



April 2024

Message from the President/CEO

As we complete a very busy Q1, I wanted to thank each and every one of you for your hard work and dedication towards Fraction. Because of your dedication we were able to set new records on a gross revenue as a company. This revenue will allow us to expand our Capex budget and continue to reinvest into new equipment. This is very important for us to do if we want to continue the levels of activities that we have been achieving over the past couple of quarters. In the first month of 2024, we spiked to 511 employees and contractors. That is simply amazing. That is a lot of good people putting their trust and time into our hands. I truly appreciate each and every one of you for this. I don't ever take this for granted. Thank you.

When we purchased Fraction back in 2020, we had no idea that we would become one of the largest water management companies in Canada. What matters to me the most is that we are not the largest, but the *BEST* in the business. We have been fortunate to complete the Acquisitions of Stratty, Swamp Donkey, Secure and LV Energy Services. They have allowed us to become the BEST-IN-CLASS water management company in the country, without a doubt.

I wanted to thank Charles Pellerin and Dustin Haw from Terravest for being our partners in the business. Without their support we would not be the business we are today. They are simply the *BEST* partners we could have. I also wanted to thank the Managers in the company as well. They all work incredibly hard on a daily basis. It can be a very unappreciated job when you are in management. Please take the time to thank them when you get a chance. It will mean a lot to them if you do. It takes a very large team to employ 511 employees and keep the train on the track. Thank you, management, for your dedication.

In Q1, we had some incidents that were material to the overall business of Fraction. We need to be aware and learn from these events as they happen. Motor vehicle incidents were a major concern for us. We have installed cameras on the trucks and will continue to do so until every truck in the company has them. Since the Journey Management has been followed, we have had major improvements on the number of recordables we have had. I know this may be a sensitive situation for some of you but this is not to invoke your privacy, but it is to keep you safe.

If you would like to discuss this with me, please call me at 14039930444. My phone is always on.

(continued on next page)

CONTENTS

- Message from President/CEO..... Pg 1, 2
- Monthly Safety Topic Pg 2
- Statistics & Results Pg 3
- Policy Refresher & Message from VP, HSE Pg 4, 5
- Employee Contribution..... Pg 6
- Why We Work Safely..... Pg 7
- Work Anniversaries Pg 8

JOINT OCCUPATIONAL HEALTH & SAFETY COMMITTEE MEMBERS

- Damian Akhurst - Company Rep.
- Shawn Fortin - Worker Rep.
- Chris Kestel
- Dustyn Hordos
- Rob Baker
- Erica McNeil
- Ryan Besler
- Matthew Grierson
- Gary Burke
- Daniel Wood
- Toby Congert
- Dave Snodgrass
- Heather Cook
- Mychaela Kachowski
- Tyler Emsley
- Jamiel Valencia
- Jesson Besona
- Doug Robinson
- Jim Mitchell
- Zac Klein
- Jamie Querin
- Michele Davis
- Frank Baruta
- Janice Nadeau

CONNECT

780-567-5379
601, 736 – 6 Avenue SW
Calgary, Alberta T2P 3T7

PRESIDENT/CEO MESSAGE CONTINUED

We also had a major release of water that could cost the company up to 1.0 million dollars to clean up. When you are out in the field working, please ensure that you are 100 percent on task and paying attention to all things around you. Our goal as a group of partners is to create a company that will provide a sustainable place of employment for each and every one you. We are not perfect. But we do try. As a fella that has been in business for a long time, it is awesome to see long-term employees in the company who have been here since 2012 still coming to work everyday. Much appreciated.

The remainder of 2024 is looking to stay busy with a number of our clients continuing to complete their wells that have been drilled in the first half of the year. With LNG Canada getting close to ship 2 billion cubic feet of gas a year off the west coast, it should stay busy well into the future for Fraction Energy Services and LV Energy Services.

Thank you for all of your excellent work and dedication.

Ken Wagner
President/CEO



This is a quote that I have lived by on a daily basis all of my career:

The only thing constant in life is change. What separates the leaders from the followers are those willing to accept the change.

MONTHLY SAFETY TOPIC



FIT FOR DUTY & IMPAIRMENT

All workers and contractors must report for work, fit for duty. To do this, we must understand impairment. Impairment can affect a worker's ability to pay attention, think clearly, or make good decisions. Impairment can also affect a worker's physical ability to do a work task. Because of this, impairment can negatively affect a worker's ability to perform a job or task safely.

Factors that can contribute to impairment, include:

- Fatigue, sleep disturbances or extended work hours.
- Medical conditions or mental health concerns.
- Prescription or non-prescription medications such as antihistamines, decongestants or opioids.
- Alcohol or recreational drug use (for example, cannabis).
- Temporary, situational stressors.

Possible signs of impairment include:

- Physical changes in health.
- Slurred speech.
- Clumsiness.
- Altered depth perception.
- Slowed reaction times.
- Yawning, excessive sleepiness, or falling asleep on the job

If you are feeling any symptoms of impairment or observe someone in the workplace showing signs of possible impairment, speak with your Supervisor immediately.

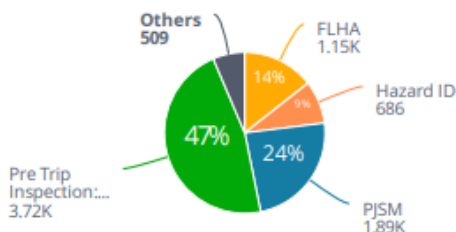
STATISTICS & RESULTS – APRIL 2024

TRIF	FIRST AID	MEDICAL AID	MODIFIED DUTIES
0.16	1	0	0
LOST TIME	LOC	KMS DRIVEN	SAFETY FORMS PROCESSED
0	1	2,789,531	7,945

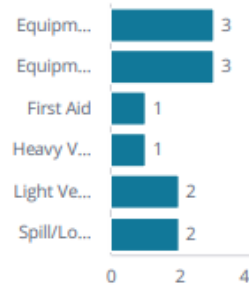
TRIF: Total Recordable Injury Frequency

LOC: Loss of Containment

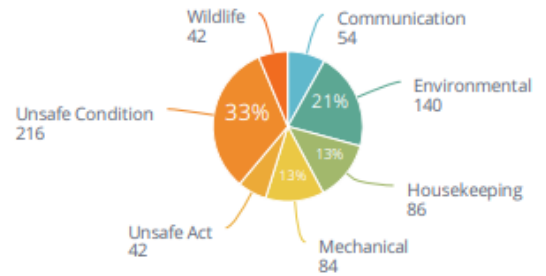
Forms Signed



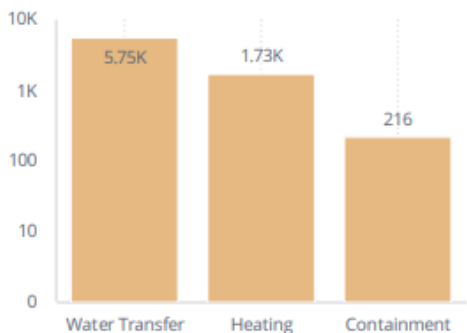
Incidents



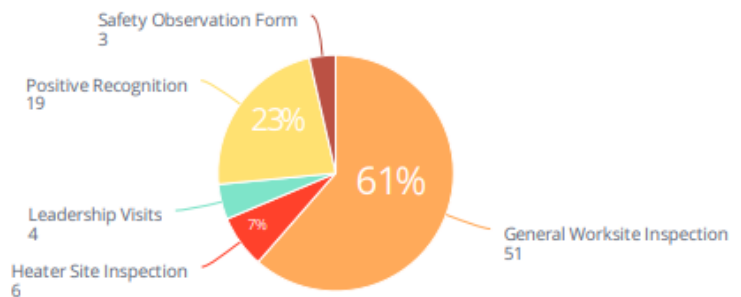
Hazard ID



Forms Signed By Divisions



Inspections Conducted





POLICY REFRESHER

REPORTING FOR WORK / FIT FOR DUTY

Section: 100.17

Message From VP HSE

The aim of this policy is to inform employees, contractors, and subcontractors about the company's expectations regarding attendance at work and suitability for duty. Fraction is dedicated to safeguarding the health and safety of all individuals by ensuring that all workers are fit for duty, as outlined in this policy. Its purpose is to delineate the parties responsible and the necessary steps for assessing an employee's physical or mental capacity, subsequent actions required, and facilitating the return to work.

Scope: All employees, contractors, and subcontractors are expected to adhere to safe practices and consider the safety of others. No individual should knowingly jeopardize the safety of another.

References: This policy aligns with relevant regulatory standards and company policies, including but not limited to OHS Alberta regulations, WSBC regulations, and various company policies such as Drug & Alcohol Policy, Fatigue Management Policy, etc.

Competency Requirements: Fraction ensures that workers possess the necessary education, experience, and training for their job tasks. This policy will be communicated to all employees during their orientation.

Communication: The policy will be communicated to all staff upon hiring and will be available for reference in the health and safety manual via Sitedocs and Work Hub. Any changes to the policy will be promptly communicated.

Training: Mental Health Awareness training will be mandatory for all employees, while supervisors will receive training on recognizing signs of impairment.

Do it safely, or not at all.

HAZARD ID

Remember to
report all hazards.

Reporting hazards is
essential for learning
from mistakes,
preventing recurrence,
and improving safety
performance.

WILL YOU BE NEXT
MONTH'S HAZARD ID
WINNER??



FIT FOR DUTY POLICY CONTINUED

Responsibilities:

- **Supervisor:** Supervisors are responsible for monitoring workers' fitness for duty, taking necessary steps if reasonable suspicion arises, and ensuring safe removal of unfit workers from the workplace.
- **Worker:** Employees are required to arrive and remain fit for duty, notify supervisors of any unfitness, and report observations of unfit coworkers.
- **Contractor/Subcontractor:** These parties must adhere to the policy and ensure their workers do the same.

Reasonable Suspicion: All employees, particularly supervisors, should be vigilant for signs of on-the-job impairment and take appropriate action if observed.

Physically Capable: Workers must be physically capable of performing their job duties, with Physical Demands Analysis provided to understand job requirements.

Employee Assistance: Fraction will aid workers who are unable to safely perform their job duties. If an employee is determined to be unfit for duty, Fraction is prepared to offer reasonable assistance to the employee. This may include, but is not limited to, safe transportation back to the employee's residence, transferring the worker to another role, providing a leave of absence, etc. Fraction also has an Employee Assistance Program that is available to all employees.



PHOTO CREDIT: Dannita Goulet



PHOTO CREDIT: John McCarthy

EMPLOYEE CONTRIBUTION

Richard Stoyberg | **Division; Water Transfer**

“Safety is An Attitude”

As a contractor working for Fraction, “Safety is an Attitude” is my motto and I understand I am representing your Company out in the field. I’ve attached a Safety Slogan that was given to me many years ago by a gentleman who is no longer with us, and he used to make someone read this every day prior to commencing work.

Safety is an Attitude

Safety is not something you can take or leave alone.

It is not an activity to be engaged in only when is
being watched or supervised.

Safety is not strictly a poster, a slogan or a rule; nor is
it a once-in-a-while movie, meeting, investigation or
inspection.

“Safety is a frame of mind.”

It is the awareness of one’s environment and actions
all day and every day.

Safety is knowing what is going on, knowing what can
injure or damage, knowing how to prevent the injury
or damage and acting to prevent it.

All it requires is intelligence and a reasonable amount
of natural ability to see, hear, smell and think.

To do things safely and correctly is the mark of a wise,
not a timid person.



PHOTO CREDIT: Laura Jensen

WHY WE

WORK SAFELY

VALERY GUSEK is a Water Transfer Technician, who has been with Fraction since February 2023.

I'm a proud single parent, Oilers fan for life, and hockey mom - of two incredible souls, Sophia (13) Maverick (9).

I stay safe because I love my family and must come home to them.

Thank you, VALERY!

Fraction and your Family thank you for working safe!

MEET VALERY GUSEK



HOMEBASE: GRANDE PRAIRIE

JOINED FRACTION: February 2023

FAVE SPORT/PLAYER: Oilers fan for life and a proud hockey mom.

Remember... the most important thing is going home safe to our families, friends and loved ones.

WORK ANNIVERSARIES

Work anniversaries are not just another day! They are a clear indication of your loyalty and commitment to Fraction. We thank you for choosing to stay.

EMPLOYEE	# OF YEARS
Jason Waldner	13
Duston Jones	12
Ken Wagner	7
Arnold Mack	7
Dustin Haaf	5
Shayne Durelle	3
Shawn Fortin	3
Tyler Emsley	3
Jesson Besona	3
Erica McNeil	2
Frank Baruta	2
Eric Marchak	2
Hugh MacDonald	2
Pierre Nadeau	1
Dean Beaudoin	1

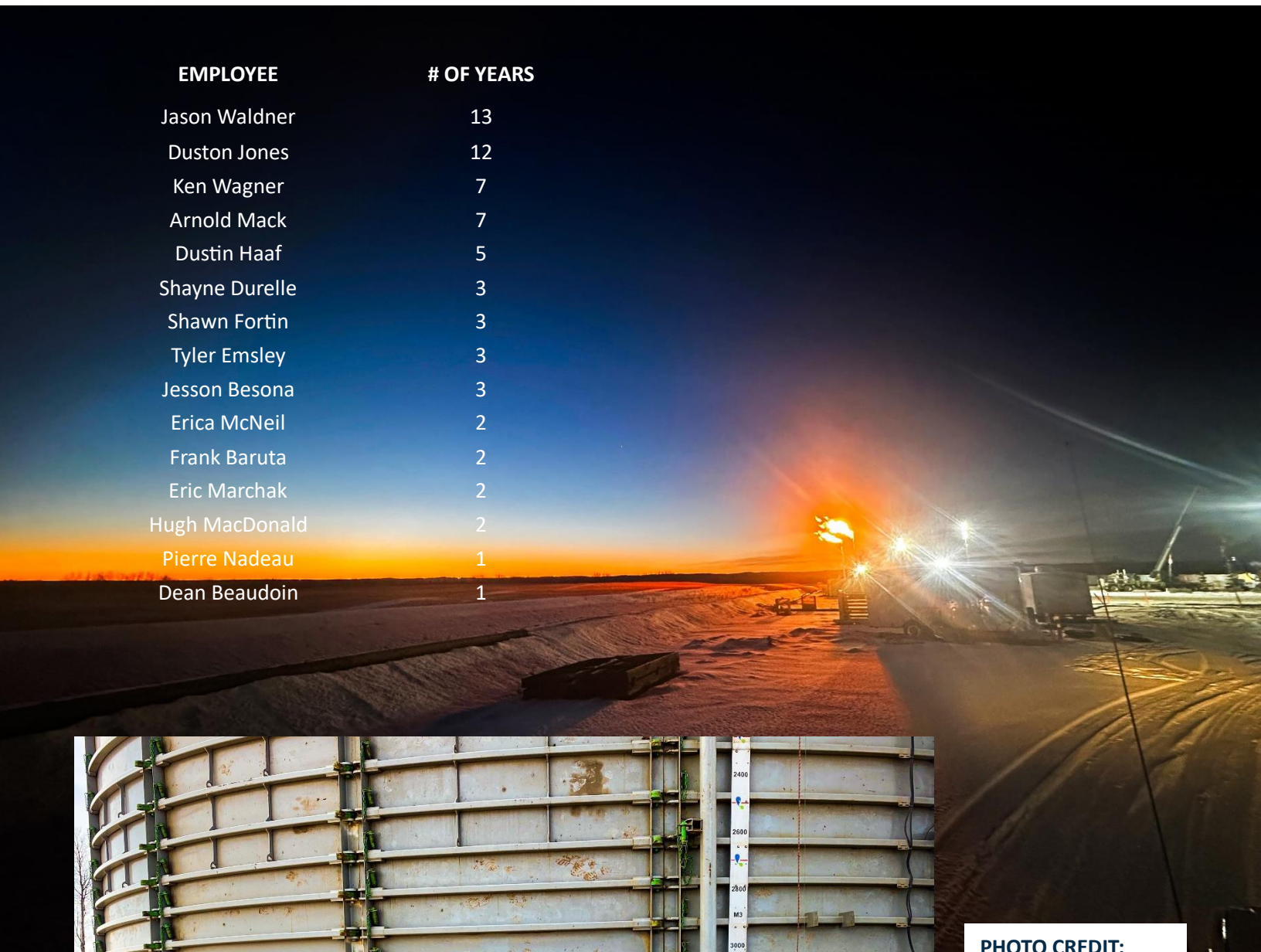


PHOTO CREDIT:
Colton Robinson

We spiked to 511 employees and contractors – that is simply amazing.

That is a lot of good people putting their trust and time into our hands.

- Ken Wagner, President/CEO



PHOTO CREDIT: John McCarthy