NEWS RELEASE

ESSENTIAL ENERGY SERVICES ANNOUNCES THIRD QUARTER RESULTS AND DECLARES QUARTERLY DIVIDEND

Calgary, Alberta November 5, 2014 – Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces third quarter results.

SELECTED INFORMATION

(in thousands of dollars except per share, percentages and fleet data)	Three months ended, September 30, **2014**	2013	Nine months ended, September 30, **2014**	2013
Revenue	**$ 96,136**	$ 84,510	**$ 252,618**	$ 243,445
Gross margin	**27,515**	21,414	**60,064**	57,935
Gross margin %	29%	25%	24%	24%
EBITDAS[1]	**22,657**	17,132	**45,604**	45,386
EBITDAS % [1]	**24%**	20%	**18%**	19%
Net income attributable to shareholders of Essential	**10,777**	3,843	**15,501**	10,969
Per share - basic	**0.09**	0.03	**0.12**	0.09
Per share - diluted	**0.08**	0.03	**0.12**	0.09
Utilization				
Masted coil tubing rigs	**105%**	112%	**85%**	93%
Service rigs	**48%**	50%	**49%**	49%
Equipment fleet				
Masted coil tubing rigs	**17**	15	**17**	15
Service rigs	**54**	54	**54**	54

[1] Refer to Non-IFRS Measures section for further information

THIRD QUARTER 2014 OVERVIEW

Revenue for the third quarter of 2014 was $96.1 million, 14% higher than the third quarter of 2013.

- Coil Well Service – Coil well service revenue increased $6.2 million or 19% from the same quarter in 2013 due to incremental revenue from the two new Generation III masted coil tubing rigs and higher utilization of the fluid and nitrogen pumper fleet.
- Service Rigs – Service rig utilization was 48% for the quarter compared to the Canadian Association of Oil Drilling Contractors ("CAODC") service rig industry utilization of 47%. On October 8, 2014 Essential sold its rod rig assets for $6.1 million. These assets were part of the service rig business and Essential used the proceeds to reduce bank debt.

- Downhole Tools & Rentals – Essential's downhole tools & rentals revenue increased $7.1 million or 25% from the same quarter in 2013 due to increased rental revenue, demand for Tryton Multi-Stage Fracturing System ("MSFS®") products, and revenue from Essential's U.S. downhole tool operations.

EBITDAS for the third quarter of 2014 was $22.7 million, an improvement of 32% from the same quarter in 2013. The increase was driven by higher revenue for coil well service and downhole tools & rentals.

At September 30, 2014, Essential had $65.0 million of debt outstanding, an increase of $26.6 million from June 30, 2014. The increase is due to funding working capital, primarily accounts receivable, as activity increased in the third quarter.

YEAR-TO-DATE 2014 OVERVIEW

Revenue for the nine months ended September 30, 2014 was $252.6 million or 4% higher than the same period in 2013. EBITDAS for nine months ended September 30, 2014 was $45.6 million, consistent with the prior year. Well servicing revenue increased over prior year as Essential generated incremental revenue from the deployment of two new Generation III masted coil tubing rigs in the third quarter 2013 and first quarter 2014, respectively, and increased fluid and nitrogen pumper utilization. This was offset by higher costs in well servicing, primarily in the first quarter. Downhole tools & rentals revenue and margin exceeded prior year results due to growth in conventional downhole tools, greater contributions from Essential's rental operation and higher revenue from Essential's U.S. downhole tool operation.

INDUSTRY OVERVIEW

Well service activity in the Western Canadian Sedimentary Basin ("WCSB") continues to be driven by horizontal drilling and the completion and stimulation of oil and liquids-rich natural gas wells. Horizontal wells typically require more investment capital and increased rig time per well due to their depth and complexity compared to vertical wells.

Compared to 2013, the third quarter of 2014 benefited from improved industry demand for oilfield services as exploration and production ("E&P") companies had better access to capital markets. Canadian E&P companies also benefited from a decrease in the value of the Canadian dollar, relative to the U.S. dollar, which helped to offset the decrease in the price of U.S. dollar denominated West Texas Intermediate crude oil.

With continued customer demand to drill long-reach horizontal wells, drilling rig utilization was 47% for the third quarter 2014 compared to 41% for the same period in 2013. Well completion counts and the total number of wells drilled remained consistent for the third quarter of 2014 compared to the same quarter last year. The higher drilling rig utilization and consistent well count activity reflects a trend in recent years where overall meterage continues to increase as E&P companies drill deeper, longer-reach horizontal wells. These are indicators of overall oilfield activity in the WCSB.

<u>SEGMENT RESULTS - *WELL SERVICING*</u>

(in thousands of dollars, except percentages, fleet, and hours)	Three months ended September 30, **2014**	2013	Nine months ended September 30, **2014**	2013
Revenue				
Coil Well Service [(i)]	**$ 39,233**	$ 33,037	**$ 98,130**	$ 92,091
Service Rigs	**22,105**	23,870	**71,041**	72,158
Total revenue	**61,338**	56,907	**169,171**	164,249
Operating expenses	**45,309**	42,383	**133,959**	126,723
Gross margin	**$ 16,029**	$ 14,524	**$ 35,212**	$ 37,526
Gross margin %	**26%**	26%	**21%**	23%
<u>Utilization</u> [(ii)]				
Masted coil tubing rigs				
Utilization	**105%**	112%	**85%**	93%
Operating hours	**15,524**	14,738	**36,930**	35,881
Service rigs				
Utilization	**48%**	50%	**49%**	49%
Operating hours	**23,997**	25,084	**73,520**	73,682
<u>Equipment fleet</u> [(iii)]				
Masted coil tubing rigs	**17**	15	**17**	15
Service rigs	**54**	54	**54**	54

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

Coil well service third quarter revenue increased $6.2 million or 19% from the same quarter in 2013 due to incremental revenue generated from Essential's two new Generation III masted coil tubing rigs. Demand for the remainder of the masted coil tubing fleet continued to be strong. Also contributing to the revenue increase was higher utilization for fluid and nitrogen pumpers, driven by better integration with the masted coil tubing fleet.

Service rig utilization for the third quarter was 48%, consistent with the CAODC utilization of 47%, but slightly lower than 50% for the same quarter in 2013. Essential had two service rigs working on steam-assisted gravity drainage wells. Due to the nature of this work, utilization for these rigs was higher than the rigs doing conventional work.

Gross margin increased over the prior quarter due to higher revenue in coil well service.

On a year-to-date basis, well servicing revenue increased over prior year as Essential generated incremental revenue from the deployment of two new Generation III masted coil tubing rigs in the third quarter of 2013 and first quarter of 2014, respectively, and increased pumper utilization. Gross margin for the nine months ended September 30, 2014 was negatively impacted by higher costs, primarily in the first quarter. Revenue per hour for coil well service and service rigs was consistent with the prior year.

SEGMENT RESULTS - *DOWNHOLE TOOLS & RENTALS*

(in thousands of dollars, except percentages)		Three months ended September 30, **2014**		2013		Nine months ended September 30, **2014**		2013
Revenue	**$**	**35,261**	$	28,185	**$**	**85,068**	$	79,779
Operating expenses		**22,212**		19,524		**56,350**		54,539
Gross margin	**$**	**13,049**	$	8,661	**$**	**28,718**	$	25,240
Gross margin %		**37%**		31%		**34%**		32%
Downhole Tools & Rentals revenue – % of revenue								
Tryton MSFS®		**53%**		55%		**42%**		54%
Conventional Tools & Rentals		**47%**		45%		**58%**		46%

Downhole tools & rentals third quarter revenue increased $7.1 million or 25% from the same period in 2013. Tryton MSFS® revenue increased due to improved demand for both the ball & seat products and new MSFS® tools that were introduced earlier in the year. Customer preference for a particular completion technology is determined by well-bore conditions, economics and customer confidence in a technology. Conventional tools revenue increased due to higher contribution from the U.S. operations. Rental revenue increased largely from specialty drill pipe rentals targeted toward long-reach horizontal wells and pressure control equipment.

Gross margin in the third quarter increased to 37% of revenue due to revenue growth in the Canadian operations, including greater contributions from the higher margin rentals business and improved margins related to Essential's U.S. operations which operated at a loss in 2013.

On a year-to-date basis, downhole tools & rentals revenue and gross margin exceeded prior year due to growth in conventional downhole tools, increased activity from Essential's higher margin rental business and improved performance from the U.S. operations. Compared to prior year, revenue and gross margin in the second and third quarter have more than offset the shortfall experienced in the first quarter of 2014.

On April 30, 2014, Essential acquired all of the issued and outstanding shares of Sam's Packer & Supply LLC, a private downhole tool company that provides tool sales, rentals and services to a diversified customer base in Oklahoma, Kansas and Texas. The purchase price was U.S. $5.6 million**.**

GENERAL AND ADMINISTRATIVE

(in thousands of dollars, except percentages)		Three months ended September 30, **2014**		2013		Nine months ended September 30, **2014**		2013
General and administrative expenses	**$**	**4,858**	$	4,282	**$**	**14,460**	$	12,549
As a % of revenue		**5%**		5%		**6%**		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 expense for the three and nine months ended September 30, 2014 increased compared to the same period in 2013 due to employee costs, facility lease costs and legal fees.

FINANCIAL RESOURCES AND LIQUIDITY

FUNDS FLOW FROM OPERATIONS[1]

(in thousands of dollars, except per share amounts)	Three months ended September 30, 2014	2013	Nine months ended September 30, 2014	2013
Net cash provided by (used in) operating activities	**$ (16,515)**	$ (10,112)	**$ 20,240**	$ 35,102
Add:				
Changes in non-cash working capital	**36,477**	26,276	**20,644**	6,151
Funds flow provided by operations[1]	**$ 19,962**	$ 16,164	**$ 40,884**	$ 41,253
Per share – basic	**$ 0.16**	$ 0.13	**$ 0.33**	$ 0.33
Per share – diluted	**$ 0.16**	$ 0.13	**$ 0.32**	$ 0.33

WORKING CAPITAL

(in thousands of dollars, except ratios)	**As at September 30, 2014**	As at December 31, 2013
Current assets	**$** 128,941	$ 107,945
Current liabilities, excluding current portion of long-term debt	(43,681)	(45,419)
Working capital [1]	**$** 85,260	$ 62,526
Working capital ratio [1]	3.0:1	2.4:1

EQUIPMENT EXPENDITURES AND FLEET ADDITIONS

(in thousands of dollars)	Three months ended September 30, 2014	2013	Nine months ended September 30, 2014	2013
Well Servicing	**$ 8,629**	$ 11,180	**$ 21,786**	$ 27,688
Downhole Tools & Rentals	**1,695**	584	**7,011**	2,325
Corporate	**313**	490	**1,012**	945
Total equipment expenditures	**10,637**	12,254	**29,809**	30,958
Less proceeds on disposal of property and equipment	**(1,150)**	(874)	**(3,052)**	(1,601)
Net equipment expenditures[1]	**$ 9,487**	$ 11,380	**$ 26,757**	$ 29,357

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

(in thousands of dollars)	Three months ended September 30, 2014	2013	Nine months ended September 30, 2014	2013
Growth capital[1]	**$ 6,538**	$ 8,047	**$ 20,752**	$ 21,399
Maintenance capital[1]	**4,099**	4,207	**9,057**	9,559
Total equipment expenditures	**$ 10,637**	$ 12,254	**$ 29,809**	$ 30,958

Essential's capital forecast for 2014 has been reduced from $53 million to $47 million. The $47 million is expected to be comprised of $33 million of growth capital and $14 million of maintenance capital. The growth capital consists primarily of costs related to the Generation III and Generation IV masted coil tubing rig build program, the purchase of rental equipment and a new quintiplex fluid pumper that is expected in service by the end of 2014.

The $6 million decrease from the most recent capital forecast primarily consists of $2 million of growth capital that will be carried into 2015, recognizing the delay in the masted coil tubing delivery and a $3 million reduction in maintenance capital.

Essential's long-term capital program is intended to increase the depth and coil diameter capability of its masted coil tubing fleet. Customers are requesting coil tubing rigs that can operate beyond 6,000 meters with large diameter coil. Essential expects to spend approximately $63 million through 2016 to build a total of four Generation III and eight Generation IV masted coil tubing rigs. At September 30, 2014, Essential had spent $35 million on this capital program. Essential's first Generation IV and third Generation III masted coil tubing rigs went into service in October 2014 and the Company expects to commence operations with its second Generation IV masted coil tubing rig prior to the end of the year. While the Generation IV rigs are designed as masted rigs, due to a design issue with the mast, Essential removed the mast from the first rig and is operating it as a conventional rig with a crane for the winter drilling season. Essential has received a favorable third party engineering report and confirms that subsequent Generation IV rigs, including the second rig expected prior to the end of 2014, will be completed with the mast intact. The first rig will be retrofitted for the mast in the coming months.

The following table shows the expected in-service dates of the major equipment as at November 5, 2014:

	Total Rigs Capital Program	Total Rigs In-Service	Expected In-Service Dates
Masted coil tubing rigs:			
Generation III	4	3	Q3'15
Generation IV	8	1	Q4'14, Q1'15, Q3'15(2), 2016(3)

OUTLOOK

Recent changes in oil and gas supply and demand fundamentals and declining commodity prices have created longer term uncertainty in the Canadian oil and gas industry. To date, drilling rig utilization in the fourth quarter of 2014 is tracking ahead of the same period in 2013. As E&P companies set their 2015 budgets, there should be greater clarity for anticipated oilfield service activity. Essential will monitor industry conditions and customer activity and will react accordingly.

While acknowledging the macro uncertainty, Essential continues to focus on long-reach horizontal wells within its masted coil tubing, pumping and downhole tools and rentals operations. Demand for these services is expected to carry on to the extent customers execute their drilling, fracturing and completion programs.

Essential is progressing on its capital program focused on building Generation III and Generation IV masted coil tubing rigs that are capable of servicing these deep, longer-reach horizontal wells. Essential put its third Generation III masted coil tubing rig into service in October 2014. The first Generation IV masted coil tubing rig went to work in October 2014 and Essential expects to take delivery of its second Generation IV masted coil tubing rig prior to the end of the year.

Essential has a strong balance sheet with $59.6 million of debt at November 5, 2014 and a debt to EBITDAS ratio of 0.9x.

QUARTERLY DIVIDEND

The cash dividend for the period October 1, 2014 to December 31, 2014 has been set at $0.03 per share. The dividend will be paid on January 15, 2015 to shareholders of record on December 31, 2014. The ex-dividend date is December 29, 2014. This dividend is an eligible dividend for Canadian income tax purposes.

[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.

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

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

Funds flow or funds flow provided by (used in) 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, excluding the current portion of long-term debt.

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

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

Net equipment expenditures – This measure is equipment expenditures less proceeds on the disposal of equipment. Essential uses net equipment expenditures to assess net cash flows related to the financing of Essential's oilfield services capital program for equipment.

SUMMARY OF QUARTERLY DATA

(in thousands of dollars, except per share amounts, percentages and fleet data)	**Sept 30, 2014**	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	**Sept 30, 2013**	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012
Well Servicing:								
Coil Well Service	**39,233**	17,398	41,499	36,150	**33,037**	9,433	49,621	41,228
Service Rigs	**22,105**	16,437	32,499	25,593	**23,870**	14,732	33,556	26,012
Other (i)	**-**	-	**-**	-	**-**	-	-	786
Total well servicing	**61,338**	33,835	73,998	61,743	**56,907**	24,165	83,177	68,026
Downhole Tools & Rentals	**35,261**	19,521	30,286	31,560	**28,185**	14,252	37,342	27,989
Inter-segment eliminations	**(463)**	(604)	(554)	(480)	**(582)**	-	-	-
Total revenue	**96,136**	52,752	103,730	92,823	**84,510**	38,417	120,519	96,015
Gross margin	**27,515**	5,222	27,327	25,332	**21,414**	(1,310)	37,832	27,039
Gross margin %	**29%**	10%	26%	27%	**25%**	(3)%	31%	28%
EBITDAS(1)	**22,657**	440	22,507	20,705	**17,132**	(5,171)	33,426	22,368
EBITDAS %(1)	**24%**	1%	22%	22%	**20%**	(13)%	28%	23%
Net income (loss) attributable to shareholders of Essential	**10,777**	(5,425)	10,149	11,126	**3,843**	(11,501)	18,627	678
Per share – basic	**$0.09**	$(0.04)	$0.08	$0.09	**$0.03**	$(0.09)	$0.15	$0.01
Per share – diluted	**$0.08**	$(0.04)	$0.08	$0.09	**$0.03**	$(0.09)	$0.15	$0.01
Total assets	**454,745**	408,964	439,745	423,963	**409,613**	380,728	436,301	406,853
Long-term debt	**65,043**	38,433	50,821	39,027	**40,484**	14,592	35,603	35,563
Utilization (ii)								
Masted coil tubing rigs	**105%**	42%	109%	107%	**112%**	19%	148%	113%
Pumpers (iii)	**66%**	34%	69%	55%	**47%**	14%	73%	57%
Service rigs	**48%**	34%	66%	53%	**50%**	28%	69%	54%
Operating Hours								
Masted coil tubing rigs	**15,524**	6,094	15,312	14,699	**14,738**	2,477	18,666	16,557
Pumpers (iii)	**19,397**	9,861	19,995	16,612	**14,418**	4,241	20,481	15,328
Conventional coil tubing rigs	**4,426**	2,942	6,959	6,612	**5,002**	2,832	8,609	8,957
Service rigs	**23,997**	16,907	32,616	26,557	**25,08**4	14,234	34,364	27,310
Downhole Tools & Rentals - % of revenue								
Tryton MSFS®	**53%**	25%	39%	55%	**55%**	40%	60%	51%
Conventional Tools & Rentals	**47%**	75%	61%	45%	**45%**	60%	40%	49%
Equipment fleet (iv)								
Masted coil tubing rigs	**17**	17	16	15	**15**	14	14	16
Fluid pumpers	**18**	18	18	18	**18**	18	18	18
Nitrogen pumpers	**14**	14	14	14	**15**	15	13	13
Conventional coil tubing rigs	**29**	30	30	30	**30**	30	30	30
Service rigs	**54**	55	55	55	**54**	56	56	55

(i) Other revenue included revenue from Essential's drilling operation until its disposal in November 2012.
(ii) Utilization is calculated using a 10 hour day.
(iii) Pumpers include both fluid and nitrogen pumpers.
(iv) Fleet data represents the number of units at the end of the period.

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.

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

(in thousands of dollars)	**As at September 30 2014**	As at December 31 2013
Assets		
Current		
Trade and other accounts receivable	**$ 86,594**	$ 76,640
Inventories	**38,975**	27,979
Prepayments	**3,372**	3,326
	128,941	107,945
Non-current		
Property and equipment	**232,558**	230,292
Intangible assets	**29,056**	30,712
Goodwill	**58,090**	55,014
	319,704	316,018
Assets held for sale	**6,100**	-
Total assets	**$ 454,745**	$ 423,963
Liabilities		
Current		
Bank indebtedness	**$ 1,655**	$ 2,112
Trade and other accounts payable	**38,247**	36,161
Dividends payable	**3,779**	3,765
Income taxes payable	**-**	3,381
Current portion of long-term debt	**-**	7,603
	43,681	53,022
Non-current		
Long-term debt	**65,043**	31,424
Deferred taxes	**27,513**	26,360
	92,556	57,784
Total liabilities	**136,237**	110,806
Equity		
Share capital	**263,278**	262,177
Retained earnings	**50,802**	46,622
Other reserves	**4,428**	4,358
Total equity	**318,508**	313,157
Total liabilities and equity	**$ 454,745**	$ 423,963

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

	For the three months ended September 30		For the nine months ended September 30	
(in thousands of dollars, except per share amounts)	**2014**	2013	**2014**	2013
Revenue	**$ 96,136**	$ 84,510	**$ 252,618**	$ 243,445
Operating expense	**68,621**	63,096	**192,554**	185,510
Gross margin	**27,515**	21,414	**60,064**	57,935
General and administrative expenses	**4,858**	4,282	**14,460**	12,549
	22,657	17,132	**45,604**	45,386
Depreciation and amortization	**6,827**	6,515	**20,188**	19,565
Share-based compensation	**484**	585	**1,813**	1,197
Other expense	**145**	3,493	**998**	3,546
Operating profit from continuing operations	**15,201**	6,539	**22,605**	21,078
Finance costs	**453**	375	**1,367**	1,153
Income before income tax from continuing operations	**14,748**	6,164	**21,238**	19,925
Current income tax expense	**3,268**	1,396	**4,584**	4,852
Deferred income tax expense	**703**	476	**1,153**	534
Total income tax expense	**3,971**	1,872	**5,737**	5,386
Net income from continuing operations	**$ 10,777**	$ 4,292	**$ 15,501**	$ 14,539
Loss from discontinued operations, net of tax	**-**	(473)	**-**	(3,758)
Net income	**$ 10,777**	$ 3,819	**$ 15,501**	$ 10,781
Unrealized foreign exchange gain from continuing operations	**236**	-	**70**	-
Unrealized foreign exchange loss from discontinued operations	**-**	(56)	**-**	(243)
Other comprehensive income (loss)	**236**	(56)	**70**	(243)
Comprehensive income	**$ 11,013**	$ 3,763	**$ 15,571**	$ 10,538
Net income (loss) attributable to:				
Shareholders of Essential	**$ 10,777**	$ 3,843	**$ 15,501**	$ 10,969
Non-controlling interest	**-**	(24)	**-**	(188)
	$ 10,777	$ 3,819	**$ 15,501**	$ 10,781
Comprehensive income (loss) attributable to:				
Shareholders of Essential	**$ 11,013**	$ 3,783	**$ 15,571**	$ 10,730
Non-controlling interest	**-**	(20)	**-**	(192)
	$ 11,013	$ 3,763	**$ 15,571**	$ 10,538
Net income per share from continuing operations				
Basic, attributable to shareholders of Essential	**$ 0.09**	$ 0.03	**$ 0.12**	$ 0.12
Diluted, attributable to shareholders of Essential	**$ 0.08**	$ 0.03	**$ 0.12**	$ 0.12
Net income per share				
Basic, attributable to shareholders of Essential	**$ 0.09**	$ 0.03	**$ 0.12**	$ 0.09
Diluted, attributable to shareholders of Essential	**$ 0.08**	**$** 0.03	**$ 0.12**	$ 0.09
Comprehensive income per share				
Basic, attributable to shareholders of Essential	**$ 0.09**	$ 0.03	**$ 0.12**	$ 0.09
Diluted, attributable to shareholder of Essential	**$ 0.09**	$ 0.03	**$ 0.12**	$ 0.09

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

(in thousands of dollars)	For the nine months ended September 30 **2014**	2013
Operating activities:		
Net income from continuing operations	**$ 15,501**	$ 14,539
Non-cash adjustments to reconcile net income for the period to operating cash flow:		
Depreciation and amortization	**20,188**	19,565
Deferred income tax expense	**1,153**	534
Share-based compensation	**592**	919
Provision for impairment of trade accounts receivable	**400**	660
Finance costs	**1,367**	1,153
Loss on disposal and retirement of assets	**1,683**	3,883
Operating cash flow before changes in non-cash working capital	**40,884**	41,253
Change in non-cash operating working capital:		
Trade and other accounts receivable before provision	**(8,292)**	4,167
Inventories	**(10,448)**	(4,746)
Prepayments	**(47)**	(614)
Trade and other accounts payable	**2,673**	(3,438)
Current income taxes payable	**(4,530)**	(1,520)
Net cash provided by operating activities from continuing operations	**20,240**	35,102
Investing activities:		
Purchase of property, equipment and intangibles	**(29,809)**	(30,958)
Business acquisition, net of cash acquired	**(6,043)**	-
Non-cash investing working capital in trade and other accounts payable	**(625)**	(512)
Proceeds on disposal of equipment	**3,052**	1,601
Net cash used in investing activities from continuing operations	**(33,425)**	(29,869)
Financing activities:		
Issuance of long-term debt	**26,016**	4,921
Proceeds from exercise of share options	**1,011**	2,897
Repurchase of shares	**(500)**	(1,226)
Dividends paid	**(11,307)**	(9,328)
Finance costs	**(1,367)**	(1,153)
Net cash provided by (used in) financing activities from continuing operations	**13,853**	(3,889)
Foreign exchange gain on cash held in a foreign currency	**(211)**	(12)
Net increase in cash	**457**	1,332
Bank indebtedness, beginning of period	**(2,112)**	(1,835)
Bank indebtedness, end of period	**$ (1,655)**	$ (503)
Supplemental cash flow information		
Cash taxes paid	**$ 9,104**	$ 6,370
Cash interest and standby fees paid	**$ 1,229**	$ 970

2014 THIRD QUARTER EARNINGS CONFERENCE CALL AND WEBCAST

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

The conference call dial in numbers are 416-340-2217 or 866-696-5910, passcode 5866800.

An archived recording of the conference call will be available approximately one hour after completion of the call until November 23, 2014 by dialing 905-694-9451 or 800-408-3053, passcode 2944027.

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 has a fleet of 54 service rigs. Essential also sells, rents and services downhole tools and equipment including the Tryton Multi-Stage Fracturing System (Tryton MSFS®). Further information can be found at www.essentialenergy.ca.

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

FORWARD-LOOKING STATEMENTS AND INFORMATION

This news release contains forward-looking statements and forward-looking information (collectively the “Forward-Looking Statements”) within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "may", "will", "believe", "intends", “budget” and similar expressions are intended to identify Forward-Looking Statements. In particular, this news release contains forward-looking statements, including, among other things, expectations regarding: capital spending; in-service timing, the timing of completion and delivery of new equipment, future Generation IV masted coil tubing rigs being completed with a mast intact, and the first Generation IV masted coil tubing rig being retrofitted for a mast in the coming months; customer demands and the demand for new equipment; development of new products and technology; demand for new products and technology; growth opportunities and sources of such growth opportunities; future cash flow and earnings; access to sufficient funding; the level and type of drilling activity; completion activity; work-over activity; production activity and required oilfield services in the WCSB; the impact of general economic conditions; the business, operations and revenues of the Company; Essential’s ability to meet the changing needs of the WCSB market; Essential’s positioning for the future; and the future operations of the coil well service and downhole tools & rentals segments. In addition, this news release contains Forward-Looking Statements, including expectations regarding the Company’s future outlook including: customer activity; greater clarity for oilfield service activity as E&P customers set their 2015 budgets; oilfield service activity and demand for Essential’s services; Essential’s ability to react to changing industry and customer activity; Essential’s improved service capacity; the Company’s segment growth; Essential’s future operating, investing or financing activities; and the impact of financial resources or liquidity thereon.

Although the Company believes that the expectations and assumptions on which such Forward-Looking Statements are reasonable, undue reliance should not be placed on the Forward-Looking Statements because the Company can give no assurance that such statements and information will prove to be correct. Since Forward-Looking Statements address future events and conditions, by their very nature they involve inherent risks and uncertainties.

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