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FOR IMMEDIATE DISTRIBUTION

Canadian Energy Services & Technology Corp. Announces Results for the Fourth Quarter and the Year Ended December 31, 2012, Management Addition, 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 twelve months ended December 31, 2012. CES is also pleased to announce that Mr. Jason Waugh has been appointed as a Vice President and Officer of Canadian Energy Services & Technology Corp. effective March 7, 2013. Further, CES announced today that it will pay a cash dividend of $0.055 per common share on April 15, 2013 to the shareholders of record at the close of business on March 28, 2013.

During Q4 2012, the Company completed two strategic acquisitions. On November 21, 2012, in order to expand the Company's Canadian drilling fluid division, the Company completed the acquisition of the business assets of Tervita Corporation's ("Tervita") drilling fluids division, ProDrill Fluid Technologies ("ProDrill"). On December 31, 2012, in order to expand the Company's US operations, the Company completed the acquisition of all of the business assets of Mega Fluids Mid-Continent, LLC ("Mega Fluids"), a privately–held drilling fluids services company which designs and implements drilling fluid systems for oil and gas operators in the Mid-Continent region.

CES generated gross revenue of $95.0 million during the fourth quarter of 2012, compared to $138.8 million for the three months ended December 31, 2011, a decrease of $43.8 million or 32% on a year-over-year basis. Revenue from Canadian operations for the three months ended December 31, 2012, decreased $21.2 million or 32% to $44.2 million while the US revenue decreased $22.6 million or 31% to $50.8 million. The decreases were indicative of lower year-over-year activity levels due to reduced customer spending as 2012 capital programs came to a close. In Canada this was further affected by the suspension of operations of one of CES's largest customers during the quarter. In the US, the slowdown was mostly sharply experienced in the Marcellus where activity continued to drop in a basin focused predominantly on dry gas targets.

Q4 2012 was a difficult quarter for CES with a number of events as described above that contributed to weaker quarterly results. However, with a shift in activity in the US to new work in the Eagle Ford; the addition of significant work in the Mississippi Lime as a result of the Mega Fluids acquisition; and a pick-up of activity in the other regions the US drilling fluids business is back on track. In Canada a combination of the ProDrill acquisition and a pick-up of activity in the traditionally robust winter drilling season has Canadian drilling fluids also back on track.

"We don't take the financial results of Q4 lightly. However, based on the actions we have taken, we are very pleased with the current operational and financial position of the company. We are also very excited about the prospects for 2013, particularly in light of the new opportunities we see as a result of the JACAM acquisition," said Tom Simons, President and Chief Executive Officer of CES.

Net income before interest, taxes, amortization, gains and losses 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 December 31, 2012 was $10.1 million as compared to $24.4 million for the three months ended December 31, 2011, representing a decrease of $14.4 million or 59%. For the twelve month period ended December 31, 2012, EBITDAC totalled $64.9 million as compared to $76.3 million in 2011 representing a decrease of $11.4 million or 15%. CES recorded EBITDAC per share of $0.18 ($0.17 diluted) for the three months ended December 31, 2012 versus EBITDAC per share of $0.44 ($0.43 diluted) in 2011, a decrease of 59% (60% diluted). For 2012, CES recorded EBITDAC per share of $1.17 ($1.13 diluted) versus EBITDAC per share of $1.39 ($1.35 diluted) in 2011, a decrease of 16%.

CES recorded net income of $2.8 million for the three month period ended December 31, 2012 as compared to $14.9 million in the prior year. CES recorded net income per share of $0.05 ($0.05 diluted) for the three months ended December 31, 2012 versus $0.27 ($0.26 diluted) in 2011. For the twelve month period ended December 31, 2012, CES recorded net income of $27.9 million, compared with the $41.7 million generated for the same period last year. Year-over year, basic net income per share was $0.50 ($0.49 diluted), a decrease from $0.76 ($0.74 diluted) per share for the same period in 2011. Year-over-year net income was negatively impacted by weaker gross margins, higher tax expense, and higher non-cash depreciation and amortization expenses and stock-based compensation.

Revenue from drilling fluids related sales of products and services in Western Canada was $35.1 million for the three months ended December 31, 2012 compared to $54.9 million for the three months ended December 31, 2011, representing a decrease of $19.8 million or 36%. Average revenue per Operating Day for the three months ended December 31, 2012, was $4,040 compared to $4,176 for the three months ended December 31, 2011, representing a decrease of 3%. As noted above, drilling fluid sales were negatively affected by lower year-over-year activity levels due to reduced customer spending as 2012 capital programs came to a close. Despite a slowdown in Canadian Operating Days during 2012, year to date daily average revenue per Operating Day was $4,419 compared to $4,050 in 2011, representing a year-over-year increase of 9%. Average revenue per Operating Day has trended upward over the last several years as operators continue to drill more complex, deeper and longer horizontal wells in the WCSB. These wells require more fluids in general but also more technically advanced fluids in order for the wells to be successfully drilled and cased. The trend though does appear to be flattening out as most drilling operations have turned to horizontal drilling and efficiencies are being implemented.

CES' estimated Canadian Market Share was approximately 30% in 2012, up from 28% in 2011. Estimated market share in Western Canada averaged 27% in Q4 2012, down from 30% in Q4 2011. CES' Operating Days were estimated to be 8,697 for the three month period ended December 31, 2012, a decrease of 34% from 13,156 Operating Days during the same period last year. The year-over-year decline in Q4 revenue is correlated to the decline in operating days experienced. CES' year-to-date Operating Days in Western Canada were estimated to total 38,139 for 2012 compared to 42,702 during the same period last year, representing a decrease of 11%. In Q4 2012, overall industry activity decreased approximately 26% from an average monthly rig count in Q4 2011 of 489 to 363 based on CAODC published monthly data for Western Canada. For 2012, the CAODC average monthly rig count for Western Canada has averaged 353 as compared to 417 in 2011, representing a year-over-year decrease of 15%.

Revenue generated in the US from drilling fluid sales of products and services for the three months ended December 31, 2012 was $50.8 million as compared to the fourth quarter of 2011 with revenue of $73.4 million, representing a decrease of $22.5 million or 31% on a year-over-year basis. As noted below, the reduction in operating days correlates to the decline in revenues in Q4 2012. Daily average revenue per Operating Day for the three months ended December 31, 2012, was $6,163 compared to $6,973 for the three months ended December 31, 2011, representing a decrease of 12%. This too is reflective of the shift of activity away from the Marcellus which, based on the technically advanced fluids deployed there, is the highest revenue per day region for the Company. Despite a slowdown in revenue generated in the US from drilling fluid sales in Q4 2012, for 2012, year-to-date revenue generated in the US totalled $266.7 million as compared to $250.2 million in the previous year representing an increase of $16.5 million or 7%. For 2012, daily average revenue per Operating Day was $6,934 compared to $6,414 in 2011, representing a year-over-year increase of 8%.

CES' estimated United States Market Share was approximately 6% in 2012, consistent with 6% in 2011. Estimated market share in the United States averaged 5% in Q4 2012, down slightly from 6% in Q4 2011. Operating Days in the United States were estimated to be 8,244 Operating Days for the three month period ended December 31, 2012, a decrease of 22% from 10,520 Operating Days during the same period last year. CES' Operating Days in the

United States and estimated United States Market Share declined in October and November of 2012 predominantly in the Marcellus where activity continued to drop in a basin focused predominantly on dry gas targets. Consequently, CES' Operating Days and United States Market Share declined until additional work started to be picked up in the Eagle Ford region in December 2012. This pick-up has continued in Q1 2013, and the Mega Fluids acquisition related work has also been added effective January 1, 2013. Estimated Operating Days during 2012 were 38,469 as compared to 39,013 Operating Days in 2011, representing a decrease of 1%.

EQUAL Transport's ("EQUAL") trucking revenue for the three month period ended December 31, 2012, gross of intercompany eliminations, totalled $4.1 million, a decrease of $1.5 million or 26% from the $5.6 million for the three months ended December 31, 2011. For 2012, revenue from trucking operations, gross of intercompany eliminations, totalled $17.9 million as compared to $19.4 million during 2011 representing a decrease of $1.6 million or 8%. The decrease in trucking revenue is tracking the overall reduction in the industry wide Canadian drilling activity.

Clear Environmental Solutions division ("Clear") recorded $5.1 million of revenue for the three month period ended December 31, 2012, consistent with $5.1 million during the prior year. Revenue from Clear for the twelve month period ended December 31, 2012 totalled $19.0 million as compared to $17.4 million for the same period in 2011, representing an increase of $1.6 million or 9%. Clear has continued to market its services aggressively and has capitalized on new regulations in Alberta that have required additional environmental disclosures and procedures by operators.

As previously announced, subsequent to December 31, 2012, the Company acquired the production and specialty oilfield chemical business of JACAM Chemical Company, Inc. and its subsidiaries (the "JACAM Acquisition") pursuant to the terms of an asset purchase agreement dated March 1, 2013. JACAM is a private company that manufactures and distributes oilfield related specialty chemicals. JACAM designs and manufactures its products in Sterling, Kansas which also serves as its corporate head office. JACAM was established in 1982 and provides its products and delivers services to a large number of companies in the oil and natural gas business. JACAM's customers are predominantly producers but JACAM also sells products to service companies and to the pipeline industry. JACAM has over 350 employees and operates in Kansas, Oklahoma, Texas, New Mexico, Colorado, Wyoming, Montana, Utah, California, and North Dakota.

CES also announced today that it has declared a cash dividend of $0.055 per common share to shareholders of record on March 28, 2013. CES expects to pay this dividend on or about April 15, 2013.

CES is focused on being the 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.

CES has been able to capitalize on the growing market demand for both drilling fluids and production and specialty chemicals in North America. CES' business model is relatively asset light and requires limited re-investment capital to grow while generating significant free cash flow. CES returns much of this free cash flow back to shareholders through its monthly dividend.

CES operates two core businesses. The first core business is operated by the drilling fluids divisions which 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 ("US"), with an emphasis on servicing the ongoing major resource plays. Horizontal drilling is the primary method utilized to drill formations like tight gas, liquids rich 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. The Company operates this business under the CES and Moose Mountain Mud brands in Canada and as AES Drilling Fluids ("AES") in the US.

The second core business is operated by the production and specialty chemicals divisions which design, develop, and manufacture technically advanced solutions and products for completions and stimulations, production chemicals for consumption at the wellhead or pump-jack, and specialty chemicals for the pipeline and mid-stream market. Key solutions include corrosion inhibitors, demulsifiers, H_2S scavengers, paraffin control products, surfactants, scale inhibitors, biocides and other specialty products. The Company's production and specialty chemical business' main manufacturing and reacting facility is located in Sterling, Kansas and its Canadian blending facility is located in Carlyle, Saskatchewan. The Company operates this business under the JACAM brand in the US and as PureChem in Canada.

With the addition of JACAM's state of the art laboratory in Sterling, Kansas, CES now operates four separate lab facilities across North America which also includes, Carlyle, Saskatchewan; Calgary, Alberta; and Houston, Texas. CES also leverages third party partner relationships to drive innovation in the consumable chemicals business.

The other complimentary business units of CES are Clear Environmental Solutions ("Clear") and EQUAL Transport ("EQUAL"). Clear is CES' environmental division, providing 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 carrying out various related services necessary to dispose of drilling fluids.

EQUAL is CES' transport division, providing 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.

CES' corporate head office and its 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' head office is located in Houston, Texas and conducts operations in thirteen states with stock point facilities located in Oklahoma, Texas, Louisiana, Pennsylvania, West Virginia, Colorado, North Dakota, New Mexico, and Utah. CES' indirect wholly-owned subsidiary, JACAM head office is located in Sterling, Kansas and conducts operations in Kansas, Oklahoma, Texas, New Mexico, Colorado, Wyoming, Montana, Utah, California, and North Dakota.

Financial Highlights

($000's, except per share amounts)	Three Months Ended December 31, 2012	Three Months Ended December 31, 2011	Years Ended December 31, 2012	Years Ended December 31, 2011
Revenue	**95,028**	138,793	**471,299**	459,257
Gross margin (1)	**21,401**	37,300	**110,167**	123,415
Income before taxes	**4,193**	20,565	**43,890**	61,145
per share – basic (2)	***0.07***	*0.37*	***0.79***	*1.12*
per share - diluted (2)	***0.07***	*0.36*	***0.76***	*1.08*
Net income	**2,847**	14,873	**27,869**	41,695
per share – basic (2)	***0.05***	*0.27*	***0.50***	*0.76*
per share - diluted (2)	***0.05***	*0.26*	***0.49***	*0.74*
EBITDAC (1)	**10,050**	24,426	**64,928**	76,320
per share – basic (2)	***0.18***	*0.44*	***1.17***	*1.39*
per share - diluted (2)	***0.17***	*0.43*	***1.13***	*1.35*
Funds flow from operations (1)	**8,603**	22,705	**48,234**	68,663
per share – basic (2)	***0.15***	*0.41*	***0.87***	*1.25*
per share - diluted (2)	***0.15***	*0.40*	***0.84***	*1.22*
Dividends declared	**9,029**	7,156	**33,476**	26,118
per share (2)	***0.16***	*0.13*	***0.60***	*0.48*

Shares Outstanding	Three Months Ended December 31, 2012	Three Months Ended December 31, 2011	Years Ended December 31, 2012	Years Ended December 31, 2011
End of period	**56,847,853**	55,138,435	**56,847,853**	55,138,435
Weighted average				
- basic	**56,193,530**	55,001,647	**55,693,220**	54,745,391
- diluted	**57,792,055**	56,870,630	**57,395,332**	56,483,369

Financial Position ($000's)	**December 31, 2012**	December 31, 2011
Net working capital	**114,899**	153,660
Total assets	**354,642**	385,351
Long-term financial liabilities (3)	**71,575**	96,779
Shareholders' equity	**215,420**	204,060

Notes:

[1]CES uses certain performance measures that are not recognizable under International Financial Reporting Standards ("IFRS"). These performance measures include net income before interest, taxes, depreciation and amortization, gains and losses on disposal of assets, goodwill impairment, unrealized foreign exchange gains and losses, unrealized derivative gains and losses, and 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 and twelve months ended December 31, 2012.

[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 long-term portion of the Amended Senior Facility, vehicle financing loans, committed loans, and finance leases, excluding current portions.

Outlook

Q4 2012 was a difficult quarter for CES with a number of events as described above that contributed to weaker quarterly results. However, with a shift in activity in the US to new work in the Eagle Ford; the addition of significant work in the Mississippi Lime as a result of the Mega Fluids acquisition; and a pick-up of activity in the other regions the US drilling fluids business is back on track. In Canada a combination of the ProDrill acquisition and a pick-up of activity in the traditionally robust winter drilling season has Canadian drilling fluids also back on track. With respect to the production and specialty chemical business, PureChem closed out 2012 with annual sales of approximately $24 million and has begun to make a positive EBITDAC contribution. In the US, the Company has made a significant break-through into the market with the JACAM Acquisition.

Taking into consideration the JACAM Acquisition, and based on the premise that 2013 drilling activity as a whole across the Canadian and US markets will remain fairly consistent with activity levels achieved in 2012, CES' expected range of consolidated gross revenue for 2013 will be approximately $580 million to $620 million and expected consolidated EBITDAC will be approximately $95 million to $105 million.

Going forward, CES sees significant growth opportunities in the production and specialty chemical space through both its PureChem and JACAM divisions. CES has vertically integrated manufacturing capabilities with unutilized throughput at both its Carlyle and Sterling plants. CES has a full suite of technically advanced solutions for completions and stimulations, production chemicals for consumption at the wellhead or pump-jack, and specialty chemicals for the pipeline and mid-stream market. These markets are all growing on a year-over-year basis and CES believes over time it can grow its market share within each of these sub-segments.

In the Company's drilling fluids business, Q4 2012 results reflect the decrease in activity over the comparable period in 2011. Despite the slowdown the drilling fluids segment, on a year-over-year basis, it has experienced increases in revenue per day as the industry trend to drill more complex, deeper, and longer horizontal wells continues. CES has benefited from this trend as these types of wells require more fluids in general, but also more technically advanced fluids in order to be successfully drilled and cased. The result is the drilling fluids portion of the typical well cost has increased, while the average well cost has also increased. Based on the reported well economics of the different North American play types and the reported drilling plans of operators, this trend looks to continue. CES' strategy is to utilize its patented and proprietary technologies and superior execution to increase market share in North America. As a larger percentage of the wells being drilled require more complex drilling fluids to best manage down hole conditions, drilling times, and costs, CES will leverage its superior customer service and its unique products to demonstrate its superior performance. CES believes that its unique value proposition in this increasingly complex drilling environment makes it the premier independent drilling fluids provider in North America.

The Clear Environmental Solutions division continues to complement CES' core drilling fluids business and has maintained consistently strong results. 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.

Despite the decrease in activity in the WCSB, the EQUAL Transport division has remained profitable. It is expected this business will continue to be instrumental in supporting the core businesses and be economically viable.

As challenges faced by oil and gas producers become more complex, advanced 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 and production chemical markets. With the addition of JACAM's state of the art laboratory in Sterling, Kansas, CES now operates four separate lab facilities across North America which also includes, Carlyle, Saskatchewan; Calgary, Alberta; and Houston, Texas. CES also leverages third party partner relationships to drive innovation in the consumable chemicals business.

On a corporate level, CES continually assesses integrated business opportunities that will keep CES competitive and enhance profitability. However, all acquisitions must meet our stringent financial and operational metrics. CES will also closely manage its dividend levels and capital expenditures in order to preserve its financial strength, its low capital re-investment model and its strong 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 March 28, 2013; 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; the effect of the JACAM Acquisition on the Corporation, the Corporation's plans to integrate JACAM with the operations of CES and management of CES' expectation of the effect of the JACAM Acquisition on CES's cash flow, revenues, EBITDAC and net income; 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 Canada and the US; access to capital and the liquidity of debt markets; 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, 2011, 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 Q4 2012 condensed consolidated financial statements and notes thereto as at and for the three months and twelve months ended December 31, 2012, 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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