



To: All Bargaining Unit Employees
Date: May 12, 2020
Re: Profit Sharing Plan

1st Quarter Results

Our financial performance for the first quarter of 2020 resulted in no payment being made under the plan. Our profitability continues to be impacted by the slowdown in the OCTG market, declining steel prices, and lower production across many lines impacting overall productivity and inventory cost.

Looking Forward

Our business faces unprecedented economic and market conditions triggered by the COVID-19 pandemic and oil price collapse. Even as some provinces take steps toward re-opening economies, we still face challenges and are adapting to new realities.

Through all of that, our highest priority remains the health and safety of all our employees.

Looking forward, we continue to work on improving our operational performance with a focus on the quality of the products we produce, controlling costs and delivering on our commitments to our customers.

Thank you to the individuals and teams across Canada for your support and hard work during these challenging times.

Thank you,

A handwritten signature in blue ink, appearing to read "M. B. P.", is written over a light blue circular watermark.

Senior Vice-President, Canadian Operations