

CORPORATE PRESENTATION
2019 ANNUAL RESULTS

FEBRUARY 19, 2020



EVERYONE GETS HOME SAFE



are recognized as an integral part of our business
Process & practices based on conviction that ALL workplace incidents are preventable

Q4 2019 – Business Highlights



Strong finish to 2019 with Q4 revenue of \$189 million bringing full year over year increase to 75%

Organic growth of 15% provided upside to the 60% achieved through growth capital and the 2018 acquisitions

Record external maintenance deliveries in Q4 bolstered organic growth (pictured below)

Full year gross margin of 13% reflects impact of integration with 2020 set to improve on investments made

33 ultra-class trucks purchased and operating in heavy equipment fleet

Achieved further organic diversification with the January 2020 execution of another 5 year mine services agreement for a coal mine in Texas with a renewal option

Component rebuild facility completed and operational in mid-January 2020

With growth capital invested, heavy equipment fleet of over 775 assets with replacement value of \$1.8 billion

Growth & sustaining investments made to date provide line of sight to reiterate 2020 free cashflow range of \$70 to \$100 million



2020 Outlook – Focus on Execution



In 2019, we integrated two acquisitions, commenced operations at a coal mine in Wyoming, incorporated the ultra-class fleet, and expanded our maintenance capabilities, all while maintaining a world class safety culture

OPERATIONAL FOCUS IN 2020

Continue to drive our zero harm culture by avoiding complacency in maintaining a safe workplace

Maximize equipment utilization with capital now invested and opportunity to operate higher hours in 2020

Adjusted EBIDA¹ and EPS



Revenue in Q4 up 45% from full quarter of operating acquired fleet which was purchased in late November 2018

Other dives include the commissioned ultra class fleet and strong external maintenance Q4 deliveries

Gross margin¹ of 13% down from Q4 2018 due to mix of work and unfavourable operating conditions

Gross margin also impacted by persistent increased catch up repair costs on the acquired fleet

Cash Provided by Operating Activities



(figures in millions of Canadian dollars unless otherwise stated)

	Q4 2019	Q4 2018	2019	2018
Cash provided by operations prior to change in working capital ¹	\$45		\$49	
Net changes in non-cash working capital	37		9	
Cash provided by operating activities	82		58	
Sustaining capital ¹	(\$24)		(\$12)	
Free cash flow ¹	\$59		\$26	

Cash provided by operations in Q4 of \$45 million² was generated from adjusted EBITDA¹ less cash interest paid

Adjusted EBITDA of \$48 million correlates to \$45 million of cash provided by operations prior to working capital

Cash interest paid of \$5 million reflects debt required to fund 2018 acquisitions and recent growth capital

Sustaining capital¹ in the quarter of \$24 million² consistent with expectation on expanded heavy equipment fleet

Q4 spending made up almost exclusively of routine maintenance spending

Spending level consistent with componentized depreciation in the quarter

Working capital change of \$37 million² benefited free cash flow¹ as higher AR & lower AP balances from Q3 reversed

Year over year working capital impact not significant to overall cash generation

Free cash flow¹ generation of \$26 million² reflects a year of integration & growth

Balance Sheet

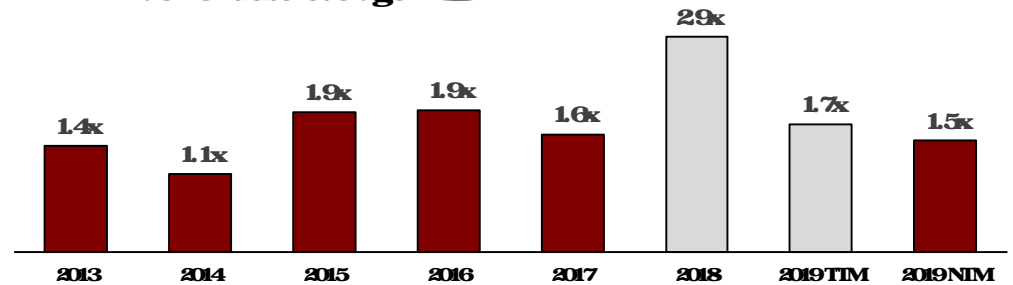


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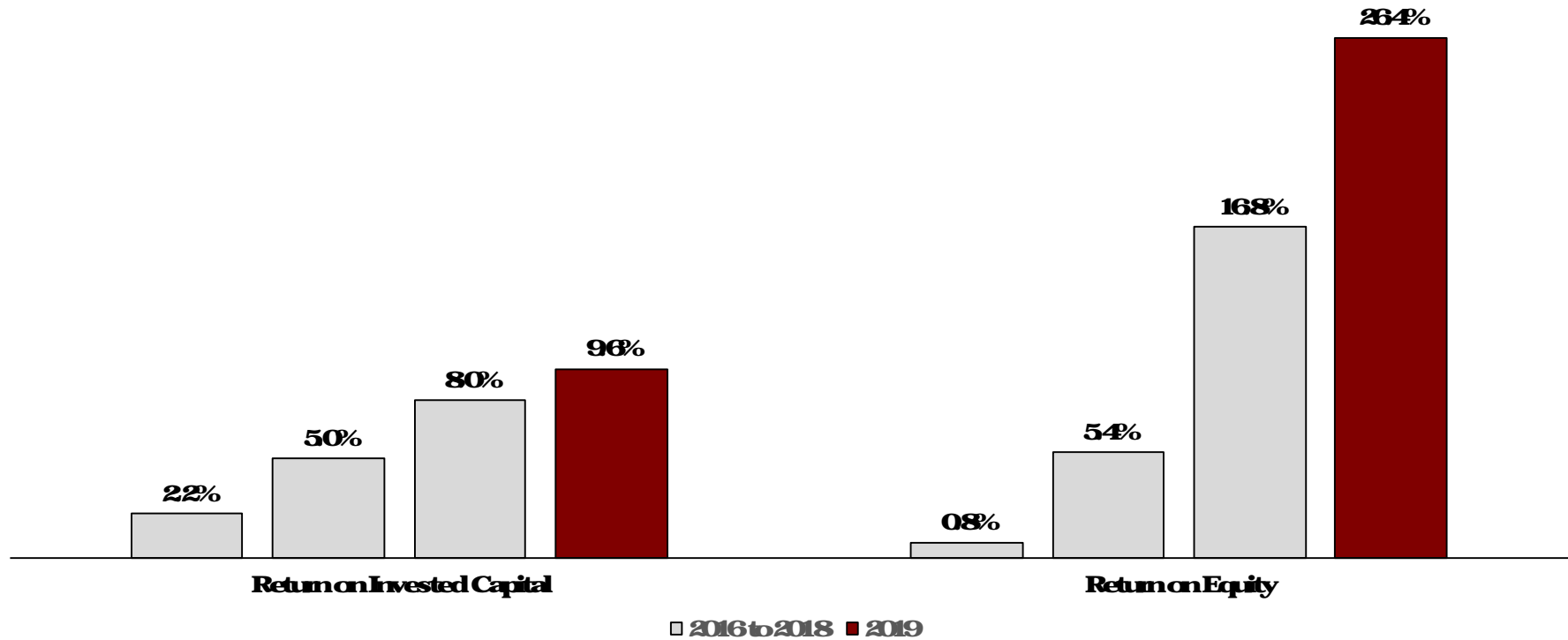
Senior debt¹ reduction in Q4 2019 of \$ million²

Q4 pay-down led to a net 2 dQnd 4

Senior debt leverage



Returns on Capital & Equity



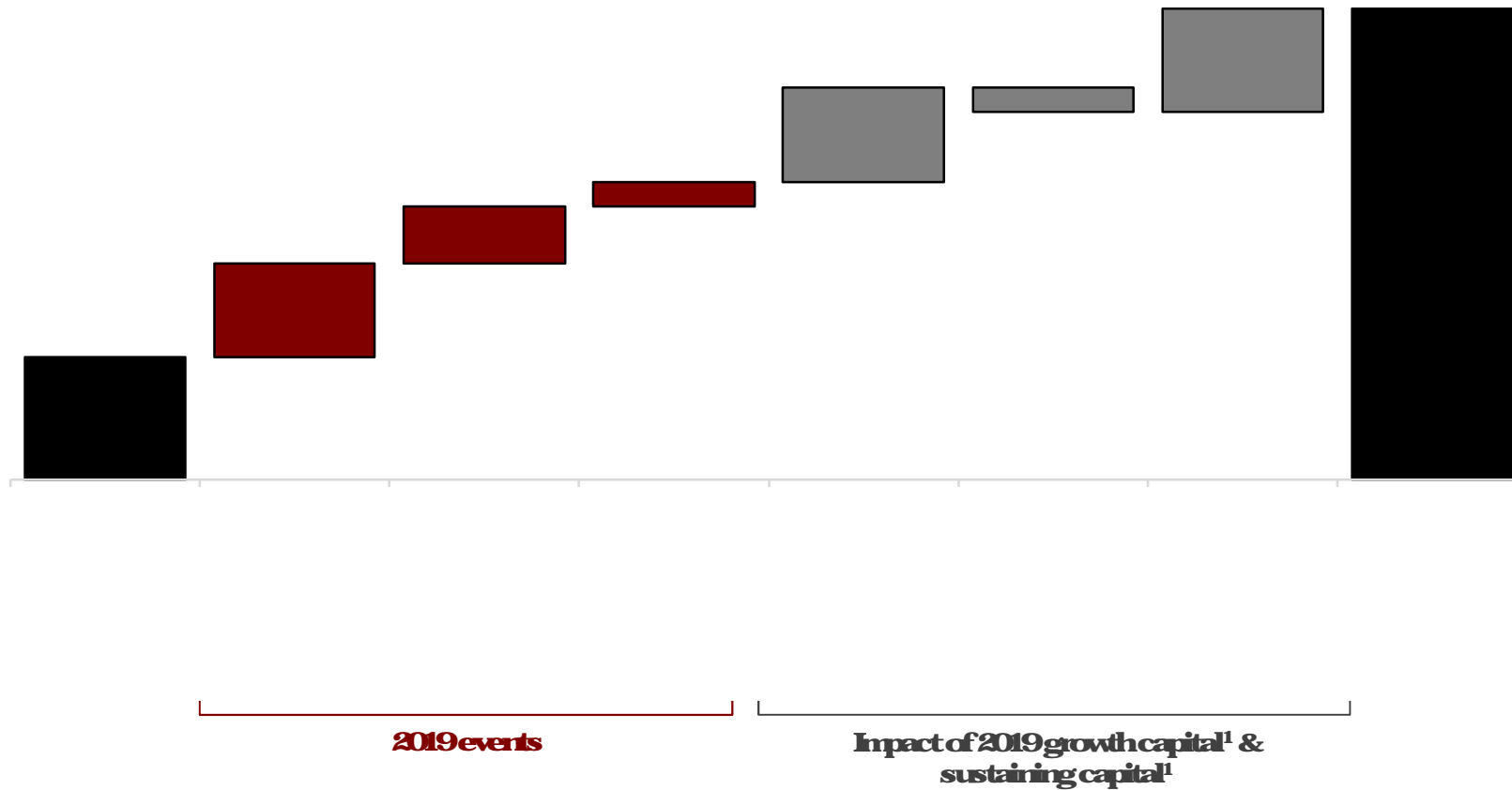
Positive trends from 2016- 2019 in ROIC¹ & ROE¹ demonstrate strong underlying

2020 Outlook

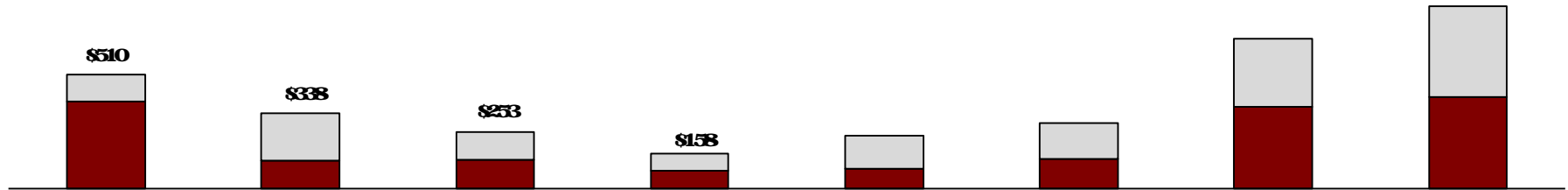


Long-term strategic capital investments in 2019 establish strong free cash flow¹ outlook for 2020

2020 Free Cash Flow¹ Outlook



With acquisitions integrated, clear line of sight to 2020 free cash flow¹ and debt reduction



Dive for Diversification (1 of 2)



ACCOMPLISHMENTS TO DATE

Diversification

Geographic

Customer

Resource / Service Line

1. November 1, 2018- ownership interest in Nura Group of Companies

Diamonds, precious
- metals, base metals

2. June 21, 2019- 5 year mine management contract for Wyoming coal mine

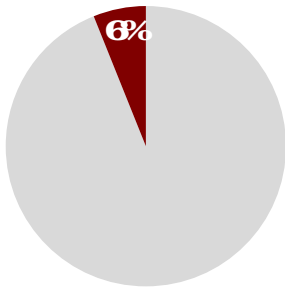
- Coal

3. December 2019- External maintenance deliveries at target levels

- Rebuilt equipment

~25% of adjusted EBIT¹ in 2019 was generated from outside the Canadian oil sands

2018 Actual



Appendix



Company Overview



Premier provider of mining services and heavy construction in western Canada with over 65 years in business

49% interest in Nuna Group of Companies, the premier mining contractor in northern Canada for more than 25 years

Mobile fleet of over 775 heavy assets provides operational flexibility and is backed by fleet of support equipment

TSX and NYSE listings: "NOA"

Share price: \$14.21

52 week low/high: \$12.87/\$18.36

Market capitalization: \$366.3 million

Shares outstanding: 25.8 million

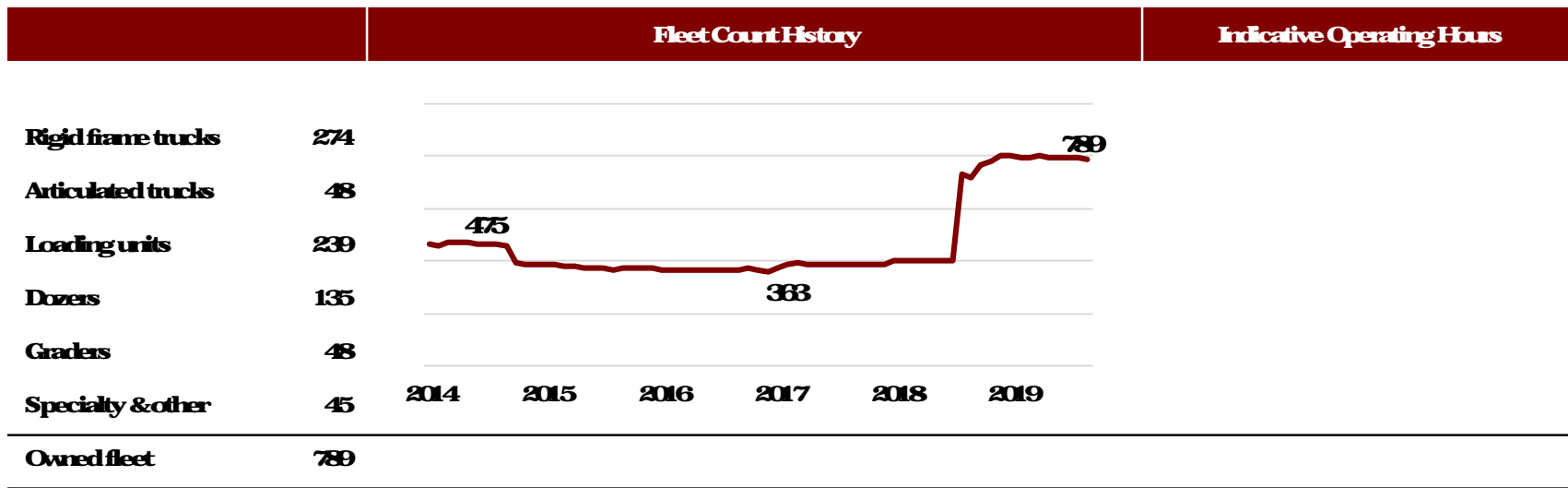
Dividend of \$0.04 per share paid quarterly

S&P Rating: 'B' | Positive outlook

From [] to []
, our experienced teams provide safe, cost-effective solutions in challenging environments

Mining Services

Heavy Construction



Nuna Group of Companies



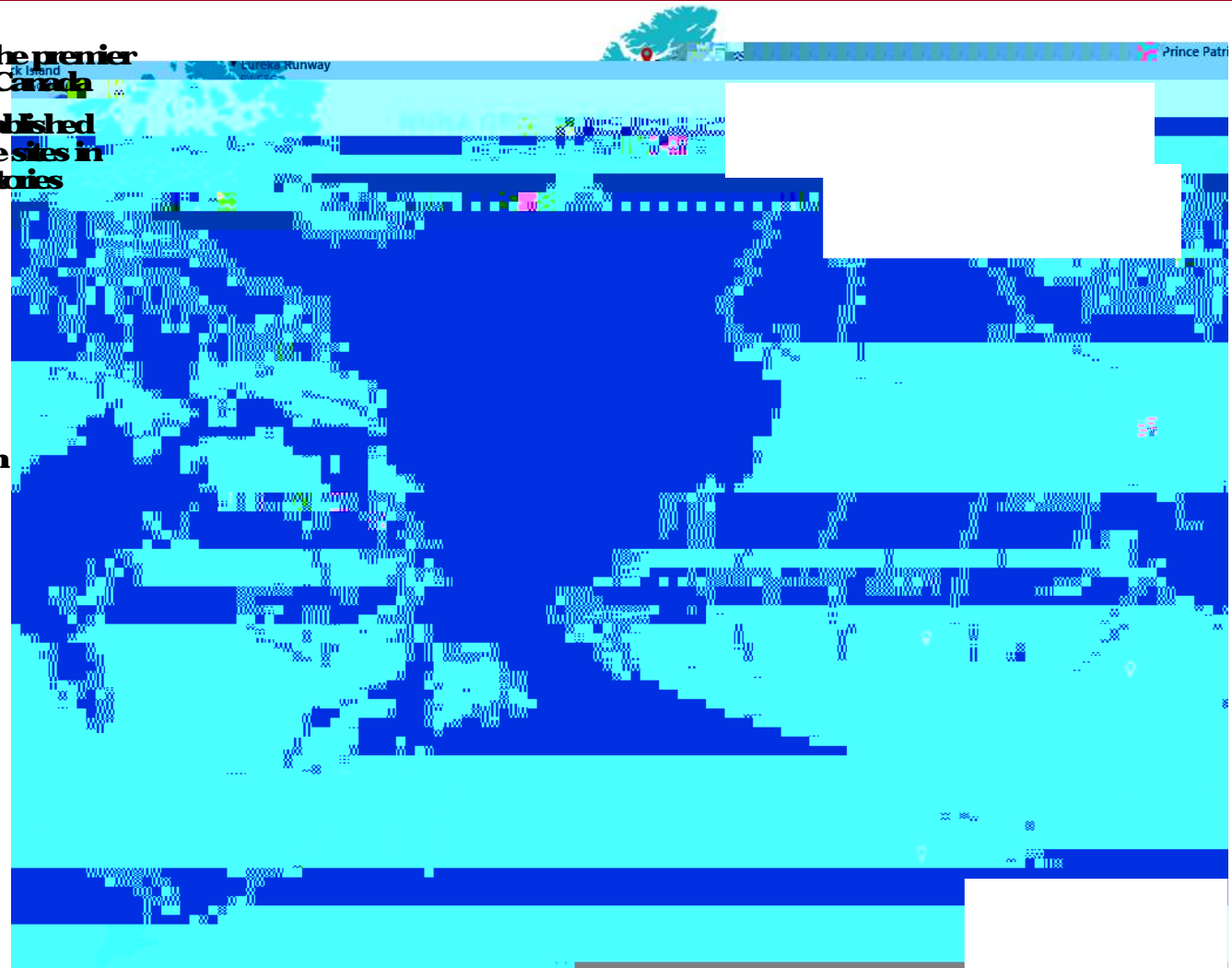
Nuna Group of Companies is the premier mining contractor in northern Canada

Formed in 1993, Nuna is the established incumbent contractor on the mine sites in Nunavut and the Northwest Territories

Q3 2019 represented strongest quarter of activity on record with momentum continuing to build

Proudly Inuit owned through the Kivliq Corporation, Nuna is poised & accredited to benefit from continued mine development in remote locations, including northern Saskatchewan and Ontario

Over 40% of workforce is Indigenous with joint venture structures in place designed to support local communities



First Nation & Inuit Partnerships



1. Kitilmeot Corporation

Majority partner in Nunavut, Kitilmeot Corporation is a wholly owned business of Kitilmeot Inuit Association

2. Mlisew Group of Companies

Majority partner in Mlisew North American Limited Partnership, the Mlisew Group of Companies, is directly owned by the Mlisew Cree First Nation

3. Dene Sky Site Services

Majority partner of Dene North Site Services Partnership, Dene Sky Site Services is owned by members of the Chipewyan Prairie Dene First Nation

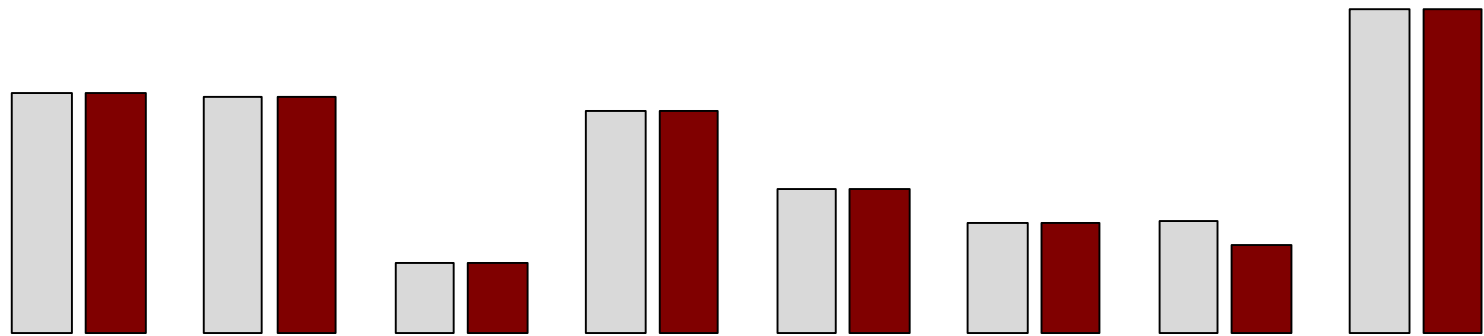
We take great pride & responsibility in our First Nation & Inuit partnerships

Our partners enable us to work effectively in bringing positive changes to the local communities where we operate

Partners bring decades of local experience that improve decision making

Jointly led employment initiatives achieve higher success rate than stand alone initiatives

Collaborative investment opportunities are becoming increasingly common



Notes



Forward-Looking Statements



The information provided in this presentation contains forward looking statements and information which reflect the current view of North American Construction Group Ltd (the 'Company') with respect to future events and financial performance, including the Company's expectation of improving on its full year 2019 gross margin in 2020, reducing debt and attaining a free cash flow range of \$70 to \$100 million in 2020 and all financial outlook information related to 2020. Such forward looking statements represent the Company's views only as of the date of such statements. Forward looking statements are based on management's plans, estimates,

