



PHX

ENERGY SERVICES CORP.

# Annual General Meeting

May 6, 2026





# Forward-Looking Statements

*The forward-looking information and statements included in this document are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: volatility of commodity prices; adverse economic conditions; political uncertainty; the risk that (i) the tariffs that are currently in effect on goods exported from or imported into Canada continue in effect for an extended period of time, the tariffs that have been threatened are implemented, that tariffs that are currently suspended are reactivated, the rate or scope of tariffs are increased, or new tariffs are imposed, (ii) the US and/or Canada imposes any other form of tax, restriction, or prohibition on the import or export of products from one country to the other, and (iii) the tariffs imposed or threatened to be imposed by the US on other countries and retaliatory tariffs imposed or threatened to be imposed by other countries on the US, will trigger a broader global trade war which could have a material adverse effect on the Canadian, US, and global economies, and by extension the Canadian crude oil and natural gas industry and the Corporation, including by decreasing demand for (and the price of) crude oil and natural gas, disrupting supply chains, increasing costs, causing volatility in global financial markets, and limiting access to financing; the impacts of the ongoing Middle-East conflicts, Russia- Ukraine war and geopolitical developments in Venezuela (and any associated sanctions) on the global economy and commodity prices; compliance with environmental regulations; risks relating to climate change, including transition and physical risks; PHX Energy's ability to recruit and retain a skilled workforce and key personnel; risks relating to a changing investor sentiment; asset and customer concentration; risks relating to information technology systems and cyber security; liquidity; inflation, cost management, and interest rates; third-party credit risks; variations in foreign exchange rates; the impact of competitors; risks related to potential or ongoing litigation; lack of adequate insurance coverage; limited, unfavorable or a lack of access to capital markets; unanticipated operating results; increased debt levels or debt service requirements; increased costs; and certain other risks detailed in PHX Energy's public disclosure documents. Readers should also carefully consider the risks discussed in the section entitled "Business Risk Factors" contained within the Corporation's MD&A for the period ended December 31, 2025 filed on the SEDAR+ website ([www.sedarplus.ca](http://www.sedarplus.ca)).*



# Who is PHX Energy?

- We are largest independent directional drilling service and technology provider in North America
  - Work for 18 of the top 20 energy producers in North America
  - 73% of annual revenue is in the US, 85% of that revenue is in the Permian
- We are a vertically integrated supplier and control the full value chain of our products and services
- We are a technology leader in our sector and have developed and deployed a proprietary fleet of premium down hole technology

**31**

Years (est. 1995)

**22%**

Market Share Canada

**10%**

Market Share US

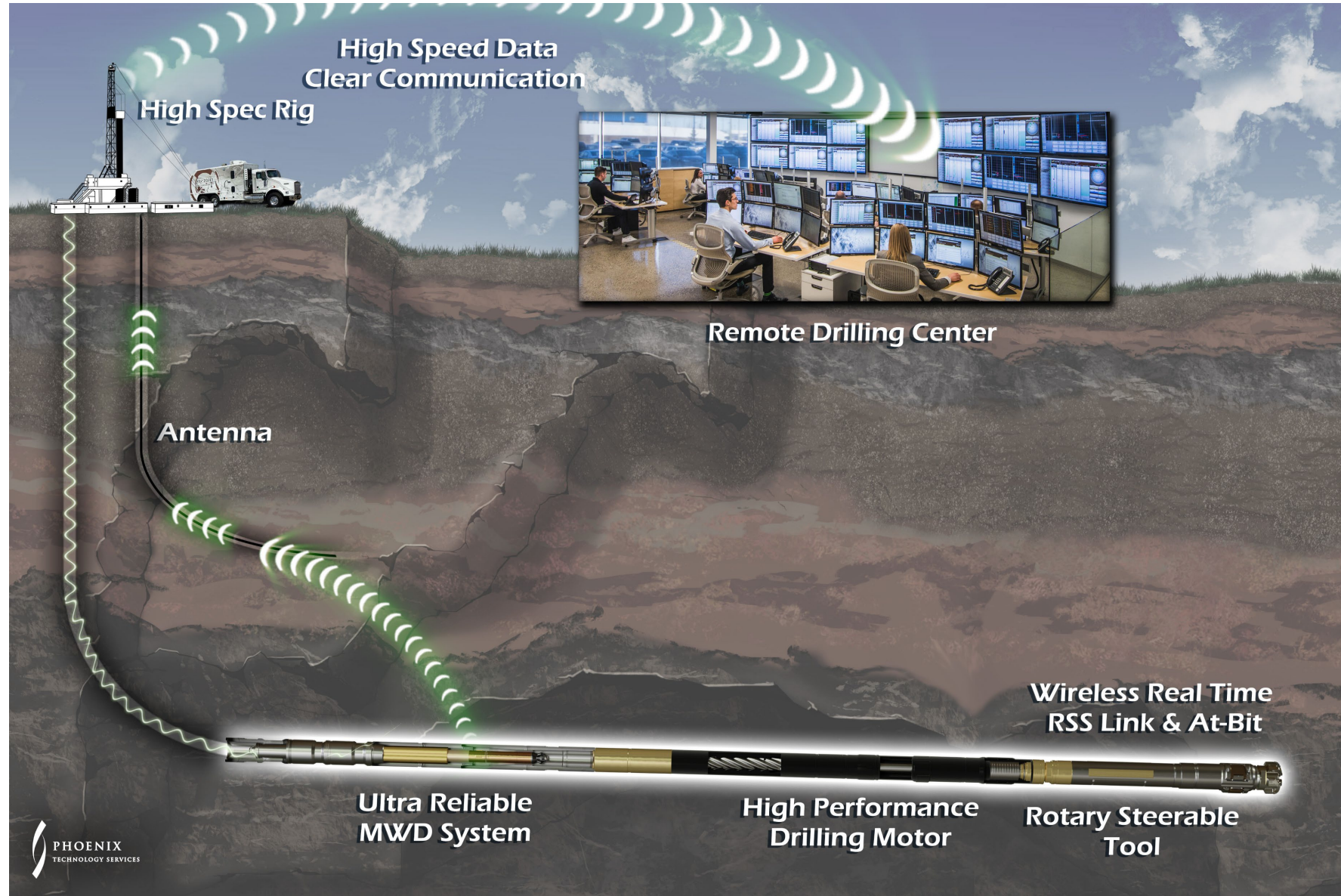
**971**

Employees



# What is Directional Drilling?

*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*



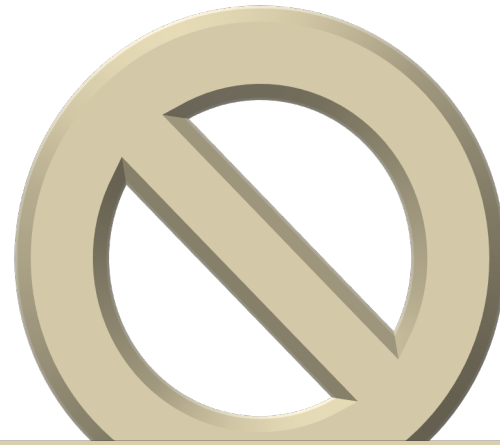


# Landscape Of The Directional Market

# 1

## Tier 1: *The Place to Be*

- Premium Technology
  - RSS & Real Time Communications
  - Premium Motor & MWD
- Relationships
- Ability to constantly deliver faster, more reliable drilling performance
- Auditable Quality Management System
- Auditable HSE System



- There is now a significant barrier to entry to compete in Tier 1
  - Most companies do not have financial resources to purchase or develop technologies that Tier 1 requires
  - 15 years ago start up directional drilling company could grow quickly as long as you had a relationship; today that is not the case

# 2

## Tier 2

- Relationships
- Low price wins work
- Off the shelf technology; nothing propriety
- Have to rent premium technology if needed



# Technology That Makes Us Tier 1



Capital Expenditure programs have been dedicated to technologies that propel us to the top of the Tier 1 market

**127**

Velocity Real-Time System

**962**

Atlas Motors

Real Time RSS  
Communication Sub

**110**

Rotary Steerable System  
*PowerDrive Orbit & iCruise*



# Technology Advancement Driving Growth

Velocity

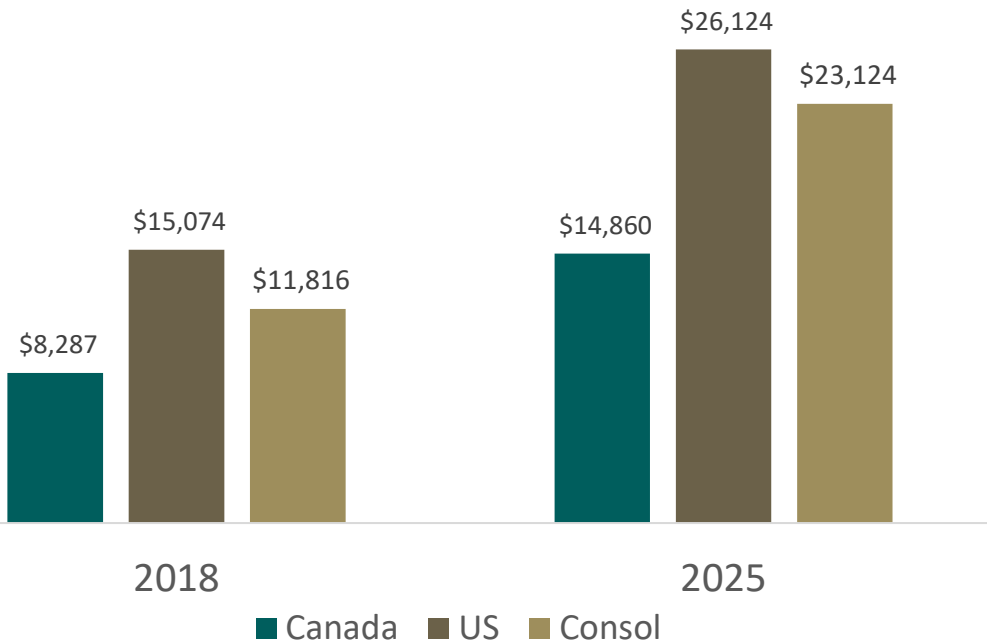
Atlas Motors

Echo Wireless Antenna

Wireless Real Time RSS Communications & At-Bit

Job Revenue Per Day\*

\* Refer to corresponding quarterly report for definition



PowerDrive Orbit RSS  
iCruise RSS



# Return on Capital Strategy

*Our target to return up to 70% of excess cashflow to shareholders reflects our strong operational results and balance sheet over the past 5 years and our commitment to rewarding shareholders while investing in growth*

## Sustainable Dividend

- Declared a special cash dividend, in addition to the regular quarterly dividend, of \$0.20 per common share, payable on April 1, 2026\*
- \$152.7 million paid to shareholders since reinstatement in Dec. 2020 to May 6, 2026

## NCIB Program

- 28% of shares outstanding repurchased since 2017

## Capital Expenditures

- Fund growth in premium high margin technology to increase cash flows while maintaining balance sheet strength

**EXCHANGE**  
TSX: PHX  
OTCQB:PHXHF

**SHARES O/S**  
45,662,738

**QUARTERLY  
DIVIDEND**  
\$0.20/share

**SPECIAL  
DIVIDEND\***  
\$0.20/share



# Why Invest in PHX



Growth oriented with a well-established reputation as a Tier 1 provider



Invested in people, technology and process that operators demand and that will enable continued market share gains



Proven track record of leveraging our operational excellence to create shareholder rewards

- History as a dividend/distribution paying company, with intention of sustaining dividend
- Reduced our share outstanding by 28% since 2017 with commitment to share buybacks



# Questions?

