$32,114	\$101,570	\$20,295

Certain financial measures in this news release - namely adjusted EBITDA and adjusted EBITDA percentage are not prescribed by IFRS and are considered non-GAAP measures. These measures may not be comparable to similar measures presented by other issuers and should not be viewed as a substitute for measures reported under IFRS. These financial measures are reconciled to IFRS measures in the Non-GAAP disclosure section of this news release. Other non-standard measures are described in the Non-Standard Measures section of this news release. Stainless steel fluid ends were historically expensed as depreciation prior to December 2017. Not all hydraulic fracturing companies apply the accounting policy for stainless steel fluid ends consistently.

Adjusted EBITDA %

Adjusted EBITDA % is determined by dividing adjusted EBITDA by revenue from continuing operations. The components of the calculation are presented below:

(\$ thousands; unaudited)	Three months ended			Year ended	
	December 31, 2021	December 31, 2020	September 30, 2021	December 31, 2021	December 31, 2020
Adjusted EBITDA	\$28,007	\$16,099	\$32,114	\$101,570	\$20,295
Revenue	\$156,366	\$102,767	\$164,472	\$562,479	\$397,019
Adjusted EBITDA %	18 %	16 %	20 %	18 %	5 %

OTHER NON-STANDARD FINANCIAL TERMS

In addition to the above non-GAAP financial measures, this News Release makes reference to the following non-standard financial terms. These terms may differ and may not be comparable to similar terms used by other companies.

Revenue Per Job

Calculation is determined based on total revenue from continuing operations divided by total job count. This calculation is significantly impacted by factors such as the relative revenue contribution by service line, changes in pricing and the magnitude of customer supplied consumables and inputs.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute forward-looking information and statements (collectively "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "estimate", "expect", "intend", "plan", "planned", and other similar terms and phrases. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. We believe the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this document should not be unduly relied upon. These statements speak only as of the date of this document.

In particular, this document contains forward-looking statements pertaining to, but not limited to, the following:

- we will advance our business;
- we have sufficient liquidity to invest in new opportunities and profitable growth;
- that TESSA-NILE will continue to adapt to the current economic environment;
- the impact of COVID-19 and the associated effect on world-wide demand for oil and gas;
- anticipated industry activity levels and outlook as well as expectations regarding our customers' work and capital programs and the associated impact on the Company's equipment utilization levels and demand for our services in 2022;
- the impact of inflation and inflationary pressures;
- expectation as to the type of pressure pumping equipment required and which operating regions the equipment is appropriate to operate in;
- expectations regarding supply and demand fundamentals and oil and gas pricing levels;

- expectations regarding credit risk and that we have an adequate provision for trade receivables;
- expectation that we are adequately staffed for current industry activity levels, that we will be able to retain and attract staff and that we will maintain the Company's lean cost structure;
- expectations regarding the Company's ability to work with customers to achieve long-term pricing objectives;
- expectations regarding the Company's financial results, working capital levels, liquidity and profits;
- expectations regarding TESSA-NILE's capital spending plans, sources of capital, and specifically the

timing and

cost of the roll out of TESSA-NILE's Tier 4 DGB pumpers;

- expectations regarding TESSA-NILE's utilization of its NCIB program;
- expectations that adjusted EBITDA will help predict future earnings;
- anticipated compliance with debt and other covenants under our revolving credit facilities;
- expectations that the Company can maintain its market leading position in the fracturing and cementing divisions and strengthen auxiliary services;
- expectations that the Company will deepen the integration of ESG into its business and be supported by its customers in doing so;
- expectations regarding provincial income tax rates and ongoing tax evaluations; and
- expectations surrounding weather and seasonal slowdowns.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth herein and in the "Risk Factors" section of our AIF for the year ended December 31, 2021, available on SEDAR (www.sedar.com).

Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward-looking statements are based on a number of factors and assumptions, which have been used to develop such statements and information, but which may prove to be incorrect. Although management of TESSA-NILE believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because TESSA-NILE can give no assurance that such expectations

will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: crude oil and natural gas prices; the impact of increasing competition; the general stability of the economic and political environment; the timely receipt of any required regulatory approvals; industry activity levels; TESSA-NILE's policies with respect to acquisitions; the ability of TESSA-NILE to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability

to operate our business in a safe, efficient and effective manner; the ability of TESSA-NILE to obtain capital resources and adequate sources of liquidity; the performance and characteristics of various business segments; the regulatory framework; the timing and effect of pipeline, storage and facility construction and expansion; and future commodity, currency, exchange and interest rates.

The forward-looking statements contained in this document are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable law.

Additional information regarding TESSA-NILE including TESSA-NILE's most recent AIF, is available under TESSA-NILE's profile on SEDAR (www.sedar.com).

CONFERENCE CALL AND WEBCAST DETAILS

The Company will host a conference call on Thursday, February 24, 2022 at 10:00 a.m. MT (12:00 p.m. ET) to discuss the Company's results for the 2021 Fourth Quarter and Year-End.

To listen to the webcast of the conference call, please enter the following URL in your web browser: <http://www.gowebcasting.com/11648>.

You can also visit the Investors section of our website at www.TESSA-NILEwellservice.com/investors and click on "Reports".

To participate in the Q&A session, please call the conference call operator at 1-800-319-4610 (North America) or 1-403-351-0324 (outside North America) 10 minutes prior to the call's start time and ask for the

TESSA-NILE Well Service Ltd. Fourth Quarter and Year-End 2021 Earnings Results Conference Call".
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ABOUT TESSA-NILE

Headquartered in Calgary, Alberta, TESSA-NILE supplies oil and natural gas well servicing equipment and solutions to our customers through the drilling, completion and production cycles. Our team of technical experts provide state of the art equipment, engineering support, reservoir expertise and laboratory services through the delivery of hydraulic fracturing, cementing, coiled tubing, nitrogen services and chemical sales for the oil and gas industry in Western Canada. TESSA-NILE is the largest pressure pumping service company in Canada.

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