

Ensign Comments on Trinidad Drilling Waiving its Shareholder Rights Plan; Reminds Shareholders to Tender their Shares Well in Advance of Nov. 27 Deadline

- *Ensign's all-cash offer for \$1.68 per Trinidad common share is the superior offer; represents an 11% premium over Precision Drilling's all-share proposed arrangement, based on the closing price of the common shares of Precision Drilling on the TSX as of November 22, 2018*
- *Shareholders encouraged to tender their shares ahead of the deadline on Tuesday, November 27 at 10:00 a.m. Toronto time. Shareholders are reminded that most financial intermediaries have earlier expiry deadlines for processing tenders*
- *Need help? Questions? Contact Kingsdale Advisors at 1-866-581-1514 or by e-mail at contactus@kingsdaleadvisors.com*

CALGARY, Nov. 22, 2018 /CNW/ - Ensign Energy Services Inc. (TSX:ESI) ("Ensign" or "We" or "Us" or the "Offeror") is pleased by today's announcement from Trinidad Drilling Ltd. ("Trinidad") that Trinidad will waive its shareholder rights plan in connection with Ensign's previously announced all-cash offer (the "Offer") to acquire all the issued and outstanding common shares of Trinidad for \$1.68 per share.

"Trinidad's decision to waive their poison pill option is an important step in this process for Ensign as it removes a barrier to completion in the form of an inappropriate dilutive defensive tactic and is in the best interest of Trinidad shareholders," said Bob Geddes, President & Chief Operating Officer of Ensign.

"As the deadline to tender nears, we're seeing growing support for our Offer. Trinidad shareholders recognize that our all-cash superior Offer is the best opportunity to unlock value and provides them with immediate value, flexibility and choice. We encourage shareholders to tender their shares today, well in advance of the November 27 deadline."

Shareholders are reminded that the deadline to tender to Ensign's superior all-cash Offer is 10:00 a.m. (Toronto time) on Tuesday, November 27, 2018. **Shareholders are, however, cautioned, that most brokers and financial intermediaries will have an earlier cut-off time. All Trinidad shareholders who have not yet tendered their common shares are urged to do so today.**

REASONS TO ACCEPT THE OFFER

We believe that our all-cash Offer remains compelling, and represents a clearly superior alternative to Precision's offer for Trinidad, for the following reasons:

- **Ensign's Offer is Far Superior to the Inferior Precision Offer.** Ensign's cash Offer of \$1.68 per share represents a 14% premium to the implied value of the Inferior Precision Offer, based on the 10-day volume weighted average price of the Precision Shares on the TSX as of November 22, 2018. Holders of Common Shares of Trinidad ("Trinidad Shareholders") are also reminded that the trading price of the Precision Shares has declined by as much as 30% since October 4, 2018, the day before the Inferior Precision Offer was announced, and underscores the certainty of value Ensign's cash Offer represents in volatile market conditions.
- **The Inferior Precision Offer is not in the best interest of Shareholders.** Shareholders will be exposed to the risks of increased financial leverage. Rising interest rates could be detrimental to a combined Precision/Trinidad entity's ability to service debt and would negatively

affect its free cash flow and, consequently, its share price.

- **The Inferior Precision Offer benefits current Precision shareholders at the expense of Shareholders.** Precision and Trinidad have negotiated a coercive Break Fee which imposes a cost of \$20 million on Trinidad (and any alternative acquiror of Trinidad including Ensign even without an increase in the Offer) so no other offers other than the Inferior Precision Offer are likely to emerge.
- **Ensign Premium to Market Price.** The Offer price of \$1.68 per Common Share represents approximately a 20% premium to the volume weighted average price of the Common Shares on the TSX for the trading days between August 1, 2018 through August 10, 2018, after Trinidad announced on August 1, 2018 the end of its strategic review process.
- **Full and Fair Value for Trinidad Shareholders.** The Offer price represents a premium value that fairly reflects the composition and performance of Trinidad's asset base. The Offer price represents an enterprise value of \$947 million which Ensign believes represents full and fair value for Shareholders.
- **Certainty of Value and Immediate Liquidity in a Volatile Market.** The standalone alternative of Trinidad is highly uncertain and relies on successful execution of key initiatives over a lengthy period of five years. Realization by Precision of synergies from their proposed acquisition of Trinidad is equally uncertain. If you tender to the Ensign Offer now you will receive your cash \$1.68 per share under the Ensign Offer as soon as next Wednesday November 28 upon the conditions to our Offer being met, eliminating that uncertainty and allowing you to reinvest your cash immediately.

Since the announcement of the Inferior Precision Offer on October 5, 2018, crude oil prices (West Texas Intermediate) have fallen by over 25%, further exhibiting the volatility of investments in the oilfield services sector and highlighting the potential of a prolonged industry downturn. Ensign's all-cash Offer provides Shareholders with certainty and liquidity in unstable markets.

- **Fully Financed.** The Offer is not subject to a financing condition. Ensign has secured, on a firm, committed basis, all of the financing required to fund the entire consideration payable for the Common Shares in connection with the Offer and the completion of a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, and, if required or if desirable in the view of Ensign, to refinance any or all existing Trinidad debt, as well as any or all Ensign debt.
- **High Likelihood of Completion.** Ensign is a highly credible counterparty with a proven track record of closing significant acquisitions, including its US\$510 million acquisition of the land drilling division of Rowan Companies, Inc. Moreover, Ensign has been granted early termination of the waiting period under the HSR Act with respect to the Offer, and Ensign expects the waiting period under the Competition Act to have expired by the Expiry Time.

TAKE ACTION NOW FOR ENSIGN'S FULLY FINANCED OFFER ALL-CASH PREMIUM OFFER

Trinidad shareholders are encouraged to tender their shares well in advance of the deadline of Tuesday, November 27, 2018 at 10:00 a.m. (Toronto time). For assistance in depositing Common Shares to the Offer, Trinidad shareholders should contact Kingsdale Advisors, the information agent and depositary for the Offer, at 1-866-581-1514 (North American Toll-Free Number) or +1-416-867-2272 (Outside North America) or via email at contactus@kingsdaleadvisors.com.

ABOUT ENSIGN

Ensign is a global leader in oilfield services, headquartered out of Calgary, Alberta, operating in Canada, the United States and internationally. We are one of the world's top land-based drilling

and well servicing contractors serving crude oil, natural gas and geothermal operators. Our premium services include contract drilling, directional drilling, underbalanced and managed pressure drilling, rental equipment, well servicing and production services. Please visit our website at www.ensignenergy.com.

Ensign's Common Shares are publicly traded through the facilities of the Toronto Stock Exchange under the trading symbol ESI.

This news release does not constitute an offer to buy or the solicitation of an offer to sell any of the securities of Ensign or Trinidad.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" and are prospective in nature. Forward-looking information is not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties that could cause actual results to differ materially from the future results expressed or implied by the forward-looking information. Often, but not always, forward-looking information can be identified by the use of forward-looking words such as "believes", "plans", "expects", "intends", "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information contained in this news release includes, but is not limited to, statements relating to the following items: expectations relating to the Offer and information concerning Ensign's plans for Trinidad in the event the Offer is successful; Ensign's views with respect to the Inferior Precision Offer and the superiority of the Offer to the Inferior Precision Offer; the satisfaction or waiver of the conditions to consummate the Offer; the benefits of the Offer; the results, effects and timing of the Offer and completion of any Compulsory Acquisition or Subsequent Acquisition Transaction (as such terms are defined in the Offer to Purchase and Circular); expectations regarding the availability of financing and the Offeror's plans for any refinancing transactions including, without limitation, any possible capital markets transactions, including debt offerings; expectations that there is a low likelihood of a competing offer and the belief that the Offer is a superior alternative to the risk of further declines in the price of the Common Shares if the Offer is not successful; the volatility of investments in the oilfield services sector and the potential of a prolonged industry downturn; the certainty and liquidity of Ensign's all-cash Offer in unstable markets; expectations regarding the process for obtaining regulatory approvals; the Offeror's intention to take up and pay for all of the Common Shares deposited under the Offer following the expiry, termination or waiver of the waiting period under Part IX of the *Competition Act* (Canada) even if a No-Action Letter has not been received; the tax treatment of Shareholders; intentions to delist the Common Shares and to cause Trinidad to cease to be a reporting issuer if permitted under applicable Law or to satisfy Trinidad's disclosure obligations using applicable Ensign public disclosure, if the Offeror determines it to be appropriate; and the completion of a Compulsory Acquisition or a Subsequent Acquisition Transaction.

Although Ensign believes that the expectations reflected in such forward-looking information are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking information, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results, performance or achievements of the Offeror or the completion of the Offer to differ materially from any future results, performance or achievements expressed or implied by such forward-looking information include, among other things, the ultimate outcome of any possible transaction between Ensign and Trinidad, including the possibility that Trinidad will not accept a transaction with Ensign or enter into discussions regarding a possible transaction, actions taken or not taken by Trinidad (including actions taken by Trinidad with respect to the Inferior Precision Offer), actions taken or not taken by security holders of Trinidad in respect of the Offer and the Inferior Precision Offer, actions taken or not taken by Precision and Precision security holders with respect to the Inferior Precision Offer, that the conditions of the Offer may not be satisfied or waived by Ensign at the expiry of the Offer period, the ability of the Offeror

to acquire 100% of the Common Shares through the Offer, the ability to obtain regulatory approvals and meet other closing conditions to any possible transaction, including any necessary shareholder approvals, potential adverse reactions or changes to business relationships resulting from the announcement, pendency or completion of the Offer transaction or any subsequent transaction, competitive responses to the announcement or completion of the Offer, costs and difficulties related to the integration of Trinidad's businesses and operations with Ensign's businesses and operations, the inability to obtain, or delays in obtaining, cost savings and synergies from the proposed transaction, uncertainties as to the impact of the completion of the Offer or any alternative or subsequent transaction on Ensign's earnings or cash flows that it expects, unexpected costs, liabilities, charges or expenses resulting from the proposed transaction, litigation relating to the proposed transaction and/or regulatory proceedings, the inability to retain key personnel, any changes in general market, economic and/or industry-specific conditions, commodity risk, industry risk, risks inherent in the running of the business of the Offeror or its affiliates, legislative or regulatory changes, Trinidad's structure and its tax treatment, competition in the oilfield services industry, financial leverage for additional funding requirements, capital requirements for growth, interest rates, dependence on skilled staff, labour disruptions, geographical concentration, credit risk, liquidity risk, changes in capital or securities markets and that there are no inaccuracies or material omissions in Trinidad's and Precision's publicly available information, and that neither Trinidad nor Precision has disclosed events which may have occurred or which may affect the significance or accuracy of such information. These are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of Ensign's forward-looking information. Other unknown and unpredictable factors could also impact its results. Many of these risks and uncertainties relate to factors beyond Ensign's ability to control or estimate precisely. Consequently, there can be no assurance that the actual results or developments anticipated by Ensign will be realized or, even if substantially realized, that they will have the expected consequences for, or effects on, Ensign, its future results and performance.

Forward-looking information in this news release is based on Ensign's beliefs and opinions at the time the information is given, and there should be no expectation that this forward-looking information will be updated or supplemented as a result of new information, estimates or opinions, future events or results or otherwise, and Ensign disavows and disclaims any obligation to do so except as required by applicable Law. Nothing contained herein shall be deemed to be a forecast, projection or estimate of the future financial performance of Ensign or any of its affiliates, Trinidad, Precision or any new combined Trinidad-Precision entity.

Unless otherwise indicated, the information concerning Trinidad and Precision contained herein has been taken from or is based upon publicly available information filed by Trinidad and Precision and other publicly available documents and records on file with the securities regulatory authorities and other public sources available as at November 22, 2018. Although Ensign has no knowledge that would indicate that any statements contained herein relating to Trinidad or Precision, taken from or based on such documents and records are untrue or incomplete, neither Ensign nor any of their respective officers or directors assumes any responsibility for the accuracy or completeness of such information, or for any failure by Trinidad or Precision to disclose events or facts that may have occurred or which may affect the significance or accuracy of any such information, but which are unknown to Ensign.

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CNW 18:34e 22-NOV-18