



August 2021

Investor Presentation

Technology • Deployed • Simply

Forward-Looking Statements

This presentation contains “forward-looking statements” and/or “forward-looking information” under applicable securities laws (collectively referred to as “**forward-looking statements**”). All statements other than statements of historical facts contained in this presentation, including statements regarding Pason System Inc.’s (“Pason” or the “Company”) future results of operations and financial position, financial targets, business strategy, plans and objectives for future operations, are forward-looking statements. These forward-looking statements reflect the current views of Pason with respect to future events and operating performance as of the date of this document. These forward-looking statements are subject to known and unknown risks, uncertainties, assumptions, and other factors, including those described under the heading “Risk and Uncertainty” in the Company’s filings with Canadian securities regulators, that could cause actual results to be materially different from results that are expressed or implied by such forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although the Company believes the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Except as required by law, the Company undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in the Company’s expectations.

The Company’s filings with the Canadian securities regulatory authorities may be accessed through the SEDAR website (www.sedar.com) or through Pason's website (www.pason.com).

Overview of Pason



INNOVATIVE

Leading global provider of end-to-end drilling data solutions

40+ years of distinctive technology, support and service capabilities

High barriers to entry driven by scope of technology, service intensity and required scale



PROFITABLE

Strong cash-generating capability with high operating margins and low capital intensity

Consistent delivery of returns on invested capital and cash returned to shareholders

Prudent capital structure and no interest-bearing debt

Significant operating leverage to generate additional profits through industry recovery

Well-positioned for growth in drilling, completions, and solar and energy storage markets



RESPONSIBLE

Unique employee driven culture with strong health & safety performance

Strong corporate governance practices

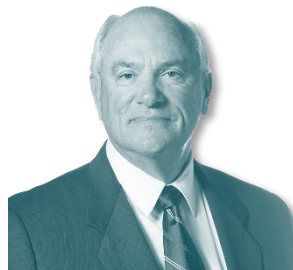
Ongoing commitment to making contributions to the communities in which the company operates

Experienced and Diverse Board of Directors



Marcel Kessler*

Non-Executive Chair
Joined Pason Board in 2011



T. Jay Collins

Chair, Compensation Committee
Joined Pason Board in 2012



Jon Faber*

President & Chief Executive Officer
Joined Pason Board in 2020



Jim Howe

Lead Director
Chair, Audit Committee
Joined Pason Board in 1996



Judi Hess

Chair, Governance & Nominating Committee
Joined Pason Board in 2015



Laura Schwinn

Director
Joined Pason Board in 2019

** Denotes Non-Independent Directors*

Strong and Committed Management Team



Jon Faber
President & Chief Executive Officer
With Pason since 2014



Celine Boston
Chief Financial Officer
With Pason since 2020



Kevin Boston
VP, Commercial
With Pason since 2010



Natalie Fenez
VP, Legal & Corporate Secretary
With Pason since 2017



Heather Hantos
VP, Human Resources
With Pason since 2011



Bryce McLean
VP, Operations
With Pason since 2011



Lars Olesen
VP, Product & Technology
With Pason since 1999



Russell Smith
VP, International
With Pason since 2010



Ryan van Beurden
VP, Rigsite Research & Development
With Pason since 2002



Reid Wuntke
President, Energy Toolbase
With Pason since 2019

The Data Behind the Drilling Industry

Managing
end-to-end
drilling data

Capture

Aggregate

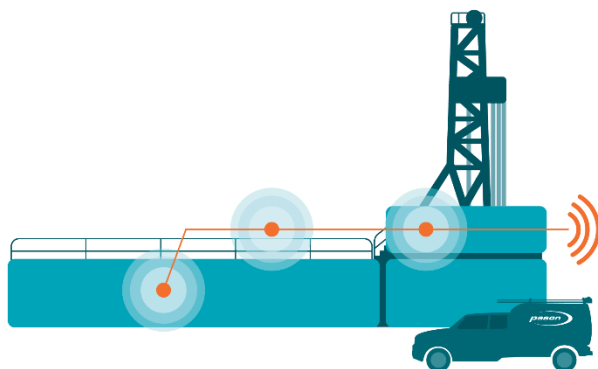
Display

Transmit

Store

Visualize

Leverage



Enabling
customer
priorities

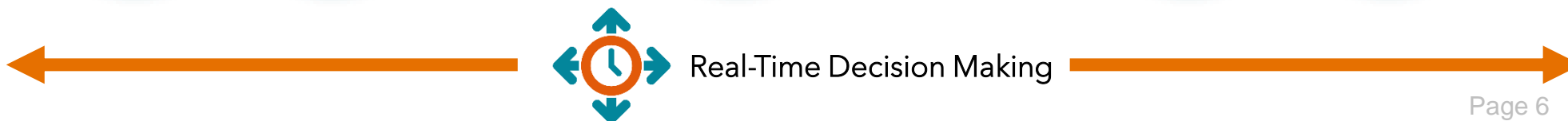
Automation

Safety

Collaboration

Reporting

Analytics



Superior Service Model



The Intelligence Layer in the Solar + Energy Storage Industry

Model
the site

ETB Developer



Review energy costs
and rate switch
scenarios



Analyze
incentives



Incorporate PV
generation



Create a proforma
cash flow model

Control
the assets

Acumen EMS™



Demand Charge
Management



Time-of-Use
Arbitrage



Solar
Self-Consumption



Manual and
Scheduled Dispatch



Critical Load Resiliency
(Backup Power)

Monitor
the performance

ETB Monitor



Measure and
verify savings



Real-time
system performance

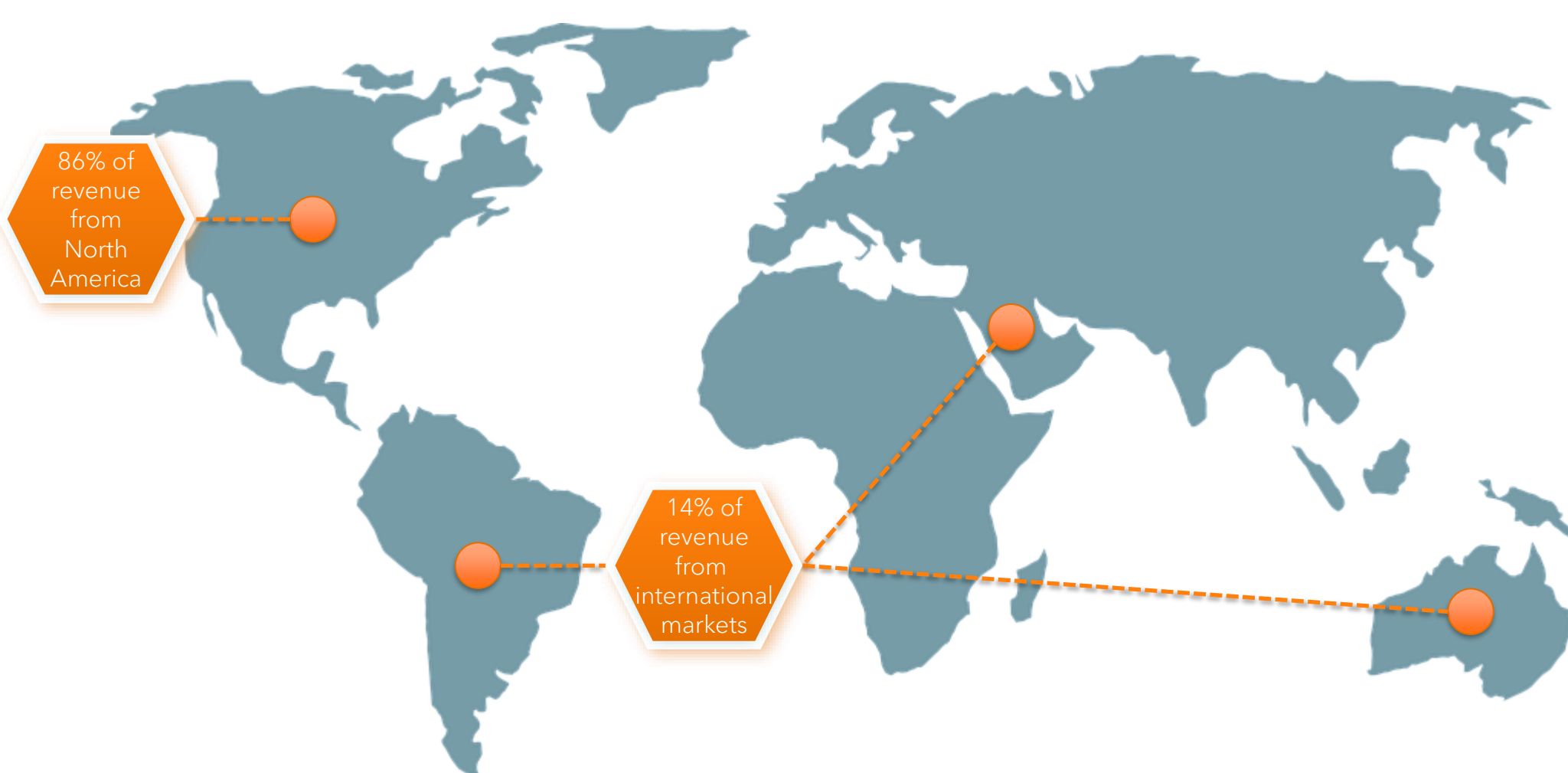


Compliance
reporting



Warranty
reporting

Global Reach and Market Positioning



610
Employees

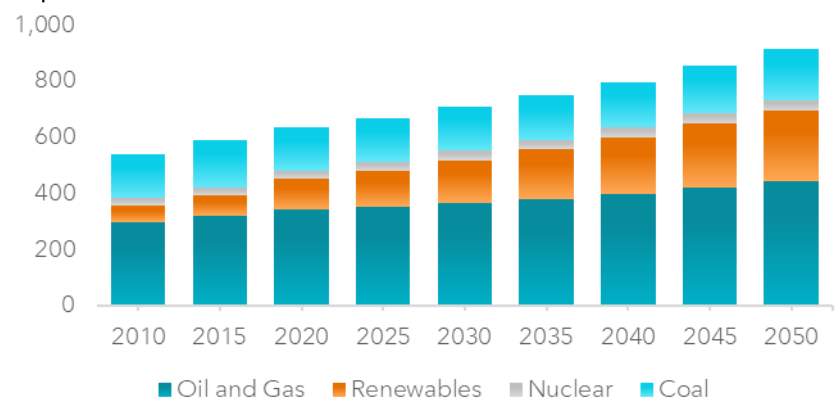
1452
Unique rigs serviced
in 2020

9000+
DataHub
users

Leading Indicators of US Drilling Activity

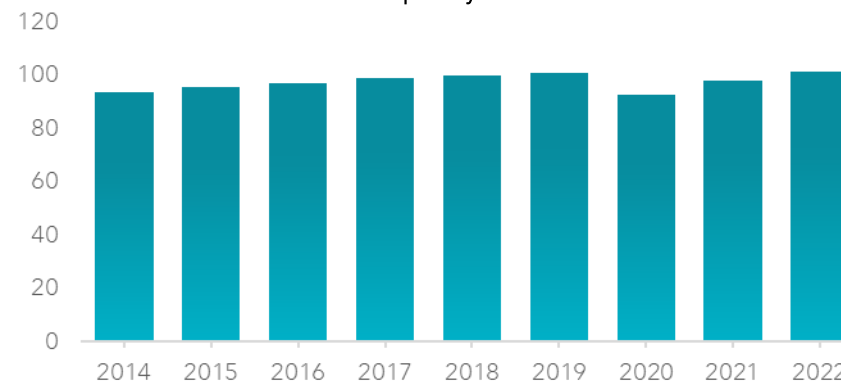
Long Term Global Energy Demand

in quadrillions of British thermal units



Short Term Global Crude Oil Demand

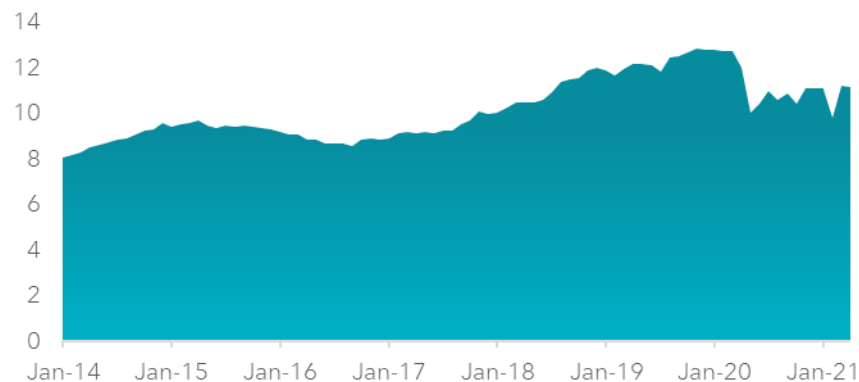
in millions of barrels per day



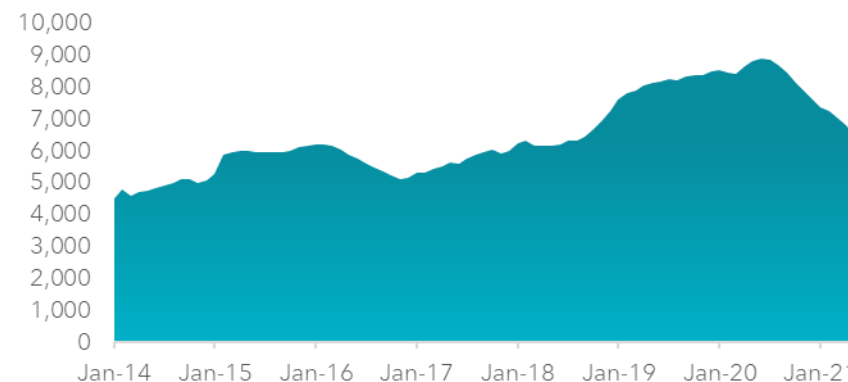
Hydrocarbons continue to be an important part of global demand growth for energy

US Crude Oil Production

in millions of barrels per day



US Drilled & Uncompleted Wells (DUCs)



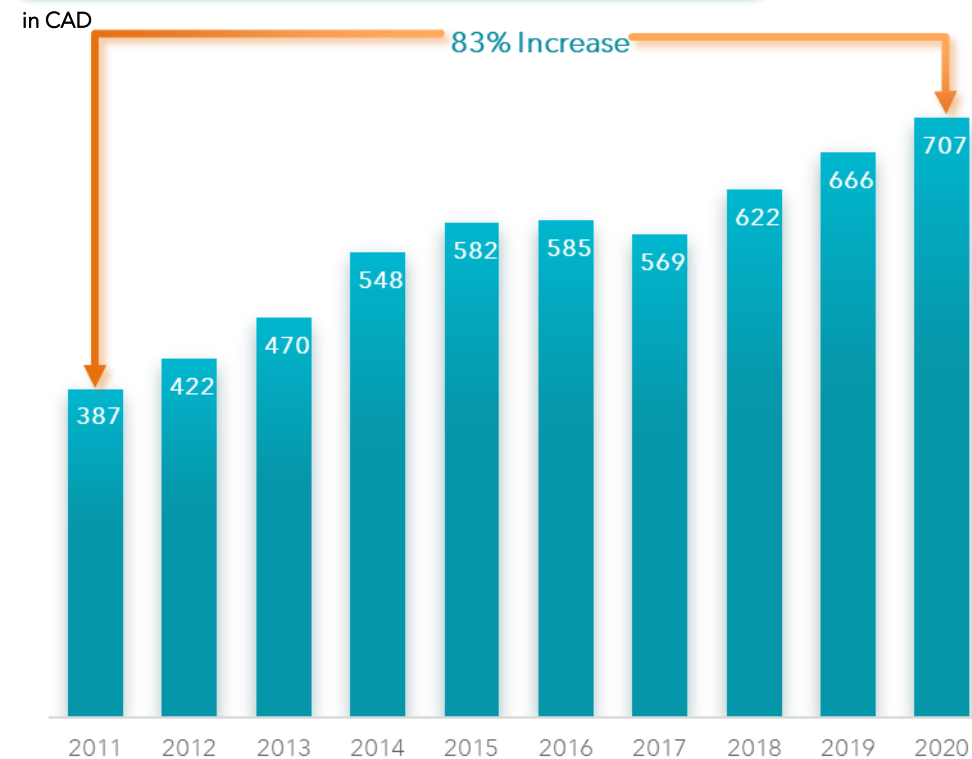
New drilling will be required to offset declines in production and DUCs

Historical Revenue Performance

North American Land Rig Count vs. Pason Revenue



North American Revenue per Industry Day

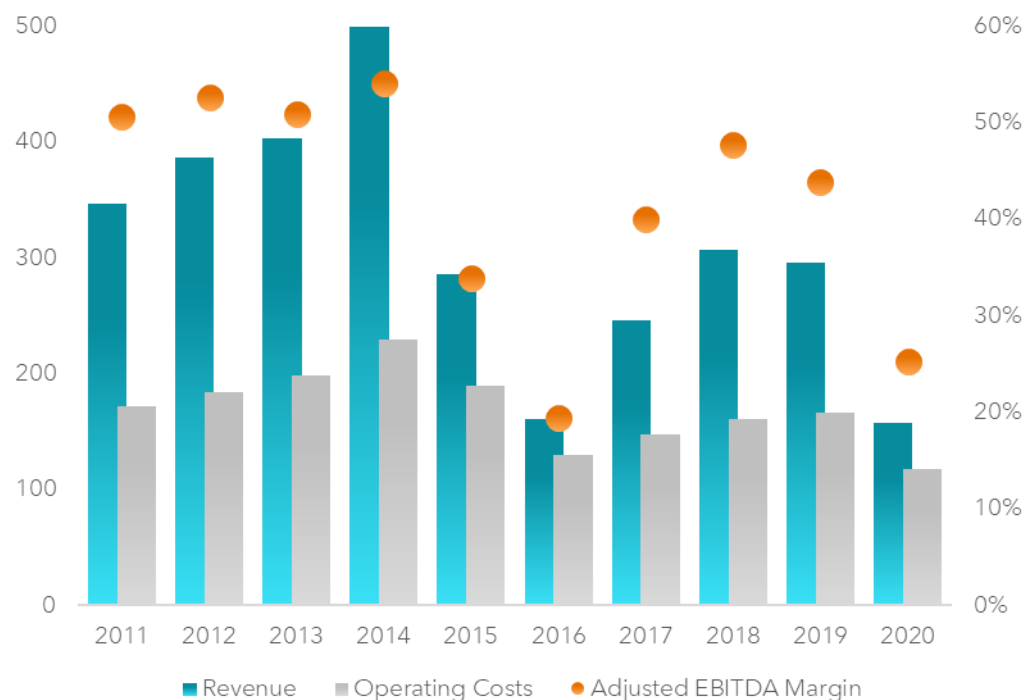


Consolidated revenue is highly correlated to the North American land rig count, while Revenue per Industry Day has grown steadily through industry cycles

Free Cash Flow Generation

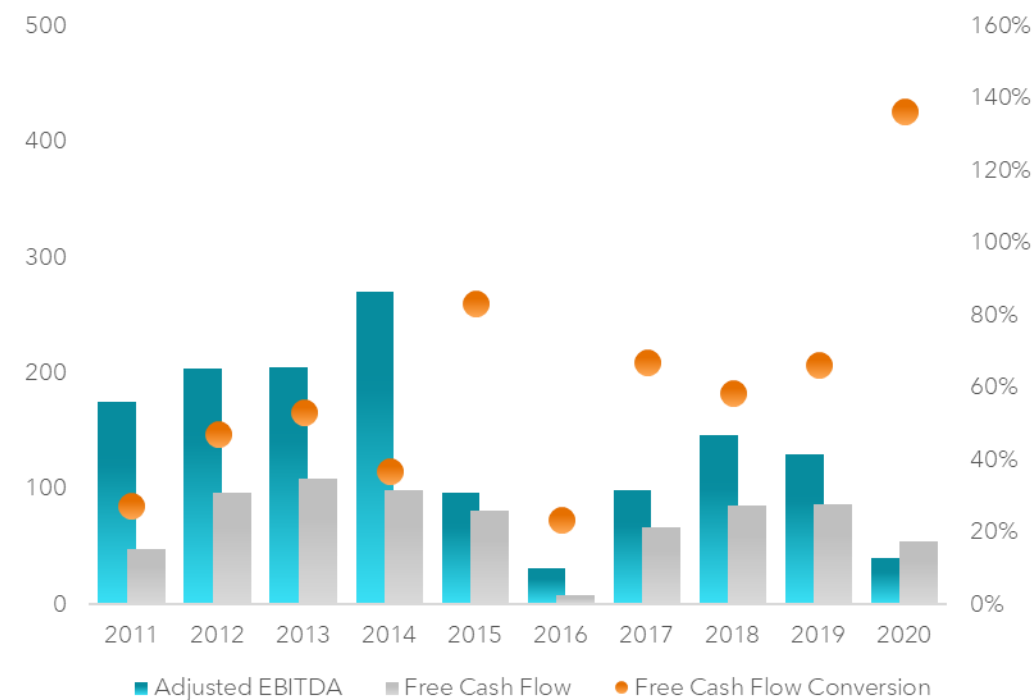
Adjusted EBITDA

in CAD millions



Free Cash Flow

in CAD millions



Significant operating leverage drives attractive margins and free cash flow during periods of increasing drilling activity

Adjusted EBITDA and Free Cash Flow are defined in Pason's Management Discussion & Analysis available at www.sedar.com.

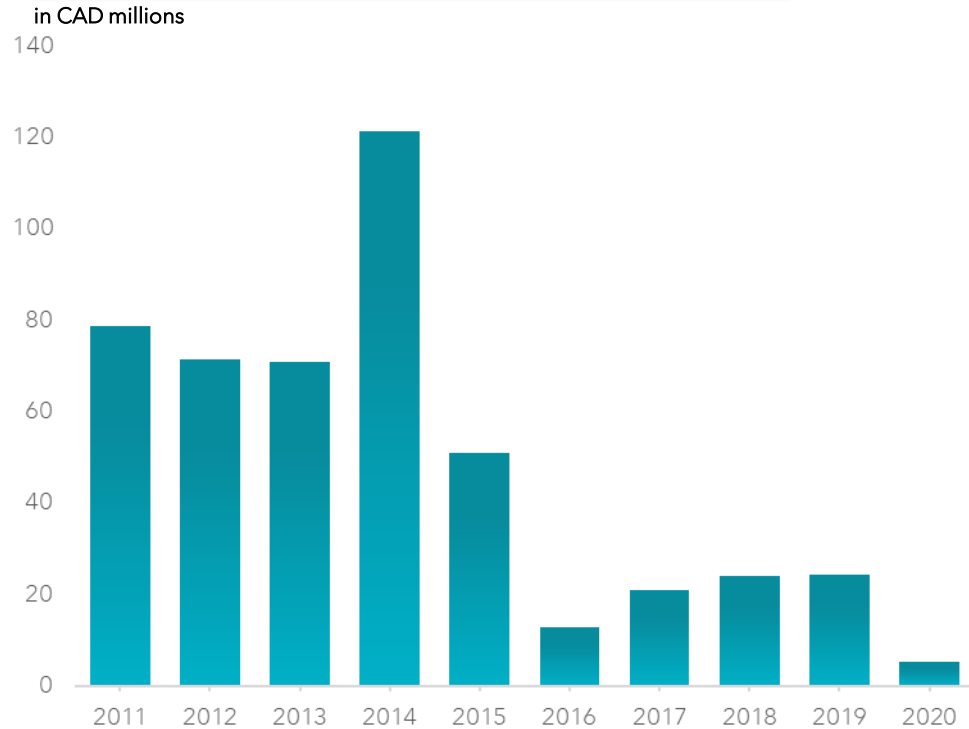
Operating costs include rental services, local administration, research and development, corporate services and equity loss (income) as outlined in Pason's Financial Statements available at www.sedar.com.

Free Cash Flow and Free Cash Flow Conversion is adjusted for \$117.6 million litigation payment made in 2013.

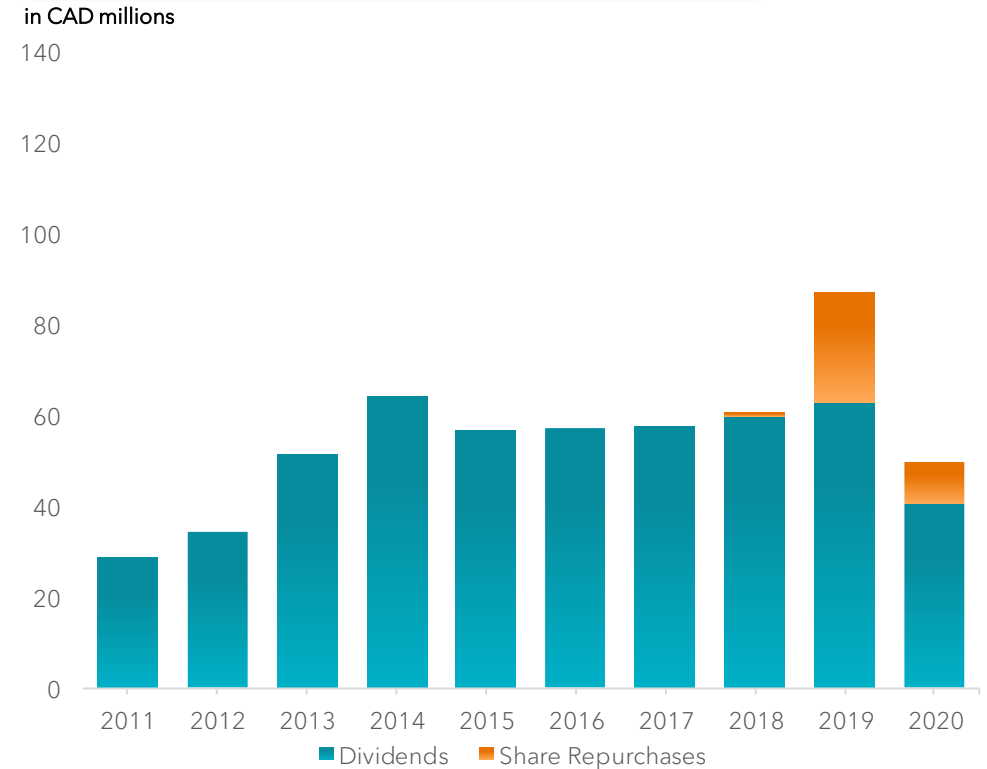
Capital Allocation



Capital Expenditures



Dividends and Share Repurchases



Decreasing capital intensity supports the ability to return capital to shareholders through dividends and share repurchases

Second Quarter 2021 Highlights



Continued industry activity improvement from the lows in 2020

Record market share in North America and growth in international markets

Significant incremental Adjusted EBITDA margins given fixed cost business model

Well positioned balance sheet with no interest bearing debt

\$44 MILLION
IN REVENUE

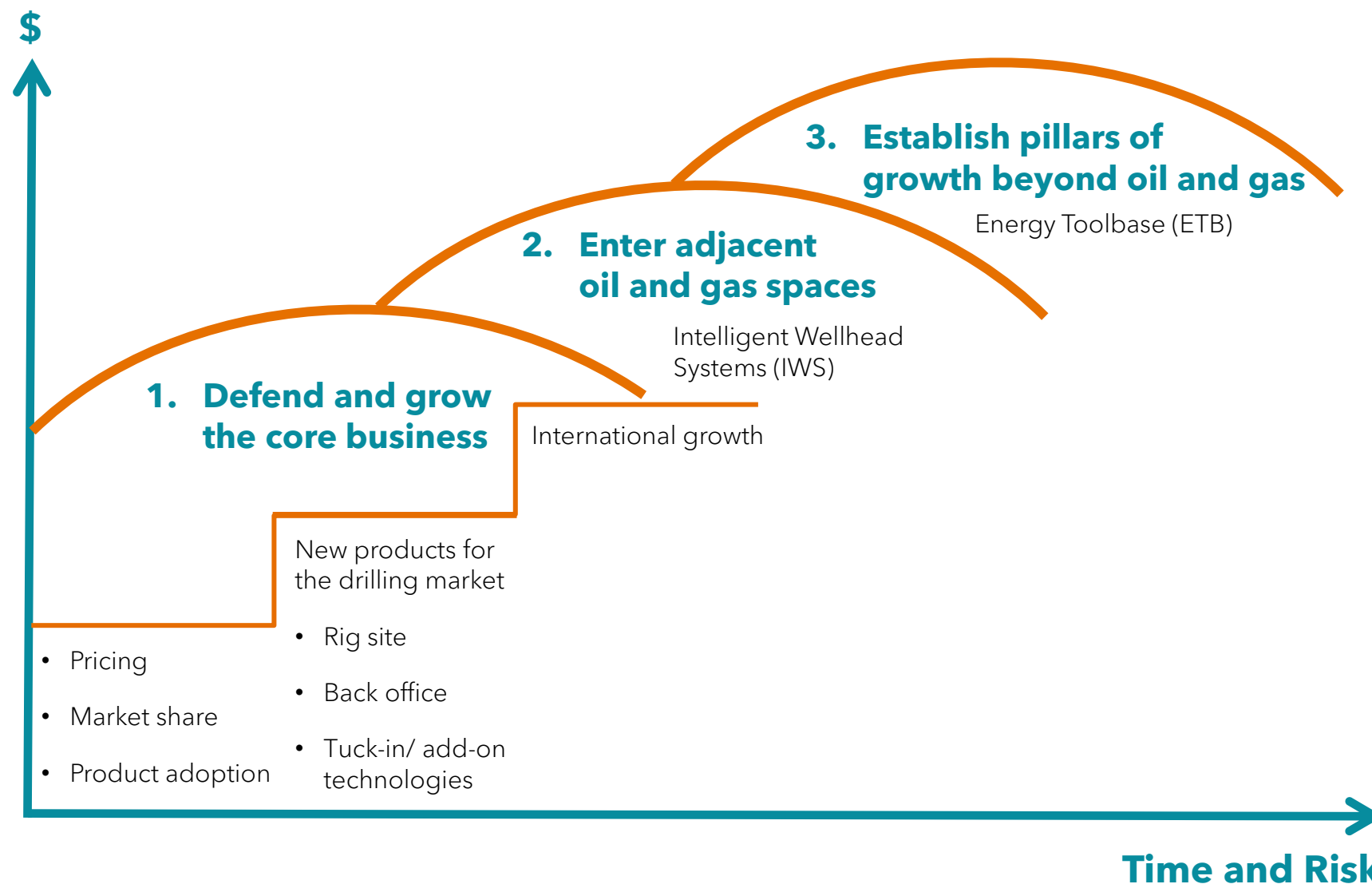
\$13 MILLION
ADJUSTED
EBITDA

\$6 MILLION
FREE CASH
FLOW

\$135M IN
CASH WITH
NO DEBT

Incremental Adjusted EBITDA margin of 81% year over year from Q2 2020 to Q2 2021

Well-Positioned for Growth



2021 PRIORITIES



- Fully participate in the recovery of land-based oil and gas drilling activity
- Further the development and adoption of drilling intelligence and data delivery technologies
- Maintain disciplined approach to operating and capital costs to ensure high incremental margins
- Advance efforts in the completions and solar and energy storage markets through IWS and ETB

Environmental, Social & Governance

ENVIRONMENTAL



- Developing products that drive increased drilling efficiency, helping reduce carbon footprint
- Minimizing potential environmental impacts of operations
- Environmentally responsible cleaning, recycling and disposal of equipment returned from field operations
- Investing in solar and energy storage markets through Energy Toolbase

SOCIAL



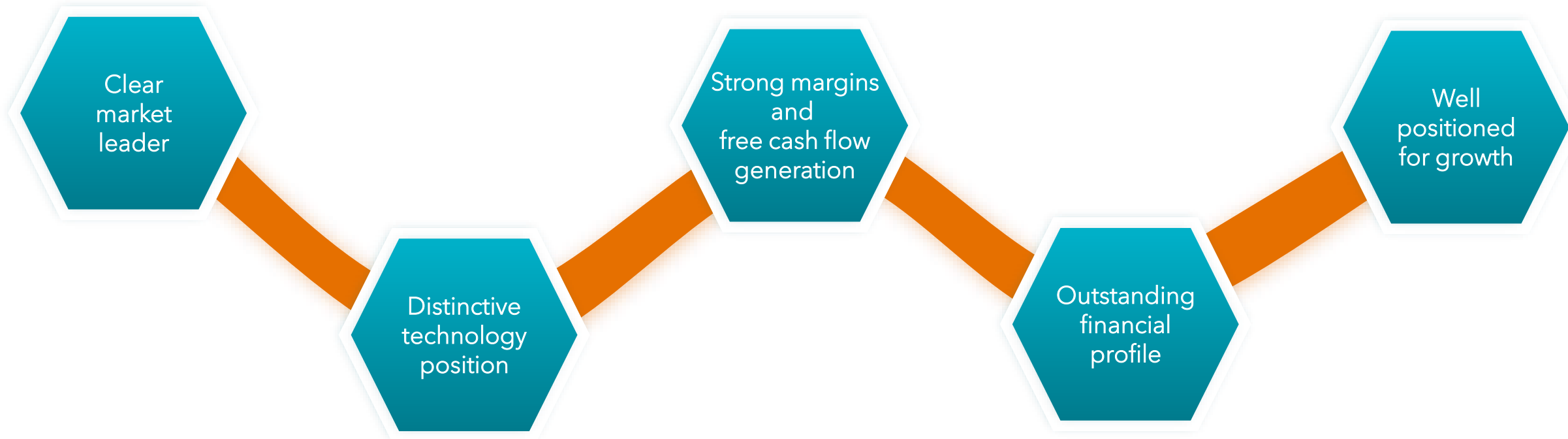
- Unique and inspiring workplace culture with a focus on total employee well-being
- Unwavering commitment to safety of workforce and protection of assets
- Significant investments in digital security infrastructure and systems protecting Pason and customer data

GOVERNANCE



- Experienced, independent and diverse Board of Directors
- Strong corporate governance policies and practices, including annual 'say on pay'
- Executive compensation tied to safety, financial and strategic targets, and shareholder returns
- Comprehensive Code of Conduct

Value Proposition Summary



Innovative



Profitable



Responsible

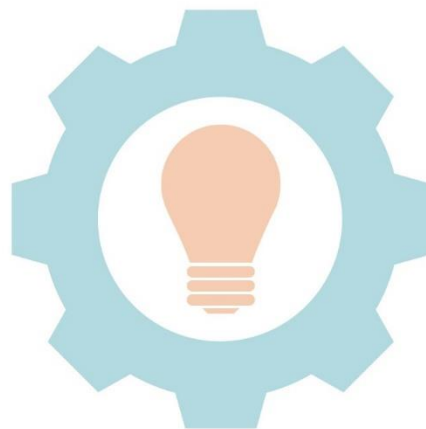
Pason Systems

6130 Third Street SE
Calgary, AB T2H 1K4
Canada

Phone: 403.301.3400

Web: www.pason.com

Email: investorrelations@pason.com



Appendix

Historical Financial Information



\$CAD 000s	2015	2016	2017	2018	2019	2020
Revenue	285,148	160,446	245,643	306,393	295,642	156,636
Adjusted EBITDA ¹	96,460	31,005	98,224	145,987	129,644	39,540
<i>as a % of revenue</i>	34%	19%	40%	48%	44%	25%
Investments in R&D and IT ²	38,288	25,212	27,615	31,462	32,164	27,468
<i>as a % of revenue</i>	13%	16%	11%	10%	11%	18%
Funds flow from operations	94,263	26,815	87,121	128,544	111,718	40,560
Cash from operating activities	130,076	19,642	85,797	107,177	108,547	58,583
Capital expenditures	50,811	12,856	20,764	23,876	24,178	5,159
Free Cash Flow ¹	80,138	7,184	65,831	85,522	85,954	53,864
Dividends paid	56,939	57,338	57,697	59,785	63,100	40,420
Cash & cash equivalents	195,846	146,479	154,129	203,838	161,016	149,282
Working capital	244,972	198,419	193,692	256,153	183,769	167,366
Total interest bearing debt	-	-	-	-	-	-

(1) As defined in the following slide 'Non-IFRS Reconciliation'

(2) Includes both expensed and deferred development costs. Adjusted EBITDA includes the impact of expensed R&D and IT costs

Non-IFRS Reconciliation



\$CAD 000s	2015	2016	2017	2018	2019	2020
Adjusted EBITDA						
Net income (loss)	(14,612)	(40,621)	25,190	62,944	53,803	5,134
Add:						
Income taxes	(2,247)	(17,486)	14,030	29,158	20,193	4,864
Depreciation and amortization	81,381	55,384	45,681	34,855	40,830	34,417
Stock-based compensation	7,398	6,195	11,762	12,313	10,840	4,840
Gain on sale of investment	(2,290)	-	-	-	-	-
Net interest income	-	-	-	-	(903)	(867)
EBITDA	69,630	3,472	96,663	139,270	124,763	48,388
Add:						
Foreign exchange loss (gain)	(3,104)	(1,943)	1,106	7,682	2,199	1,113
Derecognition of onerous lease	-	-	-	-	4,289	(5,757)
Government wage assistance	-	-	-	-	-	(9,941)
Reorganization costs	3,596	10,861	-	-	-	5,554
Impairment charges	26,555	17,474	-	-	-	-
Net monetary gain	-	-	-	-	(2,887)	(1,874)
Other	(217)	1,141	455	(965)	1,280	2,057
Adjusted EBITDA	96,460	31,005	98,224	145,987	129,644	39,540
Free Cash Flow						
Cash from operating activities	130,076	19,642	85,797	107,177	108,547	58,583
Less:						
Net additions to property, plant & equipment	(43,383)	(10,094)	(17,570)	(17,190)	(20,868)	(4,228)
Deferred development costs	(6,555)	(2,364)	(2,396)	(4,465)	(1,725)	(491)
Free Cash Flow	80,138	7,184	65,831	85,522	85,954	53,864