



NEWS RELEASE

**Cathedral Energy Services Ltd. Announces Upsize to Bought Deal Offering**

**CALGARY, AB, April 4, 2022 /CNW/ - Cathedral Energy Services Ltd. (TSX: CET) ("Cathedral" or the "Company")** is pleased to announce that it has amended the terms of its previously announced offering of Units (as defined below). Under the amended terms of the Bought Deal Offering (as defined below), a syndicate of underwriters led by Acumen Capital Finance Partners Limited (the "**Underwriters**") have agreed to purchase 32,858,000 Units (the "**Units**") from the treasury of the Company, at a price of \$0.70 per Unit (the "**Issue Price**") and offer them to the public by way of short-form prospectus for total gross proceeds of \$23,000,600 (the "**Offering**").

Each Unit will be comprised of one common share in the capital of the Company (a "**Common Share**") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**Warrant**"). Each Warrant will be exercisable to acquire one additional Common Share (a "**Warrant Share**") for a period of 12 months following the closing of the Offering (the "Closing") at an exercise price of \$0.85 per Warrant Share, subject to adjustment in certain events.

The Company has granted the Underwriters an option (the "Over-Allotment Option") to purchase up to such number of additional Units of the Company as is equal to 15% of the Units sold pursuant to the Offering at the Issue Price to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option shall be exercisable in whole or in part, at any time, and from time to time, for a period of 30 days following the Closing for any number of Units at a price equal to the Issue Price.

Total aggregate gross proceeds raised under the Offering, including proceeds raised from the exercise of the Over-Allotment Option, will be approximately \$26,450,690 if the Over-Allotment Option is exercised in full.

The Company plans to use the net proceeds from the offering for general corporate and working capital purposes (including to repay bank indebtedness) and to help fund future acquisitions.

Closing of the Offering is expected to occur on or about April 25, 2022, and is subject to a number of customary conditions, including, without limitation, receipt of all regulatory and stock exchange approvals. The Company will apply to list the Common Shares (including the Warrant Shares) and the Warrants to be issued in the Offering on the Toronto Stock Exchange ("**TSX**"), subject to customary listing conditions.

The Units will be offered by way of a short form prospectus in all of the provinces and territories of Canada, other than Quebec, and may also be offered on a private placement basis: (i) in the United States pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended, (the "**U.S. Securities Act**") and (ii) in such other jurisdictions as agreed by the Company and the Underwriters.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to, for the account or benefit of, U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) unless



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registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

## **ABOUT CATHEDRAL**

Cathedral Energy Services Ltd., based in Calgary, Alberta is incorporated under the Business Corporations Act (Alberta) and operates in the U.S. under Cathedral Energy Services Inc. Cathedral is publicly-traded on the TSX under the symbol "CET". Cathedral is a trusted partner to North American energy companies requiring high performance directional drilling services. 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](http://www.cathedralenergyservices.com)

## **FORWARD-LOOKING INFORMATION**

All information included in this press release, including any information as to the future financial or operating performance and other statements of Cathedral that express management's expectations or estimates of future performance, other than statements of historical fact, constitute forward-looking information or forward-looking statements within the meaning of applicable securities laws and are based on expectations, estimates and projections as of the date hereof. Forward-looking statements are included for the purpose of providing information about management's current expectations and plans relating to the future. Wherever possible, words such as "plans", "expects", "scheduled", "trends", "forecasts", "future", "indications", "potential", "estimates", "predicts", "anticipate", "to establish", "believe", "intend", "ability to", or statements that certain actions, events or results "may", "should", "could", "would", "might", "will", or are "likely" to be taken, occur or be achieved, or the negative of these words or other variations thereof, have been used to identify such forward-looking information. In this press release, forward looking information and statements relate to, among other things: the filing of the short form prospectus, the completion of the Offering, the exercise of the Over-Allotment Option, the listing of the Common Shares (including the Warrant Shares) and the Warrants on the TSX and the anticipated use of the net proceeds therefrom and the anticipated closing date of the Offering. The forward-looking events and circumstances discussed in this release may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including risks regarding the COVID-19 epidemic, conditions in the oil and gas and financial markets in Canada and the United States, market conditions, economic factors, geopolitical factors, management's ability to manage and to operate the business and the equity markets generally. Additional information regarding risks and uncertainties of the Company's business are contained under the heading "Risk Factors" in the Company's annual information form for the financial year ended December 31, 2021 and the Company's other public filings which are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The forward-looking information included in this news release is made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-



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looking information to reflect new information, future events or otherwise, except as required by applicable law.

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