Essential Energy Services Announces Third Quarter Financial Results

CALGARY, Alberta, Nov. 03, 2021 (GLOBE NEWSWIRE) -- Essential Energy Services Ltd. (TSX: ESN) ("Essential" or the "Company") announces third quarter financial results.

SELECTED INFORMATION

(in thousands of dollars except per share and percentages)	For the three months ended September 30, **2021**	2020	For the nine months ended September 30, **2021**	2020
Revenue	**$ 33,513**	$ 19,241	**$ 86,104**	$ 71,619
Gross margin	**6,094**	5,314	**18,123**	14,608
Gross margin %	**18%**	28%	**21%**	20%
EBITDAS (1)	**4,441**	4,033	**12,758**	9,425
EBITDAS %	**13%**	21%	**15%**	13%
Net income (loss)(i)	**$ 684**	$ (1,529)	**$ (6,928)**	$ (12,584)
Per share - basic and diluted	**$ 0.00**	$ (0.01)	**$ (0.05)**	$ (0.09)
Operating hours				
Coil tubing rigs	**7,816**	5,348	**23,859**	21,421
Pumpers	**10,827**	7,131	**32,077**	26,735

	As at September 30, **2021**	2020
Working capital (1)	**$ 48,683**	$ 46,706
Cash	**10,885**	6,625
Long-term debt	**-**	145

(i) The nine months ended September 30, 2020 includes an impairment of $10.3 million.

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

INDUSTRY OVERVIEW

Third quarter 2021 industry activity and commodity prices significantly improved compared to the same prior year quarter. Commodity price-driven exploration and production ("E&P") company cash flow increases have been significant but have generally been applied to debt reduction and returning cash to shareholders through dividends and share repurchases.

The price of West Texas Intermediate ("WTI") averaged US$70 per barrel in the third quarter, with prices reaching US$75 per barrel towards the end of September. Canadian natural gas prices ("AECO") averaged $3.42 per gigajoule during the third quarter of 2021, pricing rarely seen since the end of 2014.

Oilfield service pricing has generally not improved in 2021. The ability for oilfield service companies to attract skilled labour continued to be challenging.

HIGHLIGHTS

Revenue for the three months ended September 30, 2021 was $33.5 million, $14.3 million higher than the same prior year quarter due to higher activity as a result of improved industry activity.

Third quarter EBITDAS(1) was $4.4 million, $0.4 million higher than the third quarter of 2020 due to higher activity offset by significantly lower funding from government subsidy programs and increased costs. Essential received $0.8 million of benefits under the Canadian Emergency Wage Subsidy, Canadian Emergency Rent Subsidy and the Employee Retention Tax Credit program and Paycheque Protection Program in the U.S. (collectively, "Government Subsidy Programs"), compared to $2.7 million in the same prior year period. Essential was unsuccessful in obtaining customer price increases to offset higher operating costs for wages, fuel and inventory, negatively impacting EBITDAS(1).

Key operating highlights included:

- Essential Coil Well Service ("ECWS") third quarter revenue was $14.9 million, $5.0 million higher than the same prior year period as a result of improved industry activity. However, increased operating costs and lower funding from Government Subsidy Programs in the third quarter reduced gross margin to $1.9 million, compared to $3.4 million in the same prior year period.
- Tryton third quarter revenue was $18.6 million, $9.3 million higher than the same prior year period and the highest quarterly revenue achieved since early 2019. Multi-Stage Fracturing System ("MSFS®") and conventional tool activity improved significantly compared to the third quarter of 2020 as customers increased spending on completion, production and abandonment activities. Tryton recorded gross margin of $4.1 million, $1.7 million higher than the prior year period due to significantly higher activity, offset by lower funding from Government Subsidy Programs.

During the third quarter 2021, the Federal Court of Canada (the "Court") released its decision regarding Essential's motion for post-trial cost recovery in connection with the Packers Plus Energy Services Inc. patent litigation (the "Patent Litigation"). The Court awarded Essential $0.4 million, which has now been collected. All matters related to the Patent Litigation have now been concluded.

For the nine months ended September 30, 2021, Essential reported revenue of $86.1 million, $14.5 million higher than the same prior year period. For the nine months ended September 30, 2021, EBITDAS(1) was $12.8 million, $3.3 million higher than the prior year due to improved industry activity, offset by $2.8 million less from Government Subsidy Programs and increased costs.

Cash and Working Capital

At September 30, 2021, Essential continued to be in a strong financial position with cash of $10.9 million and working capital**(1)** of $48.7 million. On November 3, 2021 Essential had $6.4 million of cash.

RESULTS OF OPERATIONS

Segment Results – *Essential Coil Well Service*

(in thousands of dollars, except percentages, hours and fleet data)	For the three months ended September 30, **2021**	2020	For the nine months ended September 30, **2021**	2020
Revenue	**$ 14,908**	$ 9,909	**$ 44,119**	$ 40,564
Operating expenses	**13,026**	6,505	**35,201**	29,849
Gross margin	**$ 1,882**	$ 3,404	**$ 8,918**	$ 10,715
Gross margin %	**13%**	34%	**20%**	26%
Operating hours				
Coil tubing rigs	**7,816**	5,348	**23,859**	21,421
Pumpers	**10,827**	7,131	**32,077**	26,735
Active equipment fleet (i)				
Coil tubing rigs	**12**	10	**12**	10
Fluid pumpers	**9**	9	**9**	9
Nitrogen pumpers	**4**	4	**4**	4
Total equipment fleet (i) (ii)				
Coil tubing rigs	**25**	29	**25**	29
Fluid pumpers	**13**	19	**13**	19
Nitrogen pumpers	**6**	8	**6**	8

(i) Fleet data represents the number of units at the end of the period. Crewed equipment is less than active equipment.
(ii) Total equipment fleet was reduced in the third quarter of 2021 for shallow coil tubing rigs and lower capacity pumpers which are no longer expected to be reactivated.

ECWS revenue for the third quarter of 2021 was $14.9 million, an increase of $5.0 million compared to the same prior year period due to higher activity as a result of improved industry activity. Revenue per operating hour was consistent with the prior year as customer pricing continued to be very competitive. On a sequential basis, revenue per operating hour remained unchanged when compared to the second quarter of 2021.

Gross margin for the third quarter of 2021 was $1.9 million, $1.5 million lower than the same prior year period due to $1.2 million reduced funding from Government Subsidy Programs and higher operating costs related to wages, fuel and inventory. Gross margin was further compressed as ECWS was unsuccessful in obtaining customer price increases to offset higher operating costs. In the third quarter of 2021, ECWS incurred $0.6 million of non-recurring operating costs. As a result, third quarter 2021 gross margin percentage was 13%, below the 34% in the same prior year period.

On a year-to-date basis, ECWS revenue was $44.1 million, $3.6 million higher than the same prior year period. Operating hours increased 16%, ahead of the 7% increase in industry well completions. Gross margin was $8.9 million, $1.8 million lower than the comparative prior year period mainly due to reduced funding received under Government Subsidy Programs and higher operating costs in the current year.

Gross margin percentage was 20% in the current year, compared to 26% in the comparative prior year period.

Segment Results – *Tryton*

(in thousands of dollars, except percentages)	For the three months ended September 30, 2021	2020	For the nine months ended September 30, 2021	2020
Revenue	**$ 18,605**	$ 9,332	**$ 41,985**	$ 31,055
Operating expenses	**14,509**	6,943	**32,499**	26,002
Gross margin	**$ 4,096**	$ 2,389	**$ 9,486**	$ 5,053
Gross margin %	**22%**	26%	**23%**	16%
Tryton revenue - % of revenue				
Tryton MSFS®	**39%**	40%	**31%**	36%
Conventional Tools & Rentals	**61%**	60%	**69%**	64%

Third quarter 2021 Tryton revenue was $18.6 million, an increase of $9.3 million compared to the same prior year period, and the highest quarterly revenue achieved since early 2019. Tryton saw a significant increase in MSFS® and conventional tool activity as customers increased spending on completion, production and abandonment activities in response to stronger industry conditions. Canadian conventional tool activity also continued to benefit in the current quarter from the federally funded site rehabilitation programs.

Gross margin for the third quarter of 2021 was $4.1 million, $1.7 million higher than the prior year period due to a significant increase in activity offset by $0.5 million lower funding from Government Subsidy Programs. Gross margin was negatively impacted by competitive pricing as Essential was unsuccessful in obtaining customer price increases to offset higher operating costs with respect to wages, fuel and inventory. Third quarter 2021 gross margin percentage was 22%, compared to 26% in the same prior year period.

On a year-to-date basis, Tryton revenue was $42.0 million, $10.9 million higher than the nine months ended September 30, 2020 due to increased activity in the current year. Significantly higher activity resulted in an increase in gross margin in the current year. As a percentage of revenue, gross margin improved to 23%, compared to 16% in the same prior year period as fixed costs were spread over a larger revenue base.

Equipment Expenditures

(in thousands of dollars)	For the three months ended September 30, 2021	2020	For the nine months ended September 30, 2021	2020
ECWS	**$ 1,086**	$ 191	**$ 4,245**	$ 1,001
Tryton	**761**	27	**1,052**	605
Corporate	**48**	19	**62**	49
Total equipment expenditures	**1,895**	237	**5,359**	1,655
Less proceeds on disposal of equipment	**$ (506)**	$ (723)	**$ (1,092)**	$ (2,034)
Net equipment expenditures (proceeds) [(1)]	**$ 1,389**	$ (486)	**$ 4,267**	$ (379)

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

(in thousands of dollars)	For the three months ended September 30, 2021	2020	For the nine months ended September 30, 2021	2020
Growth capital [(1)]	**$ 843**	$ -	**$ 2,837**	$ -
Maintenance capital [(1)]	**1,052**	237	**2,522**	1,655
Total equipment expenditures	**$ 1,895**	$ 237	**$ 5,359**	$ 1,655

For the nine months ended September 30, 2021, Essential's growth capital spending primarily related to the acquisition and refurbishment of two quintuplex fluid pumpers in ECWS and the purchase of speciality drill pipe in Tryton. One quintuplex fluid pumper went into service early in the fourth quarter and the second quintuplex fluid pumper is expected to go into service by the end of the fourth quarter.

Essential's 2021 capital forecast has increased from $5.4 million to $7.4 million. The $2.0 million increase relates to the purchase of speciality drill pipe in Tryton and incremental maintenance capital. The 2021 capital forecast is expected to be funded with cash and operational cash flow.

OUTLOOK

The price of WTI and AECO continued to exhibit strength in the third quarter and the forward curve for each are encouraging. However, continuing with the theme established earlier in the year, although commodity price-driven E&P company cash flow increases have been significant, surplus cash flow has generally been applied to debt reduction and returning cash to shareholders through dividends and share repurchases. This is expected to continue in the foreseeable future. The industry E&P capital reinvestment ratio in Canada (capital spending as a percentage of cash flow) is anticipated to be much lower in 2021 than the past ten years.

Looking into 2022, industry analysts are generally projecting that E&P companies' spending in the Western Canadian Sedimentary Basin will be higher than 2021. Generally, however, E&P companies are less focused on production growth than they have been in previous years. Strong commodity prices and the constant degradation effect of well declines is still expected to drive an increase in spending on well drilling and completions. WTI and AECO prices have recently been trading at their highest levels since 2014.

E&P companies have been reluctant to support improved pricing for oilfield services as E&P companies seek to maximize financial performance by controlling costs. Current oilfield service pricing is, however, insufficient to generate appropriate returns.

Inflation and cost increases for wages, fuel and inventory are increasing Essential's cost structure. Given recent cost inflation, current pricing is also insufficient to support the expansion of crews and activation of additional equipment for oilfield services that may be required to meet growing E&P wellsite activity. Retaining and attracting personnel to the oilfield services sector is a challenge in today's market. Essential is striving to recruit and retain employees in a very tight labor market. In a recovering oil and natural gas market, small and specialized service fleets, including the deep coil tubing industry fleet in western Canada where Essential is a leading service provider, could quickly see service demand outpace supply under these challenging pricing conditions.

ECWS has the industry's largest active and total deep coil tubing fleet. This includes ECWS's eight coil tubing rigs with capacity greater than 6,500 meters, which the Company estimates is more than one third of the Canadian industry fleet for this specialized completions equipment. With the addition of two quintuplex fluid pumpers by the end of 2021, ECWS's active fleet will include 12 coil tubing rigs and 11 fluid pumpers. ECWS is not crewing this entire active fleet. Maintenance of an active fleet above what is currently crewed allows customers to have access to preferred, efficient equipment for differing completion techniques and formation/well pad needs.

Management is pleased to see demand improve for Tryton's MSFS® completion products, primarily its Ball & Seat and Composite Bridge Plug products used for horizontal well completions. Canadian abandonment and restoration activity related to the site rehabilitation programs continued to contribute to Tryton's success in the third quarter but is expected to become less significant to Tryton in 2022 as customers redirect their well reclamation spending to activities that are outside of Tryton's service offerings.

Essential is well-positioned to benefit from the anticipated service-industry recovery cycle. Essential's strengths include its well-trained workforce, industry leading coil tubing fleet, value-adding downhole tool technologies and sound financial footing. As industry activity improves, Essential will focus on meeting the growing demands of its key customers, implementing environmental, social and governance ("ESG") initiatives, maintaining its strong financial position and developing its cash flow generating businesses. On November 3, 2021, cash was $6.4 million. Essential's ongoing cash positive position is a strategic advantage as the industry transitions into a period of expected growth.

The Management's Discussion and Analysis and Financial Statements for the third quarter ended September 30, 2021 are available on Essential's website at www.essentialenergy.ca and on SEDAR at www.sedar.com.

(1)Non-IFRS Measures

Throughout this news release, certain terms that are not specifically defined under International Financial Reporting Standards ("IFRS") are used to analyze Essential's operations. In addition to the primary measures of net income (loss) and net income (loss) 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 and capital programs. As a result, the method of calculation may not be comparable with other companies. These measures should not be considered alternatives to net income (loss) and net income (loss) per share as calculated in accordance with IFRS.

EBITDAS – EBITDAS is earnings before finance costs, income taxes, depreciation, amortization, transaction costs, losses or gains on disposal, write-down of assets, impairment loss, foreign exchange gains or losses, and share-based compensation, which includes both equity-settled and cash-settled transactions. These adjustments are relevant as they provide another measure which is considered an indicator of Essential's results from its principal business activities.

Growth capital – Growth capital is capital spending which is intended to result in incremental revenue.

Maintenance capital – Maintenance capital is capital spending that is incurred in order to refurbish, replace or extend the life of existing equipment.

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

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

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

(in thousands of dollars)		As at September 30, 2021		As at December 31, 2020
Assets				
Current				
Cash	**$**	**10,885**	$	6,082
Trade and other accounts receivable		**26,395**		22,026
Inventory		**30,789**		32,157
Prepayments and deposits		**2,281**		1,625
		70,350		61,890
Non-current				
Property and equipment		**82,769**		89,460
Right-of-use lease asset		**9,675**		8,513
		92,444		97,973
Total assets	**$**	**162,794**	$	159,863
Liabilities				
Current				
Trade and other accounts payable	**$**	**14,931**	$	8,905
Share-based compensation		**2,000**		1,369
Income taxes payable		**-**		25
Current portion of lease liability		**4,736**		4,089
		21,667		14,388
Non-current				
Share-based compensation		**5,998**		3,443
Long-term debt		**-**		53
Long-term lease liability		**7,865**		7,801
		13,863		11,297
Total liabilities		**35,530**		25,685
Equity				
Share capital		**272,732**		272,732
Deficit		**(152,138)**		(145,210)
Other reserves		**6,670**		6,656
Total equity		**127,264**		134,178
Total liabilities and equity	**$**	**162,794**	$	159,863

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

	For the three months ended September 30,				For the nine months ended September 30,			
(in thousands of dollars, except per share amounts)		**2021**		2020		**2021**		2020
Revenue	**$**	**33,513**	$	19,241	**$**	**86,104**	$	71,619
Operating expenses		**27,419**		13,927		**67,981**		57,011
Gross margin		**6,094**		5,314		**18,123**		14,608
General and administrative expenses		**1,653**		1,281		**5,365**		5,183
Depreciation and amortization		**4,345**		4,845		**13,606**		14,412
Share-based compensation (recovery) expense		**(604)**		636		**5,346**		(429)
Impairment loss		**-**		-		**-**		10,293
Other (income) expense		**(230)**		267		**30**		(804)
Operating income (loss)		**930**		(1,715)		**(6,224)**		(14,047)
Finance costs		**246**		310		**701**		1,158
Income (loss) before taxes		**684**		(2,025)		**(6,925)**		(15,205)
Current income tax expense		**-**		1		**3**		3

Deferred income tax recovery	**-**	(497)	**-**	(2,624)
Income tax (recovery) expense	**-**	(496)	**3**	(2,621)
Net income (loss)	**684**	(1,529)	**(6,928)**	(12,584)
Unrealized foreign exchange (loss) gain	**(137)**	114	**7**	57
Comprehensive income (loss)	**$ 547**	$ (1,415)	**$ (6,921)**	$ (12,527)
Net income (loss) per share				
Basic and diluted	**$ 0.00**	$ (0.01)	**$ (0.05)**	$ (0.09)
Comprehensive income (loss) per share				
Basic and diluted	**$ 0.00**	$ (0.01)	**$ (0.05)**	$ (0.09)

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

	For the nine months ended September 30,	
(in thousands of dollars)	**2021**	2020
Operating Activities:		
Net loss	**$ (6,928)**	$ (12,584)
Non-cash adjustments to reconcile net loss to operating cash flow:		
Depreciation and amortization	**13,606**	14,412
Deferred income tax recovery	**-**	(2,624)
Share-based compensation	**7**	17
(Recovery) provision for impairment of trade receivable	**(525)**	700
Finance costs	**701**	1,158
Impairment loss	**-**	10,293
Loss (gain) on disposal of assets	**76**	(317)
Funds flow	**6,937**	11,055
Changes in non-cash operating working capital:		
Trade and other accounts receivable before provision	**(3,830)**	5,353
Inventory	**1,279**	3,703
Income taxes payable	**(25)**	(34)
Prepayments and deposits	**(656)**	(242)
Trade and other accounts payable	**5,570**	(2,285)
Share-based compensation	**3,186**	(1,647)
Net cash provided by operating activities	**12,461**	15,903
Investing Activities:		
Purchase of property, equipment and intangible assets	**(5,359)**	(1,655)
Non-cash investing working capital in trade and other accounts payable	**456**	(261)
Proceeds on disposal of equipment	**1,092**	2,034
Net cash (used in) provided by investing activities	**(3,811)**	118
Financing Activities:		
Decrease in long-term debt	**(53)**	(6,433)
Finance costs paid	**(188)**	(479)
Payments of lease liability	**(3,600)**	(3,336)
Net cash used in financing activities	**(3,841)**	(10,248)
Foreign exchange (loss) gain on cash held in a foreign currency	**(6)**	6
Net increase in cash	**4,803**	5,779
Cash, beginning of period	**6,082**	846
Cash, end of period	**$ 10,885**	$ 6,625

FORWARD-LOOKING STATEMENTS AND INFORMATION

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

Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "anticipates", "believes", "focus", "forecast", "forward", "projects", "typically", "maintain", "intends", "estimates", "continues", "future", "outlook" and similar expressions, or are events or conditions that "will", "would", "may", "likely", "could", "should", "can", "typically", "traditionally" or "tends to" occur or be achieved. This news release contains forward-looking statements, pertaining to, among other things, the following: Essential's capital spending forecast, expectations of how it will be funded and in-service timing; the current and potential impacts of the COVID-19 pandemic and the Government Subsidy Programs; general economic activity; oil and natural gas industry and oilfield services sector activity and outlook; the impact of E&P cashflow increases, the deployment of incremental cash flow, E&P capital spending; the industry E&P capital reinvestment ratio in Canada; oilfield service pricing, including the possible implications of current pricing on future growth; the Company's capital management strategy and financial position; Essential's strengths, focus, outlook, activity levels, cost structure, non-recurring operating costs, active and inactive equipment, market share, recruiting efforts and crew counts; the site rehabilitation programs and the decreased significance to Tryton; and Essential's cash position is a strategic advantage.

The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of Essential including, without limitation: the potential impact of the COVID-19 pandemic on Essential; oil and natural gas industry exploration and development and the geographic region of such activity; that Essential will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; availability of debt and/or equity sources to fund Essential's capital and operating requirements as needed; and certain cost assumptions.

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

Actual performance and results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: known and unknown risks, including those set forth in the Company's Annual Information Form ("AIF") (a copy of which can be found under Essential's profile on SEDAR at www.sedar.com); a significant expansion of COVID-19 pandemic and the impacts thereof; the risks associated with the oilfield services sector, including 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, market 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 including those in the event of an epidemic, natural disaster or other event; global economic events; changes to Essential's financial position and cash flow, and the higher degree of uncertainty related to the estimates and judgements made in the preparation of financial statements; the availability of qualified personnel, management or other key inputs; cost increases of key inputs; currency exchange fluctuations; changes in political and security stability; potential industry developments; and other unforeseen conditions which could impact the use of services supplied by the Company. Accordingly, readers should not place undue importance or reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive and should refer to "Risk Factors" set out in the AIF.

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

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

ABOUT ESSENTIAL

Essential provides oilfield services to oil and natural gas producers, primarily in western Canada. Essential offers completion, production and wellsite restoration services to a diverse customer base. Services are offered with coil tubing, fluid and nitrogen pumping and the sale and rental of downhole tools and equipment. Essential offers one of the largest coil tubing fleets in Canada. Further information can be found at www.essentialenergy.ca.

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

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

For further information, please contact:

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