



**PRESS RELEASE
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October 20, 2017

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CES ENERGY SOLUTIONS CORP. ANNOUNCES CLOSING OF SENIOR NOTES

CES Energy Solutions Corp. ("**CES**" or the "**Company**") (TSX:CEU) (OTC – Nasdaq Intl: CESDF) is pleased to announce that it has closed its previously announced private placement of CDN \$300 million aggregate principal amount of 6.375% senior unsecured notes due October 21, 2024 (the "**Notes**"). The net proceeds from the issuance of the Notes will be used to redeem the CDN \$300 million aggregate principal amount of outstanding CDN dollar denominated 7.375% Senior Unsecured Notes due 2020 (the "**7.375% Notes**"). The redemption date in respect of the 7.375% Notes is expected to be November 18, 2017 (the "**Redemption Date**") and it is anticipated that the redemption price for each \$1,000.00 principal amount of the 7.375% Notes is \$1,043.35 (the "**Redemption Price**"), being equal to the aggregate of (i) \$1,036.88 for each \$1,000.00 principal amount of the 7.375% Notes redeemed, plus (ii) approximately \$6.47 for each \$1,000.00 principal amount in accrued and unpaid interest to, but not including, the Redemption Date. The Redemption Price will be due and payable on or after the Redemption Date upon presentation and surrender for redemption of the 7.375% Notes at the offices of the Trustee in its capacity as Paying Agent in respect of the 7.375% Notes.

These transactions will decrease CES' annual interest costs, extend its debt maturity profile and provide additional financing flexibility.

Scotia Capital Inc. and National Bank Financial Inc. acted as joint book-running managers for the Private Placement which also included AltaCorp Capital Inc., Raymond James Ltd., Canaccord Genuity Corp. and Peters & Co. Limited as co-managers.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or applicable state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws. The Notes have not been, and will not be, qualified for sale to the public under applicable Canadian securities laws and, accordingly, any offer and sale of the Notes in Canada will be made on a basis which is exempt from the prospectus requirements of such securities laws. The Notes will be offered and sold only to non-U.S. persons in reliance on the "accredited investor" prospectus exemption in Canada.

This press release does not constitute an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities. No offer, solicitation, purchase or sale of securities will be made in any jurisdiction, in which such an offer, solicitation, purchase or sale would be unlawful.

About CES Energy Solutions Corp.

CES 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. CES' business model is relatively asset light and requires limited re-investment capital to grow. As a result, CES 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 CES is available at www.sedar.com or on the Company's website at www.cesenergysolutions.com.

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Forward Looking Information

Certain information included in this Press Release is forward-looking, within the meaning of applicable Canadian and United States securities laws. Much of this information can be identified by looking for words such as "believe", "expects", "expected", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words. Forward-looking information in this Press Release includes, but is not limited to, statements concerning the use of proceeds from the private placement of the Notes, the redemption of the 7.375% Notes, the manner and timing of the completion of such transactions and the impact of such transactions on CES. CES 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 statements should not be unduly relied upon.

Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this Press Release. While CES believes that the expectations and material factors and assumptions reflected in its forward-looking statements are reasonable as at the date hereof, there can be no assurance that any of these expectations, factors or assumptions will prove to be correct. In particular, in presenting its forward-looking statements, CES has made assumptions respecting, among other things: the anticipated timing of the completion of the redemption of the 7.375% Notes; the intended use of the proceeds from the private placement of the Notes; the relative stability of general North American economic conditions; the continued improvement of industry conditions; oil and gas supply and demand conditions in 2017; internal capital expenditure programs and other expenditures by oil and gas exploration and production companies; areas of industry activity; regulatory and legislative conditions; commodity prices, in

particular oil and natural gas; future expected cash flows; foreign currency exchange rates and interest rates; and future performance and operations of joint ventures and partnership arrangements.

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties. Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause CES' actual results to differ materially from any projections of future results expressed or implied by such forward-looking information. These risks and uncertainties include, but are not limited to: potential changes in the regulatory and legislative environment; political uncertainty and instability in North America and internationally and changes in political leadership in North America and elsewhere; volatility in commodity prices and foreign currency exchange, interest and tax rates; the ability of CES to retain qualified personnel; the existence of competitors, technological changes and developments in the oilfield industry; further negative downturns in industry conditions; operating risks inherent in the oilfield services industry; variations in internal capital expenditure programs and other expenditures by oil and gas exploration and production companies; volatility in supply and demand for commodities, in particular oil and natural gas; and changes in general economic conditions including the capital and credit markets; risks relating to the intended use of the proceeds from the private placement of the Notes; risks relating to the completion of the redemption of the 7.375% Notes and the risks identified in other factors considered under "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2016 and "Risks and Uncertainties" in the related MD&A both of which are available on the SEDAR website (www.sedar.com). CES cautions that the forgoing list of assumptions, risks and uncertainties is not exhaustive. Any forward-looking information is made as of the date hereof and, except as required by law, CES does not undertake any obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.

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

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