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New West Energy Services Inc. Announces Its Second Quarter Results

CALGARY, ALBERTA -- (Marketwire – December 22, 2016) - **New West Energy Services Inc.** (TSX Venture : NWE.V) (the "Corporation") is pleased to announce the financial results for the Corporation for its second quarter ended October 31, 2016.

HIGHLIGHTS

Operational and Financial Results for the second quarters ended October 31, 2016 and 2015:

- Revenue of \$1.59 million (2015 - \$2.61 million).
- Gross margin of \$283K (2015 - \$666K).
- Net loss from operations of \$786K (2015 - net loss of \$549K).
- Loss per share (basic and diluted) of \$0.007 (2015 - \$0.006).
- EBITDA was a negative \$414K (2015 was a negative \$159K). This calculation is a non-IFRS measure.
- Current liabilities were \$2.98 million (2015 - \$3.39 million) and long term liabilities were \$1.84 million (2015 - \$2.47 million).
- The Corporation is continuing to actively pursue an acquisition or merger which will strengthen the Corporation and position it for growth as activity levels increase.
- Subsequent to the quarter end, activity levels have increased and Management expects a strong winter drilling season.

Company Developments:

During the quarter, the Corporation continued to lower costs and has received an unsecured loan from a director of the Corporation in the amount of \$265,000 payable on demand at an interest rate of 9%. For the six months ended October 31, 2016, a total of \$565,000 has been received by the Corporation from the same director on the same terms. All these loans have been used for general working capital. Subsequent to the quarter end, an additional \$500,000 of unsecured loans from the same director have been received for the purpose of general working capital. The Corporation does not anticipate the director will seek repayment of any of the loans in a manner that would prejudice the Corporation's financial position.

The Corporation engaged PwC Corporate Finance, which specializes in providing M&A related advisory services, as its exclusive advisor to assist with target identification, valuation analysis, structuring and negotiations. The Corporation is actively pursuing strategic acquisition opportunities.

OUTLOOK AND STRATEGY

The Corporation has a solid client base and has been successful in leveraging this client base to include the new diversified services being offered in the production and maintenance sectors of the oil and gas industry. Activity levels have increased substantially since the end of the last quarter and management expects a material increase in utilization of its equipment over the current winter season.

OVERVIEW

Through its subsidiaries, the Corporation operates a fleet of straight, combo and hydro vac trucks as well as end dumps, water and tank trucks with bulk transport trailers and environmental services. The Corporation operates throughout Western Canada in the drilling, completions and production sectors of the oil and gas industry with its main service centres located in Beaverlodge and Medicine Hat with its head office in Calgary, Alberta.

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Except for the statements of historical fact contained herein, certain information presented herein constitutes forward-looking statements and/or information. The forward-looking statements and information contained in this press release are solely opinions and forecasts which are uncertain and subject to risks. Forward-looking statements and information include, but are not limited to, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such forward-looking statements and information are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties. Accordingly, readers are cautioned that the assumption used in the preparation of the forward-looking statements, although considered reasonable at the time of preparation may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements and information.

The forward-looking statements and information contained in this press release are made as of the date of this press release. Except as required by law, the Corporation disclaims any intention and assumes no obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise. Additionally, the Corporation undertakes no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters disclosed in this press release.