



DISCLOSURE AND CONFIDENTIALITY POLICY

Essential Energy Services Ltd. (the “Corporation” or “Essential”) is committed to providing timely, accurate and balanced disclosure of material information about the Corporation, consistent with statutory and regulatory requirements. Adherence to this policy will help the Corporation maintain credibility in the marketplace by ensuring that all investors in securities of the Corporation have equal access to information that may affect their investment decisions.

The following sets forth the disclosure policies and practices of the Corporation. The goal of this policy is to document the Corporation’s approach to disclosure and confidentiality of information and to promote compliance among the Board of Directors, senior management and employees of Essential and of all other entities which are part of the Corporation’s structure.

This policy covers disclosures made in documents filed with the securities commissions and stock exchanges, written statements made in the Corporation’s annual and quarterly reports, investor presentations, advertising and marketing literature, news releases, letters to shareholders, speeches by senior management and information contained on the Corporation’s website and other electronic communications. The policy extends to verbal statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as press conferences and conference calls and professional and industry conferences.

1. Designated Spokespersons

The President and Chief Executive Officer (the “CEO”) of the Corporation shall be responsible for communication with the media, investors and analysts. The CEO shall be the official spokesperson of the Corporation and all of its related entities. The CEO may, from time to time, designate others within the Corporation to speak on behalf of the Corporation, or to respond to specific inquiries from the investment community, or the media. Ordinarily, if the CEO is unavailable to respond or act as spokesperson of the Corporation, the Vice President, Finance or the Chief Financial Officer (“CFO”) will act as the designated spokesperson. As normal course, the Vice President, Finance will respond to day-to-day inquiries on the investor relations telephone line and the investor relations e-mail inbox. The CEO, CFO or Vice President, Finance shall consult with the Corporation’s legal counsel as each considers necessary in connection with this policy.

Specifically related to media inquiries related to an operational or safety incident, the CEO may designate any of the following individuals to act as a spokesperson: the Director, Essential Coil Well Service, the Vice President, Downhole Tools & Rentals, the General Manager, Tryton Tool Services or the Manager, Health, Safety and Environment.

Directors, officers and employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or other members of the public, and are prohibited from otherwise publicly communicating information about the Corporation or any of its related entities unless

specifically asked to do so by the CEO. All such inquiries shall be promptly referred to the CEO.

2. Responsibility for Electronic Communications

Officers and employees responsible for written public disclosures shall also be responsible for electronic communications. The Vice President, Finance shall be responsible for oversight of the website and is also specifically responsible for monitoring all financial information placed on the website to ensure that it is accurate, complete and up-to-date. Any material changes in information must be updated immediately. Disclosure on the website does not constitute adequate disclosure of information that is considered material non-public information. Therefore, any disclosures of material information on the website will be in conjunction with a news release.

The CEO or the CEO's designate shall be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this policy shall be disclosed in responding to electronic inquiries.

Employees are prohibited from participating in internet chat room, social networks or news group discussions on matters pertaining to the activities or securities of the Corporation or any of its related entities. Employees who encounter any negative discussions pertaining to the Corporation or any of its related entities should advise the CEO, CFO or Vice President, Finance immediately.

3. Material Information

Material information, as referenced in this policy, is any information relating to the business and affairs of the Corporation or any of its related entities that results in, or would reasonably be expected to result in, a significant change in the market price or value of securities of the Corporation or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions concerning securities of the Corporation. A good rule of thumb is that if the information would influence a decision to buy or sell securities of the Corporation, the information is probably material. If an employee is unsure whether or not information is material, they should immediately contact the CEO, CFO or Corporate Secretary of Essential before disclosing it to anyone. Listed below are some developments that may give rise to material information. This list is not intended to be all-inclusive:

- (a) Changes in corporate structure including a significant acquisition, disposition or merger;
- (b) Changes in capital structure including a new issue of securities or any other significant change in capital structure;
- (c) Changes in credit or other significant financing arrangements;
- (d) Changes in expected financial results including any material change in accounting policies; or
- (e) Changes in business and operations resulting from major events or incidents.

4. Principles of Disclosure of Material Information

In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the following basic disclosure rules will be observed:

- (a) Material information will be publicly disclosed immediately, unless it is determined by the CEO that such disclosure would be unduly detrimental to the interests of the Corporation, as per the guidance in section 5 below.
- (b) Disclosure must include any information which, if omitted, would make the rest of the disclosure misleading.
- (c) Unfavorable material information must be disclosed as promptly and completely as favorable material information.
- (d) Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person, it must be generally disclosed immediately by news release.
- (e) Disclosure must be updated if earlier disclosure has become misleading as a result of intervening events.

5. When Information May Be Kept Confidential

Where the immediate disclosure of material information concerning the business and affairs of the Corporation would be unduly detrimental to the interests of the Corporation, its disclosure may be delayed and kept confidential temporarily. Keeping information confidential can only be justified where the potential harm to the Corporation or to investors caused by immediate disclosure may reasonably be considered to outweigh the undesirable consequences of delaying disclosure. Examples of circumstances in which disclosure of material information might be unduly detrimental to the interests of the Corporation include:

- (a) Where the release of information would prejudice the ability of the Corporation to pursue specific and limited objectives or to complete a transaction or series of transactions that are underway.
- (b) Where the disclosure of the information would provide competitors with confidential corporate information that would be of significant benefit to them.
- (c) Where the disclosure of information concerning the status of ongoing negotiations would prejudice the successful completion of those negotiations.

In these circumstances the CEO shall consult with the Corporation's legal counsel.

6. Insider Trading

Securities laws prohibit insider trading or tipping. Insider trading occurs when a director, officer or employee of Essential or of another entity within the Corporation's structure

trades in securities of the Corporation or other affected securities while possessing material non-public information. Tipping is when such director, officer or employee passes on material non-public information (“tips”) to someone else, who then uses the information to trade in the Corporation’s securities.

Refer to the Corporation’s Policy on Trading in Securities by Directors, Officers and Employees for further information on trading restrictions, trading windows and blackout periods.

7. News Releases

Once the CEO determines that a development is material, he will authorize the issuance of a news release, unless such development must remain confidential for a certain time, as per section 5 above. In such circumstances, appropriate control of the non-public material information will be enforced and such information must not be disclosed to anyone except as is necessary. Should material information be selectively disclosed to the public, a news release will be issued immediately in order to fully publicly disclose that information.

Prior to release, all news releases are to be reviewed by legal counsel, received and approved by at least one of either the CEO or CFO and by one non-executive director.

News releases will be disseminated through a news wire service that provides national simultaneous disclosure. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major national financial media and local media in areas where headquarters are located.

If the stock exchange listing the Corporation’s securities is open for trading at the time of a proposed announcement, prior notice will be provided where practicable to the market surveillance department of the exchange to enable a trading halt, if deemed necessary. If the announcement is issued outside of normal trading hours, market surveillance will be notified where practicable before the market opens.

8. Rumors

Provided it is clear that the Corporation and its related entities are not the source of the market rumor, spokespersons will consistently respond to any inquiries about market rumors by saying “It is our policy not to comment on market rumors or speculation.” Should a stock exchange or a securities regulatory authority request that a definitive statement be issued in response to a market rumor that is causing significant volatility in the share price, the CEO will consider the matter and determine and authorize an appropriate response.

9. Forward-Looking Information

The Corporation may, from time to time, release forward-looking information with respect to expected earnings, cash flow projections, pricing and profit margins, plans for new projects, significant developments and projected demand or market potential, to enable the investment community to better evaluate the Corporation and its prospects. The Corporation will not disclose significant data, and in particular financial information or earnings forecasts which would be material information, to analysts or investors unless such data or information had been publicly disseminated.

If forward-looking information is provided in a disclosure document, it will be clearly identified as such and meaningful cautionary language will be included warning investors that the information is a forward-looking statement and the factors or assumptions that were used in making the forward-looking statement and the factors that could cause actual results to differ materially. Forward-looking statements will also be accompanied by a statement that disclaims the Corporation's intention or obligation to update or revise same, whether as a result of new information, future events or otherwise, unless the Corporation is otherwise required to do so under relevant securities laws. Notwithstanding this disclaimer, where management believes any material forward-looking statement was materially inaccurate when given, or in light of subsequent events or circumstances becomes materially inaccurate, the Corporation shall take appropriate steps to update or correct such forward-looking information by appropriate means.

In case of a verbal forward-looking statement, the statement will be identified as such and the spokesperson will refer to the cautionary language included in written disclosure documents.

10. Contacts with Analysts and Investors

The Corporation recognizes that analysts are important for disseminating information to the investing public and play a key role in interpreting and clarifying existing public data, as well as providing investors with background information and details that cannot practically be put in public documents. Representatives of the Corporation (CEO, Vice President, Finance or CFO) may meet with analysts and investors on an individual or small group basis as needed, and will initiate contact or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this policy. The Corporation will provide only non-material information or publicly disclosed information to such analysts or investors and will provide the same detailed information that has been provided to analysts to individual investors who request it. Under no circumstances shall material non-public information be provided to any person (including, any member of the media or investment community) prior to general disclosure, except under the limited circumstances permitted by securities laws.

It is recognized that analyst disclosure does not constitute adequate disclosure of information that is considered material non-public information. If material information is to be announced at an analyst or shareholder meeting or press conference, its announcement must be in conjunction with a general public announcement via news release.

A review should be conducted after meeting with analysts, investors or the media to ensure that selective disclosure of previously undisclosed material information has not been made. If selective disclosure of undisclosed material information has been made, the Corporation will immediately halt trading in the Corporation's shares, if necessary, and disclose such information generally via news release.

Further, the Corporation recognizes that the redistribution of an analyst's report to people inside or outside of the Corporation risks being seen as endorsing that particular report. As a result, the Corporation will refrain from the general redistribution of analyst's reports to their employees or to people outside the Corporation, except to employees with a business reason to receive them and the Board of Directors.

11. **Reviewing Analyst Draft Reports and Models**

Except during a blackout period, it is the Corporation's policy to review, upon request, analysts' draft research reports or models. If requested, the Corporation will review the report or model for the purpose of identifying publicly disclosed factual information that may affect the report or model or pointing out inaccuracies or omissions with reference to publicly available information. It is also the Corporation's policy when analysts inquire with respect to the Corporation's earnings and/or cash flow estimates to restrict the response to: (i) an acknowledgement of what the current range of analysts' estimates is, and (ii) the questioning of an analyst's assumptions if such estimate is out of the current range. The Corporation will not confirm, provide guidance or attempt to influence, an analyst's opinions or conclusions either explicitly or implicitly.

12. **Conference Calls**

A quarterly conference call may be held with members of the investment community to discuss financial and operating results after or concurrently with the widespread dissemination of the news release announcing such results. Advance public notice of the date and time of the call will be given by news release and the call may be broadcast simultaneously via webcast over the internet. The media and individual investors may call a toll-free number or access the webcast over the internet and listen to the call on a real-time basis. A tape recording of the conference call will be made available for a period of two weeks following the call on either a toll-free number or an archived audio webcast on the internet. A debriefing will be held after the conference call and if such debriefing reveals a selective disclosure of previously undisclosed material information, the Corporation will immediately take any necessary action.

13. **Retention Period for Disclosure Material**

A file will be maintained by the CFO and/or the Corporate Secretary containing all public information about the Corporation, including continuous disclosure documents, news releases, transcripts or tape recordings of conference calls and debriefing notes.

The minimum retention period for material corporate information posted on the website shall be five years. Specifically, in addition to filings on SEDAR, news releases shall be kept for a period of five years; quarterly and annual reports for a period of five years.

14. **Social Media**

Social media sites refer to: Facebook, Twitter, Youtube, SlideShare, LinkedIn, a corporate blog, among others. Initial corporate participation on any social media site will be approved by the CEO and/or CFO. The Vice President, Finance is the authorized representative (the "Authorized Representative") of the Corporation responsible for posting information and monitoring the Corporation's social media sites. The CEO or CFO may designate other individual(s) as an Authorized Representative(s). The following guidelines must be adhered to:

Guidelines for Corporate Participation on Social Media Sites:

- (a) Only the Authorized Representatives may participate on social media sites on Essential's behalf.

- (b) Any material information must be disclosed by a news release first. A news release is the only approved method to disseminate material information under Canadian securities legislation. Social media sites may be used to re-iterate or refer to the news release, but only after any material information has been disseminated through a news release.
- (c) Third party reports must not be posted on social media sites without prior permission of the third party, proper disclaimers, and consideration of the implications of posting third party reports (i.e. obligation of the Corporation to correct the information if it becomes misleading, disclosure of both positive and negative reports). In general, posting of third party reports is discouraged.
- (d) “Tweets”, which are limited in the number of characters allowed, should contain a link to the full document to avoid a misleading excerpt.
- (e) Forward-looking information should be avoided unless a link to safe harbour language is provided.
- (f) Attention must be given to the synchronization of the distribution of information among the different sites.

Guidelines for Employees Participating on Social Media Sites:

- (a) Employees, with the exception of Authorized Representatives, are not authorized to hold themselves out as authorized representatives of Essential on social media sites.
- (b) Employees are prohibited from discussing corporate matters on social media sites and any other internet sites.
- (c) To the extent of their awareness, employees are requested to advise management of any negative discussions pertaining to the Corporation on social media sites.

15. Maintaining Confidentiality

Any employee privy to confidential information about the Corporation is prohibited from communicating such information to anyone else unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information to perform their duties, and such persons will be advised that the information is to be kept confidential.

Communication by email leaves a physical track of its passage that may be subject to later decryption attempts.

No material information should be disclosed by directors, officers or employees to outside parties except in the necessary course of business. Outside parties privy to undisclosed material information concerning the Corporation will be told that they must not divulge such information to anyone else, other than in the necessary course of business, and that they may not trade in securities of the Corporation until the information is generally disclosed.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

- (a) Confidential matters should not be discussed in places where the discussion may be overheard.
- (b) Confidential documents should not be read in public places and should not be discarded where others can retrieve them. Employees must use extra care if taking confidential information home to work on.
- (c) Transmission of documents by electronic means should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- (d) Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
- (e) Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who “need to know” in the necessary course of business.
- (f) All proprietary information, including computer programs and other records, remain the property of the Corporation and may not be removed, disclosed, copied or otherwise used except in the normal course of employment or with prior permission.

16. Communication and Enforcement

All directors, officers, divisional directors, general managers of the Corporation and its related entities, and employees who directly report to such personnel, or who otherwise may routinely come into possession of confidential information will be advised regularly of this policy and its importance and may be asked, through written or electronic declaration, that they understand their responsibilities under this policy and will comply with it.

Any director, officer, divisional director, general manager or employee who violates this policy may face disciplinary action up to and including termination of employment. Violation of this policy may also cause violation of certain securities laws. If it is discovered that securities laws have been violated, this matter may be referred to the appropriate regulatory authorities.

The Corporation will review this policy regularly to ensure that it is achieving its purpose. Based on the results of the review, this policy may be revised accordingly.

CERTIFICATION

I acknowledge that I have read and considered this Disclosure and Confidentiality Policy and I confirm that, to the best of my knowledge and belief, I am in compliance, and will continue to comply with the provisions thereof.

DATED this _____ day of _____, 20____.

[Print Name Here]

[Signature]