



HIGH ARCTIC
ENERGY SERVICES

October 2023

Schachter Catch the Energy Conference



TSX : HWO

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Adjusted EBITDA or (adjusted earnings before interest, tax, depreciation and amortization), *Funds Flow from Operating Activities* or (net cash from operating activities adjusted for changes in non-cash working capital), *Net Cash* (cash less long-term and short-term debt) and *Working Capital* (current assets less current liabilities) do not have standardized meanings prescribed by IFRS and are presented to provide a more meaningful understanding of High Arctic Energy Services Inc.'s underlying financial performance. These non-IFRS financial measures are derived from the financial statements, which have been subject to review by the Corporation's auditor and are available on our website www.haes.ca and are not intended to represent IFRS measures such as net earnings, refer to "Non-IFRS Measures" section in our Management's Discussion and Analysis.



PRESENTATION OUTLINE

Vision | Mission | Values

High Arctic Overview

Geographic Markets | Service Capability

Papua New Guinea (“PNG”)

Our Business in PNG

Drivers of future work

Differentiation

Canada

Our Business in Canada

Our Quality Difference

Strategic Objectives

Reorganization

Corporate Profile



VISION

with a relentless focus on quality, be recognized as a trusted provider of energy services

MISSION

providing services that unlock sustainable, reliable and affordable energy in demanding locations

VALUES

People we care for our people

Community we respect the people, cultures and places where we work

Trust we do what we say

Challenge we seek bespoke and innovative solutions

Customers we use our expertise to meet our customers objectives

HIGH ARCTIC OVERVIEW



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High Arctic Energy Services has two distinct geographic businesses



PAPUA NEW GUINEA (PNG) **LNG Sector**

Drilling Services

Dominant market position, long term contracts

Provide services to super majors and large regional energy companies

16 Years of experience in PNG, in all producing and prospective areas

CANADA **Oil + Natural Gas Sector**

Well established brand in a highly active market

Multinational and large Canadian Investment grade customers

Well positioned in the Western Canadian sedimentary basin





One of the world's great emerging markets

- Part of the British Commonwealth with a parliamentary democracy
- Natural Resources is primary GDP contributor
- Low-cost reliable source of LNG to Asian markets
- Positioned on the *Ring-of-fire* - untapped geothermal energy source

Frontier environment requires specialists

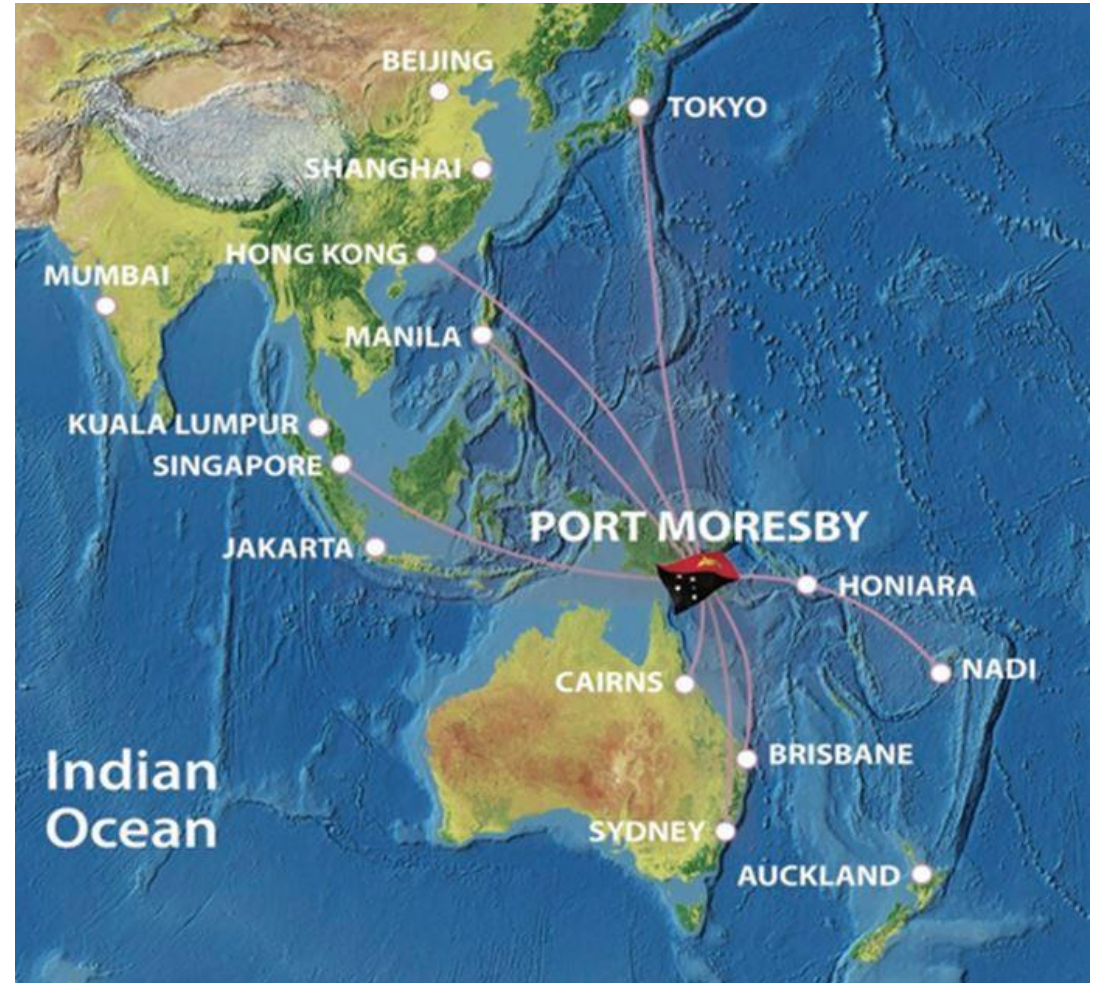
- Remote mountainous tropical jungle locations
- Minimal road and communications infrastructure
- Culturally diverse – home to over 10% of the world's languages
- Ongoing community engagement essential

LNG - PNG'S LEADING EXPORT



PNG LNG

- De-risked PNG for major capital projects
- ExxonMobil is the operator, Santos is largest stakeholder
- Completed 2014
- 9.0 tcf of natural gas
- 1.0 bcf/d Capacity – 2 trains
- P'nyang gas development agreement signed 2022
 - additional LNG train with 3rd party access



bbl = US barrel; bcf = billion cubic feet; tcf = trillion cubic feet.

LNG - PNG'S LEADING EXPORT



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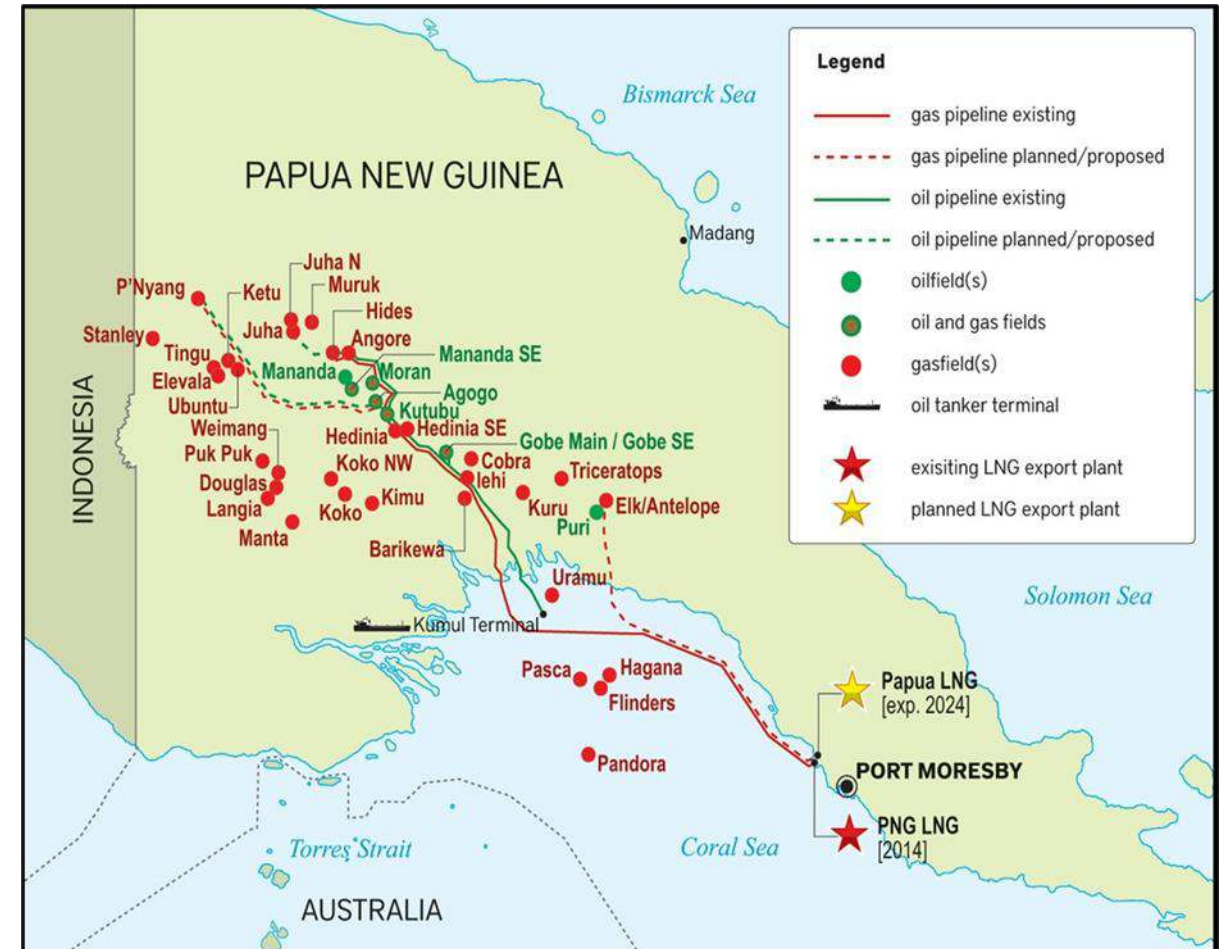


Papua LNG Project

- Ownership: TotalEnergies (operator), ExxonMobil and Santos
- Elk-Antelope fields
- 4 train LNG plant under FEED
- FID guidance is early 2024, targeting first gas export in 2027
- Significant surrounding unexplored acreage

Western Corridor

- Significant number of gas discoveries with potential to aggregate
- Kumul Petroleum planning appraisal of Kimu & Barikewa



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In PNG getting to the wellsite is half the battle



Wells are complex:

- Seismic activity
- Complex geology
- High pressure
- Prolific flow

PNG onshore wells are more comparable to deep marine operations than North American onshore shale gas.

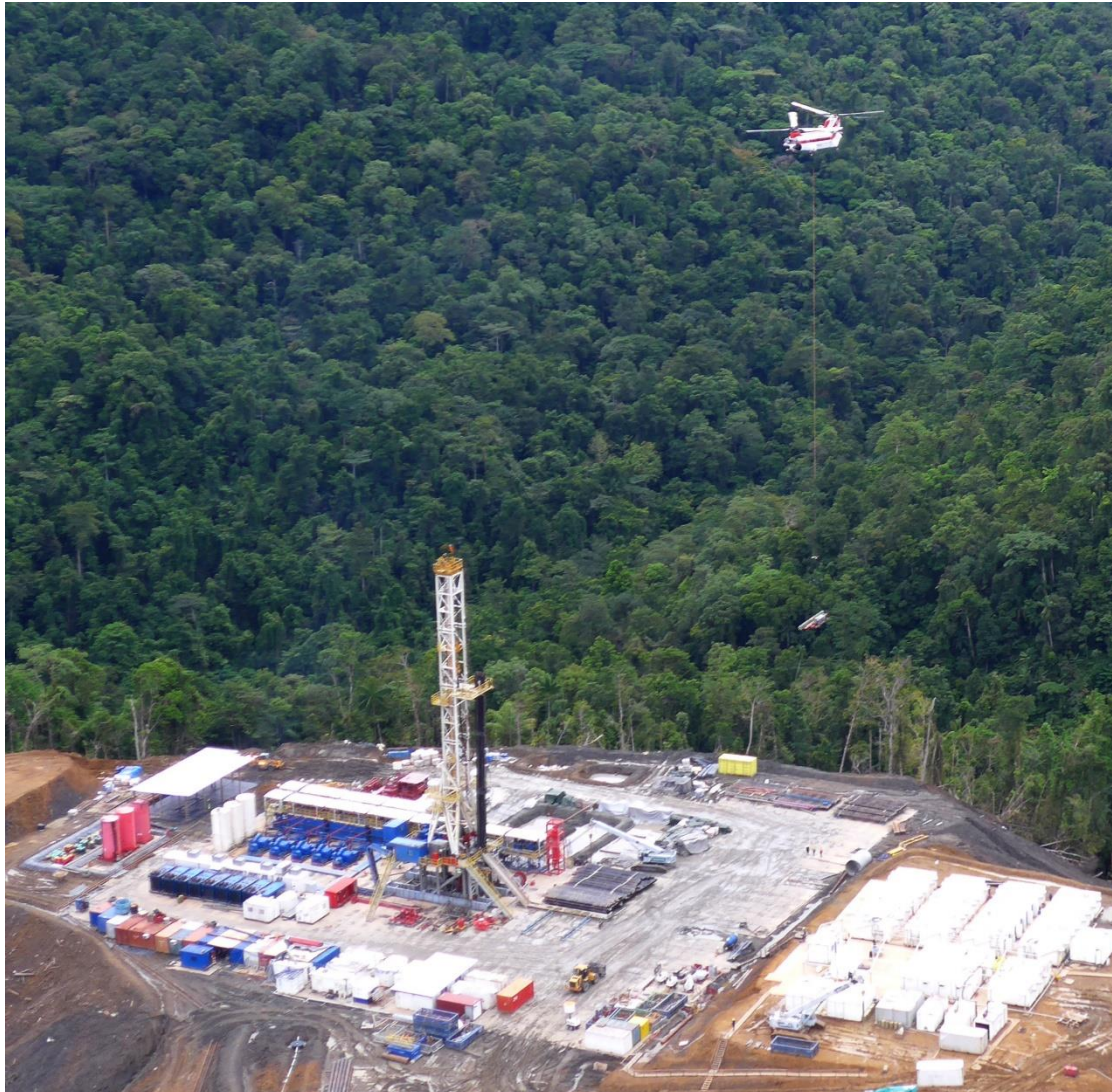
While the drilling is highly technically challenging, it's far more about logistics in PNG



HIGH ARCTIC'S WORLD CLASS OPERATION



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High Arctic Rigs

- Rig 115 and Rig 116
 - Tier – 1, 1500 HP, 750,000 lbs hookload
 - Highly versatile – road, light helicopter, heavy helicopter
 - Ideal exploration and appraisal workhorses
- Rig 102 - 340,000 lbs midsize hydraulic workover unit

Customer Rigs

- Rig 103
 - Tier – 1, 1500 HP, 750,000 lbs hookload
 - Road and heavy helicopter only
 - Proven efficient appraisal and development rigs

“Leapfrog” rig designs substantially improve time between completion of drilling activity and start of the next well.



Rentals

- Cranes, trucks, Forklifts and other material handling equipment
- River pumps, generators, lighting towers and assorted oilfield equipment

Worksite Matting

- Inventory exceeding 5,000 rental mats

Manpower Solutions

- Labor hire, skilled and unskilled personnel
- Training & development
- Competency assessment

Camps

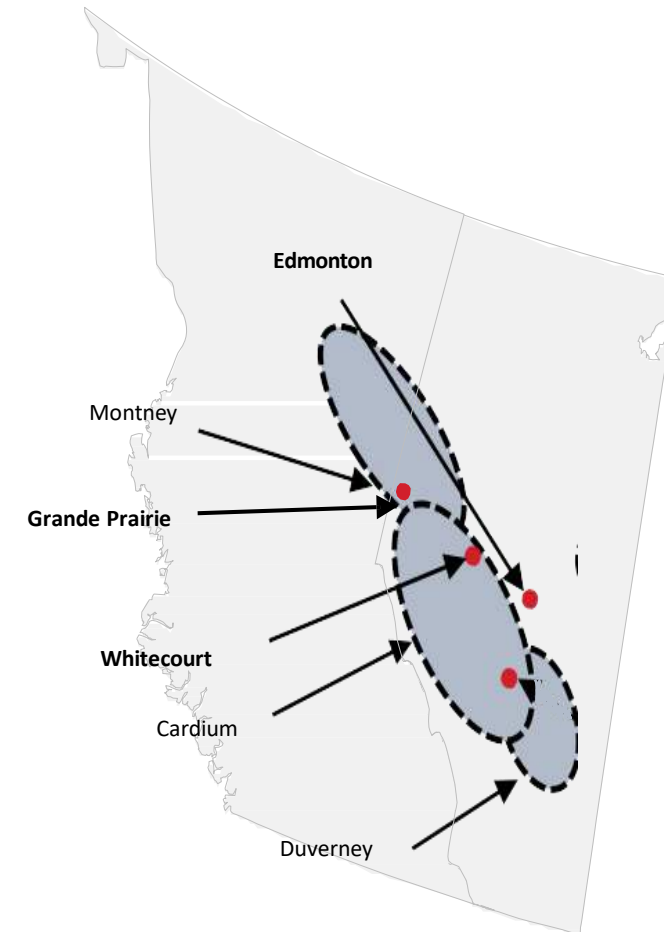
- Own and manage two 103 bed Heli-portable camps
- Operate and manage two 93 bed + two 34 bed Heli- portable camps
- Smaller “Pioneer” – first deployment camps



HAES Rental Services

- Quality provider of pressure control equipment
- Customers include contractors and energy companies
- Platform for Canadian growth

Equipment	Total
Blow Out Preventors	66
Accumulators	2
Lighting Towers	40
General Rental Equipment	820





Team Snubbing Services Inc.

- Largest fleet of snubbing equipment in Canada
- High Arctic owns 42%, and holds 2 seats on 5-person board
- Management invested in ownership
- Opportunities to expand internationally
 - 50% Team Snubbing International Partnership
 - Newly established operations in Alaska, USA
 - Active marketing in MENA and elsewhere

We choose partners who share our values
and bring market differentiation



RELENTLESS FOCUS ON QUALITY



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- Winner of IADC–AC Safety Statistics Award
2015, 2017, 2018, 2019
- 7 Years Recordable Incident Free operations
- 3.6 Million Recordable Incident Free
Work Hours

- HAES Rental Services - LTI Free since 2016

PNG








CANADA



2023 STRATEGIC OBJECTIVES



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-  Safety excellence and quality service delivery
-  Return idled assets to service in PNG
-  Scaling our Canadian business
-  Opportunities for growth and corporate transactions that enhance shareholder value
-  Examination of the Corporation's optimal capital structure and dividend policy



RETURN OF CAPITAL & REORGANIZATION



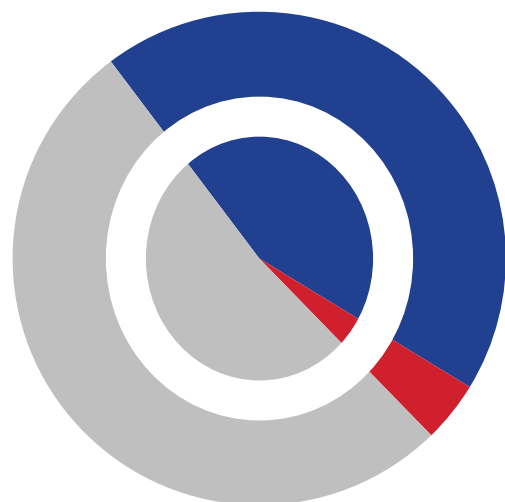
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- 🔥 Opportunity for a one-time tax-free return of capital up to \$38.2m
- 🔥 Current structure is inefficient:
 - two small businesses
 - opposite side of the world
 - management needs to be where they can have the most impact
- 🔥 Key objectives of announced process:
 - Spin off the International business to shareholders
 - Return surplus cash to shareholders
 - Maintain the Corporation as a Canadian tax-protected investment vehicle
- 🔥 **Received shareholder feedback, process being assessed for strategic merit, financial, legal, regulatory, and shareholder concerns**



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Shareholder Composition



FBC Holdings
S.A.R.L.
45%

Insiders
5%

Public
50%

Shares Outstanding (Oct 13, 2023):	48.7 million
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Share Price (Oct 13, 2023):	\$1.20
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Market Cap (Oct 13, 2023):	\$58.4 million
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Monthly Dividend:	\$0.005 (~5% annualized yield)
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Working Capital (Jun 30, 2023):	¹ \$61.8 million
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12 months trailing adjusted EBITDA (Jun 30, 2023):	¹ \$4.9 million
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Cash and Cash Equivalents (June 30, 2023):	\$45.4 million
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Net Cash (Jun 30, 2023):	¹ \$41.3 million
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Ownership in Team Snubbing:	42%
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1. See Non IFRS Measures on slide #2