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LAW**

High Arctic Provides Update on Previously Announced Reorganization

CALGARY, Alberta – July 31, 2024 – High Arctic Energy Services Inc. (TSX: HWO) ("High Arctic" or the "Corporation") wishes to provide an update on the previously-announced reorganization of High Arctic to separate the Corporation's North American and Papua New Guinea businesses, by way of a court approved plan of arrangement (the "Arrangement") between the Corporation and High Arctic Overseas Holdings Corp. ("SpinCo"). Although the Corporation has been working toward completion of the Arrangement by July 31, 2024 as previously announced, it is not yet in a position to do so.

The Arrangement was approved by shareholders, along with a distribution of \$0.76 per share to its shareholders by way of return of capital (the "Return of Capital") and other matters, at the annual general and special meeting held on June 17, 2024. On June 27, 2024, the Court of King's Bench of Alberta granted its final order approving of the Arrangement, and the Return of Capital was distributed to shareholders on July 17, 2024. The Corporation has received conditional approval from the Toronto Stock Exchange ("TSX") for the listing of the new High Arctic common shares to be issued concurrently with completion of the Arrangement (the "New High Arctic Common Shares"). It is a condition of closing of the Arrangement (which condition may be waived by the Corporation) that the TSX Venture Exchange ("TSXV"), or another acceptable stock exchange, approve the listing of the common shares of SpinCo ("SpinCo Common Shares") to be issued concurrently with the closing of the Arrangement.

The Corporation remains engaged with the TSXV and expects to receive conditional approval from the TSXV for the initial listing of the SpinCo Common Shares. The Arrangement and the listing of the New High Arctic Common Shares remain subject to the final approval of the TSX.

As at the closing of the Arrangement, each shareholder will receive one-quarter of one (1/4) SpinCo Common Share and one-quarter of one (1/4) New High Arctic Common Share for each current common share of High Arctic.

The Corporation will continue to update shareholders and other interested parties of the progress towards approval from the TSXV for the initial listing of SpinCo Common Shares and the completion of the Arrangement.

For more information on the Arrangement and the Return of Capital, please see the management information circular of the Corporation dated May 9, 2024, and news releases dated May 11, 2024, May 21, 2024, May 29, 2024, June 12, 2024, June 18, 2024, June 27, 2024, and June 28, 2024 available on the Corporation's SEDAR+ profile at www.sedarplus.ca.

About High Arctic

High Arctic is an energy services provider. High Arctic is a market leader in Papua New Guinea providing drilling and specialized well completion services and supplies rental equipment including rig matting, camps, material handling and drilling support equipment. In western Canada, High Arctic provides pressure control and equipment supporting the high-pressure stimulation of oil and gas wells on a rental basis to exploration and production companies, from its bases in Whitecourt and Red Deer, Alberta.

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Forward-Looking Statements

This press release contains forward-looking statements. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions are intended to identify forward-looking statements. Such statements reflect the Corporation's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation's actual results, performance or achievements to vary from those described in this press release. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Specific forward-looking statements in this press release include, but are not limited to, statements pertaining to the following: the Corporation's ability to obtain TSXV approval for the listing of the SpinCo Common Shares, the Corporation's ability to obtain final approval of the TSX for the listing of the New High Arctic Common Shares, and the closing of the Arrangement. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth above and elsewhere in this press release. The forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. These statements are given only as of the date of this press release. The Corporation does not assume any obligation to update these forward-looking statements to reflect new information, subsequent events or otherwise, except as required by law.