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**FLINT** ENERGY SERVICES LTD.

# Blackmont Capital, Toronto Oil Sands Service Providers Symposium

February 2008

Positioned for growth...

Focused on execution...

**DIALED IN**

# Forward-Looking Information Statement

This presentation contains forward-looking statements concerning the Company's projected operating results for 2007 - 2009, anticipated capital expenditure trends and drilling activity in the oil and gas industry. Actual events or results may differ materially from those reflected in the Company's forward-looking statements due to a number of risks, uncertainties and other factors affecting the Company's business and the oil and gas industry generally.

These factors, include, but are not limited to, fluctuations in oil and gas prices, fluctuations in the level of oil and gas industry capital expenditures and expenditures on production and remedial work and other factors that affect demand for the Company's services, industry competition, the need to effectively integrate acquired businesses, uncertainties as to the Company's ability to implement its business strategy effectively in Canada and the United States, political and economic conditions, the Company's ability to attract and retain key personnel, and other risks and uncertainties described under the heading "Risk Factors" and elsewhere in the Company's Annual Information Form for the year ended December 31, 2006 and other documents filed with Canadian provincial securities authorities and available to the public at [www.sedar.com](http://www.sedar.com).

Unless otherwise indicated, all financial information in this presentation is in Canadian dollars and in accordance with Canadian generally accepted accounting principles.



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# Market Trading Information

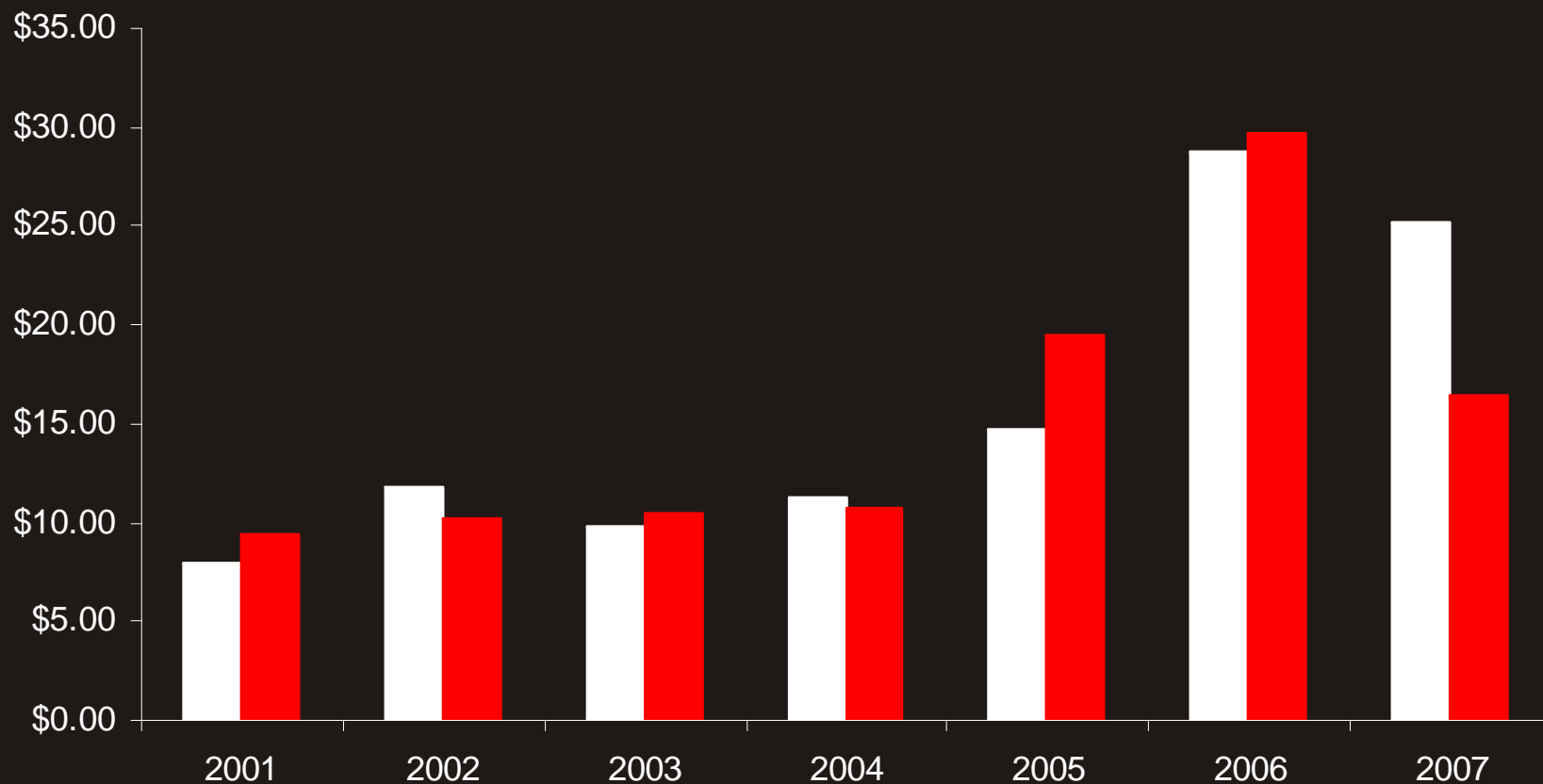
Trading Symbol	FES
Exchange Traded On	TSX
52 Week Trading Range	\$30.98 - \$15.53
Shares Outstanding	47,560,450
Basic Market Cap.	\$795.0 Million



# Flint Share Price Performance

Flint Share Prices

■ Average ■ At 12/31



Source: TSX



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# Strategy For Growth

- Offer a comprehensive package of conventional drilling and production services attractive to the dominant producers
- Provide a geographic footprint to cover all areas of customer operations in North America
- Build it then maintain it focus in oil sands with construction and maintenance management services
- Continue to fill in geographic and service gaps.



# Flint's Operations in North America



60 North  
American  
centers

37 in Canada

23 in U.S.A.

10,000 employees

\$1.45 billion  
'06 revenues

\$1.35 billion  
revenues  
to Sept '07



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# Flint's Market Focus

## *1. Oil Sands Infrastructure*

- Transportation – heavy hauling
- Facilities and pipeline construction
- Maintenance & turnarounds

## *2. Conventional Oil and Gas Drilling and Production*

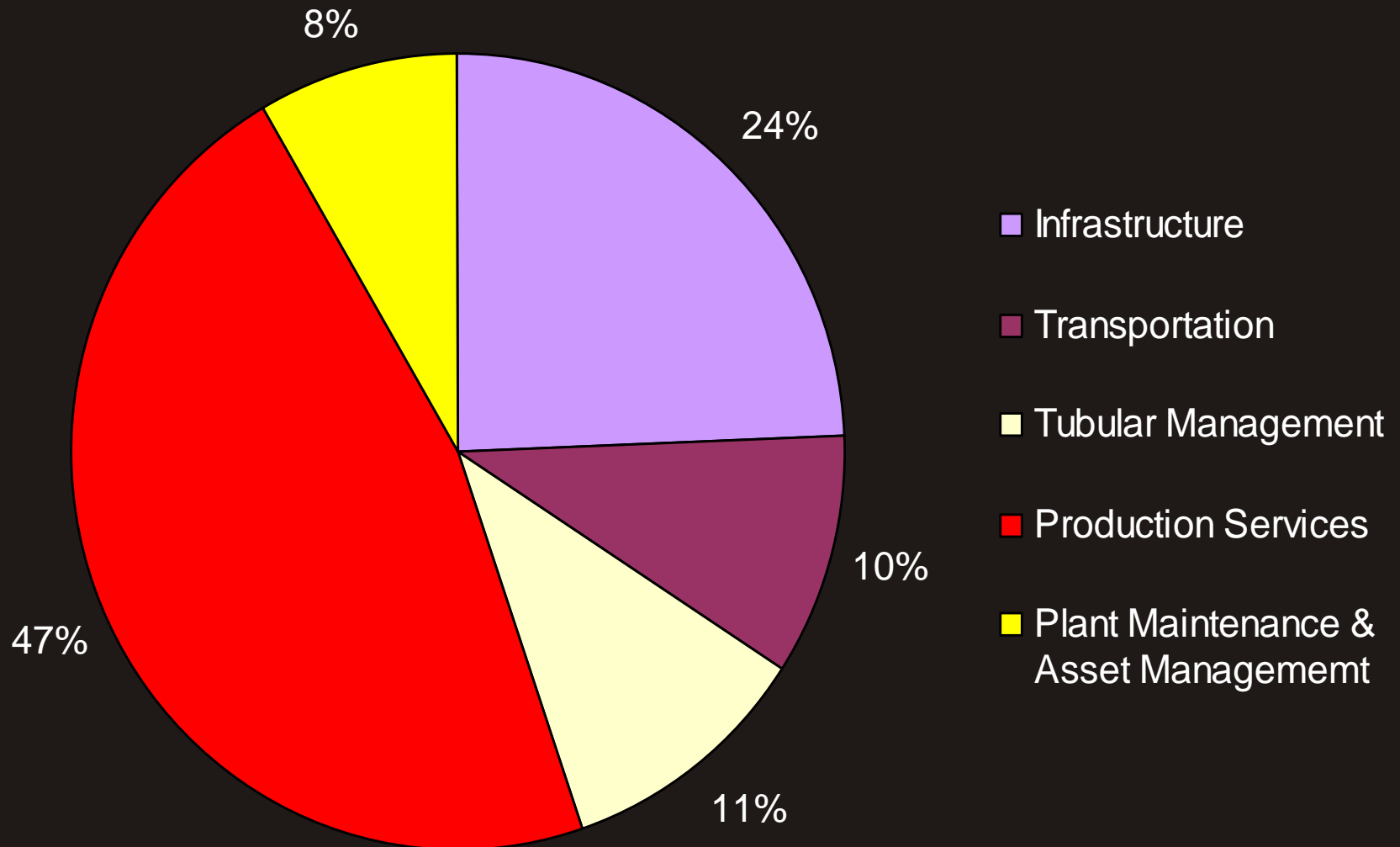
- Facilities & pipeline construction
- Field production services
- Pipe management & manufacturing

## *3. Upstream Oil & Gas Well Completions*

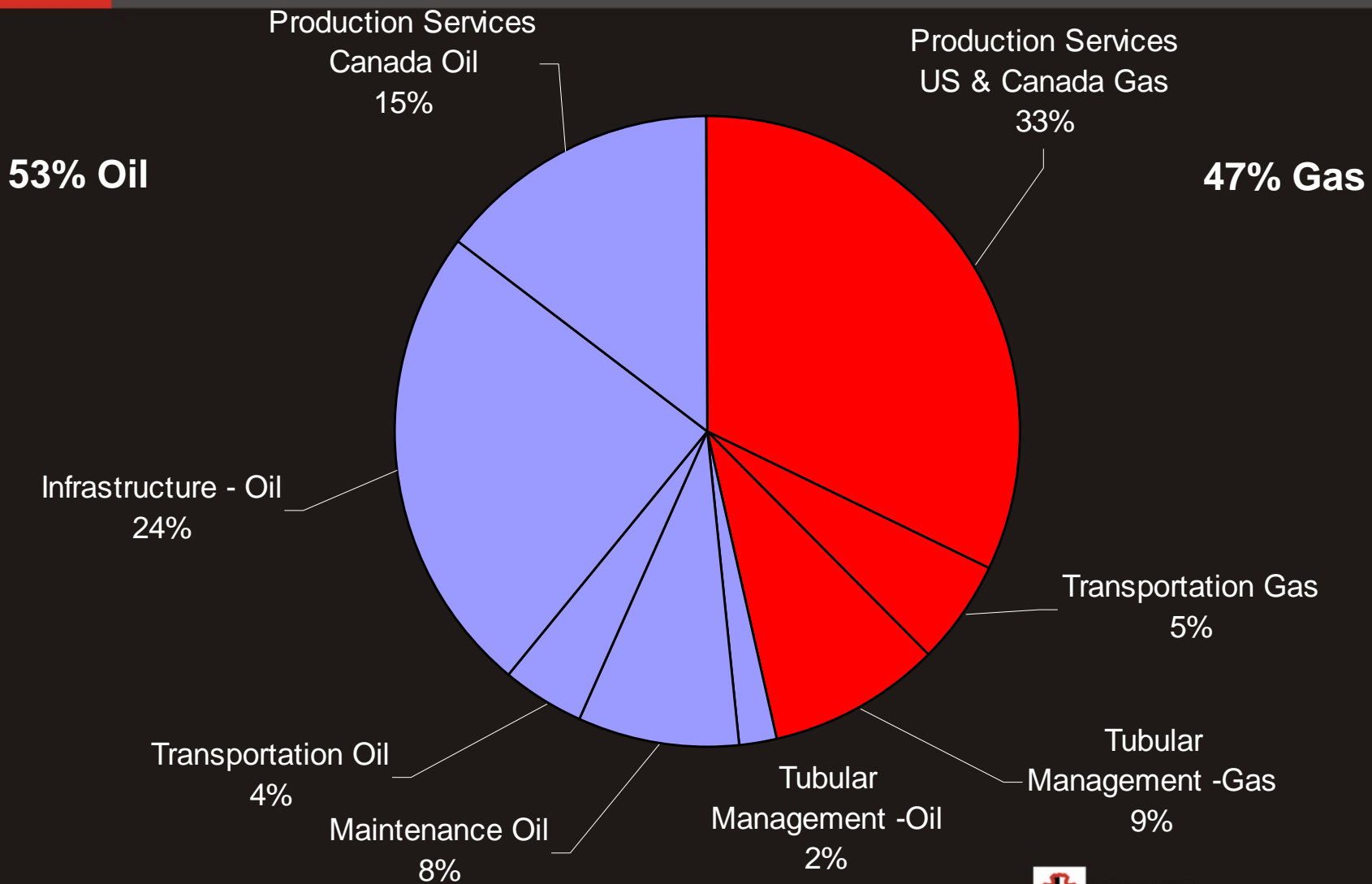
- Transportation - rig moving and light hauling
- Gas processing equipment & well tie-in services



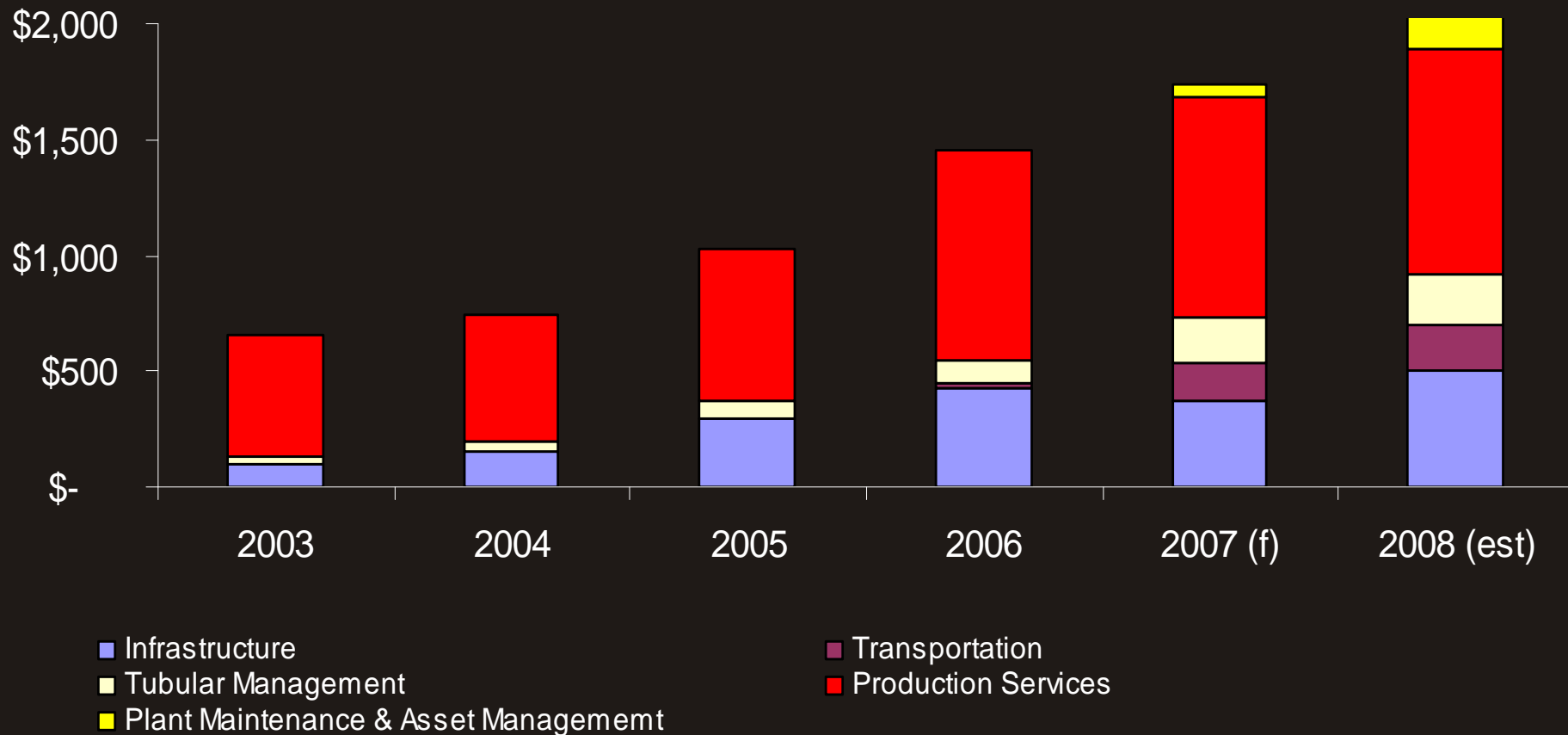
# Flint's Five Business Segments & Percent of Proforma 2008 Revenues



# Flint's Oil and Gas Leverage by Division



# Revenue Growth By Segment



2007 and 2008 revenue forecasts based upon analyst's consensus estimates



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## Conventional oil and gas production in North America Field Construction

- Field Maintenance
- Well Tie-Ins
- Pipe Lines
- Mechanical
- Safety Services
- Electrical & Instrumentation
- Pressure, Vacuum
- Fluid Services



## Oil sands projects in Fort McMurray, Alberta

- Construction Management
- Modular Fabrication
- Field Construction



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# *Oil Sands Modular Fabrication & Construction*



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## Upstream oil and gas drilling in Western Canada

- Drill Rig Moving
- Service Rig Moving
- Specialty Haul
- Specialized Heavy Hauling
- Off Road Transportation

## Oil Sands

- Rig moving
- Specialty Heavy Haul



# *Tubular Management & Manufacturing*

## Upstream oil and gas drilling in Western Canada & USA

### Pipe Management (Can)

- Storage & Handling
- Inspection & Refurbishment
- Pipe Threading & Coupling
- Sucker Rod Refurbishment

### Equipment Manufacturing

- Polyethylene pipe (Can)
- Gas processing equipment (US)
- Gas measurement equipment (US)



## Oil sands and refining facilities in North America

- Management site-wide services
- Routine plant maintenance
- Plant shut downs & turn-arounds
- Sustaining capital projects



Delivered through 50% owned FT Services



# *Suncor Energy Asset Management & Maintenance Contract*

- Delivered by Flint Transfield Services (FT Service)
- Five year rolling contract
- In excess of \$1 billion in revenues
- Currently includes Suncor's oil sands operations
- Major turnaround at oil sands will increase 2008 revenues
- Cost plus contract with incentives
- Little capital outlay required
- Will add Sarnia refinery in 2008, with potential to add Denver refinery



# Flint's Growth Opportunities

1. **Oil Sands Construction and Asset Management**
  - Execute \$2 billion construction and asset management backlog
  - Pursue additional construction and maintenance contracts
2. **Oil and gas production**
  - Opportunistic asset acquisitions
  - Fill in geographic gaps, Canada and USA
3. **Oilfield Transportation**
  - Expand specialty heavy haul
  - Reposition equipment for oil sands & Rocky Mountain activity
4. **Tubular Management Services**
  - Integrated cross selling of all services through core customer relationships



# Flint's Oil Sands Projects

## In-Situ (SAGD & CSS):

- EnCana – Foster Creek
- Imperial Oil – Cold Lake
- OPTI/Nexen – Long Lake
- Petro-Canada – Mackay River
- Suncor – Firebag Phase I, II, Expansion & Co-Gen
- Shell – Peace River Expansion
- Husky – Tucker Lake
- ConocoPhillips – Surmont

## Mining:

- Suncor – Millennium Vacuum Unit
- Suncor – Millennium Coker Unit
- CNRL – Horizon

## Project Backlog:

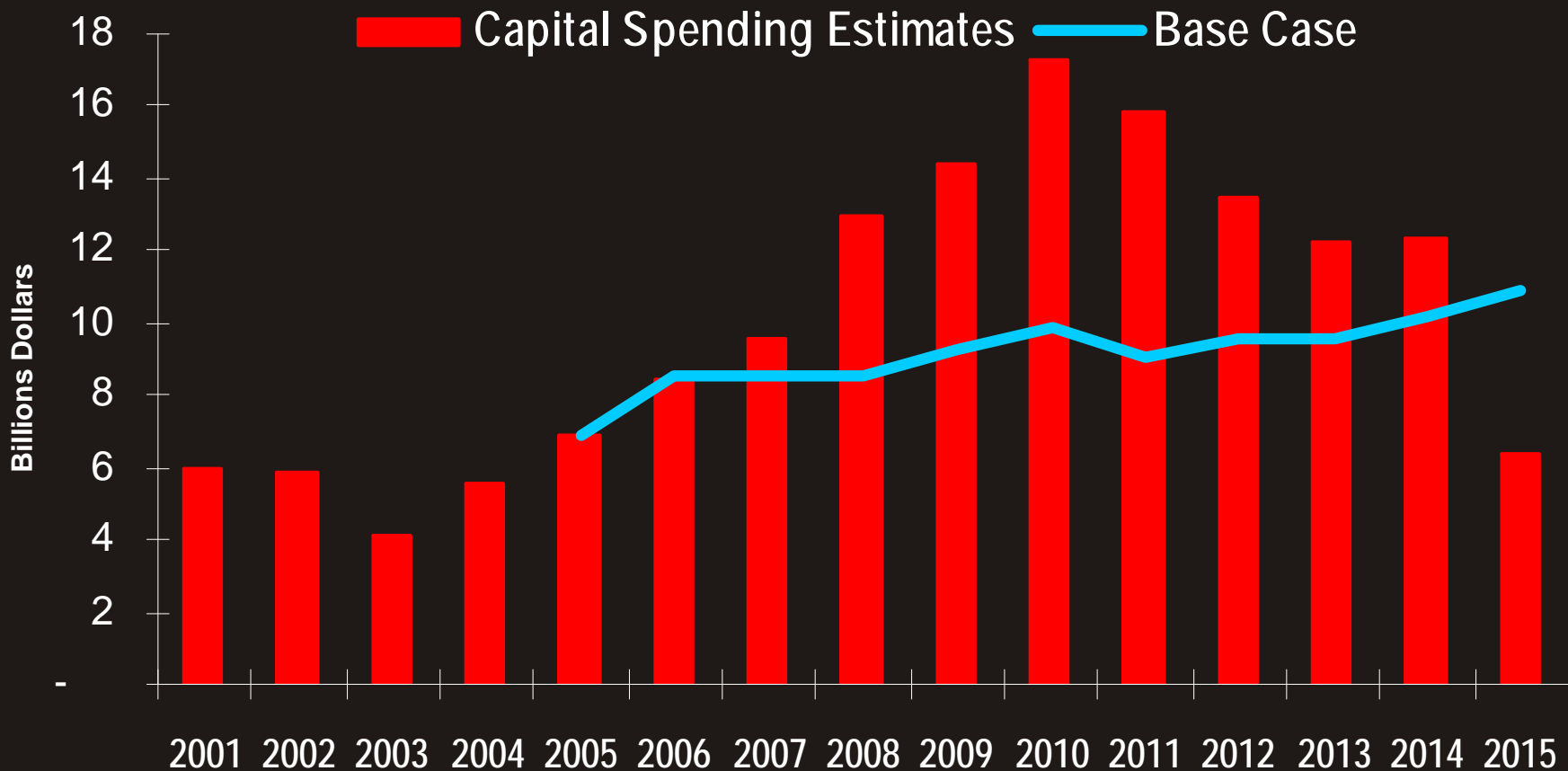
- Shell – AOSP Expansion
- Suncor – Firebag III

## Business Development:

- Petro-Canada - Fort Hills Oil Sands
- Suncor – Voyageur, Firebag IV-VI
- Imperial - Kearl Lake
- Husky – Sunrise
- Opti - Phase II
- ConocoPhillips – Surmont
- Total E&P – Deer Creek



# Future Oil Sands Forecast Capital Spending



Source: National Energy Board: "Canada's Oil Sands - Opportunities and Challenges to 2015: An Update - June 2006"

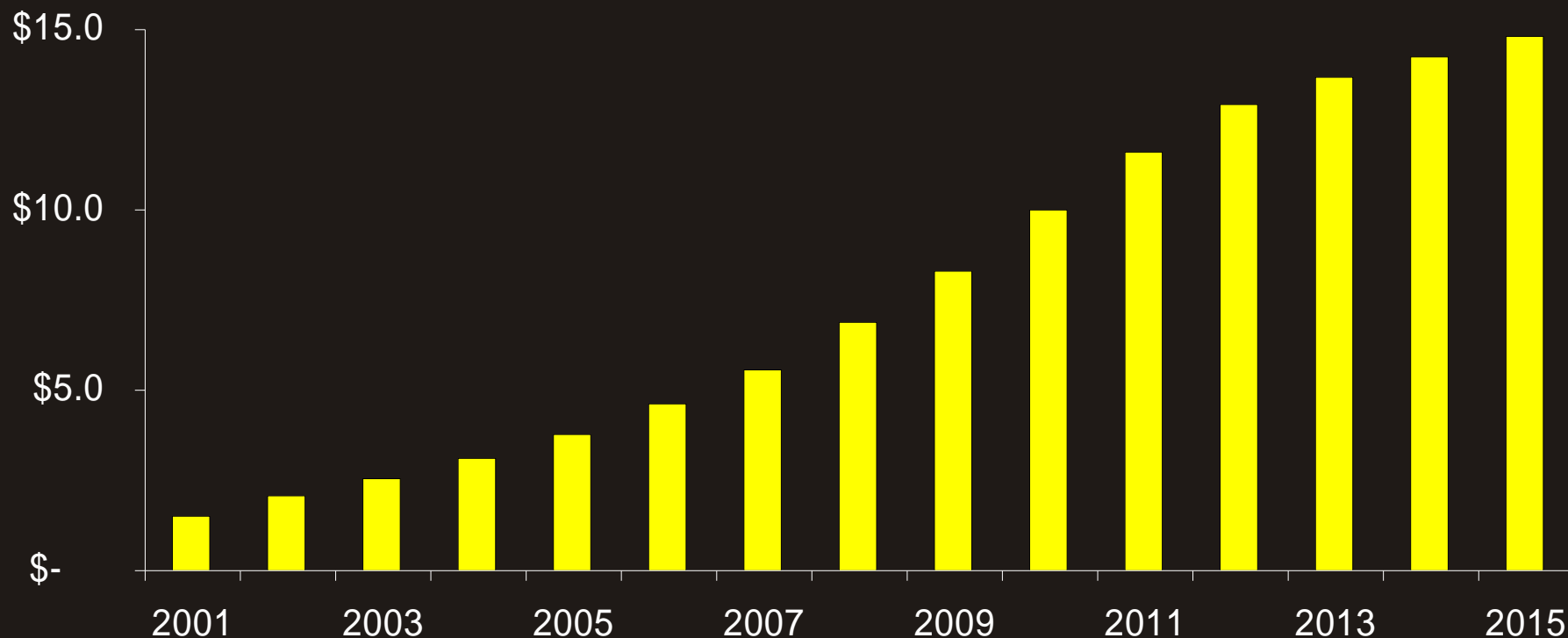


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# Future Oil Sands OPEX Spending

Billions Dollars



Source: Adapted from Alberta Economic Development Authority, "Mega Project Excellence, Preparing for Alberta's Legacy, 2004"



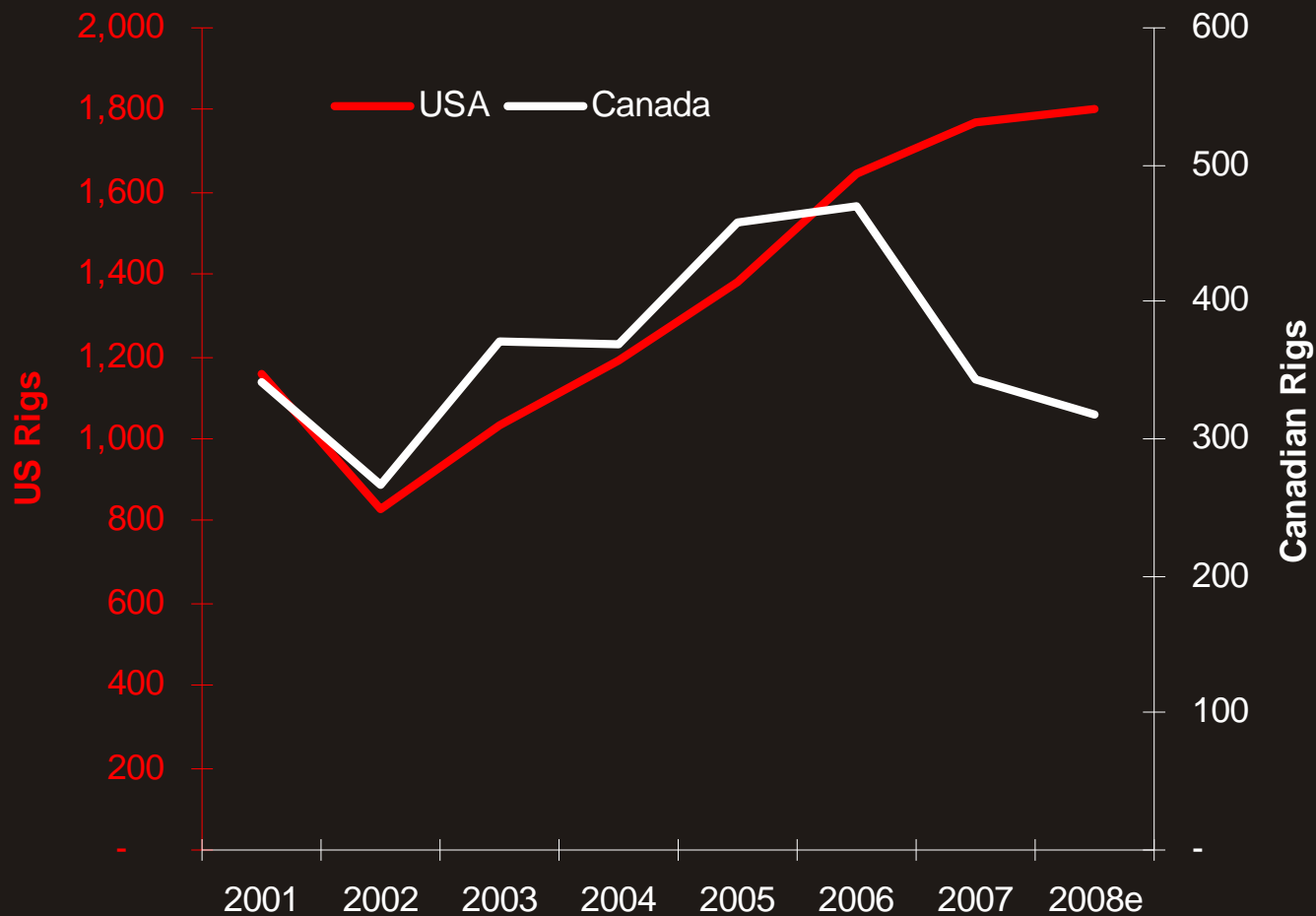
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- Canadian drilling down 22% in 2007
- Canadian gas drilling fell 30% in 2007
- Increased conventional and heavy oil activity
- Increased oil drilling in Saskatchewan.
- US activity remains at record levels
- 1,750 active rigs, forecast to remain at this level in 2008



# US & Canadian Rig Activity



Source: *Historic Baker Hughes, 2008 Management Estimates*

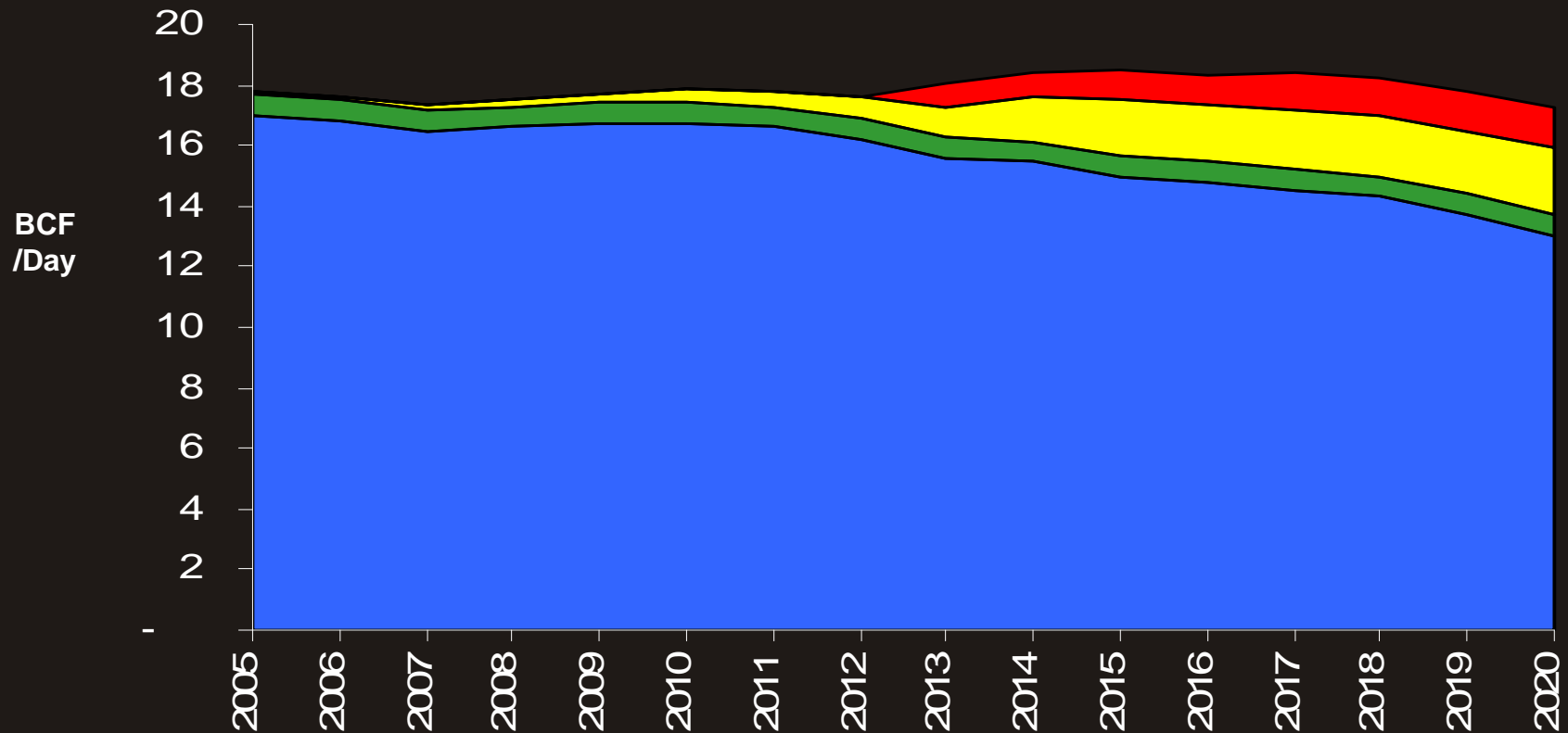


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# Canadian Natural Gas Supply

- Conventional Gas
- East Coast
- CBM
- Mackenzie Delta



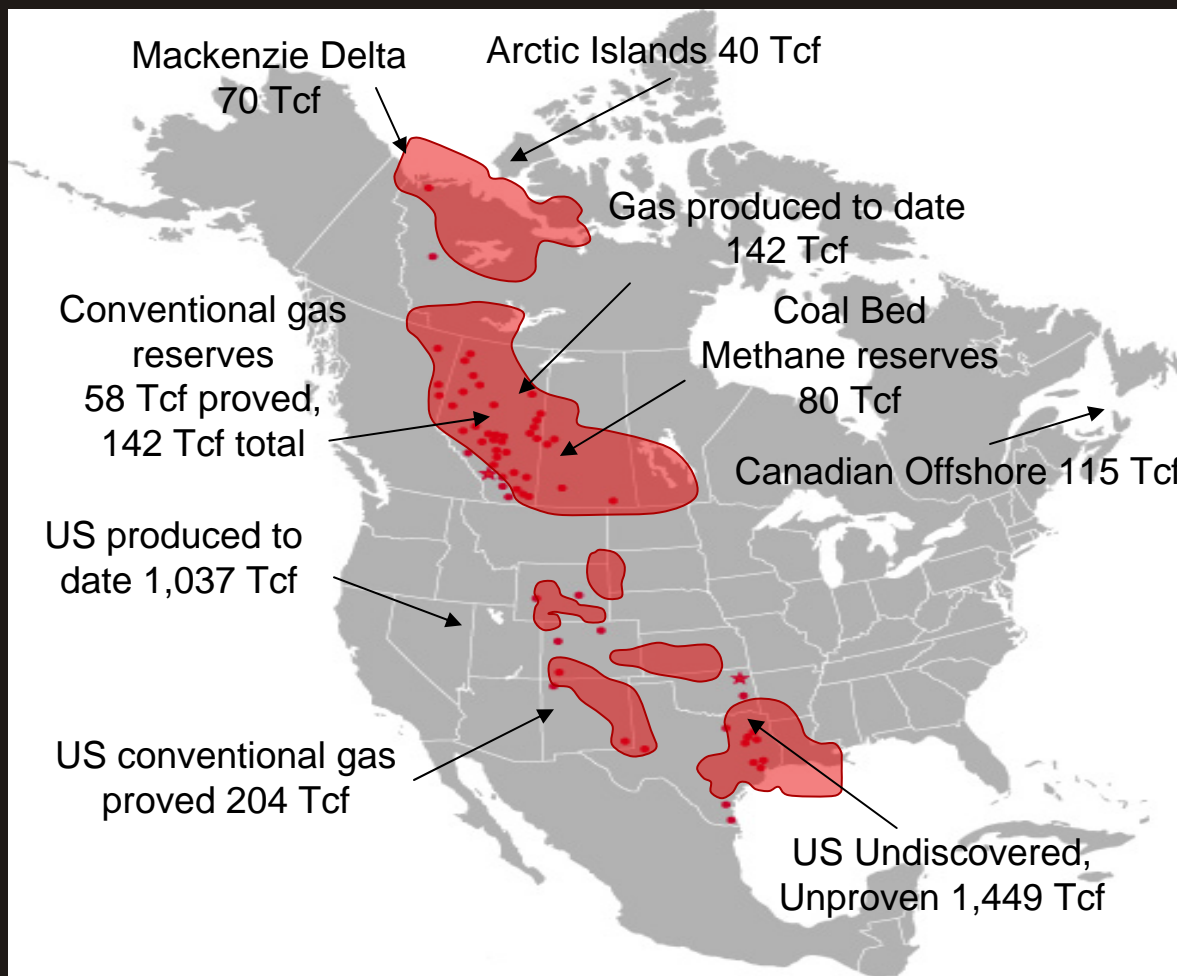
Source: CAPP, Canadian Oil and Natural Gas Outlook and Update  
Washington 4/07



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# North American Natural Gas Basins



**Canada**  
447 Tcf total reserves

**USA & Alaska**  
1,653 Tcf total reserves

# Top 10 Customers Canada and USA

## Canada

CNRL  
ConocoPhillips  
EnCana  
Husky Energy  
Nexen Inc  
Imperial (Exxon Mobil)  
Opti Canada Ltd  
Royal Dutch Shell  
Suncor Energy  
Talisman

## U.S.A

BP America Energy  
Devon Canada  
El Paso Production Co.  
EnCana  
EOG Resources  
Sampson resources  
Royal Dutch Shell  
Targa Resources  
Ultra Resources  
XTO Energy

*The 10 largest customers represent 60% of total revenues in 2006*



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# Financial Highlights – Q3 2007

C\$ millions, except per share amounts

	<u>Sept. 30, 2007</u>	<u>Sept. 30, 2006</u>
Revenue	\$424.3	\$341.5
EBITDA <sup>(1)</sup>	45.6	32.8
Funds Provided by Operations	33.5	23.6
Net Earnings	12.2	12.9
Earnings per Share		
Basic	\$0.26	\$0.34
Diluted	\$0.25	\$0.33

(1) Earnings before interest, taxes, depreciation, amortization, and stock based compensation.



# Financial Highlights – 9 Months 2007

C\$ millions, except per share amounts

	<u>Sept. 30, 2007</u>	<u>Sept. 30, 2006</u>
Revenue	\$1,348.8	\$1,029.0
EBITDA <sup>(1)</sup>	140.8	119.7
Funds Provided by Operations	88.0	60.6
Net Earnings	40.7	37.7
Earnings per Share <sup>(2,3)</sup>		
Basic	\$0.86	\$1.04
Diluted	\$0.85	\$1.03
Working Capital	\$343.8	\$269.3
Long-term Debt	369.8	144.9
Shareholders Equity	813.5	517.6

(1) Earnings before interest, taxes, depreciation, amortization, and stock based compensation.

(2) The first 9 months of 2006 includes the effect of the Quebec tax reassessment on earnings in 2Q06. Excluding the tax effect, earnings per fully diluted share would have been \$1.53.

(3) Restated for 2:1 share split in December 2006. Outstanding shares increased from 36.2 million in 3Q06 to 47.5 million in 3Q07.



# Flint's Focus

## Execute on 2 year oil sands construction backlog

- \$1 Billion oil sands construction

## FT Services to leverage long-term maintenance contracts

- Execute on \$1 Billion 5 year Suncor Contract (50% Flint's)
- Negotiate additional maintenance contracts

## Build manpower capacity to support growth

## Cost controls and cash flow management

## Expand scope of services with key customers



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