NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES THIRD QUARTER RESULTS, DIVIDEND REDUCTION AND 2016 CAPITAL SPENDING BUDGET

Calgary, Alberta November 4, 2015 – Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces third quarter revenue and EBITDAS[(1)] of $47.8 million and $8.5 million respectively, compared to $96.1 million and $22.7 million in the third quarter of 2014. While revenue was impacted by pricing pressure and customer activity, Essential's focus on cost control and proactive steps taken in the first quarter of 2015 enabled the Company to protect operating margins despite significant revenue declines.

During the third quarter of 2015 well completions in the Western Canadian Sedimentary Basin, a key driver of Essential's services, decreased 48% compared to the same period in 2014. Essential's masted coil tubing and pumping outperformed industry activity with utilization of 70% and 57% respectively, as key customers remained active in the Bakken, Montney and Duvernay regions during the quarter. Activity declines in service rigs, downhole tools and rentals were comparable to the industry-wide decreases in drilling and well completions.

SELECTED INFORMATION

(in thousands of dollars except per share, percentages and fleet data)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Revenue	**$ 47,824**	$ 96,136	**$ 142,233**	$ 252,618
Gross margin	**11,927**	27,515	**27,809**	60,064
Gross margin %	**25%**	29%	**20%**	24%
EBITDAS[(1)]	**8,503**	22,657	**16,530**	45,604
EBITDAS % [(1)]	**18%**	24%	**12%**	18%
Net income (loss)	**2,996**	10,777	**(4,403)**	15,501
Per share – basic	**0.02**	0.09	**(0.03)**	0.12
Per share – diluted	**0.02**	0.08	**(0.03)**	0.12
Total assets	**346,564**	454,745	**346,564**	454,745
Total long-term debt	**34,738**	65,043	**34,738**	65,043
Utilization				
Masted coil tubing rigs	**70%**	105%	**62%**	85%
Service rigs	**24%**	48%	**26%**	49%
Equipment fleet				
Masted coil tubing rigs	**19**	17	**19**	17
Service rigs	**48**	54	**48**	54

(1) Refer to Non-IFRS Measures section for further information

OUTLOOK AND DIVIDEND

There was significant deterioration in the industry outlook during the third quarter of 2015. Evolving world events and deteriorating oil price fundamentals increased the uncertainty of a near-term oil price recovery. The decline in oil prices resulted in an increasingly negative industry outlook and "lower for longer" became the industry mantra. At this point, the duration and extent of the downturn remains highly uncertain with many industry experts not seeing an oilfield services reprieve until late 2016 or in 2017. Unique to Canada, the industry is subject to incremental barriers given pending policy decisions on carbon taxes, royalties, oil export pipelines and the slow progression of liquefied natural gas export terminals.

The Canadian oilfield services industry has experienced significant service price deterioration during the year. Management anticipates additional price reductions as the landscape for Essential's services remains very competitive.

Facing this industry uncertainty and a number of cash-constrained customers that are financially unable to continue with drilling, completion and production programs, management has taken steps to reduce all significant elements of cash outflow. Protecting Essential's strong balance sheet continues to be at the forefront of decisions. This is reflected in the Company's reduced 2016 capital spending budget, cost management initiatives and the dividend strategy.

Essential announces a modest 2016 capital budget of $9 million, including $4 million for growth capital and $5 million for maintenance capital. This allows for completion of the Generation IV masted coil tubing capital build program in 2016. Upon completion, Essential will have 10 new Generation III/IV masted coil tubing rigs. Through the downturn, the masted coil tubing rigs have maintained strong utilization in a shrinking well completions market. Essential has a relatively new equipment fleet that is suited to the current industry direction of long-reach horizontal wells. Upon completion of the build program in 2016, the Company will have spent approximately $52 million on new masted coil tubing rigs in the past few years. This will position Essential with an advanced fleet allowing the Company to take advantage when the industry improves.

Essential has been an industry leader in disciplined cost management. Cost management has become engrained in the Company's culture. Cost reduction steps taken earlier in the year have allowed for the reasonably strong margins reported this quarter, despite a significant reduction of revenue. Essential is on track to realize annualized fixed cost savings of $10 million. The bulk of these cost reductions have been personnel and compensation-related, with employee headcount decreasing by approximately 40%, or 420 employees, since the beginning of 2015. With that in mind, continual review and monitoring of the cost structure is required. Despite significant cost cutting and headcount reductions, Essential remains focused on investing in key personnel during the downturn so the business is ready to benefit when the market turns around.

Essential's Board of Directors (the "Board") reviews the dividend on a quarterly basis. Given the current industry outlook, the Board has determined that a further dividend reduction is prudent. Starting with the November 4, 2015 dividend announcement, the quarterly dividend will be $0.003 per share, resulting in annualized savings of $6 million.

In the near term, activity for the fourth quarter is expected to be slower than the third quarter of 2015 and significantly below the fourth quarter of 2014, as exploration and production companies reach their 2015 capital budget limits and cash flow remains constrained. Essential has reduced its 2015 capital spending plans by $3 million and expects to have annual capital spending in 2015 of $18 million.

Since year-end 2014, Essential has reduced its debt by $21 million while nearing completion of its large-scale masted coil tubing build program. At this point, Essential maintains one of the strongest balance sheets in the Canadian oilfield services sector. Maintaining that strength through timely and prudent spending, and a dividend reduction, underpins the Company's strength and future viability as it continues to navigate the downturn. At November 4, 2015, Essential had $32.3 million of debt outstanding and reported debt to EBITDAS[1] of 0.9x at the end of the third quarter.

DIVIDEND DECLARATION

The cash dividend for the period October 1, 2015 to December 31, 2015 has been set at $0.003 per share. The dividend will be paid on January 15, 2016 to shareholders of record on December 31, 2015. The ex-dividend date is December 29, 2015. This dividend is an eligible dividend for Canadian income tax purposes.

SEGMENT RESULTS - *WELL SERVICING*

(in thousands of dollars, except percentages, hours and fleet data)	Three months ended September 30, 2015	Three months ended September 30, 2014	Nine months ended September 30, 2015	Nine months ended September 30, 2014
Revenue				
Coil well service [i]	**$ 24,432**	$ 39,233	**$ 66,295**	$ 98,130
Service rigs	**7,682**	22,105	**29,533**	71,041
Total revenue	**32,114**	61,338	**95,828**	169,171
Operating expenses	**23,188**	45,309	**75,153**	133,959
Gross margin	**$ 8,926**	$ 16,029	**$ 20,675**	$ 35,212
Gross margin %	**28%**	26%	**22%**	21%
Utilization [ii]				
Masted coil tubing rigs				
Utilization	**70%**	105%	**62%**	85%
Operating hours	**12,319**	15,524	**31,995**	36,930
Pumping				
Utilization	**57%**	66%	**47%**	56%
Operating hours	**15,747**	19,397	**39,714**	49,253
Service rigs				
Utilization	**24%**	48%	**26%**	49%
Operating hours	**10,418**	23,997	**37,402**	73,520
Equipment fleet [iii]				
Masted coil tubing rigs	**19**	17	**19**	17
Pumping	**30**	32	**30**	32
Service rigs	**48**	54	**48**	54

(i) Includes revenue from coil tubing rigs, nitrogen and fluid pumpers.
(ii) Utilization is calculated using a 10 hour day.
(iii) Fleet data represents the number of units at the end of the period.

Despite industry fundamentals, coil well service performance was strong with third quarter 2015 revenue decreasing 38% due to activity and pricing, compared to a 48% decrease in industry well completions. Masted coil tubing and pumping utilization was 70% and 57%, respectively. In this low activity environment, management is pleased with the activity of the coil well service business. This is, in part, attributable to continued work by key customers and Essential's high quality equipment and service. Competitive pricing pressure resulted in revenue per hour declining approximately 15% in the third quarter of 2015 compared to the same period in 2014.

Service rigs continued to be impacted by the industry downturn with revenue 65% lower than the third quarter of 2014. Activity and pricing decreases both contributed to the revenue decline. Service rigs in the Grande Prairie and Fort St. John regions had relatively strong utilization in comparison to industry utilization of 31%. However, the Company's overall service rig utilization was offset by lower activity in central and southern Alberta. In the third quarter, service rig revenue per hour declined approximately 10% compared to the same period in 2014.

Well servicing gross margin as a percentage of revenue for the third quarter of 2015 was higher than the prior year. Both the coil well service and service rig operations were profitable as Essential benefited from significant cost reduction initiatives. Pricing reductions have been offset by lower labour, repairs and maintenance costs and a reduction of discretionary spending.

On a year-to-date basis, well servicing gross margin as a percentage of revenue was higher than prior year as Essential benefited from cost reduction measures implemented earlier in the year. These measures offset the year-over-year revenue decline that was driven by lower activity, particularly in Essential's service rig operations, and a reduction in revenue per hour for all services.

SEGMENT RESULTS - *DOWNHOLE TOOLS & RENTALS*

	Three months ended September 30,		Nine months ended September 30,	
(in thousands of dollars)	**2015**	2014	**2015**	2014
Revenue	**$ 15,919**	$ 35,261	**$ 46,990**	$ 85,068
Operating expenses	**12,229**	22,212	**37,064**	56,350
Gross margin	**$ 3,690**	$ 13,049	**$ 9,926**	$ 28,718
Gross margin %	**23%**	37%	**21%**	34%
Downhole Tools & Rentals revenue – % of revenue				
Tryton MSFS®	**40%**	53%	**35%**	42%
Conventional Tools & Rentals	**60%**	47%	**65%**	58%

Downhole tools & rentals third quarter 2015 revenue decreased 55% from the same quarter of 2014. Activity in Tryton MSFS® tools, conventional tools and rentals decreased due to industry declines for drilling, well completions and production services. This business continues to be negatively impacted by aggressive competition, reduced activity from certain key customers and pricing pressure. U.S. revenue was less impacted, but remains a small part of the business. Third quarter 2015 experienced pricing reductions of up to 20% compared to 2014.

Downhole tools & rentals gross margin as a percentage of revenue was 23% in the third quarter of 2015 compared to 37% for the same period in 2014. In spite of significant cost reductions implemented earlier in 2015, margins are lower due to a decline in pricing and lower contribution from the higher margin rentals business.

Gross margin as a percentage of revenue for the nine months ended September 30, 2015 decreased compared to the prior year due to a decline in downhole tools activity and pricing, as well as lower contribution from the higher margin rentals business.

General and Administrative

(in thousands of dollars)	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
General and administrative expenses	**$ 3,424**	$ 4,858	**$ 11,279**	$ 14,460
As a % of revenue	**7%**	5%	**8%**	6%

General and administrative ("G&A") expenses are comprised of wages, professional fees, office space and other administrative costs incurred at corporate and operational levels. G&A expenses for the three and nine months ended September 30, 2015 were lower than the same period in 2014 due primarily to reductions in employee headcount, salaries and incentive and benefit plans in 2015. G&A as a percentage of revenue increased from the same periods in 2014 due to the significant revenue declines.

Other (Income) Expenses

(in thousands of dollars)	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Loss on disposal and write-down of assets	**$ 61**	$ 834	**$ 1,204**	$ 1,683
Foreign exchange gain	**(875)**	(693)	**(1,638)**	(753)
Other loss (gain)	**32**	4	**(47)**	68
Other (income) expenses	**$ (782)**	$ 145	**$ (481)**	$ 998

Loss on disposal and write-down of assets relates to the sale or retirement of equipment that is no longer used in operations. The weakening Canadian dollar in relation to the U.S. dollar resulted in higher foreign exchange gains in the first nine months of 2015 compared to the same period in 2014.

Income Tax

(in thousands of dollars)	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Current income tax expense (recovery)	**$ 1,805**	$ 3,268	**$ (1,757)**	$ 4,584
Deferred income tax (recovery) expense	**(2,155)**	703	**1,960**	1,153
Income tax (recovery) expense	**$ (350)**	$ 3,971	**$ 203**	$ 5,737

For the nine months ended September 30, 2015, there is a current income tax recovery compared to an expense in 2014 due to the decline in earnings before income taxes. 2015 losses will be applied to recover taxes paid in previous years.

For the nine months ended September 30, 2015, deferred income tax expense increased compared to 2014 due to legislation that was enacted during the second quarter 2015 to increase the Alberta provincial corporate income tax rate from 10% to 12% effective July 1, 2015. This resulted in the revaluation of the deferred income tax liability.

FINANCIAL RESOURCES AND LIQUIDITY

FUNDS FLOW FROM OPERATIONS[1]

(in thousands of dollars, except per share amounts)	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Net cash (used in) provided by operating activities	**$ (2,717)**	$ (16,515)	**$ 49,310**	$ 20,240
Add (deduct):				
Changes in non-cash working capital	**10,504**	36,477	**(29,058)**	20,644
Funds flow provided by operations[1]	**$ 7,787**	$ 19,962	**$ 20,252**	$ 40,884
Per share – basic	**$ 0.06**	$ 0.16	**$ 0.16**	$ 0.33
Per share – diluted	**$ 0.06**	$ 0.16	**$ 0.16**	$ 0.32

WORKING CAPITAL[1]

(in thousands of dollars, except ratios)	As at September 30 2015	As at December 31 2014
Current assets	**$ 75,731**	$ 118,758
Current liabilities	**(18,709)**	(37,789)
Working capital [1]	**$ 57,022**	$ 80,969
Working capital ratio	**4.1:1**	3.1:1

The accounts receivable portion of working capital typically grows through the first, third and fourth quarters of the year when activity is greater. The inventory component is comprised of downhole tools and coil tubing inventory, which does not fluctuate as much with activity. Essential uses its revolving credit facility to meet the variable nature of its working capital needs as collection periods for accounts receivable are longer than payment cycles to vendors and employees. In periods of higher activity, debt initially tends to increase and in periods of lower activity debt initially declines.

EQUIPMENT EXPENDITURES AND FLEET ADDITIONS

(in thousands of dollars)	Three months ended September 30, 2015	2014	Nine months ended September 30, 2015	2014
Well Servicing	**$ 4,195**	$ 8,629	**$ 11,869**	$ 21,786
Downhole Tools & Rentals	**-**	1,695	**692**	7,011
Corporate	**136**	313	**623**	1,012
Total equipment expenditures	**4,331**	10,637	**13,184**	29,809
Less proceeds on disposal of property and equipment	**(302)**	(1,150)	**(1,112)**	(3,052)
Net equipment expenditures[1]	**$ 4,029**	$ 9,487	**$ 12,072**	$ 26,757

Essential classifies its equipment expenditures as growth capital(1) and maintenance capital(1):

(in thousands of dollars)		Three months ended September 30, **2015**		2014		Nine months ended September 30, **2015**		2014
Growth capital(1)	**$**	**3,704**	$	6,538	**$**	**10,716**	$	20,752
Maintenance capital(1)		**627**		4,099		**2,468**		9,057
Total equipment expenditures	**$**	**4,331**	$	10,637	**$**	**13,184**	$	29,809

Essential's capital budget for 2015 has been reduced from $21 million to $18 million. The $18 million is comprised of $14 million in growth capital and $4 million of maintenance capital. Growth capital consists primarily of costs related to building one Generation III and four Generation IV masted coil tubing rigs. The Generation III masted coil tubing rig went into service early in the fourth quarter and the Company's third Generation IV masted coil tubing rig is expected in service later in the fourth quarter. The $4 million decrease in maintenance capital is due to lower industry activity and Essential's equipment requiring less maintenance with reduced utilization.

2016 Capital Budget

Given the industry outlook, Essential is announcing a very modest 2016 capital budget of $9 million, comprised of $4 million of growth capital and $5 million of maintenance capital. The growth capital will be used to complete the remaining three Generation IV masted coil tubing rigs. One rig is expected to be in service in each of the second, third and fourth quarters of 2016.

Essential's long-term capital build program will increase the size and depth capacity of its masted coil tubing fleet. To date, the Company has added four Generation III and two Generation IV masted coil tubing rigs. Upon completion in 2016, Essential will have spent approximately $52 million on this program. Essential will have four Generation III and six Generation IV masted coil tubing rigs in service. At September 30, 2015, Essential has spent $45 million on this program. The Generation III and Generation IV masted coil tubing rigs have the capability to work on long-reach horizontal wells and are well-suited to work in deep, high pressure regions including the Montney, Bakken and Duvernay. With a coil diameter of 2 3/8", the Generation III masted coil tubing rigs can reach 6,300 meters and the Generation IV masted coil tubing rigs can reach 7,900 meters.

The following table shows the expected in-service dates of the major equipment as at November 4, 2015:

Masted coil tubing rigs:	# Rigs In Program	# Rigs In-Service	Expected In-Service Dates
Generation III	4	4	-
Generation IV	6	2	Q4'15, 2016(3)(i)

(i) One Generation IV masted coil tubing rig is expected to go into service in each of Q2'16, Q3'16 and Q4'16.

The Management's Discussion and Analysis and Financial Statements are available on Essential's website at www.essentialenergy.ca and on SEDAR at www.sedar.com.

[1]NON-IFRS MEASURES

Throughout this news release, certain terms that are not specifically defined in IFRS are used to analyze Essential's operations. In addition to the primary measures of net earnings and net earnings per share in accordance with IFRS, Essential believes that certain measures not recognized under IFRS assist both Essential and the reader in assessing performance and understanding Essential's results. Each of these measures provides the reader with additional insight into Essential's ability to fund required working capital, principal debt repayments, capital programs and pay dividends. As a result, the method of calculation may not be comparable with other companies. These measures should not be considered alternatives to net earnings and net earnings per share as calculated in accordance with IFRS.

EBITDAS (Earnings before finance costs, income taxes, depreciation, amortization, transaction costs, losses or gains on disposal of equipment, write-down of assets, impairment loss, foreign exchange gains or losses, and share-based compensation, which includes both equity-settled and cash-settled transactions) – These adjustments are relevant as they provide another measure which is considered an indicator of Essential's ability to generate funds flow in order to fund required working capital, service debt, invest in capital programs and pay dividends.

EBITDAS % – This measure is considered an indicator of Essential's ability to generate funds flow as calculated by EBITDAS divided by revenue.

Funds flow or funds flow provided by operations – This measure is an indicator of Essential's ability to generate funds flow in order to fund working capital, principal debt repayments, capital programs and pay dividends. Funds flow or funds flow from operations is defined as cash flow from operations before changes in non-cash operating working capital. This measure is useful in assessing Essential's operational cash flow as it provides cash generated in the period excluding the timing of non-cash operating working capital. This reflects the ability of the operations of Essential to meet the above noted funding requirements.

Growth capital – Growth capital is capital spending which is intended to result in incremental increases in revenue. Growth capital is considered to be a key measure as it represents the total expenditures on equipment expected to add incremental revenue and funds flow to Essential.

Maintenance capital – Equipment additions that are incurred in order to refurbish or replace previously acquired equipment. Such additions do not provide incremental increases in revenue. Maintenance capital is a key component in understanding the sustainability of Essential's business as cash resources retained within Essential must be sufficient to meet maintenance capital needs to replenish the assets for future cash generation.

Net equipment expenditures – This measure is equipment expenditures less proceeds on the disposal of equipment. Essential uses net equipment expenditures to describe net cash outflows related to the financing of Essential's capital program.

Working capital – Working capital is calculated as current assets less current liabilities.

SUMMARY OF QUARTERLY DATA

Essential operates primarily in western Canada, where activity is directly impacted by seasonality. Activity is traditionally higher in the first, third and fourth quarters of the year and lower in the second quarter. With the onset of spring, melting snow renders many roadways incapable of supporting heavy equipment. In addition, certain areas in Canada are typically only accessible during the winter months. The following table provides the Company's quarterly information for the past eight quarters:

(in thousands of dollars, except per share amounts, percentages and fleet data)	**Sept 30, 2015**	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	**Sept 30, 2014**	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013
Well Servicing:								
Coil well service	**24,432**	9,887	31,976	41,426	**39,233**	17,398	41,499	36,150
Service rigs	**7,682**	6,825	15,026	22,034	**22,105**	16,437	32,499	25,593
Total Well Servicing	**32,114**	16,712	47,002	63,460	**61,338**	33,835	73,998	61,743
Downhole Tools & Rentals	**15,919**	7,460	23,611	35,921	**35,261**	19,521	30,286	31,560
Inter-segment eliminations	**(209)**	(182)	(194)	(527)	**(463)**	(604)	(554)	(480)
Total revenue	**47,824**	23,990	70,419	98,854	**96,136**	52,752	103,730	92,823
Gross margin	**11,927**	580	15,302	27,330	**27,515**	5,222	27,327	25,332
Gross margin %	**25%**	2%	22%	28%	**29%**	10%	26%	27%
EBITDAS(1)	**8,503**	(2,832)	10,859	21,992	**22,657**	440	22,507	20,705
EBITDAS %(1)	**18%**	(12)%	15%	22%	**24%**	1%	22%	22%
Net income (loss) (i)	**2,996**	(10,495)	3,096	(38,323)	**10,777**	(5,425)	10,149	11,126
Per share – basic	**0.02**	(0.08)	0.02	(0.30)	**0.09**	(0.04)	0.08	0.09
Per share – diluted	**0.02**	(0.08)	0.02	(0.30)	**0.08**	(0.04)	0.08	0.09
Total assets	**346,564**	337,299	371,496	397,351	**454,745**	408,964	439,745	423,963
Long-term debt	**34,738**	27,027	39,817	55,253	**65,043**	38,433	50,821	39,027
Utilization (ii)								
Masted coil tubing rigs	**70%**	25%	90%	104%	**105%**	42%	109%	107%
Pumping (iii)	**57%**	23%	61%	72%	**66%**	34%	69%	55%
Service rigs	**24%**	19%	37%	49%	**48%**	34%	66%	53%
Operating hours								
Masted coil tubing rigs	**12,319**	4,341	15,335	17,469	**15,524**	6,094	15,312	14,699
Pumping (iii)	**15,747**	6,381	17,586	20,885	**19,397**	9,861	19,995	16,612
Conventional coil tubing rigs	**1,174**	1,088	3,665	3,951	**4,426**	2,942	6,959	6,612
Service rigs	**10,418**	9,239	17,745	24,394	**23,997**	16,907	32,616	26,557
Downhole Tools & Rentals - % of revenue								
Tryton MSFS®	**40%**	16%	38%	45%	**46%**	25%	39%	55%
Conventional Tools & Rentals	**60%**	84%	62%	55%	**54%**	75%	61%	45%
Equipment fleet (iv)								
Masted coil tubing rigs	**19**	19	19	19	**17**	17	16	15
Fluid pumpers	**18**	18	18	18	**18**	18	18	18
Nitrogen pumpers	**12**	12	14	14	**14**	14	14	14
Conventional coil tubing rigs	**11**	11	17	17	**29**	30	30	30
Service rigs	**48**	54	54	54	**54**	55	55	55

(i) The quarter ended December 31, 2014 includes an impairment loss on goodwill and intangible assets of $47.2 million.
(ii) Utilization is calculated using a 10 hour day.
(iii) Pumping includes both fluid and nitrogen pumpers.
(iv) Fleet data represents the number of units at the end of the period.

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)

(in thousands of dollars)	**As at September 30 2015**	As at December 31 2014
Assets		
Current		
Trade and other accounts receivable	**$ 41,951**	$ 79,651
Inventories	**30,674**	35,991
Prepayments	**3,106**	3,116
	75,731	118,758
Non-current		
Property and equipment	**233,607**	239,696
Intangible assets	**22,436**	24,599
Goodwill	**14,790**	14,298
	270,833	278,593
Total assets	**$ 346,564**	$ 397,351
Liabilities		
Current		
Bank indebtedness	**$ 328**	$ 991
Trade and other accounts payable	**16,493**	32,822
Dividends payable	**1,888**	3,773
Income taxes payable	**-**	203
	18,709	37,789
Non-current		
Long-term debt	**34,738**	55,253
Deferred tax liabilities	**30,262**	28,299
	65,000	83,552
Total liabilities	**83,709**	121,341
Equity		
Share capital	**262,977**	262,871
(Deficit) retained earnings	**(5,135)**	8,706
Other reserves	**5,013**	4,433
Total equity	**262,855**	276,010
Total liabilities and equity	**$ 346,564**	$ 397,351

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED INTERIM STATEMENTS OF NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	For the three months ended September 30,		For the nine months ended September 30,	
(in thousands of dollars, except per share amounts)	**2015**	2014	**2015**	2014
Revenue	**$ 47,824**	$ 96,136	**$ 142,233**	$ 252,618
Operating expenses	**35,897**	68,621	**114,424**	192,554
Gross margin	**11,927**	27,515	**27,809**	60,064
General and administrative expenses	**3,424**	4,858	**11,279**	14,460
	8,503	22,657	**16,530**	45,604
Depreciation and amortization	**6,280**	6,827	**19,434**	20,188
Share-based compensation	**34**	484	**648**	1,813
Other (income) expenses	**(782)**	145	**(481)**	998
Operating profit (loss)	**2,971**	15,201	**(3,071)**	22,605
Finance costs	**325**	453	**1,129**	1,367
Income (loss) before income taxes	**2,646**	14,748	**(4,200)**	21,238
Current income tax expense (recovery)	**1,805**	3,268	**(1,757)**	4,584
Deferred income tax (recovery) expense	**(2,155)**	703	**1,960**	1,153
Income tax (recovery) expense	**(350)**	3,971	**203**	5,737
Net income (loss)	**$ 2,996**	$ 10,777	**$ (4,403)**	$ 15,501
Unrealized foreign exchange gain	**179**	236	**366**	70
Comprehensive income (loss)	**$ 3,175**	$ 11,013	**$ (4,037)**	$ 15,571
Net income (loss) per share				
Basic	**$ 0.02**	$ 0.09	**$ (0.03)**	$ 0.12
Diluted	**$ 0.02**	$ 0.08	**$ (0.03)**	$ 0.12
Comprehensive income (loss) per share				
Basic	**$ 0.03**	$ 0.09	**$ (0.03)**	$ 0.12
Diluted	**$ 0.02**	$ 0.09	**$ (0.03)**	$ 0.12

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands of dollars)	For the nine months ended September 30, **2015**	2014
Operating activities:		
Net (loss) income	**$ (4,403)**	$ 15,501
Non-cash adjustments to reconcile net income for the period to operating cash flow:		
Depreciation and amortization	**19,434**	20,188
Deferred income tax expense	**1,960**	1,153
Share-based compensation	**252**	592
Provision for impairment of trade accounts receivable	**676**	400
Finance costs	**1,129**	1,367
Loss on disposal and write-down of assets	**1,204**	1,683
Operating cash flow before changes in non-cash operating working capital	**20,252**	40,884
Changes in non-cash operating working capital:		
Trade and other accounts receivable before provision	**38,754**	(8,292)
Inventories	**5,317**	(10,448)
Prepayments	**11**	(47)
Trade and other accounts payable	**(12,976)**	2,673
Current income taxes receivable	**(2,048)**	(4,530)
Net cash provided by operating activities	**49,310**	20,240
Investing activities:		
Purchase of property, equipment and intangible assets	**(13,184)**	(29,809)
Business acquisition, net of cash acquired	**-**	(6,043)
Non-cash investing working capital in trade and other accounts payable	**(3,354)**	(625)
Proceeds on disposal of equipment	**1,112**	3,052
Net cash used in investing activities	**(15,426)**	(33,425)
Financing activities:		
(Decrease) increase in long-term debt	**(20,515)**	26,016
Proceeds from exercise of options	**68**	1,011
Repurchase of shares	**-**	(500)
Dividends paid	**(11,324)**	(11,307)
Finance costs	**(1,129)**	(1,367)
Net cash (used in) provided by financing activities	**(32,900)**	13,853
Foreign exchange gain on cash held in a foreign currency	**(321)**	(211)
Net increase in cash	**663**	457
Bank indebtedness, beginning of period	**(991)**	(2,112)
Bank indebtedness, end of period	**$ (328)**	$ (1,655)
Supplemental cash flow information		
Cash taxes paid, net of refunds	**$ 290**	$ 9,104
Cash interest and standby fees paid	**$ 1,056**	$ 1,229

2015 THIRD QUARTER FINANCIAL RESULTS CONFERENCE CALL AND WEBCAST

Essential has scheduled a conference call and webcast at 10:00 am MT (12:00 pm ET) on November 5, 2015.

The conference call dial in numbers are 416-340-2217 or 866-696-5910, passcode 4076876.

An archived recording of the conference call will be available approximately one hour after completion of the call until November 19, 2015 by dialing 905-694-9451 or 800-408-3053, passcode 1095856.

A live webcast of the conference call will be accessible on Essential's website at www.essentialenergy.ca by selecting "Investors" and "Events and Presentations". Shortly after the live webcast, an archived version will be available for approximately 30 days.

ABOUT ESSENTIAL

Essential is a growth-oriented, dividend paying corporation that provides oilfield services to producers in western Canada for producing wells and new drilling activity. Essential operates the largest masted coil tubing fleet in Canada and has a fleet of service rigs. Essential also sells, rents and services downhole tools and equipment including the Tryton Multi-Stage Fracturing System (Tryton MSFS®). Further information can be found at www.essentialenergy.ca.

® MSFS is a registered trademark of Essential Energy Services Ltd.

FORWARD-LOOKING STATEMENTS AND INFORMATION

This news release contains “forward-looking statements” and “forward-looking information” (collectively referred to herein as “forward-looking statements”) within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of material factors, assumptions, risks and uncertainties, many of which are beyond the control of the Company.

Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “continues”, “projects”, “potential”, “budget” and similar expressions, or are events or conditions that “will”, “would”, “may”, “could” or “should” occur or be achieved. This news release contains forward-looking statements, pertaining to, among other things, the following: capital spending; application of losses to recover taxes paid in previous years; cash flow and earnings; the impact of Essential’s financial resources or liquidity on its future operating, investing and financing activities; Essential’s long-term build program and the addition of new masted coil tubing rigs, the costs and timing associated with such program, the delivery and in-service dates of the equipment, and the positioning advantage of Essential’s equipment fleet; activity levels, pricing pressures and competition; the retention of key employees; continued focus on cost management and anticipated savings from cost reduction initiatives; maintaining strength of Essential’s balance sheet and the impact of that on the future strength and viability of Essential; the extent and duration of this downturn and the impact of the downturn on oilfield services companies in particular; and the landscape for Essential’s services.

Although the Company believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements are made, undue reliance should not be placed on the forward-looking statements because the Company can give no assurances that such statements and information will prove to be correct and such statements are not guarantees of future performance. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties.

Actual performance and results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: known and unknown risks, including those set forth in the Company’s Annual Information Form (a copy of which can be found under Essential’s profile on SEDAR at www.sedar.com); the risks associated with the oilfield services sector (e.g. demand, pricing and terms for oilfield services; current and expected oil and natural gas prices; exploration and development costs and delays; reserves discovery and decline rates; pipeline and transportation capacity; weather, health, safety and environmental risks); integration of acquisitions, competition, and uncertainties resulting from potential delays or changes in plans with respect to acquisitions, development projects or capital expenditures and changes in legislation, including but not limited to tax laws, royalties, incentive programs and environmental regulations; stock market volatility and the inability to access sufficient capital from external and internal sources; the ability of the Company’s subsidiaries to enforce legal rights in foreign jurisdictions; general economic, market or business conditions; global economic events; changes to Essential’s financial position and cash flow; the availability of qualified personnel, management or other key inputs; currency exchange fluctuations; changes in political and security stability; risks and uncertainty related to distribution and pipeline constraints; and other unforeseen conditions which could impact the use of services supplied by the Company. Accordingly, readers should not place undue importance or reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive.

Statements, including forward-looking statements, contained in this news release are made as of the date they are given and the Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Additional information on these and other factors that could affect the Company’s operations and financial results are included in reports on file with applicable securities regulatory authorities and may be accessed under Essential’s profile on SEDAR at www.sedar.com.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Garnet K. Amundson	Karen Perasalo
President and CEO	Investor Relations
Phone: (403) 513-7272	Phone: (403) 513-7272
service@essentialenergy.ca	service@essentialenergy.ca

The TSX has neither approved nor disapproved the contents of this news release.