PHX

ENERGY SERVICES CORP.

PETERS & CO LIMITED – 26TH ANNUAL ENERGY CONFERENCE

SEPTEMBER 13, 2022

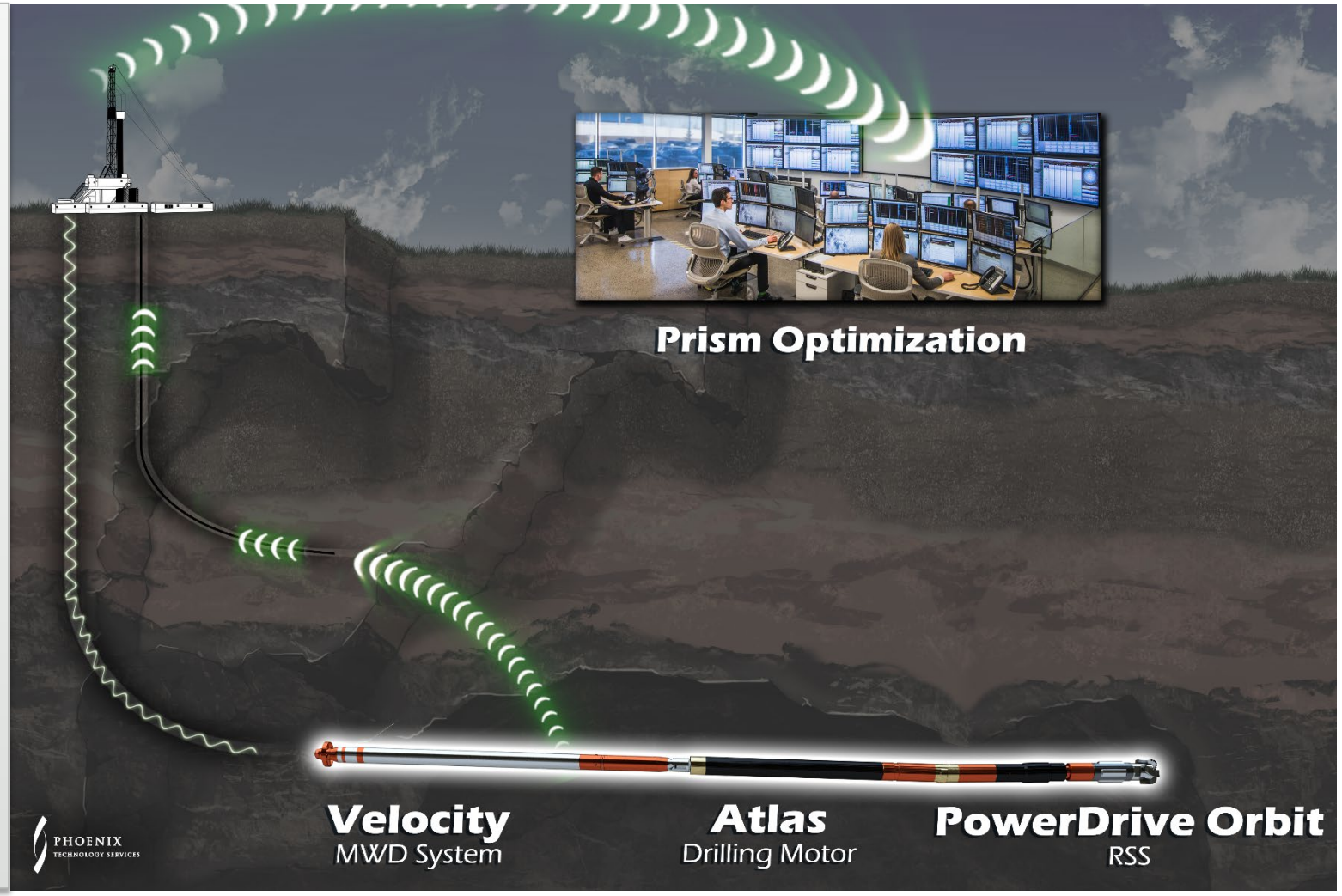
Forward-Looking Statements

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.

What is Directional Drilling?

WE ARE THE LARGEST INDEPENDENT SUPPLIER OF DIRECTIONAL DRILLING SERVICES IN THE NORTH AMERICAN LAND MARKET AND STRATEGIC INTERNATIONAL LOCATIONS

Directional drilling is the process of steering the well path towards an intended target and doing so in a manner that increases the overall efficiency and speed of the operation



It's the Name of the Game

Technology Case Study: The Impact of Faster Drilling

SAME AREA - SAME WELL PROFILE - NEW TECHNOLOGY

2017 - Permian Basin, Midland County

- 10,000ft Lateral
- Conventional technology
- **Drilling Days 8.76**

2021 - Permian Basin, Midland County

- 11,282ft Lateral
- Premium MWD and Motors technology *(Atlas and Velocity)*
- **Drilling Days - 3.80**

5 DAYS SAVED

230% IMPROVEMENT

TIME IS MONEY!

PHX MAKES THIS HAPPEN

Q2 2022 Financial Results

Strong profitability with minimal borrowings

US division generated highest quarterly revenue

Quadrupled dividend per share from Q1 2021

Stated in thousands of dollars rig counts and operating days	Three-month period ended June 30, 2022	2021	% Chg	Six-month periods ended June 30, 2022	2021	% Chg
Operating Results						
Revenue	**126,238**	75,765	67	**235,568**	144,312	63
Adjusted EBITDA [1]	**25,084**	14,154	77	**31,528**	28,645	10
Adjusted EBITDA [1] excluding cash-settled share-based	**25,799**	18,078	43	**43,980**	35,213	25
Free Cash Flow [1]	**19,163**	11,007	74	**20,737**	22,996	(10)
Dividend Paid Per Share	**0.075**	0.025	200	**0.125**	0.050	150
Industry Activity						
Canadian Rig Count	**113**	72	57	**144**	106	44
US Rig Count	**687**	432	59	**650**	403	61
Operating Day						
Canadian Operating Days	**1,688**	1,090	55	**4,418**	2,885	55
US Operating Days	**4,707**	3,549	33	**8,753**	6,633	32

[1] See Non-GAAP Measures section of quarterly report

Dividend Per Share
Effective for dividend payable Sept 15, 2022

Net Debt (in millions)
As at June 30, 2022

Working Capital (in millions)
As at June 30, 2022

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

Rewarding our Shareholders

REWARDS DELIVERED

Strong profitability and minimal borrowings

17% of shares repurchased since March 2017

Reinstated quarterly dividend and increased three times

REWARDS TO COME

- Our substantial increase to our 2022 capital expenditure program has allowed us the ability to place advanced orders for premium equipment which will create a powerful competitive advantage for the remainder of the year and into 2023
- We anticipate the robust industry environment will continue and with our large fleet we will be in the enviable position to capitalize on this momentum with minimal additional capital expenditures required
  - Anticipate 2023 Capital Expenditures will be largely directed towards maintenance capital
- In this favorable environment will remain steadfast in our commitment to additional financial strength and substantial free cash flow, which we expect to pass on to our shareholders