For Immediate Release: August 14, 2014

CWC ENERGY SERVICES CORP. ANNOUNCES SEPTEMBER 2014 DIVIDEND, INCREASED CAPITAL BUDGET AND SECOND QUARTER 2014 FINANCIAL RESULTS

CALGARY, ALBERTA – (TSXV: CWC) CWC Energy Services Corp. ("CWC" or the "Company") announces the September 2014 dividend, increased 2014 capital budget and the release of its operational and financial results for the three and six months ended June 30, 2014. The Interim Financial Statements and Management's Discussion and Analysis ("MD&A") for the periods ended June 30, 2014 are filed on SEDAR at www.sedar.com.

Quarterly Dividend

The Company is pleased to announce that its Board of Directors has declared a quarterly dividend of $0.0175 per common share. The dividend will be paid on October 15, 2014 to shareholders of record on September 30, 2014. The ex-dividend date is September 26, 2014. This dividend is an eligible dividend for Canadian income tax purposes.

The declaration of dividends is determined on a quarter by quarter basis by the Board of Directors and reflects CWC's positive view on the sustainability of its cash flow and earnings in the future.

Increased Capital Budget

The Board of Directors has approved an increase to the 2014 capital expenditure budget by $27.9 million, consisting of growth capital of $20.4 million and $7.5 million of maintenance and infrastructure capital. This brings the total 2014 approved capital budget to $45.6 million. The additional $20.4 million of growth capital consists of:

- one new telescopic double drilling rig complete with top drive (Rig 10);
- two new slant service rigs; and
- two shallow coil tubing units.

Of this $27.9 million, $17.8 million is expected to be carried over into 2015 due primarily to long lead time items that are not expected to be received in 2014.

As at June 30, 2014, the Company has spent $7.2 million of the $45.6 million 2014 capital budget.

Highlights for the Three Months Ended June 30, 2014

- On May 15, 2014 the Company entered the contract drilling business with the acquisition of Ironhand Drilling Inc. ("Ironhand"). The addition of Ironhand brought CWC a best-in-class modern contract drilling fleet of eight telescopic double drilling rigs with depth ratings of 3,200 to 4,500 metres having an average age of five years. In conjunction with the acquisition, CWC:
    - closed an equity financing for gross proceeds of $28.8 million through the issuance of 34,270,000 common shares at $0.84 per common share; and
    - amended and increased its credit facility from $75 million to $100 million, plus a $25 million accordion option to expand the credit facility to $125 million at a future date, subject to approval from the financing syndicate. The amendments include the extension of the committed term to June 21, 2017.

- Revenue increased by $5.6 million in the current year quarter to $20.5 million as compared to $14.8 million in the prior year quarter with $2.4 million of the increase coming from our production services segment and $3.2 million coming from the first 46 days of operation of our newly acquired contract drilling segment.

- Drilling rig utilization was 29% as compared to CAODC industry average utilization of 26%(1). Service rig utilization increased year over year to 33% in the current year as compared to 29% in the prior year quarter, helped somewhat by a shorter spring breakup in the current year quarter. Coil tubing utilization increased to 22% (Q2 2013: 14%) due to greater sales and operational focus on steam assisted gravity drainage ("SAGD") wells as opposed to deeper wells found in other parts of the Western Canadian Sedimentary Basin ("WCSB").

- CWC generated positive EBITDAS(2) of $1.2 million as compared to negative EBITDAS of ($0.3) million in the prior year quarter.

- Net loss of $3.2 million for the three months ended June 30, 2014 improved compared to a net loss of $3.8 million for the three months ended June 30, 2013.

- The Company renewed its NCIB effective May 22, 2014, to purchase from time to time, as it considered advisable, up to 13,520,411 of its issued and outstanding common shares through the facilities of the TSX Venture Exchange ("TSXV") or other recognized marketplaces.

(1) Ironhand was acquired on May 15, 2014, as such the Contract Drilling Segment includes the results for the period commencing May 16, 2014.
(2) Please refer to the "Reconciliation of Non-IFRS Measures" section for further information.

Highlights for the Six Months Ended June 30, 2014

- Revenue for the first six months increased by $5.6 million to $58.9 million as compared to $53.2 million in the prior year with $2.4 million of the increase coming from our production services segment and $3.2 million coming from the first 46 days of operation of our newly acquired contract drilling segment.

- Year to date, service rig utilization was 47% compared to 45% in 2013. Coil tubing utilization increased to 43% (YTD 2013: 30%) due to greater sales and operational focus on SAGD wells as opposed to deeper wells found in other parts of the WCSB.

- EBITDAS(1) was $10.6 million for the first half of 2014 compared to $11.0 million in 2013 with the decrease being primarily due to higher field labour and fuel costs in the current year which could not be recovered from customers in a challenging pricing environment.

- Net income for the current year six month period decreased to $0.1 million as compared to $1.0 million in 2013.

(1) Please refer to the "Reconciliation of Non-IFRS Measures" section for further information.

Financial and Operational Highlights

$ thousands, except shares, per share amounts, margins and ratios	Three months ended June 30 2014	2013	% Change	Six months ended June 30, 2014	2013	% Change
FINANCIAL RESULTS						
Revenue						
Contract drilling	3,240	-	n/m[2]	3,240	-	n/m[2]
Production services	17,248	14,845	16%	55,621	53,223	5%
	20,488	14,845	38%	58,861	53,223	11%
EBITDAS [1]	1,176	(269)	n/m[2]	10,632	10,996	(3%)
EBITDAS margin (%) [1]	6%	(2%)	8%	18%	21%	(3%)
Funds from operations [1]	461	(269)	n/m[2]	9,844	10,996	(10%)
Net income (loss)	(3,182)	(3,844)	17%	63	1,038	(94%)
Net income (loss) margin (%)	(16%)	(26%)	10%	0%	2%	(2%)
Dividends declared	4,856	2,608	86%	7,494	5,212	44%
Per share information						
Weighted average number of shares outstanding – basic	213,515,563	154,905,479		184,591,172	154,991,321	
Weighted average number of shares outstanding – diluted	213,515,563	154,905,479		194,334,851	162,930,945	
EBITDAS [1] per share – basic	$0.01	$0.00		$0.06	$0.07	
EBITDAS [1] per share – diluted	$0.01	$0.00		$0.05	$0.07	
Net income (loss) per share - basic and diluted	($0.01)	($0.02)		$0.00	$0.01	
Dividends declared per share	$0.0175	$0.01625		$0.035	$0.0325	

$ thousands, except margins and ratios	June 30, 2014	December 31, 2013
FINANCIAL POSITION AND LIQUIDITY		
Working capital (excluding debt) [1]	9,553	14,507
Working capital (excluding debt) ratio [1]	1.7:1	2.3:1
Total assets	277,834	148,999
Total Long-term debt (including current portion)	51,324	44,009
Shareholders' equity	195,851	91,344

[1] Please refer to the “Reconciliation of Non-IFRS Measures” section for further information.

[2] Not meaningful.

Total assets have increased significantly since December 31, 2013 largely as a result of the acquisition of Ironhand which had a fair value of net assets acquired of $128.7 million on May 15, 2014.

Shareholders’ equity has increased significantly since December 31, 2013 due primarily to the issuance of $112.8 million in new equity. $28.8 million was raised through the subscription receipts offering resulting in the issuance of 34.3 million common shares at a price of $0.84 per common share. $84.0 million in common shares were issued as purchase consideration to former Ironhand shareholders with 80.8 million common shares issued at a deemed price of $1.04 per common share based on the closing price of CWC’s common shares on the TSX Venture Exchange on May 15, 2014.

Operational Overview

Contract Drilling

On May 15, 2014, CWC entered the contract drilling business through the acquisition of Ironhand Drilling Inc. CWC's drilling fleet is operated under the CWC Ironhand Drilling trade name, and is included in our results for only the 46 day period since the acquisition. CWC Ironhand Drilling currently has a fleet of eight telescopic double drilling rigs with depth ratings from 3,200 to 4,500 metres having an average age of five years. Seven of these eight rigs have top drives. All of the drilling rigs are well suited for the most active depths for horizontal drilling in the WCSB, including the Montney, Duvernay, Cardium and other deep basin horizons.

OPERATING HIGHLIGHTS	June 30, 2014 (1)
Drilling Rigs	
Number of drilling rigs (2)	8
Revenue per operating day (3)	$30,258
Drilling rig operating days	107
Drilling rig utilization % (4)	29%
CAODC industry average utilization rate	26% (5)

(1) Ironhand was acquired on May 15, 2014, as such the Contract Drilling Segment includes the results for the period commencing May 16, 2014.

(2) Number of drilling rigs at the end of the period

(3). Revenue per operating day is calculated based on operating days (i.e. spud to rig release basis). New drilling rigs are added based on the first day of field service.

(4). Drilling rig utilization is calculated based on operating days (i.e. spud to rig release basis) in accordance with the methodology prescribed by the CAODC . New drilling rigs are added based on the first day of field service.

(5) Calculated based on including ½ month of May which was 20% utilization and the month of June, which was 29% as reported by the CAODC.

Notwithstanding spring breakup conditions, three of CWC's eight drilling rigs were active during the 46 day period included in our results. The drilling rigs have achieved higher utilization levels in the first six months of 2014 than in the same period of 2013.

Currently CWC Ironhand Drilling has long term contracts for three of its eight drilling rigs with terms that extend into 2015. Long term contracts typically provide for 225 to 275 committed drilling days annually.

CWC Ironhand Drilling is currently constructing two new telescopic double drilling rigs with a depth capacity of 4,500 metres with one expected to be completed and in service under a long term contract in the fourth quarter of 2014 and the other to be in service in the fourth quarter of 2015. These two drilling rigs, like our other eight rigs, are well suited for drilling the Montney, Duvernay, Cardium, and other deep basin targets. CWC expects to continue to grow the CWC Ironhand Drilling rig fleet through organic new builds backed by multi-year contracts with oil and gas companies.

Production Services

OPERATING HIGHLIGHTS	Three months ended Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012
Service Rigs								
Number of units (1)	71	71	71	71	69	68	68	65
Hours worked	20,399	37,652	33,828	32,190	17,700	37,689	32,059	31,347
Utilization % (2)	33%	61%	52%	51%	29%	62%	53%	52%
Revenue per hour	$752	$820	$786	$755	$746	$823	$791	$755
Coil Tubing Units								
Number of units (1)	7	8	8	8	8	8	8	8
Hours worked	1,403	4,600	2,106	1,833	1,045	3,285	1,463	1,034
Utilization % (3)	22%	64%	29%	25%	14%	46%	20%	14%
Revenue per hour	$784	$967	$1,129	$1,074	$1,107	$1,273	$1,209	$1,203
Snubbing Units								
Number of units (1)	6	6	6	6	6	6	7	7
Hours worked	494	1,214	1,081	891	220	1,460	1,191	574
Utilization % (4)	11%	22%	20%	16%	4%	27%	18%	9%
Revenue per hour	$1,532	$1,868	$1,774	$1,666	$1,218	$1,416	$1,399	$1,449

(1) Number of units at the end of the period – includes units which are out of service for recertification and/or refurbishment.

(2) Service rig utilization is calculated based on 10 hours a day, 365 days a year. New service rigs are added based on the first day of field service. Service rigs requiring their 24,000 hour recertification and/or refurbishment and are out of service for greater than 90 days are excluded from the utilization calculation until their first day back in field service.

(3) Coil tubing unit utilization is calculated based on 10 hours a day, 365 days a year. New coil tubing units are added based on the first day of field service.

(4) Snubbing unit utilization is calculated based on 10 hours a day, 365 days a year. New snubbing units are added based on the first day of field service.

CWC is the 6th largest service rig provider in the WCSB, having a modern fleet of 71 service rigs as at June 30, 2014. The Company's service rig fleet consists of 41 singles, 27 doubles, and 3 slant rigs. The average age of CWC's service rig fleet is approximately 7 years, making CWC's fleet amongst the newest in the WCSB. Service rigs have a long useful life if properly serviced and maintained and many rigs operating in Western Canada are over 25 years old. In the past two and a half years the Company has added seven newly built service rigs to our fleet and refurbished and recertified one previously unused service rig. Customer acceptance of our high quality equipment continues to be strong and a differentiating factor for CWC. Both customers and field personnel generally prefer to use newer equipment due to lighter weight, better design, and modern safety features. Rig services include completions, maintenance, workovers and abandonments with depth ratings from 1,500 to 5,000 metres.

Consistent with the shift in industry activity away from natural gas oriented development towards oil and liquids rich natural gas development, CWC has shifted focus towards oil related activities. Additionally, since mid 2012 the Company has concentrated on production maintenance, workovers and abandonments as opposed to completion activity which is more dependent upon drilling activity levels. We estimate that approximately 85% of our annual service rig activity is working on production maintenance, workovers and abandonments, which results in a steadier revenue and cash flow stream compared to completions oriented work that relies on the level of drilling activity. Utilization and total hours worked for the three month period ended June 30, 2014 have increased in comparison to the prior year period due to a less prolonged and wet spring breakup in 2014 as compared to 2013.

CWC's Class I, II and III coil tubing units have depth ratings from 1,500 to 4,000 metres. The market for the Class III deep coil tubing units has become extremely competitive with an increased supply of new deep coil tubing units over the last year having an adverse affect on industry utilization and pricing. In light of these competitive challenges for CWC's Class III coil tubing units, the Company has chosen to focus its sales and operational efforts on SAGD wells, which are shallower in depth and more appropriate for our Class I and II coil tubing units. These strategies resulted in record 2013 revenue and cash flow in the eight year history of CWC's coil tubing division. In the first six months of 2014, our coil tubing division continues to show increased utilization and revenues over 2013 levels. Consistent with our focus on shallower SAGD wells, during the second quarter CWC sold one of our two Class III deep coil units, recognizing a gain on the sale. Subsequent to quarter end, in July 2014, the Company purchased two shallow coil tubing units, similar to our existing shallow coil tubing units and suitable for the SAGD wells we have been focused on servicing.

CWC's snubbing division continues to be negatively affected by low activity on natural gas projects that suit our equipment but we have seen an improvement in utilization in the current year quarter over the second quarter of 2013 and increased revenue per hour for both the current year quarter and six month periods ended June 30 as compared to those periods of 2013.

Outlook

CWC anticipates a continuation of the steady demand for our drilling and service rigs and slightly higher levels of utilization for our coil tubing units than those of the past year. Strong crude oil prices and higher than prior year natural gas prices are expected to result in improved cash flow and an enhanced sense of urgency amongst our customers to ramp up both production oriented and new drilling and completion work in the latter half of 2014.

CWC also believes that the capital markets have become more favourable in 2014 for our E&P customers to raise financing for their capital expenditure programs.

With the acquisition of Ironhand the Company has an additional platform for growth and the opportunity to build CWC Ironhand Drilling into a larger and more relevant player in the deep basin. CWC has demonstrated the commitment for growth through the announcement of an increased capital budget, building one new telescopic double drilling rig, which is expected to be completed and in service in Q4 2015. This will be our tenth telescopic double drilling rig. Construction of our ninth drilling rig is nearing completion and it is expected to enter the field under a long term customer contract at the beginning of the fourth quarter of 2014. Both of these drilling rigs are designed to meet the requirements of oil and gas companies drilling in the deep basin.

Our production services segment continues to have solid performance and we have also targeted specific opportunities for growth. Three new slant service rigs, one anticipated to be completed and in service during Q4 2014 and two in Q1 2015 will aim to capitalize on the growing market for heavy oil and SAGD work. With our coil tubing product line, we have continued to decrease our focus on deep coil tubing due to the increased competition in favour of a more targeted focus on shallow SAGD coil tubing units. In Q2 2014 we sold one of our two deep coil tubing units and in Q3 2014 we have acquired two additional shallow coil tubing units which were put into service in August, 2014. All of these additional capital expenditures are focused on meeting the specific needs of our customers on SAGD wells.

The Company is committed to disciplined fiscal management and pursuit of growth opportunities driven by customer demand. Management continues to evaluate and assess merger and acquisition opportunities of oilfield service businesses and assets that are best-in-class that have the potential to increase shareholder value.

About CWC Energy Services Corp.

CWC Energy Services Corp. is a premier contract drilling and well servicing company operating in the Western Canadian Sedimentary Basin with a complementary suite of oilfield services including drilling rigs, service rigs, coil tubing, snubbing and well testing. The Company's corporate office is located in Calgary, Alberta, with operational locations in Nisku, Grande Prairie, Slave Lake, Red Deer, Lloydminster, Provost, and Brooks, Alberta and Weyburn, Saskatchewan. The Company's shares trade on the TSX Venture Exchange under the symbol "CWC".

On May 15, 2014, CWC changed its name from CWC Well Services Corp. to CWC Energy Services Corp. and amalgamated with its wholly-owned subsidiary, Ironhand Drilling Inc. (see "Subsequent Event – Acquisition of Ironhand Drilling Inc.")

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This news release contains certain forward-looking information and statements within the meaning of applicable Canadian securities legislation. Certain statements contained in this news release including everything contained in the section titled "Outlook" and including statements which may contain such words as "anticipate", "could", "continue", "should", "seek", "may", "intend", "likely", "plan", "estimate", "believe", "expect", "will", "objective", "ongoing", "project" and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements including management's assessment of future plans and operations, planned levels of capital expenditures, expectations as to the increase in activity levels, expectations on the sustainability of future cash flow and earnings and the ability to pay dividends, expectations with respect to oil and natural gas prices and price levels necessary for increases in oil and natural gas activity levels, activity levels in various areas, continuing focus on cost saving measures, expectations regarding the level and type of drilling and production and related drilling and well services activity in the WCSB, expectations regarding entering into long term drilling contracts, and expectations regarding the business, operations and revenue of the Company in addition to general economic conditions. Although the Company believes that the expectations and assumptions on which such forward-looking information and statements are based are reasonable, undue reliance should not be placed on the forward-looking information and statements because the Company can give no assurances that they will prove to be correct. Since forward-looking information and statements 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 drilling and oilfield services sector (ie. demand, pricing and terms for oilfield drilling and services; current and expected oil and gas prices; exploration and development costs and delays; reserves discovery and decline rates; pipeline and transportation capacity; weather, health, safety and environmental risks), integration of acquisitions, including the Ironhand Acquisition, competition, and uncertainties resulting from potential delays or changes in plans with respect to acquisitions, development projects or capital expenditures and changes in legislation, including but not limited to tax laws, royalties and environmental regulations, stock market volatility and the inability to access sufficient capital from external and internal sources and the inability to pay dividends. 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 SEDAR at www.sedar.com. The forward-looking information and statements 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 information or statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. Any forward-looking statements made previously may be inaccurate now.

Reconciliation of Non-IFRS Measures

$ thousands except share and per share amounts	Three months ended June 30, 2014	Three months ended June 30, 2013	Six months ended June 30, 2014	Six months ended June 30, 2013
NON-IFRS MEASURES				
EBITDAS:				
Net income (loss)	(3,182)	(3,844)	63	1,038
Add:				
Depreciation	3,821	3,070	8,086	7,058
Finance costs	523	1,558	966	2,213
Transaction costs	715	-	788	-
Income tax expense	(945)	(1,260)	205	422
Stock based compensation	357	188	637	390
(Gain) loss on sale of equipment	(113)	19	(113)	(125)
EBITDAS (1)	1,176	(269)	10,632	10,996
EBITDAS per share – basic(1)	$0.01	($0.00)	$0.06	$0.07
EBITDAS per share – diluted(1)	$0.01	($0.00)	$0.05	$0.07
EBITDAS margin (EBITDAS/Revenue) (1)	6%	(2%)	18%	21%
Weighted average number shares outstanding - basic	213,515,563	154,905,479	184,591,172	154,991,321
Weighted average number shares outstanding - diluted	213,515,563	154,905,479	194,334,851	162,930,945
Funds from operations:				
Cash flows from operating activities	5,983	12,052	12,444	17,830
Add (deduct): Change in non-cash working capital	(5,522)	(12,321)	(2,600)	(6,834)
Funds from operations (2)	461	(269)	9,844	10,996
Gross margin:				
Revenue	20,488	14,845	58,861	53,223
Less: Direct operating expenses	15,676	11,752	40,539	35,273
Gross margin (3)	4,812	3,093	18,322	17,950
Gross margin percentage (3)	23%	21%	31%	34%

$ thousands	June 30, 2014	December 31, 2013
Working capital (excluding debt):		
Current Assets	23,785	25,353
Less: Current Liabilities	(14,452)	(11,031)
Add: Current portion of long term debt	220	185
Working capital (excluding debt) (4)	9,553	14,507
Working capital (excluding debt) ratio(4)	1.7:1	2.3:1
Net debt:		
Long term debt	51,104	43,824
Less: Current assets	(23,785)	(25,353)
Add: Current liabilities	14,452	11,031
Net debt (5)	41,771	29,502

(1) EBITDAS (Earnings before interest and finance costs, income tax expense, depreciation, amortization, (gain) loss on disposal of asset, transaction costs, and stock based compensation) is not a recognized measure under IFRS. Management believes that in addition to net earnings, EBITDAS is a useful supplemental measure as it provides an indication of the Company's ability to generate cash flow in order to fund working capital, service debt, pay current income taxes, pay dividends, repurchase common shares under the Normal Course Issuer Bid, and fund capital programs. Investors should be cautioned, however, that EBITDAS should not be construed as an alternative to net income (loss) and comprehensive income (loss) determined in accordance with IFRS as an indicator of the Company's performance. CWC's method of calculating EBITDAS may differ from other entities and accordingly, EBITDAS may not be comparable to measures used by other entities. EBITDAS margin is calculated as EBITDAS divided by revenue and provides a measure of the percentage of EBITDAS per dollar of revenue. EBITDAS per share is calculated by dividing EBITDAS by the weighted average number of shares outstanding as used for calculation of earnings per share.

(2) Funds from operations is not a recognized measure under IFRS. Management believes that in addition to cash flow from operations, funds from operations is a useful supplemental measure as it provides an indication of the cash flow generated by the Company's principal business activities prior to consideration of changes in working capital. Investors should be cautioned, however, that funds from operations should not be construed as an alternative to cash flow from operations determined in accordance with IFRS as an indicator of the Company's performance. CWC's method of calculating funds from operations may differ from other entities and accordingly, funds from operations may not be comparable to measures used by other entities. Funds from operations is equal to cash flow from operations before changes in non-cash working capital items related to operations.

(3) Gross margin is calculated from the statement of comprehensive income as revenue less direct operating costs and is used to assist management and investors in assessing the Company's financial results from operations excluding fixed overhead costs. Gross margin percentage is calculated as gross margin divided by revenue. The Company believes the relationship between revenue and costs expressed by the gross margin percentage is a useful measure when compared over different financial periods as it demonstrates the trending relationship between revenue, costs and margins. Gross margin and gross margin percentage are non-IFRS measures and do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures provided by other companies.

(4) Working capital (excluding debt) is calculated based on current assets less current liabilities excluding the current portion of long-term debt. Working capital (excluding debt) is used to assist management and investors in assessing the Company's liquidity. Working capital (excluding debt) does not have any meaning prescribed under IFRS and may not be comparable to similar measures provided by other companies. Working capital (excluding debt) ratio is calculated as current assets divided by the difference of current liabilities less the current portion of long term debt.

(5) Net debt is not a recognized measure under IFRS and does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures provided by other companies. Management believes net debt is a useful indicator of a company's debt position.