Q1 INTERIM REPORT

Three Months Ended March 31, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Trican Well Service Ltd. ("Trican" or "the Company") has been prepared, as at and for the quarter ended March 31, 2017, taking into consideration information available to May 3, 2017, and should be read in conjunction with the unaudited interim consolidated financial statements for the three month period ended March 31, 2017, as well as the audited annual consolidated financial statements and accompanying notes, and the management's discussion and analysis for the year ended December 31, 2016.

OVERVIEW

Headquartered in Calgary, Alberta, Trican has continuing operations in Canada which provide a comprehensive array of specialized products, equipment and services that are used during the exploration and development of oil and gas reserves provided by a highly-trained workforce dedicated to safety and operational excellence. The Company also has a minority ownership interest in Keane Group Holdings, LLC in the United States. The following MD&A focuses on the financial and operating results for Trican's continuing operations.

For further details related to Trican's discontinued operations in Canada (related to the completion tools services), Russia (related to pressure pumping operations and completion tools services), United States (related to pressure pumping operations and completion tools services), Australia, Algeria, Colombia, Kazakhstan, Norway and Saudi Arabia, please refer to the discontinued operations section of the MD&A and the unaudited interim consolidated financial statements and accompanying notes, as at and for the three-month period ended March 31, 2017.

CONTINUING OPERATIONS - FINANCIAL REVIEW

		Three months ended	
($ millions, except per share amounts, unaudited)	**March 31, 2017**	March 31, 2016	December 31, 2016
Revenue	**$149.4**	$99.8	$114.8
Gross profit / (loss)	**17.8**	(31.3)	(10.1)
Operating income / (loss) (1)	**22.7**	(26.4)	(7.4)
Adjusted operating income / (loss) (1)	**26.0**	(16.2)	1.1
Net income / (loss)	**(48.9)**	(42.5)	56.9
Per share - basic and diluted	**($0.25)**	($0.29)	$0.29

Notes:

(1) Trican makes reference to operating income / (loss), adjusted operating income / (loss), and adjusted general and administrative expenses. These measures are not recognized under International Financial Reporting Standards (IFRS) and are considered non-GAAP measures. Management believes that, in addition to gross profit / (loss) and net income / (loss), operating income / (loss), adjusted operating income / (loss); and adjusted general and administrative expenses are useful supplemental measures.

- Operating income / (loss) provides investors with an indication of profit / (loss) before depreciation and amortization, foreign exchange gains and losses, asset impairments, other (income) / loss, finance costs and income tax expense / (recovery).
- Adjusted operating income / (loss) provides investors with an indication of operating income before equity-settled share-based compensation, amortization of debt costs, severance costs and excludes items that are significant but not in the normal course of operations. It provides investors with an indication of comparable operating income / (loss) between periods.
- Adjusted general and administrative expenses provide investors with an indication of total overhead costs before equity-settled share-based compensation, amortization of debt costs and severance costs.

Investors should be cautioned that operating income / (loss) and adjusted operating income / (loss) should not be construed as alternatives to gross profit / (loss) or profit / (loss) determined in accordance with IFRS as an indicator of Trican's performance. Trican's method of calculating operating income / (loss), adjusted operating income / (loss) and adjusted general and administrative expenses may differ from that of other companies and accordingly may not be comparable to measures used by other companies. See also "Non-GAAP Disclosure" section of this report.

FIRST QUARTER HIGHLIGHTS

Consolidated revenue from continuing operations for the first quarter of 2017 was $149.4 million, an increase of 50% compared to the 2016 first quarter and 30% compared to the 2016 fourth quarter. Fracturing intensity increased significantly as the Company pumped approximately 64% more proppant this quarter compared to the same period last year and 28% more than Q4 2016. Q1 2017 represented the highest volume of proppant pumped during a quarter since Q3 2014. Adjusted operating income for the quarter was $26.0 million, which is $24.9 million higher than adjusted operating income for Q4 2016. The revenue increase and adjusted operating margin improvement to 17.4% was due to an increase in activity, improved pricing and larger job sizes combined with control over our costs as activity increased.

First quarter revenue includes work for major customers who supplied their own proppant. Management estimates that fracturing revenue would have been $10 to $15 million higher if Trican had supplied the proppant for these programs. However, operating income for these customers are comparable to standard operations as these programs are for multiple, very large back-to-back pads that offer higher utilization and efficiency.

Utilization of our active equipment was high throughout the first quarter as weather conditions remained favorable through to the end of the quarter and demand remained strong. Fracturing and cementing crews were fully utilized, with demand for both service lines exceeding capacity through much of the quarter. Our head count increased as we expanded our fracturing capacity by 30,000 horsepower and our cementing capacity by six crews since the fourth quarter. Hiring qualified personnel to activate parked equipment continues to be the most significant challenge to meeting customer demand.

Strong demand led to increased pricing during the first quarter of 2017, as average fracturing pricing for our customers increased by approximately 14% from Q4 2016 levels, and 20% from Q3 2016. The Company experienced larger pricing increases with spot market customers during the first quarter; however, pricing increases were marginally lower with high utilization customers and customers with meaningful second quarter work programs.

The operating income from continuing operations was $22.7 million and adjusted operating income was $26.0 million for the quarter. Amortization of debt issuance costs of $0.6 million, an additional $0.8 million in equity-settled share-based compensation expense and $1.9 million of costs related to the acquisition of Canyon accounts for the difference between the operating income from continuing operations and adjusted operating income.

On March 21, 2017, Trican entered into an arrangement agreement (the "Arrangement Agreement") with Canyon Services Group Inc. ("Canyon") to acquire all of the issued and outstanding shares of Canyon on the basis of 1.70 common shares of Trican for each outstanding Canyon share, which reflects an aggregate transaction value of approximately $637 million based on the closing price of Trican on March 21, 2017, including the assumption of approximately $40 million in Canyon debt. The combined company will have approximately 680,000 HHP of fracturing capacity, a leading footprint of service bases across Western Canada, a complementary suite of products and services including cementing, coiled tubing, nitrogen, industrial services and fluid management, and significant opportunities for cost synergies. Existing owners of Trican shares are expected to own approximately 56% of the combined company, with Canyon shareholders owning the remaining 44%.

Canyon is a large, Canadian, publicly-traded energy services company with approximately 1,000 employees that primarily offers fracturing services in addition to coil, remedial cement, nitrogen and fluid handling services. They have bases in Grande Prairie, Red Deer, Medicine Hat, Estevan and Fort St. John, along with their Corporate office and lab in Calgary.

In January 2017, Trican sold its shares in National Oilwell Varco ("NOV") and monetized a portion of its Investments in Keane for net proceeds of approximately USD $21.4 million and USD $28.4 million, respectively, or approximately CAD $65.8 million. The proceeds were used to further pay down Trican's outstanding long-term debt.

On January 20, 2017, Keane Group, Inc. ("FRAC") completed its initial public offering ("IPO") and its shares became publicly

(1) "Investments in Keane" is a defined term that collectively refers to Trican's direct investments in Keane Group Holdings, LLC which was converted into Trican's direct investments in Keane Investor Holdings, LLC just prior to the initial public offering ("IPO") of Keane Group, Inc. Please refer to the "Investments in Keane" section of this MD&A for a detailed description of Trican's Investments in Keane.

traded on the New York Stock Exchange under the ticker symbol "FRAC". As a result of the IPO, Trican's ownership interests in the Keane Private Company have been transferred to Keane Investor Holdings, LLC ("Keane Holding Company"). Effectively, our Class A common shares ("Equity Interests in Keane") and Class C profits interest ("Profits Interest in Keane") in Keane Private Company are now Class A common shares and Class C profits interest in the Keane Holding Company.

The book value of Trican's Investments in Keane as at March 31, 2017 was $112.9 million (December 31, 2016 - $231.0 million). The sale of shares in the secondary offering at IPO in January reduced the value during Q1 2017 by approximately CAD $37.8 million. Furthermore, Keane's share price at March 31, 2017 of $14.30 was down 25% from the IPO price of $19.00 which impacted the valuation on two fronts: first, a simple reduction in the overall underlying investment, and second, this reduction in value reduces our expected proceeds from the highest tranche for our investment in Class C shares. The share price has fluctuated significantly since the IPO, which highlights how the commodity price and industry environment will likely drive significant volatility in the value of the investments for the duration of our holding period. Trican's ownership interest remains subject to a six month hold period after the IPO and the timing of further liquidity events are under the control of Cerberus Capital Management ("Cerberus"), a private equity firm. We believe that our interests are aligned with Cerberus and that we will see substantial value under their liquidation strategy.

CONTINUING OPERATIONS - COMPARATIVE QUARTERLY INCOME STATEMENTS

($thousands, unaudited) **Three months ended**	**Mar. 31, 2017**	**% of Revenue**	Mar. 31, 2016	% of Revenue	Dec. 31, 2016	% of Revenue
Revenue	**149,403**	**100%**	99,848	100%	114,769	100%
Expenses						
Materials and operating [(a)]	**117,212**	**78%**	113,870	114%	110,351	96%
General and administrative [(a)]	**9,519**	**6%**	12,377	12%	11,807	10%
Operating income / loss [(b)]	**22,672**	**15%**	(26,399)	(26%)	(7,389)	(6%)
Finance costs	**3,728**	**37%**	9,010	9%	4,655	4%
Depreciation and amortization	**15,254**	**10%**	20,120	20%	16,281	14%
Foreign exchange (gain) / loss	**(1,231)**	**(1%)**	2,936	3%	(331)	(0%)
Asset impairment	**-**	**0%**	-	0%	3,136	3%
Loss / (gain) on profit interest in Keane	**51,997**	**35%**	-	0%	(65,206)	(57%)
Finance and other (income) / loss	**(2,861)**	**(2%)**	(468)	0%	(1,318)	(58%)
Income / (loss) before income taxes	**(44,215)**	**(30%)**	(57,997)	(58%)	35,394	31%
Income tax expense / (recovery)	**4,637**	**3%**	(15,506)	(16%)	(21,539)	(19%)
Net income / (loss) - Continuing Operations	**(48,852)**	**(33%)**	(42,491)	(43%)	56,933	50%
Adjusted operating income / (loss) [(b)]	**26,030**	**17%**	(16,178)	(16%)	1,111	1%
Gross profit / (loss) [(b)]	**17,825**	**12%**	(31,286)	(31%)	(10,064)	(9%)
Job count	**3,554**		2,466		2,780	
Revenue per job	**41,601**		40,348		40,745	

(a) These numbers are presented excluding depreciation and amortization. Please refer to Note 9 of the Company's unaudited interim consolidated financial statements and accompanying notes, as at and for the quarter ended March 31, 2017.

(b) See the first page of this report for a description of operating income / (loss) and adjusted operating income / (loss). Gross profit / (loss) has been presented in this table as it is the most directly comparable measure calculated in accordance with IFRS to operating income / (loss).

Sales Mix

(unaudited) **Three months ended,**	**Mar. 31, 2017**	Mar. 31, 2016	Dec. 31, 2016
% of Total Revenue			
Fracturing	**56%**	63%	57%
Cementing	**29%**	25%	26%
Nitrogen	**3%**	3%	5%
Coiled Tubing	**5%**	3%	3%
Acidizing	**4%**	3%	4%
Industrial Services	**1%**	2%	3%
Other	**2%**	1%	2%
Total	**100%**	100%	100%

OPERATIONS REVIEW

Q1 2017 versus Q1 2016

Revenue for the first quarter of 2017 increased by 50% compared to the first quarter of 2016. Demand for our services increased compared to 2016 first quarter demand, resulting in active crews being fully booked throughout the quarter. Pricing for our pressure pumping services was higher relative to the 2016 first quarter. The job count and revenue per job increased 44% and 3%, respectively, as compared to last year. Revenue per job increased as a result of higher pricing and larger job size for the fracturing and cementing service line. This average job size increase was offset by a larger proportion of cementing jobs completed in 2017, which typically generates a lower revenue per job relative to the fracturing service line and the effects of several major customers supplying their own proppant which provides lower revenue per job than if Trican had sold the proppant.

Materials and operating expenses decreased to 78% of revenue compared to 114% for the same period in 2016. This significant improvement in operating leverage year over year is due the revenue increasing with higher activity levels and pricing improvement with a significantly lower fixed cost structure than in Q1 2016. The Company's fixed cost structure in Q1 2017 was 28% lower than in 2016.

Administrative Expenses

($ thousands; unaudited) **Three months ended,**	**March 31, 2017**	March 31, 2016
Total Administrative Expenses (1)	**9,519**	12,377
Adjusted for:		
Equity-settled shared-based compensation	**843**	788
Amortization of debt issuance costs	**653**	1,489
Canyon acquisition costs	**1,862**	-
Severance	**-**	1,714
Adjusted Administrative Expenses (2)	**6,161**	8,386
Cash-settled share-based compensation	**(134)**	1,650

(1) Administrative Expenses is presented net of depreciation and amortization. Please refer to Note 9 of the Company's unaudited interim consolidated financial statements and accompanying notes, as at and for the quarter ended March 31, 2017.

(2) see first page of this report.

Adjusted general and administrative costs for the first quarter of 2017 decreased $2.2 million compared to the same period last year as a result of cost reduction initiatives that occurred throughout 2016 and higher expenses related to cash-settled share-based compensation in Q1 2016. Cash-settled share based compensation includes restricted share unit expenses, deferred share unit expenses and performance share unit expenses which are correlated to the number of vested units and the movement in Trican's share price.

Gross profit in Q1 2017 increased $49.1 million when compared to the same period last year. This reflects a significant improvement in market conditions combined with discipline on controlling fixed cost that led to operating income increasing $49.1 million.

Q1 2017 versus Q4 2016

First quarter revenue increased by 30% compared to the fourth quarter of 2016. Activity levels and utilization of active equipment were at full capacity, which created the conditions necessary to increase pricing. Cementing revenue increased in line with the 55% increase in rig count. Fracturing revenue saw a smaller sequential increase as several major customers supplied their own proppant, which provides lower revenue per job.

Average revenue per job increased 2% from the prior quarter due to higher pricing and larger job sizes. Average pricing increased approximately 14% during the quarter. As availability of crews was scarce during the quarter, spot market pricing was often significantly higher than the average pricing experienced during the quarter. Although the average fracturing job size increased meaningfully, the small growth of the average revenue per job reflects a shift in sales mix towards the cementing service line which typically sees lower revenue per job, as well as an increase in the portion of customer supplied proppant which reduces revenue on what are typically very large fracturing jobs.

As a percentage of revenue, materials and operating expenses were 78% in Q1 2017 compared to 96% during Q4 2016. This improvement was primarily due to increased equipment utilization combined with improved pricing leading to improved operating leverage. Variable and fixed costs generally remained consistent with Q4 2016 levels.

Administrative Expenses

($ thousands; unaudited) **Three months ended,**	**March 31, 2017**	December 31, 2016
Total Administrative Expenses (1)	**9,519**	11,807
Adjusted for:		
Equity-settled shared-based compensation	**843**	676
Amortization of debt issuance costs	**653**	653
Canyon acquisition costs	**1,862**	-
Severance	**-**	479
Adjusted Administrative Expenses (2)	**6,161**	9,999
Cash-settled share-based compensation	**(134)**	4,646

(1) Administrative Expenses is presented net of depreciation and amortization. Please refer to Note 9 of the Company's unaudited interim consolidated financial statements and accompanying notes, as at and for the quarter ended March 31, 2017.

(2) See first page of this report.

Adjusted general and administrative expenses decreased $3.8 million from the fourth quarter of 2016 primarily as a result of the $4.8 million decrease in cash-settled share-based compensation expense partially offset by an increase in professional fees related to the sale of assets, year-end compliance fees and Employment Insurance benefits and Canadian Pension Plan expenses. Cash-settled share based compensation includes restricted share unit expenses, deferred share unit expenses and performance share unit expenses which are correlated to the number of vested units and the movement in Trican's share price.

Operating income as a percentage of revenue was 15% during the first quarter compared to an operating loss as a percentage of revenue of 6% in the fourth quarter of 2016. Adjusted operating income in Q1 2017 was 17% of revenue compared to an adjusted operating income of 1% in Q4 2016.

Gross profit in Q1 2017 increased $27.9 million when compared to Q4 2016. This reflects the impact of sequential improvements in market conditions combined with discipline with fixed cost that led to operating income increasing $30.1 million.

Discontinued Operations

Discontinued operations include the results of pressure pumping operations in the United States, Russia, Algeria, Australia, Colombia, Kazakhstan, and Saudi Arabia, which were suspended or sold throughout 2015 and 2016. Additionally, discontinued operations include the completion tools business which was sold in July 2016. The completion tools business had operations in Canada, the United States, Norway and Russia. The decisions to discontinue these businesses are not anticipated to have a significant effect on the continuing operations of the Company.

Discontinued operations for the first quarter of 2017 include revenues of $0.3 million and compared to nil revenues for the fourth quarter of 2016. The net loss from discontinued operations was $0.6 million in the first quarter of 2017, compared to net loss of $4.2 million for the three months ended December 31, 2016.

Management continues its efforts to wind up foreign operations resulting in assets being classified as held for sale. At March 31, 2017, the net carrying value of the assets and liabilities located in these regions was $5.3 million. The Company also had assets held for sale with a net carrying value of $3.2 million in continuing operations which consisted mainly of real estate property.

Results from discontinued operations have not been included in the tables above. For information related to Trican's discontinued operations, please see the unaudited interim consolidated financial statements for the three months ended March 31, 2017, as well as the audited annual consolidated financial statements and accompanying notes, and the management's discussion and analysis for the year ended December 31, 2016.

OTHER EXPENSES AND INCOME

Finance costs for the first quarter of 2017 decreased by $5.3 million compared to the same period in 2016. This decrease is mainly due to the decrease in interest expense on loans and borrowings. The interest expense decreased by 58% due to a 61% reduction of average debt offset partially by higher banking fees.

Depreciation expense during Q1 2017 decreased by 25% compared to the same period last year due to a lower number of losses from major component disposals recorded in accelerated depreciation in 2017 and due to a net decrease in depreciable average gross book value of assets for continuing operations.

A foreign exchange gain of $1.2 million has been recorded in the first quarter of 2017, compared to a loss of $2.9 million for the same period in 2016. This is mostly due to an unrealized gain on the unhedged portion of the USD denominated debt as the U.S. dollar weakened relative to the Canadian dollar. This gain was partially offset by an unrealized loss on Trican's Profit Interest in Keane. The translation of the net assets of international entities are reported in discontinued operations.

Finance and other income of $2.9 million for the first quarter of 2017 consists primarily of gains on the disposal of assets.

INCOME TAXES

The Company recorded an income tax expense of $4.6 million during the first quarter of 2017 compared to a recovery of $15.5 million for the same period of 2016.

During the quarter, a tax expense of $2.0 million was recorded as a result of Trican generating taxable income. In addition, a deferred income tax expense of $2.6 million was recorded to account for the impact of the fair value change of Trican's Investments in Keane.

OTHER COMPREHENSIVE INCOME

Other comprehensive income ("OCI") includes the effects of foreign currency translation ("FCTA") offset by the reclassification of FCTA to the income statement for entities that have been sold or substantially disposed. OCI also includes the change in fair value, net of tax, of Trican's Class A shares held as part of its Equity Interest in Keane, and have been classified as available-for-sale.

The Company had a total other comprehensive loss of $13.2 million during the first quarter of 2017, compared to a loss of $71.4 million during the first quarter of 2016. During the first quarter of 2017, the loss included the unrealized loss on Trican's Equity Interest in Keane which was $13.2 million and is calculated net of a tax expense of $14.9 million, and foreign currency translation losses of nil. During the first quarter of 2016, the loss included foreign currency translation gains of $3.7 million offset by the reclassification of the foreign currency translation loss of $75.1 million on the disposition of Trican's US operations to Keane.

LIQUIDITY, CAPITAL RESOURCES AND FUTURE OPERATIONS

Operating Activities

Cash flow from operating activities for continuing operations was $11.1 million during Q1 2017, compared to a cash flow of $10.7 million during Q1 2016. The net increase in cash flows provided by continuing operations was due to a significant improvement in activity levels and operating margins in 2017 offset by a small increase in working capital since December 31, 2016. In contrast, the positive cash flows from operating activities generated during Q1 2016 were due to large working capital releases offset by losses from continuing operations.

At March 31, 2017, Trican had working capital of $98.9 million compared to $114.1 million at the end of 2016. The decrease is largely due to the disposition of the NOV shares, decrease in inventory and prepaid expenses, which was partially offset by an increase in trade accounts receivable and a decrease in trade payables. The increase in trade and other receivables reflects the higher level of activity in Q1 2017, while the decrease in inventory reflects the on-going efforts to reduce inventory and control costs.

Investing Activities

On March 21, 2017, Trican entered into an Arrangement Agreement pursuant to which Trican has agreed to acquire all of the issued and outstanding common shares of Canyon on the basis of 1.70 common shares of Trican for each outstanding Canyon Share.

On April 21, 2017, Trican secured debt facilities underwritten by a member of the existing lending syndicate in the amount of $150 million for a senior secured 180-day revolving credit facility, and $85 million for a senior secured 180-day non-revolving term loan, (together, the "Backstop Facilities"). The interest rates on the revolving credit facility are identical to Trican's existing RCF. The interest rate on the senior non-revolving term loan is a fixed margin of 6.75% per annum for Prime and USBR Loans and 7.75% per annum for Bankers' Acceptances and LIBO Rate Loans, subject to an increase of 0.50% per annum effective 90 days following the initial draw of such non-revolving term loan. The Backstop Facilities were secured to backstop Trican's obligation to obtain consent from the lenders under its existing RCF and the holders of the senior notes prior to closing of the Arrangement Agreement and to preserve liquidity while Trican negotiates the terms of a new credit structure to potentially replace either or both of Trican's existing RCF and senior notes. The cost of the Backstop Facilities includes a $1.9 million structuring fee. The structuring fee can be credited against any future fees applicable to longer term facilities that the Company might enter into with members of the above referenced lending syndicate.

During the quarter ended March 31, 2017, Trican sold its NOV shares and monetized a portion of the Investments in Keane. Trican obtained net proceeds of approximately USD $21.4 million (CAD $28.0 million) for its NOV shares and USD $28.4 million (CAD $37.8 million) from the sale of shares in the secondary offering of the IPO. The combined net proceeds in the quarter of approximately USD $49.8 million or CAD $65.8 million were used to pay down debt.

Trican continues to hold a significant Equity Interest in Keane. The value of the Equity Interest in Keane decreased by $65.8 million during the three months ended March 31, 2017, of which approximately $37.8 million was due to a sale of shares in the secondary offering at IPO. The value of the Profits Interest in Keane decreased by $52.3 million in the same period. Trican has not determined when or to what extent future liquidity events may occur.

Capital expenditures related to continuing operations for the quarter ended March 31, 2017 totaled $2.7 million, compared with $0.1 million for the first quarter 2016. Proceeds from the sale of Property and Equipment totaled $3.4 million during the quarter, compared with proceeds of $0.5 million for the quarter ended March 31, 2016. Capital expenditures continue to be controlled while operating conditions and cash flow improve. We expect to continue to minimize capital spending during 2017, with this spending expected to be funded through cash flow from operations. Trican regularly reviews its capital equipment requirements and will continue to follow its policy of adjusting the capital budget on a quarterly basis to reflect changing operating conditions, cash flow and capital equipment needs.

Financing Activities

Senior Notes

The Company has several series of senior notes outstanding as at March 31, 2017. During the quarter the Company retired in advance portions of its Series F and G Senior Notes using proceeds received from the sale of its marketable securities.

Revolving Credit Facility

As at March 31, 2017, Trican has a $227.3 million (December 31, 2016 - $250 million) extendible revolving credit facility ("RCF") with a syndicate of banks that is committed until October 31, 2018. Availability under the RCF is currently capped at $175 million. The Company expects to have access to the full RCF commitment amount of $227.3 million during Q2 2017 as the principle cap is to be removed when the Company achieves Consolidated EBITDA of at least $25 million as per its credit agreement. This was achieved in the period ended March 31, 2017, but the removal of the principle cap is subject to lenders approval. The RCF is secured and bears interest at the applicable Canadian prime rate, U.S. prime rate, Banker's Acceptance rate, or at LIBOR, plus 350 to 625 basis points (December 31, 2016 – Canadian prime rate, U.S. prime rate, Banker's Acceptance rate, or at LIBOR, plus 350 to 625 basis points), dependent on certain financial ratios of the Company. The undrawn amount of the RCF is $144.2 million of which only $91.9 million is accessible as at March 31, 2017 (December 31, 2016 - $110 million).

As at March 31, 2017, Trican has a $10 million (December 31, 2016 - $10 million) Letter of Credit facility with its syndicate of banks. As at March 31, 2017, Trican had $5.0 million in letters of credit outstanding (December 31, 2016 - $5.1 million).

Covenants

The Company is required to comply with covenants that are applicable to the RCF and to the Senior Notes. Trican is required to comply with the following leverage and interest coverage ratio covenants.

For the quarter ended	Leverage Ratio	Interest Coverage Ratio	Calculation Basis
March 31, 2017	<5.0x	>2.0x	Q1 annualized
June 30, 2017	<5.0x	>2.0x	(Q1 X 3 + Q2)
September 30, 2017	<5.0x	>2.0x	((Q1 + Q3) x 3/2) + Q2
December 31, 2017	<4.0x	>2.5x	Last twelve months
Thereafter	<3.0x	>3.0x	Last twelve months

During the quarter ended March 31, 2017, Trican was in compliance with the required debt covenant ratios and we continue to forecast compliance with our covenants in future periods.

The Leverage Ratio is defined as long-term debt excluding Subordinated Make Whole Notes (net of the mark to market value of the cross currency swaps) minus cash divided by adjusted EBITDA. As at March 31, 2017, the Leverage Ratio was 0.88 (December 31, 2016 – not applicable).

The Interest Coverage Ratio is defined as adjusted EBITDA divided by interest expense minus payable in-kind interest. As at March 31, 2017, the Interest Coverage Ratio was 8.12 (December 31, 2016 – not applicable).

Certain non-cash expenses and personnel based expenses such as severance are permitted to be added back to EBITDA to arrive at adjusted EBITDA for covenant calculation purposes.

The Company is in compliance with its financial covenants for the quarter ended March 31, 2017 (2016 – no covenants applicable).

Share Capital

As at May 2, 2017, Trican had 193,625,004 common shares and 11,665,434 employee stock options outstanding.

Other Commitments and Contingencies

The Company has commitments for operating lease agreements, primarily for office space, with minimum payments due as of March 31, 2017, and capital commitments, primarily related to major equipment as follows:

Contractual Obligations

	Payments Due by Period			
March 31, 2017	**1 year or less**	**1 to 5 years**	**5 years & thereafter**	**Total**
Trade and other payables	**$85,076**	**$-**	**$-**	**$85,076**
Senior Notes (including interest)	**13,717**	**65,612**	**5,891**	**85,220**
RCF (including interest)	**6,897**	**83,643**	**-**	**90,540**
Finance leases	**557**	**180**	**-**	**737**
Operating leases	**3,429**	**9,527**	**7,899**	**20,855**
Total Commitments	**$109,676**	**$158,962**	**$13,790**	**$282,428**
December 31, 2016				
Trade and other payables	$87,239	$-	$-	$87,239
Senior Notes (including interest)	14,697	80,493	5,961	101,151
RCF (including interest)	10,348	154,020	-	164,368
Finance leases	717	264	-	981
Operating leases	4,641	9,838	8,324	22,803
Total Commitments	$117,642	$244,615	$14,285	$376,542

Management is satisfied that the Company has sufficient liquidity and capital resources to meet the Company's obligations and commitments.

Sand Purchase Agreement with Huron Mineral LLC

On November 2, 2016, Trican Well Service LP reached an agreement with Huron Minerals LLC to settle its dispute related to a sand purchase agreement. The Company recorded a provision of $8.3 million during the year as the parties agreed to settle this claim for USD $6.35 million. The Company paid USD $4.0 million on January 5, 2017 and paid USD $2.35 million on April 3, 2017. With all required payments having been made by Trican, the American Arbitration Association issued an order formally dismissing this matter with prejudice on April 11, 2017.

Indemnity Claim in connection with the sale of Trican's US operations to Keane Group ("Keane") on March 16, 2016

During Q3 2016 Keane delivered an Indemnity Claim stating that Trican owes Keane $4.0 million (USD $3.0 million) due to losses incurred by Keane for assets purchased that were not in good operating condition. Management has not recorded any accrual for this contingent liability associated with this claim based on our belief that a liability is not probable and any range of potential future charge cannot be reasonably estimated at this time.

Other Litigation

On August 25, 2015, a class action lawsuit was filed on behalf of 31 plaintiffs against Trican Well Service, LP. The claim alleges that Trican misclassified the plaintiffs' position as "exempt" from overtime wages from February 2011 to August 2015, resulting in a loss of overtime wages during this period. The plaintiffs claim that the potential damages as a result of this claim could reach USD $2.2 million.

On January 13, 2016, a class action lawsuit was filed on behalf of 11 plaintiffs against Trican Well Service, LP. The claim alleges that Trican misclassified the plaintiffs' position as "exempt", resulting in a loss of overtime. The plaintiffs claim that the potential damages as a result of this claim could reach USD $3.3 million.

Given the information available at these early stages of these other litigations, management has not recorded any amount for the contingent liability associated with these claims based on our belief that a liability is not probable and any range of potential future charge cannot be reasonably estimated at this time.

The tax regulations and legislation in the various jurisdictions that the Company operates in are continually changing. As a result, there are usually some tax matters under review. Management believes that it has adequately met and provided for taxes based on the Company's interpretation of the relevant tax legislation and regulations.

INVESTMENTS IN KEANE

On March 16, 2016, Trican sold its U.S. pressure pumping operations to Keane Group Holdings, LLC ("Keane Private Company") for USD $200 million in cash, 10% and 100% of class A and C shares, respectively, in the Keane Private Company. At the time of the sale, Keane Private Company and its subsidiaries performed pressure pumping services for oil and gas companies in the onshore U.S. market.

On January 20, 2017, Keane Group, Inc. ("FRAC") completed its initial public offering ("IPO") and its shares became publicly traded on the New York Stock Exchange under the ticker symbol "FRAC". As a result of the IPO, Trican's ownership interests in the Keane Private Company have been transferred to Keane Investor Holdings, LLC ("Keane Holding Company"). Effectively, our Class A common shares and Class C profits interest in Keane Private Company are now Class A common shares and Class C profits interest in the Keane Holding Company. Trican's Investments in Keane have been reorganized as a result of the IPO, but the waterfall calculation used to calculate the cash received by Trican on future liquidity events has not changed.

At the time of IPO, the Keane Holding Company registered a total of 15,074,000 shares at a price of USD $19 which resulted in a cash distribution of $37.8 million (USD $28.4 million) to Trican. At March 31, 2017, the Keane Holding Company's only asset was 72.2 million shares of FRAC and it had no liabilities. These shares are subject to the underwriters' six month hold period and, as such, cannot be sold by Keane Holding Company until the hold period either expires or is waived by the underwriters. Any future sales by Keane Holding Company of FRAC common shares will be added to the amounts realized from the secondary offering by Keane Holding Company for purposes of calculating the threshold values in the table below and used to calculate Trican's share of the proceeds from future sales.

Future liquidity events will effectively be the future sale of the remaining shares of FRAC currently held by the Keane Holding Company. The proceeds from the future sales will be distributed to the owners of Keane Holding Company on a pro-rata basis. Trican's portion of the future liquidity events will be calculated based on the following waterfall table:

		Liquidity Event Cumulative Proceeds Thresholds (USD $MM) For the Year Ending March 15				
Tranche	**Trican Ownership Interest**	**2017**	**2018**	**2019**	**2020**	**2021**
First	10% up to	$468	$468	$468	$468	$468
Second	9.2% between	$468 - 608	$468 - 791	$468 - 1,028	$468 - 1,336	$468 - 1,737
Third	18.3% between	$608 - 632	$791 - 853	$1,028 - 1,151	$1,336 - 1,554	$1,737 - 2,098
Fourth	27.4% greater than	$632	$853	$1,151	$1,554	$2,098

The ownership and future disposition of FRAC common shares by Keane Holding Company is currently effectively controlled by Cerberus Capital Management, L.P. ("Cerberus"), the private equity firm that has a majority ownership interest in Keane Holding Company. Trican does have the right to sell its class A and class C shares in Keane Holding Company; however, Cerberus has a right of first refusal ("ROFR") on any future sale. Trican management believes its financial interests in Keane Holding Company are basically aligned with Cerberus' financial interests. At this point in time, Trican management believes it will maximize the future cash received from its Investments in Keane by holding its class A and class C shares in Keane Holding Company and realizing its cash proceeds as Keane Holding Company decides to sell its FRAC common shares in the future.

The total cash to be realized in the future from Trican's remaining Investments in Keane is dependent on the amount and timing of future liquidity events and the sale price of the FRAC shares at the time of the liquidity event. As such, it is challenging to accurately estimate the total cash to be realized in the future from Trican's Investments in Keane as the amount is entirely dependent on future information which is unknown today.

The following table provides illustrative values for Trican's proceeds from future liquidity events and excludes the secondary offering liquidity event at the time of the IPO on January 20, 2017, which resulted in net proceeds of USD $285.9 million to Keane Holding Company and USD $28.4 million to Trican. The table assumes the remaining FRAC shares held by Keane Holding Company are all sold during the applicable year in the table:

Year Ending March 15	Keane Holding Company Proceeds	Trican Pro Rata Proceeds	Trican Pro Rata Proceeds (1.35 CAD/USD Exchange Rate)
FRAC USD $9.87 share price:			
2018	USD$0.71 billion	USD$99 million	CAD$134 million
2019	USD$0.71 billion	USD$67 million	CAD$91 million
2020	USD$0.71 billion	USD$67 million	CAD$91 million
2021	USD$0.71 billion	USD$67 million	CAD$91 million
FRAC USD $13.87 share price:			
2018	USD$1.00 billion	USD$178 million	CAD$241 million
2019	USD$1.00 billion	USD$130 million	CAD$175 million
2020	USD$1.00 billion	USD$94 million	CAD$126 million
2021	USD$1.00 billion	USD$94 million	CAD$126 million
FRAC USD $17.87 share price:			
2018	USD$1.29 billion	USD$257 million	CAD$347 million
2019	USD$1.29 billion	USD$209 million	CAD$282 million
2020	USD$1.29 billion	USD$144 million	CAD$195 million
2021	USD$1.29 billion	USD$120 million	CAD$162 million

For more information on our Investments in Keane, refer to our Annual Information Form dated March 29, 2017, and notes to the financial statements in our audited financial statements for the year ended December 31, 2016, which are available under Trican's profile at www.sedar.com.

OUTLOOK

Demand for our services has been steadily increasing during the past nine months, and this trend intensified very early in the first quarter of 2017. Crews for all service lines were highly utilized for the entire quarter, and a late spring break-up allowed activity to continue until the end of March. We have not activated all of our parked equipment. During the first quarter of 2017, 60% of our total fracturing capacity and 50% of our other pressure pumping equipment was active.

There was a pronounced undersupply of manned equipment in the industry in the first quarter, which resulted in many customers not completing their work programs in the first quarter and pushing their programs into the second quarter. This backlog of work, combined with planned Q2 programs for some of our anchor clients will result in second quarter activity levels considerably higher on a year-over-year basis for fracturing and coiled tubing. Other service lines such as cementing are more susceptible to weather-related delays and we expect these services to see a more "typical" slow down for spring break-up, which correlates with the drop in rig count normally seen at this time of year. Although fracturing is largely booked through the quarter, road bans and other weather-related delays are expected to have a negative impact on pumping efficiency, particularly due to challenges in moving sufficient volumes of sand to location. This will decrease overall fracturing utilization from that seen in Q1. Nonetheless, the incremental revenue from the increased workload is expected to cover a meaningful portion of our fixed cost structure which should allow us to improve our second quarter financial results and maintain our head count in anticipation of activity picking up coming out of spring break-up.

Activity was very high throughout the first quarter which led to favorable pricing conditions for all service lines. Management's current expectations are that activity and pricing will continue building from first quarter levels after spring break-up as many work programs have been or are being repriced for the third and fourth quarters of 2017. Although pricing improved in the quarter, our average pricing improvement was reduced by legacy agreements with long term clients that were below leading edge pricing in the industry. As these agreements roll over, we anticipate a continued improvement in pricing through the second half of the year. Approximately 80% of our pricing agreements are negotiated quarterly and we are currently in discussions with most of our clients regarding second half work programs and pricing. Pricing improvements will be required to cover cost increases in our business as well as return our business to sustainable profitability levels.

We activated 30,000 fracturing horsepower in January, and four cement crews (in addition to two added in late 2016). With the current commodity price environment, we believe that demand is sufficient that two more fracturing crews can be added in the third quarter, with the possibility for a third crew to be activated during the fourth quarter of 2017 which would represent the activation of approximately 50% of our currently parked fracturing equipment. If activity levels remain high and sufficient personnel are recruited, we could potentially have our entire fracturing fleet activated in the next twelve months. We expect that these activations would secure work on the leading edge of pricing and would have an accretive impact on operating margins.

Hiring remains a significant challenge that could limit equipment activations. Given the high levels of activity expected in the second and third quarters of 2017, we have been able to continue hiring and training during spring break-up. We are early in the process of Q3 activations, but are optimistic that we will meet those targets.

Cost inflation was not a material factor in our first quarter results as most of our costs were on a fixed cost basis for the quarter. If demand remains high, we anticipate that we will see inflationary pressures when we exit spring break-up, particularly on our proppant and chemicals. In addition, we anticipate wage inflation in the second half of the year. As such, management believes that further pricing improvement, net of cost inflation, is needed in order to run a sustainable business and that we will pursue additional pricing increases throughout the second half of the year.

The Arrangement Agreement between Trican and Canyon is subject to customary approvals and conditions, including approval from the shareholders of each of Trican and Canyon, as well as regulatory approval from the Competition Bureau. On April 10, 2017, Trican and Canyon made their respective filings to the Competition Bureau of Canada. If the Competition Bureau does not issue a supplementary information request in respect of the transaction, the Bureau will work towards clearing the transaction by the end of its non-binding service standard period on May 25, 2017. Shareholder votes will be held on May 31st.

We are excited by our acquisition of Canyon and believe that the combined company will achieve significant cost and operational synergies, provide greater service to our customers, offer numerous opportunities for Trican and Canyon employees, and generate competitive margins.

BUSINESS RISKS

A discussion of certain business risks faced by Trican may be found under the "Risk Factors" section of our Annual Information Form dated March 29, 2017, and "Business Risks" in our management's discussion and analysis for the year ended December 31, 2016, which are available under Trican's profile at www.sedar.com.

INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in Trican's internal control over financial reporting that occurred during the quarter ending March 31, 2017, which have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

SUMMARY OF QUARTERLY RESULTS

	2017	**2016**				2015		
($ millions, except per share amounts; unaudited)	**Q1**	Q4	Q3	Q2	Q1	Q4[(1)]	Q3[(1)]	Q2
Revenue from continuing operations	**149.4**	114.8	78.0	32.5	99.9	157.7	192.5	80.3
Profit / (loss) from continuing operations	**(48.9)**	56.9	(14.7)	(40.4)	(42.5)	(16.5)	10.1	(37.7)
Per share - Basic and Diluted	**(0.25)**	0.30	(0.08)	(0.26)	(0.29)	(0.11)	0.07	(0.25)
Profit / (loss) from discontinued operations	**(1.3)**	(4.1)	(23.4)	(24.7)	63.6	(289.6)	(213.3)	(245.5)
Per share - Basic and Diluted	**(0.01)**	(0.03)	(0.12)	(0.16)	0.43	(1.94)	(1.43)	(1.65)
Profit / (loss) for the period	**(50.2)**	52.8	(38.1)	(65.1)	20.9	(305.7)	(203.2)	(283.2)
Per share - Basic and Diluted	**(0.26)**	0.27	(0.20)	(0.42)	0.14	(2.05)	(1.36)	(1.90)

(1) Trican's financial statements for the year ended December 31, 2015 have been amended to correct certain immaterial errors involving other comprehensive income. Please see the audited consolidated financial statements and accompanying notes, for the year ended December 31, 2016.

NON-GAAP DISCLOSURE

Operating income / (loss), adjusted operating income do not have any standardized meaning as prescribed by IFRS and, therefore, are considered non-GAAP measures.

Operating income / (loss) and adjusted operating income / (loss) have been reconciled to gross profit / (loss), being the most directly comparable measures calculated in accordance with IFRS. Adjusted operating income provides investors with an indication of operating income before equity-settled share-based compensation, amortization of debt costs, severance costs and excludes items that are significant but not reflective of our ongoing operations for the period. It provides investors with an indication of comparable operating income / (loss) between periods and provides an indication of measures used for debt covenant calculations.

Non-GAAP Reconciliation - Consolidated Gross Loss to Adjusted Consolidated Operating Loss

	Three months ended		
($ thousands, unaudited)	**Mar. 31, 2017**	Mar. 31, 2016	Dec. 31, 2016
Consolidated gross loss (IFRS financial measure)	**17,825**	(31,286)	(10,064)
Deduct:			
Administrative expenses	**10,407**	15,233	13,606
Add:			
Depreciation & amortization	**888**	2,856	1,881
Depreciation expense - cost of sales	**14,366**	17,264	14,400
Consolidated operating income	**22,672**	(26,399)	(7,389)
Add:			
Severance costs	**-**	7,899	1,636
Professional fees related to restructuring	**-**	45	-
Amortization of debt issuance costs	**653**	1,489	653
Inventory write-down	**-**	-	5,535
Equity-settled share-based compensation	**843**	788	676
Acquisition costs	**1,862**	-	-
Adjusted consolidated operating income	**26,030**	(16,178)	1,111

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute forward-looking information and statements (collectively "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "estimate", "expect", "intend", "plan", "planned", and other similar terms and phrases. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. We believe the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this document should not be unduly relied upon. These statements speak only as of the date of this document.

In particular, this document contains forward-looking statements pertaining to, but not limited to, the following:

- expectation of the effect of continuing low crude oil and natural gas prices on the business of the Company;
- expected benefits of divestures completed by the Company;
- the Company's ability to maintain a strong market position in Canada;
- anticipated industry activity levels in jurisdictions where the Company operates, as well as customer work programs and equipment utilization levels;
- anticipated adjustments to our active equipment fleet, and related adjustments to cost structure;
- expectations regarding workforce recruitment and retention;
- anticipated compliance with debt and other covenants under the Second 2016 Amended Credit Agreements;
- expectations regarding the Company's cost structure;
- expectations regarding capital spending for 2017;
- expectations regarding the Company's financial results, working capital levels, liquidity and profits;
- expectations regarding stages per well and quantity of proppant pumped per well;
- expectations regarding pricing of the Company's services;
- expectations regarding the completion and timing of the closing of the Canyon Transaction;
- anticipated benefits and synergies of the Canyon Transaction and risks associated with completing the Transaction;
- expectations regarding the timing, value and realized cash flow from the Investments in Keane;
- expectations regarding the impact of discontinued operations in various international regions on the Company going forward;
- anticipated ability of the Company to meet foreseeable funding requirements;
- expectations regarding the potential outcome of contingent liabilities;
- expectations surrounding weather and seasonal slowdowns; and
- expectations regarding the impact of new accounting standards and interpretations not yet adopted.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and in the "Risk Factors" section of our Annual Information Form dated March 29, 2017:

- volatility in market prices for oil and natural gas;
- liabilities inherent in oil and natural gas operations;
- competition from other suppliers of oil and gas services;
- competition for skilled personnel;
- the satisfaction of conditions, including regulatory approvals, to closing the Canyon Transaction including in a timely manner;
- changes in income tax laws or changes in other laws and incentive programs relating to the oil and gas industry; and
- changes in political, business, military and economic conditions in key regions of the world.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward-looking statements are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although management of Trican believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Trican can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: crude oil and natural gas prices; the impact of increasing competition; the general stability of the economic and political environment; the timely receipt of any required regulatory approvals; Trican's, Canyon's and the combined company's ability to continue its operations for the foreseeable future and to realize its assets and discharge its liabilities and commitments in the normal course of business; industry activity levels; Trican's policies with respect to acquisitions; the ability of Trican to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability to operate our business in a safe, efficient and effective manner; the ability of Trican to obtain capital resources and adequate sources of liquidity; the performance and characteristics of various business segments; the regulatory framework; the timing and effect of pipeline, storage and facility construction and expansion; and future commodity, currency, exchange and interest rates.

The forward-looking statements contained in this document are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable law.

Additional information regarding Trican including Trican's most recent Annual Information Form is available under Trican's profile on SEDAR (www.sedar.com).

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(stated in thousands; unaudited)	**March 31, 2017**	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	**$18,917**	$20,254
Trade and other receivables	**124,776**	108,266
Current tax assets	**15,289**	16,345
Inventory	**23,881**	26,426
Prepaid expenses	**2,979**	4,056
Currency derivatives (note 11)	**-**	28,062
Assets held for sale (note 4)	**8,737**	8,667
	194,579	212,076
Property and equipment	**417,772**	432,401
Intangible assets	**72**	213
Investments in Keane (note 11)	**112,880**	230,976
Currency derivatives (note 11)	**19,278**	17,479
Other assets	**2,668**	3,041
Goodwill	**19,251**	19,251
	$766,500	$915,437
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade and other payables	**$85,633**	$87,956
Current tax liabilities	**115**	-
Current portion of loans and borrowings (note 5)	**9,697**	9,790
Liabilities held for sale (note 4)	**283**	279
	95,728	98,025
Loans and borrowings (note 5)	**137,117**	211,776
Deferred tax liabilities	**27,682**	37,917
Shareholders' equity		
Share capital (note 6)	**638,440**	638,377
Contributed surplus	**75,047**	74,223
Accumulated other comprehensive income (note 6)	**27,433**	40,652
Deficit	**(234,399)**	(184,243)
Total equity attributable to equity holders of the Company	**506,521**	569,009
Non-controlling interest	**(548)**	(1,290)
	$766,500	$915,437

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(stated in thousands, except per share amounts) For the months ended March 31,	**2017**	2016
Continuing operations		
Revenue	**$149,403**	$99,848
Cost of sales (note 9)	**131,578**	131,134
Gross income / (loss)	**17,825**	(31,286)
Administrative expenses (note 8)	**10,407**	15,233
Other income	**(1,935)**	(258)
Results from operating activities	**9,353**	(46,261)
Net finance costs (note 12)	**2,802**	8,800
Loss on profit interest in Keane	**51,997**	-
Foreign exchange loss / (gain)	**(1,231)**	2,936
Loss before income tax	**(44,215)**	(57,997)
Income tax expense / (recovery) (note 10)	**4,637**	(15,506)
Loss from continuing operations	**($48,852)**	($42,491)
Discontinued operations		
Net income / (loss) from discontinued operations, net of taxes (note 4)	**(562)**	63,250
Income / (loss) for the period	**($49,414)**	$20,759
Other comprehensive gain / (loss)		
Unrealized gain / (loss) on equity interest in Keane, net of tax expense 2017: ($14,883); 2016: nil (note 11)	**(13,150)**	-
Foreign currency translation gain / (loss)	**(69)**	3,692
Reclassification of foreign currency translation gain / (loss) on sale of substantial disposition or sale of foreign operations	**-**	(75,117)
Total comprehensive loss	**($62,633)**	($50,666)
Income / (loss) attributable to:		
Owners of the Company	**(50,156)**	20,857
Non-controlling interest	**742**	(98)
Income / (loss) for the year	**($49,414)**	$20,759
Total comprehensive loss attributable to:		
Owners of the Company	**(63,375)**	(50,568)
Non-controlling interest	**742**	(98)
Total comprehensive loss	**($62,633)**	($50,666)
Earnings / (loss) per share - basic and diluted (note 7)		
Continuing operations	**($0.25)**	($0.29)
Discontinued operations	**($0.01)**	$0.43
Net profit / (loss)	**($0.26)**	$0.14
Weighted average shares outstanding - basic	**193,603**	148,920
Weighted average shares outstanding - diluted	**193,603**	148,411

See accompanying notes to the consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Stated in thousands; unaudited)	Share capital	Contributed surplus	Accumulated other comprehensive (loss) / gain	Retained earnings / (deficit)	Total	Non-Controlling interest	Total Equity
Balance at January 1, 2016	$570,337	$72,082	$65,985	($154,709)	$553,695	($1,694)	$552,001
Income / (loss) for the period	-	-	-	20,857	20,857	(98)	20,759
Foreign currency translation gain	-	-	3,692	-	3,692	-	3,692
Share-based compensation expense	-	789	-	-	789	-	789
Share options exercised	36	(11)	-	-	25	-	25
Reclassification of foreign currency translation gain / (loss) on substantial disposition or sale of foreign operations	-	-	(75,117)	-	(75,117)	-	(75,117)
Balance at March 31, 2016	$570,373	$72,860	($5,440)	($133,852)	$503,941	($1,792)	$502,149
Balance at January 1, 2017	**$638,377**	**$74,223**	**$40,652**	**($184,243)**	**$569,009**	**($1,290)**	**$567,719**
Income / (loss) for the period	**-**	**-**	**-**	**(50,156)**	**(50,156)**	**39**	**(50,117)**
Foreign currency translation loss	**-**	**-**	**(69)**	**-**	**(69)**	**-**	**(69)**
Share-based compensation expense	**-**	**843**	**-**	**-**	**843**	**-**	**843**
Share options exercised	**63**	**(19)**	**-**	**-**	**44**	**-**	**44**
Reduction in non-controlling interest	**-**	**-**	**-**	**-**	**-**	**703**	**703**
Unrealized loss on equity interest in Keane	**-**	**-**	**(13,150)**	**-**	**(13,150)**	**-**	**(13,150)**
Balance at March 31, 2017	**$638,440**	**$75,047**	**$27,433**	**($234,399)**	**$506,521**	**($548)**	**$505,973**

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Stated in thousands)

Three months ended March 31,	**2017**	2016
Cash Provided By / (Used In):		
Operations		
Loss from continuing operations	**($48,852)**	($42,491)
Charges to income not involving cash:		
Depreciation and amortization	**15,254**	20,120
Amortization of debt issuance costs	**653**	1,489
Stock-based compensation	**843**	788
Gain on disposal of property and equipment	**(1,289)**	106
Net finance costs	**3,476**	8,800
Unrealized foreign exchange (gain) / loss	**(4,215)**	779
Unrealized gain on marketable securities	**(673)**	-
Unrealized loss on equity interest in Keane	**51,997**	-
Income tax expense / (recovery)	**4,637**	(15,506)
Change in inventories	**2,200**	3,600
Change in trade and other receivables	**(16,954)**	63,821
Change in prepaid expenses	**1,001**	1,489
Change in trade and other payables	**7,098**	(22,052)
Interest paid	**(5,216)**	(9,298)
Income tax paid	**1,173**	(936)
Continuing operations	**11,133**	10,709
Discontinued operations	**(4,520)**	(67,179)
Cash flow from operating activities	**6,613**	(56,470)
Investing		
Proceeds from a loan to unrelated third party	**570**	478
Purchase of property and equipment	**(2,699)**	(63)
Proceeds from the sale of property and equipment	**3,448**	458
Proceeds from the sale of marketable securities	**28,047**	-
Proceeds from investment in Keane (note 11)	**37,757**	-
Continuing operations	**67,123**	873
Consideration on sale of discontinued operations	**-**	**264,520**
Discontinued operations	**(101)**	3,060
Cash flow from investing activities	**67,022**	268,453
Financing		
Net proceeds from exercise of stock options	**44**	25
Repayment of long-term debt, net of debt issuance costs	**(63,000)**	(60,288)
Repayment of Senior Notes	**(11,471)**	(142,285)
Continuing operations	**(74,427)**	(202,548)
Discontinued operations	**-**	-
Cash flow from financing activities	**(74,427)**	(202,548)
Effect of exchange rate changes on cash	**(545)**	(887)
Increase / (decrease) in cash and cash equivalents		
Continuing operations	**3,829**	(190,966)
Discontinued operations	**(5,166)**	199,514
Cash and cash equivalents, beginning of period	**20,254**	49,117
Cash and cash equivalents, end of period	**$18,917**	$57,665

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED) for the three months ended March 31, 2017

(stated in thousands, except share and per share amounts)

NOTE 1 – NATURE OF BUSINESS, BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Trican Well Service Ltd. (the "Company" or "Trican") is an oilfield services company incorporated under the laws of the province of Alberta. These consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly owned, with the exception of Saudi Arabia, in which Trican has a 70% ownership, and Colombia, in which Trican has an 78% ownership (together referred to as the "Company"). The Company provides a comprehensive array of specialized products, equipment, services and technology for use in the drilling, completion, stimulation and reworking of oil and gas wells primarily through its continuing pressure pumping operations in Canada. At March 31, 2017, the Company also has a minority ownership interest of Keane Group Holdings, LLC ("Keane Holdings") in the United States. Trican acquired its interest in Keane Holdings in conjunction with the sale of its US operation (see note 11).

The Company has presented the results of its pressure pumping operations in the United States ("U.S."), Australia, Kazakhstan, Colombia, Algeria and Saudi Arabia, as discontinued operations. In addition, Trican presented the results of its completion tools businesses in Canada, the U.S., Russia, and Norway as discontinued operations (see note 4).

Basis of Preparation and Summary of Significant Accounting Policies

These condensed consolidated interim financial statements for the three month period ended March 31, 2017, have been prepared in accordance with IAS 34 ***Interim Financial Reporting***. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's 2016 consolidated annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with those used in the Company's 2016 consolidated annual financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 3, 2017.

NOTE 2 - CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed consolidated interim financial statements in compliance with IAS 34 requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas where significant judgment and estimates have been made in preparing the financial statements and their effect are disclosed in Note 1 of the Company's 2016 consolidated annual financial statements.

There have been no material revisions to the nature of judgments or changes in estimates of amounts reported in the Company's 2016 consolidated annual financial statements.

NOTE 3 - NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS NOT YET ADOPTED

The International Accounting Standards Board (IASB) have issued the following standards that have not been applied in preparing our 2017 first quarter unaudited condensed consolidated interim financial statements and notes thereto, as their effective dates fall within annual periods beginning subsequent to the current reporting period.

In July, 2014 the IASB issued the complete IFRS 9, Financial Instruments, (IFRS 9 (2014)). Under the new standard financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment. Further, IFRS 9 (2014) includes a new general hedge standard that is better aligned with companies' risk management, expands the scope of the hedging strategies, and introduces more judgment to assess the effectiveness of the hedge relationship. The amendments to IFRS 9 (2014) are effective for annual periods beginning on or after January 1, 2018, and are available for early adoption. The Company expects IFRS 9 will impact the Company's current policies and procedures regarding provisions on trade receivables. Trade receivables are recorded at its original invoice less any amounts estimated to be uncollectable. Under IFRS 9, the expected loss impairment model replaces the current incurred loss model and is based on forward looking approach which includes earlier recognition of losses. Given the short term nature of these receivables, the Company does not anticipate these changes to have a material financial impact. IFRS 9 also contains a new model to be used for hedge accounting. The Company does not currently apply hedge accounting.

IFRS 15, Revenue from Contracts with Customers, was issued on May 28, 2014. The Standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The Standard replaces IAS 11, Construction Contracts, IAS 18, Revenue, IFRIC 13, Customer Loyalty Programs,

IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfer of Assets from Customers, and SIC 31, Revenue – Barter Transactions Involving Advertising Services. The new standard is effective for annual periods beginning on or after January 1, 2018. Early adoption is also permitted. The Company anticipates minimal effect but continues to assess its revenue streams to determine the impact, if any, that the adoption of IFRS 15 will have on its financial statements, as well as the impact that adoption of the standard will have on disclosure.

IASB issued IFRS 16, Leases, in January 2016. The new standard replaces IAS 17, Leases. It is in effect for accounting periods beginning on or after January 1, 2019. Early adoption is permitted only if the Company has adopted IFRS 15, Revenue from Contracts with Customers. Under the new standard, more leases will be reported on the balance sheet for lessees, with the exception of leases with a term not greater than 12 months and "small value" leases. Lease accounting for lessors remains substantially the same as existing guidance. During 2017, the Company will complete an assessment documenting the potential impacts of IFRS 16 on its consolidated financial statements.

The Company's initial assessments on the IFRS 9, IFRS 15, and IFRS 16 are based on work completed to date and may be subject to change as the assessments continue.

NOTE 4 - ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets and Liabilities Held for Sale

The Company has classified certain assets and liabilities as held for sale. As at March 31, 2017 and December 31, 2016, management was committed to a plan to sell its operating assets in Australia, Colombia, Algeria and Saudi Arabia, as well as assets relating to the microseismic division and relating to real estate assets in Canada's continuing operations.

The following table represents the assets and liabilities held for sale.

	March 31, 2017	December 31, 2016
Trade receivables	**$763**	$783
Inventory	**66**	70
Prepaid expenses	**68**	75
Current tax assets	**152**	153
Property and equipment	**7,688**	7,586
Total assets held for sale	**$8,737**	$8,667
Trade and other payables	**$283**	$279
Total liabilities held for sale	**$283**	$279

An impairment charge of $nil, (March 31, 2016 - $1.1 million) was recorded as a result of measuring the assets held for sale at the lower of cost or fair value less cost of disposal.

Results of Discontinued Operations

In the second quarter of 2016, the Company's completion tools business met the criteria for presentation as discontinued operations. In the first quarter of 2016, the Company's pressure pumping businesses in the U.S., Kazakhstan, Colombia and Saudi Arabia met the criteria for presentation as discontinued operations. In addition, the Company's pressure pumping business in Russia, Australia and Algeria met the criteria for presentation as discontinued operations in the third quarter of 2015.

Following are the results of discontinued operations:

		Three months ended,
Canadian Operations	**March 31, 2017**	March 31, 2016
Revenue	**$-**	$1,355
Cost of sales	**66**	3,309
Gross loss	**(66)**	(1,954)
Administrative expenses	**107**	73
Other income	**(406)**	(28)
Income / (loss) from operating activities	**233**	(1,999)
Foreign exchange (gain) / loss	**(28)**	5
Loss before income tax	**261**	(2,004)
Income tax recovery	**-**	(274)
Loss from discontinued Canadian Operations	**$261**	($1,730)

		Three months ended,
US Operations	**March 31, 2016**	March 31, 2016
Revenue	**$-**	$63,406
Cost of sales	**172**	84,395
Gross loss	**(172)**	(20,989)
Administrative expenses	**169**	5,876
Other expenses	**154**	2,436
Loss from operating activities	**(495)**	(29,301)
Finance income	**(5)**	(15)
Foreign exchange gain	**73**	-
Reclassification of foreign currency translation losses on substantial disposal of foreign operations	**-**	(75,116)
Loss on disposal of operations	**-**	4,816
Income / (loss) before income tax	**(563)**	41,014
Income tax recovery	**-**	(26,973)
Income / (loss) from discontinued US Operations	**($563)**	$67,987

International Operations	March 31, 2017	Three months ended, March 31, 2016
Revenue	**$345**	$7,410
Cost of sales	**197**	9,370
Gross income / (loss)	**148**	(1,960)
Administrative expenses	**325**	1,529
Other expenses	**-**	(2,104)
Loss from operating activities	**(177)**	(1,385)
Finance income	**(1)**	(8)
Foreign exchange loss	**84**	477
Asset impairment	**-**	1,104
Loss before income tax	**(260)**	(2,958)
Income tax expense	**-**	49
Loss from discontinued International Operations	**($260)**	($3,007)

Total Discontinued Operations	March 31, 2017	Three months ended, March 31, 2016
Revenue	**$345**	$72,171
Cost of sales	**435**	97,074
Gross income / (loss)	**(90)**	(24,903)
Administrative expenses	**601**	7,478
Other expenses / (income)	**(252)**	304
Loss from operating activities	**(439)**	(32,685)
Finance income	**(6)**	(23)
Foreign exchange gain	**129**	482
Reclassification of foreign currency translation (gain) / losses on substantial disposal of foreign operations	**-**	(75,116)
Asset impairment	**-**	1,104
Loss on disposal of operations	**-**	4,816
Income / (loss) before income tax	**(562)**	36,052
Income tax recovery	**-**	(27,198)
Income / (loss) from discontinued Total Operations	**($562)**	$63,250

NOTE 5 - LOANS AND BORROWINGS

(Stated in thousands)	March 31, 2017	December 31, 2016
Senior Notes, net of transaction costs	**$69,222**	$81,254
RCF, net of transaction costs	**77,412**	140,048
Finance lease obligations	**737**	981
Total	**$147,371**	$222,283
Current portion of loans and borrowings	**9,697**	9,790
Current portion of finance lease obligations (1)	**557**	717
Non-current	**$137,117**	$211,776

(1) Included in trade and other payables.

Senior Notes

As at March 31, 2017, Trican had the following notes outstanding:

		Canadian $ Amount		U.S. $ Denominated Amount	
(stated in thousands)	Maturity	Mar. 31, 2017	Dec. 31, 2016	Mar. 31, 2017	Dec. 31, 2016
Senior Notes					
7.05% Series A	November 19, 2017	$8,774	$8,859	$6,598	$6,598
9.11% Series D	April 28, 2021	3,368	3,368	-	-
8.29% Series F	April 28, 2018	20,202	25,713	15,191	19,150
8.90% Series G	April 28, 2021	26,724	33,448	20,094	24,911
8.75% Series H	September 3, 2024	4,456	4,456	-	-
Subordinated Make-Whole Senior Notes					
5.96% Series A	November 19, 2017	680	686	511	511
5.54% Series D	April 28, 2021	458	458	-	-
5.55% Series F	April 28, 2018	1,213	1,224	912	912
6.28% Series G	April 28, 2021	3,285	3,317	2,470	2,470
6.05% Series H	September 3, 2024	760	760	-	-
PIK Principal		2,121	2,072	-	-
Debt issue costs		($2,819)	($3,110)	$-	$-
Senior Notes, net of transaction costs		**$69,222**	**$81,254**	**$45,776**	**$54,552**

During the first quarter, Trican repaid USD $8.8 million, retiring in advance portions of its Series F and G Senior Notes using proceeds from the sale of its marketable securities. These funds were allocated to its revolving credit facility lenders and Senior Note holders on a pro-rata basis.

RCF

As at March 31, 2017, Trican has a $227.3 million (December 31, 2016 - $250 million) extendible revolving credit facility ("RCF") with a syndicate of banks that is committed until October 31, 2018. Availability under the RCF is currently capped at $175 million. The Company expects to have access to the full RCF commitment amount of $227.3 million during Q2 2017 as the principle cap is to be removed when the Company achieves Consolidated EBITDA of at least $25 million as per its credit agreement. This was achieved in the period ended March 31, 2017, but the removal of the principle cap is subject to lenders approval. The RCF is secured and bears interest at the applicable Canadian prime rate, U.S. prime rate, Banker's Acceptance rate, or at LIBOR, plus 350 to 625 basis points (December 31, 2016 – Canadian prime rate, U.S. prime rate, Banker's Acceptance rate, or at LIBOR, plus 350 to 625 basis points), dependent on certain financial ratios of the Company. The undrawn amount of the RCF is $144.2 million of which only $91.9 million is accessible as at March 31, 2017 (December 31, 2016 - $110 million).

As at March 31, 2017, Trican has a $10 million (December 31, 2016 - $10 million) Letter of Credit facility with its syndicate of banks. As at March 31, 2017, Trican had $5.0 million in letters of credit outstanding (December 31, 2016 - $5.1 million).

Covenants

The Company is required to comply with covenants that are applicable to the RCF and to the Senior Notes. Trican is required to comply with the following leverage and interest coverage ratio covenants:

For the quarter ended	Leverage Ratio	Interest Coverage Ratio	Calculation Basis
March 31, 2017	<5.0x	>2.0x	Q1 annualized
June 30, 2017	<5.0x	>2.0x	(Q1 X 3 + Q2)
September 30, 2017	<5.0x	>2.0x	((Q1 + Q3) x 3/2) + Q2
December 31, 2017	<4.0x	>2.5x	Last twelve months
Thereafter	<3.0x	>3.0x	Last twelve months

The Leverage Ratio is defined as long-term debt excluding Subordinated Make Whole Notes (net of the mark to market value of the cross currency swaps) minus cash divided by adjusted EBITDA. As at March 31, 2017, the Leverage Ratio was 0.88 (December 31, 2016 – not applicable).

The Interest Coverage Ratio is defined as adjusted EBITDA divided by interest expense minus payable in-kind interest. As at March 31, 2017, the Interest Coverage Ratio was 8.12 (December 31, 2016 – not applicable).

Certain non-cash expenses and personnel based expenses such as severance are permitted to be added back to EBITDA to arrive at adjusted EBITDA for covenant calculation purposes.

The Company is in compliance with its financial covenants for the quarter ended March 31, 2017 (2016 – no covenants applicable).

NOTE 6 - SHARE CAPITAL

Share Capital

Authorized:

The Company is authorized to issue an unlimited number of common shares, issuable in series. The shares have no par value. All issued shares are fully paid.

Issued and Outstanding - Common Shares:

(stated in thousands, except per share amounts)	Number of Shares	Amount
Balance, January 1, 2017	193,567,847	$638,377
Exercise of stock options	53,817	44
Reclassification from contributed surplus on exercise of options	**-**	**19**
Balance, March 31, 2017	**193,621,664**	**$638,440**

Accumulated Other Comprehensive Income

Foreign currency Translation Differences

The foreign currency translation differences comprise all foreign currency differences arising from the translation of the financial statements of foreign operations. At March 31, 2017, the Company had an accumulated foreign currency translation loss of $0.8 million (March 31, 2016 - $5.4 million).

Equity interest in Keane

The equity interest in Keane comprises the fair value movement in the Class A shares in Keane. At March 31, 2017, the Company had an accumulated unrealized gain on equity interest in Keane of $28.2 million (March 31, 2016 – nil).

NOTE 7 - EARNINGS / (LOSS) PER SHARE

Three months ended March 31,	2017	2016
Weighted average number of common shares – basic	193,603,290	148,919,694
Diluted effect of stock options	-	**491,046**
Weighted average number of common shares – diluted	**193,603,290**	**149,410,740**

Attributable to Owners of the Company		
Net loss from continuing operations	**($48,852)**	($42,491)
Per share - basic and dilutive	**($0.25)**	($0.29)
Net earnings / (loss) from discontinued operations	**(1,304)**	63,348
Per share- basic and dilutive	**($0.01)**	$0.43
Net earnings / (loss)	**(50,156)**	20,857
Per share - basic and dilutive	**($0.26)**	$0.14

At March 31, 2017, 8.7 million options were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive. In the first quarter of 2016, 9.6 million options have been excluded from the diluted weighted-average number of common shares.

NOTE 8 - SHARE BASED PAYMENTS

The Company has four shared-based compensation plans as described in the Notes to the Consolidated Financial Statements for the Year ended December 31, 2016.

		Three months ended,
Expense / (Recovery)	**March 31, 2017**	March 31, 2016
Cash-settled share-based compensation expense		
Deferred Share Units	**($454)**	$777
Restricted Share Units	**243**	666
Performance Share Units	**77**	207
Total cash-settled share-based compensation expense	**($134)**	1,650
Equity -settled share-based compensation expense		
Stock options	**843**	788
Total equity-settled share-based compensation expense	**843**	788
Total share-based compensation expense	**$709**	$2,438

Incentive Stock Option Plan (Equity-Settled):

The weighted average grant date fair value of options granted during the three months of 2017 has been estimated at $2.10 per option using the Black-Scholes option pricing model (no stock options were granted in the three months of 2016). Expected volatility is estimated by considering historic average share price volatility. The Company has applied the following assumptions in determining the fair value of options for grants

For the three months ended March 31,	2017
Share price	**$3.72**
Exercise price	**$3.72**
Expected life (years)	**3.41**
Expected volatility	**83%**
Risk-free interest rate	**0.9%**
Forfeitures	**10.9%**
Dividend yield	**0.0%**

The Company has reserved 18,394,058 common shares as at March 31, 2017, (December 31, 2016 – 18,388,945) for issuance under a stock option plan for officers and employees. The maximum number of options permitted to be outstanding at any point in time is limited to 9.5% of the Common Shares then outstanding. As of March 31, 2017, 11,709,609 options (December 31, 2016 – 8,793,201) were outstanding at exercise prices ranging from $0.82 to $18.03 per share with expiry dates ranging from 2017 to 2023.

The following table provides a summary of the status of the Company's stock option plan and changes during the three months ended March 31:

	Three months ended March 31, 2017		Year ended December 31, 2016	
	Options	**Weighted Average Exercise Price**	Options	Weighted Average Exercise Price
Outstanding at the beginning of year	**8,793,201**	**$6.22**	10,805,206	$9.71
Granted	**3,188,600**	**3.72**	3,601,120	1.99
Exercised	**(53,817)**	**0.82**	(1,524,801)	0.95
Forfeited	**(110,825)**	**8.20**	(2,696,499)	10.50
Expired	**(107,550)**	**18.03**	(1,391,825)	19.87
Outstanding at the end of period	**11,709,609**	**$5.44**	8,793,201	$6.22
Exercisable at end of period	**3,513,505**	**$11.72**	3,449,141	$11.84

The weighted-average share price for the period ended March 31, 2017, was $4.55 (December 31, 2016 - $2.32).

The following table summarizes information about stock options outstanding at March 31, 2017:

	Options Outstanding			**Options Exercisable**	
Range of Exercise Prices	**Number Outstanding**	**Weighted Average Remaining Life**	**Weighted Average Exercise Price**	**Number Exercisable**	**Weighted Average Exercisable Price**
$0.00 to $1.00	2,081,861	3.51	0.82	437,336	0.82
$1.01 to $10.00	6,427,740	6.59	2.85	80,400	3.95
$10.01 to $20.00	3,200,008	1.39	13.63	2,995,769	13.52
$0.00 to $20.00	11,709,609	4.62	5.44	3,513,505	11.72

Share Unit Plans (Cash-Settled)

The following table provides a summary of the status of the Company's cash-settled compensation plans and changes during the three months ending March 31.

(units)	Deferred Share Unit	Restricted Share Unit	Performance Share Unit
Balance, January 1, 2016	1,373,063	2,039,786	920,251
Granted	298,923	152,420	284,900
Exercised	(199,234)	(489,058)	-
Forfeited	-	(907,368)	(603,707)
Balance, December 31, 2016	1,472,752	795,780	601,444
Granted	**132,320**	**83,100**	**326,400**
Exercised	**-**	**(83,413)**	**-**
Forfeited	**-**	**(64,944)**	**(9,146)**
Balance, March 31, 2017	**1,605,072**	**730,523**	**918,698**
Vested at March 31, 2017	**1,605,072**	**-**	**-**

The outstanding liabilities for cash-settled compensation plans at March 31, 2017 of $9.7 million (December 31, 2016 - $10.6 million) are included in accounts payable and accrued liabilities. The expense related to all equity-settled and cash-settled share-based compensation plans is detailed under Administrative Expenses in Note 9 – Cost of Sales and Administrative Expenses

NOTE 9 - COST OF SALES AND ADMINISTRATIVE EXPENSES

The Company classifies the consolidated statement of comprehensive loss using the function of expense method, which presents expenses according to their function, such as cost of sales and administrative expenses. This method is more closely aligned to the Company business structure and provides more relevant information to the public.

The following table provides additional information on the nature of the expenses:

Three months ended, March 31	2017	2016
Cost of sales		
Personnel expenses	**$29,175**	$42,469
Direct costs - cost of sales	**58,849**	46,503
Direct costs - other expenses	**29,188**	24,898
Depreciation and amortization	**14,366**	17,264
	$131,578	$131,134

Administrative expenses		
Personnel expenses	**$3,329**	$4,495
General organizational expenses	**5,199**	5,582
Bad debt (recovery) / expense	**282**	(138)
Depreciation and amortization	**888**	2,856
Expense / (recovery) related to share -based payments	**709**	2,438
	$10,407	$15,233

Three months ended, March 31	2017	2016
Severance costs	**$-**	$7,899

NOTE 10 - INCOME TAXES

Three months ended March 31,	2017	2016
Current income tax expense / (recovery)	$-	($494)
Deferred income tax expense (recovery)	4,637	(15,012)
Total tax expense / (recovery) from continuing operations	**$4,637**	($15,506)

The net income tax provision differs from that expected by applying the combined federal and provincial income tax rate of 26.9% (2016 – 26.9%) to income before income taxes for the following reasons:

Three months ended March 31,	2017	2016
Expected combined federal and provincial income tax	($11,894)	($16,241)
Non-deductible expenses	157	1,919
Statutory and other rate differences	3,147	(2,902)
Stock-based compensation	227	180
Unrecognized current year losses	(38)	1,869
Change in value of Keane equity interest	13,021	-
Other	17	(331)
	$4,637	($15,506)

NOTE 11 - FINANCIAL INSTRUMENTS

Fair Values of Financial Assets and Liabilities

The fair values of cash and cash equivalents, trade and other receivables, and trade and other payables included in the consolidated statement of financial position approximate their carrying amount due to the short-term maturity of these instruments.

During the three month period ended March 31, 2017, one customer accounted for 19% of the Company's revenue (December 31, 2016 – 17%).

The fair value of the RCF was determined by calculating future cash flows, including interest at current rates. The fair value of capital lease obligations was determined by calculating the future cash flows, including interest, using market rates. The fair value of the loan to an unrelated third party is $8.2 million (December 31, 2016 - $8.6 million). The fair value was calculated using a discounted cash flow approach with an effective interest rate of 12%. The fair value of the currency derivatives has been based on the forward swap rates at the end of the period.

On January 20, 2017, Keane Group, Inc. completed its initial public offering ("IPO") and its shares became publicly traded on the New York Stock Exchange under the ticker symbol "FRAC". As a result of the IPO, Trican's ownership interests in Keane Holdings have been transferred to Keane Investor Holdings, LLC ("Keane Holding Company"). Effectively, our Class A common shares and Class C profits interest in Keane Holdings are now Class A common shares and Class C profits interests in the Keane Holding Company. At the time of IPO, the Keane Holding Company also registered a total of 15,074,000 shares at a price of USD$19 which resulted in a distribution of $37.8 million (USD$28.4 million) for Trican. At March 31, 2017, the Keane Holding Company's only asset was 72.2 million shares of FRAC and it had no liabilities.

Future liquidity events will effectively be the future sale of the remaining shares of FRAC currently held by the Keane Holding Company. The proceeds from the future sales will be distributed to the owners of Keane Holding Company. Trican's portion of the future liquidity events will be calculated based on the following waterfall table.

		Liquidity Event Cumulative Proceeds Thresholds (USD $MM) For the Year Ending March 15				
Tranche	**Trican Ownership Interest**	**2017**	**2018**	**2019**	**2020**	**2021**
First	10% up to	$468	$468	$468	$468	$468
Second	9.2% between	$468 - 608	$468 - 791	$468 - 1,028	$468 - 1,336	$468 - 1,737
Third	18.3% between	$608 - 632	$791 - 853	$1,028 - 1,151	$1,336 - 1,554	$1,737 - 2,098
Fourth	27.4% greater than	$632	$853	$1,151	$1,554	$2,098

The fair value of Class A and Class C shares was calculated based on an estimate of Trican's portion of future liquidity events using an estimated share price of USD $14.30 per share, and a discounted cash flow model risk adjusted with rates of 14% for the Class A equity interest and 35% for the Class C profit interest. These risk adjustments considered various factors including the time value of money and take into consideration several estimates for uncertainties relating to Trican's non-controlling interest in the Keane Holding Company and the timing and price of future liquidity events. The calculation of the fair value of the Class A and Class C shares also utilized the following distribution schedule:

Year ending March 15, 2018	25% of outstanding shares after the IPO
Year ending March 15, 2019	50% of outstanding shares after the IPO
Year ending March 15, 2020	25% of outstanding shares after the IPO

	Equity interest in Keane (Class A Shares)	Profits Interest in Keane (Class C Shares)	Investments in Keane
Balance at December 31, 2016	162,311	68,665	230,976
Realized liquidity event (January 20, 2017)	(37,757)	-	(37,757)
Unrealized loss on investment	(26,663)	(51,997)	(78,660)
Foreign exchange	(1,401)	(278)	(1,679)
Balance at March 31, 2017	**96,490**	**16,390**	**112,880**

During the quarter ended March 31, 2017, Trican disposed of marketable securities of 558,221 NOV shares, for net proceeds of $28.0 million, representing its entire balance of marketable securities (fair value as at December 31, 2016 - $28.1 million).

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); or
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(stated in thousands) March 31, 2017	Carrying amount	Fair Value Level 1	Level 2	Level 3
Financial assets				
Financial assets at amortized cost (1)				
Loan to unrelated third party - current	$5,745	$-	$-	$5,745
Loan to unrelated third party - non-current	2,446			2,446
Fair value through profit and loss				
Currency derivatives - non-current	19,278	-	19,278	-
Profits interest in Keane	16,390	-	-	16,390
Available for sale security				
Equity investment in Keane	96,490	-	-	96,490
Financial liabilities				
Financial liabilities at amortized cost				
Senior Notes - current	8,981	-	8,981	-
Senior Notes - non-current	69,222	-	69,222	-
RCF	83,897	-	83,897	-
Finance lease obligations - current	557	-	557	-
Finance lease obligations - non-current	180	-	180	-

(1) The current portion of this loan is included in Trade and Other Receivables. The non-current portion of this loan is included in Other Assets.

NOTE 12 - NET FINANCE COSTS

Three months ended March 31,	2017	2016
Finance Income		
Interest income	$253	$210
Gain on marketable securities	673	-
Total finance income	$926	$210
Finance Cost		
Interest on loans and borrowings	$3,720	$8,830
Interest on finance lease	8	180
Total finance costs	$3,728	$9,010
Net finance cost	$2,802	$8,800

NOTE 13 - OTHER COMMITMENTS AND CONTINGENCIES

	Payments Due by Period			
March 31, 2017	**1 year or less**	**1 to 5 years**	**5 years & thereafter**	**Total**
Finance leases	**$557**	**$180**	**$-**	**$737**
Operating leases	**3,429**	**9,527**	**7,899**	**20,855**
Total commitments	**$3,986**	**$9,707**	**$7,899**	**$21,592**
December 31, 2016				
Finance leases	$717	$264	$-	$981
Operating leases	$4,641	$9,838	$8,324	$22,803
Total commitments	$5,358	$10,102	$8,324	$23,784

Sand Purchase Agreement with Huron Mineral LLC

On November 2, 2016, Trican Well Service LP reached an agreement with Huron Minerals LLC to settle its dispute related to a sand purchase agreement. The Company recorded a provision of $8.3 million during the 2016 fiscal year as the parties agreed to settle this claim for USD $6.35 million. The Company paid USD $4.0 million on January 5, 2017 and paid USD $2.35 million on April 3, 2017. With all required payments having been made by Trican, the American Arbitration Association issued an order formally dismissing this matter with prejudice on April 11, 2017.

Indemnity Claim in connection with the sale of Trican's US operations to Keane Group ("Keane") on March 16, 2016

During Q3 2016 Keane delivered an Indemnity Claim stating that Trican owes Keane $4.0 million (USD $3.0 million) due to losses incurred by Keane for assets purchased that were not in good operating condition. Management has not recorded any accrual for this contingent liability associated with this claim based on our belief that a liability is not more likely than not and any range of potential future charge cannot be reasonably estimated at this time.

Other Litigation

On August 25, 2015, a class action lawsuit was filed on behalf of 31 plaintiffs against Trican Well Service, LP. The claim alleges that Trican misclassified the plaintiffs' position as "exempt" from overtime wages from February 2011 to August 2015, resulting in a loss of overtime wages during this period. The plaintiffs claim that the potential damages as a result of this claim could reach USD $2.2 million.

On January 13, 2016, a class action lawsuit was filed on behalf of 11 plaintiffs against Trican Well Service, LP. The claim alleges that Trican misclassified the plaintiffs' position as "exempt", resulting in a loss of overtime. The plaintiffs claim that the potential damages as a result of this claim could reach USD $3.3 million.

Given the information available at these early stages of litigation, management has not recorded any amount for this contingent liability associated with these claims based on our belief that a liability is not probable and any range of potential future charge cannot be reasonably estimated at this time.

The tax regulations and legislation in the various jurisdictions that the Company operates in are continually changing. As a result, there are usually some tax matters under review. Management believes that it has adequately met and provided for taxes based on the Company's interpretation of the relevant tax legislation and regulations.

NOTE 14 – SUBSEQUENT EVENTS

On March 21, 2017, Trican entered into an arrangement agreement (the "Arrangement Agreement") with Canyon Services Group Inc. ("Canyon") to acquire all of the issued and outstanding shares of Canyon on the basis of 1.70 common shares of Trican for each outstanding Canyon share, which reflects an aggregate transaction value of approximately $637 million based on the closing price of Trican on March 21, 2017, including the assumption of approximately $40 million in Canyon debt.

The Arrangement Agreement is subject to final closing details and government approvals, which are expected to take approximately two to five months. The transaction has been approved by both Trican's and Canyon's Board of Directors. Trican and Canyon shareholders will vote on the Arrangement Agreement at their respective annual general meetings on May 31, 2017. Trican and Canyon are subjected to a $22 million penalty should either party decide to withdraw from the Arrangement Agreement. This penalty is intended to compensate either party for losses arising from the termination of the agreement in circumstances defined in the Arrangement Agreement.

On April 21, 2017, Trican secured debt facilities underwritten by a member of the existing lending syndicate in the amount of $150 million for a senior secured 180-day revolving credit facility, and $85 million for a senior secured 180-day non-revolving term loan, (together, the "Backstop Facilities"). The interest rates on the revolving credit facility is identical to Trican's existing RCF. The interest rate on the senior non-revolving term loan is a fixed margin of 6.75% per annum for Prime and USBR Loans and 7.75% per annum for Bankers' Acceptances and LIBO Rate Loans, subject to an increase of 0.50% per annum effective 90 days following the initial draw of such non-revolving term loan. The Backstop Facilities were secured to backstop Trican's obligation to obtain consent from the lenders under its existing RCF and the holders of the senior notes prior to closing of the Arrangement Agreement and to preserve liquidity while Trican negotiates the terms of a new credit structure to potentially replace either or both of Trican's existing RCF and senior notes. The cost of the Backstop Facilities includes a $1.9 million structuring fee. The structuring fee can be credited against any future fees applicable to longer term facilities that the Company might enter into with members of the above referenced lending syndicate.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Murray L. Cobbe (4)
Chairman

G. Allen Brooks (1) (3) (5)
President
G. Allen Brooks, LLC

Kenneth M. Bagan (2) (4)
Independent Businessman

Kevin L. Nugent (1) (3)
Executive Chairman
Hifi Engineering Inc.

Alexander J. Pourbaix (2) (3)
Executive Vice President and President
TransCanada Corporation

Deborah S. Stein (1) (2)
Independent Businesswoman

Dale M. Dusterhoft (4)
President & Chief Executive Officer

OFFICERS

Dale M. Dusterhoft
President & Chief Executive Officer

Michael A. Baldwin, C.A.
Senior Vice President, Finance and Chief Financial Officer

Robert J. Cox
Vice President, Canadian Geographic Region

(1) Member of the Audit Committee
(2) Member of the Human Resources and Compensation Committee
(3) Member of the Corporate Governance Committee
(4) Member of the Health, Safety and Environment Committee
(5) Lead Director

CORPORATE OFFICE

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Calgary, Alberta T2P 4G8
Telephone: (403) 266-0202
Facsimile: (403) 237-7716
Website: www.trican.ca

AUDITORS

KPMG LLP, Chartered Accountants
Calgary, Alberta

BANKERS

HSBC Bank Canada
Calgary, AB

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada
Calgary, Alberta

STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading Symbol: TCW

INVESTOR RELATIONS INFORMATION

Requests for information should be directed to:

Dale M. Dusterhoft
President & Chief Executive Officer

Michael A. Baldwin, C.A.
Senior Vice President, Finance and Chief Financial Officer