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FOR: CE FRANKLIN LTD.

AMEX SYMBOL: CFK

TSE SYMBOL: CFT

April 23, 2001

CE Franklin Announces First Quarter Growth in Earnings from Traditional Businesses and Continued Investment in New Initiatives

CALGARY, ALBERTA--CE FRANKLIN LTD. (TSE.CFT, AMEX.CFK) announced today its results for the first quarter ended March 31, 2001.

Sales for the first quarter were \$120.2 million, an increase of \$22.8 million or 23.4% compared to the first quarter of 2000.

Sales from the Company's traditional businesses, consisting of general supplies and tubulars, increased by \$10.0 million or 12.4% as compared to the same quarter ended March 31, 2000. The increase in sales was driven by the increase in drilling and completions activity in western Canada.

Sales from new business initiatives, primarily the Company's Piping Resources, CEF Technologies and Eastern Canadian operations increased by 76.7% or \$12.8 million. The increase in sales was mainly attributed to a large oil sands contract with a major international energy company in the Piping Resources division.

Earnings before interest, tax, depreciation, amortization and other expenses (EBITDA) for the first quarters of both 2001 and 2000 were \$4.1 million. EBITDA for the Company's traditional businesses increased \$0.5 million or 19.3%. This was offset by continuing investments in selling, general and administrative expenses (SG&A) for new initiatives, primarily relating to CEF Technologies, Piping Resources and Eastern Canadian operations in order to grow future earnings through these initiatives. EBITDA from the new initiatives has grown from \$0.4 million to \$0.5 million to \$1.1 million over the past three consecutive quarters while EBITDA from traditional businesses increased from \$1.8 million to \$2.4 million to \$3.0 million over the same period.

Net income for the first quarter 2001 was \$1.3 million or \$0.07 (diluted) per share, which is consistent with the first quarter 2000.

"Our traditional businesses are benefiting from strong drilling for natural gas and, to a lesser extent, oil in western Canada and this has resulted in improved sales and earnings," commented John Gilbank, Chairman and Chief Executive Officer. "We are also seeing the early stages of the benefits of our new initiatives, mainly in the form of increased sales, and are progressing toward our goal of getting the benefits to the bottom line. As for eCommerce, we are working closely with our pilot customers to make further improvements and will be rolling it out to more customers in the coming months."

Future Outlook

In the second quarter of 2001, the Company is expecting normal spring break-up conditions. Spring break-up makes previously frozen roads soft and moving heavy

drilling and service rigs is greatly restricted. As a result, fewer wells are drilled causing a reduction in demand for CE Franklin's supplies and services.

About CE Franklin

CE Franklin, is Canada's largest distributor of supplies for the drilling, production, processing and pipelining of hydrocarbons. In addition to its complete range of production equipment, including artificial lift technology, the Company sells pipe, valves, fittings and maintenance supplies and provides complete customer inventory procurement and management services through its 41 locations across Canada. The Company also manufactures and packages specialized products for the energy industry and provides supply packages for projects in the hydrocarbon processing industry through its Piping Resources Division. CE Franklin's common stock trades on The Toronto Stock Exchange under the symbol CFT and on the American Stock Exchange under the symbol CFK. For additional information visit the website at www.cefranklin.com.

Conference Call and Webcast Information

CE Franklin has scheduled a conference call for Tuesday, April 24, at 11:00 a.m. EDT (9:00 a.m. MDT) during which the first quarter 2001 results will be discussed. Please phone the conference call operator at 1-800-446-4498. John Gilbank, Chairman and Chief Executive Officer will chair the call. Sam Secreti, Chief Financial Officer will also accompany Mr. Gilbank. A question and answer session will be included in the call. A taped version of the call will be available until midnight on Monday, April 30, by calling 1-888-509-0081. The call will also be webcast live at either www.ir-live.com or www.vcall.com.

Annual and Special Meeting

Shareholders are invited to attend CE Franklin's Annual and Special Meeting on Tuesday, May 1 in Calgary, Alberta, at 2:30 p.m. at the Calgary Petroleum Club 319 - 5th Avenue S.W., in the Viking Room.

This news release includes forward looking statements within the meaning of section 27A of the United States Securities Act of 1933 and Section 21E of the United States Securities Exchange Act of 1934. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that expected results will be achieved. Important factors that could cause actual results to differ materially from those in the forward looking statements herein include economic conditions, seasonality of drilling activity, commodity prices for oil and gas, currency fluctuations and government regulations, and other risks and uncertainties as described in the Company's 2000 Annual Report on Form 20-F as filed with the United States Securities and Exchange Commission.

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(all results in Canadian Dollars)

CE Franklin Ltd.
Consolidated Statements of Operations
(Unaudited)

	2001	2001	2000
	U.S. \$	Cdn. \$	Cdn. \$
Three Months Ended March 31			
(in thousands of dollars)	(note 2)		

Sales			
General supplies	43,149	68,344	50,565
Tubulars	29,463	46,667	41,842
CEF Technologies	3,263	5,169	4,947
	75,875	120,180	97,354

Gross profit			
General supplies	6,323	10,015	8,586
Tubulars	1,575	2,495	2,392
CEF Technologies	1,033	1,636	1,653
	8,931	14,146	12,631

Selling, general and administrative expenses	6,320	10,011	8,528

Earnings before interest, tax, depreciation, amortization and other expenses (EBITDA)	2,611	4,135	4,103

Other Expenses (Income)			
Depreciation and amortization	749	1,186	1,054
Interest expense	465	737	841
Loss (gain) on disposal of capital assets	(25)	(40)	37
Other	146	231	(113)

Income before income taxes	1,276	2,021	2,284

Income tax expense			
Current	266	421	990
Future	221	350	-
	487	771	990

Net income for the period	789	1,250	1,294

Net income per share (note 1)			
Basic	0.05	0.07	0.08
Diluted	0.05	0.07	0.07
Weighted average basic number of shares outstanding	17,153,519	17,153,519	16,765,219

CE Franklin Ltd.
Consolidated Balance Sheets

March 31, 2001 March 31, 2001 December 31, 2000
U.S. \$ Cdn. \$ Cdn. \$
(unaudited) (unaudited)

(in thousands of dollars)

(note 2)

ASSETS

Current assets

Accounts receivable	42,407	67,169	63,805
Inventories	42,255	66,927	64,815
Income taxes recoverable	-	-	4,094
Other	223	354	2,337

Capital assets	84,885	134,450	135,051
Goodwill	11,864	18,792	19,523
Other assets	6,936	10,986	11,066
	323	512	512

104,008 164,740 166,152

LIABILITIES

Current liabilities

Bank overdraft	2,078	3,292	5,929
Bank operating loan	27,653	43,800	48,000
Accounts payable	26,202	41,501	41,395
Accrued liabilities	13,670	21,652	17,900
Current portion of long-term debt	203	322	322

Long-term debt	69,806	110,567	113,546
Future income taxes	125	198	280
	2,138	3,387	3,037

72,069 114,152 116,863

SHAREHOLDERS' EQUITY

Capital stock	12,113	19,186	19,137
Contributed surplus	8,565	13,566	13,566
Retained earnings	11,261	17,836	16,586

31,939 50,588 49,289

104,008 164,740 166,152

CE Franklin Ltd.

Consolidated Statements of Cash Flows

(Unaudited)

	2001	2001	2000
Three Months Ended March 31	U.S. \$	Cdn. \$	Cdn. \$
(in thousands of dollars)	(note 2)		

Cash flows from operating activities

Net income for the period	789	1,250	1,294
Items not affecting cash -			
Depreciation and amortization	749	1,186	1,054
Loss (gain) on disposal of capital			

assets	(25)	(40)	37
Future income taxes	221	350	-
Increase of inventory reserves	249	395	317
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	1,983	3,141	2,702
Net change in non-cash working capital balances related to operations -			
Accounts receivable	(2,124)	(3,364)	(8,920)
Income taxes recoverable	2,586	4,094	1,081
Inventories	(1,583)	(2,507)	(5,060)
Other current assets	1,252	1,983	(245)
Accounts payable	67	106	2,814
Accrued liabilities	2,369	3,752	1,060
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	4,550	7,205	(6,568)
Cash flows from financing activities			
Issuance of shares	31	49	199
Increase (decrease) in bank operating loan	(2,652)	(4,200)	4,100
Increase (decrease) in bank overdraft	(1,665)	(2,637)	3,153
Decrease in in long-term debt	(52)	(82)	(75)
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	(4,338)	(6,870)	7,377
Cash flows from investing activities			
Purchase of capital assets	(302)	(478)	(879)
Proceeds on disposal of capital assets	90	143	70
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	(212)	(335)	(809)
Change in cash and cash equivalents during the period	-	-	-
Cash and cash equivalents - Beginning of period	-	-	-
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Cash and cash equivalents - End of period	-	-	-
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Cash paid during the period for:			
Interest on bank operating loan	568	900	827
Interest on long-term debt	6	9	14
Income taxes	402	636	-
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CE Franklin Ltd.
Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)

Capital Stock

(in thousands of dollars)	Number of Shares	Cdn. \$	Contributed surplus Cdn. \$
Balance - December 31, 1999	16,725,961	17,709	13,566
Issue of shares for cash	6,580	25	-
Stock options exercised	212,201	173	-
Net income	-	-	-

Balance - March 31, 2000 16,944,742 17,907 13,566

Balance - December 31, 2000	17,149,153	19,137	13,566
Stock options exercised	8,938	49	-
Net income	-	-	-

Balance - March 31, 2001 17,158,091 19,186 13,566

(in thousands of dollars)	Retained earnings Cdn. \$	Shareholders' equity Cdn. \$
Balance - December 31, 1999	15,086	46,361
Issue of shares for cash	-	25
Stock options exercised	-	173
Net income	1,294	1,294

Balance - March 31, 2000 16,380 47,853

Balance - December 31, 2000	16,586	49,289
Stock options exercised	-	49
Net income	1,250	1,250

Balance - March 31, 2001 17,836 50,588

CE Franklin Ltd.

Notes to Consolidated Financial Statements (unaudited)

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Note 1 - U.S. GAAP net income per share (Cdn. \$)

U.S. GAAP primary net income per share was \$.08 and diluted \$.07 for the three months ended March 31, 2001.

Note 2 - United States dollar amounts

The financial statements presented herein are expressed in Canadian dollars, and, solely for the convenience of the reader, have been translated into United States dollars for the quarter ended March 31, 2001 at the rate of Cdn. \$1.5839 equals U.S. \$1.00, the prevailing rate on March 31, 2001. This translation should not be construed as a representation that the Canadian dollar amounts shown could be so converted into U.S. dollars at Cdn. \$1.5838 equals U.S. \$1.00 or at any other rate.

Note 3 - Share data

At March 31, 2001 the company had 17,158,091 common shares and 1,254,136 options to acquire common shares outstanding. 499,861 of those options were currently vested and exercisable.

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CE Franklin Ltd.

Supplemental 2001 Information - Quarterly Financial Data
(Unaudited)

(IN MILLIONS OF CDN DOLLARS)	Q1

Sales	
General Supplies	68.3
Tubulars	46.7
CEF Technologies	5.2

Total Sales	120.2

# of Oil Wells Drilled (excluding dry/service)	1,216
# of Gas Wells Drilled (excluding dry/service)	2,002
Gross Profit	
General Supplies	10.0
% of Sales	14.7%
Tubulars	2.5
% of Sales	5.3%
CEF Technologies	1.6
% of Sales	31.7%

Total Gross Profit	14.1
% of Sales	11.8%

Selling, General & Administrative	10.0
% of Gross Profit	70.8%

Earnings before interest, tax, depreciation, amortization and other expenses (income) EBITDA	4.1
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Net Income	1.3
% of Sales	1.0%

EPS	
Basic	0.07
Fully Diluted	0.07

Total Assets	164.7
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Total Financed Debt	44.3
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Total Capitalization (Average)	
Average Financed Debt	48.7
% to Total Capitalization	49.3%
Average Equity	50.1
% to Total Capitalization	50.7%
Total Capitalization	98.8

Current Assets % of Total Assets (Average)	
Average Current Assets	140.7
Average Total Assets	171.2
%	82.2%

Days Sales Outstanding (DSO) (1)	
Average Accounts Receivable - Trade	61.5
Sales - annualized	480.7
DSO	46.7

(1) (Average A/R/Sales)*365 days

Bad Debt % to Accounts Receivable	
Bad Debt	0.2
Average Accounts Receivable - Trade	61.5
%	0.3%

Inventory Turns	
Cost of Sales	106.0
Cost of Sales - annualized	424.1
Average Inventory	68.1
Inventory Turns	6.2

Inventory Writeoff %	
Inventory Writeoffs	0.2
Average Inventory	68.1
%	0.2%

ROI (after tax) equals Return on Investment (2)	
Interest after tax	0.5
Interest after tax - annualized	1.8
Net Income - annualized	5.0
ROI (after tax)	6.9%

(2) Net Income + Interest After Tax

Average (Equity + Financed Debt)

ROE (after tax) equals Return on Equity (3)	10.0%
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(3) (Net Income/Average Equity)

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FOR FURTHER INFORMATION PLEASE CONTACT:

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INDUSTRY: EQS
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