Forward-looking Statements

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 2019; our capital expenditure plans for 2019; anticipated activity levels in 2019 and our scheduled infrastructure projects; anticipated demand for Tier 1 rigs; the average number of term contracts in place for 2019 and 2020; our future debt reduction plans beyond 2018.

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: the fluctuation in oil prices may pressure customers into reducing or limiting their drilling budgets; 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; and the general stability of the economic and political environments in the jurisdictions where we operate.

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 forgoing 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, 2018, which may be accessed on Precision’s SEDAR profile at www.sedar.com or under Precision’s EDGAR profile at 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 statements or information, whether as a result of new information, future events or otherwise, except as required by law.
Recent Announcements – 2H19 Updates

**Significant Balance Sheet Enhancements**

- Updated 2019 year-to-date debt reduction of $146 million, expect to meet or exceed increased 2019 debt reduction target of $200 million.
- 2020 debt repayment target range of $100 million to $150 million (plan to retire 2021 notes by end of 2020).
- Planned 2019 capital expenditures reduced by $25 million, down to $144 million. Preliminary 2020 planned capital expenditure range of $60 million to $80 million.
- TSX approval for normal course issuer bid of up to 10% of the public float (repurchased and cancelled 5 million shares YTD).

**Continued Strong Operational Performance**

- Continued market share gains in North America (Q3, 2019: 30% in Canada, 8% in U.S.).
- $213 million in YTD cash provided by operations (7% increase compared to prior year).
- Significant business improvement with C&P division (2019 TTM adjusted EBITDA up 66% compared to prior year).

**Key Technology Milestone Reached**

- Announced full commercialization of 32 AlphaAutomation™ systems deployed in the field.
- Launch of Alpha™ Technologies brand.
Precision’s 2019 Strategic Priorities – Creating Shareholder Value

1. REDUCE DEBT WITH FREE CASH FLOW
   Generate strong free cash flow and utilize $200 million to reduce debt in 2019 (previously set at $100 million to $150 million).
   Increased long-term debt reduction targets to $400 million to $600 million by year-end 2021 (inclusive of 2018 debt repayments).

2. FINANCIAL PERFORMANCE
   Maximize financial results by leveraging our High Performance, High Value Super Series Rig fleet and scale with disciplined cost management.

3. TECHNOLOGY AS A DIFFERENTIATOR
   Full scale commercialization and implementation of our Process Automation Control platform, PD-Apps and PD-Analytics.
   Announced achieved commercialization targets and rebranding of technology offering in November.
Precision At A Glance

HIGH PERFORMANCE LAND DRILLER

233 Drilling Rigs:
Canada (116)
U.S. (104)
International (13)

198 Service Rigs:
Canada (190)
U.S. (8)

Complementary Services:
Camps & Catering
Rentals

2018 REVENUE BY GEOGRAPHIC REGION

- U.S. Drilling
- Canada Drilling
- International
- C&P & Directional (North America)

- 2018 Revenue $1.5 billion

U.S. & INTERNATIONAL OPERATIONS ACCOUNTED FOR ~70% of 2018 DRILLING REVENUE

1. Not included in our drilling count are 22 rigs held for sale.
2. Well Servicing has registered 115 rigs in Cda – 75 rigs were not registered and are not included in our active count. On April 15, 2019 we completed sale of our 12 snubbing units.
Precision’s Competitive Positioning

PRECISION SYSTEMS + SCALE

HIGHLY SKILLED RIG CREWS

SUPER SERIES RIGS

HIGH PERFORMANCE
HIGH VALUE
Systems & Scale

DRIVING OPERATIONAL EXCELLENCE AND LOWER COSTS

IT Infrastructure and ERP
- Supports Increased Data Flows
- Operating Efficiencies
- Fixed Cost Leverage

Technical Support Centres
- Asset Integrity
- Maintenance Standard
- In House Repair & Rebuild

Manufacturing + Capital Projects
- Engineering
- Project Management
- Equipment Manufacturing

Supply Chain Management
- Cost Savings
- Vendor Management
- Centralized Support

Alpha™
Recruiting, Training & Retention – Competitive Advantage for Precision

**FIELD RECRUITING A CORE FOCUS**

213,722
Applications processed
2013-2018
(35,750 Applications in 2018)

1,200 – 1,400
Screened candidates in the system

**TECH CENTERS TRAINED OVER 6,000 PEOPLE IN 2018**

**RETENTION FOR GLOBAL DRILLING OPERATIONS WAS 88% IN 2018**

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

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Applications processed
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TECH CENTERS TRAINED OVER 6,000 PEOPLE IN 2018

RETENTION FOR GLOBAL DRILLING OPERATIONS WAS 88% IN 2018
Advanced Rig Technology

1. 25,000’ + FT RACKING CAPACITY
2. PROCESS AUTOMATION CONTROL (APPS)*
3. DRILLING EQUIPMENT CONTROL SYSTEM*
4. HIGH SPEED DOWNHOLE DATA*
5. “OMNI-PAD” WALKING SYSTEM
6. 825,000 LBS HOOKLOAD
7. 1500 HP TDS-11 TOP DRIVE
8. DIRECTIONAL GUIDANCE SYSTEM*
9. TWO SPEED DRAWWORKS
10. TRANSFER TANK
11. UMGBILICALLY CONNECTED BACKYARD COMPLEX
12. (3) 1,600HP 7,500 PSI PUMPS
13. INTEGRATED POWER MANAGEMENT SYSTEM
14. (4) CAT 3512 GENSETS

* Precision Technology Building Blocks

REMOTE OPERATIONS CONTROL CENTER (OPTIMIZATION*)

PRECISION IS A RIG TECHNOLOGY LEADER

PRECISION SUPER TRIPLE

PRECEPTION DRILLING CORPORATION | 9
Precision’s Super Series Investments Driving U.S. Market Share Gains

>65 NEW BUILDS/ MAJOR UPGRADES IN U.S. MARKET SINCE 2012
AVERAGED 72 ACTIVE RIGS IN Q3 2019

1. Annual market shares represent yearly average Precision rig count divided by industry rig count – industry data provided by Baker Hughes; current is prior week average at November 18, 2019.
Environmental, Social, Governance (ESG) Activities

Significantly enhance ESG disclosure included in most recent Information Circular, Annual Report and Annual Information Form

PEOPLE
- Annual Incident Rate Down 29%*
- Adopted Diversity & Inclusion Policy*
- 6,000 + Employees Trained at Tech Centers*
- Safety Protocol & Procedures
- Robust Intern Program

GOVERNANCE
- Board of Directors
  - 100% Attendance*
  - Independent Diversity
- Governance Committees + External Audits
- PD Code of Conduct
- 100% Hotline Issues Resolved*

COMMUNITY
- 2,500 PD Supported Volunteer Hours*
- Partnerships With STARS, Heritage Park Society, Camp Kindle
- Financial Support for Local Causes
- Youth Scholarship Programs

ENVIRONMENT
- 20% of Fleet Natural Gas Burning Lower Carbon Fuel*
- 45 Bi-Fuel Systems in North America*
- Pad-Walking Systems & Technological Efficiencies
- Industry Best Practices on Spill Prevention & Noise Mitigation

* Reported 2018 year-end stat from Management Circular. Precision continues to deliver on strong environmental, social and governance initiatives.
2019 STRATEGIC PRIORITY #1
REDUCE DEBT WITH FREE CASH FLOW

Generate strong free cash flow and utilize $200 million to reduce debt in 2019 (previously set at $100 million to $150 million)

Q3 2019 UPDATE

- Announced 2019 year-to-date debt reduction at $146 million. On track to meet or exceed our increased year-end target of $200 million.
- Cash balance of $94 million.
- $780 million of liquidity from cash and undrawn revolver as of Q3.
- Reduced 2019 CapEx plan by $25 million, down to $144 million (previously $169 million).
- Preliminary 2020 CapEx guidance of $60 million to $80 million and 2020 debt reduction guidance of $100 million to $150 million.
2. Recently completed & announced 2019 redemptions/open market purchases totaling US$109M or C$146 million YTD.
Free Cash Flow Generation

- Super Series investment enabled free cash flow harvesting
- Strong free cash flow outlook for next several years

1. Count excludes rigs held for sale.
2019 Capital Plan

**TOTAL:** $94M

- **EXPANSION & UPGRADES**
  - Kuwait new build rig ~$68 million
  - ST 1500 SCR to AC conversion
  - New-build ST 1500
  - Further expansion of PAC platform

- **MAINTENANCE, INFRASTRUCTURE & INTANGIBLES**
  - Maintenance spend highly correlated to activity levels

**PRELIMINARY 2020 CAPITAL PLAN RANGE:**
$60 MILLION TO $80 MILLION

REDUCED 2019 CAPITAL PLAN BY $25 MILLION, DOWN TO $144 MILLION

*Previously $169 million*
2019 STRATEGIC PRIORITY #2
FINANCIAL PERFORMANCE
Maximize financial results by leveraging High Performance, High Value Super Series Rig fleet and scale with disciplined cost management

Q3 2019 UPDATE

- Record level U.S. and Canadian market share driven by Super Series fleet.
- Expanded scale in Middle East with delivered Kuwait new-build – 9 rigs on long-term contracts.
- Strong free cash flow in Canada.
- Margin improvement continues in U.S. – up 20% from prior year.
Sequentially Strong Financial Performance

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>REVENUE</th>
<th>ADJUSTED EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>26,851</td>
<td>$1,003</td>
<td>$228</td>
</tr>
<tr>
<td>42,282</td>
<td>$1,321</td>
<td>$305</td>
</tr>
<tr>
<td>48,251</td>
<td>$1,541</td>
<td>$375</td>
</tr>
</tbody>
</table>

- Int'l Drilling
- U.S. Drilling
- Canada Drilling

GEOGRAPHIC DIVERSIFICATION BENEFITS

LEADING-EDGE SUPER SERIES DAYRATES

STRICT COST DISCIPLINE & BENEFITS OF SCALE
Revenue and Cash Flow Visibility and Stability

CUSTOMER BASE

HIGH-EFFICIENCY DEVELOPMENT DRILLING FOR PUBLIC, LARGE PRIVATE AND NATIONAL OIL COMPANIES

TOP 50 CUSTOMERS

PUBLIC 64%
PRIVATE 32%
NATIONAL OIL COMPANIES 4%


CONTRACT BOOK

PREDICTABLE CASH FLOWS - ADDED 6 CONTRACTS IN Q3 2019

United States

- Diversified across Lower 48, active in all unconventional plays
- Pricing power on Super Series rigs
- Dayrates and margins improved YTD
- Low cost rig upgrades backed by contracted cash flow
- Precision Alpha Technologies driving further growth
Canada

**STRONG FREE CASH FLOW, SCALE & MARKET SHARE**

- Generated $1.8 billion in free cash flow since 2010\(^1\)
- Virtually no upgrade capital spending planned in 2019
- Scale drives operational and cost efficiencies

---

**MARKET POSITION**

- **25%** Market Share
  - Typically operate 25% of rigs in market
- **30%** Duvernay
  - LEADING MARKET SHARE\(^2\)
- **33%** Heavy Oil
  - LEADING MARKET SHARE\(^2\)
- **26%** Montney
  - LEADING MARKET SHARE\(^2\)

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1) Cash flow calculated using reported daily margins multiplied by drilling utilization days plus C&P EBITDA, less Canadian maintenance capital expenditure.
2) Based on well count provided by industry sources and internal analysis (2017 average).
* Dots on map representative of areas where Precision has had operations since 2015
ESTABLISHED SCALE, STABLE CASH FLOW

13 TOTAL RIGS
IN MIDDLE EAST (INCLUDES KUWAIT NEW BUILD)

7 NEWBUILD RIGS
DEPLOYED SINCE 2014

9 RIGS
UNDER CONTRACT

- Additional Kuwait newbuild award (spudded first well July 1st)
- Ability to leverage fixed costs with additional deployments
- Targeting IOC’s and NOC’s that value Safety and Performance
Completion & Production

Largest service rig provider in the WCSB and established presence in the U.S.

Well positioned for free cash flow – 25% Y/Y increase in total C&P EBITDA in 2018

IMPROVING CASH FLOW

C&P EBITDA (millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>C&amp;P EBITDA (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$(10.0)</td>
</tr>
<tr>
<td>2016</td>
<td>$(10.0)</td>
</tr>
<tr>
<td>2017</td>
<td>$10.0</td>
</tr>
<tr>
<td>2018</td>
<td>$20.0</td>
</tr>
<tr>
<td>TTM 09/30/2019</td>
<td>$30.0</td>
</tr>
</tbody>
</table>

Precision Well Servicing

Precision Camps & Catering

Precision Rentals
2019 STRATEGIC PRIORITY #3
COMMERCIALIZING RIG AUTOMATION

Full scale commercialization and implementation of our AlphaAutomation, AlphaApps and AlphaAnalytics

UPDATE

- Recently announced commercialization of 32 AlphaAutomation systems deployed in the field – intend to deploy an additional 24 systems in 2020.
- Drilled over 1,000 wells with AlphaAutomation to date – trained over 100 key field personnel.
- 15 Apps either commercialized or in field hardening phase.
Precision’s Technology Strategy

INCREASED REVENUE & MARKET SHARE: FIRST-MOVER IN RIG AUTOMATION TO REDUCE CUSTOMER DRILLING COSTS

LOWER WELL COST

OPTIMIZED DECISIONS

ENABLING PLATFORMS

COMPELLING ADVANTAGE

MARKET SHARE GAIN

BEST IN CLASS WELLS

OPERATIONAL KPIs

DIGITAL ENABLEMENT

PREMIUM PRICING

COST EFFICIENCIES

INCREASED REVENUE & MARKET SHARE: FIRST-MOVER IN RIG AUTOMATION TO REDUCE CUSTOMER DRILLING COSTS

LOWER WELL COST

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COMPELLING ADVANTAGE

MARKET SHARE GAIN

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DIGITAL ENABLEMENT

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COST EFFICIENCIES
AlphaAutomation – Case Study: Adding Pipe While Drilling Ahead

CONSISTENT
PREDICTABLE
REPEATABLE

Rig 560 - Job 114

~49% TIME SAVINGS PER CONNECTION

Rig 560 - Job 124

ESTIMATED TOTAL WELL SAVINGS OF APPROXIMATELY 5 TO 8% (0.75 TO 1.2 DAYS ON A 15 DAY WELL)
AlphaApps - Precision Offering Full Suite Of Drilling Performance Apps

**15 APPLICATIONS**

- **ROP OPTIMIZATION**: 7
- **DIRECTIONAL**: 4
- **DRILLING MECHANICS**: 1
- **EQUIPMENT OPTIMIZATION**: 2
- **RISK MITIGATION**: 1

**ON-BOTTOM APPS**

**COST CONTROL APPS**

**OPEN-SOURCE PLATFORM CAN HOST 3RD PARTY DEVELOPED APPS**

- **INDEPENDENT**
- **OEM’s**
- **PRECISION**
- **OPERATORS**
Alpha Technology Commercialization – Revenue Potential

**REVENUE IMPACT**
Each technology is a service sold to customers as bolt on to our existing rigs

**FLEET PULL THROUGH**
Pull through on existing rigs and directional drilling service

**REINFORCED COMPETITIVE ADVANTAGE**
New technologies will strengthen competitive advantage and provide a platform for future technology revenue streams

<table>
<thead>
<tr>
<th>TECHNOLOGY OFFERING</th>
<th>DAILY EBITDA IMPACT ESTIMATE</th>
<th>AVAILABLE FLEET</th>
<th>EST. % OF ACTIVE RIGS (2021)</th>
<th>2019 SYSTEMS DEPLOYED IN FIELD</th>
<th>2020E SYSTEMS DEPLOYED IN FIELD</th>
</tr>
</thead>
<tbody>
<tr>
<td>AlphaAutomation™</td>
<td>$1,500</td>
<td>100+ rigs</td>
<td>80%-100%</td>
<td>32</td>
<td>56</td>
</tr>
<tr>
<td>AlphaApps™</td>
<td>$250-$1,000</td>
<td>100+ rigs</td>
<td>80%-100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Creating Shareholder Value

GENERATING STRONG FREE CASH FLOW FROM LONG-LIFE ASSETS

HIGHER EQUITY VALUATION THROUGH CASH FLOW DELEVERAGING

DIGITAL TECHNOLOGY LEADERSHIP AS A DIFFERENTIATOR

ANNOUNCED SHARE BUYBACK PROGRAM – TSX/NYSE APPROVED NCIB
Appendix
Precision’s 2018 Strategic Priorities

**TECHNOLOGY AS A DIFFERENTIATOR**
- Total of 31 PAC systems deployed in the field at year-end, training rigs in Nisku and Houston with PAC technology.
- Drilled 365 wells in 2018 utilizing PAC technology and drilled 119 wells utilizing its directional guidance system, over half of which were drilled without any directional drillers on location.
- By year-end, had 15 drilling performance Apps under development with several Apps in field trials.
- Completed ERP system upgrade to position the organization to better handle increased data flows.

**FINANCIAL PERFORMANCE**
- Consolidated utilization days increased 14% year-over-year.
- U.S. Drilling margins up 25%, Canadian Drilling margins up 4% and International Drilling margins remained stable.
- Achieved highest market share on record in the U.S. of over 7.5%.

**REDUCE DEBT WITH FREE CASH FLOW**
- Generated $310 million in funds provided by representing a 69% increase year-over-year.
- Precision’s 2018 debt repayments totaled $174 million face value, $49 million higher than the top end of Precision’s target 2018 debt repayment range.
- In conjunction with debt repayments, Precision grew its cash balance by $32 million throughout the year.
Historical North American Drilling Activity

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

- **1,804** 2014 Average Active Rigs
- **1,013** 2018 Average Active Rigs
- **943** 2015 Average Active Rigs
- **486** 2016 Average Active Rigs
- **856** 2017 Average Active Rigs

**CANADIAN LAND RIG COUNT**
**5 YEAR HISTORY**

- **2012-2017 Range**
- **2014**
- **2016**
- **2017**
- **2018**
- **2019**

- **2016 Average Active Rigs**
- **2017 Average Active Rigs**
- **2018 Average Active Rigs**
- **2019 Average Active Rigs**

Source: Baker Hughes land rig count as of November 15, 2019
**Precision’s Balance Sheet Management**

### SENIOR DEBT MATURITY PROFILE

*(in $ millions)*

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>US$116</td>
<td>6.5%</td>
<td>US$350</td>
<td>7.75%</td>
<td>US$318</td>
<td>5.25%</td>
<td>US$374</td>
<td>7.125%</td>
</tr>
</tbody>
</table>

- 6.5% Senior Notes due December 15, 2021
- 7.75% Senior Notes due December 15, 2023
- 5.25% Senior Notes due November 15, 2024
- 7.125% Senior Notes due January 15, 2026

1. Chart includes 2019 redemptions/open market purchases from reported Q3, 2019 results totaling US$109M or C$146 million YTD.
U.S. Market Share Transition

CUSTOMER DEMAND FOR HIGH-EFFICIENCY RIGS

1. Top 5 Drillers Includes H&P, Patterson, Nabors, Precision, & Ensign. Acquired companies only included in count post transaction. Individual peer activity provided by RigData. Industry total averages provided by Baker Hughes as of November 18, 2019.
Current State – Wide Dispersion of Well Results

- Currently wide ranging days to drill
- Automation tightens the range and reduces overall drill times
- For PD – strong utilization, incremental revenue and competitive advantage