

October 13, 2020
Calgary, Alberta

CATHEDRAL ANNOUNCES FUTURE MANAGEMENT RETIREMENT

Cathedral Energy Services Ltd. (TSX: CET) ("Cathedral" or the "Company") announces that its President, Chief Executive Officer and Interim Chief Financial Officer, P. Scott MacFarlane, has informed the Company that he intends to retire from the Company with a timeline of April 2021. Mr. MacFarlane has been with Cathedral as Chief Financial Officer or Chief Executive Officer for over 20 years and has been an instrumental part of the Company's growth during this time.

From 2001 to 2013, Mr. MacFarlane was the CFO of Cathedral. As CFO, Mr. MacFarlane played a central role in the Company's various acquisitions, divestures, debt and equity financings, and its transition to an income trust in 2002 and return to a corporation in 2009. In 2013, Mr. MacFarlane was appointed as Cathedral's CEO and remains in that role today. As CEO, his primary objectives were building an effective team, expanding Cathedral's presence within the U.S. market and advancing the Company's proprietary technology as a market differentiator. Mr. MacFarlane's focus on, and belief in the value of Cathedral's team, talent, and potential in industry innovation, characterized his tenure as both CFO and CEO.

From 2001 to 2014, the Company grew its annual revenue from \$23.4 million to a high of \$275.4 million prior to the energy industry downturn beginning in 2015. Despite challenging economic conditions, the Company posted \$120.3 million of revenue in 2019.

Today, the Company is a leading provider of directional and horizontal drilling services in the U.S. and Western Canadian markets. Underpinning Cathedral's *Better Performance Every Day* value proposition is an extremely proficient staff, as well as proprietary technology – *Fusion*[™], and soon to be commercially released *RapidFire*[™], Measurement-While-Drilling (MWD) platforms, and *nDurance*[™] line drilling motors that features the highly respected and industry leading *Claw*[™] series. Key to the development and commercialization of these proprietary technologies is Cathedral's internal Research and Development team combined with its significant equipment and resources necessary to develop, test and optimize new tools and features. Cathedral's most recent new MWD product, *RapidFire*[™], is a retrievable dual telemetry system capable of operating Electro Magnetic and mud pulse simultaneously and independently.

In 2020, under Mr. MacFarlane's leadership, the Company took a number of strategic actions to ensure its future viability in the face of the COVID-19 pandemic and extremely stressed global commodity prices, including several internal retrenchment measures together with both term extension and covenant relief under its senior debt facility.

Rod Maxwell, Cathedral's chairman stated: "The Board is grateful for Mr. MacFarlane's valued contributions over the years. Scott has proven himself as a respected executive leader and played a key role in the Company reaching a number of milestones, including its growth as a small public company, numerous successful syndicated debt and public equity financings, corporate transition from income trust to corporation, established presence in the U.S. and Canadian energy services markets, onboarding of proprietary technology solutions for Cathedral's clients and adept navigation during times of challenging economic conditions in the North American energy industry in 2016 (including paying off all of the Company's senior debt by 2017) and again in 2020 due to the COVID-19 pandemic."

The Governance Committee of the Board has met to commence the process of identifying and recommending potential successors for the roles of CEO and CFO of the Company. Mr. MacFarlane will work with the Board to find a replacement CEO and CFO and facilitate an orderly transition.

NOT FOR DISSEMINATION IN THE UNITED STATES OF AMERICA

For further information, please contact P. Scott MacFarlane or Rod Maxwell:

P. Scott MacFarlane: SMacFarlane@cathedralenergyservices.com; 403.444.3534

Rod Maxwell: rodmaxwell@stonebridge.net; 403.216.2162

About Cathedral

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. 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.

FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. In particular, this news release contains forward-looking statements relating to, among other things, the potential timing of Mr. MacFarlane's retirement as well as implications about the future viability of the Company resulting from the cost-saving measures referenced herein. Various material factors and assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements. You are cautioned that the following list of material factors and assumptions is not exhaustive. Specific material factors and assumptions include, but are not limited to the performance of Cathedral's businesses, including current business and economic trends and oil and natural gas commodity prices and production levels. Forward-looking statements are not a guarantee of future performance and involve a number of risks and uncertainties some of which are described herein. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the risks identified in the Company's Annual Information Form under the heading "Risk Factors". Any forward-looking statements are made as of the date hereof and, except as required by law, the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement. Further information about the factors affecting forward-looking statements is available in the Company's current Annual Information Form and Annual Report which have been filed with Canadian provincial securities commissions and are available on www.sedar.com.