



AKITA and Xtreme to Combine
Into a Premier North American
Land Drilling Contractor

June 2018



Forward-Looking Statements Disclaimer

Certain statements contained in this presentation constitute FOPI (as defined herein) and "forward-looking information" as defined under applicable securities laws. When used in this presentation, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", "potential", "strategy", "target" and similar expressions, as they relate to AKITA Drilling Ltd. ("AKITA" or the "Company"), Xtreme Drilling Corp ("Xtreme"), to be formed pursuant to the transaction (the "Plan of Arrangement") involving AKITA and Xtreme are intended to identify forward-looking information and FOPI. In particular, forward-looking information included in this presentation includes information with respect to: the effect of the Arrangement on AKITA and Xtreme, as applicable; the expected consideration under the Plan of Arrangement; the expected pro forma holdings in AKITA of current AKITA and Xtreme shareholders; timing of matters related to the approval of the Plan of Arrangement and implementation thereof, including the anticipated timing of closing of the Plan of Arrangement; the expected ability of AKITA to fund new projects; the expected board and management team of AKITA; the anticipated funding sources for AKITA entered into in connection with the Plan of Arrangement; anticipated investment highlights and operational and financial outlook of AKITA including anticipated synergies, growth opportunities, operating results, financing flexibility, leadership team and number of customers; anticipated regulatory approvals required under the Plan of Arrangement, including approval under the Competition Act(Canada) and Toronto Stock Exchange approval; and the anticipated benefits of the Plan of Arrangement for shareholders of Xtreme and AKITA, including potential value creation, an improved liquidity profile of AKITA and the continued payment of dividends.

Such forward-looking information reflects the current views of AKITA and Xtreme with respect to future events and are based on certain key expectations and assumptions made by AKITA and Xtreme. Completion of the Plan of Arrangement is subject to a number of conditions which are typical for transactions of this nature. Assumptions have been made with respect to the satisfaction of all conditions precedent under the Plan of Arrangement Agreement. Although AKITA and Xtreme believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information as neither AKITA nor Xtreme can give any assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks in respect of the Plan of Arrangement. These include, but are not limited to: the failure to satisfy any of the conditions to completion of the Plan of Arrangement; the failure to obtain all required court, regulatory and third party approvals, including, without limitation, the required approval under the Competition Act(Canada) and Toronto Stock Exchange approval; the failure of AKITA to obtain the required financing required pursuant to the Plan of Arrangement Agreement; the emergence of a superior proposal in respect of either party or the failure to obtain approval of the AKITA shareholders or Xtreme shareholders may result in the termination of the Plan of Arrangement; the failure to realize anticipated benefits and other synergies; risks regarding the integration of AKITA and Xtreme; and the incorrect assessment of the value of AKITA and/or Xtreme. In addition, general factors and risks include, but are not limited to: the strength of the oil and gas industry, including drilling activity; general market conditions; fluctuations in commodity prices for oil and the prices AKITA and Xtreme receive, and will receive for their drilling rates; fluctuations in interest rates and exchange rates; financial covenants in debt agreements that may be restrictive; the effectiveness of AKITA and Xtreme's cash flow management activities and cost rationalization initiatives; AKITA and Xtreme's ability to secure future capital to support and develop their respective businesses or combined business following completion of the Plan of Arrangement; AKITA or Xtreme's ability to secure alternative financing, if needed, at all or on terms acceptable to AKITA or Xtreme, as applicable, and consistent with their respective capital structure objectives; the highly cyclical nature of the contract drilling business in which AKITA and Xtreme expects to operate; the competitive environment of AKITA and Xtreme's industry in Canada and the United States; dependence on AKITA and Xtreme's applicable senior management teams and other operations management personnel with contract drilling industry experience; potential operational and safety risks and hazards, obtaining insurance for such risks and hazards on reasonable financial terms and potential failure of meeting customer safety standards; the seasonal nature of AKITA and Xtreme's operations; timing and term of contracts for AKITA and Xtreme's services; risk of pending and future legal proceedings; risk to AKITA and Xtreme's reputation as a result of the Plan of Arrangement or otherwise; AKITA and Xtreme's ability to attract, retain and integrate skilled employees; open access for new industry entrants; and such other risks or factors described from time to time in reports AKITA files and will file with securities regulatory authorities.

Additional information on these and other factors that could affect AKITA or Xtreme's operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking information will not occur. Many other factors could also cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking information and readers are cautioned that the foregoing list of factors is not exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Furthermore, the forward-looking information contained in this presentation is made as of the date of this document and, in each case, is expressly qualified by this cautionary statement. Unless otherwise required by law, neither AKITA nor Xtreme intend, or assume any obligation, to update any such forward-looking information.

All values are in Canadian dollars unless otherwise noted



AKITA / Xtreme Proposed Combination Summary

Consideration	<ul style="list-style-type: none"> – Xtreme shareholders shall receive 0.29 Class A non-voting AKITA common share and \$0.59 cash consideration for each Xtreme common share – An Xtreme shareholder may elect to receive a different combination of AKITA Class A share and cash, in each case subject to proration such that the aggregate consideration to be paid by AKITA will not exceed \$45 million in cash and will not exceed 22,235,458 AKITA Class A shares – This represents total consideration of \$2.63 per Xtreme common share (based on AKITA's 20 day volume weighted average trading price ("VWAP") for the 20 trading day period ending June 4, 2018) – Implies a 32% premium to Xtreme's 20 day VWAP as of June 4, 2018
Board / Management	<ul style="list-style-type: none"> – One member of the Xtreme board of directors will join the AKITA board at closing – AKITA's current management to remain post transaction
Support	<ul style="list-style-type: none"> – Both AKITA's board of directors and Xtreme's board of directors unanimously support the transaction
Financing	<ul style="list-style-type: none"> – Cash consideration is fully funded
Approval and Timing	<ul style="list-style-type: none"> – Shareholder vote required for both companies – Standard regulatory approvals and closing conditions apply – Expected to be completed in Q3 2018

AKITA Positioned as a North American Leader

Market Leader	<ul style="list-style-type: none">– Leading intermediate pure play North American drilling company focused on high spec assets– Excellent mix of top tier Canadian and U.S. customers– Presence in major resource basins in North America– Increased depth of operational expertise for continued focus on top tier customer service
Financial Scale and Flexibility	<ul style="list-style-type: none">– Significant financial flexibility with a \$120 million and a US\$5 million credit facility at closing– Continuing focus on returning capital to shareholders through the dividend– Scale allows continued growth of high spec assets and optimization of current fleet
Material Synergies	<ul style="list-style-type: none">– \$8 million+ in annual recurring synergies and efficiencies expected to be achieved– Creates value and efficiency for customers, shareholders and other stakeholders
Expanded Geographic Footprint	<ul style="list-style-type: none">– Exposure to all Canadian and U.S. oil and natural gas plays– Combines Xtreme’s super spec assets in the U.S. with AKITA’s top tier Canadian fleet
Experienced Leadership	<ul style="list-style-type: none">– AKITA’s 25 year history, seasoned executive leadership and management team will remain in place to lead the pro forma Company– Experienced board of directors with a complementary mix of skills and expertise

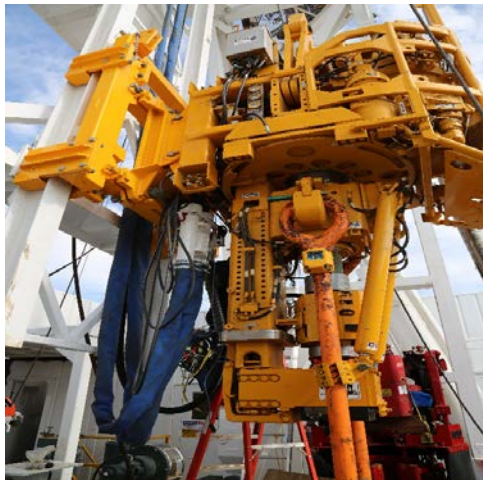
The combined Company will be in a strong position to generate significant value for the shareholders of AKITA and Xtreme

Company Snapshot



Pro Forma

Class A / Common Shares Outstanding - FD (Millions)	16.3	75.6	38.2
Share Price - June 4, 2018	\$6.76	\$1.95	\$6.76
Class B Shares Outstanding - FD (Millions)	1.7	n.a.	1.7
Share Price - June 4, 2018	\$7.21	n.a.	\$7.21
Market Cap (\$ Millions)	\$122	\$147	\$270
Net Debt (\$ Millions) ⁽¹⁾	\$2	\$10	\$56
Enterprise Value (\$ Millions)	\$124	\$157	\$326

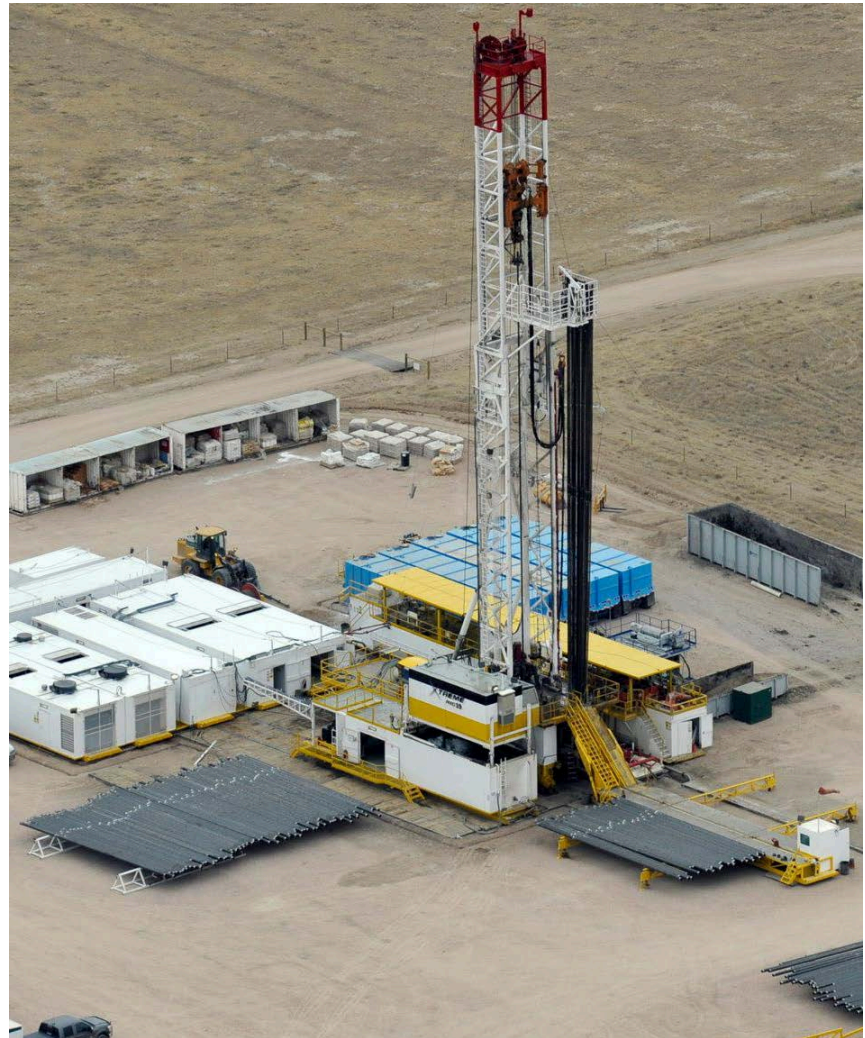


(1) Balance sheet as at March 31, 2018; pro forma includes adjustments to option proceeds; excludes transaction cost

Significant Synergies and Efficiencies

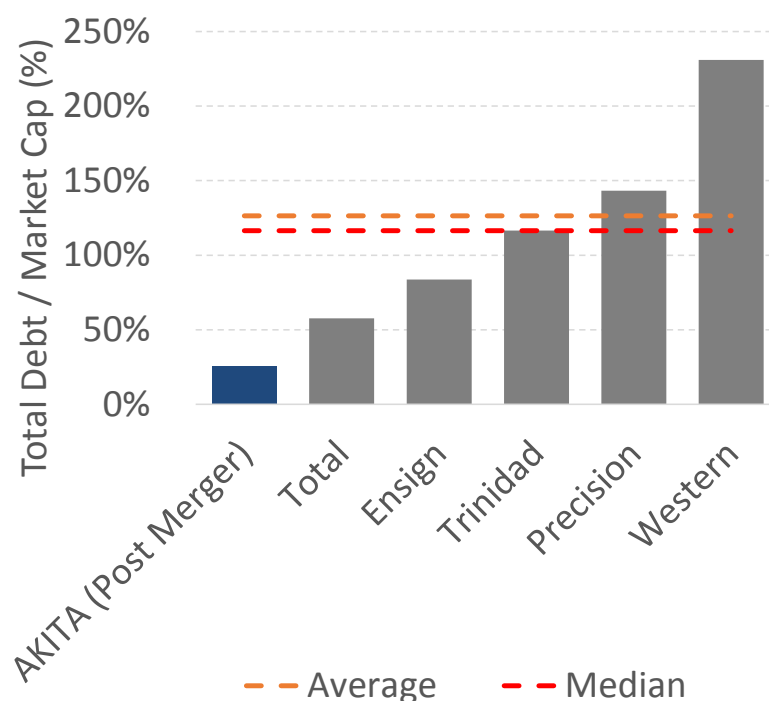
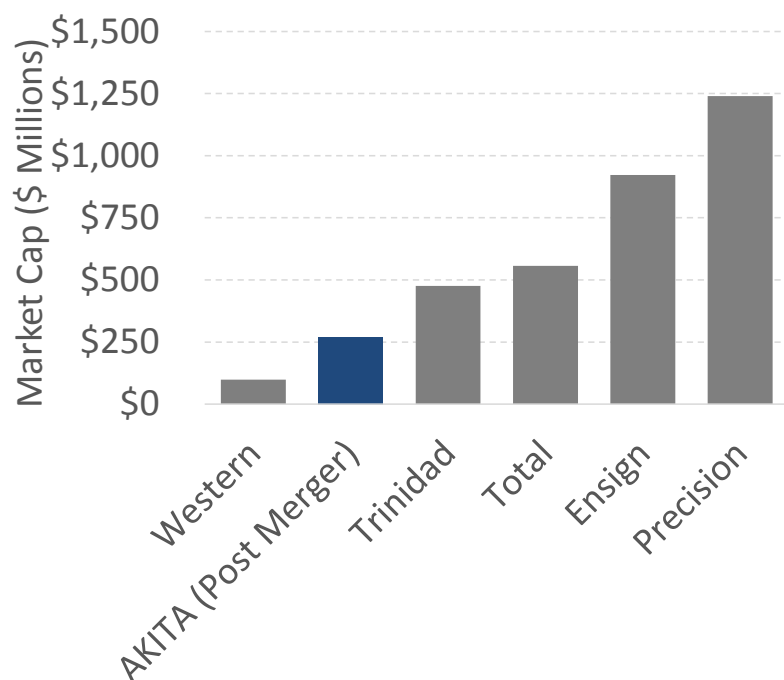
Estimated \$8 million in annual synergies and efficiencies expected

- \$8.0 million in cost synergies expected from the reduction of corporate overhead (rent, public listing & reporting cost, professional fees), redundancies and from operational efficiencies through adopting best practices of both companies
- Larger fleet allows improved economies of scale with inventory management, safety processes and operational management



AKITA / Xtreme Pro Forma Capitalization

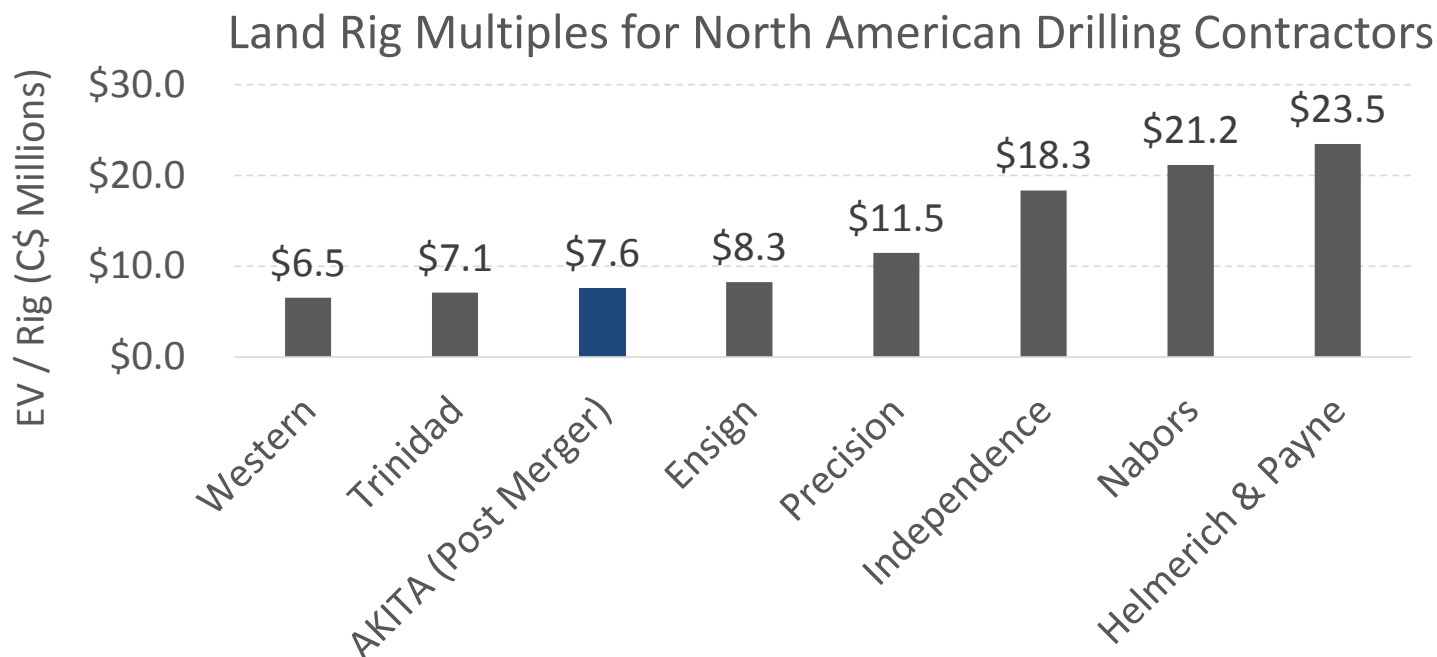
- The combination is expected to increase liquidity, enhance market profile to attract a broader investor base, and improve access to capital markets
- Combined entity will have relatively low leverage compared to its peers



FactSet as of June 4, 2018; Total Debt as of March 31, 2018 balance sheet
Average and median Total Debt / Market Cap lines exclude Pro Forma from calculation

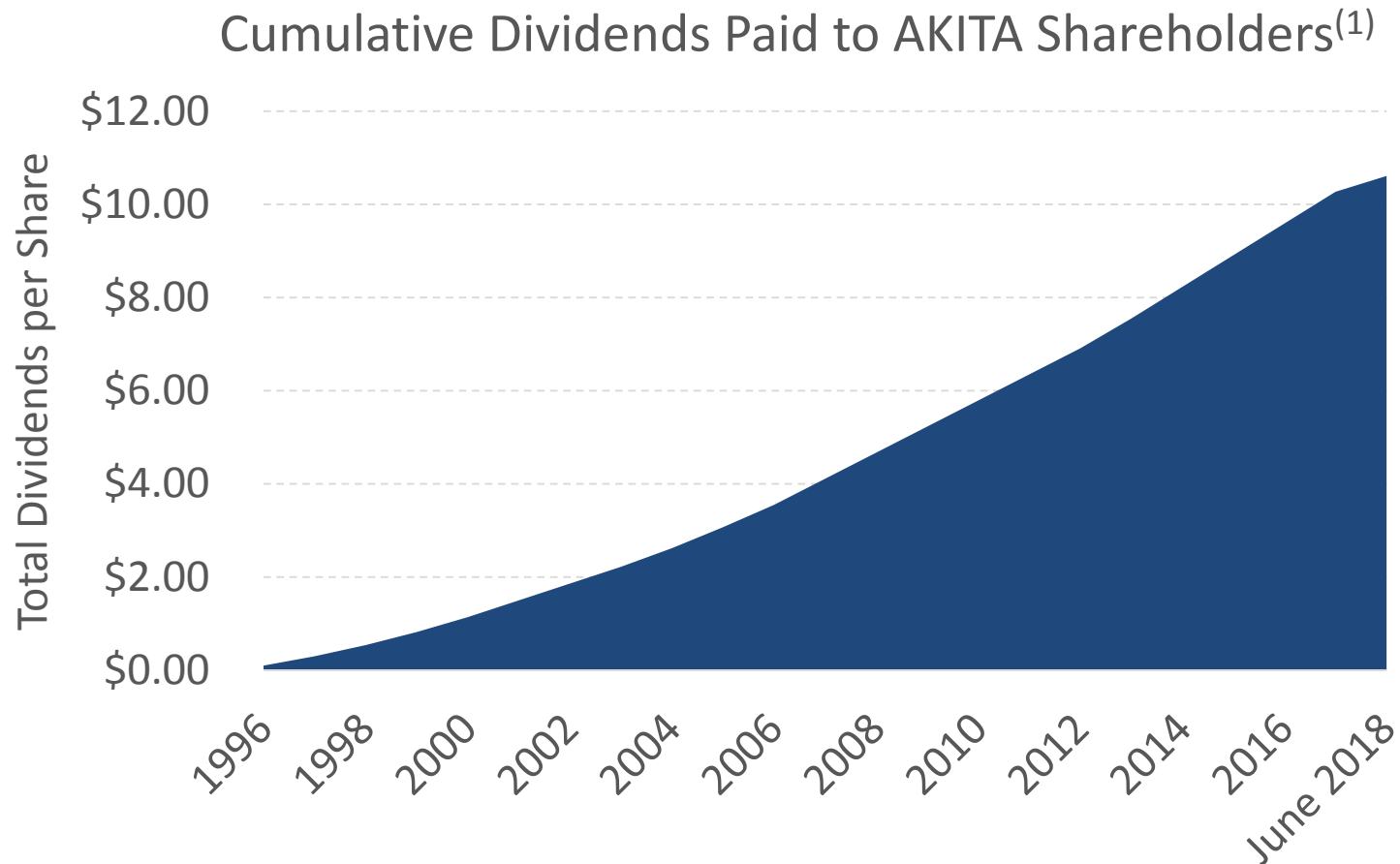
AKITA / Xtreme Pro Forma Relative Valuation

- U.S. focused drillers with high quality fleets trade at a meaningful premium which supports AKITA's recent strategic entry into the U.S. as well as the combination with Xtreme's high-spec and premium-spec U.S. rig fleet




FactSet as of June 4, 2018; USD amounts have been converted into CAD amounts using June 4, 2018 spot rate
Rig counts as per company disclosures and includes all global onshore rigs owned by the company
Excludes peers with significant non-contract drilling operations

Returning Capital to Shareholders



(1) Calculation is based on 1 AKITA Class A share in 1996; AKITA's shares underwent a 2:1 stock split in 2005











AKITA's Experienced Management

Management Team	Biography	Years of Service
 <p>Karl A. Ruud President and CEO</p>	<p>Mr. Ruud was appointed President and Chief Executive Officer of AKITA in July 2009 and has been a senior officer since the company's formation. Mr. Ruud has extensive drilling knowledge, both in Canada and internationally, and has a broad range of experience across all aspects of AKITA's business. Mr. Ruud is responsible for all phases of performance and has been instrumental in the development and execution of the company's pad rig strategy.</p>	40 years
 <p>Darcy Reynolds VP, Finance and CFO</p>	<p>Mr. Reynolds was appointed Vice President, Finance and Chief Financial Officer in March 2017, and previously served as Vice President, Finance from March 2016 to February 2017. Mr. Reynolds has been with AKITA since January 2011. He is responsible for the Company's finance, accounting, taxation and treasury functions.</p>	7 years
 <p>Raymond T. Coleman Senior Vice President</p>	<p>Mr. Coleman was appointed Senior Vice President in December 2015 and previously served as Vice President, Operations from May 2010 to November 2015 and Operations Manager from October 2006 to April 2010. Mr. Coleman is responsible for Marketing, Operations and Engineering including the day-to-day operating performance and maintenance programs for the Company's rig fleet.</p>	30 years

AKITA's Experienced Management Cont'd

Management Team	Biography	Years of Service
 <p>Fred O. Hensel VP, Marketing</p>	<p>Mr. Hensel was appointed Vice President, Marketing in May 2009 and previously served as the Vice President, Marketing for the South from May 2006 to April 2009. Mr. Hensel is responsible for the attainment of term drilling contracts, maintaining market share and ensuring that AKITA fosters strong business relations with the top oil and gas companies in the industry.</p>	29 years
 <p>Colin A. Dease Corporate Secretary and Legal Counsel</p>	<p>Mr. Dease's role as Corporate Secretary and Legal Counsel began in November 2011. In addition to his role as Corporate Secretary and Legal Counsel, Mr. Dease is currently responsible for AKITA's joint ventures and the development of new business opportunities.</p>	7 years
 <p>Craig Kushner Director HR</p>	<p>Mr. Kushner was appointed to Director of Human Resources in 2011, having previously served in several other roles throughout AKITA and its predecessor company. Mr. Kushner has broad drilling and administrative experience and is currently responsible for the company's human resources, safety, training and environmental functions.</p>	32 years

Scale on Both Sides of the Border

AKITA's Fleet	Xtreme's Fleet
– 14 Pad Triples  	– 3 850 XE's 
– 2 Triples 	– 10 XDR 500's 
– 3 Pad Doubles 	– 3 XDR 300's 
– 4 Doubles 	
– 1 Pad Single 	
– 4 Singles 	
28 rigs ⁽¹⁾	16 rigs ⁽²⁾

Total Combined Fleet of 44 Rigs⁽¹⁾⁽²⁾

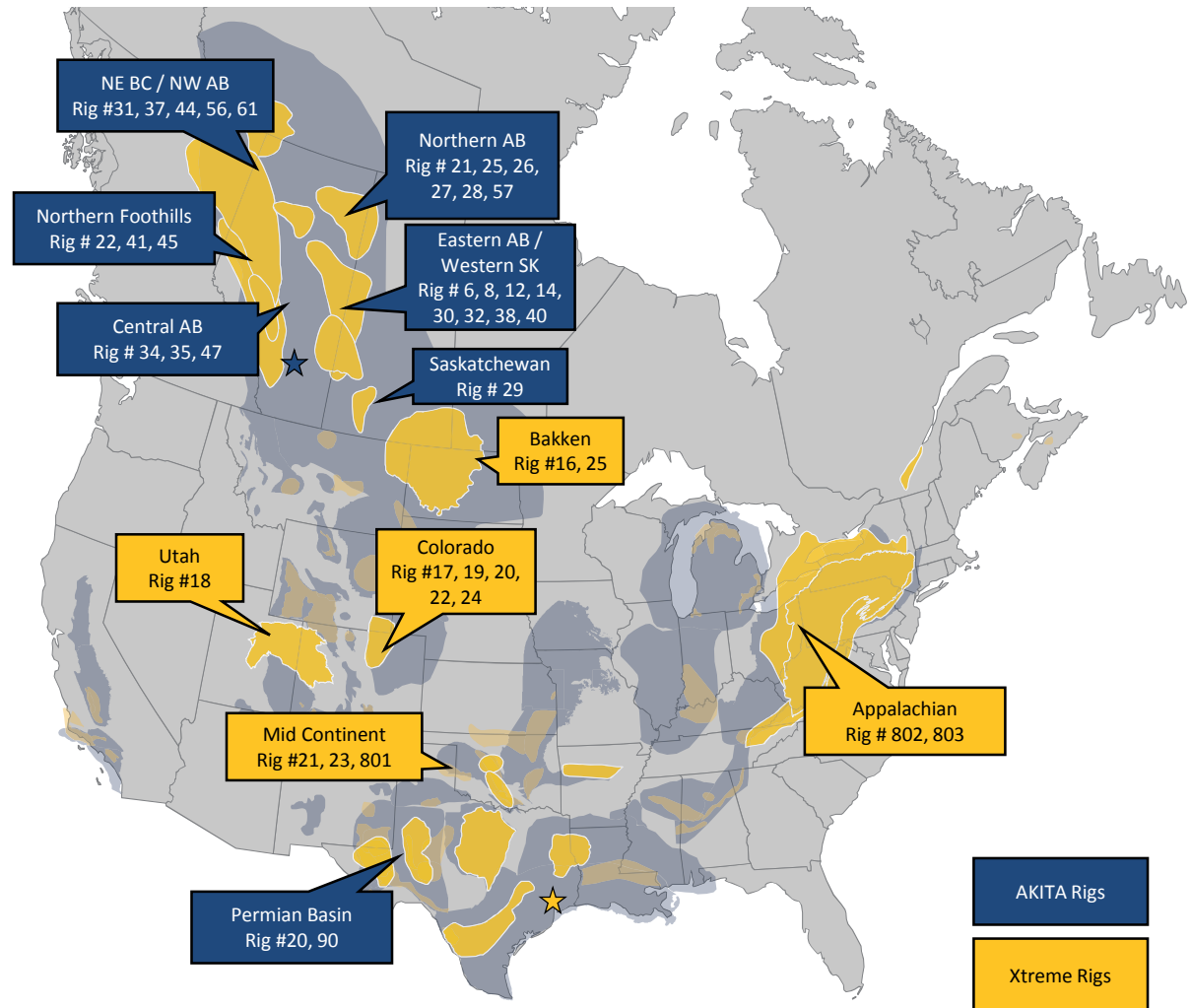


(1) 5 rigs are under JV (26.75 rigs are net to AKITA)



(2) Includes 3 AC single rigs held for sale by Xtreme

Strategic Fit



- No overlapping geography between AKITA and Xtreme
- Pro forma Company will benefit from exposure to 2 different customer bases
- North American diversification
- Increased market share with some existing customers



High Spec Combined Fleet

Hook Load			Total
≥ 750,000 lbs	4	4	8
500,000 – 749,999 lbs	10	11	21
<500,000 lbs	12	3	15
Total	26	18	44

Benchmarking Rig Specifications

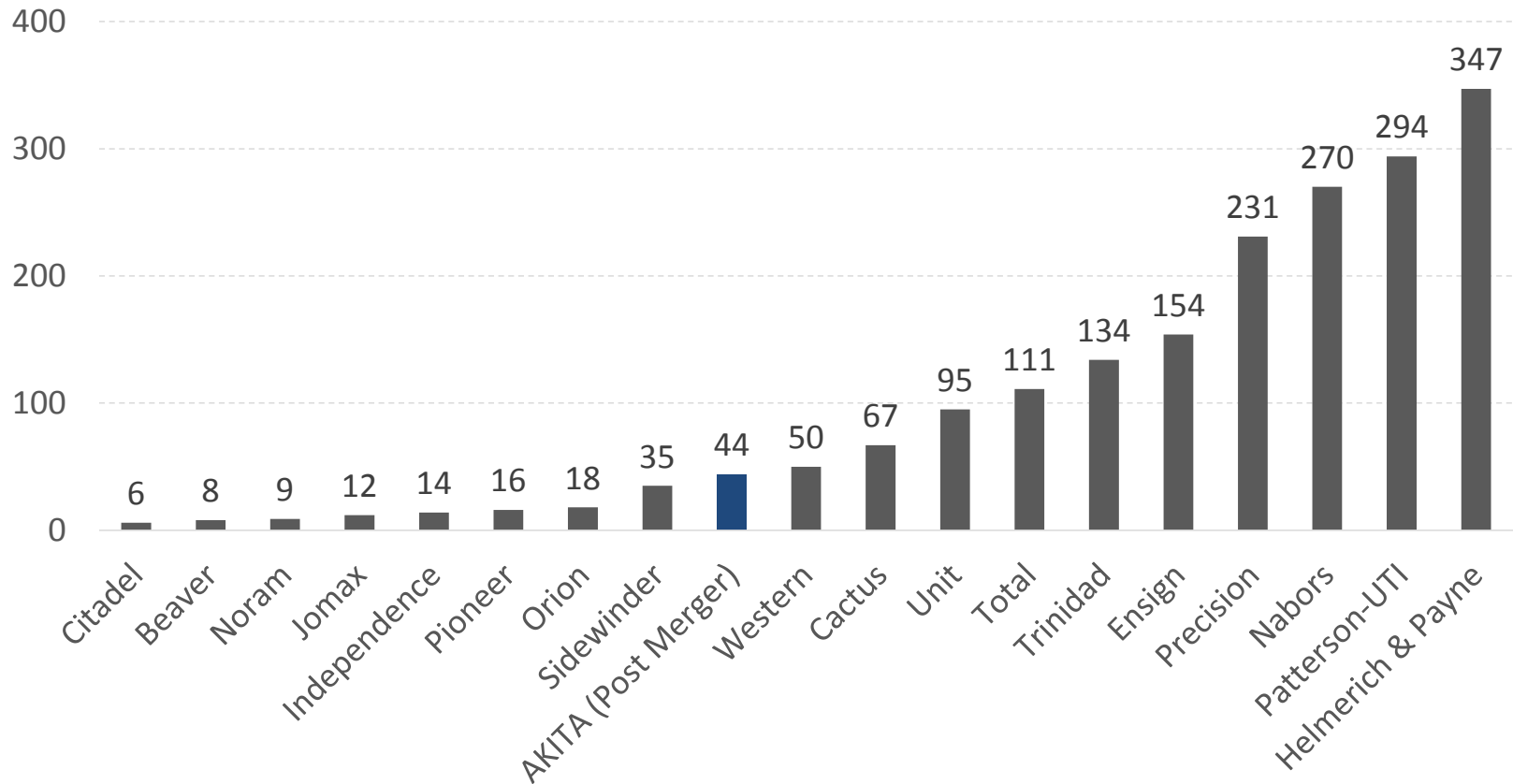
Model	Super Spec Rigs		Premier Spec Rigs		
	H&P	Independence	Nabors	 XTREME DRILLING	 AKITA DRILLING LTD.
	Flex Rig	Shale Driller	PACE M800	850XE	Rig 90
Max Hook Load	750,000 lbs	750,000 lbs	800,000 lbs	850,000 lbs	1,250,000 lbs
Drill Pipe Racking Capacity	25,000 ft	20,000 ft	30,000 ft	30,000 ft	30,000 ft
Setback Rating	622,000 lbs	500,000 lbs	750,000 lbs	750,000 lbs	1,000,000 lbs
Rig Horse Power	1,500 HP (1) 1,500 HP AC motor	1,500 HP (1) 1,500 HP AC motor	3,000 HP (2) 1,500 HP AC motor	1,800 HP (1) 1,800 HP AC motor	3,000 HP (2) 1,500 HP AC motor
Mud Pumps	(2 or 3) 1,600 HP	(3) 1,600 HP	(3) 1,600 HP	(3) 1,600 HP	(3) 2,400 HP
Top Drive	AC 500 Ton NOV-TDS-11SA	AC 500 Ton NOV-TDS-11SA	AC 500 Ton Canrig 1250	AC 500 Ton Bentec 500 XT	750 Ton AC Tesco ESI 1350
Primary Power Engines	(3) Cat 3512C 1,476 HP ea.	(3) Cat 3512 1,476 HP ea.	(4) Cat 3512C 1,476 HP ea.	(4) Cat 3512E 1,476 HP ea.	(5) Cat 3512E 1,476 HP ea.
Skidding / Walking System	Walking	Walking	Walking	Walking	Walking
Pad-to-Pad Move Time	N/A	48	48	48	N/A

- AKITA and Xtreme's premier super spec rigs are well suited for extended reach laterals, and their best in class power allows the customers to push the throttle

Source: AKITA and Xtreme Management

Land Drilling Competitive Landscape

U.S. and Canada On-shore Rig Count



Source: Company filings and disclosure

AKITA (Post Merger) rig count includes 3 AC single rigs held for sale by Xtreme

Transaction Highlights

- Focus on high-spec drilling rigs and disciplined operations
- Presence in major resource basins in North America
- Scale to build and optimize fleet in high growth basins
- Highly experienced team with 25 years track record at AKITA
- Return of capital to shareholders through continued dividend (at the board's discretion)
- Balance sheet strength with a \$120 million and a US\$5 million credit facility
- Supportive shareholders and deeply experienced board



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