

Leading Provider

of Consumable Chemical Solutions



June 2020

Forward Looking Information and Statements

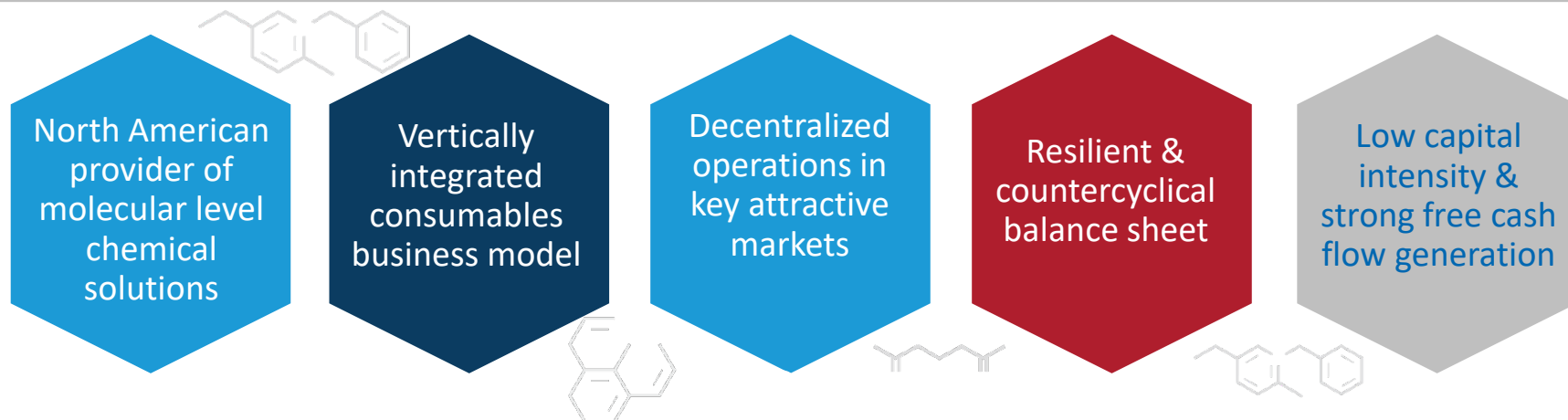


Certain statements in this presentation may constitute forward-looking information or forward-looking statements (collectively referred to as “forward-looking information”) which involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements 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 presentation, 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 presentation. 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. 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.

In particular, this presentation contains forward-looking information pertaining to the following: expectations regarding growth for drilling fluids as a result of increasing well complexity and longer lateral lengths; expectations regarding chemical demand related to increased oil production and produced water; potential for continued growth in drilling fluids and production chemical markets; allocation of capital to specific basins and markets including the Permian Basin; certainty and predictability of future cash flows and earnings, including during low points in the business cycle; estimated timing and expectations regarding future capital expenditures and expansion projects; ability for CES’ business to generate significant free cash flow going forward; and expectations regarding CES’ ability to collect accounts receivable in light of historical performance and current circumstances.

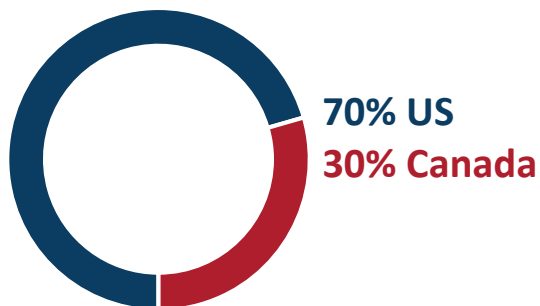
CES’ actual results could differ materially from those anticipated in the forward-looking information as a result of the following factors: general economic conditions in the US, Canada, and internationally; geopolitical risk; fluctuations in demand for consumable fluids and chemical oilfield services, the severity of the downturn in oilfield activity; the severity of the decline in activity in the Permian, the WCSB, 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; a shift in types of wells drilled; 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 natural gas, natural gas liquids, and oil, and pricing differentials between world pricing, pricing in North America, and pricing in Canada; competition, and pricing pressures from customers in the current commodity environment; the degree and severity of the COVID-19 pandemic, including government laws and regulations implemented in response to the pandemic and the resulting impact on the demand for oil and natural gas; currency risk as a result of fluctuations in value of the US 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 and regulations restricting the use of hydraulic fracturing; pipeline capacity and other transportation infrastructure constraints; changes to government mandated production curtailments; reassessment and audit risk and other tax filing matters; changes and proposed changes to US policies including the potential for tax reform, possible renegotiation of international trade agreements and the transportation of oil and natural gas and regulations governing the sale and export of oil, natural gas and refined petroleum products; divergence in climate change policies between the US and Canada; potential changes to the crude by rail industry; changes to the fiscal regimes applicable to entities operating in the US and WCSB; access to capital and the liquidity of debt markets; fluctuations in foreign exchange and interest rates; CES’ ability to maintain adequate insurance at rates it considers reasonable and commercially justifiable; implementation of the Canada-United States-Mexico Agreement; international and domestic trade disputes, including restrictions on the; and the other factors considered under “Risk Factors” in CES’ Annual Information Form for the year ended December 31, 2019 and “Risks and Uncertainties” in the March 31, 2020 Management’s Discussion and Analysis.

Leading Provider of Consumable Chemical Solutions



TTM Q1 2020 Revenue By Geography

C\$1.3 Billion



US operations

- Permian
- Eagleford
- Bakken
- Marcellus
- Scoop/Stack



Canadian operations

- Montney
- Duvernay
- Deep Basin
- SAGD

Fully integrated world class basic chemical manufacturing capability combined with customer-centric problem solving culture for technology oriented customers

Response to Current Industry Conditions



➤ Workforce Safety

- Protecting the health and safety of our employees is a top priority
- CES has implemented protocols to ensure safe working environments exist and has provided a variety of tools and technologies for employees to work remotely

➤ Significant Cost Reductions

- 2020 capital expenditure plan reduced to \$30MM, down 40% from \$50MM
- Reductions to company wide compensation, personnel and overhead costs
- Actively monitoring government programs and application for Canada Emergency Wage Subsidy has been filed

➤ Maintaining Key Operations & Staff

- We remain committed to protecting CES' unique culture through the downturn
- Focused on optimizing industry leading operations to maximize potential on other side

➤ Liquidity

- Focused on protecting financial strength of the Company
- Balance sheet well positioned with counter cyclical nature, conservative maturity schedules on loan agreements and significant availability on our credit facility

➤ Capital Allocation

- Dividend and NCIB activity currently suspended to further preserve balance sheet strength
- Significant working capital harvest expected in 2020, with cash flow to be used to pay down credit facility

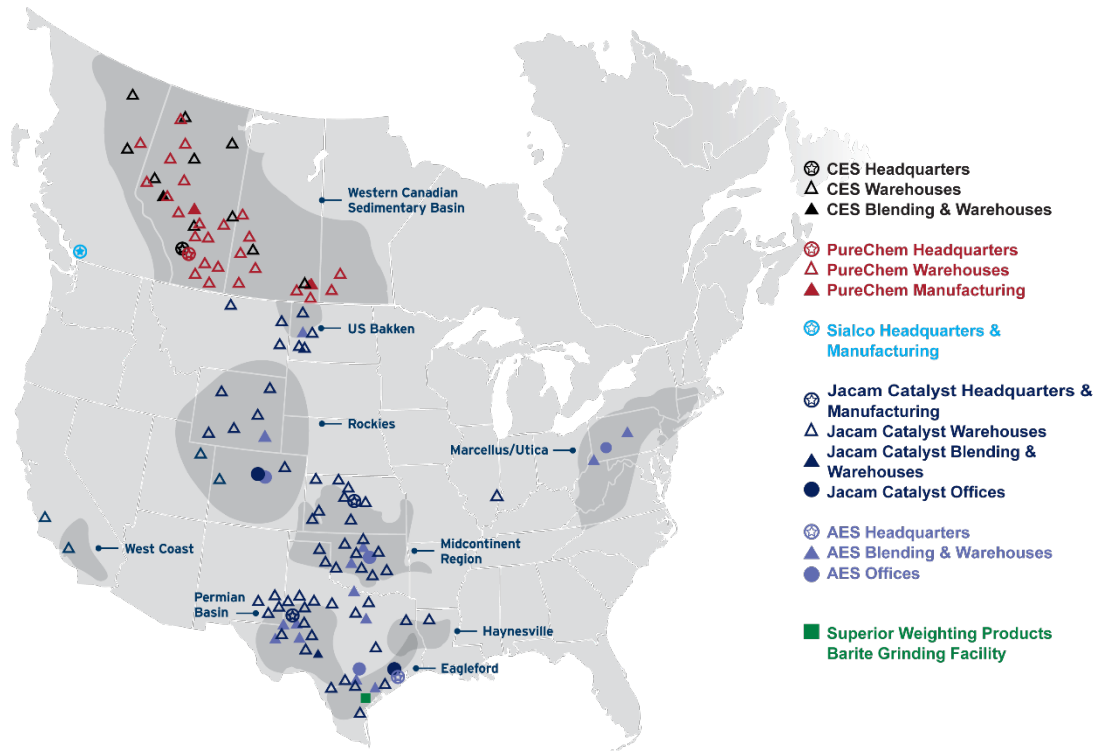
Reacted quickly and decisively to address operational and financial challenges associated with COVID-19 pandemic and oil price decline

Adding Value Through Technology & Customer Service



Use chemistry, polymers and minerals to solve our customers' problems and optimize their production and drilling related needs to maximize their returns on investments through decentralized sales, service & problem solving approach

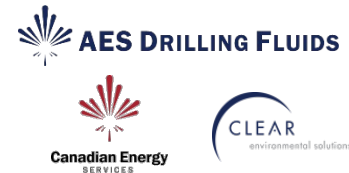
Well Positioned for Growth With Decentralized Model



PRODUCTION CHEMICALS



DRILLING FLUIDS



PIPELINES & MIDSTREAM



COMPLETION & STIMULATION



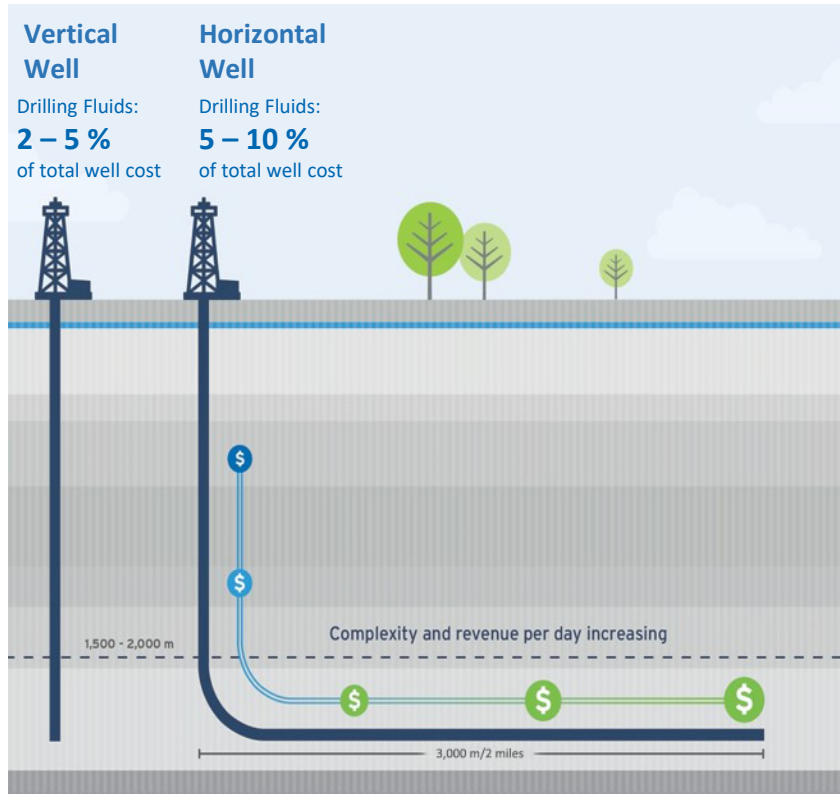
INDUSTRIAL/ COSMETICS/OTHER



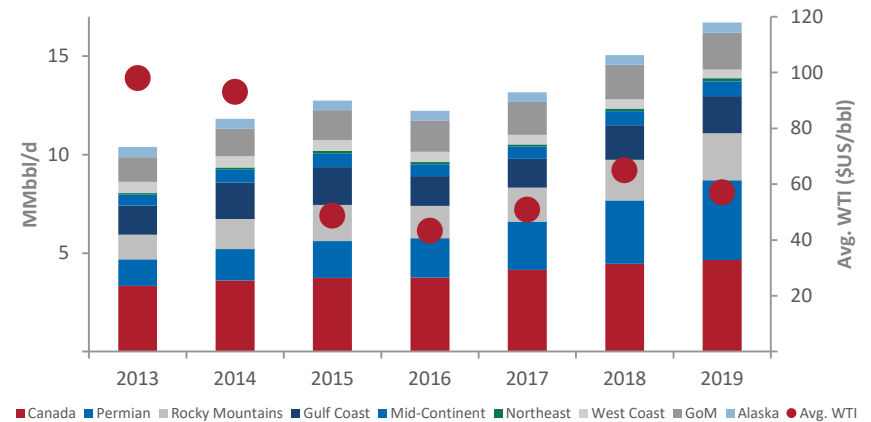
Allocation of capital dedicated to the most attractive basins and markets while leveraging decentralized entrepreneurial model and basic chemical manufacturing product suite

Improving Trends and Stable End Markets

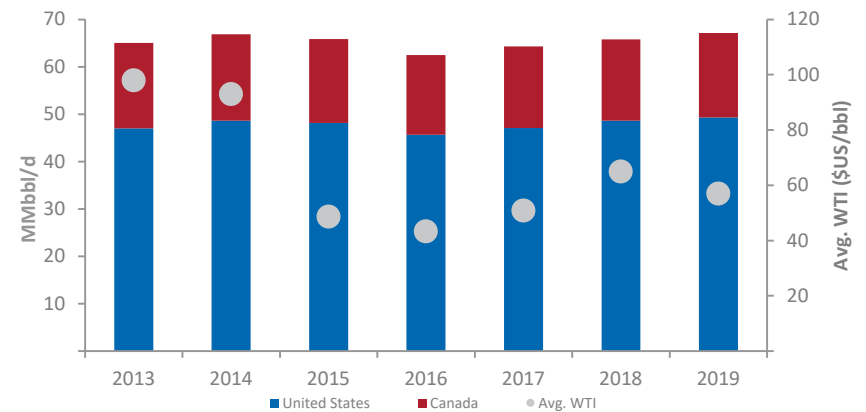
Drilling Fluid Chemical Requirements Increasing



North American Crude Oil Production by Basin¹



North American Water Production^{2,3}

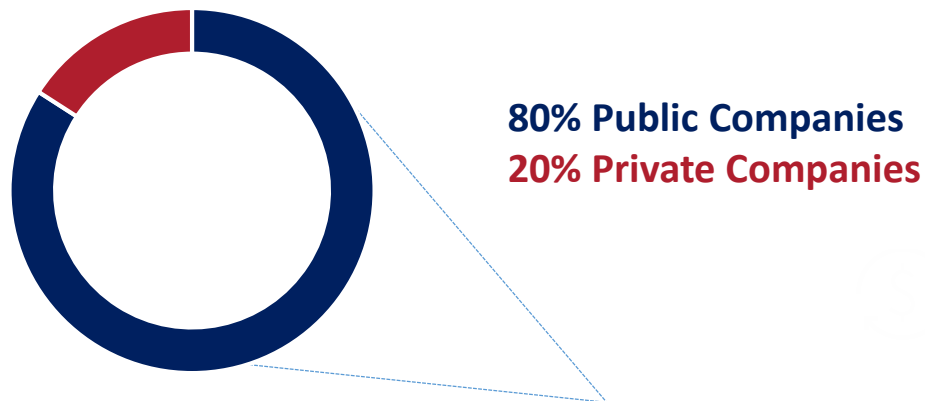


Significant exposure to rising North American oil and gas and related water production stabilizes free cash flow generation through the cycles, while increasing well complexity and longer lateral lengths drives drilling fluid chemical growth

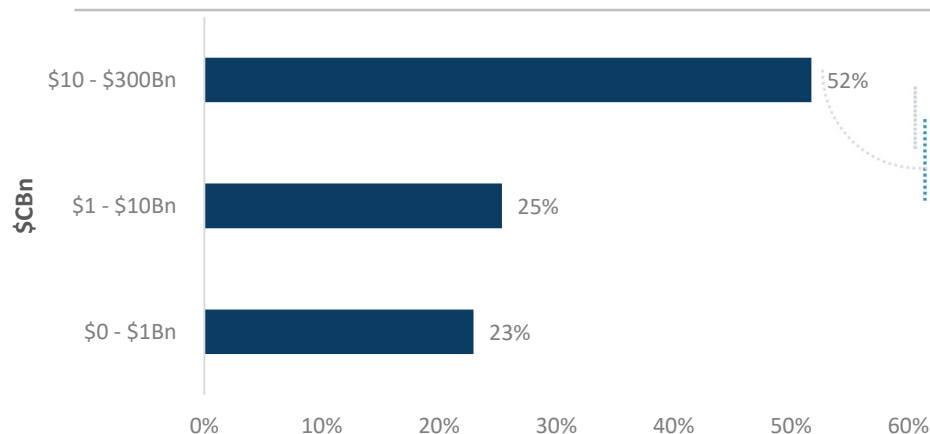
1. Source: WoodMac & Bloomberg
2. Source: IHS & GeoScout
3. 2019 data is based on the first ten months of the year

Quality Customer Base

Top 50 Customer Breakdown – TTM Q1 2020



Top 50 Public Customers – By Market Capitalization¹

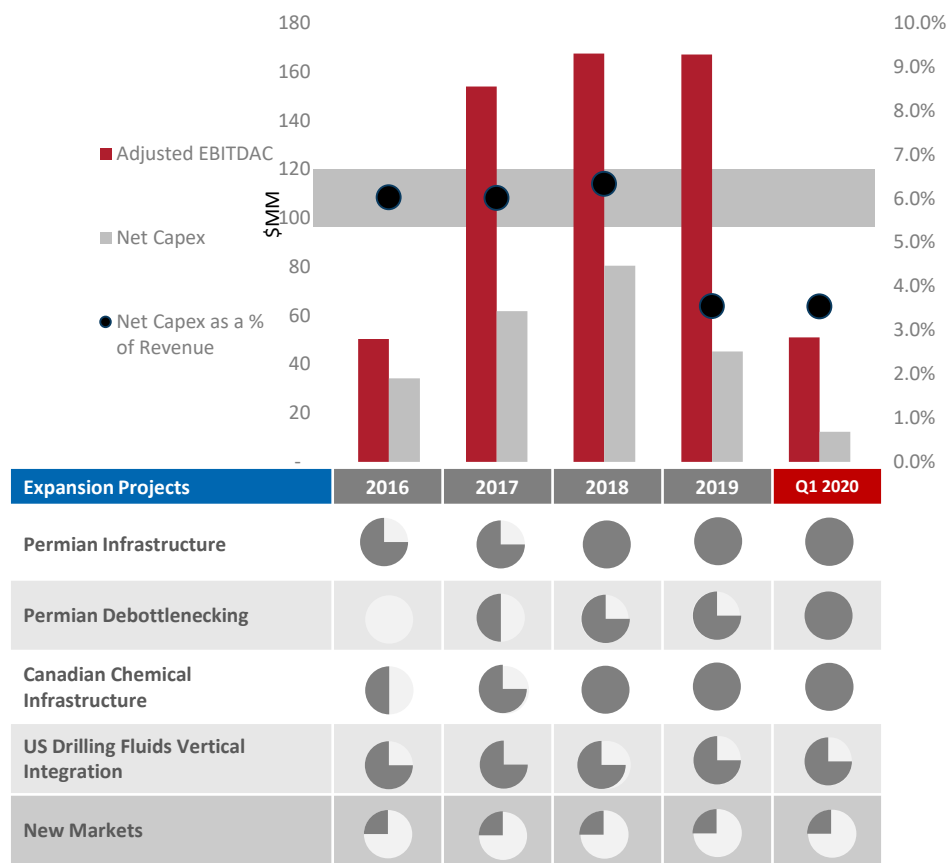


52% of top 50 public company revenue was from customers with **Market Capitalizations of \$10Bn to \$300Bn**

1. Source: FactSet – as at May 12, 2020

Low Capital Intensity

CES – Historical Capital Spend¹



Significant expansion capex largely complete

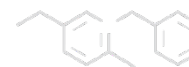
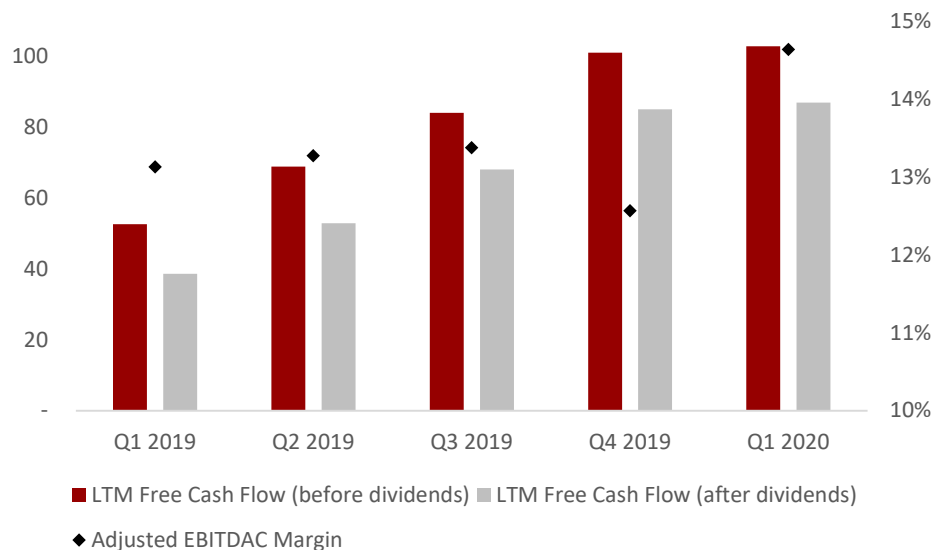
2020 total capex estimated to be up to
~C\$30 million

Current PP&E base operating at
<50% of capacity

1. Historical capital spend shown net of amounts financed through lease arrangements, and proceeds on asset disposals.

Strong Free Cash Flow Generation & Stabilizing Margins

Free Cash Flow¹ & Adjusted EBITDAC² Margin



Since 2006 IPO, ~C\$340 million in dividends paid to shareholders and grew PP&E base to ~C\$378 million³

Since July 2018, ~C\$37.5 million in share buybacks³

In light of current low oil price environment, monthly dividend was suspended in April 2020

Asset light business model designed to generate significant free cash flow, while growth in recurring production chemical revenue stream underpins increased stability in free cash flow generation and Adjusted EBITDAC margins

1. Free Cash Flow is calculated as Funds Flow from Operations as defined in the Company's MD&A, less interest paid, taxes paid, net maintenance capex, net expansion capex and investment intangible assets.
2. Adjusted EBITDAC as disclosed in the Company's MD&A.
3. Amounts shown are up to March 31, 2020.

Resilient & Countercyclical Balance Sheet

Historical Leverage & Working Capital



Total debt primarily comprised of working capital

Monetization of working capital
returns cash to the Company during low points in the business cycle

Impressive AR collection record
C\$5.3 million in write-offs on C\$7.4 billion in revenue since 2009

2.4x Total Debt¹ / Adjusted EBITDAC

0.1x Total Debt¹ Less Working Capital / Adjusted EBITDAC

1. Total Debt as defined in the Company's Q1 2021 MD&A.
2. 2020 represents amounts, as at March 31, 2020.

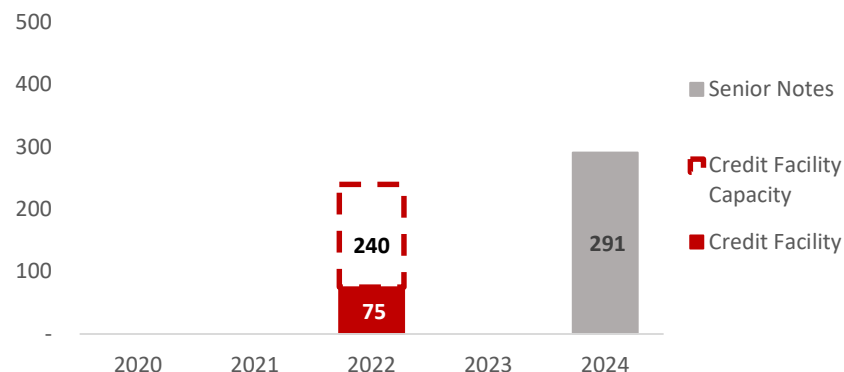
Prudent Capital Structure & Liquidity Profile



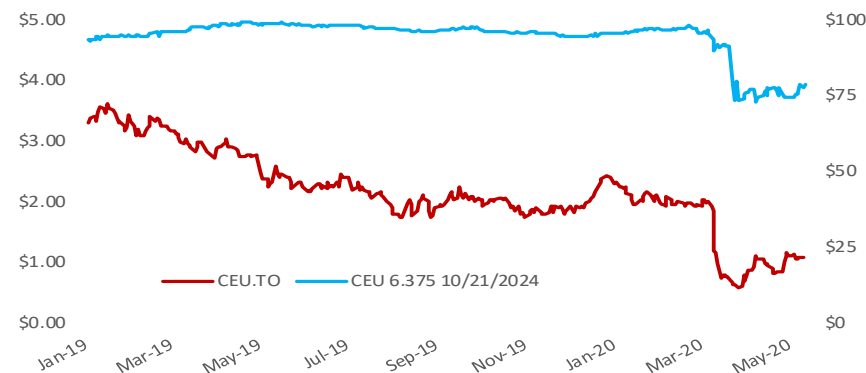
Current Capitalization

Share Price (June 1, 2020)	\$1.02
Shares Outstanding ¹	262,026,924
MARKET CAPITALIZATION	\$267MM
Senior Credit Facility Draw ¹	\$75MM
6.375% Senior Notes due Oct 2024 ^{2,3}	\$291MM
Lease Obligations ²	\$47MM
TOTAL DEBT	\$413MM
Senior Credit Facility Size ⁴	\$240MM
Drawn ¹	\$75MM
AVAILABILITY	\$165MM
Senior Debt/Adj. EBITDAC	0.8x
Covenant	Max 2.5x
Total Debt/Adj. EBITDAC	2.4x
Covenant	None
Credit Rating (DBRS, S&P)	B High (Stable); B (Negative)

Maturity Schedule



Price Performance



Well-positioned to withstand the current downturn with a strong balance sheet, conservative maturity schedule, and counter cyclical business model

1. As at March 31, 2020.

2. As at March 31, 2020. Refer to the Company's Q1 2020 MD&A for definitions of non-GAAP measures and to the Company's Q1 2020 financial statements for covenant definitions.

3. During Q4 2019, CES repurchased \$9.0MM of its Senior Notes for \$8.5MM. The Notes are rated B+ (DBRS – Dec 2019)/ B (S&P – Apr 2020).

4. CAD equivalent using USDCAD of \$1.40. CES' Senior Facility is comprised a \$170MM Canadian facility and a US\$50MM US facility.

Company Highlights

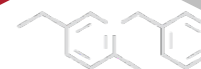
North American
provider of
molecular level
chemical
solutions

Vertically
integrated
consumables
business model

Decentralized
operations in key
attractive
markets

Resilient &
countercyclical
balance sheet

Low capital
intensity &
strong free cash
flow generation



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APPENDIX



Historical Financial Information



Historical Financial Information (C\$000's)

	2017	2018	2019	LTM Q1 2020 ¹
Revenue	\$1,029,640	\$1,271,051	\$1,277,257	\$1,293,716
Gross Margin	\$249,801	\$284,263	\$273,377	\$271,889
% of Revenue	24%	22%	21%	21%
Gross Margin (excluding depreciation)	\$287,937	\$325,548	\$325,241	\$325,046
% of Revenue	28%	26%	25%	25%
Adjusted EBITDAC²	\$154,050	\$167,589	\$167,127	\$174,546
% of Revenue	15%	13%	13%	13%
Cash provided by operating activities	(\$23,291)	\$77,598	\$187,304	\$147,806
Adjust for: Change in non-cash operating WC	(\$153,455)	(\$55,133)	\$54,976	\$19,446
Less: Maintenance Capital Expenditures ³	\$8,250	\$13,316	\$12,745	\$16,729
Distributable Earnings	\$121,914	\$119,415	\$119,583	\$111,631
Dividends paid	\$7,982	\$12,050	\$15,951	\$15,902
NCIB	\$0	\$19,532	\$13,146	\$16,908
Repurchase of senior unsecured notes	\$0	\$0	\$8,548	\$8,548
Expansion Capital Expenditures ³	\$48,311	\$68,040	\$32,504	\$31,479
Interest on Debt	\$26,366	\$26,033	\$27,163	\$26,624
Debt Balance				
Senior Facility	\$109,926	\$162,036	\$77,341	\$92,934
High Yield Notes	\$300,000	\$300,000	\$290,954	\$290,954
Other LT debt & leases ⁴	\$12,871	\$26,801	\$21,213	\$23,840
IFRS 16 Lease Obligations ⁵	\$0	\$0	\$18,123	\$18,832
Total Indebtedness	\$422,797	\$488,837	\$407,631	\$426,560
Net Working Capital Surplus ⁶	\$358,888	\$435,251	\$369,628	\$417,290
Net Debt	\$63,909	\$53,586	\$38,003	\$9,270
Total Debt / Adjusted EBITDAC²	2.7x	2.9x	2.4x	2.4x
Net Debt / Adjusted EBITDAC²	0.4x	0.3x	0.2x	0.1x
Adjusted EBITDAC¹ / Interest on Debt	5.8x	6.4x	6.2x	6.6x
Dividend Payout Ratio (% of dist. cash)	7%	10%	13%	14%

1. Results for the period ending twelve months ended March 31, 2020

2. As defined in the Company's Q1 2020 MD&A.

3. Historical capital spend shown net of amounts financed through lease arrangements.

4. Includes the non-current portion of deferred acquisition consideration, both current and non-current portions of finance lease obligations and vehicle and equipment financing loans, and deferred financing costs.

5. IFRS 16 Lease Obligations represent the total incremental lease obligation recognized, as at March 31, 2020 due to the adoption of IFRS 16 on January 1, 2019.

6. Net Working Capital Surplus calculated as current assets less current liabilities (excluding current portion of LT debt and finance lease obligations).

Free Cash Flow Calculation



(C\$000's)

	LTM Q1 2019	LTM Q2 2019	LTM Q3 2019	LTM Q4 2019	LTM Q1 2020
Cash provided by operating activities	105,858	119,719	162,052	187,304	147,806
Change in non-cash working capital	29,083	14,575	(29,559)	(54,976)	(19,446)
Non-cash inventory valuation adj. ²	-	-	-	-	11,068
Adj. Funds Flow from Operations	134,941	134,294	132,493	132,328	139,428
Add back:					
Finance costs	28,400	30,025	29,528	27,999	27,135
Current taxes	3,400	3,519	3,367	3,784	3,231
	31,800	33,544	32,895	31,783	30,366
Deduct:					
Net interest paid	27,324	28,111	29,330	27,383	27,176
Net cash taxes (paid) received	2,520	3,237	3,482	3,556	3,956
Net maintenance capex ¹	9,433	9,652	3,930	1,098	5,770
Net expansion capex ¹	69,047	53,918	41,666	28,622	27,826
Intangible capex	5,751	4,030	2,905	2,469	2,222
	114,074	98,948	81,313	63,127	66,950
Free Cash Flow (before dividends)	52,667	68,890	84,075	100,984	102,844
Dividends paid	14,028	16,012	15,977	15,951	15,902
Free Cash Flow (after dividends)	38,639	52,878	68,098	85,033	86,942

1. Shown net of proceeds on disposal of property & equipment, and insurance proceeds on replacement property & equipment. Includes repayment of finance leases
2. Funds Flow from Operations has been adjusted for the non-cash inventory valuation adjustment that CES recognized in Q1 2020. Refer to the Company's March 31, 2020 MD&A for further details.