

# NEWS RELEASE

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## ACT ENERGY TECHNOLOGIES ACCELERATES U.S. GROWTH WITH ACQUISITION OF SB DIRECTIONAL SERVICES

CALGARY, AB, CANADA – March 9, 2026 – ACT Energy Technologies Ltd. (TSX: ACX) (“**ACT**” or the “**Company**”) is pleased to announce that it has entered into an agreement (the “**Agreement**”) to acquire the directional drilling services business (the “**Acquired Business**”) of SB Directional Services (“**SB**”), through a wholly owned subsidiary, for total consideration of USD\$47.0 million (approximately CAD\$64.3 million). The consideration for the transaction (the “**Transaction**”) includes USD\$30.0 million in cash and USD\$17.0 million in ACT common shares (“**Common Shares**”). The Transaction is expected to close in early April 2026.

Founded in 2015 and headquartered in Oklahoma City, SB is a respected directional drilling services provider with a highly experienced management team and a strong operating history across the Anadarko and Permian basins. SB operates a fleet of 130 mud motors and 25 Measurement-While-Drilling (“**MWD**”) kits, consistently running 20–25 active jobs with growing demand for rotary steerable (“**RSS**”) technology. ACT expects that it will be able to generate cost synergies by replacing SB’s rented RSS tools with ACT owned equipment. It is expected that SB’s management team will continue to lead the business and will be retained under employment and consulting agreements, ensuring long term alignment with ACT shareholders.

Mr. Tom Connors, President and CEO of ACT stated, “We are excited to welcome SB’s management team and employees to ACT. Their deep experience, strong customer relationships and established presence in high-quality basins will significantly strengthen our U.S. platform. SB’s customer base and operating footprint are highly complementary to our own, and we see meaningful opportunities to enhance margins by deploying ACT’s growing RSS fleet to replace SB’s rented tools. We expect SB to generate a payback in just over two and a half years, underscoring the strategic and financial value of this acquisition.”

### TRANSACTION HIGHLIGHTS

- **Complementary customer base, market presence and added scale:** SB’s current job count of approximately 20 adds meaningful scale and introduces new customers and operating areas with attractive economics and long-term growth potential.
- **Accretive financial impact:** Including expected synergies and minimal follow-on capital investment, ACT anticipates a payback period of just over two and a half years. The Transaction is expected to be accretive to Adjusted EBITDAS, Free Cash Flow, and net income (see *Non-GAAP and Supplementary Financial Measures*).
- **Balanced funding structure maintains strong financial position:** The Transaction will be funded with a combination of cash and equity to support management alignment and

preserve ACT’s financial flexibility. Initial pro forma funded debt to EBITDA is expected to initially be 1.20:1.00, declining further throughout 2026.

## KEY TERMS OF THE TRANSACTION

Under the Agreement, ACT has agreed to pay the following consideration to acquire SB:

- USD\$30.0 million in cash.
- 3,624,232 common shares of ACT, having a value of USD\$17.0 million (the “**Acquisition Shares**”), valued at the volume-weighted average price of ACT common shares over the ten (10) trading days leading up to but not including the third (3rd) business day prior to the signing of the Agreement. The applicable exchange rate is the average Bank of Canada CAD/USD daily rate over the same period.

## AMENDED AND RESTATED CREDIT FACILITY

In connection with the Agreement, ACT has entered into an arrangement with ATB Financial (“**ATB**”), as administrative agent, and ATB and Royal Bank of Canada, as co-lead arrangers, to increase the size of the Company’s existing syndicated credit facility from approximately CAD\$125 million to CAD\$145 million, and increase the U.S. dollar credit availability from USD \$10 million to USD\$30 million. The USD committed credit facilities are comprised of (i) a USD\$10 million revolving facility, and (ii) a new USD\$20 million delayed draw term facility, having a term of 3 years with equal quarterly repayments of USD\$1.67 million, available for purposes of refinancing a USD\$20 million exchangeable promissory note issued in connection with a prior acquisition which matures in July 2026. The funded debt to EBITDA covenant has increased to 3.00:1.00 from 2.50:1.00 as part of the Transaction, which initial pro-forma calculation is anticipated to be 1.20:1.00.

## SELECT FINANCIAL INFORMATION (CAD)

The number of Common Shares (basic) immediately prior to and after the acquisition is estimated at 34.92 million and 38.54 million, respectively. Select financial information is summarized below in Canadian dollar terms:

Millions	December 31, 2025 (1)	Post-Acquisitions (2)
Cash	\$34	-
Loans and Borrowings	\$61	-
Exchangeable Promissory Note	\$27	-
<b>Total (Loans plus promissory notes less cash)</b>	<b>\$54</b>	<b>\$118</b>

(1) Unaudited debt and cash balances at December 31, 2025

(2) Post-Acquisition amounts are estimated based on outflows associated with the Stryker Directional acquisition (see News Release dated January 5, 2026) and the Post-Acquisition estimated outflows associated with the Acquired Business. This actual Post-Acquisition amount will be affected by these figures and normal business operating activities.

## OTHER TERMS OF THE AGREEMENT

The Agreement may be terminated by either party in certain circumstances, including by mutual agreement of the parties, upon a material breach of the Agreement, or if the Transaction does not close by April 10, 2026.

In addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside of Canada:

- 2,984,662 Acquisition Shares will be placed into escrow, whereby 50% of such Acquisition Shares are released on each of the dates that are 12 and 24 months following the closing date of the Transaction.
- 639,570 Acquisition Shares will be placed into escrow, whereby 20% of such Acquisition Shares are released each year for five (5) years on the anniversary of the closing date of the Transaction.

Closing of the Transaction is subject to approval of the Toronto Stock Exchange ("**TSX**").

## ADVISORS

Peters & Co. Limited acted as financial advisor to ACT. Porter Hedges LLP acted as U.S. legal counsel, and Prelia Canada LLP (formerly called DS Lawyers Canada LLP) served as Canadian legal counsel, to ACT and its subsidiaries.

Hartzog Conger Cason LLP acted as legal counsel to the seller.

## CERTAIN U.S. LEGAL MATTERS

This news release does not constitute an offer to sell or a solicitation of an offer to buy securities in the United States. The securities referenced herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered or sold within the United States or to U.S. Persons unless (as such term is defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

## NON-GAAP MEASURES AND SUPPLEMENTARY FINANCIAL INFORMATION

ACT uses certain performance measures throughout this news release that are not defined under IFRS Accounting Standards or Generally Accepted Accounting Principles ("**GAAP**"). These non-GAAP measures do not have a standardized meaning and may differ from that of other organizations, and accordingly, may not be comparable. Investors should be cautioned that these measures should not be construed as alternatives to IFRS Accounting Standards measures as an indicator of ACT's performance.

These measures include Adjusted EBITDAS, Free Cash Flow and Funded Debt to EBITDA. Management believes these measures provide supplemental financial information that is useful in the evaluation of ACT's operations.

These non-GAAP and supplemental financial measures are defined as follows:

**"Adjusted EBITDAS"** is calculated as net income before finance costs, unrealized foreign exchange on intercompany balances, income tax expense, depreciation, amortization, non-recurring costs (including acquisition and restructuring costs), write-down of inventory and share-based compensation; and is considered an indicator of the Company's ability to generate funds flow from operations prior to consideration of how activities are financed, how the results are taxed and non-cash expenses. Further information regarding how ACT calculates and uses Adjusted EBITDAS is contained in ACT's Q3 2025 Management Discussion & Analysis under the heading "Non-GAAP Measurements" and is available on SEDAR+ under ACT's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**"Free Cash Flow"** is calculated as cash flow from operating activities prior to: i) changes in non-cash working capital, ii) and income tax (refund) payment less: i) cash flow from investing activities (updated from property, plant and equipment ("PP&E") and intangible asset additions, excluding assets acquired in business combinations), ii) required repayments on loans and borrowings, in accordance with the Company's credit facility agreement, and iii) repayments of lease liabilities, net of finance costs, offset by proceeds on disposal of PP&E. Free Cash Flow is a useful supplemental measure of the Company's ability to generate funds from operations available for future capital expenditures, discretionary debt repayments, or other strategic initiatives. Free Cash Flow can be used to evaluate payback periods on investments.

**"Funded Debt to EBITDA"** are defined terms in ACT's existing credit facilities reflecting the banks definition for debt and EBITDA for purposes of evaluating the Company's compliance with its syndicated credit facilities. Copies of the existing credit facilities, including definitions for Funded Debt to EBITDA, are available on SEDAR+ under ACT's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Exchange rates calculated based on an exchange rate of 1.3685 Canadian dollars per 1.00 US dollar. All figures shown in press release are given in Canadian dollars (CAD) except where noted as US dollars (USD).

## **ABOUT ACT ENERGY TECHNOLOGIES**

ACT Energy Technologies Ltd., headquartered in Calgary, Alberta, operates in Canada under the brand "Altitude Energy Partners", and in the United States under the brands "Altitude Energy Partners", "Discovery Downhole Services", "Rime Downhole Technologies" and "Stryker Directional". ACT's common shares trade on the Toronto Stock Exchange under the symbol "ACX". ACT provides high-performance directional drilling services and downhole technologies to North American energy companies, delivering tailored solutions that improve drilling efficiency and reduce project costs. For more information, visit [www.actenergy.com](http://www.actenergy.com).

## FORWARD-LOOKING INFORMATION

This news release contains statements and information that may constitute "forward-looking information" within the meaning of applicable securities legislation, including statements identified by the use of words such as "will", "expects", "positions", "believe", "potential" and similar words, including negatives thereof, or other similar expressions concerning matters that are not historical facts. Forward-looking information in this news release includes, but is not limited to, statements regarding: expected synergies, financial impacts, pay back, post-acquisition cash, share and debt balances and ACT's strategic plans, anticipated terms of the Company's increased credit facility, TSX approval of the Transaction, and anticipated closing of the Transaction.

Such forward-looking information is based on various assumptions that may prove to be incorrect, including, but not limited to, assumptions with respect to: the benefits from the Transaction; the integration of the SB business into the Company's business; assumptions regarding usage of SB's assets in the North American land drilling markets; conditions in the oil and gas markets and debt and equity markets generally; the ability of the Company to successfully implement its strategic plans and initiatives and whether such strategic plans and initiatives will yield the expected benefits. Although the Company believes that such assumptions are reasonable, the Company can give no assurance that such forward-looking statements will prove to be correct or that any of the events anticipated by such forward-looking statements will occur, or if any of them do so, what benefits the Company will derive therefrom.

Actual results could differ materially due to a number of factors and risks including, but not limited to: the risk that the Transaction is delayed or does not close for any reason; the risk that ACT will not be able to integrate the SB business and key personnel as anticipated or at all; the risk that the SB business will not yield operational or financial benefits as anticipated or at all; the risk that demand for ACT's services will not be as anticipated; conditions in the oil and gas and financial markets in Canada and the United States; the risk that the Company will not be able to identify and/or close on additional accretive opportunities in Canada and/or the U.S.; the ability of management to execute and fund its business strategy; and the impact of general economic conditions in Canada and the United States.

Additional information regarding risks and uncertainties of the Company's business are contained under the heading "Risk Factors" in the Company's annual information form for the financial year ended December 31, 2024 and the Company's other public filings which are available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The forward-looking information included in this news release is made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, future events or otherwise, except as required by applicable law.

This news release also contains financial outlook information ("**FOFI**") about prospective results of operations, which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this news release was made

as of the date of this news release to provide information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for any other purpose. ACT disclaims any intention or obligation to update or revise any FOI contained in this news release, whether as a result of new information, future events or otherwise, except as required by applicable law.

Requests for further information should be directed to:

Tom Connors, President & Chief Executive Officer

Rob Skilnick, Chief Financial Officer

ACT Energy Technologies Ltd.

6030 3 Street S.E.

Calgary, Alberta T2H 1K2

Telephone: 403.265.2560, Fax: 403.262.4682

[www.actenergy.com](http://www.actenergy.com)