Forward-looking statements

Certain statements contained in this presentation, 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 statement"). In particular, forward looking information and statements include, but are not limited to, the following: our contract log for 2016 and 2017; expectations on the delivery of 2 additional rigs to Kuwait; our capital expenditure plan for 2016; and the potential amount in annual fixed cost savings due to the steps taken by Management to position Precision for a prolonged downturn.

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: low oil and natural gas prices will continue to pressure customers into reducing or limiting their drilling budgets; 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, 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.

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; 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, 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 Report, Annual Information Form and 40-F for the year ended December 31, 2015, which may be accessed on Precision’s SEDAR profile at www.sedar.com, under Precision’s EDGAR profile at www.sec.gov, or on our website at www.precision.com. The forward-looking information and statements contained in this presentation are made as of the date hereof and Precision undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a results of new information, future events or otherwise, unless so requires by applicable securities laws.
Historical North American Drilling Activity

U.S. Land Rig Count
10 Year History

- 1806
  - 2014 Average Active Rigs
- 944
  - 2015 Average Active Rigs

-48%

Canadian Land Rig Count
5 Year History

- 378
  - 2014 Average Active Rigs
- 189
  - 2015 Average Active Rigs

-50%

Source: Baker Hughes land rig count as of April 22nd, 2016
Results – 2015 and Q1 2016

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>2015 Revenue</td>
<td>$1.56 Billion</td>
</tr>
<tr>
<td>2015 EBITDA</td>
<td>$474 Million</td>
</tr>
</tbody>
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- 2015 Revenue decreased 34% from 2014
- EBITDA margins decreased to 30% from 34% in 2014
- Q1 2016 Revenue decreased 41% from Q1 2015, EBITDA margins increased to 33% from 32% in Q1 2015
Cash Management

- Reduced Maintenance Capex
- Limited Growth Capex
- Variable Field Cost
- Overhead Reductions

- Maintain High Performance, High Value
- Positioned for Prolonged Downturn

- Operating center consolidation
- $24 million of restructuring/severance costs since 2015
- Management reorganization
- $120 million in annual fixed cost savings
Precision’s 2016 Strategic Priorities

**Strong Liquidity Position**
- Ample cash balance and revolver access

**Sustain High Performance, High Value competitive positioning**
- People, assets, systems

**Position for an eventual rebound**
- Asset integrity
- People – Retain and recruit
- Ample Liquidity
Positioning for the Rebound

High Performance People
Proven track record to manage field staffing

Asset Integrity
Proven track record on asset quality and maintenance

Broad Footprint
Positioned to respond to North American activity

Liquidity (as of 3/31/2016)
$476 Cash

$734 Revolver
Revolver/Operating Facilities Available (Maturity June 3, 2019)

Ample liquidity
Positioning for the Rebound

**High Performance People**
Proven track record to manage field staffing

**Asset Integrity**
Proven track record on asset quality and maintenance

**Broad Footprint**
Positioned to respond to North American activity

**Liquidity** (as of 3/31/2016)
- $476 Cash
- $734 Revolver
  Revolver/Operating Facilities Available
  (Maturity June 3, 2019)

Ample liquidity
Recruiting in a Rebound – Toughnecks Program

102,224
Applications processed
2013-2015

1,200
Screened candidates in the system – ready to work

313
Drillers ~85% at lower positions

320
Rig Managers ~85% at lower positions

Brand & Advertising
Targeted Selection Interviews
System Screening & Testing
New Hire

Rig Placement
Staffing for a Rebound – Retention and Development of Key Personnel

**Precision HR Training and Processes**

- Leadership Development Programs
- Structured Competency Standards
- Long-term Compensation Programs
- Permanent Training Facilities with Fully Functioning Rigs
- World-Class Safety Culture and Processes
- Tier 1 Assets

**Structured Measured Retention Programs for Key Personnel**

- Career Path Management
- Structured Promotion Programs
- Field Training Investments

Precision Drilling Corporation
Positioning for the Rebound

High Performance People

Proven track record to manage field staffing

Asset Integrity

Proven track record on asset quality and maintenance

Broad Footprint

Positioned to respond to North American activity

Liquidity (as of 3/31/2016)

$476 Cash

$734 Revolver
Revolver/Operating Facilities Available (Maturity June 3, 2019)

Ample liquidity
High Performance Super Single and Super Triples Rig Fleet

145
Tier 1
Rigs Added

254
Upgrade Candidates
International

254
101
U.S.

16
8
Upgrade Candidates
International

16
101
U.S.

8
129
Canada

8
129
Canada

1 Jan, 2009
11 Feb, 2016

1) As of February 11th, 2016 - Includes 2 newbuild rigs for Kuwait to be delivered in early 2017. Include 16 upgrade candidates.
2) Decommissioned 79 drilling rigs on December 31, 2015
Drilling Support Centers and Precision Supply

- Vertically Integrated
- Centralized Procurement
- Repair & Maintenance
- Rig Build & Construction

• Leverage Scale
• Centralized Support

HIGH PERFORMANCE HIGH VALUE

Houston – Texas

Nisku - Alberta
Positioning for the Rebound

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Proven track record to manage field staffing

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**Broad Footprint**
Positioned to respond to North American activity

**Liquidity** (as of 3/31/2016)
- $476 Cash
- $734 Revolver
  Revolver/ Operating Facilities Available (Maturity June 3, 2019)

Ample liquidity
Comprehensive North American Footprint / Targeted International Markets

Dots representative of areas where Precision has had operations in 2014 and 2015

DENOTES PRIMARILY NATURAL GAS FOCUSED PLAY / BASIN
DENOTES PRIMARILY OIL FOCUSED OR LIQUIDS-FOCUSED PLAY / BASIN
Geographical Diversification

2007 to 2015 Geographical Diversification

- Canadian revenue diversified from 95% to 38%
- U.S. revenue increased from 5% to 48%
- International expansion from 0% to 14%
Positioning for the Rebound

High Performance People
Proven track record to manage field staffing

Asset Integrity
Proven track record on asset quality and maintenance

Broad Footprint
Positioned to respond to North American activity

Liquidity
(as of 3/31/2016)

$476 Cash

$734 Revolver
Revolver/Operating Facilities Available
(Maturity June 3, 2019)

Ample liquidity
Strong Contract Book backed by Well Capitalized Customers

Average Term Contracts

2015 Top 50 Customers

- Average market cap. of $41 billion (median $13 billion).\(^2\)
- Accounts for 86% of total revenue.
- Credit risk for vast majority of contract book remains low.

1. Includes Canada, U.S. and International operations.
2. As of February 8th, 2016.
Responsive Capital Allocation

2016 Capital – $202 million
- $160 million for Expansion and Upgrade
  - 2 new-build rigs for Kuwait
- $42 million for Maintenance and Infrastructure

2017 Capital
- No anticipated growth capital

Annual Capital Spending
Balance Sheet Strength

Attractive Capital Structure (1)
- Net debt to total capital: 38%
- Interest coverage: 3.7x

Long maturity, low cost debt
- Average interest rate of 6.2%

First Principal Payment due 2019 (3)
- 2019: $200 million
- 2020: US$650 million
- 2021: US$390 million
- 2024: US$400 million

Available liquidity as of 3/31/2016:
- $1,210
  - $476 Cash
  - $734 Revolver / operating facilities

Flexibility to react to market upturn or downturn

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1) Statistics refer to balance sheet and annual income statement as of 3/31/2016. Debt to total capital equals long-term debt to long-term debt plus equity. Interest coverage equals EBITDA divided by interest. Available liquidity, adjusted for amendment of revolver post quarter end.
2) Calculated as undrawn portion of revolver (adjusted for LCs outstanding) and cash using CAD/USD exchange rate and balance sheet numbers as at 3/31/2016.
3) Current blended cash interest cost of our debt is approximately 6.2%.
Positioning for the Rebound

People

Asset Integrity

Ample Liquidity

HIGH
PERFORMANCE
HIGH VALUE