

AKITA
DRILLING

Annual General
Meeting

Welcome Shareowners

May 9th, 2023

Forward Looking Statements Disclaimer

Statements made by representatives of AKITA and information provided in AKITA's AGM presentation may be considered forward-looking statements. By their nature, such statements are subject to numerous known and unknown risks and uncertainties and therefore actual results may differ materially from those currently anticipated. We caution attendees at this annual meeting not to place undue reliance on these forward-looking statements, as a number of important factors could cause actual future results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. AKITA disclaims any intention or obligation to update or revise such statements.

Chairman's Introduction

By Linda Southern-Heathcott



Financial Statements

AKITA's consolidated financial statements for the year ended December 31, 2022, together with the auditor's report have been filed with the Canadian securities regulatory authorities and have been sent to the registered shareholders and to those beneficial shareholders who requested them. The statements are also available on the Company's website at www.akita-drilling.com and on SEDAR at www.sedar.com.



Election of Directors

Eight directors, as set out in the March 20, 2023, Management Information Circular, have been nominated for a one-year term. Upon election, each director will hold office until the next annual meeting of shareholders or until a successor is elected or appointed.

The Board recommends that shareholders vote FOR the election of each of the eight nominees as set out below. If you do not specify on the proxy form how you want to vote your shares and you do not appoint a proxyholder, the persons named in the form will vote FOR the election of these nominees.



Director Profiles

Loraine M. Charlton, ICD.D

Calgary, Alberta, Canada

Director Since 2006, Age 66, Independent

Prior to her retirement in November 2022, Ms. Charlton was Vice President and Chief Financial Officer of Lintus Resources Limited, a private oil and gas company with interests across Western Canada. With over three decades of experience in the oil and gas industry, Ms. Charlton has held various positions involving responsibility for directing overall management, including financial reporting, banking, debt and treasury management, investor relations, risk management, human resources, operations and strategy.

Ms. Charlton is also a director of Canadian Utilities Limited and CU Inc. Ms. Charlton graduated from the University of Calgary with a Bachelor of Commerce degree in Finance, and holds the Corporate Director Designation (ICD.D) from the Institute of Corporate Directors.



Director Profiles

Douglas A. Dafoe, C.A., C.DIR

Calgary, Alberta, Canada

Director Since 2018, Age 68, Independent

Mr. Dafoe has more than thirty years of industry experience in financial and operating positions of increasing responsibility. Mr. Dafoe is currently the President and Chief Executive Officer of Ember Resources Inc. (“Ember”), a private company focused on natural gas exploration and production primarily from coal bed methane in Alberta, Canada. Prior to joining Ember, Mr. Dafoe was President and Chief Executive Officer of Thunder Energy Inc., a company he co-founded in 1996 which was the predecessor company to Ember. Mr. Dafoe has served on the Board of Governors of the Canadian Association of Petroleum Producers (CAPP) and several TSX-listed companies. He served as Chairperson of the Board for Xtreme Drilling Corp. until it was acquired by AKITA on September 11, 2018, at which time Mr. Dafoe was invited to join the AKITA Board.

Mr. Dafoe has a Bachelor of Science and Bachelor of Business Administration from the University of North Dakota, is a Chartered Professional Accountant and a Chartered Director, The Directors College, JV of McMaster University/Conference Board of Canada.



Director Profiles

**Linda A. Southern-Heathcott,
ICD.D, Honorary Lieutenant-Colonel, King's Own Calgary Regiment
Calgary, Alberta, Canada
Director Since 1993, Age 60, Not Independent**

Ms. Southern-Heathcott is a founding director of the Company and became CEO of the Company in May of 2021 until April of 2023. She has been Chair of the Board since May 2006 and was Deputy Chair from May 2004 until April 2006. Ms. Southern-Heathcott is President & Chief Executive Officer of Spruce Meadows Ltd., an internationally recognized equestrian facility in Calgary, Alberta. A former professional equestrian rider, Ms. Southern-Heathcott was a member of the Canadian Equestrian Team for ten years and competed in the 1996 Olympic Summer Games in Atlanta, Georgia. Ms. Southern-Heathcott brings significant management and business experience to the Board.

Ms. Southern-Heathcott is also Vice Chair of ATCO Ltd., Canadian Utilities Limited and CU Inc., Chair of Sentgraf Enterprises Ltd. and Chair of Travel Alberta. Ms. Southern-Heathcott obtained her ICD.D certification from the Directors Education Program at the Institute of Corporate Directors in 2010. Ms. Southern-Heathcott was appointed Honorary Lieutenant-Colonel of the King's Own Calgary Regiment. In 2020, Ms. Southern-Heathcott was awarded a British Empire Medal by Her Majesty Queen Elizabeth II for services to British Equestrian, Military and Commercial interests in Alberta, Canada.



Director Profiles

Harish K. Mohan, CPA, CA

Calgary, Alberta, Canada

Director Since 2011, Age 70, Independent

Mr. Mohan joined the Board in 2011. Mr. Mohan has 15 years of experience in the oil and gas drilling industry in Canada, the United States and overseas. Mr. Mohan was employed by the ATCO Group of Companies for 33 years in various senior manager capacities including his most recent role as Senior Vice President, Finance and Group Controller for ATCO Structures & Logistics Ltd. from 2008 until 2011.

Mr. Mohan is a member of the Chartered Professional Accountants of Alberta.



Director Profiles

Robert J. Peabody

Calgary, Alberta, Canada

Director nominee, Age 66, Independent

Mr. Peabody was President and Chief Executive Officer and a member of the Board of Directors of Husky Energy. Mr. Peabody joined Husky as Chief Operating Officer in 2006 and was appointed CEO in 2016 where he played a key role in transforming the Company into a major integrated North American energy company with a substantial Asia Pacific presence. Mr. Peabody retired in January 2021 on the completion of the Husky/Cenovus combination.

Prior to joining Husky, Mr. Peabody worked for BP for 26 years where he held leadership positions in Canada, the U.K. and the U.S. that included upstream development and production in the North Sea, Natural Gas Marketing, Oil Trading, Chemicals and Group Strategy, Planning and Performance Management.

Mr. Peabody holds a Master of Science in Management from Stanford University (Sloan Fellow) and a Bachelor of Science in Mechanical Engineering from the University of British Columbia.

Mr. Peabody also serves as the Vice Chair of the Foothills Hospital Development Council, Calgary, is a member of the Board of Ignite Calgary, Chair of the Foothills Hospital Council, Board Member of the Calgary Health Trust and Past Board Member of the Post Hotel.



Director Profiles

Nancy C. Southern

Calgary, Alberta, Canada

Director Since 1993, Age 66, Not Independent

Ms. Southern is a founding director and Deputy Chair of the Company, as well as the Chair and Chief Executive Officer of ATCO Ltd. and of Canadian Utilities Limited. Ms. Southern was formerly the Chief Executive Officer of Canadian Utilities Limited from 2003 to 2019, President of Canadian Utilities Limited from 2003 to 2015, and President of ATCO from 2003 until 2018. Previously, she was Deputy Chair of each of ATCO and Canadian Utilities Limited from 2008 until 2012, Co-Chair and Co-Chief Executive Officer of each company from 2000 until 2002, Deputy Chief Executive Officer of each company from 1998 to 1999, and Deputy Chair of each company from 1996 to 1999.

Ms. Southern is a member of The U.S. Business Council, a member of the American Society of Corporate Executives, and a Canadian Member of the Trilateral Commission. She is also a member of the Business Council of Canada, the Rideau Hall Foundation Board of Directors, the University of Calgary School of Public Policy Advisory Council, and the South Australian Minerals and Petroleum Expert Group. Ms. Southern is a Companion of the Canadian Business Hall of Fame. Ms. Southern was awarded a British Empire Medal by Her Majesty Queen Elizabeth II for services to British Equestrian, Military and Commercial interests in Alberta, Canada



Director Profiles

Henry G. Wilmot

Calgary, Alberta, Canada

Director Since 2014, Age 69, Independent

Mr. Wilmot has broad based business experience including 40 years with the ATCO Group of Companies. During that time he held progressively senior positions and was most recently Chief Operating Officer, Energy and Industrials, ATCO Group. Mr. Wilmot also has 13 years of senior management experience in the energy service industry in Canada and Australia.

Mr. Wilmot holds the Corporate Director Designation (ICD.D) from the Institute of Corporate Directors.



Director Profiles

Charles W. Wilson

Evergreen, Colorado, USA

Director Since 2002, Age 83, Independent

Mr. Wilson is a director of ATCO Australia Pty Ltd and formerly a director of ATCO Ltd. and Canadian Utilities Limited. He was the President and Chief Executive Officer of Shell Canada from 1993 to 1999, and Executive Vice President, U.S. Downstream Oil and Chemical of Shell Oil Company from 1988 to 1993. Before 1988, he was Vice President U.S. Exploration and Production of Shell Oil Company and held various executive positions in the domestic and international natural resource operations of Shell. As a former Head of the Environment Committee of the Canadian Association of Petroleum Producers, Mr. Wilson was actively involved in climate change matters and emerging regulatory policies related to the petroleum industry.

Mr. Wilson holds a B.Sc. in Civil Engineering and a M.Sc. in Engineering.



Appointment of Auditor

The Board, on the recommendation of the Audit Committee, proposes that PricewaterhouseCoopers LLP (“PwC”) be appointed as auditor to hold office until the next annual meeting of shareholders. PwC and its predecessor firm, Price Waterhouse LLP, has been AKITA’s auditor since the Company’s inception.

The Board recommends that shareholders vote FOR the appointment of PwC as auditor. If you do not specify on the proxy form how you want to vote your shares and you do not appoint a proxyholder, the persons named in the form will vote FOR the appointment of PwC.



President and CEO Message by Colin Dease



2022 Metrics

Activity	2022	2021
US Operations	4,088	2,871
Canadian Operations	2,518	1,584
Revenue Per Day	2022	2021
US Operations	\$32,000	\$25,000
Canadian Operations	\$30,750	\$25,500
Operating Costs Per Day	2022	2021
US Operations	\$23,400	\$22,283
Canadian Operations	\$25,000	\$21,932



2023 Corporate Objectives

- meaningfully reduce our long-term debt;
- capitalize on the torque in our Canadian Division – to increase both our activity level and our day rates; and
- to maintain our high US fleet utilization.



Q1 2023 Metrics

Activity	Q1 2023	Q1 2022
US Operations	1,044	1,017
Canadian Operations	720	722
Revenue Per Day	Q1 2023	Q1 2022
US Operations	\$39,000	\$26,000
Canadian Operations	\$36,600	\$29,000
Operating Costs Per Day	Q1 2023	Q1 2022
US Operations	\$25,600	\$21,000
Canadian Operations	\$26,000	\$22,000



Value Proposition

- Pure play drilling company;
- High spec fleet; and
- First Nation and Metis joint ventures.



Vice President Finance & CFO

Financial Overview by Darcy Reynolds



2022 Results

For the year ended December 31	2022	2021
Net Income (Loss)	\$4,288,000	\$(20,990,000)
Funds Flow From Operations	\$34,813,000	\$7,454,000
Capital Spending	\$17,982,000	\$16,416,000
Debt	\$93,514,000	\$86,156,000
Operating Days	6,606	4,465

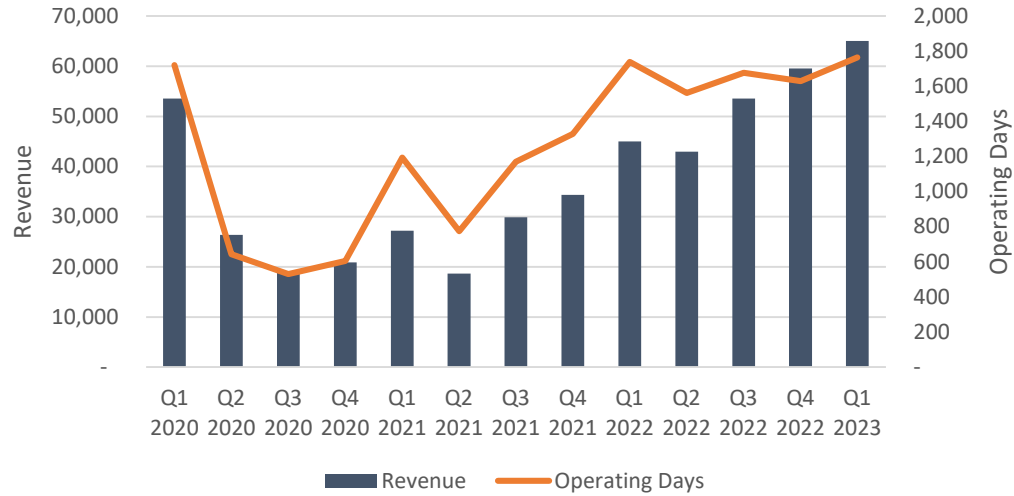
Q1 2023 Results

For the three months ended March 31,	2023	2022
Net Income (Loss)	\$9,523,000	\$(2,933,000)
Funds Flow From Operations	\$15,159,000	\$4,996,000
Capital Spending	\$2,504,000	\$6,412,000
Total Debt	\$91,212,000	\$94,521,000
Operating Days	1,764	1,739

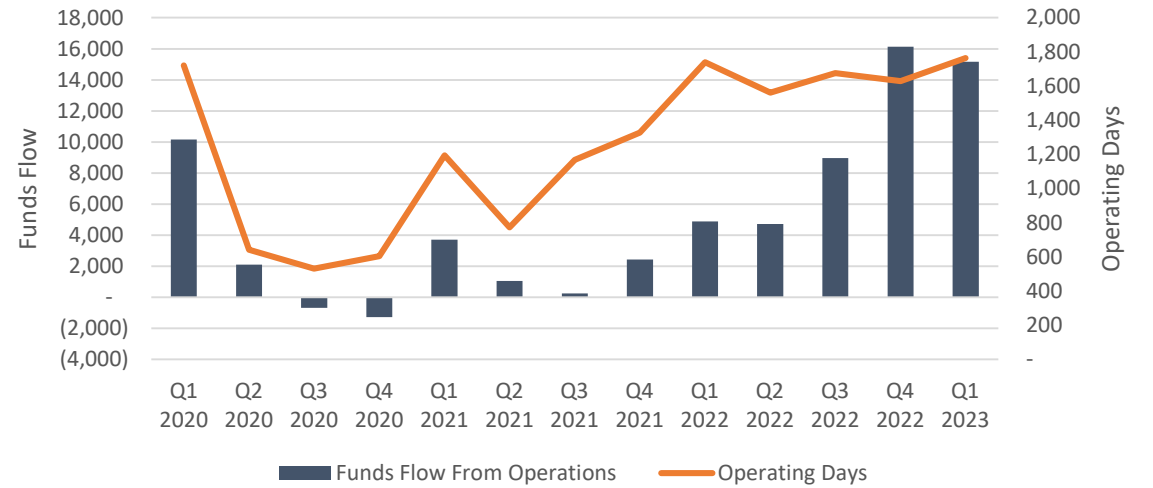
Credit Facility Covenants:

- Debt to EBITDA: < 3.00:1.00
- EBITDA to Interest: > 3.00:1.00

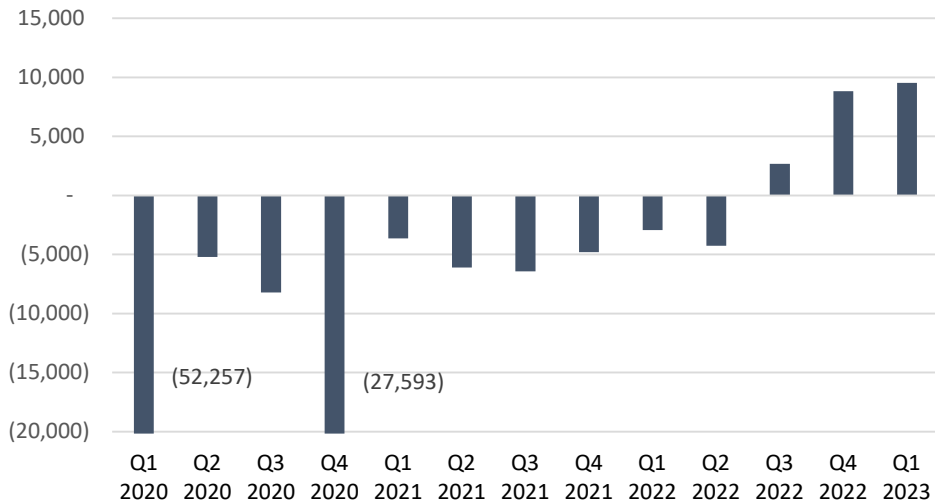
Revenue



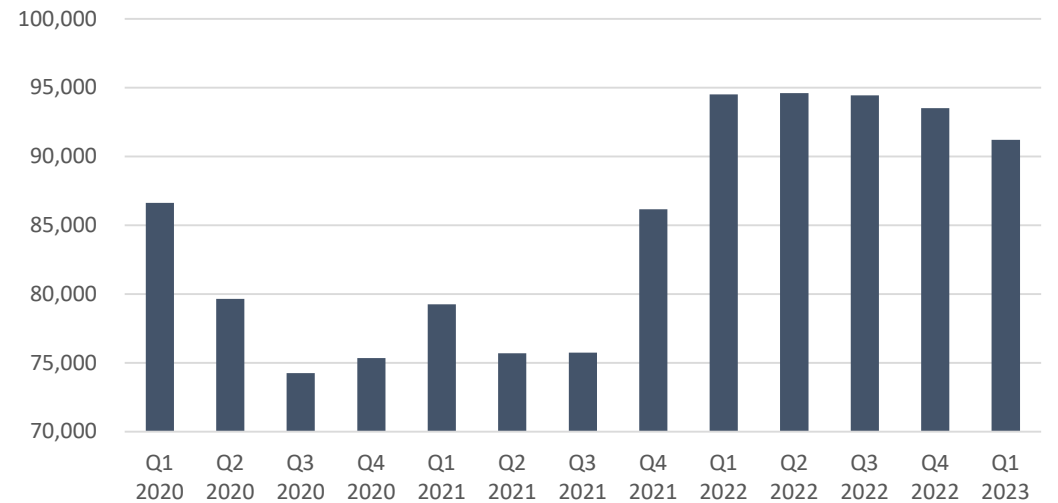
Funds Flow

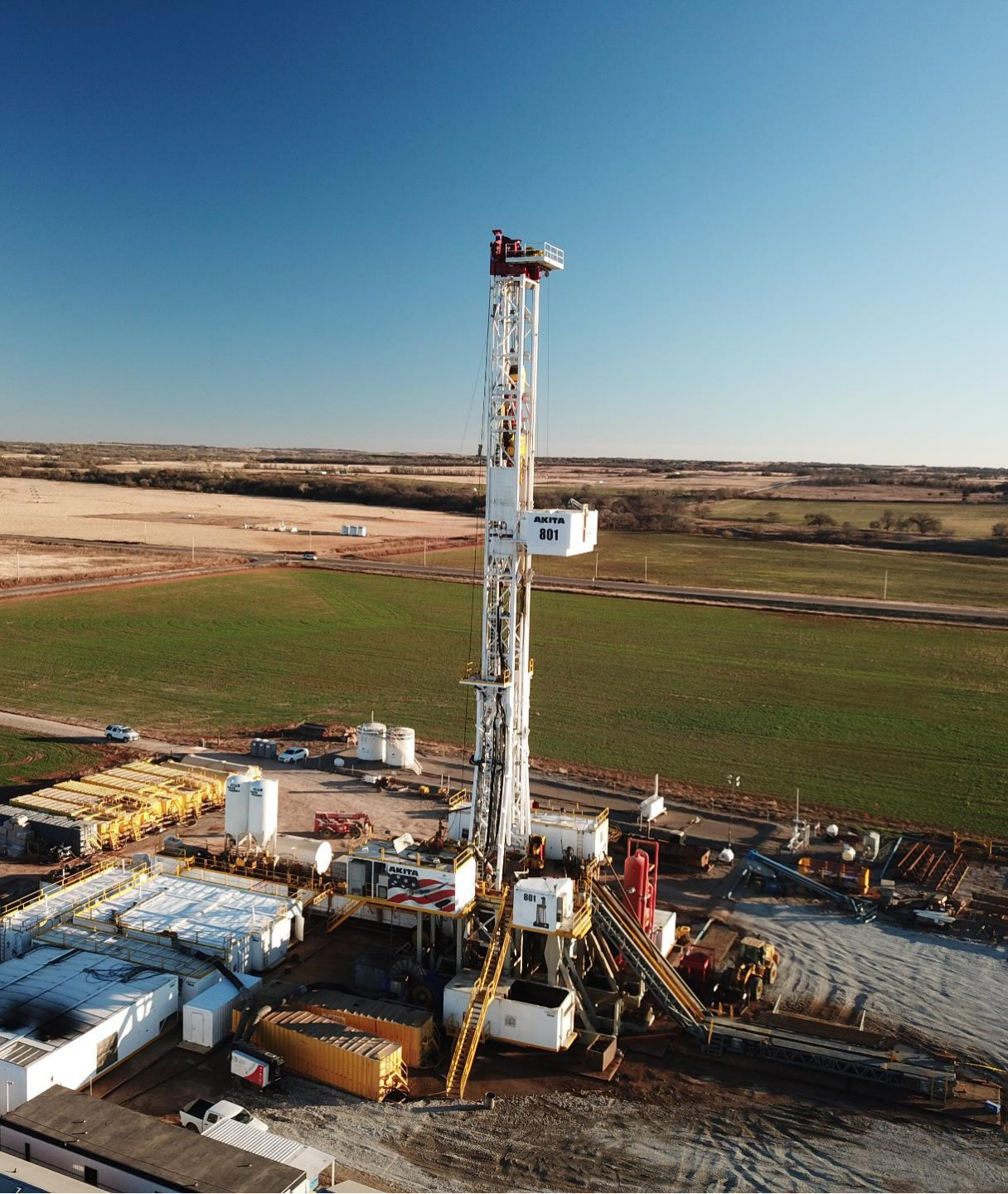


Earnings



Total Debt





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