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FOR IMMEDIATE DISTRIBUTION

Canadian Energy Services & Technology Corp. Announces Results for the Second Quarter and Declares Cash Dividend

Canadian Energy Services & Technology Corp. ("**CES**" or the **"Company"**) (**TSX: CEU**) is pleased to report on its financial and operating results for the three and six months ended June 30, 2011. CES also announced today that it will pay a cash dividend of $0.04 per common share on September 15, 2011 to the shareholders of record at the close of business on August 31, 2011.

CES generated gross revenue of $87.0 million during the second quarter of 2011, compared to $27.2 million for the three months ended June 30, 2010, an increase of $59.8 million or 220% on a year-over-year basis. For the three month period ended June 30, 2011, CES recorded gross margin of $23.0 million or 26% of revenue, compared to gross margin of $5.7 million or 21% of revenue generated in the same period last year.

Net earnings before interest, taxes, amortization, loss on disposal of assets, goodwill impairment, unrealized foreign exchange gains and losses, unrealized derivative gains and losses, and stock-based compensation ("EBITDAC") for the three months ended June 30, 2011, was $12.5 million as compared to $1.4 million for the three months ended June 30, 2010, representing an increase of $11.1 million or 808%. CES recorded EBITDAC per share of $0.23 ($0.22 diluted) for the three months ended June 30, 2011 versus EBITDAC per share of $0.03 ($0.03 diluted) in 2010.

CES recorded net income of $5.5 million for the three month period ended June 30, 2011, as compared to a net loss of $0.8 million in the prior year. CES recorded net income per share of $0.10 ($0.10 diluted) for the three months ended June 30, 2011 versus a net loss per share of $0.02 ($0.02 diluted) in 2010.

Canadian operating days and revenue during Q2 2011 were negatively impacted by wet weather conditions in the Western Canadian Sedimentary Basin ("WCSB"), which created an extended break-up. As well, the weather conditions negatively impacted CES market share in Canada as drilling activity in SE Saskatchewan and Manitoba was essentially shut-down in Q2 and this region is a very strong market for CES. Revenue from drilling fluids related sales of products and services in the WCSB was $22.6 million for the three months ended June 30, 2011, compared to $14.9 million for the three months ended June 30, 2010, representing an increase of $7.7 million or 52%. Daily average revenue per operating day for the three months ended June 30, 2011, was $5,325 compared to $3,947 for the three months ended June 30, 2010, representing an increase of 35%. Q2 daily revenue was positively influenced by the lack of activity in SE Saskatchewan and Manitoba, as these areas tend to have lower daily run rates. CES' estimated Canadian Market Share was approximately 25% for the three months ended June 30, 2011, down slightly from 26% for the three months ended June 30, 2010. CES' operating days in the WCSB were estimated to be 4,250 for the three month period ended June 30, 2011, an increase of 12% from 3,798 operating days during the same period last year. Overall industry activity increased approximately 23% from an average monthly rig count in the second quarter of 2010 of 154 to 190 during the second quarter of 2011 based on CAODC published monthly data for Western Canada.

Revenue generated in the United States ("US") from drilling fluid sales of products and services for the three months ended June 30, 2011, was $60.1 million as compared to last year's revenue of $8.5 million, representing an increase of $51.6 million or 607% on a year-over-year basis. Operating days in the US were estimated to be 9,020 operating days for the three month period ended June 30, 2011, an increase of 254% from 2,544 operating days during the same period last year. CES' US Market Share for the three months ended June 30, 2011, was estimated to be 6%, up from 2% for the three months ended June 30, 2010. The significant year-over-year increase in the Company's US results is due to the inclusion of Fluids Management activity in the 2011 results (Fluids Management was acquired at the end of Q2 2010 and its operations were not included in the Q2 2010 comparatives) and the organic growth achieved from Champion Drilling Fluids and Fluids Management divisions subsequent to their respective acquisitions. Daily average revenue per operating day for the three months ended June 30, 2011, was $6,659 compared to $3,345 for the three months ended June 30, 2010, representing an increase of 99%.

EQUAL Transport's ("EQUAL") trucking revenue for the three month period ended June 30, 2011, gross of intercompany eliminations, totalled $2.5 million, a decrease of $0.03 million or 1% from the three months ended June 30, 2010. Equal's largest theatre of operations is SE Saskatchewan and Manitoba, and the wet weather conditions in Q2 severely curtailed trucking operations.

Clear Environmental Solutions division ("Clear") generated $2.0 million of revenue for the three month period ended June 30, 2011, compared to $1.4 million during the prior year representing an increase of $0.6 million or 43%. Year-over-year, the Clear Environmental division has seen higher overall activity levels and continues to benefit from increased integration with the drilling fluids division, from diversification strategies into oil sands and horizontal drilling, and general improvement in industry activity levels.

CES also announced today that it has declared a cash dividend of $0.04 per common share to shareholders of record on August 31, 2011. CES expects to pay this dividend on or about September 15, 2011. CES' business model has historically shown it can support a large proportion of cash flow from operating activity being paid out as a dividend or distribution as the long-term capital investments required and maintenance capital expenditures required for CES to execute its business plan are not significant.

The core business of CES is to design and implement drilling fluid systems for the North American oil and natural gas industry. CES operates in the Western Canadian Sedimentary Basin ("WCSB") and in various basins in the United States, with an emphasis on servicing the ongoing major resource plays. The drilling of those major resource plays includes wells drilled vertically, directionally, and with increasing frequency, horizontally. Horizontal drilling is a technique utilized in tight formations like tight gas, tight oil, heavy oil, and in the oil sands. The designed drilling fluid encompasses 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. CES' drilling fluid systems are designed to be adaptable to a broad range of complex and varied drilling scenarios, to help clients eliminate inefficiencies in the drilling process, and to assist them in meeting operational objectives and environmental compliance obligations. CES markets its technical expertise and services to oil and natural gas exploration and production entities by emphasizing the historical success of both its patented and proprietary drilling fluid systems and the technical expertise and experience of its personnel.

Clear, CES' environmental division, provides environmental and drilling fluids waste disposal services primarily to oil and gas producers active in the WCSB. The business of Clear involves determining the appropriate processes for disposing of or recycling fluids produced by drilling operations and to carry out various related services necessary to dispose of drilling fluids.

EQUAL, CES' transport division, provides its customers with trucks and trailers specifically designed to meet the demanding requirements of off-highway oilfield work, and trained personnel to transport and handle oilfield produced fluids and to haul, handle, manage, and warehouse drilling fluids. EQUAL operates from two terminals and yards located in Edson, Alberta and Carlyle, Saskatchewan.

PureChem Services ("PureChem"), CES' drilling fluid and production chemical manufacturing division, designs, manufactures, and sells specialty drilling fluids for CES and production chemicals for operators. The PureChem facility is located strategically in Carlyle, SK.

CES' head office and the sales and services headquarters are located in Calgary, Alberta and its stock point facilities and other operations are located throughout Alberta, British Columbia, and Saskatchewan. CES' indirect wholly-owned subsidiary, AES Drilling Fluids, LLC ("AES"), conducts operations in the US in the Rockies region from its office in Denver, Colorado; in the mid-continent region through its AES East division from its office in Norman, Oklahoma and through its Champion Drilling Fluids division which is headquartered in Elk City, Oklahoma; and in Texas, Louisiana, off-shore Gulf of Mexico and Northeast US through its Fluids Management division headquartered in Houston, Texas. AES has operations in fourteen states with stock point facilities located in Oklahoma, Texas, Pennsylvania, Michigan, Colorado, North Dakota, Louisiana, and Utah.

Financial Highlights

Summary Financial Results ***($000's, except per share amounts)***	Three Months Ended June 30, **2011**	 2010	Six Months Ended June 30, **2011**	 **2010**
Revenue	**86,967**	27,212	**198,506**	76,250
Gross margin [(1)]	**22,971**	5,707	**55,595**	20,430
Income before taxes	**8,949**	(488)	**26,330**	7,601
per share – basic [(2)]	***0.16***	*(0.01)*	***0.48***	*0.19*
per share - diluted [(2)]	***0.16***	*(0.01)*	***0.47***	*0.19*
Net income	**5,506**	(770)	**17,321**	17,698
per share – basic [(2)]	***0.10***	*(0.02)*	***0.32***	*0.44*
per share - diluted [(2)]	***0.10***	*(0.02)*	***0.31***	*0.44*
EBITDAC [(1)]	**12,501**	1,377	**33,295**	10,907
per share – basic [(2)]	***0.23***	*0.03*	***0.61***	*0.27*
per share - diluted [(2)]	***0.22***	*0.03*	***0.60***	*0.27*
Funds flow from operations [(1)]	**9,878**	1,068	**28,643**	10,396
per share – basic [(2)]	***0.18***	*0.03*	***0.52***	*0.26*
per share - diluted [(2)]	***0.18***	*0.03*	***0.51***	*0.26*
Dividends declared	**6,573**	2,798	**12,380**	5,212
per share [(2)]	***0.12***	*0.07*	***0.23***	*0.13*

Shares Outstanding	Three Months Ended June 30, **2011**	 2010	Six Months Ended June 30, **2011**	 2010
End of period	**54,803,235**	44,292,537	**54,803,235**	44,292,537
Weighted average				
- basic	**54,712,282**	40,458,033	**54,569,804**	40,281,746
- diluted	**56,123,443**	40,458,033	**55,829,581**	40,638,997

Financial Position ($000's)	**June 30, 2011**	December 31, 2010
Net working capital	**42,010**	34,117
Total assets	**296,537**	287,870
Long-term financial liabilities [(3)]	**4,682**	5,278
Shareholders' equity	**183,247**	179,017

Notes:

[1] *CES uses certain performance measures that are not recognizable under International Financial Reporting Standards ("IFRS"). These performance measures include earnings before interest, taxes, amortization, goodwill impairment, stock-based compensation ("EBITDAC"), gross margin, funds flow from operations and distributable funds. 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, 2011.*

[2] *Pursuant to the three-for-one split of CES' outstanding common shares effective July 13, 2011 all per share data has been retroactively adjusted to reflect the stock split.*

[3] *Includes vehicle financing loans, term loans, and finance lease facilities excluding current portions.*

Outlook

Crude oil prices have rebounded off their lows of 2009 and, despite the most recent price erosion, appear to have stabilized in a profitable band for operators. Natural gas prices continue to remain relatively weak in context to oil prices and recent history, making the economics of drilling for dry natural gas challenging. In the WCSB, operators have diverted capital to drilling for oil or liquids rich gas or unconventional natural gas. In the US, this same trend is evident and areas such as the Marcellus shale continue to attract significant capital to dry gas drilling.

Beginning in the fourth quarter of 2009, drilling activity levels began to rebound in both the WCSB and the US. This upward trend in activity has continued throughout 2010 and to date in 2011. Despite the wet weather conditions in the WCSB that hampered operators and reduced drilling days in Q2, CES' 2011 results reflect the increase in activity with corresponding revenue gains across all of CES' business segments. As a result of the increased industry activity and a continuing trend by operators to drill more complex horizontal wells, CES' dominant business line, the drilling fluids segment, has experienced the most material gains over comparable results from 2009 and 2010. CES has capitalized on this in the WCSB through its leading market share position and in the US by completing two accretive acquisitions, the Champion acquisition on November 30, 2009 and the Fluids Management Acquisition completed at the end of Q2 2010. The US Acquisitions coupled with the organic growth that the Company has been able to generate off of these acquired platforms, has established CES as a truly North American company with a wide footprint and a significant presence in the majority of the key basins of activity throughout North America.

CES' strategy is to utilize its patented and proprietary technologies and superior execution to increase market share in North America. CES' exposure to the key resource plays and the growth in the number of horizontal wells being drilled bodes well for future growth. A larger percentage of the wells being drilled require more complex drilling fluids to best manage down hole conditions, drilling times and costs and its unique products like Seal-AX™/PolarBond, ABS40™, PureStar™ and Liquidrill™/Tarbreak, combined with our concerted focus on providing superior service, positions CES well in this increasingly technically competitive environment. CES believes that its unique value propositions in the increasingly complex drilling environment makes it the premier independent drilling fluids provider in the North American market.

The EQUAL Transport division has experienced significant growth, particularly in south-eastern Saskatchewan where the business hauls drilling fluids and products to drilling locations and also provides other oilfield hauling services to our customers including the hauling of produced fluids. With increased activity throughout the WCSB, it is expected this business will continue to be economically attractive and may expand further as viable opportunities emerge.

The PureChem Services division manufactures and sells both drilling fluid chemicals and production chemicals. The construction of the PureChem facility in Carlyle, Saskatchewan was completed in February 2011 and operations have commenced. PureChem is a complimentary business to both CES' drilling fluids business and EQUAL's production hauling businesses in Canada. In the US, the Fluids Management division also produces and blends its own set of proprietary drilling fluid products which provides synergies and experience to PureChem going forward.

The Clear Environmental Solutions division continues to complement CES' core drilling fluids business. The Environmental Services division has focused on expanding its operational base in the WCSB and is pursuing opportunities in the oil sands and horizontal drilling markets. Clear has experienced an increase in activity which began in the fourth quarter of 2009 and has continued throughout 2010 and into 2011. At this time, Clear's activity levels are expected to remain healthy throughout 2011.

As drilling has become more complex, applied down-hole technologies are becoming increasingly important in driving success for operators. CES will continue to invest in research and development to be a leader in technology advancements in the drilling fluids market. In addition, CES continues to assess integrated business opportunities that will keep CES competitive and enhance profitability, while at the same time closely manage its dividend levels and capital expenditures in order to preserve its financial strength and liquidity position.

Except for the historical and present factual information contained herein, the matters set forth in this news 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 this 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 and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking information and statements contained in this press release speak only as of the date of the press release, and CES assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws or regulations.

In particular, this press release contains forward-looking information pertaining to the following: future estimates as to dividend levels, including the payment of a dividend to shareholders of record on August 31, 2011; capital expenditure programs for oil and natural gas; supply and demand for CES' products and services; industry activity levels; commodity prices; treatment under governmental regulatory and taxation regimes; dependence on equipment suppliers; dependence on suppliers of inventory and product inputs; equipment improvements; dependence on personnel; collection of accounts receivable; operating risk liability; expectations regarding market prices and costs; expansion of services in Canada, the United States, and internationally; development of new technologies; expectations regarding CES' growth opportunities in the United States; expectations regarding the performance or expansion of CES' environmental and transportation operations; expectations regarding demand for CES' services and technology if drilling activity levels increase; investments in research and development and technology advancements; access to debt and capital markets; and 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 United States, and internationally; demand for oilfield services for drilling and completion of oil and natural gas wells; 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; competition; 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; ability to integrate technological advances and match advances of competitors; availability of capital; uncertainties in weather and temperature affecting the duration of the oilfield service periods and the activities that can be completed; changes in legislation and the regulatory environment, including uncertainties with respect to programs to reduce greenhouse gas and other emissions and tax legislation; reassessment and audit risk associated with the corporate conversion; changes to the royalty regimes applicable to entities operating in the WCSB and the US; access to capital and the liquidity of debt markets; future changes as a result of IFRS adoption; 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, 2010 and "Risks and Uncertainties" in CES' MD&A.

Without limiting the foregoing, the forward-looking information contained in this press release is expressly qualified by this cautionary statement.

CES has filed its Q2 2011 condensed consolidated financial statements and notes thereto and accompanying management discussion and analysis in accordance with National Instrument 51-102 - *Continuous Disclosure Obligations* adopted by the Canadian securities regulatory authorities. Additional information about CES will be available on CES' SEDAR profile at www.sedar.com and CES' website at www.CanadianEnergyServices.com.

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