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FOR: CE FRANKLIN LTD.

AMEX SYMBOL: CFK.

TSE SYMBOL: CFT

October 19, 2000

CE Franklin Ltd. Announces Third Quarter Results

CALGARY, ALBERTA--

(Results are in Canadian Dollars)

Canada's largest energy supply company announces growth in revenue for the quarter.

CE FRANKLIN LTD. (TSE.CFT, AMEX.CFK) today reported "break-even" results for the third quarter ended September 30, 2000. Sales were \$88.0 million, an increase of \$22.0 million or 33% compared with the third quarter of 1999. The increase is attributed to a partial but continuing recovery in oil and gas drilling activity in western Canada.

Gross profit grew 24.3% year over year, declining by 0.9% as a percentage of sales as the Canadian supply industry liquidated excess inventory caused by poor summer drilling conditions. (See News Release dated September 28, 2000, "Third Quarter Update")

Selling, General and Administrative (SG&A) expenses in the third quarter of 2000 were \$8.8 million, up 31% from \$6.7 million in the third quarter of 1999. Most of the increase was caused by payroll expense driven by recent growth and in anticipation of near term growth.

Earnings per share were \$0.00 for the third quarter of 2000 compared with \$0.01 last year.

For the first nine months of 2000 sales were \$264.0 million, an increase of \$105.0 million or 66% compared to the first nine months of 1999. The growth has primarily been driven by a 62% increase in drilling activity in western Canada. Net income for the first nine months of 2000 was \$1.4 million, an increase of \$6.6 million compared to the first nine months of 1999. Earnings per shares for the first nine months of 2000 were \$0.08, an increase of \$0.38 from the same period in 1999.

"The third quarter has been a disappointing period for us for the reasons we discussed in our September 28 News Release," commented, John Gilbank, Chairman and Chief Executive Officer. "Our customers, however, have been strengthening their balance sheets all year and most are now planning aggressive programs for the winter drilling season. With steady progress in eCommerce and some good growth prospects we are confident about the next six months and beyond."

eCommerce Update

Our eCommerce initiative is evolving rapidly. Third quarter milestones include orientation and training of participants in our customer pilot projects. Although many customers have expressed a desire to participate, we are limiting customer involvement until pilot customer feedback can be evaluated. Catalogue activity has been focused on completing the data formatting of our existing items to ensure quick and easy item search and accurate requisitioning. We have just added the Verity search engine to our Marketplace to further enhance the customer experience. We are working closely with our key suppliers to assist them in preparing and formatting quality data for inclusion in our marketplace in the coming year.

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 Information

CE Franklin Ltd., has scheduled a conference call for Friday, October 20, at 9:15 a.m. Eastern Standard Time (7:15 a.m. Mountain Standard Time) during which the third quarter results will be discussed. Please phone the conference call operator at 1-888-674-1998. John Gilbank, Chairman and Chief Executive Officer will chair the call. Jean Parker, 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 Wednesday, October 25, by calling 1-800-558-5253 reservation #1668-1006.

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 1999 Annual Report on Form 20-F as filed with the United States Securities and Exchange Commission.

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CE FRANKLIN LTD.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

Three Months Ended (in thousands of dollars)	Sept. 30, 2000 U.S. \$	Sept. 30, 2000 Cdn \$	Sept. 30, 1999 Cdn \$

Sales			
General supplies	34,129	51,432	38,512
Tubulars	21,793	32,842	24,684
CEF Technologies	2,494	3,758	2,837
	58,416	88,032	66,034

Gross profit			
General supplies	5,591	8,425	6,799
%	16.4%	16.4%	17.7%
Tubulars	1,146	1,727	1,236
%	5.3%	5.3%	5.0%
CEF Technologies	528	796	773
%	21.2%	21.2%	27.2%

Total gross profit \$	7,265	10,948	8,809
Total gross profit %	12.4%	12.4%	13.3%

Selling, general and administrative expenses	5,818	8,768	6,680

Earnings before interest, tax, depreciation, amortization and other expenses (income)(EBITDA)	1,447	2,180	2,129
Other Expenses (Income)			
Depreciation and amortization	710	1,070	1,076
Interest expense	581	876	812
Loss (gain) on disposal of capital assets	0	0	-
Other	70	106	(68)

Income before income taxes	86	128	309

Income tax expense (recovery)	75	113	120

Net income (loss) for the period	11	15	189
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Net income (loss) per
share (note #1)

Basic	0.00	0.00	0.01
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Fully diluted	0.00	0.00	0.01
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Weighted average basic number

of shares outstanding	16,993,659	16,993,659	16,568,669
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CE Franklin Ltd.

Consolidated Statements of Operations (Unaudited)

Nine Months Ended (in thousands of dollars)	Sept. 30	Sept. 30,	Sept. 30,
	2000	2000	1999
	U.S. \$	Cdn \$	Cdn \$

Sales

General supplies	94,888	142,996	95,904
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Tubulars	72,082	108,628	55,406
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CEF Technologies	8,260	12,448	7,773
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	175,230	264,072	159,083
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Gross profit

General supplies	16,118	24,290	14,533
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%	17.0%	17.0%	15.2%
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Tubulars	3,967	5,979	2,792
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%	5.5%	5.5%	5.0%
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CEF Technologies	2,636	3,973	2,025
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%	31.9%	31.9%	26.1%
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Total gross profit \$	22,721	34,242	19,350
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Total gross profit %	13.0%	13.0%	12.2%
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Selling, general and

administrative expenses	17,074	25,731	22,747
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Earnings before interest, tax,
depreciation, amortization and

other expenses (income) (EBITDA)	5,647	8,511	(3,396)
Other Expenses (Income)			
Depreciation and amortization	2,120	3,195	2,619
Interest expense	1,706	2,571	2,465
Loss (gain) on disposal of capital assets	25	37	-
Other	86	130	(101)

Income before income taxes	1,710	2,578	(8,379)

Income tax expense (recovery)	761	1,147	(3,179)

Net income (loss) for the period	949	1,431	(5,200)

Net income (loss)			
per share (note #1)			
Basic	0.06	0.08	(0.31)

Fully diluted	0.05	0.08	(0.30)

Weighted average basic			
number of shares outstanding	16,993,659	16,993,659	16,596,315

CE FRANKLIN LTD.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands of dollars)	Sept. 30,	Sept. 30,	Sept 30,
	2000	2000	1999
	U.S. \$	Cdn \$	Cdn \$

ASSETS			
Current assets			
Accounts receivable	36,875	55,571	51,040
Inventories	38,549	58,094	45,277
Income tax recoverable	2,718	4,097	3,063
Other	506	763	831

Total current assets	78,648	118,525	100,211
Capital assets			
Goodwill	12,957	19,526	20,035
	7,395	11,144	11,458

Other assets	468	706	1,162
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Total Assets	99,468	149,901	132,866
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LIABILITIES

Current liabilities

Bank overdraft	248	374	-
Accounts payable and accrued liabilities	34,547	52,063	43,225
Bank operating loan	30,524	46,000	-
Current portion of long-term debt	198	299	300

Total current liabilities	65,517	98,736	43,525
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Bank operating loan	-	-	41,800
Long-term debt	283	427	1,084
Deferred income taxes	1044	1,574	170

Total liabilities	66,844	100,737	86,579
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SHAREHOLDERS' EQUITY

Capital stock and contributed surplus	21,663	32,646	30,962
Retained earnings	10,961	16,518	15,325

Total Shareholders' Equity	32,624	49,164	46,287
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Total Liabilities and Shareholders' Equity	99,468	149,901	132,866
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CE FRANKLIN LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

Three Months Ended (in thousands of dollars)	Sept. 30, 2000 U.S. \$	Sept. 30, 2000 Cdn \$	Sept. 30, 1999 Cdn \$
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Operating activities

Net income (loss) for the period	10	15	189
Items not affecting cash -			
Depreciation and amortization	710	1,070	1,076
Loss (gain) on disposal			

of capital assets	0		-
Increase (decrease) of inventory reserves	192	289	153
Net change in non-cash working capital balances related to operations	(1,248)	(1,881)	(2,531)
	(336)	(508)	(1,113)

Financing activities			
Issuance of shares	291	438	46
Increase (decrease) in bank operating loan	1,062	1,600	1,200
Increase (decrease) in bank overdraft	(379)	(571)	-
Increase (decrease) in obligations under capital lease	(17)	(25)	-
	957	1,442	1,246

Investing activities			
Decrease (increase) in marketable securities	-	-	-
Purchase of capital assets	(621)	(934)	(132)
Proceeds on disposal of capital assets	-	-	-
Reduction (increase) of other assets	-	-	-
	(621)	(934)	(132)

Increase (decrease) in cash during the period	-	-	-
Cash and Cash equivalents - beginning of period	-	-	-

Cash and Cash equivalents - end of period	-	-	-

CE FRANKLIN LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

Nine Months Ended (in thousands of dollars)	Sept. 30, 2000 U.S. \$	Sept. 30, 2000 Cdn \$	Sept. 30, 1999 Cdn \$

Operating activities			
Net income (loss) for the period	950	1,431	(5,200)
Items not affecting cash -			
Depreciation and amortization	2,120	3,195	2,619

Loss (gain) on disposal of capital assets	25	37	-
Increase (decrease) of inventory reserves	461	695	(382)
Net change in non-cash working capital balances related to operations	(3,147)	(4,743)	10,556
	409	614	7,593

Financing activities			
Issuance of shares	910	1,372	114
Increase (decrease) in bank operating loan	6,304	9,500	(5,000)
Increase (decrease) in bank overdraft	(5,256)	(7,921)	(433)
Increase (decrease) in obligations under capital lease	(116)	(175)	1,338
	1,842	2,776	(3,981)

Investing activities			
Decrease (increase) in marketable securities	-	-	455
Purchase of capital assets	(2,296)	(3,460)	(2,938)
Proceeds on disposal of capital assets	46	70	-
Reduction (increase) of other assets	-	-	(1,129)
	(2,250)	(3,390)	(3,612)

Increase (decrease) in cash during the period	-	-	-
Cash and Cash equivalents - beginning of period	-	-	-

Cash and Cash equivalents - end of period	-	-	-

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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 fully diluted \$.08 for the nine months ended September 30, 2000 (1999 - (\$0.31) per share).

NOTE #2 - U.S. 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 September 29, 2000 at the rate of CDN \$1.5070 equals U.S. \$1.00, the prevailing rate on September 29, 2000.

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 \$1.5070 equals U.S. \$1.00 or at any other rate.

NOTE #3 - SHARE DATA

At September 30, 2000 the company had 17,144,602 common shares and 894,480 options to acquire common shares outstanding. 343,489 of those options were currently vested and exercisable. Supplemental Information - Quarterly Financial Data

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(IN MILLIONS OF CDN DOLLARS)	Q1	Q2	Q3	9 Months 2000
SALES				
General Supplies	50.6	41.0	51.4	143.0
Tubulars	41.8	33.9	32.8	108.6
CEF Technologies	4.9	3.7	3.8	12.4
Total Sales	97.4	78.7	88.0	264.1
# of Oil Wells Drilled (excluding dry/service)				
	1,264	1,209	1,438	3,911
# of Gas Wells Drilled (excluding dry/service)				
	1,774	1,899	2,541	6,214
GROSS PROFIT				
General Supplies	8.6	7.3	8.4	24.3
% of Sales	17.0%	17.8%	16.4%	17.0%
Tubulars	2.4	1.9	1.7	6.0
% of Sales	5.7%	5.5%	5.3%	5.5%
CEF Technologies	1.7	1.5	0.8	4.0
% of Sales	33.4%	40.7%	21.2%	31.9%
Total Gross Profit	12.6	10.7	10.9	34.2
% of Sales	13.0%	13.6%	12.4%	13.0%
SELLING, GENERAL & ADMINISTRATIVE				
	8.5	8.4	8.8	25.7
% of Gross Profit	67.5%	79.1%	80.1%	75.2%

EARNINGS BEFORE INTEREST, TAX,
DEPRECIATION, AMORTIZATION AND

OTHER EXPENSES (INCOME)	4.1	2.2	2.2	8.5
EBITDA				

NET INCOME	1.3	0.1	0.0	1.4
% of Sales	1.3%	0.2%	0.0%	0.5%

EPS				
Basic	0.08	0.01	0.00	0.08
Fully Diluted	0.07	0.01	0.00	0.08

Total Assets	150.7	146.6	149.9	149.9

Total Financed Debt	41.4	45.2	46.7	46.7

TOTAL CAPITALIZATION (AVERAGE)				
Average Financed Debt	43.7	46.1	46.1	45.3
% to Total Capitalization	48.1%	48.8%	48.5%	48.5%
Average Equity	47.0	48.3	48.9	48.1
% to Total Capitalization	51.9%	51.2%	51.5%	51.5%
Total Capitalization	90.7	94.4	95.0	93.4

CURRENT ASSETS % OF TOTAL ASSETS				
(AVERAGE)				
Average Current Assets	116.8	112.1	115.5	114.8
Average Total Assets	147.7	143.5	146.8	146.0
%	79.0%	78.1%	78.7%	78.6%

DAYS SALES OUTSTANDING (DSO)(1)				
Average Accounts Receivable				
- Trade	53.0	46.2	47.1	48.8
Sales - annualized	389.4	314.7	352.1	352.1
DSO	49.6	53.5	48.9	50.5

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

BAD DEBT % TO ACCOUNTS RECEIVABLE				
Bad Debt	0.1	0.3	0.3	0.6
Average Accounts Receivable				
- Trade	53.0	46.2	47.1	48.8
%	0.3%	0.5%	0.6%	1.3%

INVENTORY TURNS				
Cost of Sales	84.7	68.0	77.1	229.8
Cost of Sales - annualized	338.9	272.1	308.3	306.4
Average Inventory	52.7	57.0	59.2	56.3

Inventory Turns	6.4	4.8	5.2	5.4

INVENTORY WRITEOFF %				
Inventory Writeoffs	0.1	0.1	0.1	0.4
Average Inventory	52.7	57.0	59.2	56.3
%	0.3%	0.2%	0.2%	0.7%

ROI (AFTER TAX) = RETURN ON INVESTMENT (2)				
Interest after tax	0.5	0.6	0.1	1.2
Interest after tax - annualized	1.9	2.5	0.4	1.6
Net Income - annualized	5.2	0.5	0.1	1.9
ROI (after tax)	7.8%	3.2%	0.5%	3.8%

(2) Net Income + Interest After Tax				

Average (Equity + Financed Debt)				

ROE (AFTER TAX) = RETURN ON EQUITY (3)	11.0%	1.0%	0.1%	4.0%

(3) (Net Income/Average Equity)				

Economic Value Added (EVA) (4)				
Weighted Average Cost of Capital	9.7%	9.7%	10.2%	9.7%
EVA	(1.9%)	(6.6%)	(9.7%)	(5.9%)

(4) (ROI - Weighted Average Cost of Capital ((% financing from debt x cost of debt) + (% financing from equity x cost of equity)))				

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