NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES STRONG FOURTH QUARTER AND 2010 YEAR END RESULTS

CALGARY, ALBERTA March 8, 2011 - Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces 2010 fourth quarter results with EBITDAS[(1)] of $11.2 million, an increase of 243% compared to $4.6 million in the fourth quarter of 2009. EBITDAS in 2010 was $29.0 million, an increase of 290% compared to $10.0 million in 2009.

HIGHLIGHTS

Canadian Operations – Fourth Quarter

- Strong demand for the Tryton Multi-Stage Fracturing System ("Tryton MSFS") with a quarter-over-quarter increase in the number of jobs and an increase in the traditional tools business.
- High utilization of Essential's deep coil tubing rig.
- 51% service rig utilization in the quarter, up from 34% utilization in the fourth quarter of 2009.
- A second deep coil tubing rig went into service in December, 2010.

Colombian Operations

- Execution of plans to expand operations into Colombia. Contract negotiations are continuing and equipment has arrived in Colombia. Operations are expected to begin by the end of March, 2011.

Capital Spending Plans

- A $27 million capital spending budget for 2011 was announced in February, 2011. Spending will be focused on increasing the depth of the coil tubing fleet, upgrading service rig support equipment and increasing tubular rental stock.

Essential had no long-term debt outstanding on December 31, 2010, a cash balance of $2.4 million and working capital was $32.4 million. On March 8, 2011, long-term debt was $4.2 million. The increase in long-term debt is the result of capital spending and the typical working capital increase (i.e. increase in accounts receivable) as activity increased in the first quarter.

SELECTED FINANCIAL INFORMATION

($ Thousands, except per share amounts)	Three months ended December 31, 2010	Three months ended December 31, 2009	Year ended December 31, 2010	Year ended December 31, 2009
Revenue	**53,943**	30,108	**166,601**	111,722
Gross margin [1]	**14,544**	6,764	**40,957**	19,479
Gross margin % [1]	**27%**	22%	**25%**	17%
EBITDAS [1]	**11,196**	4,586	**29,007**	10,021
EBITDAS % [1]	**21%**	15%	**17%**	9%
Funds flow from operations [1]	**11,129**	4,374	**28,344**	8,791
Per share – basic and diluted	**$ 0.15**	$ 0.07	**$ 0.41**	$ 0.15
Net earnings (loss)	**4,726**	(1,409)	**4,743**	(9,480)
Per share – basic and diluted	**$ 0.07**	$ (0.02)	**$ 0.07**	$ (0.16)
Total assets	**187,052**	169,380	**187,052**	169,380
Total long term debt	**-**	16,600	**-**	16,600
Equity attributable to shareholders	**163,039**	143,367	**163,039**	143,367

[1] Refer to Non-GAAP measures at the end of this news release.

INDUSTRY OVERVIEW

Canada

2010 saw a significant improvement in the Canadian energy services sector as the recovery from the downturn in 2009 was much faster and stronger than anticipated. Given the stability and strength of oil prices throughout the year, exploration and production companies focused primarily on oil and liquids-rich natural gas plays. Natural gas liquids are used as a diluent in heavy oil transportation and, as a result, have become increasingly important in the Western Canadian Sedimentary Basin (“WCSB”). Traditional natural gas activity in the WCSB remained slow throughout the year due to persistent low prices and high storage levels.

The increase in horizontal well activity was a major contributor to improved utilization of deeper coil and multi-stage completion work. Typically, more investment capital is spent, and increased rig time per well is required, on horizontal wells due to their depth and complexity compared to traditional vertical wells.

Industry service rig utilization, which is an indicator of oilfield service activity in the WCSB, was substantially better than the prior year and was in line with historical utilization due to the strength and stability of oil prices during 2010. The significantly improved activity in the WCSB led to labour constraints throughout the energy services sector during the latter portion of the year.

Colombia

Colombia is the third largest oil and gas producer in South America and has a royalty structure that supports further exploration and development activity. The Colombian government is targeting a 50% production increase from 1 million barrels per day ("bpd") in 2011 to 1.5 million bpd by 2015. These factors, combined with an improved security and business environment have led to a significant increase in foreign investment in Colombia in recent years. Currently, there are over 70 exploration and production companies, including 20 Canadian companies, operating in Colombia.

A significant portion of the planned production increase is expected to come from increasing production of current wells through extensive stimulation and workover programs, thus increasing the demand for oilfield services. Colombian producers, led by Colombia’s national oil company Ecopetrol, are looking to generate efficiencies and cost savings through improved technologies and oilfield services equipment that is currently in short supply.

OPERATING HIGHLIGHTS - ESSENTIAL

Canada

Throughout 2010, the Company continued to benefit from increased utilization due to its focus on oil and liquids-rich natural gas plays. Additionally, the quality, location and versatility of Essential's operations generated improved activity levels and operating results across both operating segments throughout the year. The increased activity has improved gross margins to 27% for the current quarter and 25% for the year to date compared to 22% and 17%, respectively, for the same periods in 2009.

The Well Servicing segment experienced increased demand for its services, particularly with respect to its deep and intermediate coil tubing fleet, as horizontal drilling on resource plays continued to generate increased activity. In response to the increased demand for coil tubing and nitrogen services, the Company expanded the size and depth of the fleet. The Well Servicing segment also experienced improved demand for its service rig fleet as high oil prices continued to generate work on customers' oil plays.

The Downhole Services & Rentals segment was Essential's fastest growing segment during 2010 due primarily to the rapid growth of the Tryton downhole tools operation. Increased horizontal well completion activity throughout 2010 and an increased demand for fracturing services generated significant opportunities for the Tryton MSFS. First introduced in early 2009, demand for the Tryton MSFS experienced sequential quarter over quarter growth throughout 2010. Additionally, demand for traditional downhole tools increased steadily throughout the year as activity in the Canadian energy services sector continued to improve.

Colombia

On November 8, 2010, Essential entered into a joint venture agreement with a private Colombian group and transferred certain equipment from its Canadian fleet to Colombia. By the end of the year, Essential had transferred assets with net book value of $6.0 million (fair value - $7.0 million) from its existing fleet to Colombia with additional equipment expected to be transferred to Colombia during the first and second quarters of 2011.

Essential expects to provide integrated services related to well servicing of producing wells and new drilling activity in Colombia. Essential has established an operating base in Barrancabermeja, in the mid Magdalena Basin in northern Colombia which has well depths and pressures similar to western Canada. Essential is currently pursuing contracts with operators in Colombia. The Colombian operations are expected to commence in the first quarter of 2011.

Segment Results - *Well Servicing*

Essential provides well completion and production/workover services across western Canada primarily through its fleet of service rigs and coil tubing rigs. In addition, Essential provides services through a fleet of rod rigs, nitrogen pumpers, a cement & acid unit and other ancillary well servicing equipment. Well Servicing generated revenue of $31.6 million and $102.1 million, respectively, for the three months and year ended December 31, 2010, compared to $20.2 million and $72.4 million, respectively, for the same periods in 2009.

(Thousands)		Three months ended December 31, 2010		2009		Year ended December 31, 2010		2009
Revenue								
Service rigs	**$**	**17,753**	$	11,349	**$**	**58,250**	$	42,110
Coil tubing rigs		**9,214**		5,188		**25,636**		17,268
Other		**4,610**		3,658		**18,184**		13,037
Total revenue		**31,577**		20,195		**102,070**		72,415
Operating expenses		**22,845**		15,714		**75,829**		60,272
Gross margin	**$**	**8,732**	$	4,481	**$**	**26,241**	$	12,143
Gross margin %		**28%**		22%		**26%**		17%

	Three months ended December 31, 2010	2009	Year ended December 31, 2010	2009
Canada				
Service Rigs				
Number of rigs*	**51**	51	**51**	51
Number of operating hours	**24,072**	15,972	**80,208**	52,158
Utilization	**51%**	34%	**43%**	28%
Coil Tubing Rigs				
Number of rigs*	**32**	29	**32**	29
Number of operating hours	**12,443**	9,875	**43,066**	34,385
Utilization	**42%**	38%	**38%**	31%

*Fleet data represents the number of rigs at the end of the period in Essential's Canadian operations.

During the year, Essential completed the re-branding of its service rig operations as "Essential Well Services" and its coil tubing and nitrogen operations as "Essential Coil and Stimulation Services". The re-branding provided operational efficiencies, standardized service delivery, improved clarity about Essential's service offerings and enabled the Company to further benefit from its position as the 6th largest well service rig operator and largest coil tubing well service operator in Canada.

Activity during the fourth quarter for both service and coil tubing rigs continued to be stimulated by demand for services on oil and liquids rich natural gas plays. In addition, activity was further improved as exploration and production companies began their winter drilling programs. During the quarter, Essential put a second deep coil rig into service and converted a second intermediate coil tubing rig for work on nitrogen stimulation of coalbed methane reservoirs.

Service rig utilization improved by over 50% from the prior year due to the increase in oil-based activity in the WCSB, combined with work on the backlog of maintenance, abandonment and completion programs. The Company experienced geographical disparity in the improvement in service rig utilization, as a shortage of labour in northern Alberta limited the ability to staff all of the Company's available rigs in this region. Despite the improvements in activity levels there was no significant improvement in rig pricing during the quarter and a decline in rig pricing on a year over year basis. Pricing remained very competitive throughout 2010.

Essential's coil tubing operations are becoming an increasingly important part of the Well Servicing operations as the Company expands the size and depth of the fleet as well as the service offerings provided. In response to the increased demand for coil tubing and nitrogen services, the Company completed two strategic acquisitions in the second quarter of 2010 adding five coil tubing rigs and three nitrogen pumpers and took delivery of a second deep coil tubing rig in December 2010. These steps enabled the Company to benefit from the demand for intermediate and deep coil tubing rigs to work on the Bakken, Viking, Cardium and Alberta Montney resource plays. In addition, Essential began to use two of its intermediate coil tubing rigs to perform nitrogen stimulation work on coalbed methane reservoirs in southern Alberta which improved utilization of its coil tubing and nitrogen fleets. The expansion of the coil tubing fleet and the new service offerings resulted in a significant change in revenue mix, which generated a substantial improvement in average coil tubing pricing during the year.

Segment Results - ***Downhole Services & Rentals***

Essential provides downhole tools and equipment rentals and wireline services through the Downhole Services & Rentals business segment. Downhole Services & Rentals generated revenue of $22.4 million and $64.5 million, respectively, for the three months and year ended December 31, 2010, compared to $9.9 million and $39.3 million, respectively, for the same periods in 2009.

	Three months ended December 31,		Year ended December 31,	
(Thousands)	**2010**	2009	**2010**	2009
Revenue				
Downhole tools & rentals	**$ 18,544**	$ 7,686	**$ 52,632**	$ 28,412
Wireline services	**3,822**	2,227	**11,899**	10,895
Total revenue	**22,366**	9,913	**64,531**	39,307
Operating expenses	**15,600**	7,523	**46,000**	30,706
Gross margin	**$ 6,766**	$ 2,390	**$ 18,531**	$ 8,601
Gross margin %	**30%**	24%	**29%**	22%

Activity in the Downhole Services & Rentals segment for the fourth quarter exceeded management expectations as the number of Tryton MSFS jobs surpassed targets and previous quarter results. Combined with the improvements in traditional downhole tools and rentals operations, this segment more than doubled its fourth quarter operating results compared to the prior year.

The downhole tools and rentals operations were the primary contributor to the dramatic increase in operating results in this segment throughout 2010. The Tryton MSFS, which was first introduced in the second quarter of 2009, has rapidly become a core service line of the Company and experienced sequential quarter over quarter growth throughout 2010. The results from Tryton's MSFS business and its traditional downhole tool and rentals operations significantly exceeded expectations for both the year and the quarter, as the market for servicing horizontal wells continued to expand. In response to the growing demand for its downhole tools and rentals operations, Essential successfully expanded operating capacity by increasing tool inventory, improving tool and equipment fabrication and supply arrangements, hiring additional skilled personnel and expanding testing and assembly facilities throughout the year.

Wireline services continued to be impacted by reduced conventional natural gas drilling throughout the WCSB and reduced activity in the shallow gas resource plays of southern Alberta, though activity did improve modestly compared to the prior year.

General and Administrative

	Three months ended December 31,		Year ended December 31,	
(Thousands)	**2010**	2009	**2010**	2009
General and administrative expenses	$ **3,348**	**$** 2,178	**$ 11,950**	$ 9,458
As a % of revenue	**6%**	7%	**7%**	8%

General and administrative expenses were $3.3 million and $11.9 million, respectively, for the three months and year ended December 31, 2010, compared to $2.2 million and $9.5 million, respectively for the same periods in 2009. These costs are comprised of wages, professional fees, office space and other administrative costs incurred at the corporate and business unit level.

The increase in general and administrative costs in 2010 is due in part to costs related to converting to a corporation and implementing International Financial Reporting Standards ("IFRS"). In addition, certain compensation programs were reinstated in 2010 after being eliminated as part of the cost reduction measures taken in 2009. The Colombian expansion, re-branding of operations and increased promotional work during the fourth quarter also contributed to the increase in general and administrative costs in 2010, however general and administrative costs have decreased as a percentage of revenue on both quarterly and year to date basis when compared to the prior year.

Equipment Expenditures

	Three months ended December 31,		Year ended December 31,	
(Thousands)	**2010**	2009	**2010**	2009
Canada				
Well Servicing	**$ 5,746**	$ 247	**$ 13,809**	$ 5,641
Downhole Services & Rentals	**1,712**	204	**3,049**	1,370
Corporate	**197**	172	**944**	822
	7,655	623	**17,802**	7,833
Colombia				
Well Servicing	**1,465**	-	**2,205**	-
Downhole Services & Rentals	**440**	-	**458**	-
Corporate	**-**	-	-	-
	1,905	-	**2,663**	-
Total equipment expenditures	**9,560**	623	**20,465**	7,833
Less proceeds on disposal of property and equipment	**(773)**	(66)	**(1,650)**	(473)
Net equipment expenditures(1)	**$ 8,787**	$ 557	**$ 18,815**	$ 7,360

Net equipment expenditures(1) for the three months and year ended December 31, 2010 were $8.8 million and $18.8 million, respectively, compared to $0.6 million and $7.4 million, respectively, for the same periods in 2009. During the quarter the Company's capital expenditures related primarily to the completion of the Company's second deep coil tubing rig and moving and equipment modification costs related to the Colombian expansion. The increase in equipment expenditures over 2009 was in response to the improved industry activity levels and the addition of equipment better suited to service deeper horizontal well activity.

Essential classifies its equipment expenditures as growth capital, maintenance capital, and infrastructure capital; the latter category includes information systems, operational facilities and leasehold improvements. Comparative equipment expenditures are as follows:

(Thousands)		Three months ended December 31, 2010		2009		Year ended December 31, 2010		2009
Canada								
Growth capital(1)	$	**3,399**	$	176	$	**9,594**	$	4,894
Maintenance capital(1)		**3,641**		275		**6,725**		2,087
Infrastructure capital		**615**		172		**1,483**		852
		7,655		623		**17,802**		7,833
Colombia								
Growth capital(1)		**1,704**		-		**1,850**		-
Maintenance capital(1)		**201**		-		**813**		-
Infrastructure capital		**-**		-		**-**		-
		1,905		-		**2,663**		-
	$	**9,560**	$	623	$	**20,465**	$	7,833

The significant improvement in activity during 2010 resulted in substantially higher maintenance capital as these expenditure levels correlate with activity levels. Management expects that at current levels of activity, maintenance capital should be between $8 million to $9 million on an annual basis.

The 2011 capital spending budget for the Company is $27 million comprised of $16 million of growth capital, $9 million of maintenance capital and $2 million of infrastructure capital. One million of this capital is carryover from the 2010 budget. The growth capital includes $12 million for Canada and $4 million for Colombia. The planned increase in 2011 equipment expenditures reflects the Company's intention for continued investment in Colombian operations and its belief that industry activity will remain strong in Canada.

OUTLOOK

The key industry themes that shaped 2010 are continuing into 2011. Oil prices have recently strengthened as a result of unrest in the Middle East but natural gas prices continue to languish, even through the high demand heating season in North America. Alberta should continue to be a central focus for oil development including work on the Cardium and Viking plays and other oil-rich formations. In line with this, Essential expects its customers will continue to focus largely on oil and liquids-rich natural gas plays in 2011, utilizing horizontal well drilling and stimulation technology. From a services perspective, oil wells and horizontal wells typically require more services work. Over their lifespan, oil wells are typically more service intensive due to the build-up of wax, scale and sand. And, more money is typically required on horizontal wells due to their depth and complexity. Essential's geographic work arena and equipment fleet are well positioned to take advantage of these opportunities. As in 2010, Essential expects the vast majority of its work in 2011 will focus on oil and liquids rich natural gas.

In establishing the 2011 budget and outlook, Essential has taken the view that Canadian oilfield service activity should be somewhat stronger than the prior year. This is in line with most industry experts who are projecting a flat to modest increase in 2011. Essential's results should improve on a year-over-year basis from a full year of operating new equipment that was put into service in 2010 and commencement of operations in Colombia. Labour shortages are anticipated to continue to be an issue in 2011 for Essential and for the sector. Essential has implemented strategies to improve recruiting and training in the competitive labour market. Essential anticipates ongoing growth in its fastest growing service line, the Tryton MSFS. The Tryton business is able to grow successfully without significant capital investment. The Company also expects growth in the deeper and intermediate coil tubing well servicing as this equipment is ideal for completion, stimulation and clean out of horizontal wells. Based on the current higher oil price outlook, service rig utilization is expected to continue to improve in 2011. To date, Essential has had strong demand for its services during the first quarter.

Essential's operations are set to begin in Colombia in March and management is optimistic about the growth prospects in 2011. A pilot contract with a major operator in Colombia is expected to be signed imminently and the Company expects that most of Essential's equipment already in Colombia should be working in the second quarter of 2011. It is anticipated that the contract will have pricing similar to Canada but utilization is expected to be higher. Essential expects the deep coil tubing rig that is under construction in Canada will be sent to Colombia in the second quarter. Essential is also working on an Integrated Services ("IS") Initiative with a major operator in Colombia that should be signed in the second quarter. Management will assess the demand for further equipment in Colombia as the year progresses.

The 2011 capital spending budget of $27 million includes $16 million of growth capital, $9 million of maintenance capital and $2 million of infrastructure capital. In Canada, the growth capital will focus on increasing the depth of the coil tubing fleet, upgrading service rig support equipment and increasing tubular rental stock. Essential will assess the capital spending budget relative to industry activity as the year progresses and may increase spending, if warranted.

Essential has minimal debt outstanding and is well-positioned to realize on its growth plans and respond to opportunities as they arise**.**

Essential's Management's Discussion & Analysis and Financial Statements will be available on Sedar at www.sedar.com and on Essential's website at www.essentialenergy.ca.

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED BALANCE SHEETS

(Thousands)	**As at December 31, 2010**	As at December 31, 2009
Assets		
Current assets		
Cash	**$ 2,392**	$ 1,080
Accounts receivable	**40,111**	22,855
Inventory	**10,587**	9,194
Prepaid expenses and deposits	**2,783**	1,897
	55,873	35,026
Property and equipment	**127,039**	125,704
Assets held for sale	**-**	1,215
Intangible assets	**3,122**	3,853
Future income tax asset	**1,018**	3,582
	$ 187,052	$ 169,380
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**$ 23,451**	$ 9,413
Current portion of long-term debt	**-**	3,228
	23,451	12,641
Long-term debt	-	13,372
Future income tax liabilities	**194**	-
	23,645	26,013
Equity		
Share capital	**279,762**	-
Unitholders' capital	**-**	265,573
Contributed surplus	**7,843**	6,722
Accumulated deficit	**(124,566)**	(128,928)
Equity attributable to shareholders	**163,039**	143,367
Non-controlling interest	**368**	-
	163,407	143,367
	$ 187,052	$ 169,380

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED DEFICIT

(Thousands, except per share amounts)	For the years ended December 31, **2010**	2009
Revenue	**$ 166,601**	$ 111,722
Operating expenses	**125,644**	92,243
	40,957	19,479
Expenses		
General and administrative	**11,950**	9,458
Share-based compensation	**1,169**	1,214
Depreciation and amortization	**18,675**	20,156
Interest on long-term debt	**663**	1,230
(Gain) loss on disposal of assets	**(259)**	4,107
Loss on foreign currency translation	**30**	-
Earnings (loss) before income taxes and non-controlling interest	**8,729**	(16,686)
Income tax expense (recovery)		
Future	**3,999**	(7,206)
Earnings (loss) before non-controlling interest	**4,730**	(9,480)
Loss attributable to non-controlling interest	**(13)**	-
Net earnings (loss) attributable to Essential	**4,743**	(9,480)
Accumulated deficit, beginning of year	**(128,928)**	(116,257)
Transferred to non-controlling interest	**(381)**	-
Distributions to unitholders	**-**	(3,191)
Accumulated deficit, end of year	**$ (124,566)**	$ (128,928)
Net earnings (loss) per share		
Basic and diluted	**$ 0.07**	$ (0.16)

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Thousands)	For the years ended December 31, **2010**	2009
Operating activities:		
Net earnings (loss)	**$ 4,743**	$ (9,480)
Items not affecting cash:		
Depreciation and amortization	**18,675**	20,156
Future income tax expense (recovery)	**3,999**	(7,206)
Share-based compensation	**1,169**	1,214
(Gain) loss on disposal of assets	**(259)**	4,107
Loss on foreign currency translation	**30**	-
Loss attributable to non-controlling interest	**(13)**	**-**
	28,344	8,791
Changes in non-cash working capital	**(5,935)**	6,317
	22,409	15,108
Financing activities:		
Issuance of shares, net of costs	**13,813**	-
Proceeds on exercise of share options	**97**	-
Decrease in long-term debt	**(16,600)**	(2,117)
Distributions paid	-	(4,089)
	(2,690)	(6,206)
Investing activities:		
Property and equipment	**(20,465)**	(7,833)
Proceeds on disposal of equipment	**1,650**	473
Changes in non-cash working capital	**422**	(462)
	(**18,393)**	(7,822)
Foreign exchange loss on cash held in a foreign currency	**(14)**	-
Change in cash	**1,312**	1,080
Cash, beginning of the year	**1,080**	-
Cash, end of the year	**$ 2,392**	$ 1,080
Supplementary cash flow information:		
Interest paid	**$ 461**	$ 861

[(1)]Non-GAAP Measures

Throughout this news release, certain terms that are not specifically defined in Canadian Generally Accepted Accounting Principles ("GAAP") are used to analyze the operations. In addition to the primary measures of net earnings and net earnings per share in accordance with GAAP, Essential believes that certain measures not recognized under GAAP 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 and capital programs. These non-GAAP measures are not recognized measures under GAAP. As a result, the method of calculation may not be comparable with other companies or trusts. These measures should not be considered alternatives to net earnings and net earnings per share as calculated in accordance with GAAP.

Gross margin – This measure is considered a primary indicator of operating performance as calculated by revenue less operating expenses.

Gross margin % – This measure is considered a primary indicator of operating performance as calculated by gross margin divided by revenue.

EBITDAS (Earnings before interest, income taxes, depreciation, amortization, non-controlling interest earnings, losses or gains on disposal of equipment, results of discontinued operations, impairment of goodwill and share based compensation) – This measure is considered an indicator of Essential's ability to generate funds flow in order to fund required working capital, service debt, pay current income taxes and fund capital programs.

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 from operations – This measure is an indicator of Essential's ability to generate funds flow in order to fund working capital, principal debt repayments and capital programs. 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 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.

ABOUT ESSENTIAL

Essential Energy Services Ltd. is a growth-oriented corporation that provides oilfield services to oil and gas producers in western Canada and Colombia for servicing producing wells and new drilling activity. Essential provides services through its Well Servicing and Downhole Services & Rentals divisions. With 53 service rigs, Essential is the 6th largest service rig provider in Canada. With 33 coil tubing rigs, Essential has the largest coil tubing well service fleet in Canada. Essential sells and services a full-range of downhole tools including the Tryton Multi-Stage Fracturing System and other rental equipment. Essential also provides slickline, perforating and logging services with 20 wireline trucks. Further information about Essential can be found at www.essentialenergy.ca.

READER ADVISORY

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" 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, expectations regarding the impact of recent equipment purchases, expectations regarding staffing, expectations regarding payment of income taxes, the sources of capital and uses of such capital, the services offered by the Company and the relocation of some of these services to Colombia, expectations of the delivery of equipment to Colombia pursuant to the Company's joint venture in that jurisdiction, expectations regarding the customer demand for services and equipment in Colombia, expectations for the type of services to be provided in Colombia, expectations regarding the type and execution of contracts in Colombia, expectations regarding the timing of commencing operations in Colombia, expectations regarding the availability of skilled labour in Colombia, expectations of future cash flow and earnings, expectations regarding the Company's ability to access credit from its lenders, expectations with respect to the demand for and price of oil and natural gas including natural gas storage levels, expectations regarding the level and type of drilling and production activity in the Western Canadian Sedimentary Basin, expectations regarding production in Colombia and expectations regarding the business, operations and revenues of the Company in addition to general economic conditions. 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 they 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 results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oilfield services sector (e.g. demand, pricing and terms for oilfield services; current and expected oil and 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 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, the availability of qualified personnel, management or other key inputs, currency exchange fluctuations, 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. 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 financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) for each of Essential Energy Services Trust and 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.

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