

07



**FLINT ENERGY SERVICES LTD.**

TSX

FES

# ANNUAL GENERAL MEETING

Bill Lingard, President & CEO

**MAY 2007**

DIALED IN

# Forward-Looking Information Statement

TSX

FES

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.



07

# Flint is a Unique Combination of:

- Oil sands development and asset management services
- Oil and gas drilling and production services



TSX

FES



**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

# Flint's Market Focus

TSX

FES

1. *Oil sands Infrastructure*
  - Mining
  - SAGD and CSS
2. *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



07

# Modular Fabrication

TSX

FES



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Flint's Integrated Divisions

TSX

FES

## **PRODUCTION SERVICES**

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

## **INFRASTRUCTURE SERVICES**

- Oil Sands Projects
- Construction Management
- Fabrication & Modularization
- Field Construction

## **OILFIELD TRANSPORTATION SERVICES**

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

## **TUBULAR MANAGEMENT & MANUFACTURING**

- Storage & Handling
- Refurbishment
- Inspection
- Threading & Coupling
- Transportation
- Manufacturing
  - Polyethylene pipe
  - Gas processing equipment
  - Gas measurement equipment



# Plant Maintenance and Asset Management

TSX

FES

- Flint and Transfield Services formed a new North American company called FT Services
- Asset management services for oil sands facilities, oil refineries and industrial plants
- Services include:
  - Site-wide management
  - routine maintenance
  - plant turn-arounds
  - sustaining capital construction
- Awarded a \$1 billion, 5 year contract for Suncor's oil sands facilities in northern Alberta and its oil refinery in Sarnia, Ontario



07

# Field Erection of Facilities

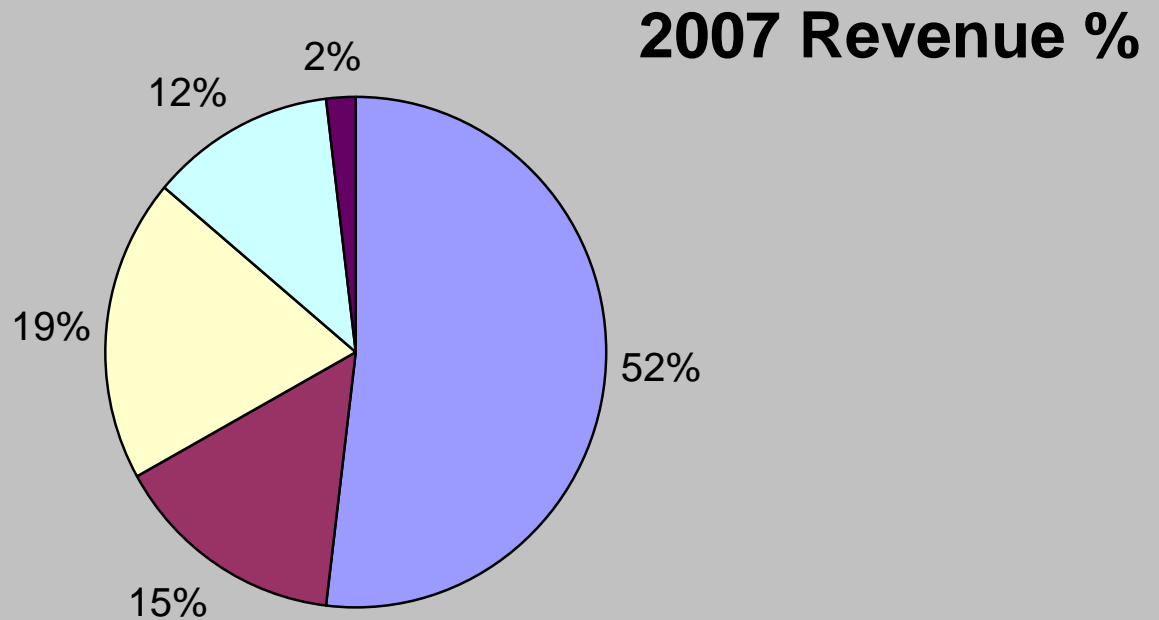
TSX

FES



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Flint's Five Business Segments



- Production Services
- Facility Infrastructure
- Plant Maintenance & Asset Management
- Oilfield Transportation
- Tubular Management & Manufacturing

Asset management revenues are less than 1% of total projected revenues in 2007



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

07

# Module Transportation

TSX

FES



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

07

# Extensive North American Footprint

TSX

FES



60 North  
American  
centers

37 in Canada

23 in U.S.



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

07

# Oil Sands Market Overview

TSX

FES



**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

# Alberta Oil Sands Projects

## Flint's Participation

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

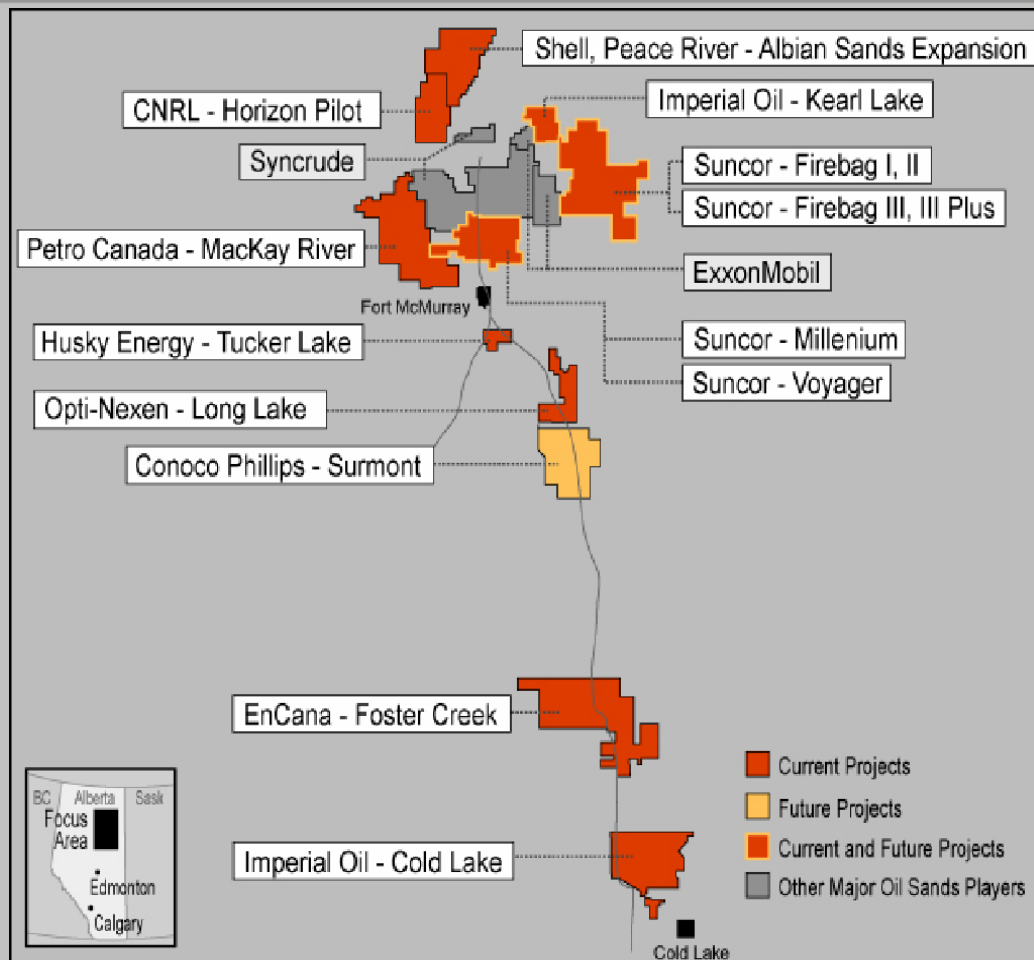
- EnCana – Foster Creek
- Imperial Oil – Cold Lake
- OPTI/Nexen – Long Lake
- Petro-Canada – Mackay River
- Suncor – Firebag Phase I, Phase II, Expansion & Co-Gen
- Shell – Peace River Expansion
- Husky – Tucker Lake
- ConocoPhillips – Surmont
- Shell – AOSP Expansion

### 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 – Kearl Lake



TSX

FES

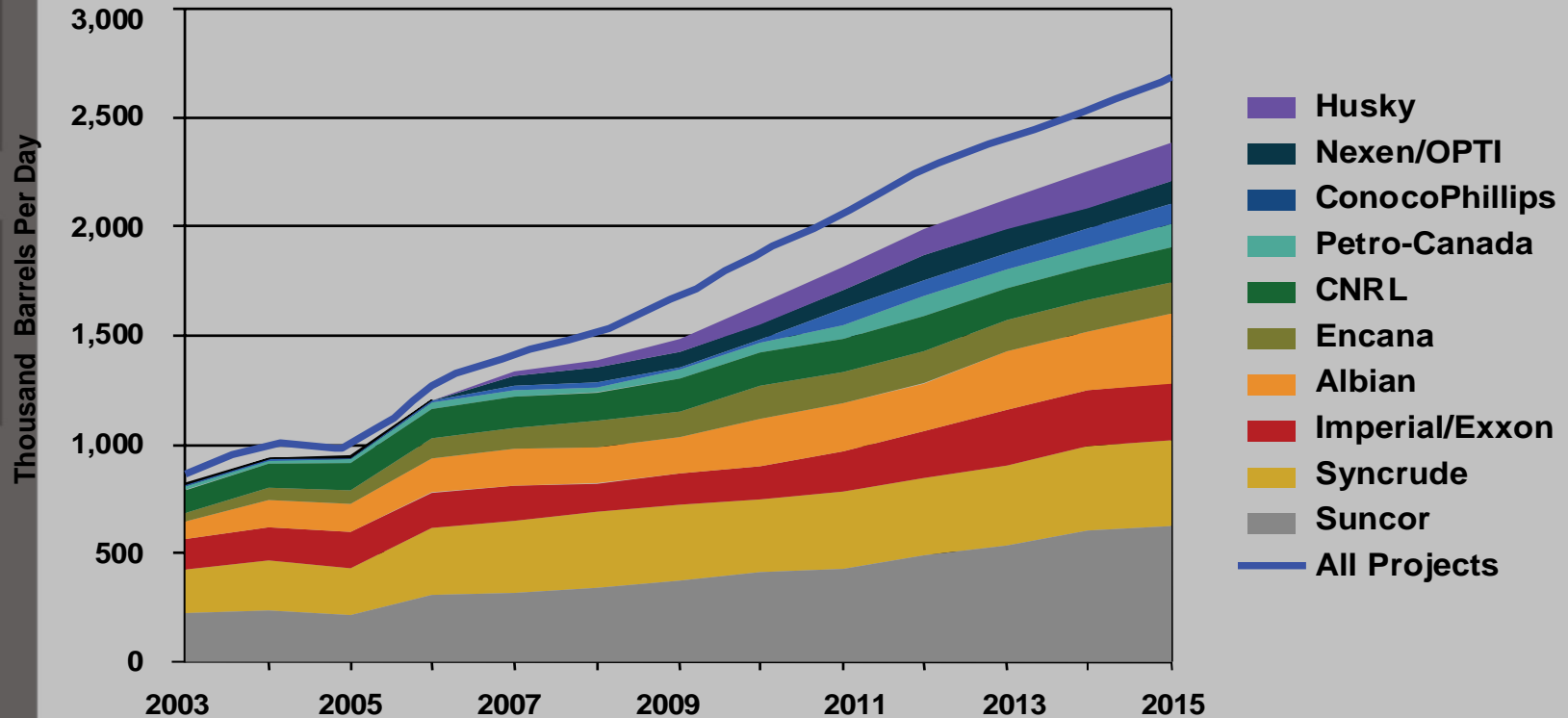

**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

# Oil Sands Production

TSX

FES



Source: TD Newcrest

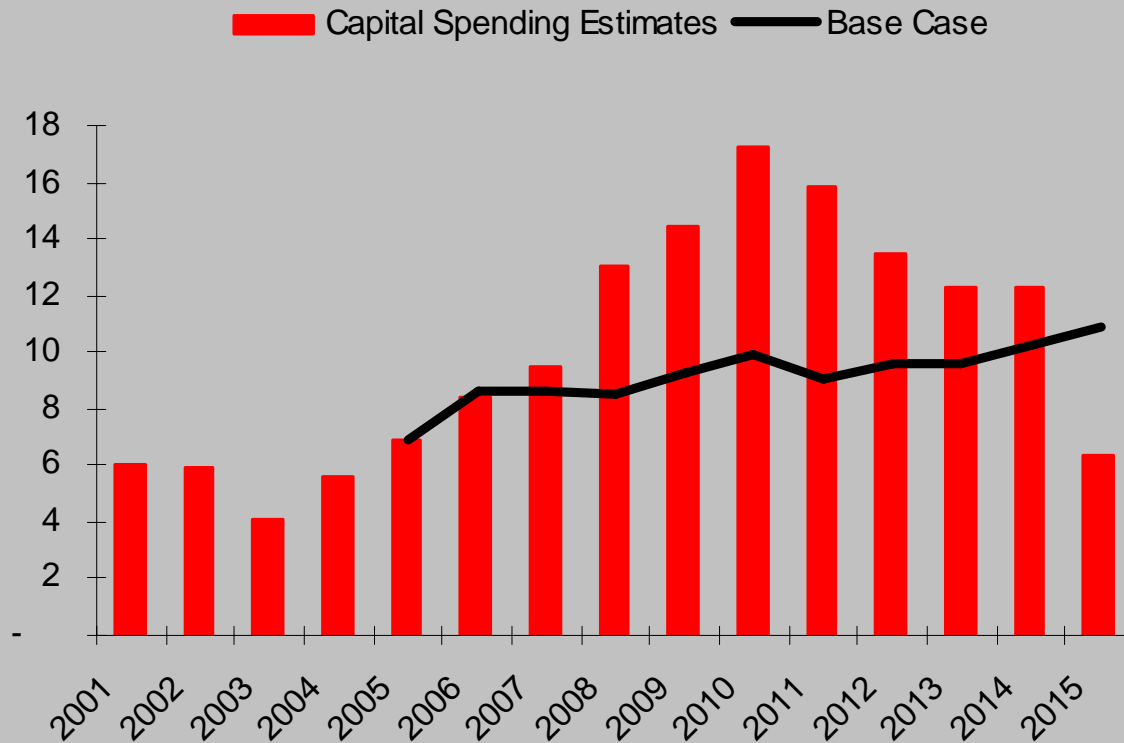


**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Future Oil Sands Spending in Alberta

TSX

FES



Source: National Energy Board:

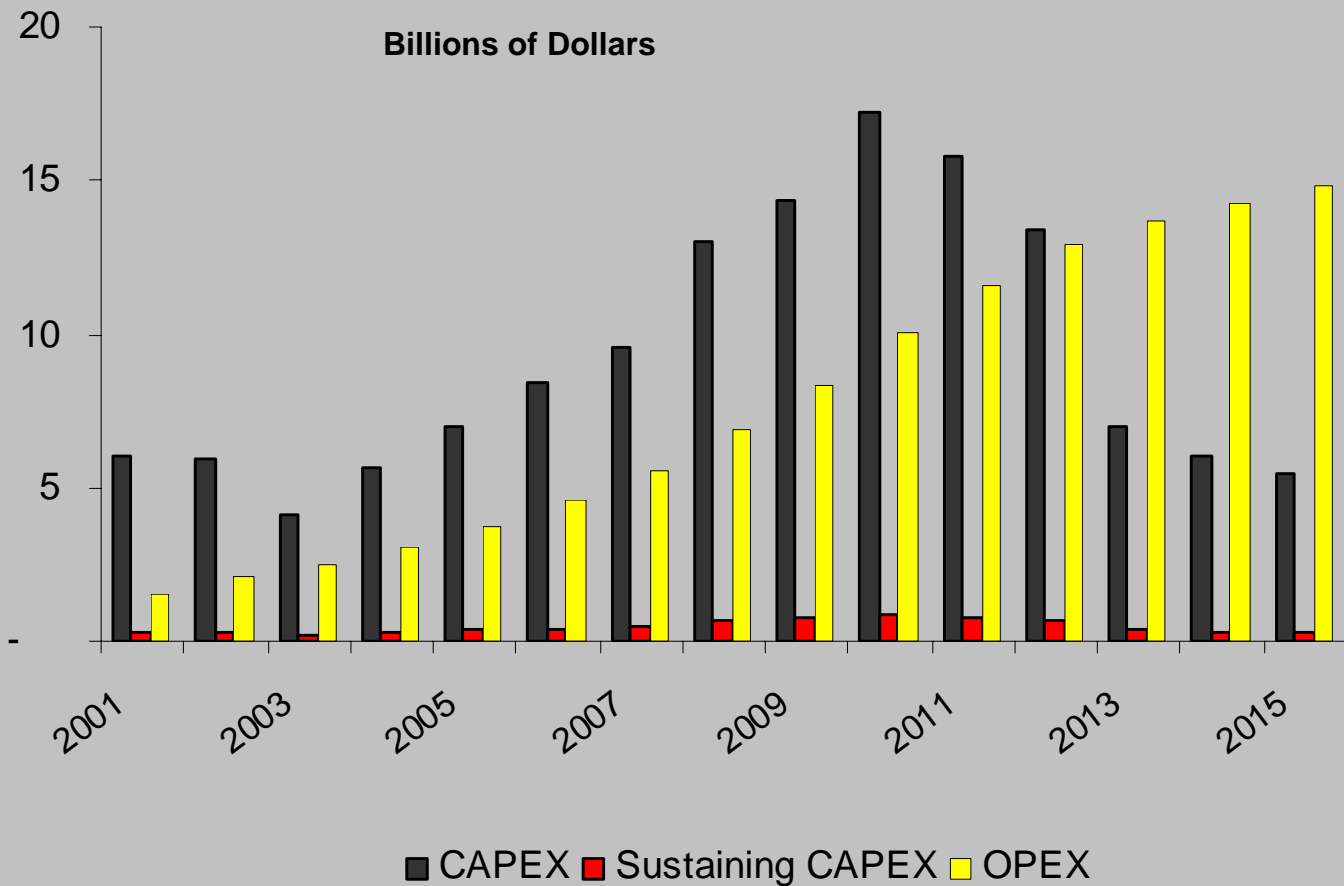
"Canada's Oil Sands - Opportunities and Challenges to 2015: An Update - June 2006"



**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

# Future Oil Sands Spending in Alberta (shows announced capital projects)



Source: Alberta Economic Development Authority,  
 "Mega Project Excellence, Preparing for Alberta's Legacy,  
 2004": graphic by "Infinite Scope Company".



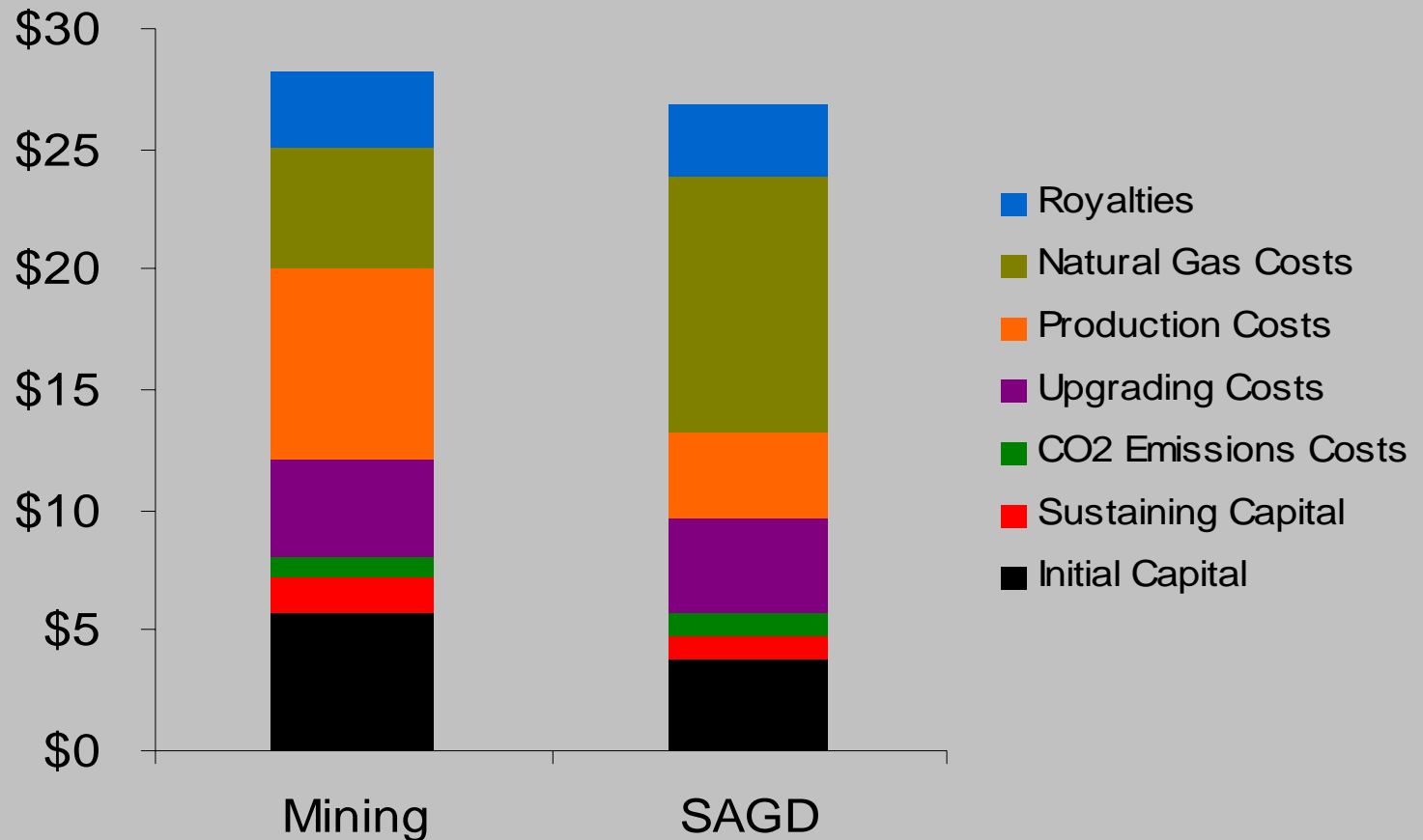
**FLINT ENERGY SERVICES LTD.**  
 INTEGRATED. INTEGRAL.

TSX

FES

# Economics in the Oil Sands

Indicative Integrated Oil Sands Project Costs



Source: TD Newcrest



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Recent Oil Sands Related Government Announcements

TSX

FES

- **Tax Changes: phasing-out of accelerated capital cost allowance in oil sands projects by 2015**
  - Very slight negative effect on oil sands project economics
  - Phasing out instead of immediate cutoff, and grandfather provision for projects that commenced construction prior to March 19, 2007 minimizes the effect of this change
  - Actual effect to the sector should be negligible
  - Alberta government currently reviewing the royalty regime
- **Emissions Proposal: 18% reduction from 2006 levels by 2010**
  - Reductions of 6%/year through 2010 and 2%/year thereafter, on an intensity/bbl basis
  - Costs to producers is lower than market speculation would suggest (~\$0.70/bbl) and is manageable through various options that exist for companies to meet emissions requirements
  - Alberta Government's Bill 3 will have an effect of approximately \$0.20/bbl



07

# Conventional Oil and Gas Markets

TSX

FES



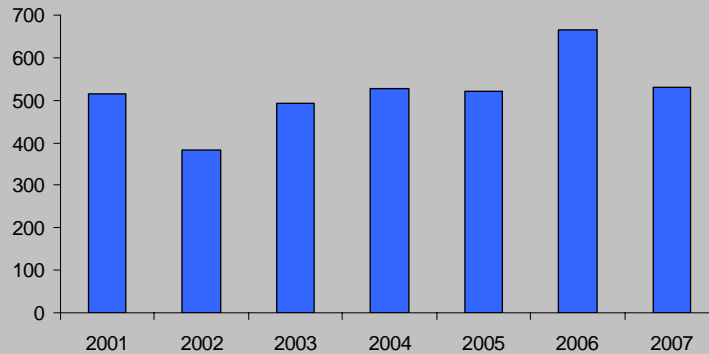
**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Conventional Oil and Gas Activity

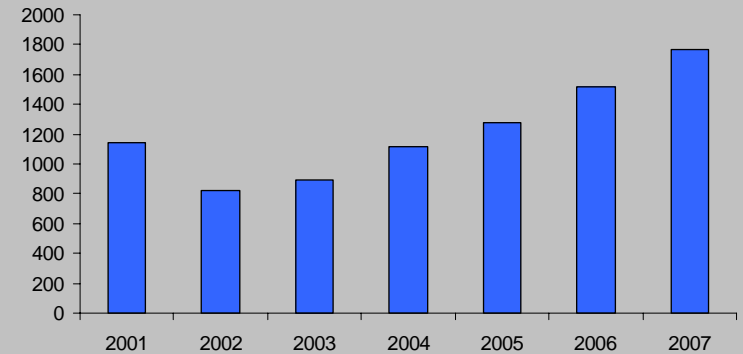
TSX

FES

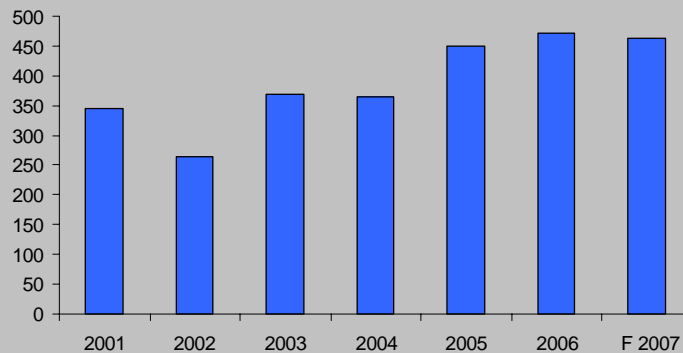
First Quarter Average Rig Activity, Canada



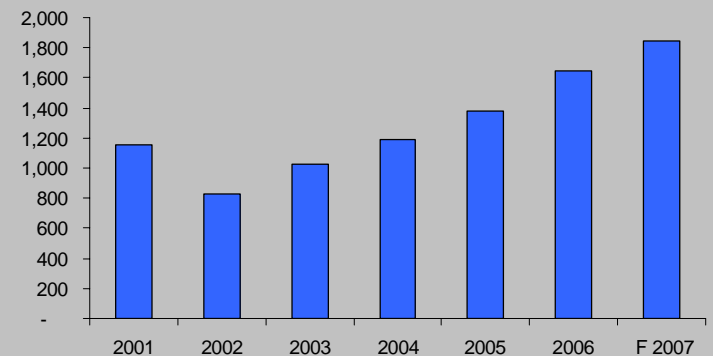
First Quarter Average Rig Activity, USA



Annual Average Rig Activity, Canada



Annual Average Rig Activity, USA



Sources: Baker Hughes, Spears & Associates

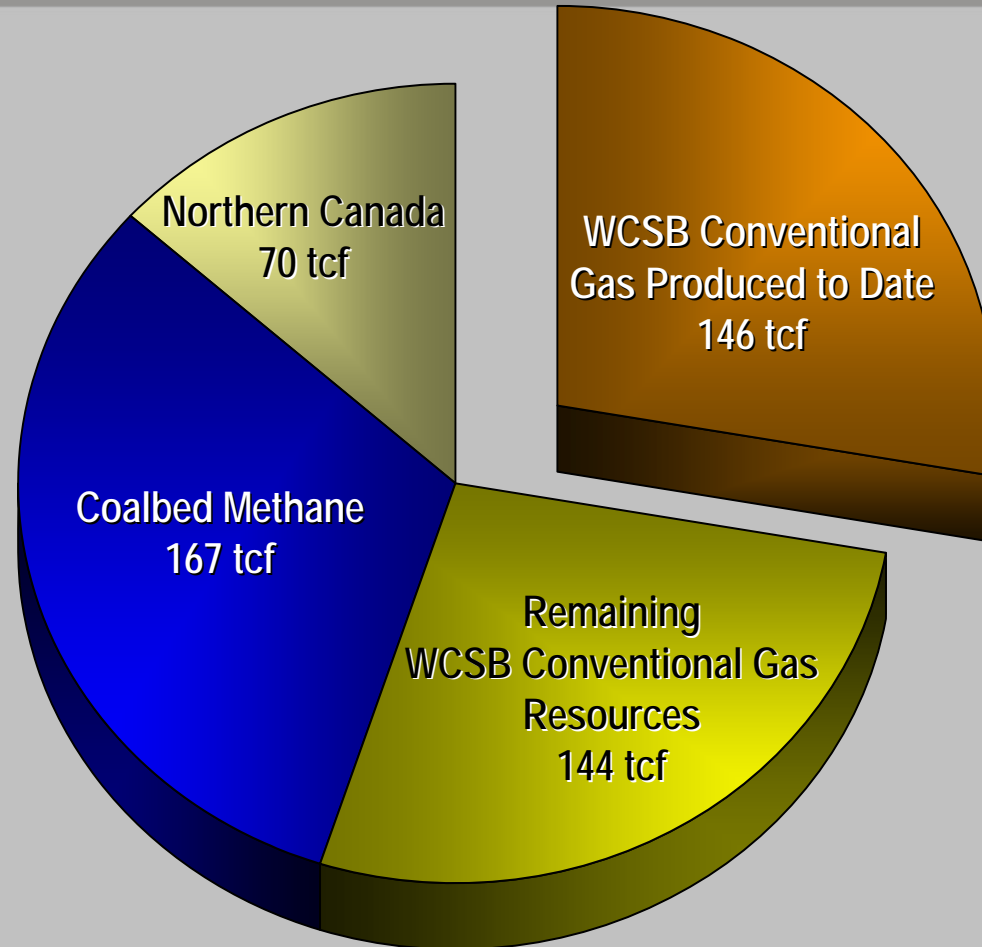


**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Western Canadian Gas Reserves

TSX

FES



Source: Alberta Energy & Utilities Board / National Energy Board, CERl

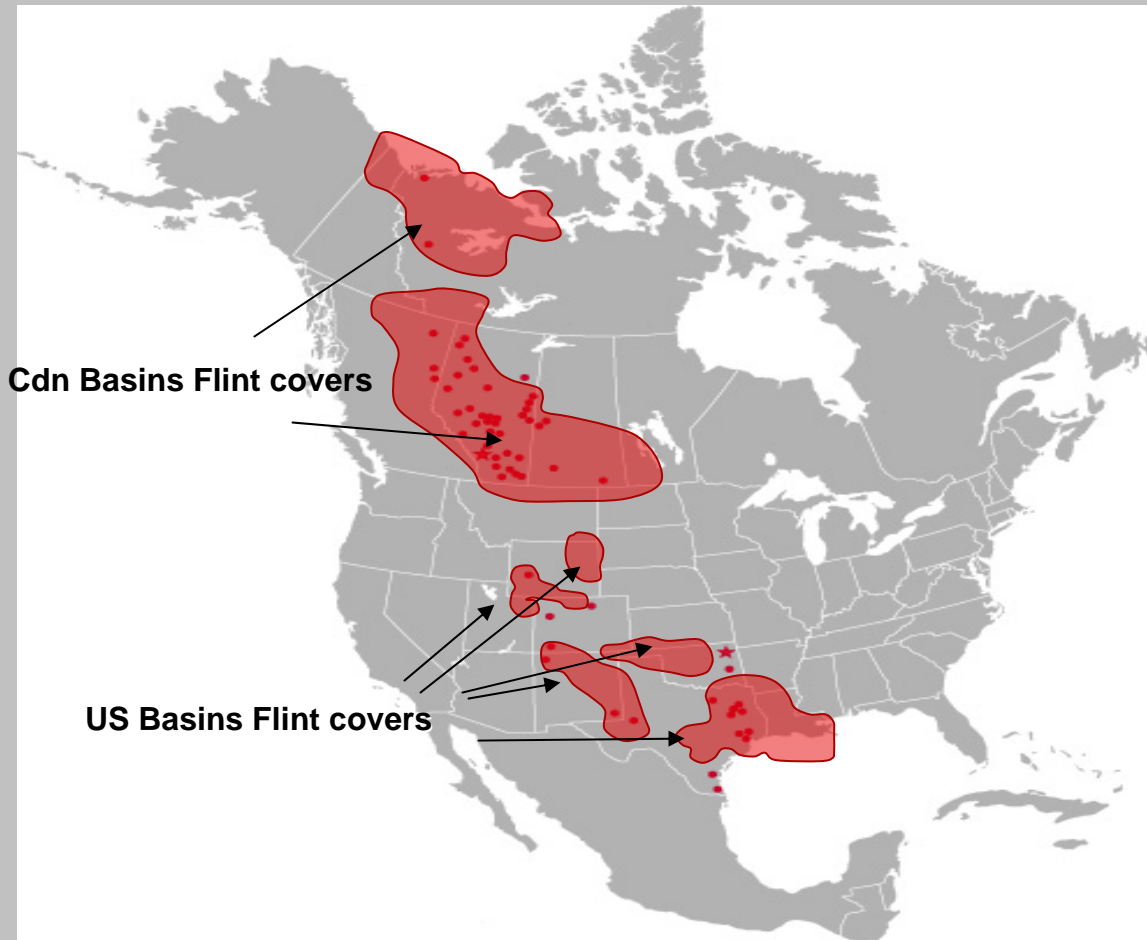


**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# North American Natural Gas Basins

TSX

FES



Source: Alberta Energy & Utilities Board / National Energy Board, CERl

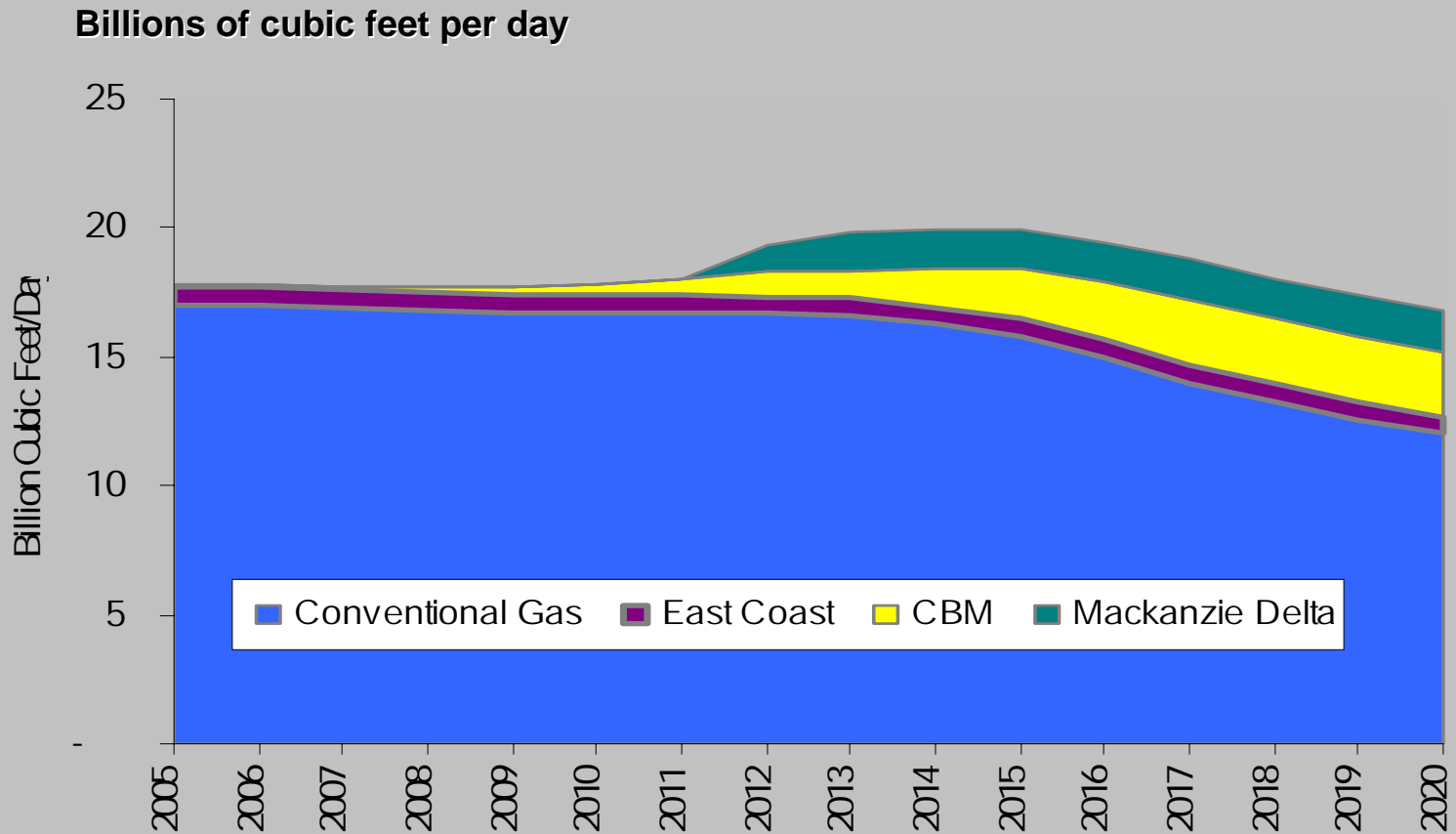


**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Canadian Natural Gas Supply

TSX

FES



Source: CAPP – Canadian Natural Gas, A stable source of energy supply



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

## TOP 10 CUSTOMERS CANADA AND USA

TSX

FES

## Canada:

CNRL

Conoco Phillips

Encana Oil and Gas

Husky Energy

Nexen Inc

Imperial (Exxon Mobil)

Opti Canada Ltd

Shell

Suncor Energy

Talisman

## U.S.A:

BP America Energy

Devon Canada

El Paso Production Co.

Encana Oil and Gas

EOG Resources

Sampson resources

Shell

Targa Resources

Ultra Resources

XTO Energy



07

## Flint's Focus on Execution

TSX

FES



**FLINT ENERGY SERVICES LTD.**

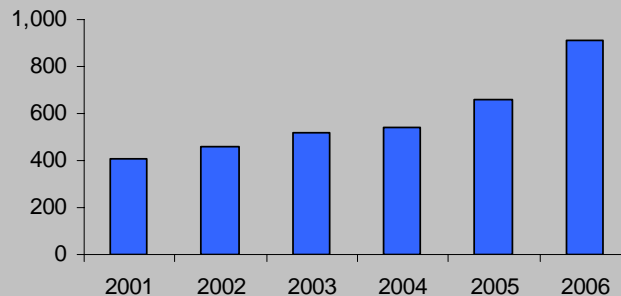
INTEGRATED. INTEGRAL.

# Flint's 2006 Highlights

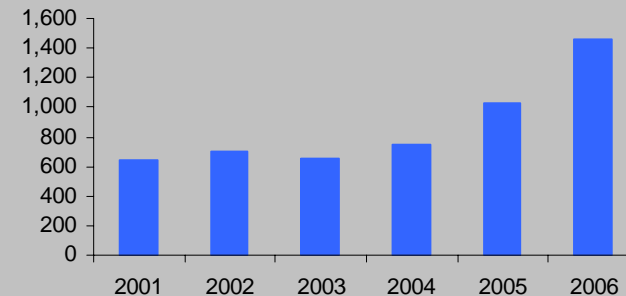
TSX

FES

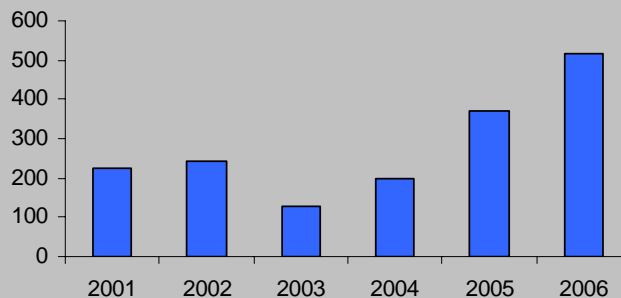
**Production Services Revenues**  
(Millions dollars)



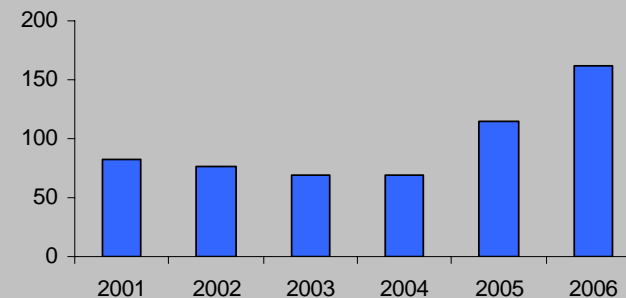
**Flint Total Revenues**  
(Millions Dollars)



**Infrastructure Services Revenues**  
(Millions Dollars)



**Flint EBITDA**  
(Millions Dollars)



Source: Annual Financial Statements



**FLINT ENERGY SERVICES LTD.**  
INTEGRATED. INTEGRAL.

# Financial Highlights – 2006

C\$000s, except per share amounts

TSX

FES

	<u>Dec 31, 2006</u>	<u>Dec 31, 2005</u>
Revenue	\$1,455,661	\$1,031,145
EBITDA <sup>(1)</sup>	162,386	114,889
Funds provided by operations	94,026	78,237
Net Earnings	54,633	45,744
Per share		
Basic <sup>(2)</sup>	\$1.44	\$1.37
Diluted <sup>(2)</sup>	\$1.41	\$1.35
Working capital	\$316,263	\$212,702
Long-term debt	367,112	211,471
Shareholders equity	777,180	354,704

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

(2) Includes expense of the Quebec Tax Assessment



**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

# Flint's Growth Opportunities

TSX

FES

1. **Oil Sands Construction and Asset Management**
  - "Build it then maintain it" service strategy
  - Flint Transfield Services will enhance scope of maintenance services
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



# Flint's 2007 Focus

TSX

FES

Execute on substantial backlogs over next three years

- \$990 million contracted
- \$500 million under negotiation

FT Services to leverage long-term maintenance contracts

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

Build manpower capacity to meet increasing demand

Capitalize on revenue and cost synergies

Expand scope of services with key customers



07

# Analyst's Earnings Estimates 2007 & 2008

TSX

FES

	2007	2008
Analyst Firm	Earnings per share	Earnings per share
Blackmont (3/16/07)	\$1.82	\$2.63
First Energy (4/25/07)	\$1.91	\$2.43
Paradigm (3/05/07)	\$1.85	\$2.80
Peters & Company (3/15/07)	\$1.76	\$2.51
RBC Dominion Securities (3/19/07)	\$1.84	\$2.26
TD Newcrest (3/16/07)	\$1.86	\$2.52
Tristone Capital (3/05/07)	\$2.00	\$2.65
Westwinds Capital (3/16/07)	\$2.18	N/A


**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

07

## Market Trading Information

TSX

FES

Trading Symbol	FES
Exchange Traded On	TSX
Closing share price May 4, 2007	\$28.00
Shares outstanding (fully diluted)	47,825,000
Basic Market Cap.	\$1.34 billion



**FLINT ENERGY SERVICES LTD.**

INTEGRATED. INTEGRAL.

07



**FLINT ENERGY SERVICES LTD.**

TSX

FES

**Positioned for growth...**

**Focused on execution...**

**2007**

**DIALED IN**