

TSX  
FES



**FLINT** ENERGY SERVICES LTD.

D.A. Davidson & Co.

6<sup>th</sup> Annual Engineering & Construction Conference

September 2007

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
Closing Share Price Sept. 10, 2007	\$25.50
Shares Outstanding	47,465,166
Basic Market Cap.	\$1.21 billion



# Extensive North American Footprint



60 North American centers

37 in Canada

23 in U.S.

Over 9,000 + employees

\$1.45 billion in 2006 revenues



# Flint's Market Focus

## *1. Oil Sands Infrastructure*

- Mining
- SAGD and CSS

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

- Active US natural gas basins
- Canadian Foothills, CBM, and shallow gas
- Canadian conventional oil

## *3. Refinery, Plant & Oil Sands Maintenance*

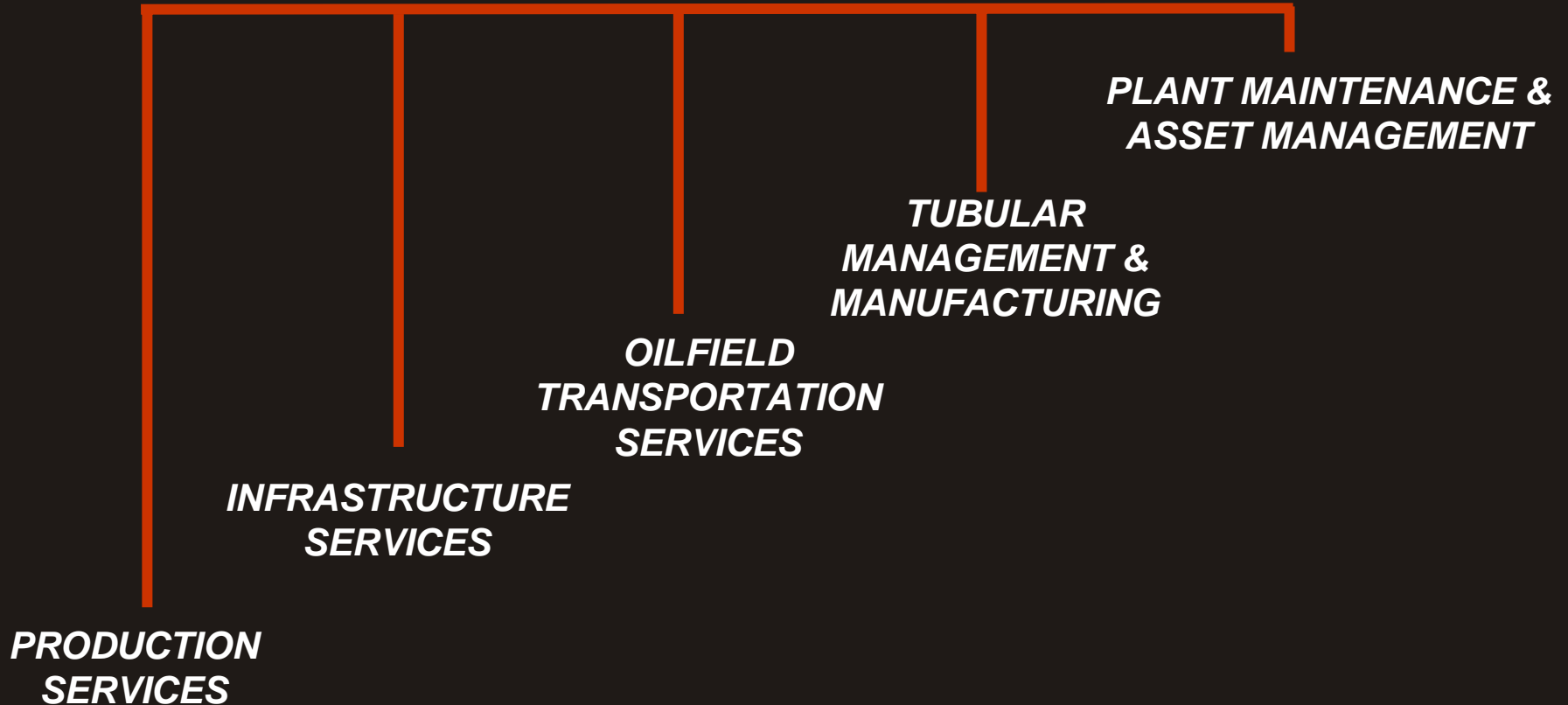
- Fort McMurray & Sarnia

## *4. Northern Exploration and Development*

- Mackenzie Valley



# Flint's Five Business Segments



## 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



# Infrastructure Services

## Oil sands projects in Fort McMurray, Alberta

- Construction Management
- Fabrication & Modularization
- Field Construction



# *Oilfield Transportation Services*

## Upstream oil and gas drilling in Western Canada

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



# *Tubular Management & Manufacturing*

## Upstream oil and gas drilling in Western Canada

- Pipe Storage & Handling
- Pipe Inspection & Refurbishment
- Pipe Threading & Coupling
- Sucker Rod Refurbishment
- Equipment Manufacturing
  - polyethylene pipe
  - gas processing equipment
  - gas measurement equipment



# Plant Maintenance & Asset Management

## Oil sands and refining facilities in North America

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

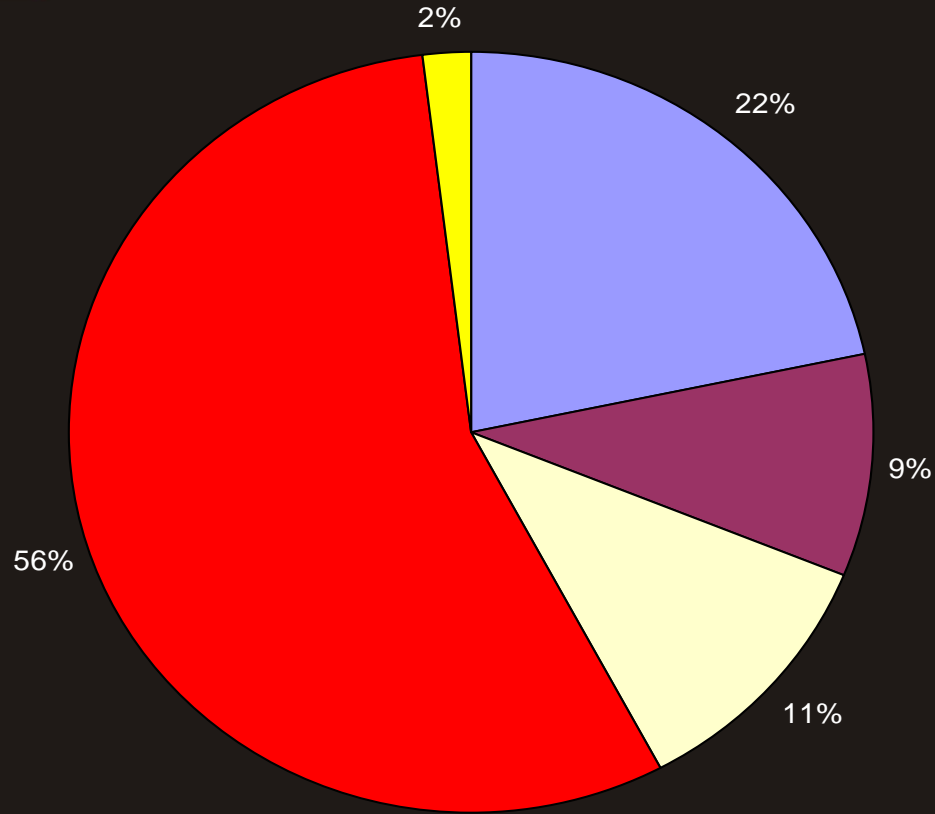


Delivered through 50% owned FT Services



# Flint's Five Business Segments

6 Month 2007 Revenues, Percentage by Segment



- Infrastructure
- Transportation
- Tubular Management
- Production Services
- Plant Maintenance & Asset Management



# Flint's Growth Opportunities

1. Oil Sands Construction and Asset Management
  - Execute \$2 billion construction and asset management backlog
  - "Build it then maintain it" service strategy
2. Oil and gas production
  - Increase share in US market
3. Oilfield Transportation and Tubular Management Services
  - Expand specialty heavy haul
  - Develop polyethylene pipe distribution
  - Increase Tubular Management services market share
4. Expand scope of services with core clients
  - Integrated cross selling of all services through core customer relationships



# Oil Sands Modular Fabrication & Construction



# Oil Sands Projects

## Flint's Participation

### In-Situ (SAGD & CSS):

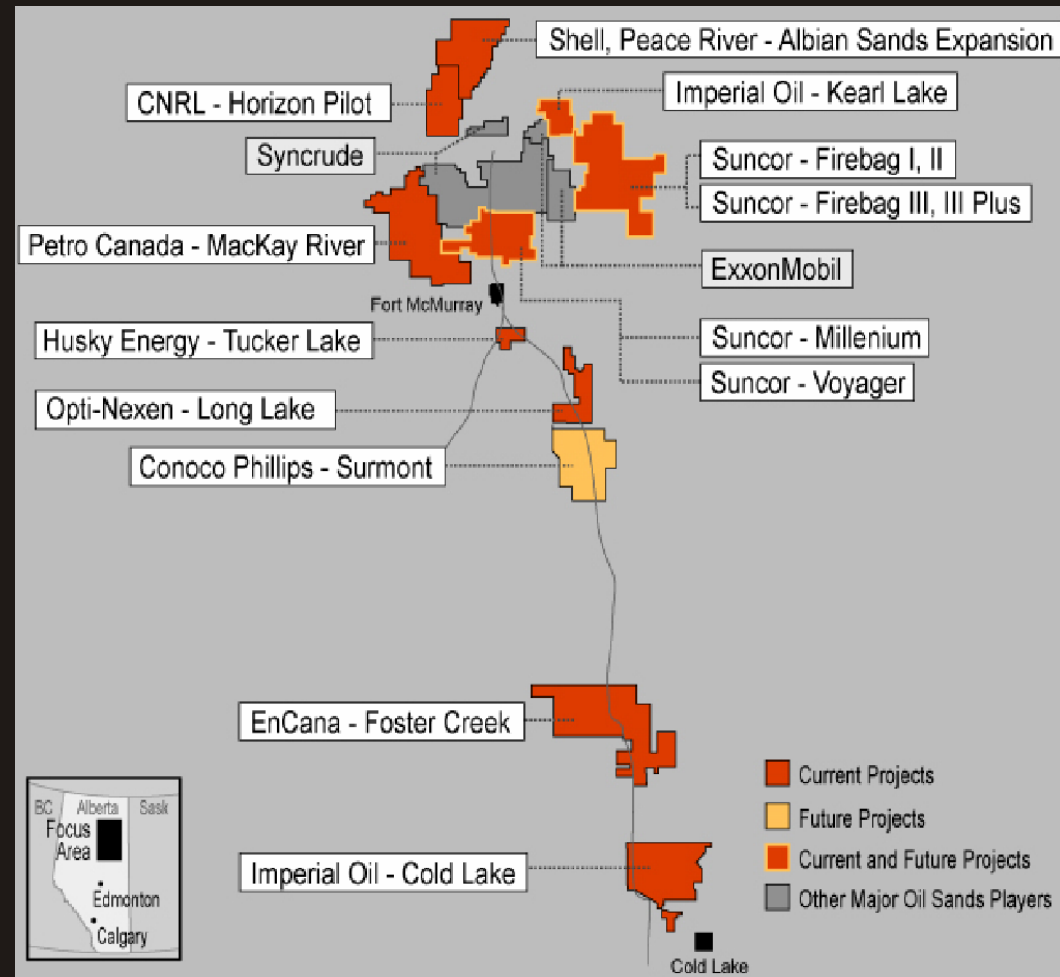
- EnCana – Foster Creek
- Imperial Oil – Cold Lake
- OPTI/Nexen – Long Lake
- Petro-Canada – Mackay River
- Suncor – Firebag Phase I, Phase II, Expansion & Co-Gen
- Shell – Peace River Expansion
- Husky – Tucker Lake
- ConocoPhillips – Surmont
- Shell – AOSP Expansion

### Mining:

- Suncor – Millennium Vacuum Unit (MVU)
- Suncor – Millennium Coker Unit (MCU)
- CNRL – Horizon

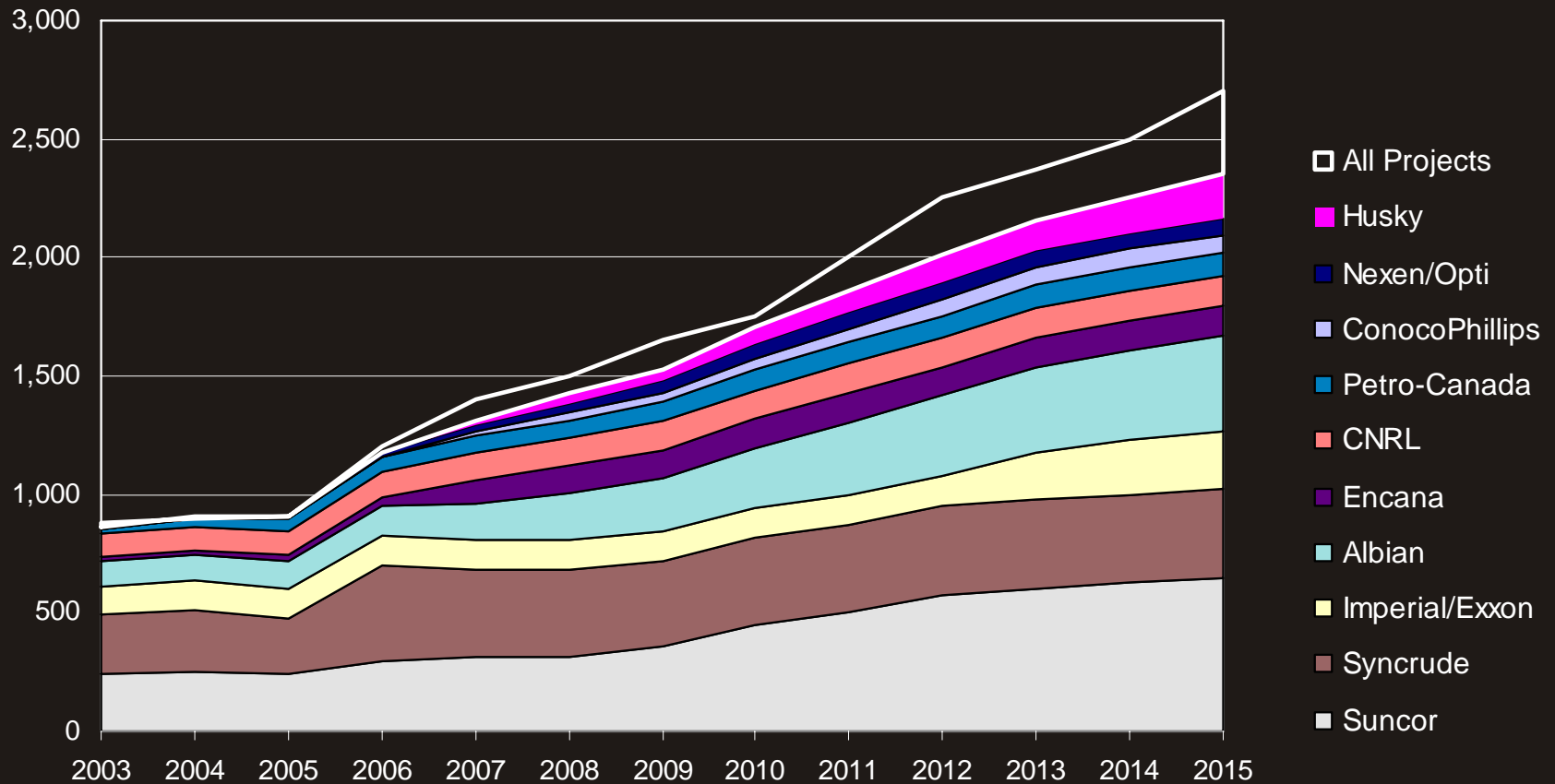
### Current Planning Stages:

- Petro-Canada – MacKay River Expansion
- Suncor – Firebag Phases III+
- Imperial – Kearn Lake

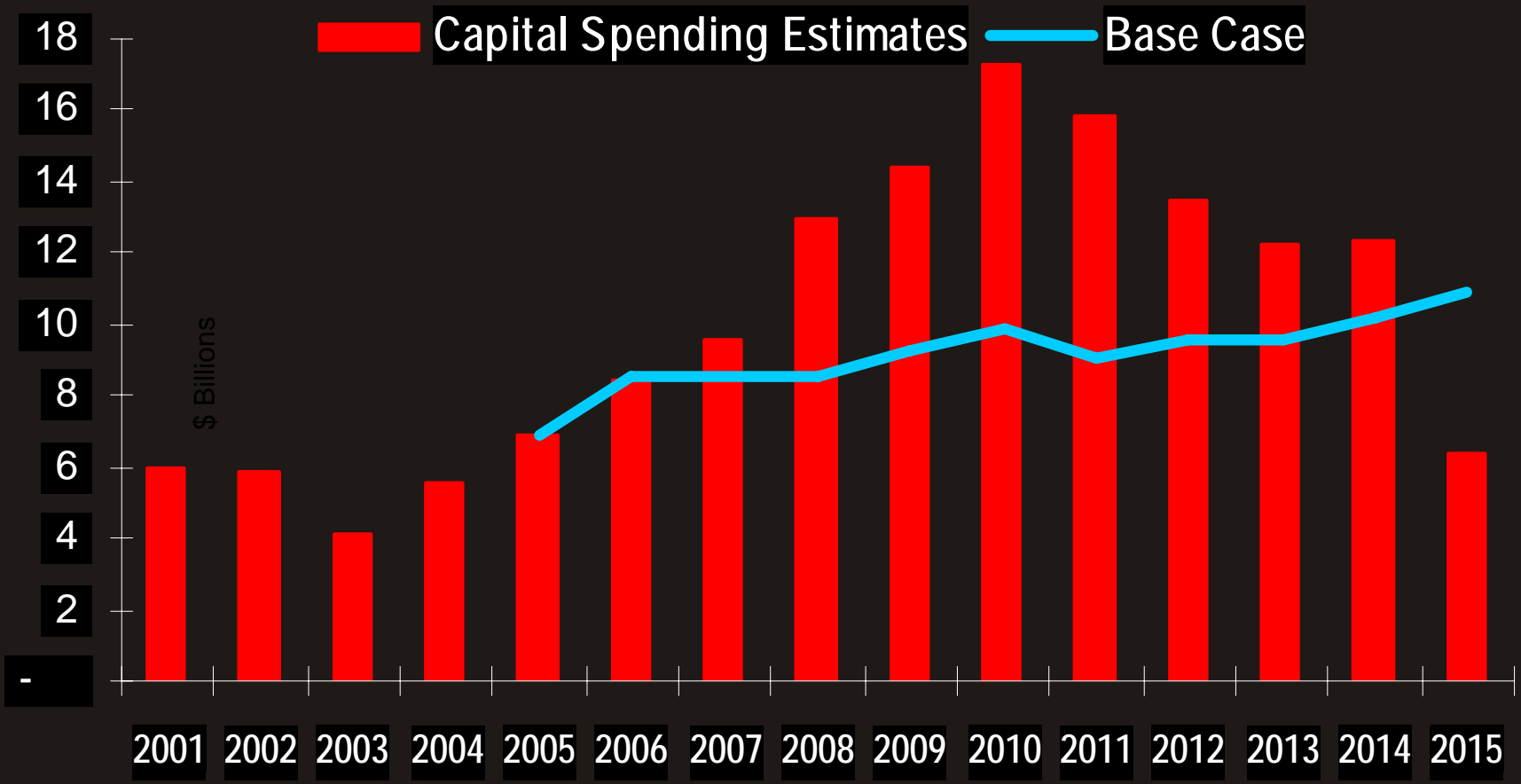


# Oil Sands Production

Thousands of Barrels per Day



# Future Oil Sands Forecast Capital Spending

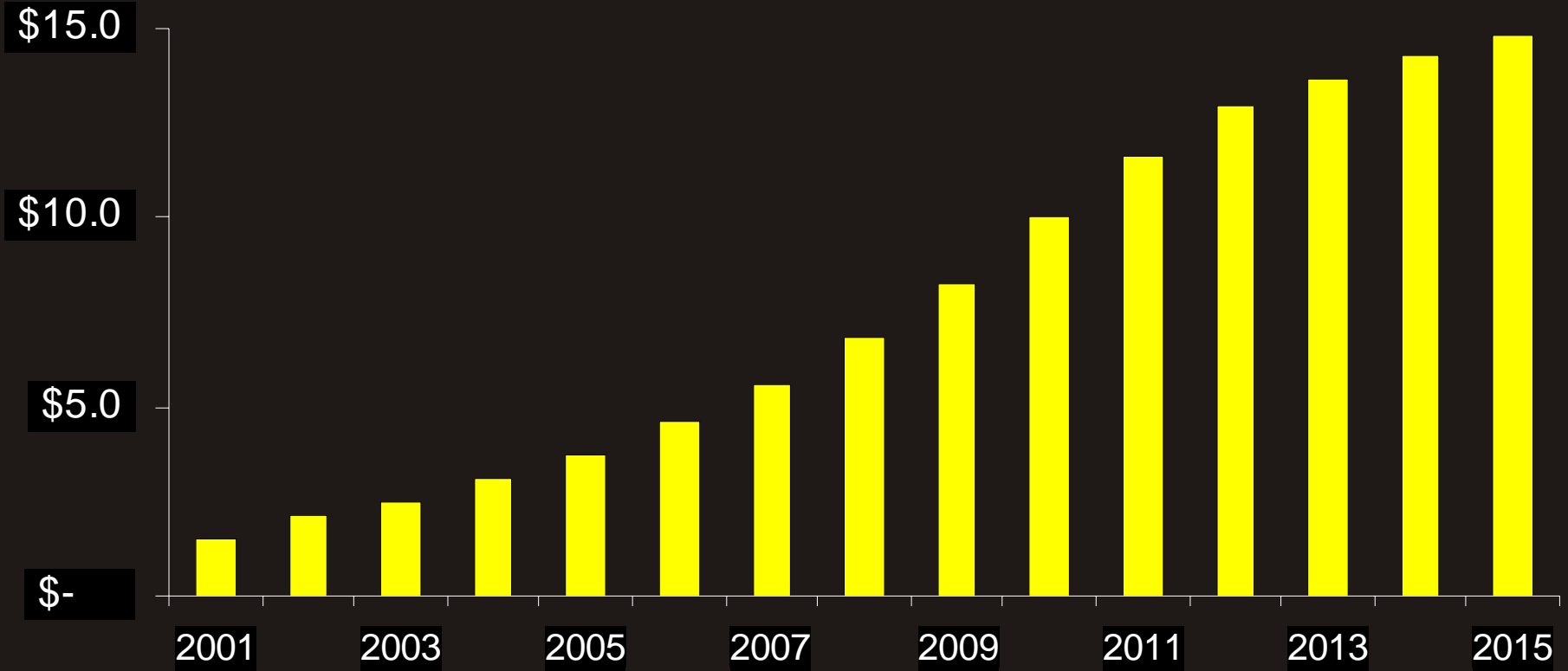


Source: National Energy Board: "Canada's Oil Sands - Opportunities and Challenges to 2015: An Update - June 2006"



# Future Oil Sands OPEX Spending

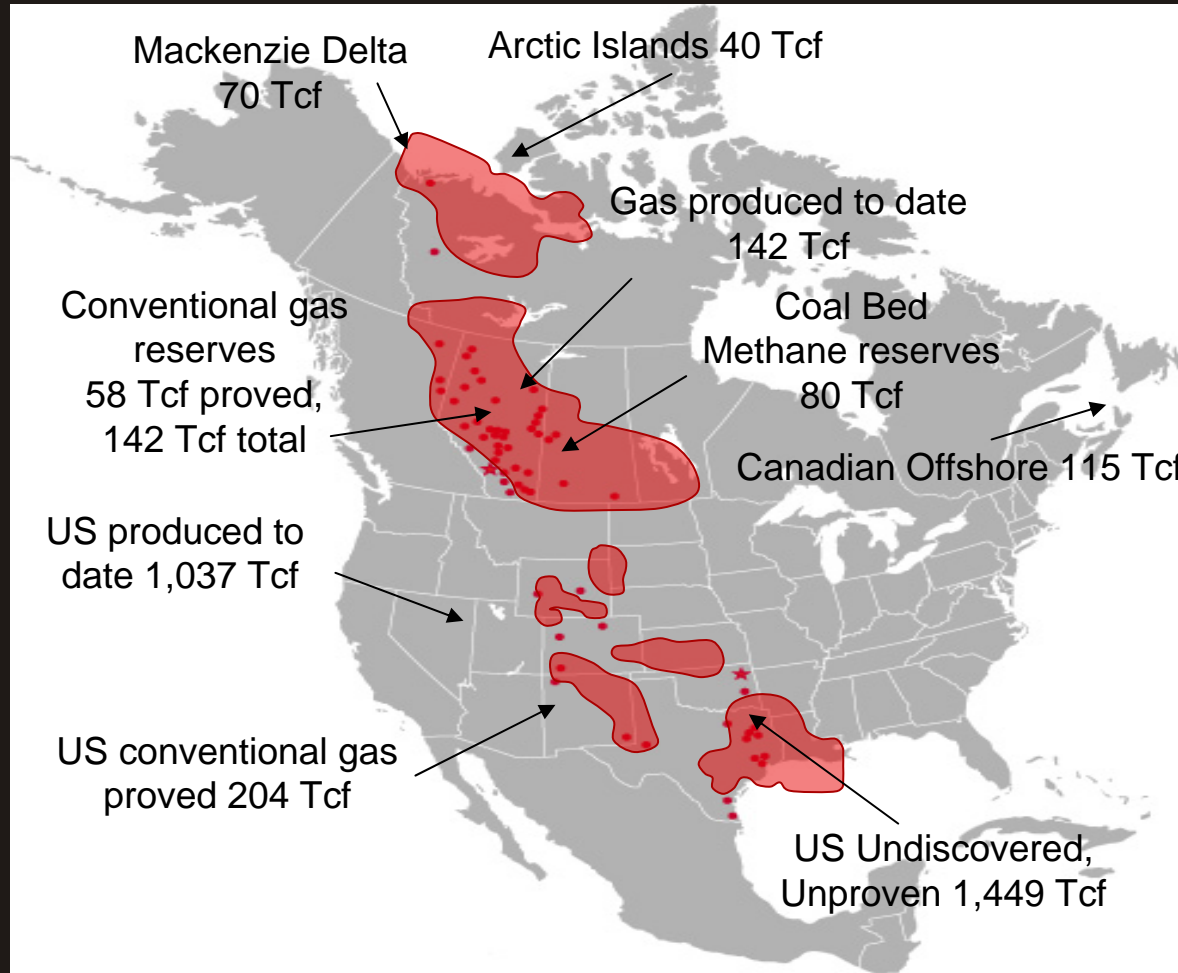
Billions Dollars



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



# North American Natural Gas Basins



**Canada**  
447 Tcf total reserves

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

# US & Canadian Rig Activity



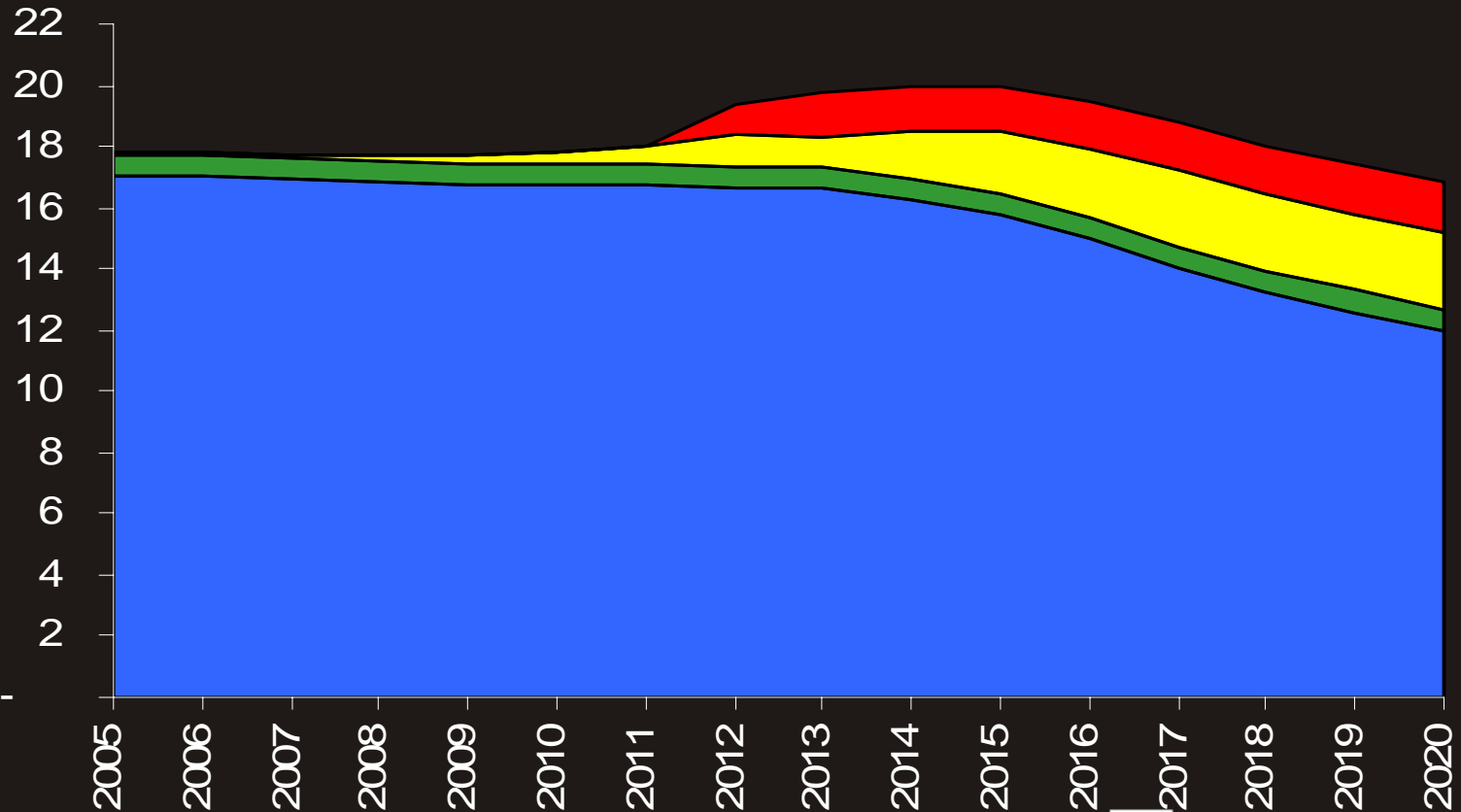
Source: Baker Hughes, Management Estimates



# Canadian Natural Gas Supply

Billions of cubic feet per day

- Conventional Gas
- East Coast
- CBM
- Mackenzie Delta



# 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

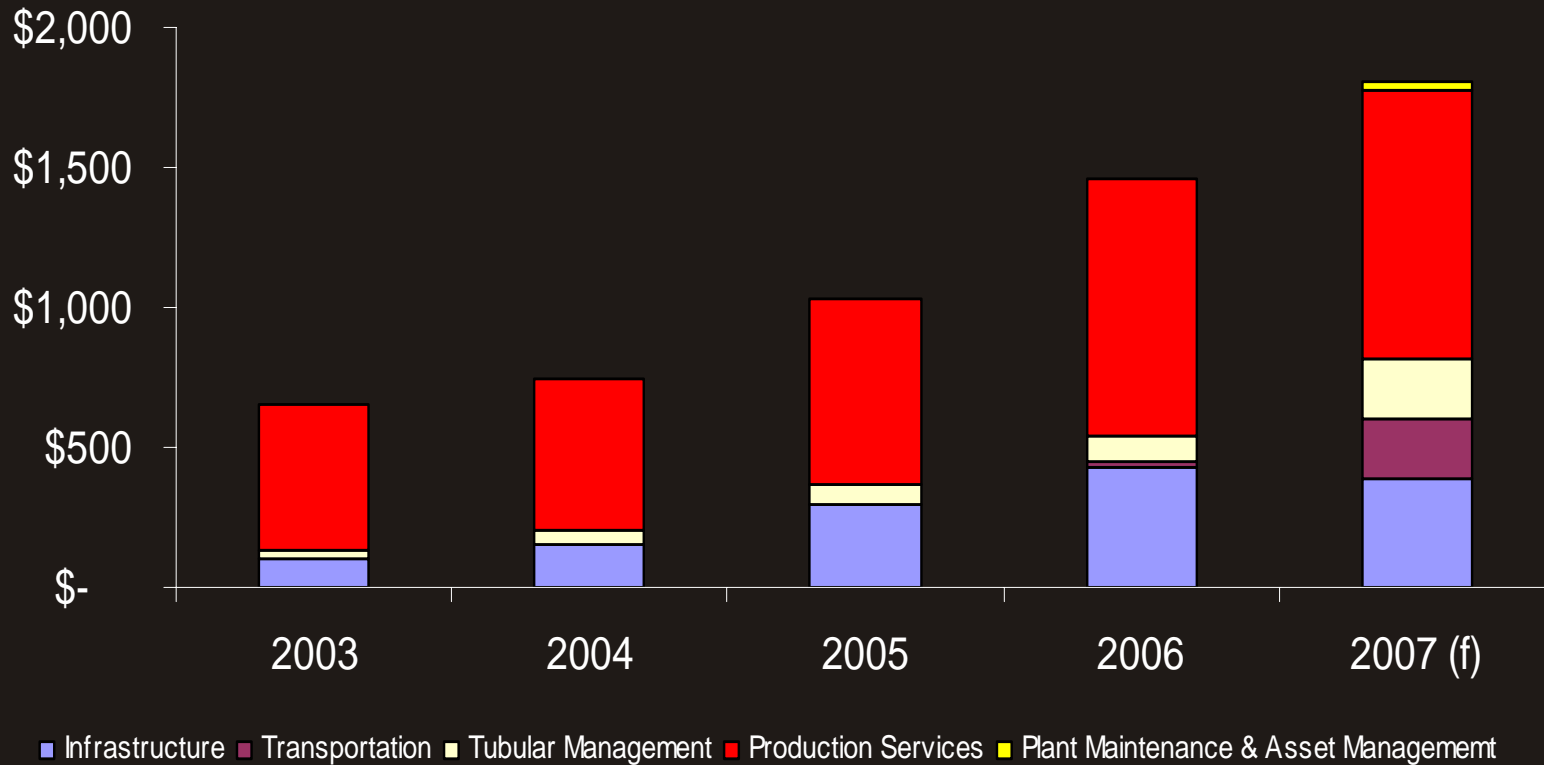
## U.S.A

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*



# Revenue Growth By Segment



# Financial Highlights – 2Q 2007

C\$ millions, except per share amounts

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Revenue	\$421.8	\$354.7
EBITDA <sup>(1)</sup>	35.5	46.0
Funds Provided by Operations	28.3	15.5
Net Earnings	6.3	6.0
Earnings per Share <sup>(2)</sup>		
Basic	\$0.13	\$0.16
Diluted	\$0.13	\$0.16
Working Capital	\$352.6	\$301.1
Long-term Debt	387.1	367.1
Shareholders Equity	805.3	777.2

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

(2) Second quarter 2006 includes the effect of the Quebec tax reassessment on earnings. Excluding the tax effect, earnings per fully diluted share would have been \$.66



# Financial Highlights – 6 Months 2007

C\$ millions, except per share amounts

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Revenue	\$924.5	\$687.5
EBITDA <sup>(1)</sup>	95.1	86.8
Funds Provided by Operations	54.4	37.0
Net Earnings	28.5	24.9
Earnings per Share <sup>(2)</sup>		
Basic	\$0.60	\$0.71
Diluted	\$0.59	\$0.69
Working Capital	\$352.6	\$301.1
Long-term Debt	387.1	367.1
Shareholders Equity	805.3	777.2

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

(2) The first 6 months of 2006 includes the effect of the Quebec tax reassessment on earnings. Excluding the tax effect, earnings per fully diluted share would have been \$1.20.



# Flint's Focus

Execute on substantial backlogs over next two years

- \$1 billion oil sands construction

FT Services to leverage long-term maintenance contracts

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

Build manpower capacity to meet increasing demand

Capitalize on revenue and cost synergies

Expand scope of services with key customers



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