



PHOENIX
TECHNOLOGY INCOME FUND

Deliberate Direction

May 8, 2008

Annual General Meeting

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 possible unavailability of financing, risks related to the uncertainty inherent in the oil and gas horizontal and directional services industry, the impact of energy price fluctuations, the seasonal nature of business, the dependence on third party suppliers and contractors, changes in government regulation, the impact of competition, the successful commercialization of certain technologies, the dependence upon competent employees including senior management, and fluctuations in currency exchange rates and interest rates.



PHOENIX
TECHNOLOGY INCOME FUND

Description of Trust

- Provides horizontal and directional drilling services and technology in Canada and US.
- Develops and manufactures proprietary drilling guidance systems.
- **Strong foundation to reward shareholders with distributions and shareholder value.**

Market Data PHX.UN

As of May 6, 2008

Exchange	Toronto Stock Exchange
Shares Outstanding	22.5 million
Share Price (May 6, 2008)	\$15.80
52 Week High / Low	\$16.20 / \$7.25
Current Distributions	\$0.065 month / \$0.78 year
Distributions effective for May 2008	\$0.085 month / \$1.02 year
Market Capitalization (as of May 6, 2008)	\$355 million
Trading Average (for month of April)	81,735/ day
Insiders Position	36%
Yield	5.8%

Deliberate Direction

- Leading directional provider in North America

	2002	2007
Year End Revenue	\$ 15.1 million 10.5% from US Operations	\$ 115.5 million 48% from US Operations
Locations	3 Offices - Calgary & Houston	7 Offices - Calgary, Houston, Casper, Traverse City, Denver, Fort Worth 3 Motor Repair Facilities
Employees	70	254
Significant R&D Projects	Final Stages of CLT EM-MWD Tool	RADD System Inclination-at-Bit Dynamic Gamma-at-Bit Extreme High Volt CLT EM-MWD
Fleet	1 CLT EM-MWD System 30 Positive Pulse Systems 85 Rental Mud Motors	50 CLT EM-MWD Systems 44 Positive Pulse Systems 325 Mud Motors

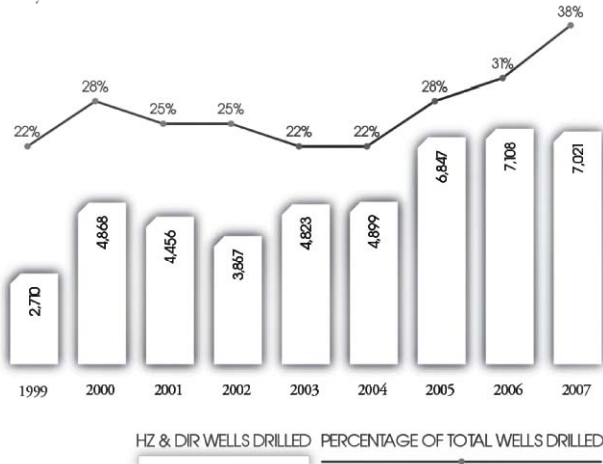
Recent Highlights

- April 20, 2008
 - Phoenix announced a 31% increase of distributions.
- On April 30, 2008
 - Record Q1 results released and capital budget increase.
- May 2, 2008
 - Bought deal financing announced.

Directional Expansion: Canada

Horizontal (Hz) & Directional (Dir) Wells Drilled in Canada

Source: Daily Oil Bulletin

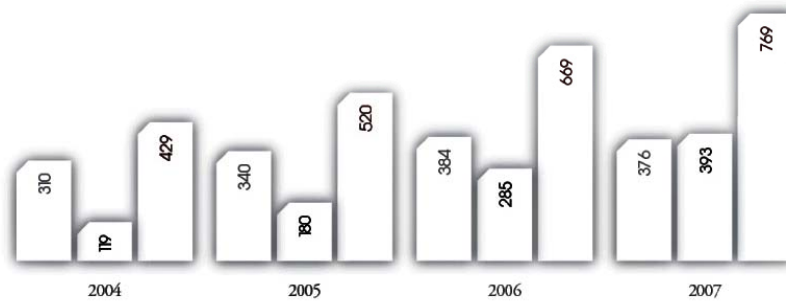


Directional Expansion: US

Average Yearly US Directional & Horizontal Rig Count

Source: Baker Hughes

Horizontal and directional rigs represented 43% of total active rigs in 2007.



Focused Momentum

- History of innovation and performance positions Phoenix, and its investors, to capitalize on market trends.
- New fracturing and completion techniques, require directional services and are driving industry into new lucrative areas.
- Unconventional areas promise great opportunities for expansion.

Concentrated Expansion





Forward Movement – 2008 Destination

- Continued customer focus through increased sales force and operational expertise.
- Expand MWD fleet's to meet growing demands.
- R&D incentives will provide long term opportunities and barriers in unconventional markets.



Remote Access Directional Drilling

RADD

- Simultaneously operates multiple drilling projects from one central location.
- In first year of operations has drilled over 265 wells in Alberta.
- Expand operations to more complex wells and into US regions.

Inclination-At-Bit

- Key to new lucrative drilling projects.

Horn River Basin	Montney
Bakken	Appalachian Basin
Antrim Shale	Marcellus Shale
Barnett Shale	Fayetteville Shale
- Barrier to entry for competitors resulting from Phoenix's R&D history.
- Precise data makes drilling into pay zone more efficient.
 - Cost saving for clients with competitive advantage.

Financial Highlights

(Stated in thousands of dollars except per unit amounts, cash payout ratios and units outstanding)

Three-months ended March 31,	2008	2007	% Change
	<i>(unaudited)</i>	<i>(unaudited)</i>	
Operating Results			
Revenue	39,011	30,008	30
Net earnings	7,311	5,875	24
Earnings per unit – diluted	0.32	0.26	23
EBITDA ⁽¹⁾	10,615	8,493	25
EBITDA per unit – diluted ⁽¹⁾	0.47	0.37	27
Cash Flow			
Cash flows from operating activities	5,863	5,481	7
Distributable cash ⁽¹⁾	10,015	8,475	18
Distributable cash per unit – diluted ⁽¹⁾	0.44	0.37	19
Cash distributions made	4,376	4,344	1
Cash distributions per unit ⁽²⁾	0.195	0.195	-
Cash payout ratio ⁽¹⁾	44%	51%	-
Capital expenditures	5,402	3,439	57
Financial Position	March 31, 2008	December 31, 2007	
	<i>(unaudited)</i>		
Working capital	17,406	15,800	10
Long-term debt ⁽³⁾	1,775	1,775	-
Unitholders' equity	64,077	59,860	7
Fund units outstanding	22,495,960	22,434,044	-

⁽¹⁾ Refer to non-GAAP measures section.

⁽²⁾ Cash distributions on a per unit basis paid in the period.

⁽³⁾ Includes current portion of long-term debt.

Financial Highlights

(Stated in thousands of dollars except per unit amounts, cash payout ratios and units outstanding)

Year ended December 31,	2007	2006	% Change
Operating Results			
Revenue	115,548	99,346	16
Net earnings	18,214	20,368	(12)
Earnings per unit – diluted	0.81	0.92	(12)
EBITDA ⁽¹⁾	26,533	29,950	(11)
EBITDA per unit – diluted ⁽¹⁾	1.18	1.34	(12)
Cash Flow			
Cash flows from operating activities	26,103	25,941	1
Distributable cash ⁽¹⁾	29,421	28,909	2
Distributable cash per unit – diluted ⁽¹⁾	1.31	1.29	2
Cash distributions made	17,434	16,326	7
Cash distributions per unit ⁽²⁾	0.780	0.735	6
Cash payout ratio ⁽¹⁾	59%	56%	
Capital expenditures	14,610	12,750	15
Financial Position, December 31,			
Working capital	15,800	19,611	(19)
Long-term debt	1,775	1,775	-
Unitholders' equity	59,860	58,908	2
Fund units outstanding	22,434,044	22,274,773	1

⁽¹⁾ Refer to non-GAAP measures section.

⁽²⁾ Cash distributions on a per unit basis paid in the period.

Board of Directors



- James K. Gray, O.C.
- J.G. (Jeff) Lawson
- Randolph M. Charron
- Elson J. McDougald
- J. Cameron Bailey
- John M. Hooks
- Myron Tetreault



Key Personnel

- John Hooks - President, CEO & Director
- Cameron M. Ritchie, Sr. VP Finance & CFO
- Mike Buker, Sr. VP Business Development
- Dan Blanchard, VP Operations
- Jeff Shafer, VP Sales & Marketing
- Carrie Lonardelli, VP Finance