Forward-Looking Statements

This presentation may contain forward-looking statements and information which reflects the current view of Pason Systems Inc. ("Pason" or the "Company") with respect to future events and financial performance. Any such forward-looking statements are subject to risks and uncertainties and Pason's actual results of operations could differ materially from historical results or current expectations. Pason assumes no obligation to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized. Refer to Pason's annual report, management information circular, annual information form and other filings with Canadian securities regulatory authorities for further information on risks and uncertainties that could cause actual results to differ materially from forward-looking statements contained in this presentation.
Who We Are

Pason is a leading energy services and technology company.

We develop and deliver high-value hardware, software and services, primarily for the drilling industry.

Our motto is:
Technology Deployed Simply
Pason Highlights

1. Clear Market Leader
   - Sustained leading market positions in North America, South America, and Australia
   - Access to the majority of land rigs and users of drilling data in the Western Hemisphere
   - High barriers to entry for profitable operations driven by scope of technology, service intensity, and required scale

2. Distinctive Technology Position and Unique Capability Set
   - Distinctive field and remote support service capabilities
   - Flexible platform can host new Pason and third-party software (at the rigsite and in the cloud)
   - Unrivalled capabilities for UI/UX design and ruggedization for field users

3. Outstanding Financial Profile
   - No interest-bearing debt on the balance sheet
   - Low capital intensity
   - Historically outstanding cash-generating capability and consistent delivery of returns in excess of cost of capital

4. Well Positioned for Growth
   - Existing product growth: 1) product penetration; 2) US market share; 3) product value/price; 4) international expansion
   - New products for well completions and workovers: Minority investment in Intelligent Wellhead Systems (IWS)
   - Solar and energy storage market: Energy Toolbase (ETB) – Pason Power
   - New products and services in a rapidly transforming energy industry
Overview of Pason
Company Snapshot

HISTORY
Established 1978; public since 1996

CORPORATE HEAD OFFICE
Calgary, AB, Canada

US HEAD OFFICE
Houston, TX, United States

INTERNATIONAL PRESENCE
Argentina, Australia, Bolivia, Brazil, Colombia, Dubai, Ecuador, Mexico, Peru, Saudi Arabia (JV)

CUSTOMERS
E&P Operators
Drilling Contractors
Other Oilfield Service Companies

OUTSTANDING SHARES
84.1 million

MARKET CAPITALIZATION
$505 million

QUARTERLY DIVIDEND PER SHARE
$0.05
The industry’s only specialist with fully integrated end-to-end drilling data solutions that make it fast, flexible, and easy for customers to access critical drilling information anytime, anywhere (the “Internet of Things” of the drilling industry)

Unique product platform and distinctive technical capabilities as a key enabler for:
- drilling optimization and automation efforts
- big data analytics strategies
Strong Market Positions and Global Reach

Estimated Pason EDR market penetration (percentage of active drilling rigs)
Overview of the Pason Data Ecosystem

Customer staff, assets and systems

Core Pason Products

New Pason Products

**Pason Surface Sensors**

Third-Party Assets
- Rig Systems
- Downhole Tools

Third-Party Sensors
- Surface
- Downhole

**Pason EDR (Drilling Rig Site)**

**Pason DataHub (Cloud)**

**Field User Interfaces**

- Company men
- Drilling crews
- Directional Drillers
- Geologists/mud loggers

**Office and Cloud User Interfaces**

- Drilling managers
- Drilling engineers
- Geologists
- Finance / HR staff
- Data scientists

Field / Rig Site ➔ Cloud / Office

Satellite and/or Terrestrial Link

Reports / Drilling Data

Advanced Drilling Intelligence Algorithms

Control
Superior Service Model
# Overview of Pason’s Product Segments

<table>
<thead>
<tr>
<th>DRILLING DATA (ACQUIRE, VIEW, STORE, DELIVER)</th>
<th>Operator Benefits</th>
<th>Contractor Benefits</th>
<th>3rd Party Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic Drilling Recorder (EDR), Electronic Service Recorder (ESR)</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>DataHub / Pason Live (incl. Mobile)</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Data Delivery &amp; Reporting (incl. WellView™)</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Rig Display, SideKick, Workstation, Monitor</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MUD MANAGEMENT AND SAFETY</th>
<th>Operator Benefits</th>
<th>Contractor Benefits</th>
<th>3rd Party Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pit Volume Totalizer (PVT), Smart Alarms, Digital Trip Sheets</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Gas Analyzer</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Hazardous Gas Alarm</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMMUNICATIONS</th>
<th>Operator Benefits</th>
<th>Contractor Benefits</th>
<th>3rd Party Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet Bandwidth (Satellite and Terrestrial)</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Bandwidth Management</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Wireless Rigsite, VOIP and Intercom</td>
<td>●</td>
<td>●</td>
<td>●</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DRILLING INTELLIGENCE</th>
<th>Operator Benefits</th>
<th>Contractor Benefits</th>
<th>3rd Party Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>AutoDriller(s)</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Drilling Advisory System™ (DAS)</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ANALYTICS &amp; OTHER</th>
<th>Operator Benefits</th>
<th>Contractor Benefits</th>
<th>3rd Party Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verdazo (Discovery Analytics), Reports, KPIs</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Energy Toolbase SaaS</td>
<td></td>
<td>Solar / Storage</td>
<td>Project Developers</td>
</tr>
<tr>
<td>Pason Power iEMS control system and Energy DataHub</td>
<td></td>
<td>Asset Owners /</td>
<td>Managers</td>
</tr>
</tbody>
</table>
Data Capture by Pason

**675,000+** oil and gas wells in Pason DataHub, including more than 150,000 drilled since 2014

**2,300+** active drilling rigs simultaneously feeding data to the Pason DataHub during peak activity levels (in 2014)

<table>
<thead>
<tr>
<th>Categories of Data Captured</th>
<th>Examples of Data</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pason Surface Sensors Data</strong></td>
<td>Time/depth-based sensor data: Depth, standpipe pressure, hook load, rotary RPM, torque, pump strokes, drilling mud levels and flow gases, volumes, temp</td>
</tr>
<tr>
<td><strong>Calculated Data</strong></td>
<td>Rate of penetration (ROP), weight on bit (WOB), mechanical specific energy (MSE), drilling mud volume changes (kicks, lost circulation), rig states etc.</td>
</tr>
<tr>
<td><strong>Third-Party Sensor Data</strong></td>
<td>Wide variety of third-party sensor (e.g., gas systems, generator/engine monitors) and rig PLC control system data</td>
</tr>
<tr>
<td><strong>Directional Data</strong></td>
<td>Directional survey data, downhole tool information (inclination and azimuth, gamma, resistivity)</td>
</tr>
<tr>
<td><strong>Operator and Contractor Reporting</strong></td>
<td>General well information, operational data, safety info, wellbore info, geological evaluation, equipment and downhole details, test info, bit reports, service rig info</td>
</tr>
<tr>
<td><strong>Drilling Contractor Payroll Data</strong></td>
<td>Accurate crew lists and payroll data between the rig and the contractor's payroll system</td>
</tr>
</tbody>
</table>
Financials
Financial Summary

TOTAL REVENUE ($MILLIONS)

- 2015: $285
- 2016: $160
- 2017: $246
- 2018: $306
- 2019: $296

REVENUE BY PRODUCT
12 MONTHS ENDED DECEMBER 31, 2019

- Drilling Data: 53%
- Mud Management and Safety: 29%
- Communications: 6%
- Drilling Intelligence: 7%
- Analytics & Other: 5%

REVENUE BY BUSINESS UNIT
12 MONTHS ENDED DECEMBER 31, 2019

- United States: 68%
- Canada: 19%
- International: 13%

BY CUSTOMER TYPE

- E&P Operators: 80%
- Drilling Contractors & Other: 20%
Financial Summary

**Adjusted EBITDA ($Millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>96</td>
<td>31</td>
<td>98</td>
<td>146</td>
<td>130</td>
</tr>
</tbody>
</table>

**Capital Expenditures ($Millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>51</td>
<td>13</td>
<td>21</td>
<td>24</td>
<td>24</td>
</tr>
</tbody>
</table>

**Free Cash Flow ($Millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>77</td>
<td>66</td>
<td>86</td>
<td>86</td>
<td></td>
</tr>
</tbody>
</table>

**Dividends Paid ($Millions)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>57</td>
<td>57</td>
<td>58</td>
<td>60</td>
<td>63</td>
</tr>
</tbody>
</table>
Cash Returns to Shareholders

Over $500 million returned to shareholders over the past 10 years

* Pason moved from semi-annual to quarterly dividends in 2014
## Financial Results

in C$000s

<table>
<thead>
<tr>
<th></th>
<th>6 months ended June 30, 2020</th>
<th>6 months ended June 30, 2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>$66,107</td>
<td>$108,096</td>
<td>-39%</td>
</tr>
<tr>
<td>Canada</td>
<td>22,416</td>
<td>27,728</td>
<td>-19%</td>
</tr>
<tr>
<td>International</td>
<td>12,287</td>
<td>19,213</td>
<td>-36%</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>100,810</td>
<td>155,037</td>
<td>-35%</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>32,457</td>
<td>71,540</td>
<td>-55%</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>11,753</td>
<td>28,289</td>
<td>-58%</td>
</tr>
<tr>
<td><strong>Capital expenditures</strong></td>
<td>$3,887</td>
<td>$14,533</td>
<td>-73%</td>
</tr>
<tr>
<td><strong>Dividends paid</strong></td>
<td>32,064</td>
<td>30,856</td>
<td>+4%</td>
</tr>
</tbody>
</table>
Outlook
Well-Positioned for Growth

1. **Defend and grow the core business**
   - Pricing
   - Market share
   - Product penetration
   - New products for the drilling market
   - Rig site
   - Back office
   - Tuck-in/ add-on technologies

2. **Enter adjacent O&G spaces**
   - International growth

3. **Establish pillars of growth beyond O&G**
   - Energy Toolbase (ETB)
   - Intelligent Wellhead Systems (IWS)

*Time and Risk*
Significant Investments in R&D and IT

R&D and IT Spending
In CAD millions (includes expensed and deferred development costs)

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>9%</td>
</tr>
<tr>
<td>2013</td>
<td>10%</td>
</tr>
<tr>
<td>2014</td>
<td>9%</td>
</tr>
<tr>
<td>2015</td>
<td>13%</td>
</tr>
<tr>
<td>2016</td>
<td>16%</td>
</tr>
<tr>
<td>2017</td>
<td>11%</td>
</tr>
<tr>
<td>2018</td>
<td>10%</td>
</tr>
<tr>
<td>2019</td>
<td>11%</td>
</tr>
</tbody>
</table>

Portfolio of R&D initiatives balanced between:
1. Sustaining and improving existing products vs. developing new
2. Catering to the needs of O&G companies vs. drilling contractors
3. Focused on needs in the field vs. in the office / in the cloud
4. Hardware vs. software (incl. analytics and machine learning)
5. Safe bets vs. “moonshots” (need to expect and accept failures)
The Energy Storage Market is Poised for Exceptional Growth

Battery Price and Installed Battery Capacity
GWh, $/kWh

“Energy storage could even be bigger than automotive...but it will certainly be of a similar magnitude.”
- Elon Musk, Tesla 3Q19 Earnings Call

“Energy storage systems market to hit $500 billion by 2025.”
- Global Market Insights, Inc.

“Simply put, accelerated rollout of energy storage has to happen, and we need to see more subsidies to make it happen faster.”
- Bill Gates

Source: Wood Mackenzie, BloombergNEF
Energy Toolbase well-positioned in the “Intelligence Layer” of Energy Storage

- In Sep. 2019, announced the acquisition of an 80% interest of Energy Toolbase (ETB), a US-based SaaS company.

- ETB provides industry-leading software package to model economics and build proposals for solar and energy storage (battery) projects.

- The ETB product is utilized by distributed energy project developers, primarily in the United States. Currently over 1,000 active ETB software licenses with 1,800 users.

- Over the past two years, Pason Power built foundation in the solar and energy storage market through iEMS control system and Energy DataHub products.

- With the combined capabilities of Pason Power and ETB we are positioning ourselves for meaningful long-term growth in the “intelligence layer” of solar and energy storage market.

- We provide the tools to: Model – Control – Monitor
Appendix
Pason’s History

1978: Founded by Wayne Parks and Ron Mason who created the name “Pason” based on a hybrid of their last names

Early 1990s: Inventor Brian Taylor designed and introduced the Pit Volume Totalizer

1980: Acquired by Badger Drilling Ltd.

1987: Acquired by Jim Hill (current Chairman of the Board)

1994: First EDR rental

1996: Went public at $0.70 per share (effectively $0.17 per share with two splits)

1997: Entered the US market and acquired Rocky Mountain Geo Engineering

2003: Entered Latin America

2006: Entered Australia

2009: Purchased Petron Industries based in Houston

2014: Entered into joint venture in Saudi Arabia

2015: Opened Dubai office

2016: Acquired Verdazo Analytics

2017: Entered into DAS licensing agreement with ExxonMobil

2019: Acquired Energy Toolbase

2019: Invested in IWS