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FOR IMMEDIATE DISTRIBUTION

CES ENERGY SOLUTIONS CORP. REPORTS RECORD SECOND QUARTER RESULTS, DECLARES CASH DIVIDEND AND ANNOUNCES MANAGEMENT CHANGES

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 six months ended June 30, 2018. Further, CES announced today that it will pay a cash dividend of $0.005 per common share on September 14, 2018 to the shareholders of record at the close of business on August 31, 2018.

Q2 2018 revenue of $284.3 million and EBITDAC of $37.5 million are both record results achieved in the second quarter of a fiscal period.

CES generated record revenue of $284.3 million during Q2 2018, an increase of $46.7 million or 20% compared to $237.6 million in revenue for Q2 2017. Revenue for the six months ended June 30, 2018 was $584.6 million as compared to $489.9 million for the six months ended June 30, 2017. This represents an increase of $94.7 million or 19%. Net Income for Q2 2018 was $13.2 million compared to $6.3 million in Q2 2017. CES recorded net income per share of $0.05 ($0.05 diluted) in Q2 2018 versus a net income per share of $0.02 ($0.02 diluted) in Q2 2017. EBITDAC for Q2 2018 was $37.5 million as compared to $34.9 million for Q2 2017, representing an increase of $2.6 million or 7%. EBITDAC for H1 2018 was $80.0 million as compared to $71.5 million for H1 2017, representing an increase of $8.5 million or 12%. Year-over-year, the Company's operating results continued to benefit from increased activity levels due to the improved commodity price environment. As detailed below, in Q2 2018 all of the CES' business' in Canada and the US have made positive contributions to revenue, net income and EBITDAC.

Q2 2018 revenue generated in the US of $201.5 million is also the highest US revenue quarter in the Company's history exceeding the previous record quarter for the US which was Q1 2018 with $179.5 million. This record revenue of $201.5 million is compared to $163.0 million for Q2 2017, an increase of $38.5 million or 24%. Year-to-date, US revenue totaled $381.0 million, compared to $304.7 million for H1 2017, representing an increase of $76.3 million or 25% on a year-over-year basis. This year over year increase is as a result of the improved market conditions in Q2 2018 and H1 2018 with significant activity improvement in the drilling fluids business and increased US Treatment Points, particularly in the Permian Basin. Offsetting these gains for Q2 2018 was the negative impact of the devaluation of the US Dollar ("USD") versus the Canadian Dollar ("CAD") in the current quarter on translation of the Company's US source revenues, compared to Q2 2017.

Revenue generated in Canada for Q2 2018 of $82.8 million is the highest Q2 Canadian revenue ever achieved by CES. Q2 2018 revenue is an increase of $8.2 million or 11% over Q2 2017 of $74.6 million. Year-to-date revenue totaled $203.7 million, compared to $185.3 million for H1 2017, representing an increase of $18.4 million or 10% on a year-over-year basis. PureChem contributed the majority of this gain for the three and six months ended June 30, 2018 compared to the comparative periods in prior year, as it continued to increase market share in Canada in the production chemicals business. Canadian Treatment Points for Q2 2018 have increased 18% from the comparative period. Sequentially, Canadian Treatment Points decreased by 4% in Q2 2018 compared to Q1 2018, as a result of the usual spring break-up and weather related conditions that reduced access to locations and as such limited the number of deliveries during the period. Revenues in CES' drilling fluids business in Canada declined slightly in Q2 2018 compared to Q2 2017, due to decreased activity in the Deep Basin driven by lower gas prices.

In Q2 2018, CES recorded Gross Margin of $68.0 million or 24% of revenue, compared to Gross Margin of $58.5 million or 25% of revenue generated in Q2 2017. Year-to-date Gross Margin totaled $138.6 million, compared to $118.3 million for H2 2017, representing an increase of $20.3 million or 17%. In Q2 2018, CES recorded Gross

Margin (excluding depreciation) of $77.9 million or 27% of revenue, compared to Gross Margin (excluding depreciation) of $67.8 million or 29% of revenue generated in Q2 2017. Year-to-date Gross Margin (excluding depreciation) totaled $158.0 million, compared to $136.7 million in H1 2017, representing an increase of $21.4 million or 16%. CES continues to benefit from operating leverage in our consumable chemicals business model, except in the Permian where explosive growth has caused CES' infrastructure to temporarily reach its efficiency capacity. 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 in H1 2018, which has outpaced the Company's ability to pass through its input costs to its customers for its products and services. As a result, both Gross Margin and Gross Margin (excluding depreciation) as a percentage of revenue in Q2 2018 has decreased from Q2 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.

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. With respect to its Senior Facility, as at June 30, 2018, CES had a net draw of $93.0 million (December 31, 2017 – $109.3). The maximum available draw on the Senior Facility at June 30, 2018 was $165.0 million, comprised of a Canadian facility of $125.0 million and a US facility of USD$40.0 million. As at the date hereof, the Company has a net draw of approximately $131.0 million on its Senior Facility.

CES continues to see improvement in its financial position and the Company's Board of Directors and management believe that the current market price of CES's common shares do not reflect their underlying value. As such, the Company announced on June 14, 2018 its intention to implement a Normal Course Issuer Bid ("NCIB"). Subsequent to period end, on July 12, 2018, the Company received approval from the Toronto Stock Exchange ("TSX") to implement its NCIB. Pursuant to the NCIB, CES may purchase up to 10% of the public float of the outstanding common shares for cancellation through the TSX and other alternative Canadian securities trading platforms. Specifically CES' NCIB permits CES, but does not obligate CES, to purchase up to 24,587,978 Common Shares from time to time over the next twelve months. As of the date of hereof, since the initiation of the NCIB on July 17, 2018, the Company has repurchased 2,700,000 common shares at an average price of $4.57 per share.

Management Changes

CES Energy Solutions wishes to also announce some important management changes. The company announces the pending retirement of Craig Nieboer from his position as CFO. The company thanks Mr. Nieboer for his 10 years of tireless service. Mr. Nieboer was instrumental in the company's growth into the US Market, and in the diversification of the company into production chemicals. His stewardship leaves the company with a prudent capital structure and strong balance sheet. Mr. Nieboer also assembled a high quality team to carry the company forward. The company is in the process of retaining a suitable replacement and thanks Mr. Nieboer for the help during this transition. Mr. Nieboer will be departing CES once a suitable successor candidate has been identified and a proper transition of duties and responsibilities has been completed.

Further changes aim to enhance the authorities of existing company management, consistent with the decentralized business model CES deploys. Effective August 9, 2018, Vern Disney, previously COO JACAM and Catalyst , was promoted to President of US Production Chemicals, Richard Baxter, formerly President of AES, was promoted to President of US Drilling Fluids and Jason Waugh, formerly Vice President was promoted to President of Canadian Production Chemicals. We also confirm that Ken Zinger will remain as Chief Operating Officer and President of Canadian Drilling Fluids.

"On behalf of the company, we wish Mr. Nieboer all the best in this next chapter of his life. Employees, customers and shareholders benefited from your service to the company" said Tom Simons, CEO and founder of CES Energy Solutions.

CES Q2 Results Conference Call Details

With respect to the second quarter results, CES will host a conference call / webcast at 9:00 am MT (11:00 am ET) on Friday, August 10, 2018.

North American toll-free: 1-(800)-319-4610
International / Toronto callers: (416)-915-3239
Link to Webcast: http://www.cesenergysolutions.com/

Outlook

CES is very optimistic about its prospects for the remainder of 2018 and beyond. CES' record Q2 2018 revenue result reflects its effective execution in a dynamic environment and CES' strategy has positioned it 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 then bring on to production high volume multi-well pads. After accounting for the additional challenges facing our Canadian customers, CES sees the US market and in particular the Permian Basin having the most near-term opportunities for growth. 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. 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.

CES will continue to assess 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 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.

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, H_2S 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 H_2S.

CES operates in the Western Canadian Sedimentary Basin ("WCSB") and in several basins throughout the United States ("US"), 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 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: one in Sterling, Kansas; two in Houston, Texas; two in Midland, Texas; and one in each of Carlyle, Saskatchewan; Delta, British Columbia; and Calgary, Alberta. 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 and Nisku, Alberta. CES also leverages third party partner relationships to drive innovation in the consumable fluids and chemicals business.

Financial Highlights

Summary Financial Results	Three Months Ended June 30,		Six Months Ended June 30,	
($000s, except per share amounts)	**2018**	2017	**2018**	2017
Revenue	**284,317**	237,576	**584,635**	489,928
Gross Margin	**68,007**	58,534	**138,612**	118,319
as a percentage of revenue	**24%**	25%	**24%**	24%
Gross Margin (excluding depreciation)	**77,866**	67,769	**158,032**	136,677
as a percentage of revenue	**27%**	29%	**27%**	28%
Income before taxes	**7,740**	6,865	**23,832**	14,469
per share – basic	***0.03***	*0.03*	***0.09***	*0.05*
per share - diluted	***0.03***	*0.03*	***0.09***	*0.05*
Net income	**13,159**	6,345	**26,409**	14,123
per share – basic	***0.05***	*0.02*	***0.10***	*0.05*
per share - diluted	***0.05***	*0.02*	***0.10***	*0.05*
EBITDAC (1)	**37,477**	34,879	**79,965**	71,493
per share – basic	***0.14***	*0.13*	***0.30***	*0.27*
per share - diluted	***0.14***	*0.13*	***0.29***	*0.26*
Dividends declared	**2,691**	1,990	**4,701**	3,973
per share	***0.0100***	*0.0075*	***0.0175***	*0.0150*

	Three Months Ended June 30,		Six Months Ended June 30,	
Common Shares Outstanding	**2018**	2017	**2018**	**2017**
End of period	**269,391,188**	265,614,138	**269,391,188**	265,614,138
Weighted average				
- basic	**268,800,776**	265,190,677	**268,491,257**	264,682,839
- diluted	**276,608,303**	272,217,498	**275,592,894**	272,298,539

	As at	
Financial Position ($000s)	**June 30, 2018**	December 31, 2017
Net working capital	**348,543**	350,475
Total assets	**1,207,594**	1,140,667
Long-term financial liabilities (2)	**399,687**	414,384
Net Debt (1)	**51,144**	63,909
Shareholders' equity	**663,695**	593,198

Notes:

[1]CES 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"), 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 months ended June 30, 2018.

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

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; 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 and Catalyst will increase market-share of production and specialty chemicals 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; 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; and the timing of management changes including the retirement from CES of Mr. Nieboer and the arrival of his replacement.

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; 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 and pricing in North America; 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 including NAFTA; 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 August 9, 2018.

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