

**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

November 8, 2018



CES ENERGY SOLUTIONS CORP. REPORTS RECORD THIRD QUARTER RESULTS AND DECLARES CASH DIVIDEND

CES Energy Solutions Corp. ("CES" or the "Company") (TSX: CEU) (OTC – Nasdaq Intl: CESDF) is pleased to report on its financial and operating results for the three and nine months ended September 30, 2018. Further, CES announced today that it will pay a cash dividend of \$0.005 per common share on December 14, 2018 to the shareholders of record at the close of business on November 30, 2018.

In Q3 2018, CES generated revenue of \$338.5 million and Adjusted EBITDAC of \$45.6 million, both representing record quarterly results achieved by the Company.

Record revenue of \$338.5 million during Q3 2018 represented an increase of \$77.6 million or 30% compared to \$260.9 million in revenue for Q3 2017. Revenue for the nine months ended September 30, 2018 was \$923.1 million as compared to \$750.8 million for the nine months ended September 30, 2017.

Revenue generated in the US increased 34% and 28% to \$227.1 million and \$608.1 million for the three and nine months ended September 30, 2018, respectively, over the 2017 comparative periods. Q3 2018 revenue generated in the US of \$227.1 million is the highest US revenue quarter in the Company's history exceeding the previous record quarter for the US which was Q2 2018 with \$201.5 million. Contributing to the year-over-year increase of 34% was CES' completed investments in US infrastructure and capabilities to date, significant activity improvement in the drilling fluids business and increased US Treatment Points, particularly in the Permian Basin. For Q3 2018, the Company's US source revenues were positively impacted on translation by weakness in the Canadian Dollar ("CAD") versus US Dollar ("USD"), compared to Q3 2017.

Revenue generated in Canada increased 21% and 14% to \$111.4 million and \$315.1 million for the three and nine months ended September 30, 2018, respectively, over the 2017 comparative periods. Q3 began on solid footing in Canada, with strong performance in July and August leading into mid-September when weather and ground conditions slowed drilling activity and prevented access for certain production chemical deliveries. PureChem contributed the majority of the Canadian revenue gain for the three and nine months ended September 30, 2018 compared to the comparative periods in prior year, as completed investments in PureChem infrastructure continue to enable increased market share in Canada in the production chemicals business. Revenues in CES' drilling fluids business in Canada also increased in 2018 compared to 2017, due to increased activity in the respective three and nine month periods.

Gross Margin in Q3 2018 was \$75.9 million or 22.4% of revenue, compared to Gross Margin of \$63.9 million or 24.5% of revenue generated in Q3 2017. Year-to-date Gross Margin totaled \$214.6 million, compared to \$182.2 million for the nine months ended September 30, 2017, representing an increase of \$32.4 million or 18%. In Q3 2018, CES recorded Gross Margin (excluding depreciation) of \$86.2 million or 25.5% of revenue, compared to Gross Margin (excluding depreciation) of \$73.0 million or 28.0% of revenue generated in Q3 2017. Year-to-date Gross Margin (excluding depreciation) totaled \$244.3 million, compared to \$209.7 million for the nine months ended September 30, 2017, representing an increase of \$34.6 million or 16%. CES continues to benefit from operating

leverage in our consumable chemicals business model, except in the Permian where continued strong growth has caused CES' infrastructure to temporarily reach its efficiency capacity as expansionary investments continue to debottleneck operations. CES has previously announced expansion plans to its Permian infrastructure to address the needs of its growing Permian businesses. These gains were offset by cost inflation incurred throughout 2018, which has outpaced the Company's ability to pass through its input costs to its customers for its products and services. Further, weather related challenges in Canada during September also temporarily negatively affected Gross Margin as activity levels declined and corresponding lower revenue was over the same fixed cost base. As a result, Gross Margin (excluding depreciation) as a percentage of revenue in Q3 2018 has decreased from Q3 2017. CES believes that as it increases sales in areas such as the Permian and the Deep Basin, CES' operating leverage from its expanded infrastructure, innovative technologies, and superior service culture will improve margins going forward. Net income for the three and nine months ended September 30, 2018 was \$5.9 million and \$32.3 million, respectively, compared to \$19.4 million and \$33.6 million for the 2017 respective periods.

EBITDAC for Q3 2018 was \$43.1 million as compared to \$40.7 million for Q3 2017, representing an increase of \$2.4 million or 6%. Excluding CFO-related one-time management transition costs of \$2.5 million incurred in the quarter, Adjusted EBITDAC was \$45.6 million. Year-to-date EBITDAC was \$123.1 million as compared to \$112.2 million for the nine months ended September 30, 2017, representing an increase of \$10.9 million or 10%. Excluding one-time CFO-related management transition costs of \$2.5 million incurred in the quarter, Adjusted EBITDAC was \$125.5 million. Net income for the three and nine months ended September 30, 2018 was \$5.9 million and \$32.3 million, respectively, compared to \$19.4 million and \$33.6 million for the 2017 respective periods. Year-over-year, the Company's operating results continued to benefit from increased activity levels due to the improved commodity price environment, and CES' business' in both US and Canada have made positive contributions to revenue, net income and EBITDAC.

CES continues to maintain a prudent balance sheet to support its business needs and capitalize on improving oilfield activity in both the US and Canada throughout the cycle. In October 2017, CES successfully re-financed and reduced its coupon on its \$300.0 million Senior Notes by issuing new 6.375% Senior Notes which have an extended maturity into October 2024.

At September 30, 2018, CES had a net draw of \$149.4 million on its Senior Facility (December 31, 2017 – \$109.3 million), representing an increase of \$56.4 million from June 30, 2018. The increase was primarily driven by working capital build attributable to record revenue levels, typical Q2 to Q3 build in preparation for upcoming seasonally driven higher activity levels, and for opportunistic inventory purchases in the quarter. Capital allocation in Q3 also included expansionary capex for the Kermit mud plant in the Permian Basin, PureChem's production chemical Grande Prairie facility and opportunistic share repurchases through CES' normal course issuer bid ("NCIB") program.

The maximum available draw on the Senior Facility at September 30, 2018 was \$125.0 million on the Canadian facility and US\$40.0 million on the US facility (December 31, 2017 - \$125.0 million and US \$40.0 million, respectively). On November 8, 2018, the Company amended its Senior Facility to exercise \$55.0 million of available accordion capacity, increasing the maximum amount available on the Canadian facility from \$125.0 million to \$180.0 million, in addition to the US\$40.0 million on the US facility. All other terms and conditions of the Senior Facility remain unchanged. In early 2016, CES took a voluntary reduction in the amount of \$50.0 million on the maximum borrowing amount on its Canadian facility, which provided adequate liquidity during the downturn as working capital returned to the balance sheet in the form of cash. As activity levels have rebounded and market conditions have improved, this \$55.0 million increase in availability on the Senior Facility addresses the needs of the Company's growing business in the recovery. As at the date hereof, the Company has a net draw of approximately \$160.0 million on its Senior Facility.

CES continues to see improvement in its financial position and the Company's Board of Directors and management view share repurchases as a prudent component of its capital allocation at this time as they believe that the current market price of CES's common shares does not reflect their underlying value. On July 17, 2018, the Company began an NCIB program to repurchase for cancellation up to 24,587,978 common shares. The NCIB will terminate on July 16, 2019 or such earlier date as the maximum number of common shares are purchased pursuant to the NCIB or the NCIB is completed or is terminated at the Company's election. In Q3 2018, the Company repurchased 2,700,000 common shares at an average price of \$4.574 per share for a total amount \$12.4 million. Subsequent to September 30, 2018, the Company purchased 1,300,000 additional shares at a weighted average price per share of \$3.601 for a total of \$4.7 million.

Outlook

CES is very optimistic about its prospects for the remainder of 2018 and beyond. CES' record consolidated revenue result and record US revenue result in Q3 2018 reflect its effective execution in a dynamic environment and CES' strategy has positioned the Company to take advantage of the opportunities ahead. CES believes that over time it can continue to grow its share of the oilfield consumable chemical markets in which it competes. CES also sees the consumable chemical market increasing its share of the oilfield spend as operators continue to: drill longer reach laterals and drill them faster; expand and optimize the utilization of pad drilling and cube development techniques; increase the intensity and size of their fracs; and require increasingly technical and specialized chemical treatments to effectively maintain existing cash flow generating wells and treat growing production from new wells.

In the US, CES' infrastructure is largely built out to meet anticipated growing production chemical and drilling fluid needs in the key basins. In the Permian Basin, the Kermit, Texas mud plant expansion has been designed to double capacity, positioning the Company to take on new work and continue to grow market share. In addition, Catalyst's current platform is setup to capitalize on growing production and higher levels of activity in the Permian Basin, and CES continues to recruit top talent in this highly competitive region. CES also plans to build a strategically located barite facility in the northeast US in 2019, expanding its existing barite grinding capabilities and further adding to the Company's competitive positioning and operating leverage.

In Canada, CES' production chemical infrastructure is also largely complete, and CES is well positioned to increase financial contribution from its PureChem division as the Company grows into this infrastructure and continues to add scale. In Canada, current industry takeaway capacity issues and a lack of consistent market access has caused differentials to widen significantly, thereby tempering current activity levels by operators. Weather related challenges temporarily limited access in the WCSB and affected CES' Canadian business in Q3 2018, with poor weather conditions continuing into early October. Despite these challenges, CES expects activity levels in Q1 2019 to achieve the higher levels typically seen in the first quarter in Canada, with further clarity on this as operators' capital budgets are finalized during Q4 2018.

CES' strategy is to utilize its decentralized management model; its vertically integrated manufacturing model; its problem solving through science approach; its patented and proprietary technologies; and its superior people and execution to increase market share. The downturn made many middlemen, or competitors who are simply resellers of other company's products, redundant. By being basic in the manufacture of the consumable chemicals it sells, CES continues to be price competitive and a technology leader. Recent competitor consolidations and business failures will provide further opportunities for CES in this recovery period as operators require increasingly technical solutions and deeper customer-centric coverage models to meet their needs. CES believes that its unique value proposition makes it the premier independent provider of technically advanced consumable chemical solutions to the North American oilfield.

CES' balance sheet is well positioned to capitalize on the improving oilfield activity. In October 2017, CES successfully re-financed and reduced its coupon on its \$300.0 million Senior Notes by issuing new 6.375% Senior Notes which have an extended maturity into October 2024. In 2018, it is expected that EBITDAC will materially exceed the sum of cash expenditures on interest, taxes, and capital expenditures, allowing for free cash flow to be returned to shareholders through CES' monthly dividend and recently implemented NCIB.

As CES' infrastructure buildout in both Canada and the US is largely completed in 2018, absent acceptable return expansionary capital projects, such as the buildout of the northeast US barite facility, CES expects capital expenditures in 2019 to return to levels below 2017-2018 levels. CES' business model, capital structure and free cash flow generation attributes continue to permit prudent capital allocation to one or a combination of: investment in current operations, debt reduction, opportunistic share repurchases, dividends and acquisitions.

CES will continue to assess organic and M&A opportunities that will improve CES' competitive position and enhance profitability. Any acquisitions must meet CES' stringent financial and operational metrics. In its core businesses, CES will focus on profitably growing market share, controlling costs, developing or acquiring new technologies, and making strategic investments as required to position the business to capitalize on the industry rebound and increasing intensity.

Conference Call Details

With respect to the third quarter results, CES will host a conference call / webcast at 9:00 am MT (11:00 am ET) on Friday, November 9, 2018.

North American toll-free: 1-(855)-327-6838
 International / Toronto callers: (416)-915-3239
 Link to Webcast: <http://www.cesenergysolutions.com/>

Financial Highlights

(\$000's, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenue				
United States	227,100	168,912	608,087	473,571
Canada	111,411	91,969	315,059	277,238
	338,511	260,881	923,146	750,809
Gross margin	75,949	63,876	214,561	182,195
as a percentage of revenue	22.4%	24.5%	23.2%	24.3%
Gross Margin (excluding depreciation)	86,238	73,017	244,270	209,694
as a percentage of revenue	25.5%	28.0%	26.5%	27.9%
Net income	5,859	19,437	32,268	33,560
per share – basic	0.02	0.07	0.12	0.13
per share - diluted	0.02	0.07	0.12	0.12
Adjusted EBITDAC ⁽¹⁾	45,550	40,718	125,515	112,211
per share – basic	0.17	0.15	0.47	0.42
per share - diluted	0.17	0.15	0.46	0.41
Dividends declared	4,012	2,000	8,713	5,973
per share	0.0150	0.0075	0.0325	0.0225

Shares Outstanding	Three Months Ended September 30,		Year Ended September 30,	
	2018	2017	2018	2017
End of period	267,791,315	267,582,964	267,791,315	267,582,964
Weighted average				
- basic	268,119,617	266,323,406	268,366,016	265,235,704
- diluted	275,502,020	273,036,297	275,625,388	272,520,412

Financial Position (\$000's)	As at	
	September 30, 2018	December 31, 2017
Net working capital	393,660	350,475
Total assets	1,273,464	1,140,667
Long-term financial liabilities ⁽²⁾	458,208	414,384
Net Debt ⁽¹⁾	64,548	63,909
Shareholders' equity	649,127	593,198

Notes:

¹CES uses certain performance measures that are not recognizable under International Financial Reporting Standards ("IFRS"). These performance measures include net income (loss) before interest, taxes, depreciation and amortization, finance costs, other gains and losses, and stock-based compensation ("EBITDAC"), Adjusted EBITDAC, Gross Margin (excluding depreciation), and Net Debt. Management believes that these measures provide supplemental financial information that is useful in the evaluation of CES' operations. Readers should be cautioned, however, that these measures should not be construed as alternatives to measures determined in accordance with IFRS as an indicator of CES' performance. CES' method of calculating these measures may differ from that of other organizations and, accordingly, these may not be comparable. Please refer to the Non-GAAP measures section of CES' MD&A for the three and nine months ended September 30, 2018 for additional details regarding the calculation of these Non-GAAP measures.

²Includes long-term portion of the deferred acquisition consideration, the Senior Facility, the Senior Notes, and finance lease obligations.

Business of CES

CES is a leading provider of technically advanced consumable chemical solutions throughout the life-cycle of the oilfield. This includes total 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. At the drill-bit, CES' designed drilling fluids encompass the functions of cleaning the hole, stabilizing the rock drilled, controlling subsurface pressures, enhancing drilling rates, and protecting potential production zones while conserving the environment in the surrounding surface and subsurface area. At the point of completion and stimulation, CES' designed chemicals form a critical component of fracturing solutions or other forms of remedial well stimulation techniques. The shift to horizontal drilling and multi-stage fracturing with long horizontal well completions has been responsible for significant growth in the drilling fluids and completion and stimulation chemicals markets. At the wellhead and pump-jack, CES' designed production and specialty chemicals provide down-hole solutions for production and gathering infrastructure to maximize production and reduce costs of equipment maintenance. Key solutions include corrosion inhibitors, demulsifiers, H₂S scavengers, paraffin control products, surfactants, scale inhibitors, biocides and other specialty products. Further, specialty chemicals are used throughout the pipeline and midstream industry to aid in hydrocarbon movement and manage transportation and processing challenges including corrosion, wax build-up and H₂S.

CES operates in the Western Canadian Sedimentary Basin ("WCSB") and in several basins throughout the United States ("US"), including Permian, Eagleford, Bakken and Marcellus with an emphasis on servicing the ongoing major resource plays. In Canada, CES operates under the trade names Canadian Energy Services, PureChem Services ("PureChem"), StimWrx Energy Services Ltd. ("StimWrx"), Sialco Materials Ltd. ("Sialco"), and Clear Environmental Solutions ("Clear"). In the US, CES operates under the trade names AES Drilling Fluids ("AES"), Superior Weighting Products ("Superior Weighting"), JACAM Chemicals ("JACAM"), and Catalyst Oilfield Services ("Catalyst").

The Canadian Energy Services and AES brands are focused on the design and implementation of drilling fluids systems and completion solutions sold directly to oil and gas producers. The StimWrx brand provides near matrix stimulation and remediation of oil, gas, and injection wells in Western Canada. The Superior Weighting brand custom grinds minerals including barite, which is the weighting agent utilized in most drilling fluid systems. The JACAM, Catalyst, PureChem, and Sialco brands are vertically integrated manufacturers of advanced specialty chemicals. In addition to being basic in the manufacture of oilfield chemicals, JACAM, Catalyst, and PureChem have expanding distribution channels into the oilfield.

Clear is a complimentary business division that supports the operations and augments the product offerings in the WCSB. Clear is CES' environmental division, providing environmental consulting, water management and water transfer services, and drilling fluids waste disposal services primarily to oil and gas producers active in the WCSB.

CES continues to invest in research and development of new technologies and in the top-end scientific talent that can develop and refine these technologies. CES operates eight separate lab facilities across North America: two in Houston, Texas; two in Midland, Texas; one in Sterling, Kansas; and one in each of Calgary, Alberta; Grand Prairie, Alberta; Carlyle, Saskatchewan; and Delta, British Columbia. In the US, CES' main chemical manufacturing and reacting facility is located in Sterling, Kansas with additional low-temperature reacting and chemical blending capabilities just outside of Midland, Texas and chemical blending capabilities in Sonora, Texas. In Canada, CES has a chemical manufacturing and reacting facility located in Delta, British Columbia with additional chemical blending capabilities located in Carlyle, Saskatchewan, Nisku, Alberta, and Grand Prairie, Alberta. CES also leverages third party partner relationships to drive innovation in the consumable fluids and chemicals business.

Cautionary Statement

Except for the historical and present factual information contained herein, the matters set forth in this press release, may constitute forward-looking information or forward-looking statements (collectively referred to as "forward-looking information") which involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CES, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this press release, such information uses such words as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", and other similar terminology. This information reflects CES' current expectations regarding future events and operating performance and speaks only as of the date of the press release. Forward-looking information involves significant risks and uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the factors discussed below. The management of CES believes the material factors, expectations and assumptions reflected in the forward-looking information are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking information contained in this document speaks only as of the date of the document, and CES assumes no obligation to publicly update or revise such information to reflect new events or circumstances, except as may be required pursuant to applicable securities laws or regulations. The material assumptions in making forward-looking statements include, but are not limited to, assumptions relating to demand levels and pricing for the oilfield consumable chemical offerings of the Company; fluctuations in the price and demand for oil and natural gas; anticipated activity levels of the Company's significant customers; commodity pricing; general economic and financial market conditions; the successful integration of recent acquisitions; the Company's ability to finance its operations; levels of drilling and other activity in the WCSB, the Permian and other US basins, the effects of seasonal and weather conditions on operations and facilities; changes in laws or regulations; currency exchange fluctuations; the ability of the Company to attract and retain skilled labour and qualified management; and other unforeseen conditions which could impact the Company's business of supplying oilfield consumable chemistry to the Canadian and US markets and the Company's ability to respond to such conditions.

In particular, this press release contains forward-looking information pertaining to the following: the certainty and predictability of future cash flows and earnings; expectations that EBITDAC will exceed the sum of expenditures on interest, taxes and capital expenditures; expectations of non-acquisition capital expenditures in 2018 and 2019; expectations regarding the impact of increased operating leverage on margins going forward; the sufficiency of liquidity and capital resources to meet long-term payment obligations; potential M&A opportunities; CES' ability to increase or maintain its market share, including expectations that PureChem and JACAM will increase market share in the oilfield consumable chemical market, that Catalyst will increase market-share of production and specialty chemicals in the Permian Basin, and that AES will increase drilling fluids market share in the Permian Basin; optimism with respect to future prospects for CES; impact of CES' vertically integrated business model on future financial performance; expectations regarding challenges in the Canadian market and near term opportunities in the US market; CES' ability to leverage third party partner relationships to drive innovation in the consumable fluids and chemicals business; supply and demand for CES' products and services, including expectations for growth in CES' production and specialty chemical sales, expected growth in the consumable chemicals market and the impact of such increased sales on operating leverage; industry activity levels; commodity prices; development of new technologies; expectations regarding CES' growth opportunities in Canada and the U.S.; expectations regarding the performance or expansion of CES' operations; expectations regarding the diversification of operations away from the drill-bit; expectations that competitor consolidation and business failures will provide future opportunities to CES; expectations regarding demand for CES' services and technology; impacts of weather related challenges and pricing differentials for oil between Canada and the United States; investments in research and development and technology advancements; access to debt and capital markets and cost of capital; the purchase of CES' common shares by CES pursuant to the NCIB; the potential means of funding dividends and the NCIB; CES' ability to continue to comply with covenants in debt facilities; competitive conditions.

CES' actual results could differ materially from those anticipated in the forward-looking information as a result of the following factors: general economic conditions in Canada, the U.S., and internationally; geopolitical risk; fluctuations in demand for consumable fluids and chemical oilfield services, and any downturn in oilfield activity; a decline in activity in the WCSB, the Permian and other basins in which the Company operates; a decline in frac related chemical sales; a decline in operator usage of chemicals on wells; an increase in the number of customer well shut-ins; a shift in types of wells drilled; volatility in market prices for oil, natural gas, and natural gas liquids and the effect of this volatility on the demand for oilfield services generally; the declines in prices for oil, and pricing differentials between world pricing; pricing in North America; and pricing in Canada; competition, and pricing pressures from customers in the current commodity environment; currency risk as a result of fluctuations in value of the U.S. dollar; liabilities and risks, including environmental liabilities and risks inherent in oil and natural gas operations; sourcing, pricing and availability of raw materials, consumables, component parts, equipment, suppliers, facilities, and skilled management, technical and field personnel; the collectability of accounts receivable, particularly in the current low oil and natural gas price environment; ability to integrate technological advances and match advances of competitors; ability to protect the Company's proprietary technologies; availability of capital; uncertainties in weather and temperature affecting the duration of the oilfield service periods and the activities that can be completed; the ability to successfully integrate and achieve synergies from the Company's acquisitions; changes in legislation and the regulatory environment, including uncertainties with respect to oil and gas royalty regimes, programs to reduce greenhouse gas and other emissions, carbon pricing schemes, and regulations restricting the use of hydraulic fracturing; pipeline capacity and other transportation infrastructure constraints; reassessment and audit risk and other tax filing matters; changes and proposed changes to U.S. policies including the potential for tax reform, and possible renegotiation of international trade agreements and the implementation of the United States-Mexico-Canada Agreement; divergence in climate change policies between Canada and the U.S.; potential changes to the crude by rail industry; changes to the fiscal regimes applicable to entities operating in the WCSB and the US; access to capital and the liquidity of debt markets; fluctuations in foreign exchange and interest rates, and the other factors considered under "Risk Factors" in CES' Annual Information Form for the year ended December 31, 2017 and "Risks and Uncertainties" in CES' MD&A dated November 8, 2018.

For further information, please contact:

Tom Simons
President and Chief Executive Officer
CES Energy Solutions Corp.
(403) 269-2800

Anthony Aulicino
Chief Financial Officer
CES Energy Solutions Corp.
(403) 269-2800

Or by email at: info@ceslp.ca

**THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT
RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.**