



**PRESS RELEASE
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July 13, 2010

CANADIAN ENERGY SERVICES & TECHNOLOGY CORP. ANNOUNCES

CLOSING OF \$45 MILLION BOUGHT DEAL FINANCING

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Canadian Energy Services & Technology Corp. ("**CESTC**" or the "**Corporation**") (TSX: CEU) is pleased to announce that it has closed its previously announced "bought-deal" private placement financing (the "**Offering**"). Pursuant to the Offering, CESTC issued a total of 2,905,000 Subscription Receipts at \$15.50 per Subscription Receipt for gross proceeds of \$45,027,500. The financing was completed through an underwriting syndicate led by Cormark Securities Inc. and including Thomas Weisel Partners Canada Inc., FirstEnergy Capital Corp., RBC Capital Markets, Wellington West Capital Markets Inc., HSBC Securities (Canada) Inc., and Paradigm Capital Corp. (collectively, the "**Underwriters**").

The proceeds of the Offering (the "**Escrowed Funds**") were released to CESTC upon the satisfaction of the escrow release conditions, including closing of the acquisition of certain assets from Fluids Management II, Ltd. (the "**FMI Acquisition**") and obtaining shareholder approval to the issuance of the Common Shares underlying the Subscription Receipts (the "**Escrow Release Conditions**").

Each Subscription Receipt is exercisable by the holder thereof at any time following the date on which the Escrow Release Conditions were satisfied (the "**Escrow Release Date**") and each unexercised Subscription Receipt shall be deemed to be exercised automatically (for no further consideration and with no further action on the part of the holder thereof) into one Common Share, subject to adjustment in certain events, upon: (a) the earlier of: (i) the date that is four months and one day following the closing date of the Offering; and (ii) the third business day after a receipt is issued for a (final) prospectus by the securities regulatory authorities (the "**Receipt**") in each of the provinces of Canada where Subscription Receipts were issued and sold qualifying the distribution of the Common Shares to be issued upon the exercise of the Subscription Receipts.

CESTC has also agreed to use its commercially reasonable efforts to file and obtain the Receipt in each of the provinces of Canada where Subscription Receipts are issued and sold on or before the date that is 60 days after the closing of the Offering (the "**Prospectus Deadline Date**"). If the Receipt is not issued by the Prospectus Deadline Date, each holder of Subscription Receipts shall receive 1.1 Common Shares for each Subscription Receipt held.

The net proceeds of the Offering will be used by CESTC to repay indebtedness incurred in connection with the FMI Acquisition, including the US\$40 million drawn on the previously announced bank

financing to initially finance the cash portion of the purchase price of the FMI Acquisition, pay the expenses related to the Offering and general corporate purposes.

About Canadian Energy Services & Technology Corp.

CESTC designs and implements drilling fluid systems for the oil and natural gas industry in western Canada and in the United States through its subsidiary AES Drilling Fluids, LLC. Additional information about CESTC is available at www.sedar.com or at CESTC's website at www.CanadianEnergyServices.com.

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Forward-Looking Information

This press release contains certain forward-looking statements and forward-looking information ("forward-looking information") within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. CESTC believes the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Forward-looking information is based on various assumptions. Those assumptions are based on information currently available to CESTC, including information obtained from third party industry analysts and other third party sources and include the historic performance of CESTC's businesses, historic performance of FMI and its affiliate, intentions of FMI employees, TSX approval requirements, current business and economic trends, currency, exchange and interest rates, trading data and cost estimates. You are cautioned that the preceding list of assumptions is not exhaustive.

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties some of which are described herein. Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause CESTC's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking information. These risks and uncertainties include but are not limited to the risks identified in CESTC's Annual Information Form for the year ended December 31, 2009 under the heading "Risk Factors" and in CESTC's Management's Discussion and Analysis for the year ended December 31, 2009 under the heading "Risks and Uncertainties". Any forward-looking information is made as of the date hereof and, except as required by law, CESTC

assumes no obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.

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