Cathedral Energy Services announces amendments to its credit facility

/NOT FOR DISSEMINATION IN THE UNITED STATES OF AMERICA/

CALGARY, June 15, 2015 /CNW/ - Cathedral Energy Services Ltd. ("Cathedral") announces it has successfully negotiated certain amendments to its credit facility with The Bank of Nova Scotia and National Bank of Canada. The amended credit facility has less restrictive financial covenants than the prior facility and provides for credit availability of $60 million, representing a $25 million decrease from the prior credit facility. Cathedral elected to reduce the size of the credit facility based on current and projected liquidity needs and to reduce standby fees. The amended credit facility includes an accordion feature which provides for an increase of the credit facility by $35 million at the option of Cathedral and subject to approval of the syndicate of lenders. The credit facility matures in August, 2017, consistent with the duration of the prior facility.

The revised credit facility size, accordion feature and financial covenants amendments are expected to provide an optimal level of liquidity and financial flexibility during the current low-price commodity environment and support an acceleration of Cathedral's business when industry levels increase.

The financial covenants associated with the amended credit facility are as follows:

Quarter ending:	Maximum Funded Debt to EBITDA Ratio (previously 3.00:1)	Minimum Debt Service Ratio (previously 2.50:1)
September 30, 2015	3.75	2.00
December 31, 2015	4.75	1.25
March 31, 2016	4.25	1.75
June 30, 2016	3.75	2.25
September 30, 2016	3.50	2.50
December 31, 2016	3.00	2.50

Funded Debt to EBITDA and Debt Service Ratio are defined in accordance with the lending agreement and may not be equal to financial statement amounts.

As of March 31, 2015, the total drawn facility was $36.4 million, which included a $35 million term loan and $1.4 million in letters of credit with a Funded Debt to EBITDA ratio of 0.98:1 and a Debt Service Ratio of 6.71:1. As of the date hereof, Cathedral is in compliance with the terms and conditions of its credit facility.

FORWARD-LOOKING INFORMATION

This press release contains certain statements or disclosures relating to Cathedral that are based on the expectations of Cathedral as well as assumptions made by and information currently available to Cathedral which may constitute forward-looking information under applicable securities laws. In particular, statements related to projected liquidity needs and the revised agreement providing optimal level of liquidity and financial flexibility may contain forward-looking information. Many factors could cause the performance or achievement by Cathedral to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking information. Cathedral's Annual Information Form and other documents filed with securities regulatory authorities (accessible through the SEDAR website (www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference. Cathedral disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities laws.

Cathedral Energy Services Ltd. (the "Company" or "Cathedral"), based in Calgary, Alberta is incorporated under the Business Corporations Act (Alberta) and operates in the U.S. under Cathedral Energy Services Inc. The Company is publicly traded on the Toronto Stock Exchange under the symbol "CET". Cathedral, is a trusted partner to North American energy companies requiring high performance directional drilling services and dependable flowback and production testing solutions. We work in partnership with our customers to tailor our equipment and expertise to meet their specific geographical and technical needs. Our experience, technologies and responsive personnel enable our customers to achieve higher efficiencies and lower project costs. For more information, visit www.cathedralenergyservices.com.

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