NEWS RELEASE

Head Office: 121A - 31 Southridge Drive
Okotoks, Alberta, Canada
T1S 2N3
Tel: 403-995-5200
Toll-free: 1-866-995-7711
Fax: 403-995-5296

Mullen Group Ltd.
Reports First Quarter Financial Results

(Okotoks, Alberta April 22, 2020) (TSX:MTL) Mullen Group Ltd. ("**Mullen Group**", "**We**", "**Our**" and/or the "**Corporation**"), one of the leading suppliers of trucking and logistics services in Canada providing a wide range of service offerings including less-than-truckload, truckload, warehousing, logistics, transload, oversized and specialized hauling transportation, today reported its financial and operating results for the period ended March 31, 2020, with comparisons to the same period last year. Full details of our results may be found within our First Quarter Interim Report, which is available on SEDAR at www.sedar.com or on our website at www.mullen-group.com.

"We are in the midst of a health care crisis most of us have never experienced. Governments worldwide have already implemented a series of steps based upon the predictions and advice of the health care professionals, scientists and experts that study infectious diseases. This makes talking about financial results and expectations somewhat awkward when the risks to many in our communities take on a much bigger meaning. Nevertheless, as the CEO of a large employer in Canada, it is important to also talk about another consequence of this crisis and that is the devastating impact the government mandated closures are having on so many industries, businesses and the economy. And I am not exaggerating by stating that the job losses in the private sector are staggering. The bottom line is that this health crisis is hurting a lot of people. Obviously all of us hope that the steps taken by the governments will be successful but realistically I doubt if we will know for quite some time," commented Mr. Murray K. Mullen, Chairman and Chief Executive Officer.

"Until mid-March our business was performing ahead of last year and basically on target to meet our expectations. However, once the full extent of the virus started to become evident, demand deteriorated in many sectors of the economy directly impacting several of our Business Units. For example, we witnessed a sharp decline in the demand for discretionary consumer goods as well as in commodity based industries. Nevertheless, the majority of our business remained steady throughout the quarter, especially our Less-Than-Truckload segment and the handling of large diameter pipe, a logistical component related to pipeline construction in western Canada. As a result, I am pleased to report revenue of $318.2 million and operating income before depreciation and amortization of $45.2 million. More importantly we generated $40.2 million in net cash from operating activities during the first quarter, which is up 66.1 percent over last year. So all in all a good start to the year despite the challenges associated with the health crisis.

"But this was last quarter. Today we are in the midst of a rapidly changing supply chain. Our focus is now on what is next? Clearly business will be negatively impacted in the short-term, the duration to be determined by a virus known as COVID-19 and by governments. We will see business decline, perhaps quite significantly in the short-term, however, I believe we will weather this crisis and come out of it stronger. My confidence stems from knowing that we have a strong cash position and well-structured balance sheet providing ample liquidity to withstand a slowdown. Furthermore, our diversified business model and leverage to many sectors of the economy that will continue to be in demand is an important differentiator. And once the economy starts to recover we will be well positioned to take advantage of the inevitable opportunities that arise during challenging times. This is a point that I have made to many of our people that have become early victims of the rapid destruction in demand. To date we have furloughed and provided temporary layoff notices to approximately 1,000 of our business associates. This in itself is extremely stressful which is why we established a $5.0 million Family Assistance Plan. We will provide support as required to those most impacted through no fault of their own until we can get them back to work. This is one of my primary responsibilities these days. The other is ensuring the many frontline workers, those deemed essential workers by the various governments, have the appropriate protective gear and safety protocols in place to manage their health and safety as they go about their regular jobs," added Mr. Mullen.

Key financial highlights for the first quarter of 2020 with comparison to 2019 are as follows:

HIGHLIGHTS

(unaudited) *($ millions)*	Three month periods ended March 31 **2020**	**2019**	**Change**
	$	$	%
Revenue			
Less-Than-Truckload	**112.9**	109.1	3.5
Logistics & Warehousing	**96.2**	101.7	(5.4)
Specialized & Industrial Services	**111.3**	109.7	1.5
Corporate and intersegment eliminations	**(2.2)**	(0.9)	-
Total Revenue	**318.2**	**319.6**	**(0.4)**
Operating income before depreciation and amortization (1)			
Less-Than-Truckload	**13.3**	15.2	(12.5)
Logistics & Warehousing	**16.4**	14.6	12.3
Specialized & Industrial Services	**17.4**	16.4	6.1
Corporate	**(1.9)**	(2.2)	-
Total Operating income before depreciation and amortization (1)	**45.2**	**44.0**	**2.7**

(1) Refer to notes section of Summary

Mullen Group operates a diversified business model combined with a highly adaptable and variable cost structure. The financial results for the three month period ended March 31, 2020, are as follows:

→ generated consolidated revenue of $318.2 million, a slight decrease of $1.4 million, or 0.4 percent, as compared to $319.6 million in 2019 due to:

- an increase of $3.8 million, or 3.5 percent, to $112.9 million in the Less-Than-Truckload segment
- a decrease of $5.5 million, or 5.4 percent, to $96.2 million in the Logistics & Warehousing segment
- an increase of $1.6 million, or 1.5 percent, to $111.3 million in the Specialized & Industrial Services segment

→ earned consolidated operating income before depreciation and amortization ("**OIBDA**") of $45.2 million, an increase of $1.2 million as compared to $44.0 million in 2019 due to:

- a decrease of $1.9 million, or 12.5 percent, to $13.3 million in the Less-Than-Truckload segment
- an increase of $1.8 million, or 12.3 percent, to $16.4 million in the Logistics & Warehousing segment
- an increase of $1.0 million, or 6.1 percent, to $17.4 million in the Specialized & Industrial Services segment

→ net cash from operating activities up by $16.0 million, or 66.1 percent, to $40.2 million (highest first quarter amount since 2015)

First Quarter Financial Results

Revenue decreased by $1.4 million, or 0.4 percent, to $318.2 million and is summarized as follows:

- Less-Than-Truckload segment up $3.8 million, or 3.5 percent, to $112.9 million - revenue improved by $3.8 million due to $6.0 million of incremental revenue from acquisitions along with market share and revenue gains at Gardewine Group Limited Partnership ("**Gardewine**") being somewhat offset by lower demand for services in the Alberta market place.

- Logistics & Warehousing segment down $5.5 million, or 5.4 percent, to $96.2 million - revenue declined by $5.5 million due to supply chain issues and bottlenecks associated with rail blockades in many parts of Canada during the first part of the year followed by issues related to COVID-19 in the month of March. These decreases were somewhat offset by greater demand for transload services from expanding our service offerings at our Edmonton, Alberta distribution center and from higher industrial salt sales due to a prolonged winter season.

- Specialized & Industrial Services segment up $1.6 million, or 1.5 percent, to $111.3 million - revenue improved by $1.6 million due to greater demand for large diameter pipeline hauling and stringing services as well as revenue increases at both Smook Contractors Ltd. ("**Smook**") and Canadian Dewatering L.P. These increases were somewhat offset by lower demand for those Business Units involved in the transportation of fluids and servicing of wells and from those directly tied to oil and natural gas drilling activity as a result of the oil price collapse that declined dramatically during March whereby drilling rig activity fell in the Western Canadian Sedimentary Basin from 237 active rigs to 29 at the end of the month.

OIBDA increased by $1.2 million, or 2.7 percent, to $45.2 million and is summarized as follows:

- Less-Than-Truckload segment down $1.9 million, or 12.5 percent, to $13.3 million - OIBDA declined due to a weakened Alberta market resulting in lower OIBDA generated by Grimshaw Trucking L.P. ("**Grimshaw**") and from Gardewine receiving a $0.9 million one-time retroactive payment in 2019 on a take-or-pay contract with no corresponding associated costs. These decreases were somewhat offset by a $0.9 million increase from the incremental OIBDA generated from the acquisitions of Argus Carriers Ltd. and Inter-Urban Delivery Service Ltd. Operating margin decreased to 11.8 percent from 13.9 percent in 2019 due to lower margins achieved at Grimshaw and Gardewine.

- Logistics & Warehousing segment up $1.8 million, or 12.3 percent, to $16.4 million - OIBDA improved due to lower direct operating expenses and the positive variance in foreign exchange. Operating margin improved to 17.0 percent from 14.4 percent in 2019 due to the strong performance at Kleysen Group Ltd. and the beneficial effect of a weaker Canadian dollar and lower diesel prices.

- Specialized & Industrial Services segment up $1.0 million, or 6.1 percent, to $17.4 million - OIBDA improved due to greater demand for large diameter pipeline hauling and stringing services and from Smook. These increases were partially offset by lower OIBDA from those Business Units involved in the transportation of fluids and servicing of wells and from those directly tied to oil and natural gas drilling activity. Operating margin improved to 15.6 percent from 14.9 percent in 2019 due to a greater proportion of higher margin revenue and cost control measures.

Net income decreased by $6.9 million to $4.7 million, or $0.04 per Common Share due to:

- A $3.9 million negative variance in foreign exchange, a $2.3 million increase in finance costs, a $1.6 million negative variance in the fair value of investments, a $0.6 million increase in amortization of intangible assets and a $0.4 million decrease in earnings from equity investments.
- The above was partially offset by a $1.2 million increase in OIBDA, a $0.6 million decrease in loss on sale of property, plant and equipment and a $0.3 million decrease in income tax expense.

A summary of Mullen Group's results for the three month periods ended March 31, 2020 and 2019 are as follows:

SUMMARY

(unaudited) ***($ millions, except per share amounts)***	**Three month periods ended March 31**		
	2020	**2019**	**Change**
	$	$	%
Revenue	**318.2**	319.6	(0.4)
Operating income before depreciation and amortization[1]	**45.2**	44.0	2.7
Net foreign exchange loss (gain)	**2.8**	(1.1)	(354.5)
Decrease (increase) in fair value of investments	**1.5**	(0.1)	(1,600.0)
Net income	**4.7**	11.6	(59.5)
Net Income - adjusted[2]	**9.5**	10.6	(10.4)
Earnings per share[3]	**0.04**	0.11	(63.6)
Earnings per share - adjusted[2]	**0.09**	0.10	(10.0)
Net cash from operating activities	**40.2**	24.2	66.1
Net cash from operating activities per share[3]	**0.38**	0.23	65.2
Cash dividends declared per Common Share	**0.15**	0.15	-

Notes:

*(1) Operating income before depreciation and amortization ("**OIBDA**") is defined as net income before depreciation of right-of-use assets and of property, plant and equipment, amortization of intangible assets, finance costs, net foreign exchange gains and losses, other (income) expense and income taxes.*

(2) Net income - adjusted and earnings per share - adjusted are calculated by adjusting net income and basic earnings per share by the amount of any net foreign exchange gains and losses, and the change in fair value of investments.

(3) Earnings per share and net cash from operating activities per share are calculated based on the weighted average number of Common Shares outstanding for the period.

*Non-GAAP Terms - Mullen Group reports on certain financial performance measures that are described and presented in order to provide shareholders and potential investors with additional measures to evaluate Mullen Group's ability to fund its operations and information regarding its liquidity. In addition, these measures are used by management in its evaluation of performance. These financial performance measures ("**Non-GAAP Terms**") are not recognized financial terms under Canadian generally accepted accounting principles ("**Canadian GAAP**"). For publicly accountable enterprises, such as Mullen Group, Canadian GAAP is governed by principles based on IFRS and interpretations of IFRIC. Management believes these Non-GAAP Terms are useful supplemental measures. These Non-GAAP Terms do not have standardized meanings and may not be comparable to similar measures presented by other entities. Specifically, operating margin, net income - adjusted and earnings per share - adjusted are not recognized terms under IFRS and do not have standardized meanings prescribed by IFRS. Management believes these measures are useful supplemental measures. Investors should be cautioned that these indicators should not replace net income and earnings per share as an indicator of performance.*

Financial Position

The following summarizes our financial position as at March 31, 2020, along with some of the key changes that occurred during the first quarter of 2020:

- Working capital of $238.7 million including $84.7 million of cash and cash equivalents and an undrawn Bank Credit Facility of $150.0 million.
- Total net debt ($472.9 million) to operating cash flow ($206.1 million) of 2.29:1 as defined per our Private Placement Debt agreement.
- Private Placement Debt of $495.0 million with no scheduled maturities until 2024 (average fixed rate of 3.93 percent per annum). Private Placement Debt increased by $27.5 million due to the foreign exchange loss on our U.S. $229.0 million debt.
- Book value of Derivative Financial Instruments up $24.7 million to $66.1 million, which swaps our $229.0 million of U.S. dollar debt at an average foreign exchange rate of $1.1096.
- Net book value of property, plant and equipment of $951.9 million, which includes $573.1 million of carrying costs of owned real property.
- Repurchased 1,134,376 Common Shares at an average price of $5.11 per share under our normal course issuer bid.

About Mullen Group Ltd.

Mullen Group is a logistics company that owns a network of independently operated businesses. The Corporation is recognized as one of the leading suppliers of trucking and logistics services in Canada providing a wide range of service offerings including less-than-truckload, truckload, warehousing, logistics, transload, oversized and specialized hauling transportation. In addition, we provide a diverse set of specialized services related to the energy, mining, forestry and construction industries in western Canada, including water management, fluid hauling and environmental reclamation. The corporate office provides the capital and financial expertise, legal support, technology and systems support, shared services and strategic planning to its independent businesses.

*Mullen Group is a publicly traded corporation listed on the Toronto Stock Exchange under the symbol "**MTL**". Additional information is available on our website at www.mullen-group.com or on SEDAR at www.sedar.com.*

Contact Information

Mr. Murray K. Mullen - Chairman of the Board, Chief Executive Officer and President
Mr. P. Stephen Clark - Chief Financial Officer
Mr. Richard J. Maloney - Senior Vice President
Ms. Joanna K. Scott - Corporate Secretary & Vice President, Corporate Services

121A - 31 Southridge Drive
Okotoks, Alberta, Canada T1S 2N3
Telephone: 403-995-5200
Fax: 403-995-5296

Disclaimer

This news release may contain forward-looking statements that are subject to risk factors associated with the oil and natural gas business and the overall economy. Mullen Group believes that the expectations reflected in this news release are reasonable, but results may be affected by a variety of variables. The forward-looking information contained herein is made as of the date of this news release and Mullen Group disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws. Mullen Group relies on litigation protection for "forward-looking" statements. Additional information regarding the forward-looking statements is found on pages 1, 40 and 41 of Mullen Group's Management's Discussion and Analysis.