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March 13, 2018

To the Debentureholders of GASFRAC Energy Services Inc.

Re: Final Distribution Update

Further to our last distribution letter dated November 16, 2015, the Monitor continues to work to resolve two remaining issues prior to the completion of the administration of the GASFRAC CCAA proceedings and final distribution to Debentureholders.

Firstly, the Monitor is working with its U.S. counsel and counsel for its insurer to resolve an insurance claim litigation matter in Ohio. This outstanding matter has prevented the Monitor from winding up the U.S. Chapter 15 proceedings in Texas. It is not anticipated that any payments will need to be made by GASFRAC to resolve this matter, as there was sufficient insurance coverage in place at the time of the incident in question.

Secondly, the Monitor continues to work to resolve the one remaining disputed creditor claim against GASFRAC. This claim is being litigated in the Supreme Court of British Columbia. Unfortunately at this time, the Monitor has no certainty regarding the timing of resolution of this matter.

No further updates regarding timing and quantum of the final distribution will be available from the Monitor until these two matters have been resolved.

Regards,

Ernst & Young Inc.