Q3 THIRD QUARTER INTERIM REPORT

For the Three and Nine Months Ended September 30, 2011

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2011	2010	Change	**2011**	2010	Change
(C$000s, except per share and unit data)	**($)**	($)	(%)	**($)**	($)	(%)
(unaudited)						
Financial						
Revenue	**440,491**	275,245	60	**1,047,355**	667,217	57
Operating income[1]	**126,527**	69,343	82	**262,464**	123,052	113
EBITDA[1]	**102,042**	70,764	44	**249,536**	123,375	102
Per share – basic	**2.33**	1.64	42	**5.72**	2.87	99
Per share – diluted	**2.30**	1.63	41	**5.62**	2.84	98
Net income attributable to the shareholders of Calfrac before foreign exchange losses (gains)	**69,017**	31,258	121	**120,708**	34,248	252
Per share – basic	**1.58**	0.72	119	**2.77**	0.80	246
Per share – diluted	**1.56**	0.72	117	**2.72**	0.79	244
Net income attributable to the shareholders of Calfrac	**47,381**	31,955	48	**108,530**	33,376	225
Per share – basic	**1.08**	0.74	46	**2.49**	0.78	219
Per share – diluted	**1.07**	0.74	45	**2.44**	0.77	217
Working capital (end of period)				**375,823**	177,561	112
Total equity (end of period)				**632,889**	485,280	30
Weighted average common shares outstanding (000s)						
Basic	**43,767**	43,076	2	**43,649**	43,037	1
Diluted	**44,337**	43,431	2	**44,436**	43,455	2
Operating (end of period)						
Pumping horsepower (000s)				**656**	481	36
Coiled tubing units (#)				**29**	28	4
Cementing units (#)				**23**	21	10

[1] Refer to "Non-GAAP Measures" on page 9 for further information.

As of January 1, 2011, Calfrac began preparing its interim consolidated financial statements and comparative information based on International Financial Reporting Standards (IFRS). Previously, the Company's financial statements were prepared in accordance with Canadian generally accepted accounting principles (GAAP).

CEO'S MESSAGE

I am pleased to present Calfrac's operating and financial highlights for the three and nine months ended September 30, 2011 and to discuss our prospects for the remainder of 2011 and beyond. During the third quarter, our Company:

> achieved record third-quarter revenue, EBITDA and net income resulting from high levels of pressure pumping activity in the unconventional oil and natural gas plays in western Canada and the United States;

> continued to remain active in the early-stage development of many emerging unconventional resource plays in North America;

> completed two Horn River Basin projects which included both fracturing and coiled tubing operations;

> announced a capital budget for 2012 of $271.0 million. It will further bolster Calfrac's fracturing, coiled tubing and cementing capacity and infrastructure and includes capital dedicated to funding the Company's ongoing proactive maintenance program for its equipment fleet; and

> increased its credit facilities with a syndicate of financial institutions from $175.0 million to $250.0 million and extended the term of these facilities to four years.

FINANCIAL HIGHLIGHTS

For the three months ended September 30, 2011, the Company recorded:

> record third-quarter revenue of $440.5 million versus $275.2 million in the comparable quarter of 2010, led by higher year-over-year activity in Canada, the United States, Russia and Latin America;

> operating income of $126.5 million versus $69.3 million in the comparable period in 2010, resulting primarily from strong activity and improved pricing in Canada and the United States, combined with a continued focus on cost control; and

> net income of $47.4 million or $1.07 per share diluted, including a largely unrealized $23.7 million foreign exchange loss related primarily to the translation of United States dollar-denominated intercompany debt held in Canada, compared to net income of $32.0 million or $0.74 per share diluted in the third quarter of 2010. After adjusting for this foreign exchange loss, net income in the third quarter of 2011 would have been $69.0 million or $1.56 per share diluted.

For the nine months ended September 30, 2011, the Company generated:

> record year-to-date revenue of $1.0 billion versus $667.2 million in the comparable period of 2010, led by higher year-over-year activity in all of Calfrac's operating divisions;

> operating income of $262.5 million versus $123.1 million in the comparable period in 2010, driven by strong financial performance in Canada and the United States; and

> net income of $108.5 million or $2.44 per share diluted, which included a $13.2 million foreign exchange loss ($0.28 per share diluted) of which a majority is unrealized, compared to net income of $33.4 million or $0.77 per share diluted in the first nine months of 2010.

OPERATIONAL HIGHLIGHTS

Canada

During the third quarter of 2011, well completion activity in western Canada reached record levels with a significant focus on the development of liquids-rich natural gas and oil formations. As a result, the Company's Canadian operations generated exceptional results, including record revenue and operating income. Service intensity continues to increase as exploration and production companies incorporate larger multi-well pad designs, longer horizontal well legs and a greater number of fractures in each wellbore. These industry trends are anticipated to continue.

In addition, Calfrac was involved in the early-stage development of a number of emerging oil and natural gas resource plays, such as in the Horn River Basin as well as the Duvernay shale and Alberta Bakken plays. Late in the second quarter, the Company deployed a large fracturing crew into the Horn River Basin to commence fracturing and coiled tubing operations on two projects. These projects were completed by the end of the third quarter and executed in accordance with the highest operating and safety standards. Calfrac's 2011 activity in the Horn River Basin was higher than in 2010 and the Company believes this unconventional resource play will provide additional demand for its services. Calfrac will continue to work closely with its customers and introduce new technologies to assist in improving the economics of emerging resource plays.

United States

The Company's United States operations recorded strong financial and operational performance in the third quarter driven by an expanded presence in the Marcellus and Bakken resource plays and robust activity in Arkansas and the Rocky Mountain region of Colorado. During the third quarter, the Company deployed a large fracturing crew into Pennsylvania based on its long-term minimum commitment contractual agreement with a large customer. As a result, three fracturing fleets are currently operating in the Marcellus shale play and the Company expects high utilization for this equipment based on its contract position combined with the strong overall demand for pressure pumping services in this region. Calfrac's United States operations were also preparing for the deployment of a third fracturing fleet into the Bakken play, which took place early in the fourth quarter. As a result, third-quarter costs increased due to hiring and training personnel for these new crews in advance of the delivery of equipment. Cost increases on certain products used in the Company's fracturing operations also contributed to a decline in operating margins. A portion of these cost increases is expected to be recovered in the future as they are passed on to our customers. Two of the Company's three fracturing crews operating in North Dakota are contracted under long-term minimum commitment contracts with one of the largest operators in this region.

Calfrac experienced strong demand for its services in all of its operating areas during the third quarter of 2011. An increasing number of the Company's customers in the Marcellus, Bakken and Fayetteville plays are adopting 24-hour operations and Calfrac expects this trend to continue. The Company recently commenced cementing operations in Pennsylvania to service the Marcellus shale play and has received very positive customer feedback in this expanding market. In addition, the Company has recently commenced coiled tubing operations in the Bakken play of North Dakota. Calfrac is optimistic about the future expansion opportunities for this service line in North Dakota and other operating regions in the United States.

Russia

Activity in Calfrac's Russian operations in the third quarter was consistent with the second quarter and with the Company's expectations based on the 2011 tender process. Calfrac is actively managing its operating cost structure to mitigate cost increases experienced in recent quarters and improve operating income. The Russian well service market is concentrated on the development of crude oil formations and is expected to drive improvement in the demand for the Company's services in Western Siberia.

Latin America

In Mexico, completions activity in the third quarter of 2011 continued to improve over the lows experienced in the second half of 2010 and the Company recently redeployed certain equipment to more active operating regions in Mexico. Deployment of Calfrac's innovative fluid systems into this market remains a top priority as it collaborates with its customers to enhance oil and natural gas production.

Cementing and coiled tubing activity in Argentina was consistent with the second quarter but is expected to improve in the fourth quarter. Producers in this market are dedicating significant resources towards the development of tight natural gas and shale gas reserves as well as several emerging tight oil plays. This anticipated future activity is expected to provide additional demand for Calfrac's service lines and the opportunity to commence fracturing operations in early 2012.

Calfrac commenced cementing operations in Colombia late in the third quarter and expects this region to provide growth opportunities in the future.

OUTLOOK AND BUSINESS PROSPECTS

Calfrac expects North American exploration and development activity to remain focused on unconventional natural gas and oil plays. The Company anticipates that the use of multi-well pads and 24-hour operations will become more prominent as producing companies strive to improve drilling and completion efficiencies in these plays. The recent shift towards multi-stage horizontal completions in oil and liquids-rich gas plays is expected to be a strong driver of future demand for the Company's services. Calfrac believes that completion strategies in oil and liquids-rich reservoirs, despite the advancements made in recent years, remain in the early stages of development and with improving technologies, the economics of these plays will continue to improve, resulting in increased activity levels well into the future.

The largest growth driver in the Company's Canadian operations has been completion activity in the unconventional light oil plays of western Canada, such as the Cardium, Viking and Bakken as well as emerging plays such as the Beaverhill Lake, Alberta Bakken and Slave Point. As these plays provide compelling returns at current commodity prices, fracturing and coiled tubing activity is expected to increase and provide improved commodity-based diversification for Calfrac's operations in western Canada.

Activity in the Montney and Deep Basin plays of northwest Alberta and northeast British Columbia is expected to remain high as these regions are amongst the most economic natural gas plays in North America. The Montney resource play has evolved into one of the preeminent natural gas reservoirs in North America with break-even economics at low commodity prices. The Company anticipates that activity in the Deep Basin will remain strong due to the high liquids content of certain zones and the recent development successes using multi-stage fracturing completions in horizontal wellbores. Emerging areas, such as the Duvernay shale and the Horn River Basin, could drive significant demand for Calfrac's services. Development activity in these basins is expected to increase substantially in 2012.

In the United States, Calfrac's expanded presence in the Marcellus and Bakken resource plays is expected to provide the foundation for significant future growth. The Company has experienced tremendous demand for its services in the Bakken oil shale play of North Dakota. Calfrac recently deployed its third fracturing crew and commenced coiled tubing operations in this region. Drilling and completion activity in this basin continues to increase using longer horizontal legs and a greater number of fractures per wellbore. Combined with the strength of crude oil prices, Calfrac anticipates this trend becoming a key growth area for the Company's United States operating division.

Calfrac recently deployed a third fracturing fleet into the Marcellus shale play. Two of the three crews are contracted to large producers under long-term minimum commitment agreements, with the other crew committed to one of these customers under a long-term right-of-first-call arrangement. The Marcellus play has evolved into one of the most prolific natural gas producing regions in the United States. Despite low natural gas prices, drilling and completion activity in this region is expected to remain strong and result in significant demand for the Company's fracturing services. Calfrac also recently introduced cementing operations into Pennsylvania providing another growth platform in the United States.

The Company has also expanded its presence in the emerging Niobrara oil shale play of northern Colorado and Wyoming. This region is being revitalized using multi-stage fracturing techniques in horizontal wellbores. Calfrac expects to deploy an additional fracturing spread into this region late in 2011.

Calfrac operates in Russia under a mix of annual and multi-year agreements and expects high utilization of its fracturing and coiled tubing fleets throughout the remainder of 2011. The Company operates five fracturing spreads and six coiled tubing units in this oil-focused market and plans to deploy a seventh coiled tubing unit later this year. Calfrac is optimistic that the stimulation of Russian natural gas wells will become more prominent. Given Russia's stature as one of the world's largest natural gas producers, Calfrac expects this trend to evolve as a long-term market opportunity. Calfrac also believes that the Russian market is poised to begin applying horizontal drilling and multi-stage completion technology to its various reservoirs, which would create additional future demand.

Activity in Mexico throughout the first nine months of 2011 continued to improve from the low levels experienced in the latter half of 2010, mainly due to the easing of Pemex budget constraints and a greater focus on completions activity. Calfrac is cautiously optimistic that activity will continue to improve with the strong price of crude oil acting as a stimulus for onshore development in Mexico. The Company recognizes the long-term potential of this region and will remain focused on providing new technology and improved efficiencies. However, Calfrac will continue to assess available long-term opportunities and plan its strategy accordingly.

The Company is encouraged by the development of a number of emerging tight sands and shale oil and gas opportunities in Argentina, which are expected to stimulate further oilfield activity. Horizontal drilling combined with multi-stage fracturing appears to have significant application in this emerging market. In response to this opportunity, Calfrac anticipates commencing fracturing operations in Argentina in the first half of 2012, supplementing its cementing and coiled tubing operations.

Consistent with the Company's geographical diversification strategy based on deploying its technology into selected international markets, Calfrac commenced cementing operations in the oil-focused Colombian market late in the third quarter of 2011. Exceptional service quality will be the foundation for future success in this market and this expansion will provide another platform for growth in Latin America.

Calfrac recently announced a capital budget for 2012 of $271.0 million. The capital program will focus on bolstering the Company's fracturing, coiled tubing and cementing capacity and infrastructure. In addition, certain capital will fund ongoing proactive maintenance as Calfrac expands its presence in the North American unconventional oil and natural gas markets. The 2012 capital budget for the Company's Canadian division is $88.0 million and includes the addition of approximately 79,000 hydraulic horsepower (HHP) to its fleet. An additional coiled tubing unit will also be constructed to expand Calfrac's presence in the growing Canadian deep coiled tubing market. Upon completion of the 2012 capital program, Calfrac's pumping capacity in Canada will be approximately 400,000 HHP, solidifying the Company's position as one of the largest fracturing service providers in this market. The United States division's 2012 capital budget is $183.0 million. This program includes the addition of approximately 132,000 HHP and support equipment, five cementing units and additional infrastructure to support the Company's expanded presence. Upon completion of the 2012 capital program, Calfrac's pumping capacity in the United States will be approximately 570,000 HHP.

In September 2011, Calfrac increased its credit facilities with a syndicate of financial institutions from $175.0 million to $250.0 million and extended the term to four years. The Company remains committed to prudently managing its business while maintaining a strong balance sheet and, as a result, is well-positioned to respond quickly to opportunities for accretive expansion of its business.

On behalf of the Board of Directors,

(Signed) **Douglas R. Ramsay**
Chief Executive Officer

November 1, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) for Calfrac Well Services Ltd. ("Calfrac" or the "Company") has been prepared by management as of November 1, 2011 and is a review of the financial condition and results of operations of the Company based on IFRS. Prior to 2011, the Company prepared its interim and annual financial statements in accordance with previous Canadian GAAP. All comparative financial information in this MD&A has been restated, where required, based on IFRS.

The focus of this MD&A is primarily a comparison of the financial performance for the three and nine months ended September 30, 2011 with the comparable periods of 2010. Due to the transition to IFRS, this MD&A should be read in conjunction with the interim consolidated financial statements for the three months ended March 31, 2011, the interim consolidated financial statements for the three and nine months ended September 30, 2011 as well as the audited consolidated financial statements and MD&A for the year end December 31, 2010.

Readers should also refer to the "Forward-Looking Statements" legal advisory at the end of this MD&A. All financial amounts and measures presented are expressed in Canadian dollars unless otherwise indicated. The definitions of certain non-GAAP measures used have been included on page 9.

CALFRAC'S BUSINESS

Calfrac is an independent provider of specialized oilfield services in Canada, the United States, Russia, Mexico, Argentina and Colombia, including hydraulic fracturing, coiled tubing, cementing and other well stimulation services.

The Company's reportable business segments during the first nine months of 2011 were as follows:

> The Canadian segment is focused on the provision of fracturing and coiled tubing services to diverse oil and natural gas exploration and production companies operating in Alberta, northeast British Columbia, Saskatchewan and southwest Manitoba. The Company's customer base in Canada ranges from large multi-national public companies to small private companies. Calfrac had combined hydraulic horsepower of approximately 256,000, 22 coiled tubing units and five cementing units which are used to support its coiled tubing operations in Canada at September 30, 2011.

> The United States segment provides pressure pumping services from operating bases in Colorado, Arkansas, Pennsylvania and North Dakota. The Company provides fracturing services to a number of oil and natural gas companies operating in the Piceance Basin of western Colorado, the Uintah Basin of northeast Utah and the Denver-Julesburg Basin centred in eastern Colorado and extending into southeast Wyoming, including the Niobrara oil play of northern Colorado. In addition, Calfrac provides fracturing and cementing services to customers operating in the Marcellus shale play in Pennsylvania and West Virginia as well as oil and natural gas companies operating in the Fayetteville shale play of Arkansas. In the fourth quarter of 2010, Calfrac commenced fracturing operations for several oil and natural gas companies in the Bakken oil shale play in North Dakota. At September 30, 2011, the Company deployed approximately 333,000 hydraulic horsepower and operated nine cementing units in its United States segment.

> The Company's Russian segment is focused on providing fracturing and coiled tubing services in Western Siberia. In the first nine months of 2011, the Company operated under a mix of annual and multi-year agreements signed with two of Russia's largest oil and natural gas producers. At September 30, 2011, the Company operated six coiled tubing units and deployed approximately 45,000 hydraulic horsepower forming five fracturing spreads in Russia.

> The Latin America segment provides pressure pumping services from operating bases in central and northern Mexico, central Argentina and east central Colombia. The Company provides fracturing and cementing services to a few customers operating in the Burgos field of northern Mexico and the Chicontepec field of central Mexico. In Argentina, the Company provides cementing and acidizing services to local oil and natural gas companies and commenced coiled tubing operations in November 2010. In September 2011, Calfrac commenced cementing operations in the Llanos basin of east central Colombia for local oil and natural gas companies. In its Latin America segment, the Company deployed approximately 22,000 hydraulic horsepower forming three fracturing spreads, nine cementing units and one coiled tubing unit at September 30, 2011.

CONSOLIDATED HIGHLIGHTS

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2011	2010	Change	**2011**	2010	Change
(C$000s, except per share amounts) (unaudited)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**440,491**	275,245	60	**1,047,355**	667,217	57
Operating income[1]	**126,527**	69,343	82	**262,464**	123,052	113
EBITDA[1]	**102,042**	70,764	44	**249,536**	123,375	102
Per share – basic	**2.33**	1.64	42	**5.72**	2.87	99
Per share – diluted	**2.30**	1.63	41	**5.62**	2.84	98
Net income (loss) attributable to the shareholders of Calfrac	**47,381**	31,955	48	**108,530**	33,376	225
Per share – basic	**1.08**	0.74	46	**2.49**	0.78	219
Per share – diluted	**1.07**	0.74	45	**2.44**	0.77	217
Working capital, end of period				**375,823**	177,561	112
Total assets, end of period				**1,333,426**	900,659	48
Long-term debt, end of period				**464,215**	276,705	68
Total equity, end of period				**632,889**	485,280	30

(1) Refer to "Non-GAAP Measures" on page 9 for further information.

2011 OVERVIEW

In the third quarter of 2011, the Company:

> achieved record third-quarter revenue of $440.5 million, an increase of 60 percent from the comparable quarter in 2010, driven primarily by strong growth in all of the Company's divisions;

> reported operating income of $126.5 million versus $69.3 million in the same quarter of 2010, an increase of 82 percent, mainly as a result of high levels of fracturing activity in western Canada and the United States; and

> reported net income attributable to the shareholders of Calfrac of $47.4 million or $1.07 per share, including a largely unrealized $23.7 million foreign exchange loss, compared to net income of $32.0 million or $0.74 per share in the third quarter of 2010, which included a foreign exchange gain of $1.5 million.

In the nine months ended September 30, 2011, the Company:

> increased revenue by 57 percent to over $1.0 billion from $667.2 million in the first nine months of 2010, primarily as a result of strong growth in all of Calfrac's operating divisions;

> reported operating income of $262.5 million versus $123.1 million in the same period of 2010, an increase of 113 percent, due to high levels of fracturing and coiled tubing activity in the unconventional natural gas and oil plays of western Canada, combined with strong United States fracturing activity in the Fayetteville and Marcellus shale natural gas plays and the Bakken oil play;

> reported net income attributable to the shareholders of Calfrac of $108.5 million or $2.44 per share, which included a foreign exchange loss of $13.2 million of which a majority is unrealized, compared to net income of $33.4 million or $0.77 per share in the same period of 2010, including the impact of a $0.6 million foreign exchange loss;

> incurred capital expenditures of $223.0 million, primarily to bolster the Company's fracturing operations;

> deployed a second and third large fracturing fleet into the Marcellus shale gas play in Pennsylvania and a second fracturing spread into the Bakken oil shale play in North Dakota;

> increased its credit facilities from $175.0 million to $250.0 million with a syndicate of financial institutions, and extended the term of these facilities to four years; and

> increased its period-end working capital by 112 percent over September 30, 2010 to $375.8 million at September 30, 2011.

NON-GAAP MEASURES

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, are considered non-GAAP measures. These measures have been described and presented in order to provide shareholders and potential investors with additional information regarding the Company's financial results, liquidity and ability to generate funds to finance its operations. These measures may not be comparable to similar measures presented by other entities, and are further explained as follows:

Operating income (loss) is defined as net income (loss) before depreciation, interest, foreign exchange gains or losses, gains or losses on disposal of capital assets and income taxes. Management believes that operating income is a useful supplemental measure as it provides an indication of the financial results generated by Calfrac's business segments prior to consideration of how these segments are financed or how they are taxed. Operating income was calculated as follows:

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s) (unaudited)	**($)**	($)	**($)**	($)
Net income	**47,285**	31,930	**108,299**	33,351
Add back (deduct):				
Depreciation	**21,897**	19,831	**64,461**	57,492
Interest	**8,739**	6,229	**26,436**	18,561
Foreign exchange losses (gains)	**23,720**	(1,523)	**13,244**	561
Loss (gain) on disposal of property, plant and equipment	**765**	102	**(316)**	(884)
Income tax expense	**24,121**	12,774	**50,340**	13,971
Operating income	**126,527**	69,343	**262,464**	123,052

EBITDA is defined as net income (loss) before interest, income taxes, depreciation and amortization. EBITDA is presented because it is frequently used by securities analysts and others for evaluating companies and their ability to service debt. EBITDA was calculated as follows:

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s) (unaudited)	**($)**	($)	**($)**	($)
Net income	**47,285**	31,930	**108,299**	33,351
Add back (deduct):				
Depreciation	**21,897**	19,831	**64,461**	57,492
Interest	**8,739**	6,229	**26,436**	18,561
Income tax expense	**24,121**	12,774	**50,340**	13,971
EBITDA	**102,042**	70,764	**249,536**	123,375

FINANCIAL OVERVIEW – THREE MONTHS ENDED SEPTEMBER 30, 2011 VERSUS 2010

Canada

Three Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational information) (unaudited)	**($)**	($)	(%)
Revenue	**230,011**	160,465	43
Expenses			
Operating	**138,364**	103,102	34
Selling, General and Administrative (SG&A)	**4,444**	3,890	14
	142,808	106,992	33
Operating income[1]	**87,203**	53,473	63
Operating income (%)	**37.9%**	33.3%	14
Fracturing revenue per job ($)	**160,649**	129,390	24
Number of fracturing jobs	**1,317**	1,122	17
Pumping horsepower, end of period (000s)	**256**	211	21
Coiled tubing revenue per job ($)	**23,819**	26,545	(10)
Number of coiled tubing jobs	**774**	576	34
Coiled tubing units, end of period (#)	**22**	22	–

(1) Refer to "Non-GAAP Measures" on page 9 for further information.

Revenue

Revenue from Calfrac's Canadian operations during the third quarter of 2011 was $230.0 million versus $160.5 million in the comparable three-month period of 2010. The 43 percent increase in revenue was primarily due to the completion of more and larger fracturing jobs in the Horn River, Montney, Cardium and Viking plays of western Canada combined with higher pricing. Higher coiled tubing activity in western Canada also contributed to the increase in revenue during the third quarter. The increase in revenue was offset partially by the completion of smaller coiled tubing jobs.

Operating Income

Operating income in Canada increased by 63 percent to $87.2 million during the third quarter of 2011 from $53.5 million in the same period of 2010. The increase in Canadian operating income was mainly due to higher overall fracturing and coiled tubing activity levels, improved pricing, and the completion of larger fracturing jobs in the unconventional oil and natural gas resource plays of western Canada.

United States

Three Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational and exchange rate information)	**($)**	($)	(%)
(unaudited)			
Revenue	**165,114**	83,603	98
Expenses			
Operating	**115,094**	59,331	94
SG&A	**3,729**	2,871	30
	118,823	62,202	91
Operating income[1]	**46,291**	21,401	116
Operating income (%)	**28.0%**	25.6%	9
Fracturing revenue per job ($)	**86,578**	67,777	28
Number of fracturing jobs	**1,851**	1,181	57
Pumping horsepower, end of period (000s)	**333**	203	64
Cementing revenue per job ($)	**29,985**	24,885	20
Number of cementing jobs	**162**	143	13
Cementing units, end of period (#)	**9**	7	29
C$/US$ average exchange rate[2]	**0.9800**	1.0391	(6)

(1) Refer to "Non-GAAP Measures" on page 9 for further information.
(2) Source: Bank of Canada.

Revenue

Revenue from Calfrac's United States operations increased during the third quarter of 2011 to $165.1 million from $83.6 million in the comparable quarter of 2010. The increase in United States revenue was due primarily to the commencement of fracturing operations in the Bakken play of North Dakota which began during the fourth quarter of 2010, combined with higher fracturing activity in the Marcellus shale formation in Pennsylvania and West Virginia and the Fayetteville shale play in Arkansas, as well as the impact of improved pricing. The Company also operated a larger fracturing fleet in North Dakota and Pennsylvania. In the second and third quarters of 2011, a second and a third large fracturing spread were deployed into each market, respectively. In addition, the Company commenced cementing operations in the Marcellus shale play late in the second quarter of 2011, which increased cementing activity and average job sizes. This increase was partially offset by lower fracturing activity in the Rocky Mountain region of Colorado and a 6 percent decline in the value of the United States dollar against the Canadian dollar.

Operating Income

Operating income in the United States was $46.3 million for the third quarter of 2011, an increase of $24.9 million from the comparative period in 2010. The significant increase in operating income was primarily due to higher equipment utilization in the Bakken oil shale play in North Dakota and the Marcellus natural gas shale play of Pennsylvania and West Virginia. In addition, improved pricing combined with the completion of larger fracturing jobs augmented operating income in the United States during the third quarter of 2011. These factors were offset partially by personnel expenses related to the deployment of an additional fracturing fleet in the Marcellus resource play during the third quarter and in North Dakota which occurred in early October, higher product costs in the Bakken play of North Dakota and the impact of the 6 percent depreciation of the United States dollar.

Russia

Three Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational and exchange rate information)	**($)**	($)	(%)
(unaudited)			
Revenue	**29,233**	21,878	34
Expenses			
Operating	**24,439**	15,320	60
SG&A	**1,449**	1,374	5
	25,888	16,694	55
Operating income[1]	**3,345**	5,184	(35)
Operating income (%)	**11.4%**	23.7%	(52)
Fracturing revenue per job ($)	**114,816**	77,702	48
Number of fracturing jobs	**195**	184	6
Pumping horsepower, end of period (000s)	**45**	45	–
Coiled tubing revenue per job ($)	**53,884**	42,354	27
Number of coiled tubing jobs	**127**	179	(29)
Coiled tubing units, end of period (#)	**6**	6	–
C$/rouble average exchange rate[2]	**0.0336**	0.0340	(1)

(1) Refer to "Non-GAAP Measures" on page 9 for further information.
(2) Source: Bank of Canada.

Revenue

During the third quarter of 2011, revenue from Russian the Company's operations increased by 34 percent to $29.2 million from $21.9 million in the corresponding three-month period of 2010. The increase was mainly due to the completion of larger fracturing and coiled tubing jobs combined with higher fracturing activity as a result of a larger equipment fleet deployed to Russia. This increase was offset slightly by lower coiled tubing activity.

Operating Income

Operating income in Russia in the third quarter of 2011 was $3.3 million compared to $5.2 million in the corresponding period of 2010. The decrease in operating income was primarily due to higher product expenses related to the provision of proppant and fracturing tubing for new operations in Western Siberia combined with mobilization costs to transport equipment and product inventory to remote locations before the winter freezing period.

Latin America

Three Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational and exchange rate information)	**($)**	($)	(%)
(unaudited)			
Revenue	**16,133**	9,299	74
Expenses			
Operating	**15,428**	11,196	38
SG&A	**1,121**	848	32
	16,549	12,044	37
Operating loss[1]	**(416)**	(2,745)	85
Operating loss (%)	**-2.6%**	-29.5%	91
Pumping horsepower, end of period (000s)	**22**	22	–
Cementing units, end of period (#)	**9**	8	13
Coiled tubing units, end of period (#)	**1**	–	–
C$/Mexican peso average exchange rate[2]	**0.0796**	0.0812	(2)
C$/Argentine peso average exchange rate[2]	**0.2246**	0.2595	(13)
C$/Colombia peso average exchange rate[2]	**0.0005**	0.0006	(17)

(1) Refer to "Non-GAAP Measures" on page 9 for further information.
(2) Source: Bank of Canada.

Revenue

Calfrac's Latin America operations generated total revenue of $16.1 million during the third quarter of 2011 versus $9.3 million in the comparable three-month period in 2010. For the three months ended September 30, 2011 and 2010, revenue generated through subcontractors was $3.2 million and $3.3 million, respectively. The increase in revenue was primarily due to higher fracturing activity in Mexico offset partially by the completion of smaller fracturing job sizes in Mexico, lower pricing and the depreciation of the Mexican and Argentine pesos versus the Canadian dollar.

Operating Loss

During the three months ended September 30, 2011 Calfrac's Latin America division incurred an operating loss of $0.4 million compared to a loss of $2.7 million in the comparative quarter in 2010. The improvement in operating performance was primarily due to improved fracturing margins in Latin America, offset slightly by the impact of the decline in the Mexican and Argentine pesos against the Canadian dollar.

Corporate

Three Months Ended September 30,	**2011**	2010	Change
(C$000s)	**($)**	($)	(%)
(unaudited)			
Expenses			
Operating	**1,635**	1,401	17
SG&A	**8,261**	6,569	26
	9,896	7,970	24
Operating loss[1]	**(9,896)**	(7,970)	24

[1] Refer to "Non-GAAP Measures" on page 9 for further information.

Operating Loss

The 24 percent increase in Corporate operating expenses from the third quarter of 2010 is mainly due to an increase in the number of personnel supporting the Company's significantly larger scale of operations, higher professional fees and a higher annual bonus provision. This increase was offset slightly by lower stock-based compensation expenses due mainly to a decrease in Calfrac's stock price.

Depreciation

For the three months ended September 30, 2011, depreciation expense increased by 10 percent to $21.9 million from $19.8 million in the corresponding quarter of 2010. The increase in depreciation expense is mainly a result of a larger fleet of equipment operating in North America and Russia offset partially by the depreciation of the United States dollar.

Foreign Exchange Losses or Gains

The Company recorded a foreign exchange loss of $23.7 million during the third quarter of 2011 versus a $1.5 million gain in the comparative three-month period of 2010. Foreign exchange gains and losses arise primarily from the translation of net monetary assets or liabilities that were held in United States dollars in Canada, Russia and Latin America. The majority of the Company's foreign exchange loss recorded in the third quarter of 2011 was attributable to the translation of United States dollar-denominated intercompany debt held in Canada. The value of the United States dollar at September 30, 2011 strengthened significantly against the Canadian dollar from the beginning of the quarter resulting in an unrealized foreign exchange loss related to this net indebtedness.

Interest

The Company's interest expense during the third quarter of 2011 increased from the comparable period of 2010 by $2.5 million to $8.7 million. This increase was primarily due to higher overall debt offset partially by lower interest expense related to the Company's senior unsecured notes resulting from the depreciation of the United States dollar and a slight decrease in borrowing rates.

Income Tax Expenses

The Company recorded an income tax expense of $24.1 million during the third quarter of 2011 compared to income tax expense of $12.8 million in the comparable period of 2010. The effective income tax rate for the three-month period ended September 30, 2011 was 34 percent versus 29 percent in the comparable quarter of 2010. The increase in total income tax expense was primarily due to significantly higher profitability in the United States. The effective tax rate increased mainly due to non-taxable unrealized foreign exchange losses incurred in Canada during the quarter.

SUMMARY OF QUARTERLY RESULTS

Three Months Ended	Dec. 31, 2009[1]	Mar. 31, 2010	June 30, 2010	Sept. 30, 2010	Dec. 31, 2010	Mar. 31, 2011	June 30, 2011	**Sept. 30 2011**
(unaudited)	($)	($)	($)	($)	($)	($)	($)	**($)**
Financial								
(C$000s, except per share data)								
Revenue	173,124	227,123	164,849	275,245	268,710	337,408	269,456	**440,491**
Operating income[2]	23,157	38,831	14,878	69,343	62,185	88,000	47,937	**126,527**
EBITDA[2]	23,398	40,974	11,637	70,764	62,464	96,897	50,597	**102,042**
Per share – basic	0.58	0.95	0.27	1.64	1.44	2.23	1.16	**2.33**
Per share – diluted	0.57	0.94	0.27	1.63	1.42	2.18	1.14	**2.30**
Net income (loss) attributable to the shareholders of Calfrac	864	11,701	(10,280)	31,955	16,126	49,078	12,071	**47,381**
Per share – basic	0.02	0.27	(0.24)	0.74	0.37	1.13	0.28	**1.08**
Per share – diluted	0.02	0.27	(0.24)	0.74	0.37	1.11	0.27	**1.07**
Capital expenditures	18,245	14,974	26,813	30,097	47,015	65,777	72,047	**85,130**
Working capital (end of period)	128,243	156,095	138,500	177,561	341,677	356,370	324,832	**375,823**
Total equity (end of period)	459,932	460,771	453,290	485,280	502,032	556,277	568,607	**632,889**
Operating (end of period)								
Pumping horsepower (000s)	456	465	472	481	481	530	584	**656**
Coiled tubing units (#)	28	28	28	28	29	29	29	**29**
Cementing units (#)	21	21	21	21	21	21	22	**23**

(1) As the Company's IFRS transition date was January 1, 2010, 2009 quarterly financial information has not been restated.
(2) Refer to "Non-GAAP Measures" on page 9 for further information

FINANCIAL OVERVIEW – NINE MONTHS ENDED SEPTEMBER 30, 2011 VERSUS 2010

Canada

Nine Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational information)	**($)**	($)	(%)
(unaudited)			
Revenue	**518,047**	346,279	50
Expenses			
Operating	**346,381**	241,323	44
SG&A	**11,525**	10,558	9
	357,906	251,881	42
Operating income[1]	**160,141**	94,398	70
Operating income (%)	**30.9%**	27.3%	13
Fracturing revenue per job ($)	**158,781**	121,575	31
Number of fracturing jobs	**2,984**	2,598	15
Pumping horsepower, end of period (000s)	**256**	211	21
Coiled tubing revenue per job ($)	**23,723**	28,651	(17)
Number of coiled tubing jobs	**1,865**	1,062	76
Coiled tubing units, end of period (#)	**22**	22	–

(1) Refer to "Non-GAAP Measures" on page 9 for further information.

Revenue

Revenue from Calfrac's Canadian operations during the first nine months of 2011 was $518.0 million versus $346.3 million in the comparable nine-month period of 2010. The 50 percent increase in revenue was primarily due to more and larger fracturing jobs in the unconventional natural gas resource plays of northern Alberta and northeast British Columbia and increased pricing combined with an increase in oil-related fracturing in the resource plays of Saskatchewan and west central Alberta. In addition, higher coiled tubing activity levels in western Canada also contributed to the revenue increase. The increase was offset partially by the completion of generally smaller coiled tubing jobs.

Operating Income

Operating income in Canada increased by 70 percent to $160.1 million during the first nine months of 2011 from $94.4 million in the same period of 2010. The increase in Canadian operating income was mainly due to higher overall fracturing and coiled tubing activity levels, improved pricing, the completion of larger fracturing jobs in the unconventional oil and natural gas resource plays of western Canada and a focus on controlling operating and SG&A expenses.

United States

Nine Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational and exchange rate information)	**($)**	($)	(%)
(unaudited)			
Revenue	**405,220**	217,322	86
Expenses			
Operating	**271,315**	165,655	64
SG&A	**9,988**	7,310	37
	281,303	172,965	63
Operating income[1]	**123,917**	44,357	179
Operating income (%)	**30.6%**	20.4%	50
Fracturing revenue per job ($)	**79,881**	63,976	25
Number of fracturing jobs	**4,943**	3,255	52
Pumping horsepower, end of period (000s)	**333**	203	64
Cementing revenue per job ($)	**24,173**	21,929	10
Number of cementing jobs	**429**	414	4
Cementing units, end of period (#)	**9**	7	29
C$/US$ average exchange rate[2]	**0.9778**	1.0358	(6)

(1) Refer to "Non-GAAP Measures" on page 9 for further information.
(2) Source: Bank of Canada.

Revenue

Revenue from Calfrac's United States operations increased during the first nine months of 2011 to $405.2 million from $217.3 million in the comparable period of 2010. The increase in United States revenue was due primarily to the commencement of fracturing operations in the Bakken play of North Dakota during the fourth quarter of 2010 combined with a larger equipment fleet and higher fracturing activity in the Marcellus shale formation in Pennsylvania and West Virginia and the Fayetteville shale play in Arkansas. The revenue increase was also a result of improved pricing and the completion of larger cementing jobs in Arkansas. It was partially offset by lower fracturing activity levels in the Rocky Mountain region of Colorado and a 6 percent decline in the United States dollar against the Canadian dollar.

Operating Income

Operating income in the United States was $123.9 million for the first nine months of 2011, an increase of $79.6 million from the comparative period in 2010. The significant increase in operating income was primarily due to a larger equipment fleet and high equipment utilization in the Bakken oil shale play in North Dakota and the Marcellus natural gas shale play of Pennsylvania and West Virginia. In addition, improved pricing combined with the completion of larger fracturing and cementing jobs increased operating income. These factors were offset partially by the impact of the depreciation of the United States dollar.

Russia

Nine Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational and exchange rate information)	**($)**	($)	(%)
(unaudited)			
Revenue	**85,367**	57,501	48
Expenses			
Operating	**71,416**	46,559	53
SG&A	**5,027**	3,451	46
	76,443	50,010	53
Operating income[1]	**8,924**	7,491	19
Operating income (%)	**10.5%**	13.0%	(19)
Fracturing revenue per job ($)	**110,382**	82,450	34
Number of fracturing jobs	**561**	450	25
Pumping horsepower, end of period (000s)	**45**	45	–
Coiled tubing revenue per job ($)	**53,279**	43,680	22
Number of coiled tubing jobs	**440**	467	(6)
Coiled tubing units, end of period (#)	**6**	6	–
C$/rouble average exchange rate[2]	**0.0340**	0.0342	(1)

(1) Refer to "Non-GAAP Measures" on page 9 for further information.
(2) Source: Bank of Canada.

Revenue

During the first nine months of 2011, the Company's revenue from its Russian operations increased by 48 percent to $85.4 million from $57.5 million in the corresponding nine-month period of 2010. The increase in revenue was mainly due to higher fracturing activity as a result of a larger equipment fleet deployed to Russia, combined with larger fracturing and coiled tubing job sizes. This was offset partially by lower coiled tubing activity.

Operating Income

Operating income in Russia in the first nine months of 2011 was $8.9 million compared to $7.5 million in the corresponding period of 2010. The increase in operating income was primarily due to the higher revenue base. This increase was offset partially by higher product expenses mainly due to the provision of proppant and fracturing tubing for new operations in Western Siberia.

Latin America

Nine Months Ended September 30,	**2011**	2010	Change
(C$000s, except operational and exchange rate information)	**($)**	($)	(%)
(unaudited)			
Revenue	**38,721**	46,115	(16)
Expenses			
Operating	**37,568**	46,153	(19)
SG&A	**2,546**	2,294	11
	40,114	48,447	(17)
Operating loss[1]	**(1,393)**	(2,332)	40
Operating loss (%)	**-3.6%**	-5.1%	29
Pumping horsepower, end of period (000s)	**22**	22	–
Cementing units, end of period (#)	**9**	8	13
Coiled tubing units, end of period (#)	**1**	–	–
C$/Mexican peso average exchange rate[2]	**0.0813**	0.0815	–
C$/Argentine peso average exchange rate[2]	**0.2298**	0.2622	(12)
C$/Colombia peso average exchange rate[2]	**0.0005**	0.0005	–

(1) Refer to "Non-GAAP Measures" on page 9 for further information.
(2) Source: Bank of Canada.

Revenue

Calfrac's Latin America operations generated total revenue of $38.7 million during the first nine months of 2011 versus $46.1 million in the comparable nine-month period in 2010. For the nine months ended September 30, 2011 and 2010, revenue generated through subcontractors was $7.7 million and $14.1 million, respectively.

In Mexico, overall oilfield activity in 2011 decreased significantly year-over-year due to Pemex budget constraints and resulted in lower pricing in this market. In addition, revenue in Mexico declined due to the completion of smaller fracturing and cementing job sizes combined with lower cementing activity.

Lower pricing and the completion of smaller cementing job sizes in Argentina as well as the depreciation of the Argentine peso versus the Canadian dollar also contributed to the decrease in Calfrac's Latin American revenue. This decrease was offset slightly by significantly higher Argentine cementing activity and the commencement of coiled tubing operations in this market during the fourth quarter of 2010.

Operating Loss

During the nine months ended September 30, 2011 Calfrac's Latin America division incurred an operating loss of $1.4 million compared to an operating loss of $2.3 million in the comparative period in 2010. This loss was primarily due to smaller fracturing job sizes in Mexico and smaller cementing job sizes in Latin America combined with the impact of the 12 percent decline in the Argentine peso. This decrease was offset partially by cost reduction measures implemented in Mexico as well as higher cementing and coiled tubing activity in Argentina.

Corporate

Nine Months Ended September 30,	**2011**	2010	Change
(C$000s)	**($)**	($)	(%)
(unaudited)			
Expenses			
Operating	**4,503**	3,702	22
SG&A	**24,622**	17,160	43
	29,125	20,862	40
Operating loss[1]	**(29,125)**	(20,862)	40

[1] Refer to "Non-GAAP Measures" on page 9 for further information.

Operating Loss

The 40 percent increase in Corporate operating expenses from the first nine months of 2010 is mainly due to an increase in the number of personnel supporting the Company's significantly expanded operations and revenue base combined with higher stock-based compensation and annual bonus expenses.

Depreciation

For the nine months ended September 30, 2011, depreciation expense increased by 12 percent to $64.5 million from $57.5 million in the corresponding period of 2010. The increase in depreciation expense is mainly a result of a larger fleet of equipment operating in North America and Russia offset partially by the depreciation of the United States dollar.

Foreign Exchange Losses or Gains

The Company recorded a foreign exchange loss of $13.2 million during the first nine months of 2011 versus a $0.6 million loss in the comparative nine-month period of 2010. Foreign exchange gains and losses arise primarily from the translation of net monetary assets or liabilities that were held in United States dollars in Canada, Russia and Latin America. The majority of the Company's foreign exchange loss recorded in the first nine months of 2011 was attributable to the translation of United States dollar-denominated intercompany debt held in Canada. The value of the United States dollar at September 30, 2011 appreciated significantly against the Canadian dollar from the beginning of the year, resulting in an unrealized foreign exchange loss related to this net indebtedness.

Interest

The Company's interest expense during the first nine months of 2011 increased from the comparable period of 2010 by $7.9 million to $26.4 million. This increase was primarily due to higher overall debt offset partially by the impact of the depreciation of the United States dollar on the translation of interest expense related to the Company's United States dollar-denominated senior unsecured notes.

Income Tax Expenses

The Company recorded an income tax expense of $50.3 million during the first nine months of 2011 compared to income tax expense of $14.0 million in the comparable period of 2010. The effective income tax rate for the nine months ended September 30, 2011 and 2010 was 32 percent and 30 percent, respectively. The increase in total income tax expense was primarily due to higher profitability in the United States, Canada and Russia but was offset partially by lower profitability in Latin America. The effective tax rate for the nine months ended September 30, 2011 was higher than in the comparable period in 2010 primarily due to the mix of earnings among tax jurisdictions in which Calfrac operates.

LIQUIDITY AND CAPITAL RESOURCES

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
C$000s) (unaudited)	**($)**	($)	**($)**	($)
Cash flows provided by (used in):				
Operating activities	**(331)**	55,383	**120,984**	77,636
Financing activities	**1,734**	(3,247)	**(1,834)**	10,612
Investing activities	**(84,597)**	(29,938)	**(219,543)**	(68,848)
Effect of exchange rate changes on cash and cash equivalents	**38,334**	(3,744)	**24,685**	(533)
Increase (decrease) in cash and cash equivalents	**(44,860)**	18,454	**(75,708)**	18,867

Operating Activities

The Company's cash flow provided by operating activities for the nine months ended September 30, 2011 was $121.0 million versus $77.6 million in the comparable period of 2010. This change was primarily due to improved activity and operating margins in Canada and the United States. At September 30, 2011, Calfrac's working capital was approximately $375.8 million, an increase of 10 percent from December 31, 2010. The Company reviewed its accounts receivable in detail at September 30, 2011 and 2010 and determined that a provision for doubtful accounts receivable totalling $1.1 million and $1.5 million, respectively, was adequate. The majority of this provision related to a customer that filed for Chapter 11 restructuring under United States bankruptcy law.

Financing Activities

Cash flow used in financing activities during the first nine months of 2011 was $1.8 million compared to cash flow provided by financing activities of $10.6 million in the comparable 2010 period. During the first quarter of 2011, the Company repaid the remaining US$4.3 million of its 2015 senior notes as well as $3.2 million of mortgages related to certain properties acquired in the acquisition of Century Oilfield Services Inc. in September 2009. This was offset partially by the issuance of Calfrac common shares, the sale of common shares in Denison Mines Corporation and the proceeds from a bank loan in Colombia.

On November 18, 2010, Calfrac completed a private placement of senior unsecured notes for aggregate principal of US$450.0 million due on December 1, 2020, which bear semi-annual interest of 7.50 percent per annum. The Company used the net proceeds of the offering to repay indebtedness, including the funding of the tender offer for its 7.75 percent senior notes due in 2015, as well as for general corporate purposes and to pay related fees and expenses.

On September 27, 2011, the Company increased its credit facilities with a syndicate of Canadian chartered banks from $175.0 million to $250.0 million and extended the term to four years. The facilities consist of an operating facility of $20.0 million and a syndicated facility of $230.0 million. The interest rate on the syndicated facility is based on the parameters of certain bank covenants. For prime-based loans, the rate ranges from prime plus 0.50 percent to prime plus 1.25 percent. For LIBOR-based loans and Bankers' Acceptance-based loans, the margin thereon ranges from 1.75 percent to 2.50 percent above the respective base rates for such loans. As of September 30, 2011, the Company had utilized $1.4 million of its syndicated facility for letters of credit, leaving $248.6 million in available credit.

Calfrac pays semi-annual dividends to shareholders at the discretion of the Board of Directors. Dividend payments were $3.3 million ($0.075 per share) for the nine months ended September 30, 2011 and $2.2 million ($0.05 per share) for the same period in 2010.

At September 30, 2011, the Company had cash and cash equivalents of $140.9 million. A portion of these funds was invested in short-term investments, which consisted primarily of an overnight money market fund invested with a member of the banking syndicate.

Investing Activities

For the nine months ended September 30, 2011, Calfrac's cash flow used in investing activities was $219.5 million versus $68.8 million for 2010. Capital expenditures were $223.0 million in the first nine months of 2011 compared to $71.9 million in the same period of 2010. Capital expenditures were primarily related to supporting the Company's fracturing operations throughout North America.

In March 2010, the Company acquired a non-controlling interest in one of its subsidiaries for approximately $2.0 million. The acquisition was considered a capital transaction and, accordingly, the amount was charged to retained earnings.

The effect of changes in foreign exchange rates on the Company's cash and cash equivalents during the first nine months of 2011 was an increase of $24.7 million versus a decrease of $0.5 million during the same period of 2010. These increases relate to cash and cash equivalents generated and held by the Company in a foreign currency.

With its strong working capital position, available credit facilities and anticipated funds provided by operating activities, the Company expects to have adequate resources to fund its financial obligations and planned capital expenditures for the remainder of 2011 and beyond.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares. Employees have been granted options to purchase common shares under the Company's shareholder-approved stock option plan. The number of shares reserved for issuance under the stock option plan is equal to a maximum of 10 percent of the Company's issued and outstanding common shares. As at October 31, 2011, there were 43,883,248 common shares issued and outstanding, and 3,200,350 options to purchase common shares.

Normal Course Issuer Bid

The Company has filed a Notice of Intention to make a Normal Course Issuer Bid with the Toronto Stock Exchange. Under the Normal Course Issuer Bid, the Company will be permitted to acquire up to approximately 3.2 million of its common shares during the period November 7, 2011 through November 6, 2012. Any shares acquired under the bid will be cancelled. A copy of the Notice of Intention to make a Normal Course Issuer Bid is available without charge on request to the Company's Corporate Secretary.

CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Calfrac has various contractual lease commitments related to vehicles, equipment and facilities as well as purchase obligations for products, services and capital assets as disclosed in the Company's 2010 annual consolidated financial statements.

Greek Legal Proceedings

As described in note 16 to the interim consolidated financial statements, the Company and one of its Greek subsidiaries are involved in a number of legal proceedings in Greece. Management regularly evaluates the likelihood of potential liabilities being incurred and the amounts of such liabilities after careful examination of available information and discussions with its legal advisors. Management is of the view that the assignment and indemnity referred to in note 16, together with the available defences to these proceedings, make it improbable that the Company will incur any financial liability in connection with these claims. Consequently, no provision has been recorded in the consolidated financial statements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

This MD&A is based on the Company's consolidated financial statements for the three and nine months ended September 30, 2011, which were prepared in accordance with IFRS. Management is required to make assumptions, judgments and estimates in the application of IFRS. Calfrac's significant accounting policies are described in note 2 to the unaudited interim consolidated financial statements for the three months ended March 31, 2011.

The preparation of the consolidated financial statements requires that certain estimates and judgments be made concerning the reported amount of revenue and expenses and the carrying values of assets and liabilities. These estimates are based on historical experience and management's judgment. The estimation of anticipated future events involves uncertainty and, consequently, the estimates used by management in the preparation of the consolidated financial statements may change as future events unfold, additional experience is acquired or the environment in which the Company operates changes. The accounting policies and practices that involve the use of estimates that have a significant impact on the Company's financial results include the allowance for doubtful accounts receivable, depreciation, the fair value of financial instruments, the carrying value of goodwill, income taxes, revenue recognition and stock-based compensation expenses.

Allowance for Doubtful Accounts Receivable

The Company performs ongoing credit evaluations of its customers and grants credit based on a review of historical collection experience, current aging status, financial condition of the customer and anticipated industry conditions. Customer payments are regularly monitored and a provision for doubtful accounts is established based on specific situations and overall industry conditions. In situations where the creditworthiness of a customer is uncertain, services are provided on receipt of cash in advance or services are declined. Calfrac's management believes that the provision for doubtful accounts receivable, which was $1.1 million at September 30, 2011, is adequate.

Depreciation

Depreciation of the Company's property and equipment incorporates estimates of useful lives and residual values. These estimates may change as more experience is obtained or as general market conditions change, thereby impacting the value of the Company's property and equipment.

Financial Instruments

Financial instruments included in the Company's consolidated balance sheet are cash and cash equivalents, accounts receivable, current liabilities, long-term debt and finance lease obligations.

The fair values of financial instruments included in the consolidated balance sheet, except long-term debt, approximate their carrying amounts due to the short-term maturity of those instruments. The fair value of the senior unsecured notes is based on the closing market price at the end-date of the reporting period. The fair values of the remaining long-term debt and finance lease obligations approximate their carrying values.

Goodwill

Goodwill represents an excess of the purchase price over the fair value of net assets acquired and is not amortized. The Company assesses goodwill at least annually. Goodwill is allocated to each operating segment, which represents the lowest level within the Company at which the goodwill is monitored for internal management purposes. The fair value of each operating segment is compared to the carrying value of its net assets. If a potential impairment is indicated, then it is quantified by comparing the carrying value of goodwill to its fair value. The offset would be charged to the consolidated statement of operations and retained earnings as goodwill impairment.

The Company completed its most recent annual assessment for goodwill impairment and determined there was none as at January 1, 2010 nor for the year ended December 31, 2010. There were no triggers nor indications of impairment that warranted an assessment of goodwill impairment for the nine months ended September 30, 2011.

Income Taxes

Future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement amounts of existing assets and liabilities and their respective tax bases. Estimates of the Company's future taxable income have been considered in assessing the utilization of available tax losses. The Company's business is complex and the calculation of income taxes involves many complex factors as well as the Company's interpretation of relevant tax legislation and regulations.

Revenue Recognition

Revenue is recognized for services upon completion provided it is probable that the economic benefits will flow to the Company, the sales price is fixed or determinable, and collectability is reasonably assured. These criteria are generally met at the time the services are performed and have been accepted by the customer.

Stock-Based Compensation

The fair value of stock options is estimated at the grant date using the Black-Scholes option pricing model, which includes underlying assumptions related to the risk-free interest rate, average expected option life, estimated forfeitures, estimated volatility of the Company's shares and anticipated dividends.

The fair value of the deferred stock units and performance stock units is recognized based on the market value of the Company's shares underlying these compensation programs.

CHANGE IN ACCOUNTING ESTIMATE

The Company has reviewed its estimates with respect to its property, plant and equipment components, respective useful lives and salvage values as a result of new information and more experience with the assets. The resulting revisions were adopted as a change in accounting estimate, effective January 1, 2011. It is impracticable to estimate the impact of the change in accounting estimate on future periods.

RECENT ACCOUNTING PRONOUNCEMENTS

IFRS 9 *Financial Instruments* was issued in November 2009 and contained requirements for financial assets. This standard addresses classification and measurement of financial assets and replaces the multiple category and measurement models in International Accounting Standard (IAS) 39 *Financial Instruments – Recognition and Measurement* for debt instruments with a new mixed-measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments, and such instruments are recognized either at fair value through profit or loss or at fair value through other comprehensive income. Where such equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent not clearly representing a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

In May 2011, the IASB issued the following standards, which have not yet been adopted by the Company: Each of the new standards is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

IFRS 10 *Consolidation* requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-1*2 Consolidation-Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.*

IFRS 11 *Joint Arrangements* requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in Joint Ventures*, and SIC-13, *Jointly Controlled Entities-Non-monetary Contributions by Venturers.*

IFRS 12 *Disclosure of Interest in Other Entities* establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13 *Fair Value Measurement* is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

In addition, there have been amendments to existing standards, including IAS 27, *Separate Financial Statements* (IAS 27), and IAS 28, *Investments in Associates and Joint Ventures* (IAS 28). IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13.

INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting that occurred during the most recent interim period ended September 30, 2011 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ADOPTION OF IFRS

Effective January 1, 2011, IFRS replaced the previous Canadian GAAP for profit-oriented Canadian publicly accountable enterprises. The Company had previously developed and implemented a project plan to assist with the conversion to IFRS, which included the following key elements:

> determine appropriate changes to accounting policies and required amendments to financial disclosure;

> identify and implement changes in associated processes and information systems;

> comply with internal control requirements; and

> educate and train internal and external stakeholders.

Analysis of Differences between IFRS and Previous Canadian GAAP

The Company completed its analysis of accounting policy alternatives for all areas potentially affecting the Company's consolidated financial statements. This analysis included assessing available exemptions under IFRS 1 *First-time Adoption of International Financial Reporting Standards* as well as any required system and process changes. The key areas where changes in accounting standards had a significant impact on the Company's consolidated financial statements are described below. The standard-setting bodies that promulgated previous Canadian GAAP and are promulgating IFRS have significant ongoing projects that could affect the ultimate differences between previous Canadian GAAP and IFRS and their impact on the Company's consolidated financial statements in future years. The future impacts of IFRS will also depend on the particular circumstances prevailing in those years. The differences described below are those based on previous Canadian GAAP and IFRS at September 30, 2011.

Most of the adjustments required upon transition to IFRS were made retrospectively against opening retained earnings as at January 1, 2010, which is the first comparative balance sheet, and throughout all periods presented. Transitional adjustments relating to those standards for which comparative figures are not required to be restated will only be made as of the date of transition, which is January 1, 2010.

Foreign Currency Translation

The concepts of integrated and self-sustaining foreign operations as described under previous Canadian GAAP do not appear in IAS 21 *The Effects of Changes in Foreign Exchange Rates*. Instead, IAS 21 focuses primarily on identifying the functional currency of the reporting entity and each of its foreign operations. An entity's functional currency is the currency of the primary economic environment in which it operates.

Under IAS 21, operations with a functional currency different from the reporting entity's are translated in a method similar to self-sustaining foreign operations under previous Canadian GAAP (referred to as the "current rate method" in the Canadian Institute of Chartered Accountants Handbook Section 1651).

The Company has determined that the functional currency of each of its foreign subsidiaries, with the exception of Cyprus, is different from the parent Company's. Calfrac's foreign subsidiaries in Russia, Mexico and Argentina that were translated using the temporal method under previous Canadian GAAP must be translated using the current rate method effective January 1, 2010. The adoption of this standard had a significant impact on the financial results of the Company, as gains and losses in translation for these foreign operations are now deferred and included under shareholders' equity as accumulated other comprehensive income rather than being included in the statement of income under previous Canadian GAAP. The adoption of this standard did not affect the foreign currency translation method of the Company's United States subsidiaries.

For the year ended December 31, 2010, the Company recorded a $4.1 million increase to foreign exchange losses on the statement of operations as a result of the change in the foreign currency translation method. Similarly, as at December 31, 2010, the cumulative translation adjustment loss decreased by $4.9 million.

Property, Plant and Equipment

IAS 16 *Property, Plant and Equipment* requires that each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item be depreciated separately. In addition, IAS 16 provides a choice between using a cost model and a revaluation model to measure the value of property, plant and equipment after its initial recognition. The revaluation model did not exist under previous Canadian GAAP. The adoption of IAS 16 did not have a significant impact on the Company as a componentized model had been adopted under previous Canadian GAAP.

Goodwill

Under IFRS, changes in the parent company's ownership interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. During 2010, the Company entered into a transaction to acquire the non-controlling interest in one of its subsidiaries. The transaction was accounted for as a step-acquisition under previous Canadian GAAP. As such, purchase accounting was used to ascribe fair values to the assets and liabilities acquired, with the remaining amount recorded as goodwill.

Under IFRS, the transaction is accounted for as a capital transaction as the Company had a change in ownership while retaining control over the subsidiary. Because the Company already controlled the subsidiary, any subsequent change in the ownership interest (while maintaining control) is recorded as a capital transaction. As such, any amounts previously recorded as goodwill are charged to retained earnings.

Income Taxes

Under IFRS, the tax benefit or cost of intercompany sales is recognized whereas the tax impact of these transactions was eliminated under previous Canadian GAAP. The Company had transactions with one of its subsidiaries in 2007 in which the previous Canadian GAAP treatment was followed. The tax effect of these transactions resulted in a $2.8 million charge to deferred taxes and tax expense for the year ended December 31, 2010.

Under IFRS, a deferred credit is not recorded for an acquisition when the tax attributes acquired are in excess of the proceeds paid. Under IFRS, the benefit related to these tax attributes is recorded through income at the time of the acquisition. Therefore, there was no deferred credit under IFRS. Under previous Canadian GAAP, the deferred credit was set up for the transaction and was drawn down during the first quarter of 2010 for $2.5 million.

IFRS 1

The Company has selected its transitional provisions available under IFRS 1, relating to business combinations, share-based payments and foreign currency translation, as follows:

(a) Business combinations – IFRS provides an elective transitional provision that allows entities to apply IFRS relating to business combinations and goodwill relating to foreign subsidiaries prospectively from the date of transition. The Company has elected to apply this exemption and concluded that its previous Canadian GAAP balances relating to business combinations entered into before that date, including goodwill, do not require any adjustments.

(b) Share-based payments – IFRS provides an elective transitional provision that allows entities not to apply IFRS relating to fully vested stock options at the date of transition. As such, previous Canadian GAAP balances relating to the Company's fully vested stock options at January 1, 2010 have been carried forward without adjustment. Full retrospective application of IFRS has been applied to non-fully-vested stock options at January 1, 2010.

(c) Foreign currency translation – IFRS provides an elective transitional provision allowing entities to reset the cumulative translation adjustment, which includes gains and losses arising from the translation of foreign operations, to zero at the date of transition to IFRS. The Company has elected to apply this exemption and the cumulative translation adjustment reset was $18.9 million with an offsetting decrease to opening retained earnings, as a result of the re-translation of the Company's foreign subsidiaries' non-monetary assets and liabilities using the rate of exchange at the balance sheet date versus the applicable historical rate.

The remaining IFRS 1 exemptions were not applicable or material to the preparation of the Company's consolidated balance sheet at the date of transition to IFRS on January 1, 2010.

BUSINESS RISKS

The business of Calfrac is subject to certain risks and uncertainties. Prior to making any investment decision regarding Calfrac, investors should carefully consider, among other things, the risk factors set forth in the Company's most recently filed Annual Information Form, which are specifically incorporated by reference herein.

The Annual Information Form is available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR), which can be accessed at www.sedar.com. Copies of the Annual Information Form may also be obtained on request without charge from Calfrac at 411 – 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1E3, or at www.calfrac.com, or by facsimile at 403-266-7381.

Seasonality of Operations

The Company's Canadian business is seasonal in nature. The lowest activity levels are typically experienced during the second quarter of the year when road weight restrictions are in place due to spring break-up weather and access to well sites in Canada is reduced (refer to "Business Risks – Seasonality" in the Company's Annual Report for the year ended December 31, 2010).

Foreign Exchange Fluctuations

The Company's consolidated financial statements are reported in Canadian dollars. Accordingly, the quarterly results are directly affected by fluctuations in the United States, Russian, Mexican, Argentine and Colombian currency exchange rates (refer to "Business Risks – Fluctuations in Foreign Exchange Rates" in the 2010 Annual Report).

Early Redemption of Senior Notes

The Company closed a private offering of US$450.0 million of 7.5 percent senior notes in November 2010, which will mature on December 1, 2020. The Company used a portion of the net proceeds to repay its outstanding indebtedness, including funding the tender offer for its 7.75 percent senior notes due in 2015 and its outstanding credit facilities. As a result of the redemption of US$230.7 million of the senior notes due in 2015, the Company incurred $22.7 million of refinancing costs during the fourth quarter of 2010. In the first quarter of 2011, the remaining US$4.3 million of 2015 senior notes were redeemed and Calfrac incurred $0.2 million of additional refinancing costs.

OUTLOOK

Calfrac expects North American exploration and development activity to remain focused on unconventional natural gas and oil plays. The Company anticipates that the use of multi-well pads and 24-hour operations will become more prominent as producing companies strive to improve drilling and completion efficiencies in these plays. The recent shift towards multi-stage horizontal completions in oil and liquids-rich gas plays is expected to be a strong driver of future demand for the Company's services. Calfrac believes that completion strategies in oil and liquids-rich reservoirs, despite the advancements made in recent years, remain in the early stages of development and with improving technologies, the economics of these plays will continue to improve, resulting in driving increased activity levels well into the future.

The largest growth driver in the Company's Canadian operations has been completion activity in the unconventional light oil plays of western Canada, such as the Cardium, Viking and Bakken as well as emerging plays such as the Beaverhill Lake, Alberta Bakken and Slave Point. As these plays provide compelling returns at current commodity prices, fracturing and coiled tubing activity is expected to increase and provide improved commodity-based diversification for Calfrac's operations in western Canada.

Activity in the Montney and Deep Basin plays of northwest Alberta and northeast British Columbia is expected to remain high as these regions are amongst the most economic natural gas plays in North America. The Montney resource play has evolved into one of the preeminent natural gas reservoirs in North America, with break-even economics at low commodity prices. The Company anticipates that activity in the Deep Basin will remain strong due to the high liquids content of certain zones and the recent development successes using multi-stage fracturing completions in horizontal wellbores. Emerging areas, such as the Duvernay shale and the Horn River Basin, could drive significant demand for Calfrac's services. Development activity in these basins is expected to increase substantially in 2012.

In the United States, Calfrac's expanded presence in the Marcellus and Bakken resource plays is expected to provide the foundation for significant future growth. The Company has experienced tremendous demand for its services in the Bakken oil shale play of North Dakota. Calfrac recently deployed its third fracturing crew and commenced coiled tubing operations in this region. Drilling and completion activity in this basin continues to increase using longer horizontal legs and a greater number of fractures per wellbore. Combined with the strength of crude oil prices, Calfrac anticipates this trend becoming a key growth area for the Company's United States operating division.

Calfrac recently deployed a third fracturing fleet into the Marcellus shale play. Two of the three crews are contracted to large producers under long-term minimum commitment agreements, with the other crew committed to one of these customers under a long-term right-of-first-call arrangement. The Marcellus play has evolved into one of the most prolific natural gas producing regions in the United States. Despite low natural gas prices, drilling and completion activity in this region is expected to remain strong and result in significant demand for the Company's fracturing services. Calfrac also recently introduced cementing operations into Pennsylvania providing another growth platform in the United States.

The Company has also expanded its presence in the emerging Niobrara oil shale play of northern Colorado and Wyoming. This region is being revitalized using multi-stage fracturing techniques in horizontal wellbores. Calfrac expects to deploy an additional fracturing spread into this region late in 2011.

Calfrac operates in Russia under a mix of annual and multi-year agreements and expects high utilization of its fracturing and coiled tubing fleets throughout the remainder of 2011. The Company operates five fracturing spreads and six coiled tubing units in this oil-focused market and plans to deploy a seventh coiled tubing unit later this year. Calfrac is optimistic that the stimulation of Russian natural gas wells will become more prominent. Given Russia's stature as one of the world's largest natural gas producer, Calfrac expects this trend to evolve as a long-term market opportunity. Calfrac also believes that the Russian market is poised to begin applying horizontal drilling and multi-stage completion technology to its various reservoirs, which would create additional future demand.

Activity in Mexico throughout the first nine months of 2011 continued to improve from the low levels experienced in the latter half of 2010, mainly due to the easing of Pemex budget constraints and a greater focus on completions activity. Calfrac is cautiously optimistic that activity will continue to improve with the strong price of crude oil acting as a stimulus for onshore development in Mexico. The Company recognizes the long-term potential of this region and will remain focused on providing new technology and improved efficiencies. However, Calfrac will continue to assess available long-term opportunities and plan its strategy accordingly.

The Company is encouraged by the development of a number of emerging tight sands and shale oil and gas opportunities in Argentina, which are expected to stimulate further oilfield activity. Horizontal drilling combined with multi-stage fracturing appears to have significant application in this emerging market. In response to this opportunity, Calfrac anticipates commencing fracturing operations in Argentina in the first half of 2012, supplementing its cementing and coiled tubing operations.

Consistent with the Company's geographical diversification strategy based on deploying its technology into selected international markets, Calfrac commenced cementing operations in the oil-focused Colombian market late in the third quarter of 2011. Exceptional service quality will be the foundation for future success in this market and this expansion will provide another platform for growth in Latin America.

Calfrac recently announced a capital budget for 2012 of $271.0 million. The capital program will focus on bolstering the Company's fracturing, coiled tubing and cementing capacity and infrastructure. In addition, certain capital will fund ongoing proactive maintenance as Calfrac expands its presence in the North American unconventional oil and natural gas markets. The 2012 capital budget for the Company's Canadian division is $88.0 million and includes the addition of approximately 79,000 HHP to its fleet. An additional coiled tubing unit will also be constructed to expand Calfrac's presence in the growing Canadian deep coiled tubing market. Upon completion of the 2012 capital program, Calfrac's pumping capacity in Canada will be approximately 400,000 HHP, solidifying the Company's position as one of the largest fracturing service providers in this market. The United States division's 2012 capital budget is $183.0 million. This program includes the addition of approximately 132,000 HHP and support equipment, five cementing units and additional infrastructure to support the Company's expanded presence. Upon completion of the 2012 capital program, Calfrac's pumping capacity in the United States will be approximately 570,000 HHP.

In September 2011, Calfrac increased its credit facilities with a syndicate of financial institutions from $175.0 million to $250.0 million and extended the term to four years. The Company remains committed to prudently managing its business while maintaining a strong balance sheet and, as a result, is well-positioned to respond quickly to opportunities for accretive expansion of its business.

ADVISORIES

Forward-Looking Statements

In order to provide Calfrac shareholders and potential investors with information regarding the Company and its subsidiaries, including management's assessment of Calfrac's plans and future operations, certain statements contained in this MD&A, including statements that contain words such as "anticipates", "can", "may", "could", "expect", "believe", "intend", "forecast", "will", or similar words suggesting future outcomes, are forward-looking statements. Forward-looking statements in this document include, but are not limited to, statements with respect to future capital expenditures, future financial resources, future oil and natural gas well activity, future costs or potential liabilities, outcome of specific events, trends in the oil and natural gas industry and the Company's growth prospects including, without limitation, its international growth strategy and prospects. These statements are derived from certain assumptions and analyses made by the Company based on its experience and interpretation of historical trends, current conditions, expected future developments and other factors that it believes are appropriate in the circumstances, including assumptions related to commodity pricing and drilling activity where the Company operates. Forward-looking statements are subject to a number of known and unknown risks and uncertainties that could cause actual results to differ materially from the Company's expectations. The most significant risk factors to Calfrac relate to prevailing economic conditions; the demand for fracturing and other stimulation services during drilling and completion of oil and natural gas wells; commodity prices; liabilities and risks, including environmental liabilities and risks inherent in oil and natural gas operations; changes in legislation and the regulatory environment; sourcing, pricing and availability of raw materials, components, parts, equipment, suppliers, facilities and skilled personnel; dependence on major customers; uncertainties in weather and temperature affecting the duration of the service periods and the activities that can be completed; and regional competition. Readers are cautioned that the foregoing list of risks and uncertainties is not exhaustive.

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and there can be no assurance that actual results or developments anticipated by the Company will be realized or that they will have the expected consequences or effects on the Company or its business or operations. The Company assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws.

Additional Information

Further information regarding Calfrac Well Services Ltd., including the most recently filed Annual Information Form, can be accessed on the Company's website at www.calfrac.com or under the Company's public filings found at www.sedar.com.

CONSOLIDATED BALANCE SHEETS

As at	**September 30, 2011**	December 31, 2010
(C$000s)	**($)**	($)
(unaudited)		
ASSETS		
Current assets		
Cash and cash equivalents	**140,896**	216,604
Accounts receivable	**303,130**	177,652
Income taxes recoverable	**2,658**	3,284
Inventories	**89,845**	58,221
Prepaid expenses and deposits	**12,010**	8,379
	548,539	464,140
Non-current assets		
Property, plant and equipment	**757,678**	588,759
Goodwill	**10,523**	10,523
Deferred income tax assets	**16,686**	32,179
Total assets	**1,333,426**	1,095,601
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**168,928**	116,315
Bank loan (note 4)	**1,331**	–
Current portion of long-term debt (note 5)	**486**	4,854
Current portion of finance lease obligations (note 6)	**1,971**	1,294
Non-current liabilities	**172,716**	122,463
Long-term debt (note 5)	**464,215**	443,346
Finance lease obligations (note 6)	**875**	2,515
Other long-term liabilities	**953**	1,062
Deferred income tax liabilities	**61,778**	24,183
Total liabilities	**700,537**	593,569
Equity attributable to the shareholders of Calfrac		
Capital stock (note 7)	**272,511**	263,490
Contributed surplus (note 8)	**21,949**	15,468
Loan receivable for purchase of common shares (note 15)	**(2,500)**	(2,500)
Retained earnings (note 3)	**335,111**	229,865
Accumulated other comprehensive income (loss)	**6,076**	(4,252)
	633,147	502,071
Non-controlling interest	**(258)**	(39)
Total equity	**632,889**	502,032
Total liabilities and equity	**1,333,426**	1,095,601

Contingencies (note 16)

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s, except per share data) (unaudited)	**($)**	($)	**($)**	($)
Revenue	**440,491**	275,245	**1,047,355**	667,217
Cost of sales (note 14)	**316,858**	210,181	**795,643**	560,883
Gross profit	**123,633**	65,064	**251,712**	106,334
Expenses				
Selling, general and administrative	**19,003**	15,552	**53,709**	40,774
Foreign exchange losses (gains)	**23,720**	(1,523)	**13,244**	561
Loss (gain) on disposal of property, plant and equipment	**765**	102	**(316)**	(884)
Interest	**8,739**	6,229	**26,436**	18,561
	52,227	20,360	**93,073**	59,012
Income before income tax	**71,406**	44,704	**158,639**	47,322
Income tax expense				
Current	**(956)**	620	**1,245**	1,654
Deferred	**25,077**	12,154	**49,095**	12,317
	24,121	12,774	**50,340**	13,971
Net income for the period	**47,285**	31,930	**108,299**	33,351
Net income (loss) attributable to:				
Shareholders of Calfrac	**47,381**	31,955	**108,530**	33,376
Non-controlling interest	**(96)**	(25)	**(231)**	(25)
	47,285	31,930	**108,299**	33,351
Earnings per share (note 7)				
Basic	**1.08**	0.74	**2.49**	0.78
Diluted	**1.07**	0.74	**2.44**	0.77

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s)	**($)**	($)	**($)**	($)
(unaudited)				
Net income for the period	**47,285**	31,930	**108,299**	33,351
Other comprehensive income (loss)				
Change in foreign currency translation adjustment	**13,868**	(2,239)	**10,340**	(1,102)
Comprehensive income for the period	**61,153**	29,691	**118,639**	32,249
Comprehensive income (loss) attributable to:				
Shareholders of Calfrac	**61,252**	29,725	**118,858**	32,290
Non-controlling interest	**(99)**	(34)	**(219)**	(41)
	61,153	29,691	**118,639**	32,249

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Equity Attributable to the Shareholders of Calfrac							
	Share Capital	Contributed Surplus	Loan Receivable for Purchase of Common Shares	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total	Non-Controlling Interest	**Total Equity**
(C$000s)	($)	($)	($)	($)	($)	($)	($)	**($)**
(unaudited)								
Balance – January 1, 2011	263,490	15,468	(2,500)	(4,252)	229,865	502,071	(39)	**502,032**
Net income for the period	–	–	–	–	108,530	108,530	(231)	**108,299**
Other comprehensive income (net of tax):								
Cumulative translation adjustment	–	–	–	10,328	–	10,328	12	**10,340**
	263,490	15,468	(2,500)	6,076	338,395	620,929	(258)	**620,671**
Stock options:								
Stock-based compensation recognized	–	6,158	–	–	–	6,158	–	**6,158**
Proceeds from issuance of shares	9,126	(1,988)	–	–	–	7,138	–	**7,138**
Shares cancelled (note 8)	(105)	105	–	–	–	–	–	**–**
Denison Plan of Arrangement (note 8)	–	2,206	–	–	–	2,206	–	**2,206**
Dividends	–	–	–	–	(3,284)	(3,284)	–	**(3,284)**
Balance – September 30, 2011	272,511	21,949	(2,500)	6,076	335,111	633,147	(258)	**632,889**
Balance – January 1, 2010	251,282	10,844	–	–	187,801	449,927	68	**449,995**
Net income for the period	–	–	–	–	33,376	33,376	(25)	**33,351**
Other comprehensive income (net of tax):								
Cumulative translation adjustment	–	–	–	(1,086)	–	(1,086)	(16)	**(1,102)**
	251,282	10,844	–	(1,086)	221,177	482,217	27	**482,244**
Stock options:								
Stock-based compensation recognized	–	4,383	–	–	–	4,383	–	**4,383**
Proceeds from issuance of shares	3,573	(726)	–	–	–	2,847	–	**2,847**
Acquisitions (note 12)	–	–	–	–	(2,041)	(2,041)	–	**(2,041)**
Dividends	–	–	–	–	(2,153)	(2,153)	–	**(2,153)**
Balance – September 30, 2010	254,855	14,501	–	(1,086)	216,983	485,253	27	**485,280**

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s)	**($)**	($)	**($)**	($)
(unaudited)				
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Net income for the period	**47,285**	31,930	**108,299**	33,351
Adjusted for the following:				
Depreciation	**21,897**	19,831	**64,461**	57,492
Stock-based compensation	**1,311**	1,491	**6,158**	4,383
Loss (gain) on disposal of property, plant and equipment	**765**	102	**(316)**	(884)
Interest	**8,739**	6,229	**26,436**	18,561
Deferred income taxes	**25,077**	12,154	**49,095**	12,317
Interest paid	**632**	(10,558)	**(18,070)**	(21,328)
Changes in items of working capital (note 13)	**(106,037)**	(5,796)	**(115,079)**	(26,256)
Cash flows provided by operating activities	**(331)**	55,383	**120,984**	77,636
FINANCING ACTIVITIES				
Bank loan proceeds	**1,162**	–	**1,258**	–
Issuance of long-term debt, net of unamortized debt issue costs	**(811)**	10,000	**(422)**	24,930
Long-term debt repayments	**(109)**	(13,729)	**(7,767)**	(14,105)
Finance lease obligation repayments	**(326)**	(307)	**(963)**	(906)
Denison Plan of Arrangement (note 8)	**–**	–	**2,206**	–
Net proceeds on issuance of common shares	**1,818**	789	**7,138**	2,846
Dividends	**–**	–	**(3,284)**	(2,153)
Cash flows provided by (used in) financing activities	**1,734**	(3,247)	**(1,834)**	10,612
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	**(85,130)**	(30,097)	**(222,954)**	(71,884)
Proceeds on disposal of property, plant and equipment	**533**	141	**3,389**	5,077
Acquisition (note 12)	**–**	18	**–**	(2,041)
Other	**–**	–	**22**	–
Cash flows used in investing activities	**(84,597)**	(29,938)	**(219,543)**	(68,848)
Effect of exchange rate changes on cash and cash equivalents	**38,334**	(3,744)	**24,685**	(533)
Increase (decrease) in cash and cash equivalents	**(44,860)**	18,454	**(75,708)**	18,867
Cash and cash equivalents, beginning of period	**185,756**	25,483	**216,604**	25,070
Cash and cash equivalents, end of period	**140,896**	43,937	**140,896**	43,937

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Nine Months Ended September 30, 2011

(Amounts in text and tables are in thousands of Canadian dollars, except share data and certain other exceptions as indicated) (unaudited)

1. DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND ADOPTION OF IFRS

Calfrac Well Services Ltd. (the "Company") was formed through the amalgamation of Calfrac Well Services Ltd. (predecessor company originally incorporated on June 28, 1999) and Denison Energy Inc. ("Denison") on March 24, 2004 under the Business Corporations Act (Alberta). The registered office is at 411 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1E3. The Company provides specialized oilfield services, including hydraulic fracturing, coiled tubing, cementing and other well completion services to the oil and natural gas industries in Canada, the United States, Russia, Mexico and Argentina.

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles as set out in the Canadian Institute of Chartered Accountants' (CICA) Handbook. In 2010, the CICA Handbook was revised to incorporate IFRS and require publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011. The Company's interim financial statements for the three months and nine months ended September 30, 2011 were prepared on this basis.

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (IAS) 34 *Interim Financial Reporting* and IFRS 1 *First-time Adoption of International Financial Reporting Standards* using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC). The accounting policies followed in these interim financial statements are the same as those applied in the Company's interim financial statements for the periods ended March 31, 2011 and June 30, 2011. Subject to certain transition elections disclosed in note 3, the Company has consistently applied the same accounting policies in its opening IFRS balance sheet at January 1, 2010 (which is the date of transition) and throughout all periods presented, as if these policies had always been in effect. Note 3 discloses the impact of the transition to IFRS on the Company's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Company's previous Canadian GAAP annual consolidated financial statements for the year ended December 31, 2010.

The policies applied in these interim consolidated financial statements are based on IFRS issued and outstanding as of September 30, 2011. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2011 could result in restatement of these interim consolidated financial statements, including the transition adjustments recognized upon adoption of IFRS.

These interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company's previous Canadian GAAP annual consolidated financial statements for the year ended December 31, 2010 and the Company's interim financial statements for the quarters ended March 31, 2011 and June 30, 2011, prepared in accordance with IFRS applicable to interim financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements follow the same accounting policies and methods of application as the March 31, 2011 and June 30, 2011 interim financial statements.

3. TRANSITION TO IFRS

As described in note 1, the Company has adopted IFRS effective January 1, 2010 ("the transition date") and has prepared its opening balance sheet as at that date. The Company's consolidated financial statements for the year ending December 31, 2011 will be the first annual financial statements that comply with IFRS. The Company has prepared its opening balance sheet by applying IFRS having effective dates of December 31, 2011 or prior.

The effect of the Company's transition to IFRS is summarized as follows:

(i) IFRS I transition elections

(ii) Reconciliations of equity as previously reported under Canadian GAAP to IFRS

(iii) Reconciliations of comprehensive income as previously reported under Canadian GAAP to IFRS

(iv) Adjustments to the statement of cash flows

(v) Explanatory notes on the transition to IFRS

(i) IFRS 1 transition elections

IFRS 1 sets out a group of elective exemptions and a group of mandatory exceptions to its general principle that all IFRS are retrospectively applied on transition. The Company has applied the following transition exceptions and exemptions to full retrospective application of IFRS:

	As described in note 3(v)
Cumulative translation adjustment	a)
Business combinations	b)
Share-based payment transactions	c)

(ii) Reconciliation of Equity as Previously Reported Under Canadian GAAP to IFRS

As at September 30, 2010	Note 3(v)	Canadian GAAP	Effect of Transition to IFRS	**IFRS**
(C$000s) (unaudited)		($)	($)	**($)**
ASSETS				
Current assets				
Cash and cash equivalents		43,937	–	**43,937**
Accounts receivable		181,593	–	**181,593**
Income taxes recoverable		1,461	–	**1,461**
Inventories	d	52,760	(135)	**52,625**
Prepaid expenses and deposits	d	10,202	(20)	**10,182**
		289,953	(155)	**289,798**
Non-current assets				
Property, plant and equipment	d	583,134	(12,550)	**570,584**
Goodwill	b, e	12,564	(2,041)	**10,523**
Deferred income tax assets	f	32,286	(2,532)	**29,754**
Total assets		917,937	(17,278)	**900,659**
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable and accrued liabilities		110,399	–	**110,399**
Current portion of long-term debt		564	–	**564**
Current portion of finance lease obligations		1,274	–	**1,274**
		112,237	–	**112,237**
Non-current liabilities				
Long-term debt		276,705	–	**276,705**
Finance lease obligations		2,846	–	**2,846**
Other long-term liabilities		1,070	–	**1,070**
Deferred income tax liabilities	f	27,019	(4,498)	**22,521**
Non-controlling interest	g	149	(149)	**–**
Total liabilities		420,026	(4,647)	**415,379**
Equity attributable to the shareholders of Calfrac				
Share capital		254,855	–	**254,855**
Contributed surplus	c, h	14,335	166	**14,501**
Retained earnings	i	234,303	(17,320)	**216,983**
Accumulated other comprehensive income (loss)	a, d	(5,582)	4,496	**(1,086)**
		497,911	(12,658)	**485,253**
Non-controlling interest	g	–	27	**27**
Total equity		497,911	(12,631)	**485,280**
Total liabilities and equity		917,937	(17,278)	**900,659**

(iii) Reconciliation of Comprehensive Income as Previously Reported Under Canadian GAAP to IFRS

		Three Months Ended Sept. 30, 2010			Nine Months Ended Sept. 30, 2010		
	Note 3(v)	Canadian GAAP	Effect of Transition to IFRS	**IFRS**	Canadian GAAP	Effect of Transition to IFRS	**IFRS**
(C$000s, except per share data) (unaudited)		($)	($)	**($)**	($)	($)	**($)**
Revenue		275,245	–	**275,245**	667,217	–	**667,217**
Cost of sales	d	210,766	(585)	**210,181**	562,575	(1,692)	**560,883**
Gross profit		64,479	(585)	**65,064**	104,642	(1,692)	**106,334**
Expenses							
Selling, general and administrative	c, h	15,529	23	**15,552**	40,645	129	**40,774**
Foreign exchange (gains) losses	d	(1,325)	(198)	**(1,523)**	630	(69)	**561**
Loss (gain) on disposal of property, plant and equipment		109	(7)	**102**	(874)	(10)	**(884)**
Interest		6,229	–	**6,229**	18,561	–	**18,561**
		20,542	(182)	**20,360**	58,962	50	**59,012**
Income before income taxes		43,937	767	**44,704**	45,680	1,642	**47,322**
Income tax expense							
Current		620	–	**620**	1,654	–	**1,654**
Deferred	d, f	12,137	17	**12,154**	9,672	2,645	**12,317**
		12,757	17	**12,774**	11,326	2,645	**13,971**
Net income for the period		31,180	750	**31,930**	34,354	(1,003)	**33,351**
Net income (loss) attributable to:							
Shareholders of Calfrac		31,194	761	**31,955**	34,373	(997)	**33,376**
Non-controlling interest	g	(14)	(11)	**(25)**	(19)	(6)	**(25)**
		31,180	750	**31,930**	34,354	(1,003)	**33,351**
Earnings per share							
Basic		0.72	0.02	**0.74**	0.80	(0.02)	**0.78**
Diluted		0.72	0.02	**0.74**	0.79	(0.02)	**0.77**
Other comprehensive income (loss)							
Change in foreign currency translation adjustment		(2,285)	46	**(2,239)**	(1,341)	239	**(1,102)**
Comprehensive income for the period		28,895	796	**29,691**	33,013	764	**32,249**
Comprehensive income (loss) attributable to:							
Shareholders of Calfrac		28,909	816	**29,725**	33,032	(742)	**32,290**
Non-controlling interest		(14)	(20)	**(34)**	(19)	(22)	**(41)**
		28,895	796	**29,691**	33,013	(764)	**32,249**

(iv) Adjustments to the Statement of Cash Flows

The transition from previous Canadian GAAP to IFRS did not have a significant impact on cash flows generated by the Company.

Three Months Ended September 30, 2010	Note 3(v)	Canadian GAAP	Effect of Transition to IFRS	**IFRS**
(C$000s) (unaudited)		($)	($)	**($)**
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Net income for the period		31,194	736	**31,930**
Adjusted for the following:				
Depreciation	d	20,416	(585)	**19,831**
Stock-based compensation	c, h	1,466	25	**1,491**
Loss on disposal of property, plant and equipment		109	(7)	**102**
Interest		6,229	–	**6,229**
Deferred income taxes	f	12,137	17	**12,154**
Non-controlling interest	g	(14)	14	**–**
Interest paid		(10,558)	–	**(10,558)**
Changes in items of working capital (note 13)		(4,868)	(928)	**(5,796)**
Cash flows provided by operating activities		56,111	(728)	**55,383**
FINANCING ACTIVITIES				
Issuance of long-term debt, net of unamortized debt issue costs		10,000	–	**10,000**
Long-term debt repayments		(13,729)	–	**(13,729)**
Finance lease obligation repayments		(307)	–	**(307)**
Net proceeds on issuance of common shares		789	–	**789**
Cash flows used in financing activities		(3,247)	–	**(3,247)**
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	d	(30,099)	2	**(30,097)**
Proceeds on disposal of property, plant and equipment		141	–	**141**
Acquisition (note 12)		18	–	**18**
Cash flows used in investing activities	d	(29,940)	2	**(29,938)**
Effect of exchange rate changes on cash and cash equivalents		(4,470)	726	**(3,744)**
Increase in cash and cash equivalents		18,454	–	**18,454**
Cash and cash equivalents, beginning of period		25,483	–	**25,483**
Cash and cash equivalents, end of period		43,937	–	**43,937**

Nine Months Ended September 30, 2010	Note 3(v)	Canadian GAAP	Effect of Transition to IFRS	**IFRS**
(C$000s) (unaudited)		($)	($)	**($)**
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Net income for the period		34,373	(1,022)	**33,351**
Adjusted for the following:				
Depreciation	d	59,184	(1,692)	**57,492**
Stock-based compensation	c, h	4,253	130	**4,383**
Gain on disposal of property, plant and equipment		(874)	(10)	**(884)**
Interest		18,561	–	**18,561**
Deferred income taxes	f	9,672	2,645	**12,317**
Non-controlling interest	g	(19)	19	**–**
Interest paid		(21,328)	–	**(21,328)**
Changes in items of working capital (note 13)		(24,176)	(2,080)	**(26,256)**
Cash flows provided by operating activities		79,646	(2,010)	**77,636**
FINANCING ACTIVITIES				
Issuance of long-term debt, net of unamortized debt issue costs		24,930	–	**24,930**
Long-term debt repayments		(14,105)	–	**(14,105)**
Finance lease obligation repayments		(906)	–	**(906)**
Loan receivable for purchase of common shares (note 15)		–	–	**–**
Net proceeds on issuance of common shares		2,846	–	**2,846**
Dividends		(2,153)	–	**(2,153)**
Cash flows provided by financing activities		10,612	–	**10,612**
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	d	(71,862)	(22)	**(71,884)**
Proceeds on disposal of property, plant and equipment		5,077	–	**5,077**
Acquisition (note 12)		(2,041)	–	**(2,041)**
Cash flows used in investing activities	d	(68,826)	(22)	**(68,848)**
Effect of exchange rate changes on cash and cash equivalents		(2,565)	2,032	**(533)**
Increase in cash and cash equivalents		18,867	–	**18,867**
Cash and cash equivalents, beginning of period		25,070	–	**25,070**
Cash and cash equivalents, end of period		43,937	–	**43,937**

(v) Explanatory Notes on the Transition to IFRS

a) In accordance with IFRS transitional provisions, the Company elected to reset the cumulative translation adjustment, which includes gains and losses arising from the translation of foreign operations, to zero at the date of transition to IFRS. The cumulative translation adjustment reset was $18,886 with an offsetting decrease to opening retained earnings, as a result of the re-translation of the Company's foreign subsidiaries' non-monetary assets and liabilities using the rate of exchange at the balance sheet date versus the applicable historical rate.

b) In accordance with IFRS transitional provisions, the Company has elected to apply IFRS relating to business combinations and goodwill relating to foreign subsidiaries prospectively from January 1, 2010. As such, previous Canadian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward without adjustment.

c) In accordance with IFRS transitional provisions, the Company has elected not to apply IFRS relating to fully vested stock options at January 1, 2010. As such, previous Canadian GAAP balances relating to fully vested stock options at January 1, 2010 have been carried forward without adjustment. Full retrospective application of IFRS has been applied to non-fully-vested stock options at January 1, 2010.

d) Under IFRS, the subsidiaries, with the exception of Cyprus, have a functional currency that is different from that of the Company. Financial statements of the subsidiaries with a functional currency different from that of the Company are translated into Canadian dollars whereby assets and liabilities are translated at the rate of exchange at the balance sheet date, revenues and expenses are translated at average monthly exchange rates, and gains and losses in translation are recognized in the shareholders' equity section as accumulated other comprehensive income.

   This represents a change in the translation method from previous Canadian GAAP for some subsidiaries whereby monetary assets and liabilities were translated at the rate of exchange at the balance sheet date, and non-monetary items were translated at the historical rate applicable on the date of the transaction giving rise to the non-monetary balance. Revenues and expenses were translated at monthly average exchange rates and gains or losses in translation were recognized in income as they occurred.

   The re-translation of the subsidiaries' financial statements to comply with IFRS resulted in translation differences due to the change in translation method.

e) The Company entered into a transaction to acquire the non-controlling interest in one of its subsidiaries. The transaction was accounted for as a step-acquisition under previous Canadian GAAP. As such, purchase accounting was used to ascribe fair values to the assets and liabilities acquired with the remaining amount recorded as goodwill.

   Under IFRS, the transaction is accounted for as a capital transaction as the Company had a change in ownership while retaining control over the subsidiary. Because the Company already controlled the subsidiary, any subsequent change in the ownership interest (while maintaining control) is recorded as a capital transaction. As such, any amounts previously recorded as goodwill are charged to retained earnings.

f) Deferred income tax assets and liabilities have been adjusted to give effect to adjustments due to the tax impact of the inter-company sale of assets.

   Under IFRS, the tax benefit or cost of inter-company sales is recognized. The Company had transactions with one of its subsidiaries in 2007 whereby the tax impact of the transactions was eliminated under previous Canadian GAAP. The tax effect of these transactions has been adjusted in the financial statements, resulting in a change to deferred taxes and tax expense.

Under IFRS, a deferred credit is not recorded for an acquisition when the tax attributes acquired are in excess of the proceeds paid. Under IFRS, the benefit related to these tax attributes is recorded through income at the time of the acquisition. Therefore, there was no deferred credit under IFRS. Under previous Canadian GAAP, the deferred credit was set up for the transaction and was drawn down during the first quarter of 2010 in the amount of $2,505.

g) Under IFRS, the non-controlling interest's share of the net assets of subsidiaries is included in equity and its share of the comprehensive income of subsidiaries is allocated directly to equity. Under previous Canadian GAAP, non-controlling interest was presented as a separate item between liabilities and equity in the balance sheet, and the non-controlling interest's share of income and other comprehensive income was deducted in calculating net income and comprehensive income of the Company.

h) Under IFRS, the application of an estimated forfeiture rate for stock option grants based on the number of options expected to vest over their vesting period is required. Under previous Canadian GAAP, an entity may elect either to estimate the expected forfeiture rate at the date of grant or to recognize compensation expense as though all options will vest and then recognize the impact of actual forfeitures as they occur.

The Company previously recognized forfeitures as they occurred and the adjustment included in contributed surplus and stock-based compensation expense is the result of the application of an estimated forfeiture rate for stock option grants based on the number of options expected to vest over their vesting period.

i) The following is a summary of the transition adjustments to the Company's retained earnings from previous Canadian GAAP to IFRS:

As at	Note	Sept. 30, 2010
(C$000s) (unaudited)		($)
Retained earnings as previously reported under Canadian GAAP		234,303
IFRS adjustments to the opening balance sheet		
Deferred income taxes due to inter-company sale of assets	f	2,135
Deferred credit	f	2,505
Estimated forfeitures for employee stock options	h	(36)
Cumulative translation adjustment	a	(18,886)
IFRS adjustments for the nine months ended September 30, 2010		
Change in foreign currency translation	d	1,854
Buy-out of non-controlling interest in subsidiary	e	(2,041)
Deferred income taxes due to inter-company sale of assets	f	(223)
Deferred credit	f	(2,505)
Change in non-controlling interest due to foreign currency translation	g	6
Estimated forfeitures for employee stock options	h	(129)
Retained earnings as reported under IFRS		**216,983**

4. BANK LOAN

The Company's Colombian subsidiary has an operating line of credit of which US$1,270 was drawn at September 30, 2011. It bears interest at the LIBOR rate plus 2.1 percent to 3.12 percent and is secured by a guarantee issued by the Company.

5. LONG-TERM DEBT

As at	**September 30, 2011**	December 31, 2010
(C$000s)		
US$450,000 senior unsecured notes due December 1, 2020, bearing interest at 7.5% payable semi-annually	**471,690**	447,570
US$4,320 senior unsecured notes due February 15, 2015, bearing interest at 7.75% payable semi-annually	**–**	4,297
Less: unamortized debt issue costs and unamortized debt discount	**(8,419)**	(8,638)
	463,271	443,229
$230,000 extendible revolving term loan facility, secured by Canadian and U.S. property, plant and equipment	**–**	–
Less: unamortized debt issue costs	**(1,450)**	(887)
	(1,450)	(887)
Mortgage obligations maturing between December 2012 and March 2014 bearing interest at rates ranging from 5.15% to 6.69%, repayable at $35 per month principal and interest, secured by certain real property	**–**	3,176
US$2,444 mortgage maturing May 2018 bearing interest at U.S. prime less 1%, repayable at US$33 per month principal and interest, secured by certain real property	**2,562**	2,682
ARS1,277 Argentina term loan maturing December 31, 2013 bearing interest at 18.25%, repayable at ARS61 per month principal and interest, secured by guarantees by the Company	**318**	–
	464,701	448,200
Less: current portion of long-term debt	**(486)**	(4,854)
	464,215	443,346

The fair value of the senior unsecured notes, as measured based on the closing quoted market price at September 30, 2011, was $445,747 (December 31, 2010 – $457,682). The carrying values of the mortgage obligations approximate their fair values as the interest rates are not significantly different from current mortgage rates for similar loans.

The interest rate on the revolving term facility is based on the parameters of certain bank covenants. For prime-based loans, the rate ranges from prime plus 0.5 percent to prime plus 1.25 percent. For LIBOR-based loans and Bankers' Acceptance-based loans the margin thereon ranges from 1.75 percent to 2.5 percent above the respective base rates for such loans. The facility is repayable on or before its maturity date of September 27, 2015, assuming the facility is not extended. The maturity date may be extended by one or more years at the request of the Company and acceptance by the lenders. The Company also has the ability to prepay principal without penalty. Debt issue costs related to this facility are amortized over the term of the facility.

Interest on long-term debt (including the amortization of debt issue costs and debt discount) for the nine months ended September 30, 2011 was $26,916 (year ended December 31, 2010 – $48,758).

The US$4,320 senior unsecured notes were repaid in full on February 15, 2011 (plus accrued interest and call premium of US$335) and the $3,176 of mortgage obligations at December 31, 2010 were repaid in full on February 22, 2011.

6. FINANCE LEASE OBLIGATIONS

As at	**September 30, 2011**	December 31, 2010
(C$000s)		
Finance lease contracts bearing interest at rates ranging from 5.68% to 6.58%, repayable at $124 per month, secured by certain equipment	**2,993**	4,110
Less: interest portion of contractual payments	**(147)**	(301)
	2,846	3,809
Less: current portion of finance lease obligations	**(1,971)**	(1,294)
	875	2,515

The carrying values of the finance lease obligations approximate their fair values as the interest rates are not significantly different from current rates for similar leases.

7. CAPITAL STOCK

Authorized capital stock consists of an unlimited number of common shares.

	Nine Months Ended September 30, 2011		Year Ended December 31, 2010	
Continuity of Common Shares	**Shares**	**Amount**	Shares	Amount
	(#)	**(C$000s)**	(#)	(C$000s)
Balance, beginning of period	**43,488,099**	**263,490**	42,898,880	251,282
Issued upon exercise of stock options	**409,400**	**9,126**	586,885	12,130
Issued for compensation	**–**	**–**	2,334	78
Shares cancelled (note 8)	**(16,476)**	**(105)**	–	–
Balance, end of period	**43,881,023**	**272,511**	43,488,099	263,490

The weighted average number of common shares outstanding for the nine months ended September 30, 2011 was 43,649,499 basic and 44,436,450 diluted (nine months ended September 30, 2010 – 43,037,030 basic and 43,454,502 diluted). The difference between basic and diluted shares for the nine months ended September 30, 2011 is attributable to the dilutive effect of stock options issued by the Company as disclosed in note 9.

8. CONTRIBUTED SURPLUS

Continuity of Contributed Surplus	**Nine Months Ended Sept. 30, 2011**	Year Ended December 31, 2010
(C$000s)		
Balance, beginning of period	**15,468**	10,844
Stock options expensed	**6,158**	7,096
Stock options exercised	**(1,988)**	(2,472)
Shares cancelled	**105**	–
Denison Plan of Arrangement	**2,206**	–
Balance, end of period	**21,949**	15,468

The Plan of Arrangement that governed the amalgamation with Denison in 2004 included a six-year "sunset clause" which provided that untendered share positions would be surrendered to the Company after six years. On January 19, 2011, 16,476 common shares of the Company previously being held in trust for untendered shareholders were cancelled. In addition, the Company became entitled to approximately 517,000 shares of Denison Mines Corporation. These shares were sold by the Company on the Toronto Stock Exchange for net proceeds of approximately $2,189.

For accounting purposes, the cancellation of the 16,476 common shares was recorded as a reduction of capital stock and an increase in contributed surplus in the amount of $105, which represents the book value of the cancelled shares as of the date of amalgamation with Denison on March 24, 2004. The receipt and sale of the shares of Denison Mines Corporation is considered an equity contribution by the owners of the Company. Consequently, the net proceeds from the sale of these shares, along with approximately $17 of cash received in respect of fractional share entitlements, have been added to contributed surplus in an amount totalling $2,206.

9. STOCK OPTIONS

Stock Options

Continuity of Stock Options (year to date)	**2011**		2010	
	Options	**Average Exercise Price**	Options	Average Exercise Price
	(#)	**(C$)**	(#)	(C$)
Balance, January 1	**2,583,825**	**17.50**	2,508,143	16.70
Granted during the period	**1,127,800**	**34.30**	1,091,200	20.84
Exercised for common shares	**(409,400)**	**17.44**	(203,335)	14.00
Forfeited	**(98,275)**	**25.34**	(70,466)	20.22
Expired	**–**	**–**	(357,292)	23.71
Balance, September 30	**3,203,950**	**23.18**	2,968,250	17.48

Stock options vest equally over three or four years and expire three-and-one-half or five years from the date of grant. The exercise price of outstanding options ranges from $8.35 to $37.18 with a weighted average remaining life of 3.10 years. When stock options are exercised the proceeds, together with the amount of compensation expense previously recorded in contributed surplus, are added to capital stock.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments included in the consolidated balance sheet are comprised of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, bank loan, long-term debt and finance lease obligations.

The fair values of financial instruments included in the consolidated balance sheet, except long-term debt and finance lease obligations, approximate their carrying amounts due to the short-term maturity of those instruments. The fair value of the senior unsecured notes based on the closing market price at September 30, 2011 was $445,747 before deduction of unamortized debt issue costs of $8,419 (December 31, 2010 – $457,682 before deduction of unamortized debt issue costs of $8,638). The fair values of the remaining long-term debt and finance lease obligations approximate their carrying values, as described in notes 5 and 6.

11. CAPITAL STRUCTURE

The Company's capital structure is comprised of shareholders' equity and long-term debt. The Company's objectives in managing capital are (i) to maintain flexibility so as to preserve the Company's access to capital markets and its ability to meet its financial obligations, and (ii) to finance growth, including potential acquisitions.

The Company manages its capital structure and makes adjustments in light of changing market conditions and new opportunities, while remaining cognizant of the cyclical nature of the oilfield services sector. To maintain or adjust its capital structure, the Company may revise its capital spending, adjust dividends paid to shareholders, issue new shares or new debt or repay existing debt.

The Company monitors its capital structure and financing requirements using, amongst other parameters, the ratio of long-term debt to cash flow. Cash flow for this purpose is calculated on a 12-month trailing basis and is defined below.

For the twelve months ended	**September 30, 2011**	December 31, 2010
(C$000s)		
Net income for the period	**124,366**	49,418
Adjusted for the following:		
Depreciation	**84,398**	77,429
Amortization of debt issue costs and debt discount	**10,736**	11,944
Stock-based compensation	**8,950**	7,174
Gain on disposal of property, plant and equipment	**(373)**	(941)
Deferred income taxes	**48,886**	12,108
Cash flow	**276,963**	157,132

The ratio of long-term debt to cash flow does not have any standardized meaning prescribed under IFRS and may not be comparable to similar measures used by other companies.

At September 30, 2011, the long-term debt to cash flow ratio was 1.68:1 (December 31, 2010 – 2.85:1) calculated on a 12-month trailing basis as follows:

As at	**September 30, 2011**	December 31, 2010
(C$000s)		
Long-term debt (net of unamortized debt issue costs and debt discount) (note 5)	**464,701**	448,200
Cash flow	**276,963**	157,132
Long-term debt to cash flow ratio	**1.68:1**	2.85:1

The Company is subject to certain financial covenants relating to working capital, leverage and the generation of cash flow in respect of its operating and revolving credit facilities. These covenants are monitored on a monthly basis. The Company is in compliance with all such covenants.

The Company's capital management objectives, evaluation measures and targets have remained unchanged over the periods presented.

12. ACQUISITION

In March 2010, the Company acquired the non-controlling interest in one of its subsidiaries for approximately $2,000. The acquisition is considered a capital transaction and, accordingly, the amount was charged to retained earnings.

This transaction was an adjustment to the 2010 comparatives upon transition to IFRS and is discussed in note 3.

13. SUPPLEMENTAL INFORMATION

Changes in non-cash working capital are as follows:

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s)				
Accounts receivable	**(120,052)**	(37,634)	**(125,478)**	(45,818)
Income taxes recoverable	**(1,396)**	227	**626**	320
Inventory	**(17,966)**	3,631	**(31,624)**	(10,211)
Prepaid expenses and deposits	**(2,590)**	854	**(3,631)**	(3,441)
Accounts payable and accrued liabilities	**35,992**	27,185	**45,137**	33,051
Other long-term liabilities	**(25)**	(59)	**(109)**	(157)
	(106,037)	(5,796)	**(115,079)**	(26,256)

The preceding amounts exclude any changes in working capital resulting from acquisitions.

14. ADDITIONAL IFRS DISCLOSURE

The following IFRS disclosure relating to the nine months ended September 30, 2011 and 2010 is material to an understanding of these interim financial statements:

(i) Presentation of expenses

The Company presents its expenses on the statement of operations using the function of expense method whereby expenses are classified according to their function within the Company. This method was selected as it more closely aligns with the Company's business structure. The Company's functions under IFRS are as follows:

> operations; and

> selling, general and administrative.

Use of the function of expense method also requires that the following additional information on the nature of expenses be disclosed:

Nine Months Ended September 30,	**2011**	2010
(C$000s)		
Depreciation (included in cost of sales)	**64,461**	57,492
Amortization of debt issue costs and debt discount	**889**	2,097
Employee benefits expense (ii)	**220,332**	145,893

(ii) Employee benefits expense

Employee benefits include all forms of consideration given by the Company in exchange for services rendered by employees.

Nine Months Ended September 30,	**2011**	2010
(C$000s)		
Salaries and short-term employee benefits	**210,254**	138,251
Post-employment benefits (group retirement savings plan)	**2,072**	1,292
Share-based payments	**7,720**	5,900
Termination benefits	**286**	450
	220,332	145,893

15. RELATED-PARTY TRANSACTIONS

An entity controlled by a director of the Company provides ongoing real estate advisory services to the Company. The aggregate fees charged to date for such services during 2011 were $81, as measured at the exchange amount.

In November 2010, the Company lent a senior officer $2,500 to purchase common shares of the Company on the Toronto Stock Exchange. The loan is on a non-recourse basis and is secured by the common shares acquired with the loan proceeds. It is for a term of five years and bears interest at the rate of 3.375 percent per annum, payable annually. The market value of the shares that secure the loan was approximately $2,072 as at September 30, 2011. In accordance with applicable accounting standards regarding share purchase loans receivable, this loan is classified as a reduction of shareholders' equity due to its non-recourse nature. In addition, the shares purchased with the loan proceeds are considered to be, in substance, stock options.

16. CONTINGENCIES

Greek Operations

As a result of the acquisition and amalgamation with Denison in 2004, the Company assumed certain legal obligations relating to Denison's Greek operations.

In 1998, North Aegean Petroleum Company E.P.E. ("NAPC"), a Greek subsidiary of a consortium in which Denison participated (and which is now a majority-owned subsidiary of the Company), terminated employees in Greece as a result of the cessation of its oil and natural gas operations in that country. Several groups of former employees have filed claims against NAPC and the consortium alleging that their termination was invalid and that their severance pay was improperly determined.

In 1999, the largest group of plaintiffs received a ruling from the Athens Court of First Instance that their termination was invalid and that salaries in arrears amounting to approximately $9,613 (6,846 euros) plus interest were due to the former employees. This decision was appealed to the Athens Court of Appeal, which allowed the appeal in 2001 and annulled the above-mentioned decision of the Athens Court of First Instance. The said group of former employees filed an appeal with the Supreme Court of Greece, which was heard on May 29, 2007. The Supreme Court of Greece allowed the appeal and sent the matter back to the Athens Court of Appeal for the consideration of the quantum of awardable salaries in arrears. On June 3, 2008, the Athens Court of Appeal rejected NAPC's appeal and reinstated the award of the Athens Court of First Instance, which decision was further appealed to the Supreme Court of Greece. The matter was heard on April 20, 2010 and a decision rejecting such appeal was rendered in June 2010. NAPC and the Company are assessing available rights of appeal to any other levels of court in any jurisdiction where such an appeal is warranted. Counsel to NAPC has obtained a judicial order entitling NAPC to obtain certain employment information in respect of the plaintiffs which is required in order to assess the extent to which the plaintiffs have mitigated any damages which might otherwise be payable.

Several other smaller groups of former employees have filed similar cases in various courts in Greece. One of these cases was heard by the Athens Court of First Instance on January 18, 2007. By judgment rendered November 23, 2007, the plaintiff's allegations were partially accepted, and the plaintiff was awarded compensation for additional work of approximately $49 (35 euros), plus interest. The appeal of this decision was heard on June 2, 2009, at which time an additional claim by the plaintiff was also heard. A decision in respect of the hearing has been rendered which accepted NAPC's appeal of the initial claim and partially accepted the additional claim of the plaintiff, resulting in an award of approximately $15 (11 euros), plus interest.

Another one of the lawsuits seeking salaries in arrears of $180 (128 euros), plus interest, was heard by the Supreme Court of Greece on November 6, 2007, at which date the appeal of the plaintiffs was denied for technical reasons due to improper service. A rehearing of this appeal was heard on September 21, 2010 and the decision rendered declared once again the appeal inadmissible due to technical reasons. The remaining action, which is seeking salaries in arrears of approximately $616 (439 euros) plus interest, was scheduled to be heard before the Athens Court of First Instance on October 1, 2009, but was adjourned until November 18, 2011 as a result of the Greek elections.

The Company has signed an agreement with a Greek exploration and production company pursuant to which it has agreed to assign approximately 90 percent of its entitlement under an offshore licence agreement for consideration including a full indemnity in respect of the Greek legal claims described above. The completion of the transactions contemplated by such agreement is subject to certain conditions precedent, the fulfillment of which is not in the Company's control.

Management is of the view that the assignment and indemnity referred to in the preceding paragraph, together with the available defences to these proceedings, combine to make it improbable that the Company will incur any financial liability in connection with these claims. It is management's view that an outflow of cash will not result from these judgments. Consequently, no provision has been recorded in these consolidated financial statements.

Potential Claim

The Company has a potential liability related to a contractual claim, the amount of which is estimated to be approximately $1,900 on an after-tax basis. Management considers it probable that the claim will be settled in favour of the Company.

17. SEGMENTED INFORMATION

The Company's activities are conducted in four geographic segments: Canada, the United States, Russia and Latin America. All activities are related to hydraulic fracturing, coiled tubing, cementing and other well completion services for the oil and natural gas industry.

The business segments presented reflect the management structure of the Company and the way in which the Company's management reviews business performance. The Company evaluates the performance of its operating segments primarily based on operating income, as defined below.

(C$000s)	Canada	United States	Russia	Latin America	Corporate	Consolidated
Three Months Ended Sept. 30, 2011						
Revenue	**230,011**	**165,114**	**29,233**	**16,133**	**–**	**440,491**
Operating income (loss)[1]	**87,203**	**46,291**	**3,345**	**(416)**	**(9,896)**	**126,527**
Segmented assets	**662,917**	**503,107**	**123,869**	**43,533**	**–**	**1,333,426**
Capital expenditures	**43,088**	**38,179**	**2,864**	**999**	**–**	**85,130**
Goodwill	**7,236**	**2,308**	**979**	**–**	**–**	**10,523**
Three Months Ended Sept. 30, 2010						
Revenue	160,465	83,603	21,878	9,299	–	275,245
Operating income (loss)[1]	53,473	21,401	5,184	(2,745)	(7,970)	69,343
Segmented assets	493,424	266,520	106,383	34,332	–	900,659
Capital expenditures	17,664	7,426	4,609	398	–	30,097
Goodwill	7,236	2,308	979	–	–	10,523
Nine Months Ended Sept. 30, 2011						
Revenue	**518,047**	**405,220**	**85,367**	**38,721**	**–**	**1,047,355**
Operating income (loss)[1]	**160,141**	**123,917**	**8,924**	**(1,393)**	**(29,125)**	**262,464**
Segmented assets	**662,917**	**503,107**	**123,869**	**43,533**	**–**	**1,333,426**
Capital expenditures	**104,045**	**109,949**	**7,461**	**1,499**	**–**	**222,954**
Goodwill	**7,236**	**2,308**	**979**	**–**	**–**	**10,523**
Nine Months Ended Sept. 30, 2010						
Revenue	346,279	217,322	57,501	46,115	–	667,217
Operating income (loss)[1]	94,398	44,357	7,491	(2,332)	(20,862)	123,052
Segmented assets	493,424	266,520	106,383	34,332	–	900,659
Capital expenditures	43,796	19,124	7,928	1,036	–	71,884
Goodwill	7,236	2,308	979	–	–	10,523

(1) Operating income (loss) is defined as net income (loss) before depreciation, interest, foreign exchange gains or losses, gains or losses on disposal of property, plant and equipment, and income taxes.

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s)				
Net income	**47,285**	31,930	**108,299**	33,351
Add back (deduct):				
Depreciation	**21,897**	19,831	**64,461**	57,492
Interest	**8,739**	6,229	**26,436**	18,561
Foreign exchange losses (gains)	**23,720**	(1,523)	**13,244**	561
Loss (gain) on disposal of capital assets	**765**	102	**(316)**	(884)
Income taxes	**24,121**	12,774	**50,340**	13,971
Operating income	**126,527**	69,343	**262,464**	123,052

The following table sets forth consolidated revenue by service line:

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2011	2010	**2011**	2010
(C$000s)				
Fracturing	**405,747**	244,207	**957,307**	587,316
Coiled tubing	**25,548**	22,871	**68,143**	50,826
Cementing	**5,980**	4,853	**14,161**	14,937
Other	**3,216**	3,314	**7,744**	14,138
	440,491	275,245	**1,047,355**	667,217

18. SEASONALITY OF OPERATIONS

The Company's Canadian business is seasonal in nature. The lowest activity levels are typically experienced during the second quarter of the year when road weight restrictions are in place and access to wellsites in Canada is reduced.

19. SUBSEQUENT EVENT

The Company has filed a Notice of Intention to make a Normal Course Issuer Bid with the Toronto Stock Exchange. Under the Normal Course Issuer Bid, the Company will be permitted to acquire up to approximately 3.2 million of its common shares during the period November 7, 2011 through November 6, 2012. Any shares acquired under the bid will be cancelled. A copy of the Notice of Intention to make a Normal Course Issuer Bid is available without charge on request to the Company's Corporate Secretary.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ronald P. Mathison
Chairman (1)(2)
President &
Chief Executive Officer
Matco Investments Ltd.

Douglas R. Ramsay (4)
Chief Executive Officer
Calfrac Well Services Ltd.

Kevin R. Baker (2)(3)
President &
Managing Director
Baycor Capital Inc.

James S. Blair (3)(4)
President &
Chief Executive Officer
Glenogle Energy Inc.

Gregory S. Fletcher (1)(2)
President
Sierra Energy Inc.

Lorne A. Gartner (1)(4)
Independent Businessman

R.T. (Tim) Swinton (1)(2)(3)
Independent Businessman

(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of the Corporate Governance and Nominating Committee
(4) Member of the Health, Safety and Environment Committee

OFFICERS

Douglas R. Ramsay
Chief Executive Officer

Fernando Aguilar
President &
Chief Operating Officer

Laura A. Cillis
Senior Vice President, Finance &
Chief Financial Officer

John L. Grisdale
President,
United States
Operating Division

OFFICERS

F. Bruce Payne
President,
Canadian Operating Division

Robert L. Sutherland
President,
Russian Operating Division

O. Alberto Bertolin
Director General,
Latin America Division

Armando J. Bertolin
Director General,
Latin America Division

Bruce M. Basaraba
Senior Vice President,
Health, Safety & Environment

Dwight M. Bobier
Senior Vice President,
Technical Services

Tom J. Medvedic
Senior Vice President,
Corporate Development

Donald R. Battenfelder
Vice President,
Global Operations

L. Lee Burleson
Vice President, Sales,
Marketing & Engineering
United States
Operating Division

R. Leron Crapo
Vice President,
Operations Finance

Chris K. Gall
Vice President,
Global Supply Chain

Umberto Marseglia
Vice President,
Global Business

Robert J. Montgomery
Vice President, Operations,
Canadian Operating Division

Michael D. Olinek
Vice President, Finance

B. Mark Paslawski
Vice President,
General Counsel
& Corporate Secretary

Gary J. Rokosh
Vice President, Sales,
Marketing & Engineering
Canadian Operating Division

Patrick J. Schneider
Vice President, Operations,
United States
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A. Scott Tuttle
Vice President,
Human Resources

Matthew L. Mignault
Corporate Controller

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Royal Bank of Canada
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STOCK EXCHANGE LISTING

Trading Symbol: CFW

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Calgary – Technology and Training Centre
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Grande Prairie
Medicine Hat
Red Deer

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Fort Nelson

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REGISTRAR AND TRANSFER AGENT

For information concerning lost share certificates and estate transfers or for a change in share registration or address, please contact the transfer agent and registrar at 1-800-564-6253 or by email at service@computershare.com, or write to:

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