



**Canadian Energy**  
SERVICES

**PRESS RELEASE**

**May 18, 2016**

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**CANADIAN ENERGY SERVICES & TECHNOLOGY CORP. ANNOUNCES  
\$80.0 MILLION EQUITY OFFERING**

**Canadian Energy Services & Technology Corp.** (“CESTC”) (TSX: CEU) (OTCQX:CESDF) is pleased to announce that it has entered into an agreement to sell, on a bought deal basis, to a syndicate of underwriters, 26,670,000 common shares at \$3.00 per common share for gross proceeds of approximately \$80.0 million (the “**Offering**”). The syndicate of underwriters will have an option to purchase up to an additional 4,000,500 common shares at a price of \$3.00 per common share, exercisable in whole or in part at any time up to the 30<sup>th</sup> day following the closing of the Offering. The syndicate of underwriters is led by Scotiabank and includes RBC Capital Markets, AltaCorp Capital Inc., Peters & Co. Limited, Wells Fargo Securities Canada, Ltd., Canaccord Genuity Corp., Raymond James Ltd., Clarus Securities Inc. and Cormark Securities Inc.

The net proceeds of the Offering are expected to be used to fund future acquisitions and growth objectives, and for general corporate purposes.

Tom Simons, President and Chief Executive Officer of CESTC, stated that “This financing bolsters our strong financial position, provides ample liquidity, and uniquely positions CESTC to effectively act on future opportunities that may arise in the current environment. We remain committed to pursuing potential opportunities that are aligned with our long-term business objectives while maintaining a prudent capital structure.”

The Offering will be completed by way of short form prospectus in all provinces of Canada except Québec, and on a private placement basis in certain other jurisdictions outside Canada, and is expected to close on or about June 8, 2016, subject to satisfaction of certain customary conditions, including regulatory and stock exchange approvals. The common shares issuable pursuant to the Offering, including any shares issued pursuant to the exercise of the over-allotment option, will not be entitled to receive the \$0.0025 dividend declared by CESTC on May 12, 2016, with a record date of May 31, 2016, but will be entitled to receive future dividends with a record date that occurs after the date of issuance of such common shares.

The common shares sold pursuant to the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any State securities laws, and may not be offered or sold in the United States or to, or for the account of benefit of, U.S. Persons, absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act of 1933 and applicable State Securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States, nor shall there be any offer or sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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**About Canadian Energy Services & Technology Corp.**

CESTC is a leading provider of technically advanced consumable chemical solutions throughout the lifecycle of the oilfield. This includes 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. CESTC's business model is relatively asset light and requires limited re-investment capital to grow. As a result, CESTC has been able to capitalize on the growing market demand for drilling fluids and production and specialty chemicals in North America while generating free cash flow.

Additional information about CESTC is available at [www.sedar.com](http://www.sedar.com) or on CESTC's website at [www.CanadianEnergyServices.com](http://www.CanadianEnergyServices.com).

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

**Forward-Looking Information**

*This news release contains forward-looking statements within the meaning of applicable securities laws. In particular, this news release contains forward-looking statements with respect to the timing and completion of the proposed Offering and the use of proceeds from the Offering, including the use of proceeds towards any future acquisitions and growth objectives, and the entitlement to receive dividends of such common shares issuable pursuant to the Offering, including common shares issuable pursuant to the exercise of the over-allotment option. Although CESTC believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on them because CESTC can give no assurance that such expectations will prove to be correct. Assumptions have been made with respect to, among other things, general economic and market conditions. Factors that could cause actual results to differ materially from those set forward in the forward looking statements include, among other things, general economic and market conditions, industry conditions, market and commodity price volatility and CESTC's financial and operational performance and results. CESTC disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*