
Central Alberta Well Services Corp.

News Release

For Immediate Release
Calgary, Alberta

Wednesday, August 9, 2006
TSX Venture Exchange: "CWC"
Common Shares Issued: 41,718,236

CENTRAL ALBERTA WELL SERVICES ANNOUNCES FINANCING

CALGARY, ALBERTA – August 9, 2006. Central Alberta Well Services Corp. ("Central Alberta" or the "Company") is pleased to announce that it has entered into an agreement for a private placement of common shares through a syndicate of agents with Dundee Securities Corporation as lead agent and including Westwind Partners Inc. and Wolverton Capital Markets (the "Agents"). The financing is up to approximately \$10 million on a best-efforts basis. In addition, the syndicate has been granted an option exercisable prior to closing of up to an additional \$5 million, which if exercised, would increase the private placement to \$15 million. The pricing of the common shares to be sold pursuant to the private placement will be determined in the context of the market pursuant to the rules of the TSX Venture Exchange and within twenty (20) calendar days. The Agents will be paid a cash fee of 3.25% on the first \$2.5 million of funds raised by the Company and 6.5% on the balance of the gross proceeds. The Company will also pay all reasonable fees and expenses incurred in connection with the offering. Closing of the financing is subject to TSX Venture Exchange and regulatory approvals and is expected to occur on or about September 8, 2006.

The private placement will be sold pursuant to securities exemptions in the Provinces of Alberta, British Columbia and Ontario and such other jurisdictions as agreed upon by the Company and the Agents. The common shares issued pursuant to the private placement will be subject to a four month hold from the date of closing of the private placement. The proceeds of the financing will be used to fund expansion activities of the Company, to purchase new rigs and equipment and for general corporate purposes. The financing is subject to the receipt of all necessary regulatory and stock exchange approvals.

About Central Alberta

Central Alberta Well Services is headquartered in Red Deer, Alberta with additional operating centres in eastern and northern Alberta. The Company provides oilfield services, including well servicing, coil tubing, snubbing, nitrogen, well testing and oilfield equipment rentals to oil and gas companies operating in the Western Canadian Sedimentary Basin.

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READER ADVISORY

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release and has neither approved nor disapproved the contents of this release.

This press release may include forward-looking statements and assumptions respecting the Company's strategies, future operations, expected financial results, financial sources and industry outlook and discusses certain issues, risks and uncertainties that can be expected to impact on any of such matters. By their nature, forward-looking statements are subject to numerous risks and uncertainties that can significantly affect future results. Actual future results may differ materially from those assumed or described in such forward-looking statements as a result of the impact of issues, risks and uncertainties whether described herein or not, which the Company may not be able to control. The reader is therefore cautioned not to place undue reliance on such forward-looking statements. The Company disclaims any intention or obligation to update or revise these forward-looking statements, as a result of new information, future events or otherwise.

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