ESSENTIAL ENERGY SERVICES

NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES THIRD QUARTER RESULTS AND DECLARES QUARTERLY DIVIDEND

Calgary, Alberta November 6, 2013 – Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces third quarter EBITDA[1] of $17.1 million, down from $19.3 million in the third quarter of 2012. Given the relatively flat industry activity, Essential's EBITDA decrease is largely attributed to start-up costs for expansion of the downhole tools business into the United States and the absence of EBITDA from the drilling rig assets that was included in third quarter 2012 results. The drilling assets were sold in November 2012. On a year-to-date basis, EBITDA was $45.4 million.

SELECTED INFORMATION

(Thousands, except per share amounts)	Three months ended September 30, **2013**	Three months ended September 30, 2012*	Nine months ended September 30, **2013**	Nine months ended September 30, 2012*
Revenue	**$ 84,510**	$ 83,513	**$ 243,445**	$ 252,566
Gross margin	**$ 21,414**	$ 23,012	**$ 57,935**	$ 63,655
Gross margin %	**25%**	28%	**24%**	25%
EBITDA[1] from continuing operations	**$ 17,132**	$ 19,261	**$ 45,386**	$ 51,973
EBITDA % [1]	**20%**	23%	**19%**	21%
Net income from continuing operations	**$ 4,292**	$ 8,343	**$ 14,539**	$ 22,714
Per share – basic and diluted	**$ 0.03**	$ 0.07	**$ 0.12**	$ 0.18
Total assets	**$ 409,613**	$ 415,653	**$ 409,613**	$ 415,653
Total long-term debt	**$ 40,484**	$ 50,474	**$ 40,484**	$ 50,474
Utilization				
Deep coil tubing rigs	**73%**	79%	**67%**	71%
Service rigs	**50%**	45%	**49%**	49%
Equipment fleet **				
Deep coil tubing rigs	**27**	26	**27**	26
Service rigs	**54**	55	**54**	55

* Certain comparative amounts have been reclassified to conform to the current period's presentation.

** Fleet data represents the number of units at the end of a period.

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

HIGHLIGHTS

Third quarter 2013 industry activity was in line with 2012. In addition to wet weather at the beginning of the quarter, exploration and production ("E&P") companies were cautious with their capital spending as the oil price differential continued to be volatile and equity capital market activity was limited, making it difficult for producers to raise capital.

Essential's revenue for the third quarter of 2013 was generally flat compared to 2012, consistent with industry activity. Reported revenue of $84.5 million, increased $1.0 million compared to the third quarter of 2012.

- Coil Well Service – Essential's coil well service third quarter revenue was consistent with the same period in the prior year despite a decline in deep coil tubing utilization from 79% in the third quarter of 2012 to 73% in the current quarter. Essential saw an increase in utilization for the masted deep coil tubing fleet in the quarter and revenue increased from Essential's larger fleet of nitrogen and fluid pumpers. These gains were offset by a softening in demand for the conventional deep coil tubing fleet.
- Service Rigs – During the third quarter, service rig revenue improved and utilization increased from 45% to 50% quarter-over-quarter. Essential saw improved utilization in specific operating areas including Grande Prairie and Fort St. John. Demand continued for service rigs operating on steam-assisted gravity drainage ("SAGD") wells.
- Downhole Tools & Rentals – Revenue for downhole tools & rentals increased during the third quarter of 2013 compared to the same period in the prior year due to an increase in Tryton Multi-stage Fracturing System ("Tryton MSFS®") product demand.

EBITDA for the third quarter of 2013 was $17.1 million, a decrease of $2.1 million from 2012. The decrease was mainly attributable to start-up costs related to the expansion of the downhole tools operations into the United States, the EBITDA contribution in the prior quarter from the drilling rig operation which was sold in November 2012, and higher general and administrative costs.

Capital - In the third quarter, Essential took delivery of its first state-of-the-art Generation III masted deep coil tubing rig. This Generation III rig can reach up to 4,900 meters, with a coil diameter of 2 5/8". This rig is capable of working on long-reach horizontal wells and is well-suited to meet the growing demand in servicing deeper, more complex wells.

INDUSTRY OVERVIEW

During the third quarter of 2013, the Western Canadian Sedimentary Basin ("WCSB") experienced a slow recovery from the unseasonably wet June. Overall industry activity in the third quarter was comparable to prior quarter levels. The lack of momentum in the third quarter was due in part to wet weather experienced in the WCSB and a lack of urgency exhibited by E&P companies.

Drilling rig utilization, wells drilled and completion activity are all indicators of overall oilfield activity levels in the WCSB. During the third quarter of 2013, drilling rig utilization and the number of wells drilled were slightly ahead of prior quarter, while well completions were slightly down. Compared to the third quarter 2012, drilling rig utilization increased 1%, the number of wells drilled increased by 5% and well completion count decreased 3%.

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

FINANCIAL RESULTS

SEGMENT RESULTS - *WELL SERVICING*

(Thousands, except percentages)	Three months ended September 30, 2013	2012	Nine months ended September 30, 2013	2012
Revenue				
Coil Well Service (i)	**$ 33,037**	$ 33,857	**$ 92,091**	$ 94,968
Service Rigs (ii)	**23,870**	20,552	**72,158**	69,427
Other (iii)	**-**	2,762	**-**	11,037
Total revenue	**56,907**	57,171	**164,249**	175,432
Operating expenses	**42,383**	41,537	**126,723**	134,091
Gross margin	**$ 14,524**	$ 15,634	**$ 37,526**	$ 41,341
Gross margin %	**26%**	27%	**23%**	24%
Utilization (iv)				
Deep Coil Tubing Rigs				
Utilization	**73%**	79%	**67%**	71%
Operating hours	**17,724**	18,301	**46,614**	48,799
Service Rigs				
Utilization	**50%**	45%	**49%**	49%
Operating hours	**25,084**	22,632	**73,682**	74,003
Equipment fleet (v)				
Coil tubing rigs – deep	**27**	26	**27**	26
Coil tubing rigs – other	**18**	19	**18**	19
Service rigs	**54**	55	**54**	55
Nitrogen pumpers	**15**	10	**15**	10
Fluid pumpers	**18**	16	**18**	16
Rod rigs	**12**	14	**12**	14

(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 was unchanged during the third quarter of 2013 compared to the same period in the prior year despite a decrease in utilization from 79% to 73% quarter-over-quarter. Essential's masted deep coil tubing fleet performed well with 112% utilization compared to 100% in third quarter of 2012 and revenue increased from Essential's larger fleet of nitrogen and fluid pumpers. These gains were offset by a decrease in revenue from the conventional deep coil tubing fleet. Management anticipates utilization for the conventional deep coil tubing fleet may continue to lag below prior year levels through the rest of the year. Addition of the first Generation III masted deep coil tubing rig in the third quarter and three more masted deep coil tubing rigs in the fourth quarter will position Essential to meet the growing demand for long-reach coil tubing rigs. Revenue per hour for coil tubing rigs was consistent with prior year.

Service rig revenue improved during the third quarter of 2013 compared to the same period in the prior year as Essential saw improved utilization in Grande Prairie and Fort St. John. During the third quarter, Essential continued to see demand for its service rigs operating on SAGD wells. Revenue per hour increased from prior year due to the mix of services provided.

Well servicing revenue decreased on a quarter-to-date and year-to-date basis in 2013 compared to 2012 as the prior period included $2.8 million and $11.0 million, respectively, in revenue from the drilling rig operation which was disposed of in November 2012.

SEGMENT RESULTS - *DOWNHOLE TOOLS & RENTALS*

(Thousands, except percentages)	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Revenue				
Downhole Tools & Rentals	**$ 28,185**	$ 26,342	**$ 79,779**	$ 75,452
Other*	-	-	-	1,681
Total revenue	**28,185**	26,342	**79,779**	77,133
Operating expenses	**19,524**	17,587	**54,539**	51,602
Gross margin	**$ 8,661**	$ 8,755	**$ 25,240**	$ 25,531
Gross margin %	**31%**	33%	**32%**	33%
Downhole Tools & Rentals Revenue – % of total				
Tryton MSFS®	**55%**	52%	**54%**	47%
Conventional Tools & Rentals	**45%**	48%	**46%**	53%

* Other revenue consists of Essential's wireline business which was disposed of in February 2012.

During the third quarter of 2013, Downhole Tools & Rentals revenue increased compared to the same quarter in the prior year due to an increase in demand for the Tryton MSFS® product line. Revenue for conventional tools and rentals was comparable to the same period in the prior year.

Downhole tools & rentals revenue increased on a year-to-date basis in 2013 compared to 2012 as a result of continued growth in Tryton MSFS® activity. Demand for Tryton MSFS® has remained strong due to innovative product design and the high quality of service offered by the business. Tryton continues to provide tools that are a cost-effective technical solution for customers looking to minimize horizontal well completion costs.

Essential has started expanding downhole tool operations into the southern United States, strategically operating near active basins. Gross margin percentage declined on a quarter-over-quarter basis due to United States start-up costs with limited revenue as the business is in the very early stages of operations.

A Statement of Claim was filed on October 23, 2013 by Packers Plus Energy Services Inc. against Essential in Federal Court. The Statement of Claim alleges products and methods associated with the Tryton MSFS® infringe a patent issued to Packers Plus Energy Services Inc. Essential believes the suit is without merit and will actively defend against the allegations.

GENERAL AND ADMINISTRATIVE

(Thousands of dollars, except percentages)	Three months ended September 30, 2013		Three months ended September 30, 2012		Nine months ended September 30, 2013		Nine months ended September 30, 2012
General and administrative expenses	**$**	**4,282**	$	3,751	**$**	**12,549**	$	11,682
As a % of revenue		**5%**		4%		**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 in the three and nine-months ended September 30, 2013 were higher than 2012, both in dollars and as a percentage of revenue. The increase is due to additional corporate staff, facility lease costs and professional fees.

OTHER EXPENSE (INCOME)

(Thousands of dollars)		Three months ended September 30, 2013		Three months ended September 30, 2012		Nine months ended September 30, 2013		Nine months ended September 30, 2012
Other expense (income)	**$**	**3,493**	$	117	**$**	**3,546**	$	(1,102)

Other expense in the three and nine months ended September 30, 2013 included a $3.6 million expense of deposits on two coil tubing rigs as the supplier was placed into receivership in September 2013. In the nine months ended September 30, 2012, other income of $1.1 million related to gains on fixed asset sales.

DISCONTINUED OPERATIONS

Results of the Colombian operations have been presented as discontinued operations. As of November 6, 2013, Essential has received approximately $2.2 million in cash proceeds from the sale of certain of its Colombian assets during 2013.

Loss from discontinued operations related to the Colombian business was as follows:

(Thousands of dollars, except per share amounts)		Three months ended September 30, 2013		Three months ended September 30, 2012		Nine months ended September 30, 2013		Nine months ended September 30, 2012
Revenue	**$**	**24**	$	1,382	**$**	**1,887**	$	4,243
Expenses		**350**		1,685		**2,740**		5,673
Disposal costs		**147**		-		**532**		-
Loss on revaluation of discontinued operations		**-**		-		**2,373**		-
Loss before income taxes		**(473)**		(303)		**(3,758)**		(1,430)
Deferred income tax expense (recovery)		-		(676)		-		(156)
Net income (loss) from discontinued operations	**$**	**(473)**	$	373	**$**	**(3,758)**	$	(1,274)
Net income (loss) per share from discontinued operations								
Basic and diluted	**$**	**0.00**	$	0.00	**$**	**(0.03)**	$	(0.01)

FINANCIAL RESOURCES AND LIQUIDITY

WORKING CAPITAL[1]

(Thousands of dollars, except ratios)		**As at September 30 2013**		As at December 31 2012
Current assets	**$**	**96,510**	$	95,840
Current liabilities, excluding current portion of long-term debt		**(32,662)**		(37,594)
Working capital	**$**	**63,848**	$	58,246
Working capital ratio		3.0:1		2.5:1

EQUIPMENT EXPENDITURES AND FLEET ADDITIONS

	Three months ended September 30,				Nine months ended September 30,			
(Thousands of dollars)		**2013**		2012		**2013**		2012
Well Servicing	**$**	**11,180**	$	10,401	**$**	**27,688**	$	31,035
Downhole Tools & Rentals		**584**		159		**2,325**		1,381
Corporate		**490**		115		**945**		824
Total equipment expenditures		**12,254**		10,675		**30,958**		33,240
Less proceeds on disposal of property and equipment		**(874)**		(169)		**(1,601)**		(8,284)
Net equipment expenditures[1]	**$**	**11,380**	$	10,506	**$**	**29,357**	$	24,956

During the three and nine months ended September 30, 2013, Essential's equipment expenditures of $12.3 million and $31.0 million, respectively, consisted primarily of progress payments related to its 2013 capital program.

During the nine months ended September 30, 2013, Essential commissioned the following assets:

- One Generation III masted deep coil tubing rig in the third quarter;
- One deep coil tubing rig conversion from an intermediate rig in the third quarter;
- Two nitrogen pumpers in the second quarter, and;
- Two mobile free standing, double service rigs which are SAGD capable, one in each of the first and second quarters, respectively.

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

	Three months ended September 30,				Nine months ended September 30,			
(Thousands of dollars)		**2013**		2012		**2013**		2012
Growth capital[1]	**$**	**8,047**	$	6,285	**$**	**21,399**	$	21,918
Maintenance capital[1]		**4,207**		4,390		**9,559**		11,322
Total equipment expenditures	**$**	**12,254**	$	10,675	**$**	**30,958**	$	33,240

In October 2013, Essential announced its 2014 capital budget of $50 million 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.

Essential increased its 2013 capital spending budget from $45 million to $50 million to include deposits and progress payments payable in 2013 for its 2014 capital program. The $50 million is comprised of $37 million of growth capital and $13 million of maintenance capital.

The following table shows the expected dates of the major equipment being built over the remainder of 2013 and 2014:

		Expected Dates	
	Quantity	**2013**	**2014**
Deep masted coil tubing rigs	7	Q4(3)	Q2,Q3,Q4,Q2'15
Quintiplex fluid pumper	1	-	Q3
Double rod rigs	2	Q4	Q4
Double service rigs – mobile free standing (one of these rigs is SAGD capable)	2	Q4(2)	-

NORMAL COURSE ISSUER BID ("NCIB")

On March 20, 2013 the Company received approval from the Toronto Stock Exchange ("TSX") to implement an NCIB for Essential's common shares ("Shares"). Any Share purchases by Essential pursuant to the NCIB will be for cancellation. The NCIB commenced on March 25, 2013 and will terminate on March 24, 2014 or at such earlier date as the NCIB is completed or terminated at the option of Essential.

Under the NCIB, Essential may purchase up to 12,182,508 of its issued and outstanding Shares on the open market through the facilities of the TSX. On November 6, 2013, Essential amended the Form 12 with the TSX to allow for purchases of shares to occur on other alternative trading systems, in addition to the TSX.

For the nine months ended September 30, 2013, a total of 520,052 Shares were acquired and cancelled under the NCIB at an average cost of $2.35 per Share. Shareholders may obtain a copy of the "Notice of Intention to make a Normal Course Issuer Bid" that was filed by the Company with the TSX, free of charge, by contacting the Company.

OUTLOOK

Heading into the fourth quarter, industry activity in the WCSB has been consistent with 2012 levels. Demand in well servicing continues to be driven by oil wells and horizontal completions, with an increasing shift to deeper, more complex wells. Looking beyond the near term, there is a positive overall tone in the potential for the proposed liquefied natural gas ("LNG") projects in British Columbia which would include development of the Montney, Horn River and Duvernay basins. This is expected to increase the demand for oilfield services, including the demand for deep coil tubing and downhole tools.

Essential is well positioned to benefit from the rising demand to complete complex, long-reach horizontal wells. During the third quarter of 2013, Essential took delivery of one Generation III masted deep coil tubing rig. In the fourth quarter of 2013, Essential expects to take delivery of three more masted deep coil tubing rigs, one Generation III and two Generation IV. Essential's recently announced 2014 capital program will further focus on these state-of-the-art assets including one additional Generation III masted deep coil tubing rig and three Generation IV masted deep coil tubing rigs. With a coil diameter of 2 5/8", the Generation III rigs can reach 4,900 meters and the Generation IV rigs can reach 6,400 meters, making them well suited for deeper more complex wells.

Essential recently expanded its downhole tool operations into the southern United States, strategically establishing operations near active basins. The business is currently in the early stages of operations.

Essential has a very strong balance sheet with $44.7 million of debt outstanding on November 6, 2013 and a debt to EBITDA ratio of 0.7x. Essential is well positioned to take advantage of future growth opportunities including servicing deep horizontal wells and possible LNG related demand.

QUARTERLY DIVIDEND

The cash dividend for the period October 1, 2013 to December 31, 2013 has been set at $0.03 per share. The dividend will be paid on January 15, 2014 to shareholders of record on December 31, 2013. The ex-dividend date is December 27, 2013.

The third quarter 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.

SUMMARY OF QUARTERLY DATA

($Thousands, except per share amounts)	**Sept 30, 2013**	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	**Sep 30, 2012**	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011
Well Servicing:								
Coil Well Service	**33,037**	9,433	49,621	41,228	**33,857**	18,697	42,414	43,945
Service Rigs	**23,870**	14,732	33,556	26,012	**20,552**	15,564	33,311	28,118
Other (i)	-	-	-	786	**2,762**	1,069	7,206	4,677
Total well servicing	**56,907**	24,165	83,177	68,026	**57,171**	35,330	82,931	76,740
Downhole Tools & Rentals (ii)	**28,185**	14,252	37,342	27,989	**26,342**	15,540	35,251	32,115
Inter-segment eliminations (iii)	**(582)**	-	-	-	-	-	-	-
Total revenue	**84,510**	38,417	120,519	96,015	**83,513**	50,870	118,182	108,855
Gross margin	**21,414**	(1,310)	37,832	27,039	**23,012**	3,904	36,740	35,498
Gross margin %	**25%**	(3)%	31%	28%	**28%**	8%	31%	33%
EBITDA(1)	**17,132**	(5,171)	33,426	22,368	**19,261**	(42)	32,755	31,733
EBITDA %(1)	**20%**	(13)%	28%	23%	**23%**	0%	28%	29%
Continuing operations								
Net income (loss)	**4,292**	(8,958)	19,205	8,050	**8,343**	(5,453)	19,823	17,082
Per share – basic and diluted	**0.03**	$(0.07)	$0.15	$0.06	**$0.07**	$(0.04)	$0.16	$0.14
Net income (loss) attributable to shareholders of Essential	**3,843**	(11,501)	18,627	678	**8,660**	(5,923)	18,893	17,559
Per share – basic and diluted	**0.03**	$(0.09)	$0.15	$0.01	**$0.07**	$(0.05)	$0.15	$0.14
Total assets	**409,613**	380,728	436,301	406,853	**415,653**	393,377	430,674	421,500
Total long-term debt	**40,484**	14,592	35,603	35,563	**50,474**	41,198	57,238	63,486
Utilization (iv)								
Coil tubing rigs – deep	**73%**	18%	110%	95%	**79%**	32%	102%	111%
Coil tubing rigs – other	**12%**	7%	15%	16%	**15%**	7%	25%	30%
Pumpers	**47%**	14%	73%	57%	**50%**	33%	69%	71%
Service rigs	**50%**	28%	69%	54%	**45%**	34%	68%	59%
Operating Hours								
Coil tubing rigs – deep	**17,724**	4,125	24,765	22,777	**18,301**	7,262	23,236	23,524
Coil tubing rigs – other	**2,016**	1,185	2,511	2,757	**2,819**	1,596	5,494	6,778
Pumpers	**14,418**	4,241	20,481	15,328	**11,919**	7,504	13,865	13,008
Service rigs	**25,084**	14,234	34,364	27,310	**22,632**	16,183	35,188	31,005
Downhole Tools & Rentals - revenue % of total								
Tryton MSFS®	**55%**	40%	60%	51%	**52%**	40%	47%	47%
Conventional Tools & Rentals	**45%**	60%	40%	49%	**48%**	60%	53%	53%
Equipment fleet (v)								
Canada								
Coil tubing rigs - deep	**27**	25	25	27	**26**	25	25	25
Coil tubing rigs - other	**18**	19	19	19	**19**	20	24	24
Service rigs	**54**	56	56	55	**55**	53	58	57
Nitrogen pumpers	**15**	15	13	13	**10**	10	10	10
Fluid pumpers	**18**	18	18	18	**16**	16	15	15
Rod rigs	**12**	14	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) Transactions between segments are eliminated upon consolidation.
(iv) Utilization is calculated using a 10 hour day.
(v) Fleet data represents the number of units at the end of the period.

Essential reviews the economic circumstance of each rig near the end of its service period to determine whether the rig should be retired or refurbished. During the nine months ended September 30, 2013, Essential retired the following assets from its fleet:

- One double service rig, one single service rig and two rod rigs in the third quarter;
- One double service rig in the second quarter; and
- Two masted coil tubing rigs in the first quarter.

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(unaudited)

(Thousands)	**As at September 30 2013**	As at December 31 2012
Assets		
Current		
Trade and other receivables	**$ 67,145**	$ 71,835
Inventories	**25,444**	20,699
Prepayments	**3,921**	3,306
	96,510	95,840
Non-current		
Property and equipment	**221,611**	211,304
Intangible assets	**32,063**	36,555
Goodwill	**55,014**	55,014
	308,688	302,873
Assets held for sale	**4,415**	8,140
Total assets	**$ 409,613**	$ 406,853
Liabilities		
Current		
Bank indebtedness	**$ 503**	$ 1,835
Trade and other payables	**28,404**	32,354
Dividends payable	**3,755**	3,100
Current portion of long-term debt	**4,394**	-
Income taxes payable	**-**	305
	37,056	37,594
Non-current		
Long-term debt	**36,090**	35,563
Deferred tax liabilities	**30,094**	29,560
	66,184	65,123
Liabilities held for sale	**822**	1,731
Total liabilities	**104,062**	104,448
Equity		
Share capital	**261,460**	258,772
Retained earnings	**39,262**	38,276
Other reserves	**5,027**	5,363
Equity attributable to shareholders of Essential	**305,749**	302,411
Non-controlling	**(198)**	(6)
Total equity	**305,551**	302,405
Total liabilities and equity	**$ 409,613**	$ 406,853

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

(Thousands, except per share amounts)	For the three months ended September 30 **2013**	2012	For the nine months ended September 30 **2013**	2012
Revenue	**$ 84,510**	$ 83,513	**$ 243,445**	$ 252,566
Operating expenses	**63,096**	60,501	**185,510**	188,911
Gross margin	**21,414**	23,012	**57,935**	63,655
General and administrative expenses	**4,282**	3,751	**12,549**	11,682
	17,132	19,261	**45,386**	51,973
Depreciation and amortization	**6,515**	6,339	**19,565**	19,538
Share-based compensation	**585**	492	**1,197**	1,427
Other (income) expense	**3,493**	117	**3,546**	(1,102)
Operating profit from continuing operations	**6,539**	12,313	**21,078**	32,110
Finance costs	**375**	510	**1,153**	1,699
Earnings before income taxes from continuing operations	**6,164**	11,803	**19,925**	30,411
Income taxes expense				
Current	**1,396**	1,625	**4,852**	4,092
Deferred	**476**	1,835	**534**	3,605
Total income tax expense	**1,872**	3,460	**5,386**	7,697
Net income from continuing operations	**$ 4,292**	$ 8,343	**$ 14,539**	$ 22,714
Net income (loss) from discontinued operations, net of tax	**(473)**	373	**(3,758)**	(1,274)
Net Income	**$ 3,819**	$ 8,716	**$ 10,781**	$ 21,440
Unrealized foreign exchange gain (loss) on discontinued operations	**(56)**	197	**(243)**	1,204
Other comprehensive income (loss) from discontinued operations	**(56)**	197	**(243)**	1,204
Comprehensive income	**$ 3,763**	$ 8,913	**$ 10,538**	$ 22,644
Net income (loss) attributable to:				
Shareholders of Essential	**$ 3,843**	$ 8,660	**$ 10,969**	$ 21,631
Non-controlling interest	**(24)**	56	**(188)**	(191)
	$ 3,819	$ 8,716	**$ 10,781**	$ 21,440
Comprehensive income (loss) attributable to:				
Shareholders of Essential	**$ 3,783**	$ 8,826	**$ 10,730**	$ 22,672
Non-controlling interest	**(20)**	87	**(192)**	(28)
	$ 3,763	$ 8,913	**$ 10,538**	$ 22,644
Net income per share from continuing operations				
Basic and diluted, attributable to shareholders of Essential	**$ 0.03**	$ 0.07	**$ 0.12**	$ 0.18
Net income per share				
Basic and diluted, attributable to shareholders of Essential	**$ 0.03**	$ 0.07	**$ 0.09**	$ 0.17
Comprehensive income per share				
Basic and diluted, attributable to shareholders of Essential	**$ 0.03**	$ 0.07	**$ 0.09**	$ 0.18

ESSENTIAL ENERGY SERVICES LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS
(unaudited)

(Thousands)	For the nine months ended September 30 2013	2012
Operating activities:		
Net income from continuing operations	**$ 14,539**	$ 22,714
Non-cash adjustments to reconcile net income to net cash flow:		
Depreciation and amortization	**19,565**	19,538
Deferred income tax expense	**534**	3,605
Equity-settled share-based compensation	**919**	1,427
Provision (recovery) for impairment of trade receivables	**660**	(237)
Finance costs	**1,153**	1,705
(Gain) loss on disposal of assets	**3,883**	(413)
Operating cash flow before changes in working capital	**41,253**	48,339
Changes in working capital:		
Decrease in trade and other receivables before provision	**4,167**	16,750
Increase in inventories	**(4,746)**	(1,854)
Increase in prepayments	**(614)**	(825)
Decrease in income taxes payable	**(1,520)**	(6,697)
Decrease in trade and other accounts payables	**(7,023)**	(11,862)
Net cash flows from operating activities	**31,517**	43,851
Investing activities:		
Purchase of property and equipment & intangibles	**(30,958)**	(33,240)
Non-cash investing working capital in trade and other accounts payable	**3,073**	-
Proceeds on disposal of equipment	**1,601**	8,284
Net cash flows used in investing activities	**(26,284)**	(24,956)
Financing activities:		
Borrowings (repayment) of long-term debt	**4,921**	(12,249)
Dividends paid	**(9,328)**	(6,190)
Issuance of share capital upon exercise of options	**2,897**	684
Repurchase of shares	**(1,226)**	-
Finance costs	**(1,153)**	(1,705)
Net cash flows used in financing activities	**(3,889)**	(19,460)
Foreign exchange loss on cash held in a foreign currency	**(12)**	(27)
Net increase (decrease) in cash	**1,332**	(592)
Net decrease in cash, discontinued operations	**-**	(1,029)
Cash, beginning balance, discontinued operations	**-**	1,269
Bank indebtedness, beginning of period	**(1,835)**	(1,105)
Bank indebtedness, end of period	**$ (503)**	$ (1,457)
Supplemental cash flow information		
Cash taxes paid	**$ 6,370**	$ 10,906
Cash interest and standby fees paid	**970**	1,477

[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 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.

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 45 coil tubing rigs and a fleet of 54 service rigs. Essential also sells, rents and services downhole tools and equipment including the Tryton Multi-Stage Fracturing System. 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" 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, expectations of future cash flow and earnings, expectations regarding 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, expectations regarding the business, operations and revenues of the Company in addition to general economic conditions, expectations regarding Essential's ability to meet the changing needs of the WCSB market, expectations regarding the capital spending programs of E&P companies, expectations for Essential's positioning for the future, expectations that development of possible LNG projects on the west coast will increase the demand for oilfield services including the demand for deep coil tubing and downhole tools, anticipated proceeds from asset sales in Colombia, anticipated shut-down and disposal costs of Colombian operations, expectations of the net realizable value of the Colombian assets, expectations of the opportunity for growth through expansion into the United States, expectations that the results of the conventional deep coil tubing fleet may continue to lag below prior year levels through the rest of the year, and expectations that the addition of the new masted deep coil tubing rigs will position Essential to meet the growing demand for long-reach coil tubing rigs.

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 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 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. 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 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.

THIRD QUARTER 2013 EARNINGS CONFERENCE CALL AND WEBCAST

Essential has scheduled a conference call and webcast at 10:00 am MT (12:00 pm ET) on November 7, 2013.

The conference call dial in numbers are 416-340-2217 or 866-696-5910, passcode 7312337.

An archived recording of the conference call will be available approximately one hour after completion of the call until November 23, 2013 by dialing 905-694-9451 or 800-408-3053, passcode 9018160.

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.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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