

# PRECISION DRILLING CORPORATION

*February 2026 - Investor Presentation*

# FORWARD-LOOKING STATEMENT

Certain statements contained in this report, including statements that contain words such as "could", "should", "can", "anticipate", "estimate", "intend", "plan", "expect", "believe", "will", "may", "continue", "project", "potential" and similar expressions and statements relating to matters that are not historical facts constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking information and statements").

In particular, forward-looking information and statements include, but are not limited to, the following: our strategic priorities for 2026; our future capital expenditure plans; anticipated activity levels and our scheduled infrastructure projects; anticipated demand for rigs; the number of term contracts in place; and our future debt reduction plans beyond 2025.

Certain of the information in this presentation is "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding our reasonable expectations as to the anticipated results of its proposed business activities. Readers are cautioned that this financial outlook may not be appropriate for other purposes.

These forward-looking information and statements are based on certain assumptions and analysis made by Precision in light of our experience and our perception of historical trends, current conditions, expected future developments, and other factors we believe are appropriate under the circumstances. These include, among other things: our ability to react to customer spending plans as a result of changes in oil and natural gas prices; the status of current negotiations with our customers and vendors; customer focus on safety performance; existing term contracts are neither renewed nor terminated prematurely; our ability to deliver rigs to customers on a timely basis; the general stability of the economic and political environments in the jurisdictions where we operate; and the impact of an increase/decrease in capital spending.

Undue reliance should not be placed on forward-looking information and statements. Whether actual results, performance or achievements will conform to our expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from our expectations. Such risks and uncertainties include, but are not limited to: volatility in the price and demand for oil and natural gas; fluctuations in the demand for contract drilling, well servicing and ancillary oilfield services; our customers' inability to obtain adequate credit or financing to support their drilling and production activity; changes in drilling and well servicing technology which could reduce demand for certain rigs or put us at a competitive disadvantage; shortages, delays and interruptions in the delivery of equipment supplies and other key inputs; the effects of seasonal and weather conditions on operations and facilities; ability to enhance our rig technology to improve drilling efficiency; the availability of qualified personnel and management; a decline in our safety performance which could result in lower demand for our services; changes in environmental laws and regulations such as increased regulation of hydraulic fracturing or restrictions on the burning of fossil fuels and greenhouse gas emissions, which could have an adverse impact on the demand for oil and gas; terrorism, social, civil and political unrest in the foreign jurisdictions where we operate; fluctuations in foreign exchange rates, interest rates and tax rates; and other unforeseen conditions which could impact the use of services supplied by Precision and Precision's ability to respond to such conditions.

Readers are cautioned that the foregoing list of risk factors is not exhaustive. Additional information on these and other factors that could affect our business, operations or financial results are included in reports on file with applicable securities regulatory authorities, including but not limited to Precision's Annual Information Form for the year ended December 31, 2024, which may be accessed on Precision's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) or under Precision's EDGAR profile at [www.sec.gov](http://www.sec.gov). The forward-looking information and statements contained in this news release are made as of the date hereof and Precision undertakes no obligation to update publicly or revise any forward-looking information and statements, whether as a result of new information, future events or otherwise, except as required by law.





## PRECISION HIGHLIGHTS

*Global Oilfield Service Company*

- #1 Land Driller in Canada, Highly Desirable Super Triple & Super Single Rigs
- A Top U.S. Land Driller, Super Triple Rigs in All Major Basins
- Active in Kuwait & Saudi Arabia, 7 Rigs Contracted
- #1 Well Service Provider in Canada, 145 Rigs
- Technology Leader - Most Advanced Rig in North America with Alpha™, Evergreen™ and Robotics

# 2025 STRATEGIC PRIORITIES & RESULTS



- 1. Maximize free cash flow through disciplined capital deployment and strict cost management**
  - ✓ Generated \$413M cash, funding rig upgrades, meeting debt reduction/share repurchase goals, and increasing cash balance
  - ✓ Proactively reduced fixed cost structure
  - ✓ Delivered resilient operating margins in Canada and the U.S.
- 2. Enhance shareholder returns through debt reduction and share repurchases**
  - ✓ Reduced debt by \$101M, exiting the year with 1.2x leverage
  - ✓ On track to meet 2022-2027 debt reduction of target of \$700M
  - ✓ Returned \$76M to shareholders through repurchases, reducing outstanding shares by 6%
- 3. Grow revenue in existing service lines**
  - ✓ Grew leading Canadian drilling market share
  - ✓ Grew U.S. rig utilization from a low of 27 rigs to a peak of 40
  - ✓ Invested \$107M in upgrade capital, including 27 major customer-funded rig upgrades
  - ✓ Expanded EverGreen™ revenue by 22% year over year

# STRATEGIC PRIORITIES FOR 2026



- 1.** Drive revenue growth and deepen customer relationships through upgrades, operational excellence, and by leveraging technology
- 2.** Maximize free cash flow through disciplined capital deployment and strict cost management
- 3.** Enhance shareholder returns by reducing debt \$100M and allocating up to 50% of FCF to share repurchases



**13%**  
FREE CASH FLOW YIELD POTENTIAL

Analyst Estimates for  
2026 Free Cash Flow<sup>1</sup>

**\$207M**

Equity Market Cap<sup>2</sup>

**\$1,548M**

Estimated FCF Yield

**13%**

## ROBUST FREE CASH FLOW YIELD

### *Future Free Cash Flow Drivers*

- █ #1 Land Driller Canada,  
#2 in North America
- █ U.S. Operations Levered To  
Long-term Gas Growth
- █ Consistent International  
Operations
- █ High-quality, Recurring  
Completion & Production  
Cash Flows
- █ Attractive Upgrade Capital  
Returns (~\$160M growth  
investments last 2 years)
- █ Differentiated Digital  
Automation Technology  
Offering

1. 2026 Estimated FCF: FY Consensus EBITDA less FY Consensus Interest Expense less FY CAPEX Guidance; Consensus numbers from FactSet as of February 9, 2026.

2. As of February 9, 2026, when PD stock closed at \$119.67/share.

# ENHANCING SHAREHOLDER RETURNS



**\$1.7B Returned to Shareholders**



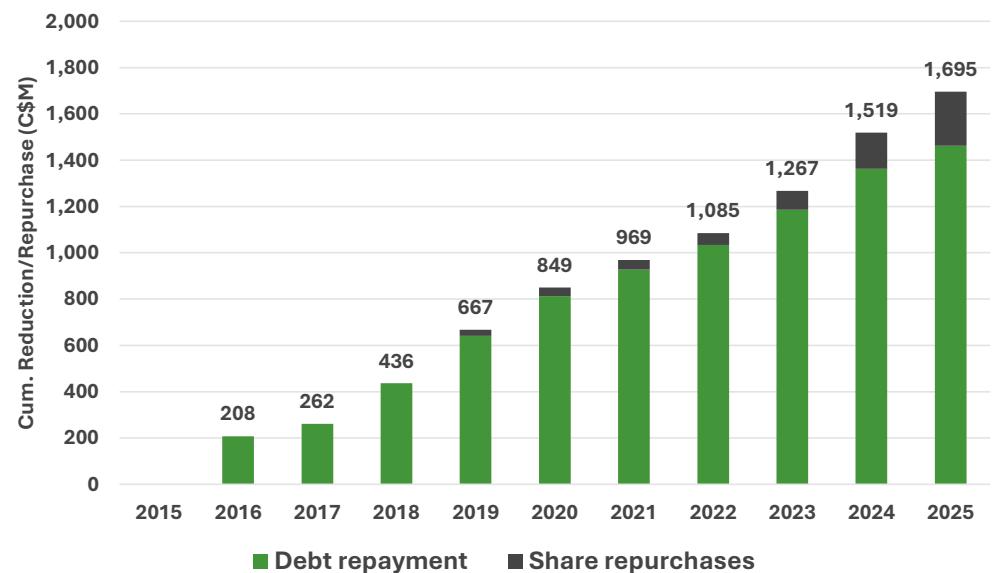
**Moving Direct Shareholder Returns Up to 50% of FCF in 2026**



**Net Debt/Adjusted EBITDA 1.2x<sup>1</sup>  
Long-term Target of <1.0x**

1. As at December 31, 2025.

**Cumulative Debt Reduction & Share Repurchases**



# ENHANCING SHAREHOLDER RETURNS – DEBT REDUCTION



\$101M Debt Repaid in 2025



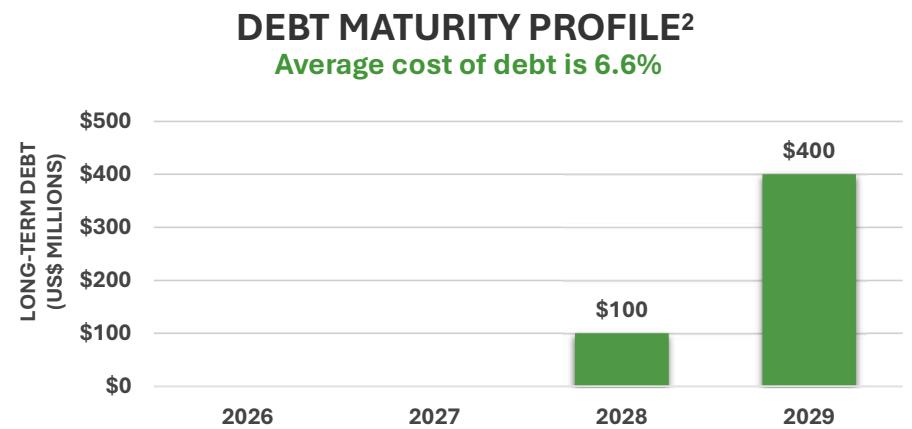
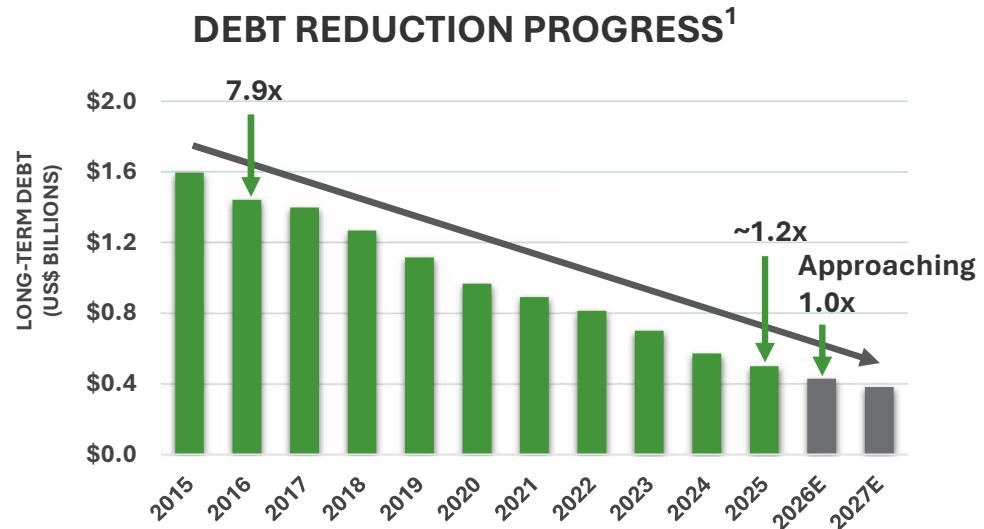
To Repay \$700M from 2022-2027 & Achieve  
Net Debt To Adj EBITDA Below 1.0x

- \$535M repaid as of 12/31/25
- 1.2x leverage as of 12/31/25



Debt Termined Out, Attractive Rates

- Next maturity in 2029
- 6.6% average cost of debt



1. 2025E & 2026E based on debt reduction target of C\$700M between 2022 & 2027

2. Precision's total long-term debt was US\$500M, including US\$80M of U.S. denominated borrowings and C\$28M of Canadian denominated borrowings on the Senior Credit Facility

## ENHANCING SHAREHOLDER RETURNS – SHARE BUYBACKS



Reduced Share Count 11% Since Q1 2024,  
6% reduction in 2025

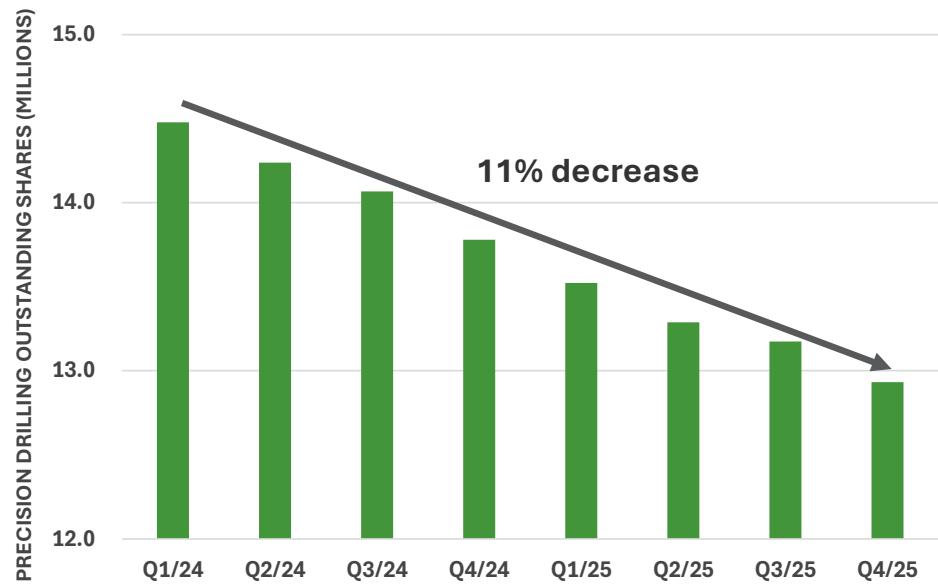


Repurchased \$76M of Shares in 2025 and met  
target of between 35% to 45% of FCF  
Targeting between 40% and 50% of FCF in 2026



Targeting Direct Shareholder Returns up to  
50% of FCF in 2026

### SHARE BUYBACK PROGRESS



# GROWING REVENUE FROM EXISTING SERVICE LINES

## Upgraded 27 PD Super Series Rigs in 2025

- High impact upgrades driving performance gains & sustaining PD's premium rates
- Funded by upfront payments, term contracts, and/or higher day rates
- Targeting full capital recovery over contract term
- Focused on heavy oil & Montney rigs in Canada and gas-weighted plays in U.S.



## SUPER TRIPLE RIG FEATURES

- 01 Up to 39,000 ft 5.5" Racking Capacity
- 02 AlphaAutomation™, AlphaApps™ & AlphaAnalytics™
- 03 Drilling Equipment Control System
- 04 High Speed Downhole Data
- 05 Omni-Directional Pad Walking System
- 06 Up to 1.1M lbs. Hookload
- 07 High-Torque Top Drives
- 08 Sliding Automation
- 09 Two-Speed 2,000 HP Drawworks
- 10 Transfer Tank
- 11 Umbilically Connected Backyard Complex
- 12 3-2,000 HP Pumps with 7,500 psi Circulating Systems
- 13 Integrated Power Management System
- 14 4 - CAT 3512 Gensets, Bi-Fuel Capable, Battery Energy Storage System
- 15 AlphaARMS™ Robotics

# #1 LAND DRILLER IN GROWING CANADIAN MARKET

## Leveraged to High-Inventory Developments

- Most active driller in Canada, 36% market share<sup>1</sup>
- Our Super Triple & Super Single rigs in high demand

## World-Class Oil and Natural Gas Plays

### Montney

- World-class oil and natural gas play
- Most remaining oil inventory life in North America with competitive returns

### Unconventional Oil

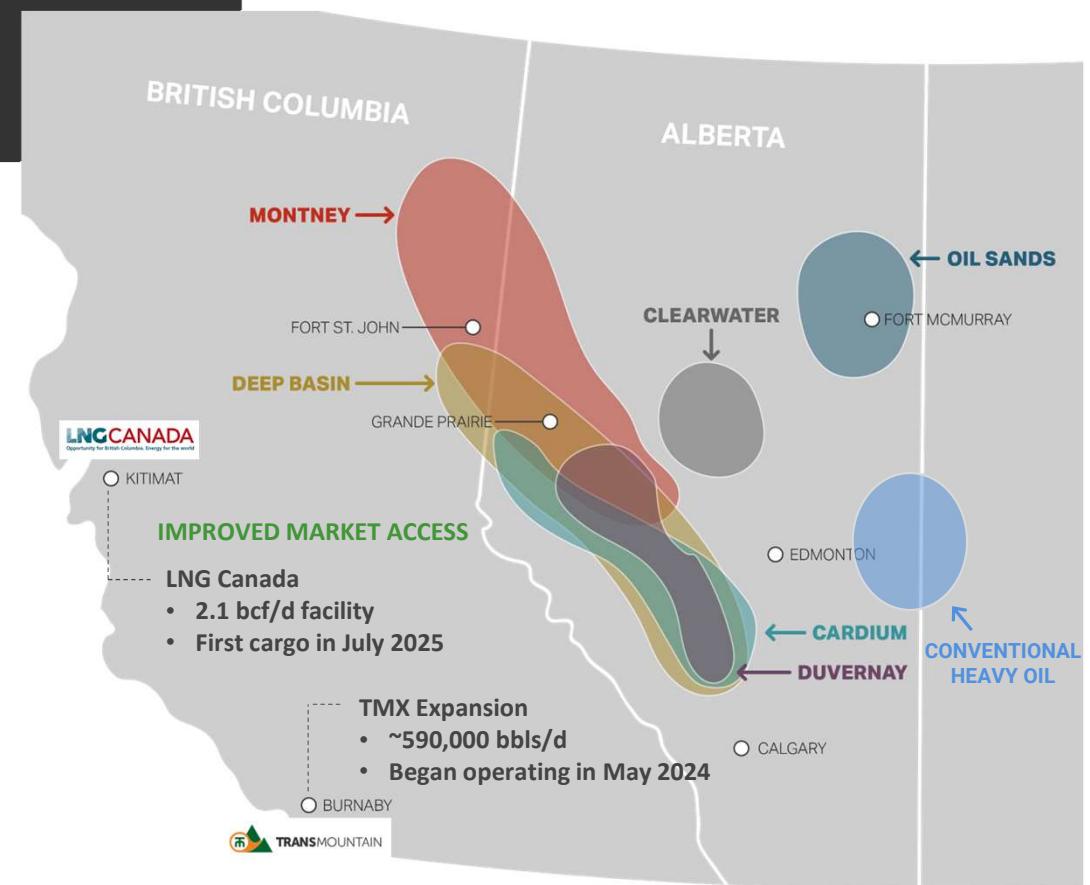
- Decades of inventory & attractive returns

### Conventional Heavy Oil & Clearwater Formation

- Low breakeven shallow development with rapid payback

### Improved Market Access

- Oil: TMX pipeline expansion (2024)
- Gas: LNG Canada (2025)
  - Additional 4.5 bcf/d of projects at or near FID, including LNG Canada Phase 2

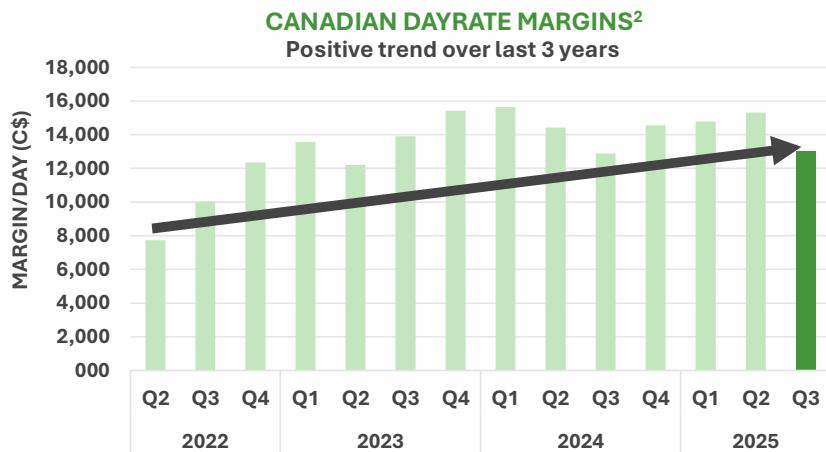


<sup>1</sup>Annual average market share for 2025, calculated using data from CAOEC

# TIGHT SUPER SPEC RIG MARKET SUPPORTING STRONG MARGINS

## Highly Desirable PD Super Series Rigs

Canadian Play	Preferred Rig	Current Fleet	Q4/25 Utilization <sup>1</sup>	Winter 2025/26E
Montney/LNG	PD Super Triple	32	~90%	~95%
Oil Sands/Clearwater	PD Super Single	48	~65%	~95%
Other Plays	Tele Double	15	~35%	~55%
<b>Total Canada</b>		<b>95</b>	<b>65-70%</b>	<b>~90-95%</b>



1. Average utilization for the quarter, calculated as utilization days divided by available rig days

2. Defined as revenue per utilization day less operating costs per utilization day; Q2 margins impacted by seasonality (i.e. spring break up); Q3/24 and Q4/24 margins impacted by rig mix



# COMPETITIVE ADVANTAGE OF PD **SUPER SERIES RIGS**

*High Performance, High Value Service Offering Aligned With Customer Needs*



## **Super Triple** (2000, 1500 & 1200 HP)

Preferred Rig for Montney/LNG & U.S. Extended Reach Drilling

- Delivering cost-effectiveness, consistent performance, and repeatable results
- Alpha™ automation, digitally connected with 24/7 support
- Agile modular layout optimized for efficient pad drilling with full walking capability
- Supporting extended reach programs
- Digital Twin monitoring to reduce downtime & extend asset life
- EverGreen™ product offerings
- Most advanced North American land rig with rig floor robotics



## **Super Single**

Preferred Rig for Canadian Heavy Oil Drilling

- Specifically designed by PD for unconventional drilling
- Delivering highly-efficient, cost-efficient, and consistent results
- Pad walking rigs allow for year-round drilling, minimizing impact of spring break up
- Low truck load count allows for faster rig moves
- Digital Twin monitoring to reduce downtime & extend asset life
- EverGreen™ product offerings

# US OPERATIONS LEVERED TO LONG-TERM GAS GROWTH

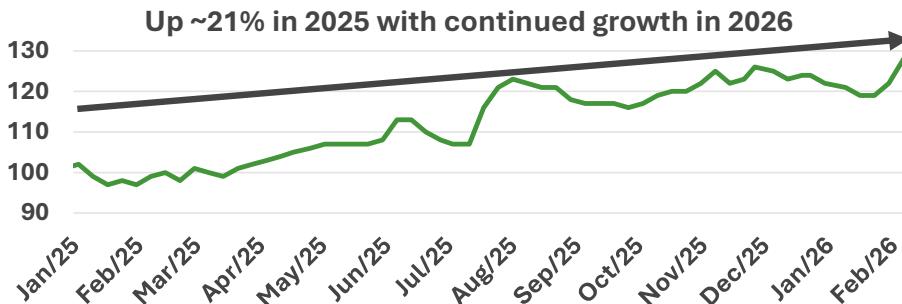
## U.S. Natural Gas Activity Improving

- PD 2025 rig count increased while industry activity declined
- Capitalized on opportunities in natural gas basins
- Industry natural gas rig count up ~21% exit-to-exit in 2025
- Activity driven by new LNG off-take & build-out of AI data centers

## Well-Positioned For Oil Drilling Inflection

- Demand remains high for *Super Spec* rigs
- Strong presence in Permian, Eagle Ford, and Rockies

## Baker Hughes L48 Land Gas Rig Count



1. Per Baker Hughes as of February 6, 2026

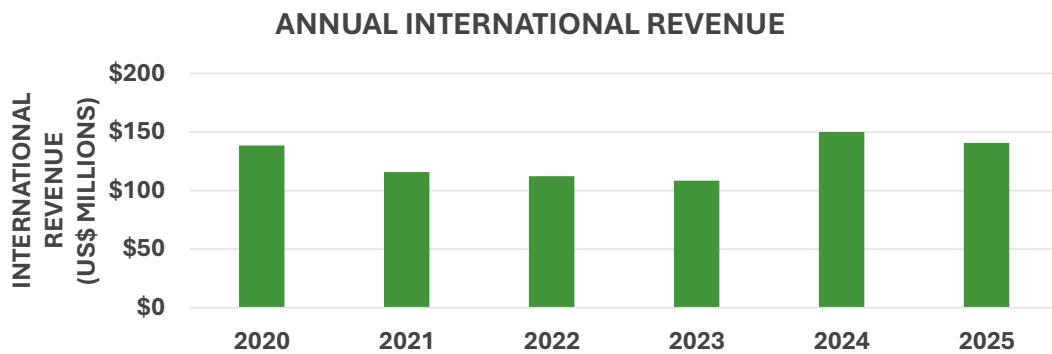
## PRECISION'S ACTIVE U.S. BASINS



# CONSISTENT INTERNATIONAL OPERATIONS

## Established & Stable Operations

- Successful international operator for over a decade
- R904 rated top performing deep-well drilling rig in Kuwait
- 7 rigs active, 4 Kuwait and 3 Saudi Arabia, expected for 2026
  - Early 2026, demobilized one rig in Kuwait while reactivating our suspended rig in Saudi Arabia
- All rigs supported by contracts extending into 2027 and 2028
- Healthy investment returns
- Positioned for growth & continue to bid our idle marketable rigs



## PRECISION INTERNATIONAL ACTIVITY



# HIGH-QUALITY COMPLETION & PRODUCTION CASH FLOW

## Premier Well Service Provider In Canada

- Consolidated the business with two acquisitions<sup>1</sup>
- Size and scale providing increased opportunities

## Strong FCF With Min Capex Requirements

- Longer-life assets with a stock of spare parts & equipment

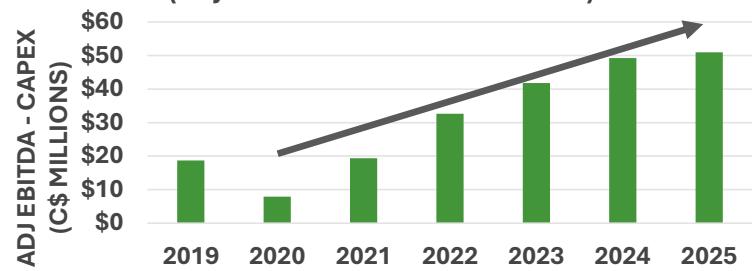
## Positive Outlook For Business

- Driven by TMX pipeline expansion, LNG Canada, and increased regulatory spending requirements
- Shortage of high-quality assets and staffed service rigs, supporting healthy activity and firm pricing

## PRECISION WELL SERVICE CANADIAN LOCATIONS



## HIGH-QUALITY FREE CASH FLOW (Adjusted EBITDA<sup>1</sup> less CAPEX)



1. High Arctic's well service business and rental assets acquired July 27, 2022; CWC Energy Services Corp. acquired November 8, 2023

# MARGIN ENHANCEMENT VIA VALUE-ADD TECHNOLOGY



**α**Alpha™



**e**EverGreen™

- **Fully Digital Automation: A Game Changer**
  - Transforming traditional drilling into highly efficient data-driven processes
- **Leveraging Big Data: Enhanced Performance**
  - Deriving critical insights from real-time datasets
- **Artificial Intelligence: Predictive Analytics**
  - Identifying patterns and trends to optimize drilling operations, maintenance, and safety

- **Empowering our Customers: Driving Sustainability**
  - Leveraging a combination of hybrid power systems, and optimized fuel monitoring to reduce diesel consumption and emissions
  - Driving environmental performance while being cost neutral/negative
  - Continuing to develop ancillary technologies to further reduce emissions

# FEBRUARY PRECISION MARKET UPDATE



## Firm Commitment To Debt Reduction & Share Buyback Targets

- Expect to reduce debt by \$100M in 2026, and well-positioned to repay \$700M of debt from 2022-2027 (\$535M as of 12/31/2025)
- Expect to allocate up to 50% of FCF to share repurchases
- On track to achieve a Net Debt to Adjusted EBITDA ratio<sup>1</sup> of <1.0x



## Precision Drilling Activity Update

- Expect current winter drilling season to exceed last year's activity
- U.S. activity grew 25% over the last 9 months of 2025
- Continue to have encouraging customer conversations that could result in activity increases
- Expect 7 active rigs internationally in 2026



## Tight Super Spec Rig Market Supporting Strong Margins

- In Canada, Precision's *Super Triples & Super Singles* nearly fully utilized through winter drilling season
- Canadian margins<sup>2</sup> Q1/26e ~\$14,000 - \$15,000/day
- US margins<sup>2</sup> Q1/26e ~US\$8,000 - US\$9,000/day

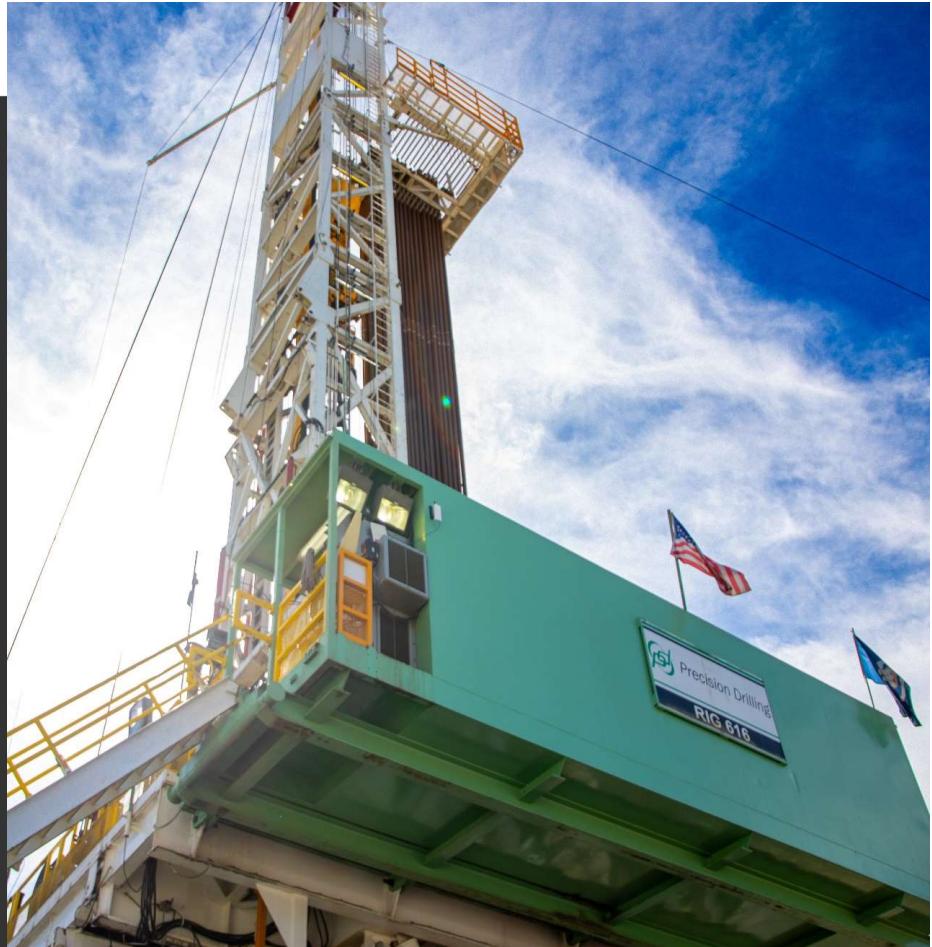


## PD's Super Series Rigs Provide Competitive Advantage

- Pad-capable *Super Series* rigs continue to drive market outperformance
- Expect CAPEX budget of \$245M in 2026, including \$63M for upgrades
- A leader in innovation with *Alpha™*, *EverGreen™* and robotics

1. Non-GAAP measure; see our *Quarterly Report* for more information

2. Defined as Revenue per utilization day less Operating cost per utilization day



## CREATING SHAREHOLDER VALUE

- Delivering *High Performance, High Value* Services
- Generating Significant Free Cash Flow
- Strict Cost Management & Capital Discipline
- Disciplined Investments In Our People & Equipment
- Higher Equity Valuation Through Strong FCF Yield, Deleveraging & Share Repurchases

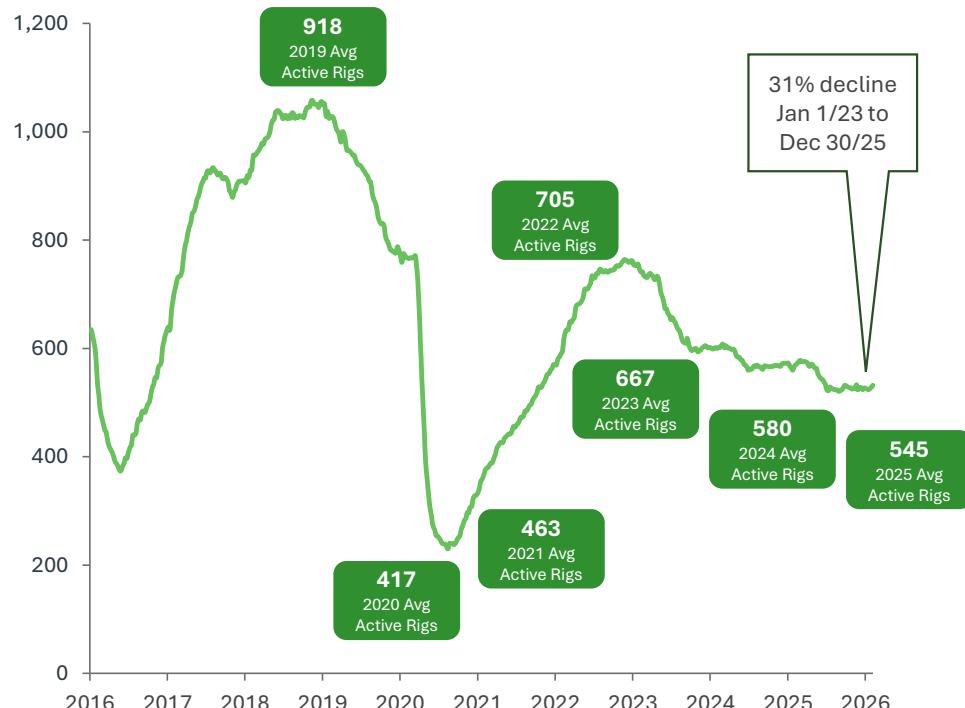


# APPENDIX

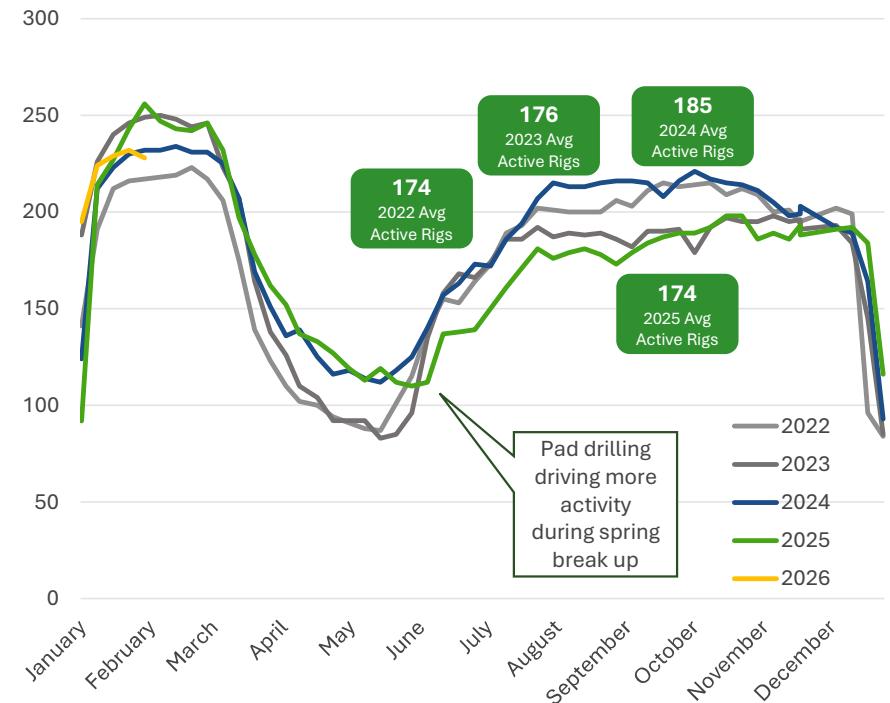
*Precision Drilling Corporation*

# HISTORICAL INDUSTRY DRILLING ACTIVITY

## U.S. LAND RIG COUNT 10 YEAR HISTORY



## CANADIAN LAND RIG COUNT 5 YEAR HISTORY



Source: Baker Hughes land rig count as of February 6, 2026

INVESTOR PRESENTATION