



PHX

ENERGY SERVICES CORP.

JANUARY 2021

Forward-Looking Statements

Some matters discussed in this presentation may be considered to be forward- looking statements. Such statements include declarations regarding management's intent, belief or current expectations. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties. Actual results could differ materially from those indicated by such forward-looking statements. Such risks and uncertainties include: the Corporation will continue to conduct its operations in a manner consistent with past operations; the general continuance of current industry conditions; anticipated financial performance, business prospects, impact of competition, strategies, the general stability of the economic and political environment in which the Corporation operates; the continuing impact of COVID-19 on the global economy, specifically trade, manufacturing, supply chain and energy consumption, among other things and the resulting impact on the Corporation's operations and future results which remain uncertain; exchange and interest rates; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour and services and the adequacy of cash flow; debt and ability to obtain and maintain financing on acceptable terms to fund its ongoing operations and planned expenditures, which are subject to change based on commodity prices; market conditions and future oil and natural gas prices; and potential timing delays. Although Management considers these material factors, expectations, and assumptions to be reasonable based on information currently available to it, no assurance can be given that they will prove to be correct.

Who We Are

LARGEST INDEPENDENT DIRECTIONAL PROVIDER IN NORTH AMERICA

- Engineer and manufacture proprietary high performance technologies
- Our high performance technologies are deployed on projects for oil and gas producers both in our full directional drilling service package and as technology rentals
- In addition, our services and technologies are utilized on helium, potash, uranium and geothermal energy projects



GEOGRAPHICAL REVENUE

As a percentage of 9-month 2020 consolidated revenue



Summary of 2020 Accomplishments

2020 can only be described as the most difficult year in the history of our industry

US rig count dropped from 850 to 240 in 6 months, the lowest level in recorded history.

Despite this we outperformed and achieved financial and operational successes

- Protected the balance sheet, eliminated all bank debt and currently cash positive
- Renewed and leveraged NCIB to enhance total long-term shareholder returns
- In December, re-instated quarterly dividend of \$0.025 per share, with first being payable on Jan 15, 2021
- Grew market share in the US and are arguably the busiest directional provider in the Permian and Canada
- Maintained core group of personnel and remained poised for growth



Bank Debt
As at Sept 30, 2020



Net Cash (in millions)
As at Sept 30, 2020



Working Capital (in millions)
As at Sept 30, 2020



of Shares as at 12-31-2017
Re-Purchased/Cancelled



Unprecedented Reality: Industry Conditions

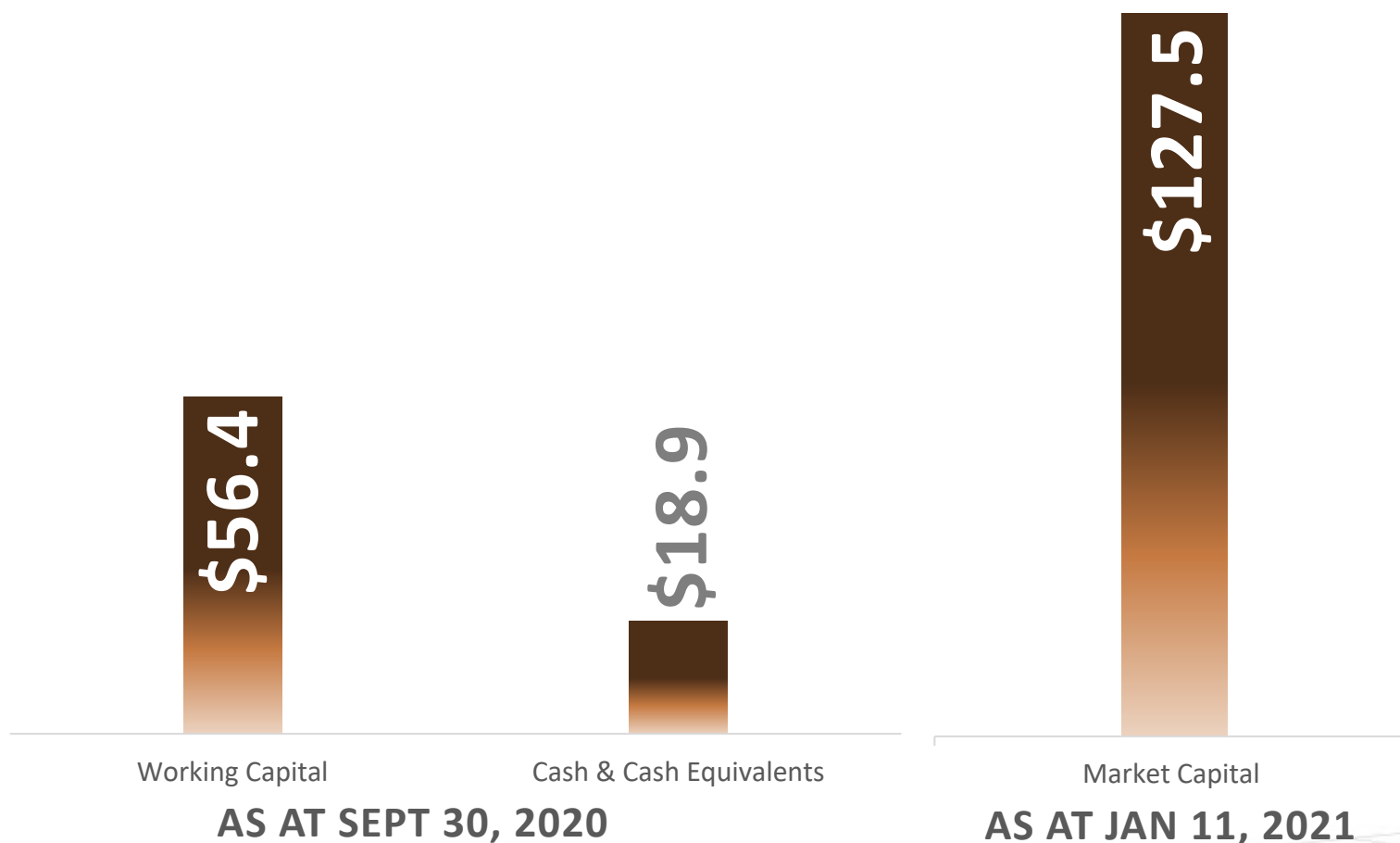
Our industry leading technology, unmatched performance and strong operational results helped lessen the decline in our activity as compared to the industry in this time of historically low rig counts

<i>Stated in thousands of dollars rig counts and operating days</i>	Nine-month periods ended Sept 30,		
	2020	2019	% Chg
	<i>(unaudited)</i>	<i>(unaudited)</i>	
Operating Results			
Revenue	189,564	268,204	(29)
Adjusted EBITDA ⁽¹⁾	31,462	37,961	(11)
Free Cash Flow ⁽¹⁾	19,883	22,326	(11)
Industry Activity			
Canadian Rig Count	89	132	(33)
US Rig Count	477	930	(49)
Operating Day			
Canadian operating days	3,774	5,890	(36)
US operating days	7,946	11,502	(31)
Consolidated operating days	10,231	12,592	(19)

⁽¹⁾ See Non-GAAP Measures section of quarterly report

Financial Strength Not Reflected in Valuation

One of the lowest multiples in the oilfield services sector despite our strong balance sheet



Market Leader in the US

OVER 16,000 WELLS DRILLED IN USA

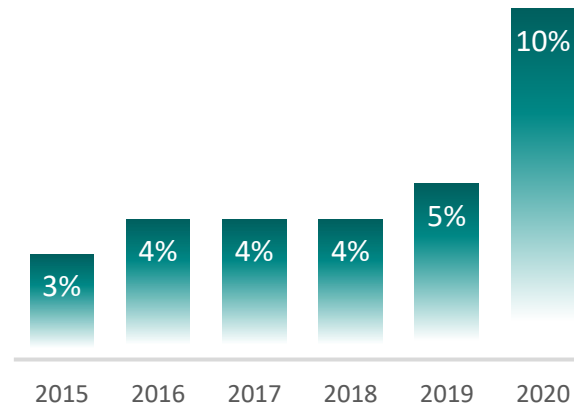
Proven ability to drill wells faster and more efficiently with introduction of fleet of high-performance technologies and data driven processes

20+
Years
Experience



13 of the **25**
Largest Operators in
the US are our clients

TRIPLED US MARKET SHARE
OVER PAST 5 YEARS



US PLAYS

ANADARKO
BAKKEN
BARNETT
COTTON VALLEY
DELAWARE
EAGLE FORD
FAYETTEVILLE
GRANITE WASH
KNOXVILLE
LOWER HURON
MARCELLUS
MIDLAND
NIOBRARA
PERMIAN
SCOOP STACK
UTICA
WAMSUTTER
WILLISTON
WOLFCAMP
WOODFORD

Reputation as a Technology Leader

UNWAVERING FOCUS ON BEING A TECHNOLOGY LEADER HAS EQUIPPED PHX WITH A PREMIUM FLEET THAT DIFFERENTIATES US FROM OUR COMPETITION



VELOCITY REAL-TIME SYSTEM

New generation MWD system, with improved reliability, unified telemetry, faster data rates, and advanced measurements



ATLAS PERFORMANCE DRILLING MOTORS

Engineered to be the most powerful motor and deliver unmatched performance on high specification drilling rigs

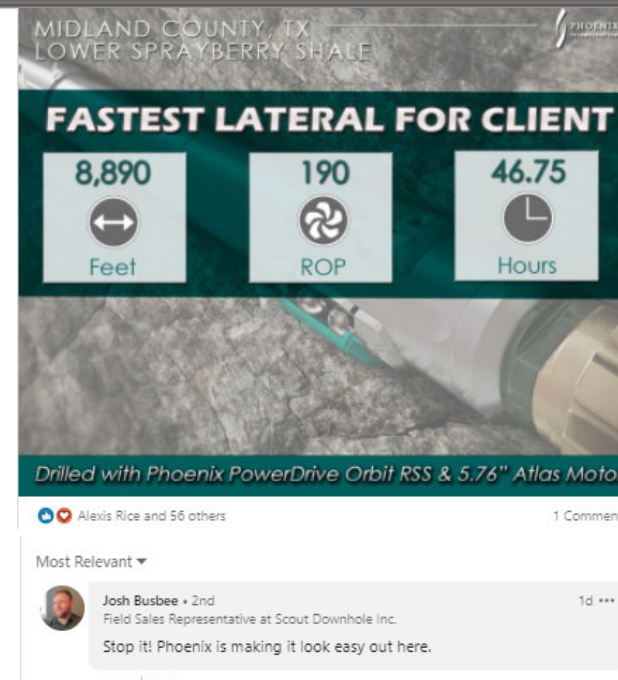


POWERDRIVE ORBIT RSS

The industry's leading RSS technology, with ability to steer the well without pausing the drill string rotation for faster drilling


Our Direction

- Continue to monitor and implement HSE protocols to safeguard all of our stakeholders
- Relentlessly protect our reputation as a technology leader and market share position
 - Remain the market share leader in Canada through volatility
 - Continue to further penetrate the larger US industry
- Remain diligent with our cost management strategies to preserve our healthy financial position
- Focused on generating free cash low and rewarding shareholders through NCIB and dividend
- Prepared to exit this cycle ready for the upside
 - Preliminary 2021 capital expenditure budget of \$15 million





PHOENIX TECHNOLOGY SERVICES

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