NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES FOURTH QUARTER AND YEAR END RESULTS AND DECLARES QUARTERLY DIVIDEND

Calgary, Alberta March 5, 2014 – Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces fourth quarter EBITDA[(1)] of $20.7 million, down from $22.4 million in the fourth quarter of 2012. For the year, EBITDA[(1)] of $66.1 million in 2013 is down from $74.3 million in 2012. From an industry perspective, 2013 activity was fairly flat to 2012. Essential's decrease in EBITDA[(1)] for the year is primarily due to the absence of contribution from the disposed drilling rig operation, start-up costs related to expansion of the downhole tools operations into the United States, lower utilization primarily in conventional coil well service and the prolonged spring break-up in 2013.

SELECTED INFORMATION

(Thousands of dollars, except per share, percentages & fleet data)

	Three months ended December 31, **2013**	2012	Year ended December 31, **2013**	2012
Revenue	**$ 92,823**	$ 96,015	**$ 336,269**	$ 348,580
Gross margin	**$ 25,332**	$ 27,039	**$ 83,268**	$ 90,695
Gross margin %	**27%**	28%	**25%**	26%
EBITDA[(1)] from continuing operations	**$ 20,705**	$ 22,368	**$ 66,092**	$ 74,342
EBITDA % [(1)]	**22%**	23%	**20%**	21%
Funds flow from continuing operations [(1)]	**$ 14,783**	$ 19,859	**$ 56,037**	$ 68,198
Per share – basic [(1)]	**$ 0.12**	$ 0.16	**$ 0.45**	$ 0.55
Per share – diluted [(1)]	**$ 0.12**	$ 0.16	**$ 0.44**	$ 0.54
Total assets	**$ 423,963**	$ 406,853	**$ 423,963**	$ 406,853
Total long-term debt	**$ 39,027**	$ 35,563	**$ 39,027**	$ 35,563
Utilization				
Deep coil tubing rigs	**74%**	95%	**69%**	77%
Service rigs	**53%**	54%	**50%**	50%
Equipment fleet				
Masted deep coil tubing rigs	**15**	16	**15**	16
Conventional deep coil tubing rigs	**12**	11	**12**	11
Service rigs	**55**	55	**55**	55

1 Refer to "Non-IFRS Measures" section for further information.

HIGHLIGHTS

Highlights for Fourth Quarter 2013

Revenue for the fourth quarter of 2013 was $92.8 million, a $3.2 million decrease compared to the same period in 2012.

- Coil Well Service – Essential's coil well service revenue declined compared to the prior quarter due to lower utilization. Masted deep coil tubing utilization of 107% was below prior quarter utilization of 113% due to extreme winter conditions across the Western Canadian Sedimentary Basin ("WCSB") in early December which affected the ability of equipment to work. Conventional deep coil tubing utilization was significantly below prior quarter.
- Service Rigs – Service rig revenue was consistent compared to the same period in the prior quarter, with utilization at 53% compared to 54% in 2012. Essential continued to experience strong utilization for the three service rigs working on steam-assisted gravity drainage ("SAGD") wells.
- Downhole Tools & Rentals – Downhole tools & rentals performed well in the fourth quarter due to increased revenue from both the Canadian Tryton Multi-stage Fracturing System ("Tryton MSFS®") and conventional tools and rentals service lines.

EBITDA for the fourth quarter of 2013 was $20.7 million, a decrease of $1.7 million from 2012. The decrease was due to lower utilization in coil well service, additional labour and travel costs incurred while equipment was shut-down due to extreme cold weather, additional labour costs for crews in preparation for the delivery of new deep masted coil tubing rigs, and start-up costs related to the expansion of downhole tools into the United States.

Highlights for 2013 Year

For the year ended 2013, Essential continued to strengthen its core service capabilities and position itself to meet the rising demand for completing complex, long-reach horizontal wells. In 2013, Essential:

- Made progress in expanding its masted deep coil tubing fleet. In the third quarter, one Generation III rig was delivered. During the fourth quarter, progress was made in the construction of three additional masted deep coil tubing rigs, one Generation III and two Generation IV rigs. Two of these rigs, one Generation III and one Generation IV, will be delivered in the first quarter of 2014, while the third rig will be delivered in the second quarter of 2014. These new masted deep coil tubing rigs have the capability to work on long-reach horizontal wells and are well-suited to work in deep, high pressure basins, including the Montney, Horn River and Duvernay.
- Continued to invest in its service rig fleet adding four mobile free standing, double service rigs, three of which are SAGD capable.
- Expanded downhole tools into the United States, with three field locations in Texas and Oklahoma.
- Completed its exit from Colombia.

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

Revenue for the year ended December 31, 2013 was $336.3 million, a decrease of $12.3 million compared to 2012. Downhole tools & rentals revenue increased compared to prior year. This was offset by a decline in coil well service revenue due to lower utilization of the deep coil tubing fleet. Revenue in 2013 was also lower due to the prolonged spring break-up in 2013 and disposal in 2012 of the drilling rig and wireline operations, which contributed a combined $13.5 million in revenue for the prior year.

EBITDA for the year ended December 31, 2013 was $66.1 million, a decrease of $8.3 million from the same period in 2012. The decline in EBITDA is primarily due to the absence of the contribution in the prior year from the drilling rig operation, start-up costs related to the expansion of downhole tools into the United States, lower utilization in coil well service and the prolonged spring break-up in 2013.

INDUSTRY OVERVIEW

Activity in the fourth quarter and for the year ended 2013 closely mirrored 2012 for the same periods. During the fourth quarter of 2013, drilling rig utilization and the number of wells drilled were slightly ahead of prior quarter, while well completions were down. Compared to the fourth quarter 2012, drilling rig utilization increased 3 percentage points, the number of wells drilled increased by 2%, while well completion count decreased by 11%. For the year, drilling rig utilization decreased 2 percentage points, the number of wells drilled was flat, and well completion counts decreased 8% compared to 2012. Drilling rig utilization, wells drilled and completion activity are all indicators of overall oilfield activity in the WCSB.

Well service activity in the WCSB continues to be driven by horizontal drilling, completion and stimulation of oil and liquids-rich natural gas wells. The industry continues to focus on horizontal wells which typically require more investment capital and increased rig time per well due to their depth and complexity compared to conventional vertical wells.

SEGMENT RESULTS - *WELL SERVICING*

(Thousands of dollars, except percentages, fleet & hours)	Three months ended December 31, 2013	2012	Year ended December 31, 2013	2012
Revenue				
Coil Well Service (i)	**$ 36,150**	$ 41,228	**$ 128,241**	$ 136,196
Service Rigs (ii)	**25,593**	26,012	**97,751**	95,439
Other (iii)	**-**	786	**-**	11,823
Total revenue	**61,743**	68,026	**225,992**	243,458
Operating expenses	**45,269**	48,564	**171,992**	182,655
Gross margin	**$ 16,474**	$ 19,462	**$ 54,000**	$ 60,803
Gross margin %	**27%**	29%	**24%**	25%
Utilization (iv)				
Deep Coil Tubing Rigs				
Utilization	**74%**	95%	**69%**	77%
Operating hours	**18,257**	22,777	**64,870**	71,576
Service Rigs				
Utilization	**53%**	54%	**50%**	50%
Operating hours	**26,557**	27,310	**100,241**	101,313
Equipment fleet (v)				
Masted deep coil tubing rigs	**15**	16	**15**	16
Conventional deep coil tubing rigs	**12**	11	**12**	11
Service rigs	**55**	55	**55**	55
Nitrogen pumpers	**14**	13	**14**	13
Fluid pumpers	**18**	18	**18**	18

(i) Includes revenue from coil tubing rigs, nitrogen and fluid pumpers and other ancillary equipment.
(ii) Includes revenue from service rigs and rod rigs. Comparative amounts have been reclassified to conform to current period's presentation.
(iii) Other revenue in 2012 represents revenue from Essential's drilling operation which was disposed of in November 2012.
(iv) Utilization is calculated using a 10 hour day.
(v) Fleet data represents the number of units at the end of the period.

Coil well service revenue decreased during the fourth quarter of 2013 compared to the same period in 2012. Essential's masted deep coil tubing utilization was down quarter-over-quarter at 107% compared to 113% in 2012. Industry well completions decreased 11% in the same period. Masted deep coil tubing utilization was negatively impacted by extreme winter conditions in early December and lower activity at the end of December. Colder than normal weather impacted the ability of equipment to work and resulted in a temporary shut-down of operations. Conventional deep coil tubing revenue was below the prior quarter as extreme cold weather, lower activity by certain key customers and increased competition in the less technical two inch conventional coil tubing market adversely impacted utilization. Conventional deep coil tubing utilization was down quarter-over-quarter at 32% compared to 67% in 2012. The revenue decrease was partially offset by increased revenue from Essential's fluid and nitrogen pumpers due to increased crew availability and better integration with the deep coil tubing fleet in the fourth quarter 2013. Revenue per hour for coil tubing rigs was consistent with prior quarter.

Service rig revenue in the fourth quarter of 2013 was comparable to the prior quarter. Service rig utilization was higher than the prior quarter for the three service rigs operating on SAGD wells as demand for services remained high. Revenue per hour in the fourth quarter of 2013 was comparable to the prior quarter.

Gross margin percentage for well servicing in the fourth quarter of 2013 was negatively impacted by lower utilization and higher operating costs compared to the prior quarter. These additional operating costs were a result of the extreme winter conditions where labour and travel costs were incurred during the shutdown of equipment as crews were retained at customer sites during the cold period with no corresponding revenue. Additional labour costs were also incurred to expand and retain crews in preparation for the delivery of the new deep masted coil tubing rigs.

Coil well service revenue decreased in 2013 compared to 2012 due to extreme winter weather conditions in the fourth quarter and reduced activity in conventional deep coil tubing during the second half of 2013. Conventional deep coil tubing utilization was down significantly due to lower activity from certain key customers and increased competition. Masted deep coil tubing utilization was 97%, comparable to prior year. Service rig revenue for 2013 was comparable to the prior year. Year-over-year well service revenue and gross margins were also down due to the disposal of the drilling rig business in 2012 and the prolonged spring break-up in 2013.

SEGMENT RESULTS - *DOWNHOLE TOOLS & RENTALS*

(Thousands of dollars, except percentages)	Three months ended December 31, **2013**	Three months ended December 31, 2012	Year ended December 31, **2013**	Year ended December 31, 2012*
Revenue	**$ 31,560**	$ 27,989	**$ 111,339**	$ 105,122
Operating expenses	**20,907**	18,115	**75,446**	69,717
Gross margin	**$ 10,653**	$ 9,874	**$ 35,893**	$ 35,405
Gross margin %	**34%**	35%	**32%**	34%
Downhole Tools & Rentals Revenue– revenue % of total				
Tryton MSFS®	**55%**	51%	**55%**	48%
Conventional Tools & Rentals	**45%**	49%	**45%**	52%

* Revenue for the year ended December 31, 2012 includes wireline operations which were disposed of on February 2, 2012.

During the fourth quarter of 2013, downhole tools & rentals revenue increased compared to the same quarter in the prior year. Revenue improved quarter-over-quarter in both the Canadian Tryton MSFS® and conventional tools and rentals service lines.

Downhole tools & rentals revenue increased on a year-to-date basis in 2013 compared to 2012 as a result of an increased contribution from the Canadian Tryton MSFS® product, offset by a decline in Canadian conventional tools and rentals revenue. Conventional tools and rentals revenue increased in the second half of 2013 compared to the second half of 2012, after declining compared to 2012 in the first half of the year. Demand for Essential's Tryton MSFS® product remained strong throughout the year due to quality service and innovative product design. Tryton MSFS® provides customers with cost-effective solutions for multi-stage horizontal well completions.

Essential's United States conventional downhole tools operation generated revenue in the fourth quarter of 2013, which was less than operating costs, resulting in a modest reduction in the division's gross margin during the quarter. United States operations commenced late in the third quarter of 2013.

A Statement of Claim was filed on October 23, 2013 by Packers Plus Energy Services Inc. against Essential in Canadian Federal Court which alleges products and methods associated with the Tryton MSFS® infringe a patent issued to Packers Plus Energy Services Inc. The Company filed its Statement of

Defence and Counterclaim on November 22, 2013. Essential believes that the suit is without merit and is defending against the allegations. Proceedings of this nature can take years to resolve through the court process.

GENERAL AND ADMINISTRATIVE

(Thousands of dollars, except percentages)	Three months ended December 31, 2013	2012	Year ended December 31, 2013	2012
General and administrative expenses	**$ 4,627**	$ 4,671	**$ 17,176**	$ 16,353
As a % of revenue	**5%**	5%	**5%**	5%

General and administrative expenses are comprised of wages, professional fees, office space and other administrative costs incurred at corporate and operational levels. General and administrative expenses remain in line with management's target of five percent of revenue.

OTHER EXPENSE

(Thousands of dollars)	Three months ended December 31, 2013	2012	Year ended December 31, 2013	2012
Other expense	**$ 839**	$ 2,750	**$ 4,385**	$ 1,648

Other expense for the year ended December 31, 2013 includes a $3.6 million expense for the write-off of deposits on two coil tubing rigs as the supplier was placed into receivership in September 2013. The remaining balance relates to losses on the sale of fixed assets sold during the period.

INCOME TAXES

(Thousands of dollars)	Three months ended December 31, 2013	2012	Year ended December 31, 2013	2012
Current income tax expense	**$ 5,655**	$ 2,475	**$ 10,508**	$ 6,567
Deferred income tax expense (recovery)	**(3,734)**	1,354	**(3,200)**	4,959
Total income tax expense	**$ 1,921**	$ 3,829	**$ 7,308**	$ 11,526

During the fourth quarter of 2013, Essential simplified its legal entity structure which resulted in the elimination of the partnership tax deferral. The overall effective tax rate decreased for the year and in the fourth quarter of 2013 due to the realization of previously unrecognized losses.

FINANCIAL RESOURCES AND LIQUIDITY

WORKING CAPITAL

(Thousands of dollars, except ratios)	As at December 31, 2013	2012
Current assets	**$ 107,945**	$ 95,840
Current liabilities, excluding current portion of long-term debt	**(45,419)**	(37,594)
Working capital	**$ 62,526**	$ 58,246
Working capital ratio	**2.4:1**	2.5:1

CREDIT FACILITY

Essential's credit facility with its banking syndicate is comprised of a $100 million revolving term loan facility with a $35 million accordion feature available on lender's consent. The revolving term loan facility matures on May 30, 2014, is renewable at the lender's consent and is secured by a general security agreement over the Company's assets. To the extent the revolving term loan facility is not renewed, debt payments would be required over a two year period based on a three year amortization schedule. At December 31, 2013, the maximum of $100 million under the revolving facility was available to Essential.

The following table outlines the repayments, excluding interest, in the event that the credit facility is not renewed.

(Thousands of dollars)	As at December 31, **2013**
Repayments are required as follows:	
Within one year	**$ 7,530**
Between one and two years	**13,033**
Between two and three years	**18,464**
	$ 39,027

As at December 31, 2013, all financial debt covenants were satisfied and all banking requirements were up-to-date. Essential does not currently anticipate any financial resource or liquidity issues to restrict its future operating, investing or financing activities and does not anticipate any issues with renewal of the credit facility in 2014. On March 5, 2014, Essential had long-term debt outstanding of $44.7 million.

EQUIPMENT EXPENDITURES AND FLEET ADDITIONS

	Three months ended December 31,		Year ended December 31,	
(Thousands of dollars)	**2013**	2012	**2013**	2012
Well Servicing	**$ 13,539**	$ 15,764	**$ 41,227**	$ 46,799
Downhole Tools & Rentals	**1,460**	2,690	**3,785**	4,071
Corporate	**643**	67	**1,588**	892
Total equipment expenditures	**15,642**	18,521	**46,600**	51,762
Less proceeds on disposal of property and equipment	**(1,056)**	(16,592)	**(2,657)**	(24,876)
Net equipment expenditures[1]	**$ 14,586**	$ 1,930	**$ 43,943**	$ 26,886

During the fourth quarter 2013, three masted deep coil tubing rigs were expected to be delivered, one Generation III and two Generation IV rigs. Two of these rigs will be delivered in the first quarter of 2014 and the third rig is expected in the second quarter of 2014. On a year-to-date basis, equipment expenditures of $46.6 million were below expectations of $50.0 million due to the masted coil tubing delivery delays.

Throughout 2013, Essential commissioned the following assets:

- One Generation III masted deep coil tubing rig in the third quarter;
- Two nitrogen pumpers in the second quarter;
- Four mobile free standing, double service rigs (three of which are SAGD capable), one in each of the first and second quarters and two in the fourth quarter; and

- One double rod rig in the fourth quarter.

Essential classifies its equipment expenditures as growth capital[1] and maintenance capital[1]:

	Three months ended December 31,		Year ended December 31,	
(Thousands of dollars)	**2013**	2012	**2013**	2012
Growth capital[1]	**$ 10,251**	$ 16,251	**$ 31,650**	$ 38,169
Maintenance capital[1]	**5,391**	2,270	**14,950**	13,593
Total equipment expenditures	**$ 15,642**	$ 18,521	**$ 46,600**	$ 51,762

Essential's 2014 capital budget, announced in October 2013, of $50 million is comprised of $33 million in growth capital and $17 million of maintenance capital. Essential's 2014 growth capital spending plan consists primarily of four masted deep coil tubing rigs, one quintiplex fluid pumper, one rod rig and rental equipment. In addition, $3 million of anticipated 2013 capital spending was deferred into 2014 due to the masted coil tubing delivery delays.

In 2012, Essential divested of its wireline and drilling rig operations for proceeds of $7.5 million and $16.8 million, respectively.

The Company believes that it has access to sufficient funds through internally generated cash flows and from undrawn committed credit facilities to meet current spending needs.

The following table shows the expected dates of the major equipment being built over 2014:

	Quantity	**Expected Dates 2014 /2015**
Deep masted coil tubing rigs (delayed Q4 2013 builds)	3*	Q1(2),Q2
Deep masted coil tubing rigs	4	Q3(2),Q4,Q2'15
Quintiplex fluid pumper	1	Q3
Double rod rig	1	Q4

* These equipment builds relate to Essential's 2013 capital budget.

OUTLOOK

Demand in well servicing continues to be driven by oil wells and horizontal completions, with an increasing shift to deeper, more complex wells. Industry trends in 2014 support Essential's strategy of introducing deeper, larger diameter masted coil tubing rigs. Essential is well positioned to benefit from the rising demand to complete complex, long-reach horizontal wells. Delivery delays impacting Essential's ability to utilize new masted coil tubing rigs, combined with associated incremental costs for commissioning, crews and training, are expected to adversely impact earnings in the first quarter of 2014. Activity in 2014 started off slower than 2013. The strength of the first quarter is dependent on the timing of spring breakup which impacts the duration of the winter drilling season.

The Petroleum Services Association of Canada is forecasting consistent activity expectations year-over-year compared to 2013. Generally speaking, exploration and production ("E&P") capital budgets for 2014 are consistent with 2013. Essential believes there are reasons for optimism for the second half of the year including: a weaker Canadian dollar which would increase E&P cash flows, improved access to equity capital markets for E&P companies and the rising price of natural gas.

While the longer term outlook still remains positive for the development of proposed liquefied natural gas ("LNG") projects in British Columbia, anticipated development has been delayed beyond initial 2014 expected timeframes. Development of the Montney, Horn River and Duvernay basins for LNG export is expected to increase the demand for oilfield services, including the demand for Essential's deep coil tubing and downhole tools & rentals.

The $50 million equipment expansion program for 2014 will add significant growth to Essential's masted deep coil tubing fleet. In addition to the two masted deep coil Generation III rigs that Essential has already taken delivery of, Essential expects to take delivery of one additional masted deep coil Generation III and four Generation IV rigs in 2014.

With the growing number of horizontal oil wells in recent years, the industry has been expecting an increase in demand for service rigs to perform work-over services on these wells. This demand has not yet materialized possibly due to new technologies prolonging primary production and/or capital allocation decisions made by E&P companies. Essential believes, in time, these wells will require work-over services, increasing the demand for service rigs. With Essential's investment in its service rig fleet, the Company expects to benefit from this potential demand.

Essential continues to expand its downhole tool operations in the southern United States, which it started in 2013, and expects to be cash flow positive in 2014.

Essential has a very strong balance sheet with $44.7 million of debt outstanding on March 5, 2014 and a debt to 2013 EBITDA ratio of 0.7x. Essential is well positioned to take advantage of future growth opportunities.

QUARTERLY DIVIDEND

The cash dividend for the period January 1, 2014 to March 31, 2014 has been set at $0.03 per share. The dividend will be paid on April 15, 2014 to shareholders of record on March 31, 2014. The ex-dividend date is March 27, 2014.

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 International Financial Reporting Standards ("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 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.

EBITDA (Earnings before finance costs, income taxes, depreciation, amortization, transaction costs, non-controlling interest earnings, losses or gains on disposal of equipment, results of discontinued operations and share-based compensation, which includes both equity-settled and cash-settled transactions) – This measure is considered an indicator of Essential's ability to generate funds flow in order to fund required working capital, service debt, fund capital programs and pay dividends.

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

Funds flow or funds flow from 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.

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

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 revenues and funds flow to Essential.

Maintenance capital – Equipment additions that are incurred in order to refurbish or replace previously acquired equipment less proceeds on the disposal of retired 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 assess net cash flows related to the financing of Essential's oilfield services equipment.

SUMMARY OF QUARTERLY DATA

(Thousands of dollars, except per share amounts, percentages and fleet data)	**Dec 31, 2013**	Sept 30, 2013	Jun 30, 2013	Mar 31, 2013	**Dec 31, 2012**	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012
Well Servicing:								
Coil Well Service	**36,150**	33,037	9,433	49,621	**41,228**	33,857	18,697	42,414
Service Rigs	**25,593**	23,870	14,732	33,556	**26,012**	20,552	15,564	33,311
Other (i)	-	-	-	-	**786**	2,762	1,069	7,206
Total well servicing	**61,743**	56,907	24,165	83,177	**68,026**	57,171	35,330	82,931
Downhole Tools & Rentals (ii)	**31,560**	28,185	14,252	37,342	**27,989**	26,342	15,540	35,251
Inter-segment eliminations	**(480)**	(582)	-	-	-	-	-	-
Total revenue	**92,823**	84,510	38,417	120,519	**96,015**	83,513	50,870	118,182
Gross margin	**25,332**	21,414	(1,310)	37,832	**27,039**	23,012	3,904	36,740
Gross margin %	**27%**	25%	(3)%	31%	**28%**	28%	8%	31%
EBITDA(1)	**20,705**	17,132	(5,171)	33,426	**22,368**	19,261	(42)	32,755
EBITDA %(1)	**22%**	20%	(13)%	28%	**23%**	23%	0%	28%
Continuing operations								
Net income (loss)	**9,478**	4,292	(8,958)	19,205	**8,050**	8,343	(5,453)	19,823
Per share – basic and diluted	**$0.07**	$0.03	$(0.07)	$0.15	**$0.06**	$0.07	$(0.04)	$0.16
Net income (loss) attributable to shareholders of Essential	**11,126**	3,843	(11,501)	18,627	**678**	8,660	(5,923)	18,893
Per share – basic and diluted	**$0.09**	$0.03	$(0.09)	$0.15	**$0.01**	$0.07	$(0.05)	$0.15
Total assets	**423,963**	409,613	380,728	436,301	**406,853**	415,653	393,377	430,674
Total long-term debt	**39,027**	40,484	14,592	35,603	**35,563**	50,474	41,198	57,238
Utilization (iii)								
Coil tubing rigs – deep	**74%**	73%	18%	110%	**95%**	79%	32%	102%
Pumpers	**55%**	47%	14%	73%	**57%**	50%	33%	69%
Service rigs	**53%**	50%	28%	69%	**54%**	45%	34%	68%
Operating Hours								
Coil tubing rigs – deep	**18,257**	17,724	4,125	24,765	**22,777**	18,301	7,262	23,236
Pumpers	**16,612**	14,418	4,241	20,481	**15,328**	11,919	7,504	13,865
Service rigs	**26,557**	25,084	14,234	34,364	**27,310**	22,632	16,183	35,188
Downhole Tools & Rentals - revenue % of total								
Tryton MSFS®	**55%**	55%	40%	60%	**51%**	52%	40%	47%
Conventional Tools & Rentals	**45%**	45%	60%	40%	**49%**	48%	60%	53%
Equipment fleet (iv)								
Canada								
Masted deep coil tubing rigs	**15**	15	14	14	**16**	16	16	16
Conventional deep coil tubing rigs	**12**	12	11	11	**11**	10	9	9
Coil tubing rigs - other	**18**	18	19	19	**19**	19	20	24
Service rigs	**55**	54	56	56	**55**	55	53	58
Nitrogen pumpers	**14**	15	15	13	**13**	10	10	10
Fluid pumpers	**18**	18	18	18	**18**	16	16	15
Rod rigs	**13**	12	14	14	**14**	14	14	14

(i) Other revenue included revenue from Essential's drilling operation until its disposal in November 2012.

(ii) Revenue for Downhole Tools & Rentals included revenue from Essential's wireline business which was disposed of in February 2012.

(iii) Utilization is calculated using a 10 hour day.

(iv) Fleet data represents the number of units at the end of the period.

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousands)		As at December 31 2013		2012
Assets				
Current				
Trade and other accounts receivable	**$**	**76,640**	$	71,835
Inventories		**27,979**		20,699
Prepayments		**3,326**		3,306
		107,945		95,840
Non-current				
Property and equipment		**230,292**		211,304
Intangible assets		**30,712**		36,555
Goodwill		**55,014**		55,014
		316,018		302,873
Assets held for sale		**-**		8,140
Total assets	**$**	**423,963**	$	406,853
Liabilities				
Current				
Bank indebtedness	**$**	**2,112**	$	1,835
Trade and other payables		**36,161**		32,354
Dividends payable		**3,765**		3,100
Income taxes payable		**3,381**		305
Current portion of long-term debt		**7,603**		-
		53,022		37,594
Non-current				
Long-term debt		**31,424**		35,563
Deferred tax liabilities		**26,360**		29,560
		57,784		65,123
Liabilities held for sale		**-**		1,731
Total liabilities		**110,806**		104,448
Equity				
Share capital		**262,177**		258,772
Retained earnings		**46,622**		38,276
Other reserves		**4,358**		5,363
Equity attributable to shareholders of Essential		**313,157**		302,411
Non-controlling interest		**-**		(6)
Total equity		**313,157**		302,405
Total liabilities and equity	**$**	**423,963**	$	406,853

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENT OF NET INCOME AND COMPREHENSIVE INCOME

(Thousands, except per share amounts)	For the years ended December 31 **2013**	2012
Revenue	**$ 336,269**	$ 348,580
Operating expenses	**253,001**	257,885
Gross margin	**83,268**	90,695
General and administrative expenses	**17,176**	16,353
	66,092	74,342
Depreciation and amortization	**26,710**	26,325
Share-based compensation	**2,038**	1,902
Other expense	**4,385**	1,648
Operating profit from continuing operations	**32,959**	44,467
Finance costs	**1,634**	2,177
Net income before income tax from continuing operations	**31,325**	42,290
Current income tax expense	**10,508**	6,567
Deferred income tax expense (recovery)	**(3,200)**	4,959
Total income tax expense	**7,308**	11,526
Net income from continuing operations	**24,017**	30,764
Loss from discontinued operations, net of tax	**(2,110)**	(8,901)
Net income	**21,907**	21,863
Unrealized foreign exchange loss from continuing operations	**(54)**	-
Unrealized foreign exchange gain (loss) from discontinued operations	**(224)**	1,431
Reclassification of foreign exchange from discontinued operations	**(664)**	-
Other comprehensive income (loss)	**(942)**	1,431
Comprehensive income	**20,965**	23,294
Net income (loss) attributable to:		
Shareholders of Essential	**$ 22,095**	$ 22,308
Non-controlling interest	**(188)**	(445)
	$ 21,907	$ 21,863
Comprehensive income (loss) attributable to:		
Shareholders of Essential	**$ 21,153**	$ 23,669
Non-controlling interest	**(188)**	(375)
	$ 20,965	$ 23,294
Net income per share from continuing operations		
Basic and diluted, attributable to shareholders of Essential	**$ 0.19**	$ 0.25
Net income per share		
Basic, attributable to shareholders of Essential	**$ 0.18**	$ 0.18
Diluted, attributable to shareholders of Essential	**$ 0.17**	$ 0.18
Comprehensive income per share		
Basic and diluted, attributable to shareholders of Essential	**$ 0.17**	$ 0.19

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS

(Thousands)		For the years ended December 31 **2013**		2012
Operating activities:				
Net income from continuing operations	**$**	**24,017**	$	30,764
Non-cash adjustments to reconcile net income for the year to operating cash flow:				
Depreciation and amortization		**26,710**		26,325
Deferred income tax expense (recovery)		**(3,200)**		4,959
Share-based compensation		**1,177**		1,902
Provision (recovery) for impairment of trade accounts receivable		**810**		(87)
Finance costs		**1,634**		2,177
Write-off of vendor deposit		**3,567**		-
Loss on disposal of assets		**1,322**		2,158
Operating cash flow before changes in working capital		**56,037**		68,198
Change in non-cash operating working capital:				
Trade and other accounts receivable before provision		**(6,708)**		10,556
Inventories		**(7,280)**		(2,879)
Prepayments		**(20)**		(531)
Trade and other accounts payable		**(2,358)**		(9,987)
Current taxes payable		**4,119**		(4,822)
Net cash provided by operating activities from continuing operations		**43,790**		60,535
Investing activities:				
Purchase of property, equipment and intangibles		**(46,600)**		(51,762)
Non-cash investing working capital in trade and other accounts payable		**5,873**		3,567
Proceeds on disposal of equipment		**2,657**		24,876
Proceeds from sale of assets held for sale		**3,063**		-
Net cash used in investing activities from continuing operations		**(35,007)**		(23,319)
Financing activities:				
Borrowings (repayment) in long-term debt		**3,464**		(27,251)
Proceeds from exercise of share options		**3,389**		695
Repurchase of shares		**(1,226)**		-
Dividends paid		**(13,083)**		(9,290)
Finance costs		**(1,634)**		(2,177)
Net cash used in financing activities from continuing operations		**(9,090)**		(38,023)
Foreign exchange loss gain on cash held in a foreign currency		**30**		77
Net decrease in cash		**(277)**		(730)
Bank indebtedness, beginning balance, discontinued operations		**-**		(1,269)
Cash (bank indebtedness), beginning of the year		**(1,835)**		164
Bank indebtedness, end of year	**$**	**(2,112)**	$	(1,835)
Supplemental cash flow information				
Cash taxes paid	**$**	**6,370**	$	11,506
Cash interest and standby fees paid		**1,402**		1,897

2013 FOURTH QUARTER AND YEAR END EARNINGS CONFERENCE CALL AND WEBCAST

Essential has scheduled a conference call and webcast at 10:00 am MT (12:00 pm ET) on March 6, 2014.

The conference call dial in numbers are 416-340-2217 or 866-696-5910, passcode 7179989.

An archived recording of the conference call will be available approximately one hour after completion of the call until March 22, 2014 by dialing 905-694-9451 or 800-408-3053, passcode 1051594.

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 coil tubing well service fleet in Canada with 46 coil tubing rigs and a fleet of 55 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.

FORWARD-LOOKING STATEMENTS AND INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "budget", "scheduled", "forecast" and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements including expectations regarding: capital spending, in-service timing of new equipment, demand for new equipment, future cash flow and earnings, the future areas of development in the WCSB, the level and type of drilling activity, completion activity, work-over activity, production activity and required oilfield services in the WCSB, the business, operations and revenues of the Company in addition to general economic conditions, Essential's ability to meet the changing needs of the WCSB market, the capital spending programs of E&P companies, Essential's positioning for the future, the second half of 2014 may include: a weaker Canadian dollar which would increase E&P cash flows, improved access to equity capital markets for E&P companies and rising natural gas prices, development of the Montney, Horn River and Duvernay basins for LNG export is expected to increase the demand for oilfield services (including the demand for Essential's deep coil tubing and downhole tools & rentals), the addition of the new masted deep coil tubing rigs will position Essential to benefit from the rising demand to complete complex, long-reach horizontal wells, horizontal oil wells will require work-over services thereby increasing the demand for service rigs, the downhole tool operations in the United States will be cash flow positive in 2014, the new generation masted deep coil tubing rigs have the capability to work on long-reach horizontal wells and are well-suited to work in deep, high pressure basins including the Montney, Horn River and Duvernay, Essential does not anticipate any financial resource or liquidity issues to restrict its future operating, investing or financing activities, and does not anticipate any issues with renewal of the credit facility in 2014.

Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that such statements and information will prove to be correct. Since forward-looking statements and information 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 under "Risks and Uncertainties" in this news release, 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 other unforeseen conditions associated with the sale of the Colombian business; 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 reliance on the forward-looking statements and forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive.

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 through the SEDAR website at www.sedar.com for the Company. **The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.**

FOR FURTHER INFORMATION, PLEASE CONTACT:

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