



**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

July 14, 2017

**CES ENERGY SOLUTIONS CORP. ANNOUNCES AN EXTENSION AND AMENDMENT TO
ITS SYNDICATED CREDIT FACILITY**

CES Energy Solutions Corp. (“**CES**” or the “**Corporation**”) (TSX: CEU and OTC - Nasdaq Intl: CESDF) is pleased to announce that it has successfully entered into a fourth amending agreement dated July 14, 2017 (the “**Amending Agreement**”) with respect to its syndicated and operating credit facilities (the “**Credit Facility**”). Led by The Bank of Nova Scotia as Agent and a syndicate including Royal Bank of Canada, Wells Fargo Bank and Alberta Treasury Branches, the Credit Facility consists of a Canadian Operating Facility of C\$20 million, a Canadian Syndicated Revolving Facility of C\$105 million and a U.S. Operating Facility of US\$40 million. The Credit Facility is secured by substantially all of the Corporation’s assets and includes customary terms, conditions and covenants.

Highlights of the Amending Agreement

The Amending Agreement:

- subject to certain terms and conditions extends the maturity date of the Credit Facility to September 28, 2020 (the “**Maturity Date**”);
- terminates the Covenant Relief Period which was entered into March 29, 2016;
- increases the Maximum Net Senior Funded Debt to EBITDA Ratio from 2.25 to 2.50;
- increases the Minimum EBITDA to Interest Expense ratio from 2.00 to 2.50. Additionally, at the option of the Corporation and subject to certain conditions, the Minimum EBITDA to Interest Expense threshold may be reduced to 1.50 for a period not in excess of three consecutive quarters, returning to the requisite 2.50 in the fourth quarter thereafter. This optional interest coverage step-down may only be utilized once prior to the Maturity Date;
- eliminates the previous restrictive covenant of Total Net Funded Debt to EBITDA;
- improves the pricing range on Canadian Prime Rate Loans, U.S. Base Rate Loans and U.S. Prime Rate Loans from prime plus 0.75% - 1.50% to prime plus 0.45% - 1.00%;
- improves the pricing range on LIBOR Loans, Bankers’ Acceptances and Letters of Credit from the applicable rate plus 1.75% - 2.50% to the applicable rate plus 1.45% - 2.00%; and
- addresses the needs of the Corporation’s expanding US business and increases the size of the U.S. Operating Facility from US\$25,000,000 to US\$40,000,000 resulting in an increase to the overall Credit Facility of US\$15,000,000.

The remaining terms, conditions and covenants of the Credit Facility remain materially consistent with the terms, conditions and covenants prior to the Amending Agreement. A redacted copy of the Amending Agreement will be available on CES' SEDAR profile at www.sedar.com in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*, as adopted by the Canadian securities regulatory authorities.

Non-GAAP Measures

This press release contains references to EBITDA. This financial measure is not a measure that has any standardized meaning prescribed under International Financial Reporting Standards and is therefore referred to as non-GAAP measure. The non-GAAP measure used by the Corporation may not be comparable to a similar measure used by other companies. EBITDA is defined for purposes of the Credit Facility as net income before interest, taxes, depreciation and amortization, gains and losses on disposal of assets, amortization of capitalized deferred financing costs, goodwill impairment, unrealized foreign exchange gains and losses, unrealized derivative gains and losses, stock-based compensation, and other gains and losses not considered reflective of underlying operations. EBITDA attributable to businesses acquired in the period are permitted to be added to EBITDA.

About CES Energy Solutions Corp.

CES is a leading provider of technically advanced consumable chemical solutions throughout the lifecycle of the oilfield. This includes solutions at the drill-bit, at the point of completion and stimulation, at the wellhead and pump-jack, and finally through to the pipeline and midstream market. CES's business model is relatively asset light and requires limited re-investment capital to grow. As a result, CES has been able to capitalize on the growing market demand for drilling fluids and production and specialty chemicals in North America while generating free cash flow. Additional information about CES is available at www.sedar.com or on the Corporation's new website at www.cesenergysolutions.com.

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