Civeo Corporation Announces Amendment and Eighteen Month Extension to Its Credit Agreement

September 8, 2020

HOUSTON & CALGARY, Alberta--(BUSINESS WIRE)--Sep. 8, 2020-- Civeo Corporation (NYSE:CVEO) announced today completion of an amendment and extension to its credit agreement, including the term loan and all three revolving credit facilities. This extension encompasses all of Civeo's outstanding debt structure. The following are key aspects of the amended credit agreement:

- extends the maturity date of the revolving credit facilities and the term loan by 18 months to May 30, 2023;
- maintains previous covenant levels and amortization payment schedules;
- increases interest rate spreads above base rates by approximately 100 basis points above prior spreads; and
- decreases the total revolving commitment to $167.3 million, a level more consistent with currently expected needs, which will reduce undrawn commitment fees.

"Our bank agreement extension demonstrates the significant strides we have made in reducing leverage and generating positive free cash flow in a very difficult market environment. We would like to thank our lending group for their continued support. The revised agreement affords the Company additional time to pursue our financial objectives of focusing on free cash flow generation and debt reduction while we explore longer term debt capital solutions," stated Bradley J. Dodson, Civeo's President and CEO.

As previously disclosed during the Company's 2019 credit agreement extension, approximately $56 million of revolving commitments were scheduled to mature on November 30, 2020. Civeo agreed to accelerate the maturity of these two commitments to coincide with this amendment. As a result of this amendment and the previously contemplated $56 million reduction, Civeo's revolving commitments now include: (1) a $122.3 million Canadian revolving credit facility (reduced from $183.5 million); (2) a $35 million Australian revolving credit facility (reduced from $60 million); and (3) a $10 million U.S. revolving credit facility (reduced from $20 million). In total, the revolving commitments decreased to $167.3 million from $263.5 million.

Additional information on the terms of the amendment can be found in a separate Current Report on Form 8-K to be filed with the Securities and Exchange Commission today.

About Civeo

Civeo Corporation is a leading provider of hospitality services with prominent market positions in the Canadian oil sands and the Australian natural resource regions. Civeo offers comprehensive solutions for lodging hundreds or thousands of workers with its long-term and temporary accommodations and provides food services, housekeeping, facility management, laundry, water and wastewater treatment, power generation, communications systems, security and logistics services. Civeo currently operates a total of 28 lodges and villages in operation in Canada, Australia and the U.S., with an aggregate of approximately 30,000 rooms. Civeo is publicly traded under the symbol CVEO on the New York Stock Exchange. For more information, please visit Civeo's website at www.civeo.com.

Forward Looking Statements

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are those that do not state historical facts and are, therefore, inherently subject to risks and uncertainties. The forward-looking statements herein include the statements regarding Civeo's financial objectives and currently expected commitment needs are based on then current expectations and entail various risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Such risks and uncertainties include, among other things, risks associated with global health concerns and pandemics, including the COVID-19 pandemic and the risk that room occupancy may decline if our customers are limited or restricted in the availability of personnel who may become ill or be subjected to quarantine, risks associated with the general nature of the accommodations industry, risks associated with the level of supply and demand for oil, coal, iron ore and other minerals, including the level of activity, spending and developments in the Canadian oil sands, the level of demand for coal and other natural resources from, and investments and opportunities in, Australia, and fluctuations or sharp declines in the current and future prices of oil, natural gas, coal, iron ore and other minerals, risks associated with failure by our customers to reach positive final investment decisions on, or otherwise not complete, projects with respect to which we have been awarded contracts, which may cause those customers to terminate or postpone contracts, risks associated with currency exchange rates, risks associated with the company's ability to integrate acquisitions, risks associated with the development of new projects, including whether such projects will continue in the future, risks associated with the trading price of the company's common shares, availability and cost of capital, risks associated with our ability to remain in compliance with our financial covenants in our debt agreements, risks associated with general global economic conditions, global weather conditions, natural disasters and security threats and changes to government and environmental regulations, including climate change, and other factors discussed in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of Civeo's annual report on Form 10-K for the year ended December 31, 2019 and other reports the company may file from time to time with the U.S. Securities and Exchange Commission. Each forward-looking statement contained herein speaks only as of the date of this release. Except as required by law, Civeo expressly disclaims any intention or obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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