

Investor Presentation

October 2018



Company Overview

- Premier provider of heavy construction and mining services in western Canada
- Provide comprehensive & integrated approach to customer needs from consultation to completion
- 65 years in business
- TSX and NYSE listings: “NOA”
- Share price: \$13.90 ⁽¹⁾
- 52-week low/high: \$4.92/\$15.66 ⁽¹⁾
- Market capitalization: \$347.5 million ⁽²⁾
- Shares outstanding: 25 million ⁽²⁾
- Annual dividend paid quarterly of \$0.08 per share

Mining



Heavy Construction

1. Toronto Stock Exchange, close of business October 9, 2018

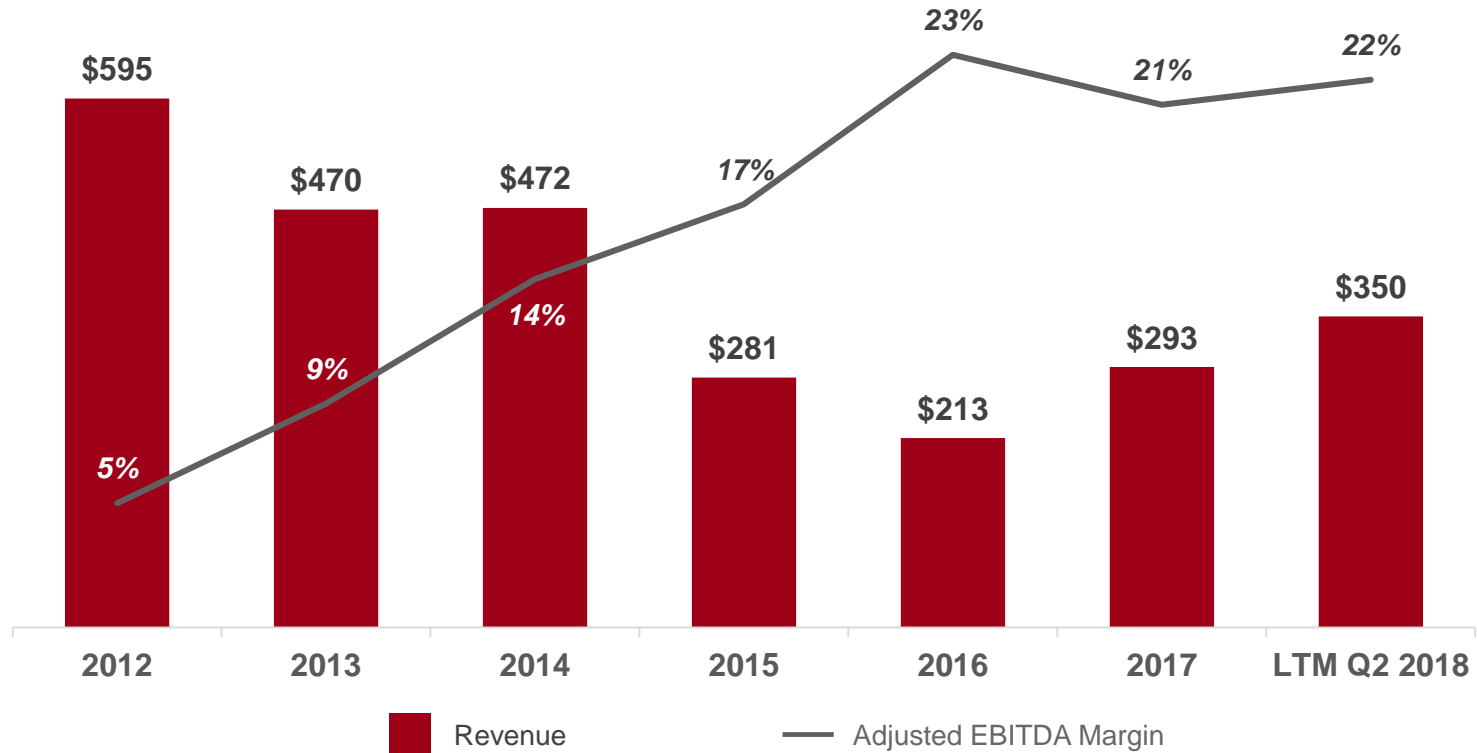
2. Based on common public shares (excludes 2,083,491 shares held in treasury)

Strategic Focus



Dominant Position in Niche Market	<ul style="list-style-type: none">40+ years in Northern Alberta's harsh operating environmentKnowledge to determine optimal solutions for customersOperational excellence in safety, cost structure, productivity & customer satisfactionLong-term customer relationships driven by reliability and on-time delivery of projects
Balance Sheet Management	<ul style="list-style-type: none">Maintaining strong balance sheet with modest use of leverageLowered cost of debt while proactively addressing upcoming debt maturities
Recurrent Revenue	<ul style="list-style-type: none">Improved revenue stream from ~65% to ~88% recurrence from 2015 to LTM Q2 2018Routine operations support versus one-time construction services
Customer Diversification	<ul style="list-style-type: none">Nuna Logistics provides incremental revenue and EBITDA away from the oil sands sectorTargeting resource market and infrastructure projects involving large earthwork volumes
Best-in-Class Maintenance	<ul style="list-style-type: none">Well established maintenance strategy ensuring reliable and safe equipmentCore maintenance facilities strategically located and sized to handle entire fleet
Experienced Leadership	<ul style="list-style-type: none">On average, leadership team each has 32 years of relevant experienceLong-standing client relationships with strong operational expertise

Operational Excellence



Sustained margin improvements during significant economic downturn

Shareholder Activity



Share Purchase Program

- Since October 2013, NCIB activity has resulted in over 10.7 million shares being purchased through the TSX & NYSE facilities
 - Represents more than 98% of approved limit and approximately 30% of total shares available in October 2013

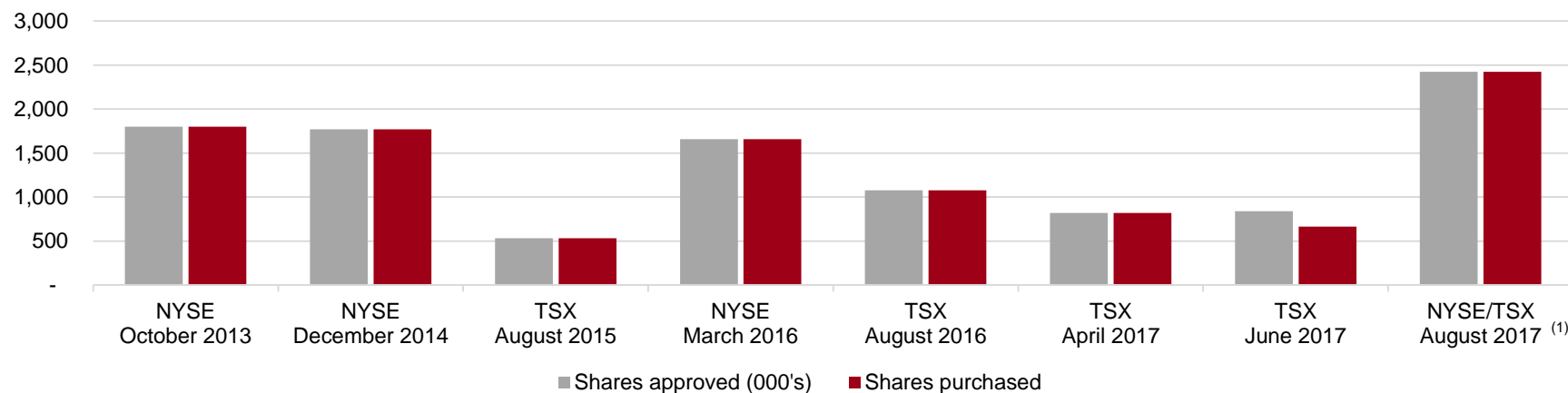
Dividend Payment

- Annual aggregate dividend of \$0.08 per common share payable on a quarterly basis

Long Term Incentive Hedging Plan

- Over 2.7 million shares purchased by the trustee to hedge the three years of distributions for long term incentive plan

Normal Course Issuer Bid ("NCIB") Activity

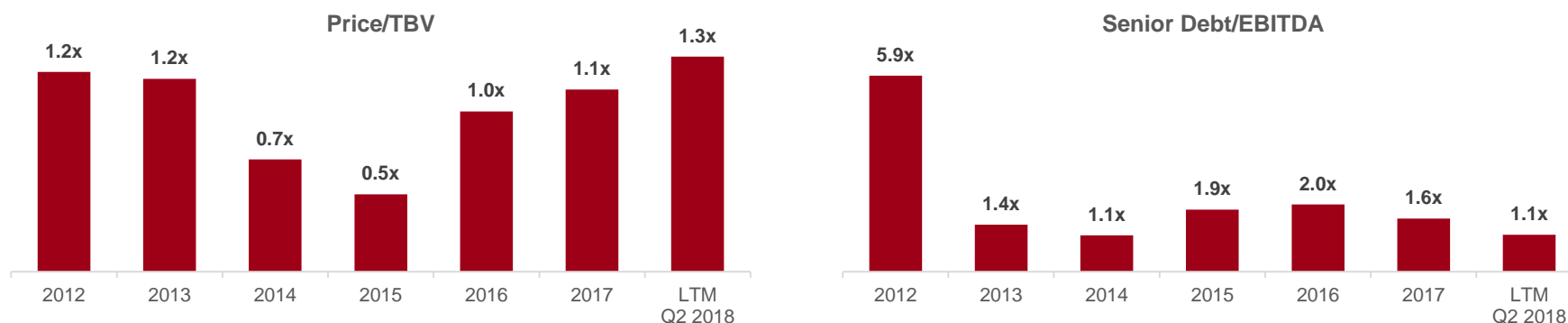


1. Number of shares purchased as of October 9, 2018

Balance Sheet Management



	Period Ending December 31,						June 30,
	2012	2013	2014	2015	2016	2017	2018
Net Debt (\$ million)	390.13	123.32	128.60	78.73	88.13	131.61	131.04
Equity (\$ million)	120.35	215.43	126.35	78.78	146.62	151.44	190.53
Enterprise Value (\$ million)	510.49	338.75	254.95	157.51	234.75	283.05	321.57
EV per Share	14.08	9.87	7.66	4.94	8.29	11.12	13.08
Tangible Book Value (\$ millions)	99.66	184.79	185.19	168.44	157.16	144.99	151.50
TBV per Share	2.75	5.32	5.42	5.28	5.55	5.70	6.16
End of Period Share Price (TSX)	3.32	6.20	3.68	2.47	5.38	6.28	7.75
Period High Share Price (TSX)	6.99	6.45	9.22	3.30	5.57	6.68	8.95
Period Low Share Price (TSX)	2.31	3.32	3.38	2.31	1.95	4.92	6.53
Price/TBV	1.2X	1.2X	0.7X	0.5X	1.0X	1.1X	1.3X



Leverage has remained consistent since 2013 with NACG able to acquire ~30% of its shares

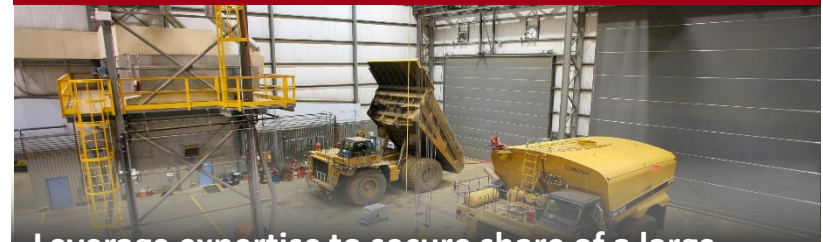
Strong Organic Opportunities

Core Market Upside – Oil Sands



Grow support services through term contracts on existing and new mines

Expand Equipment Maintenance



Leverage expertise to secure share of a large market for third party repair and maintenance services

Additional Resource Markets



Continue to expand construction & mining service offerings to coal, copper, gold, diamond mines

Infrastructure Projects



Secure diversified revenue from infrastructure projects that involve large earthworks volumes

Mine Site Presence – First On, Last Off

Project Development Phase (3-4 years)

- Initial mine site development, project site development, airstrips, piping

Build Relationship

Explore and Design

Major Projects

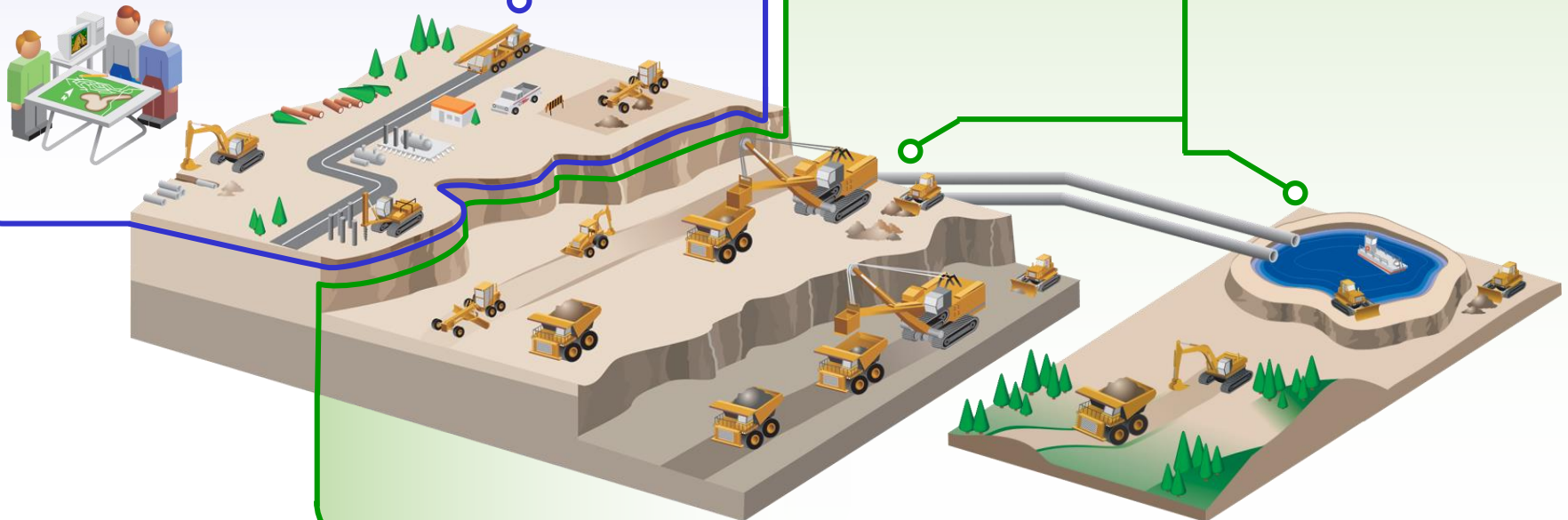
Initial Development and Secondary Upgrades / Expansions

Ongoing Operations Phase (30-40 years)

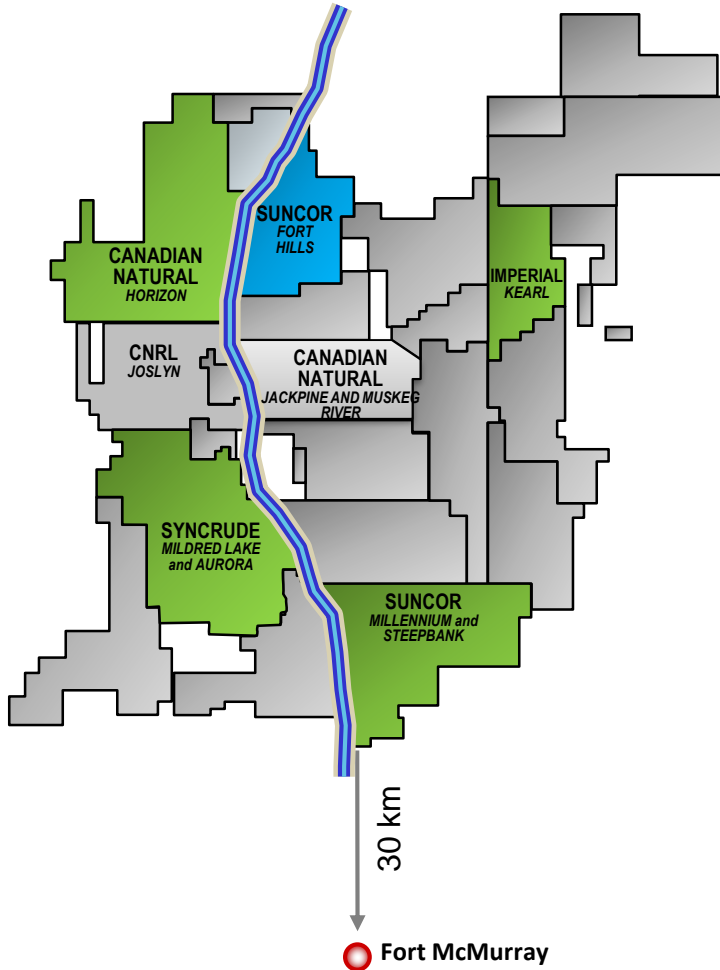
- Overburden removal, mine infrastructure development, reclamation, tailing ponds remediation, equipment and labour supply

Operations Support Services

Operation / Ongoing Services



Oil Sands Customers



- Master services agreement at Mildred Lake and Aurora mines, expires August 2022



- 5-year Multiple Use Agreement covering mining services & construction, expires December 2020
- Extended to cover Fort Hills mine and SAGD (Steam Assisted Gravity Drainage) projects in addition to Millennium and Steepbank mines



- 5-year master services agreement covering civil mine support services expires January 2022



- 5-year master services agreement, expires January 2022

- Activity on existing mine sites
- Activity on new mine sites

New Acheson Facility

- \$28 million Facility Project – 10-bay shop on 20 acres with integrated office
 - Located immediately west of Edmonton
 - Estimated payback of 5 years
 - Move-in ready Q4 2018
- Purpose-built for North American replacing existing Acheson facility
 - 3-times more functional service space
 - The existing Acheson facility is a leased facility (lease coming to an end)
- Fits ultra class mining trucks (400T)
- Growth built-in and specifically designed for further expansion



Best-in-Class Maintenance

Facilities

- New Acheson facility - Major fleet repairs and overhauls
- Ruth Lake facility (Fort McMurray) - Major inspections & repairs
- Site - Maintain unit health and utilization

Maintenance Strategy

- Planning – improved wrench time productivity
- Reliability – increased component utilization
- Suppliers – leveraging partnerships and contract management
- Benchmarking – external comparison of component lives

Competitive Advantages

- Facilities sized to handle entire fleet
- Skilled and stable work force
- Advanced and integrated systems and processes



External Maintenance Opportunity

- Clients looking for options to dealer supplied maintenance model
- Cost structure, facilities, labour, experience and processes in place to compete
- Demonstrated tangible value with clients

Two Transformational Acquisitions



1. On September 20th 2018, NACG entered into a definitive agreement to acquire a 49% ownership interest in Nuna Logistics Limited (“Nuna”), a civil construction and contract mining company based in Edmonton, Alberta



- Expected purchase price of \$42.5M ⁽¹⁾
- Purchase price represents a transaction multiple of ~1.0 x tangible book value; financed through existing credit facility; expected to close early Q4 / 2018

2. On October 3rd, 2018; NACG entered into a definitive purchase and sale agreement to acquire the heavy construction fleet and related assets of Aecon Group Inc. (“Aecon”)



- Purchase of *Contract Mining business* of Aecon for \$199.1M ⁽¹⁾
- Expected to provide NACG with over \$220 million of annual revenue, which is anticipated to be underpinned by term contracts with multiple customers
- Purchase price is consistent with the book value of comparable property and equipment already owned by NACG
- \$10 million deposit upon signing the agreement with the balance of the price paid in four installments (\$153.6M at closing, three payments of \$11.8M paid in 6-month intervals following closing)

Acquisitions result in earnings potential for 2019 that could exceed \$1.60 per share

1. Subject to customary closing adjustments

Nuna - Transaction Rationale



- ✓ Enhances access to resource and infrastructure market in northern Canada
- ✓ Further diversification of customer base and end-market exposures outside of Alberta oil sands
- ✓ Double-digit free cash flow accretion for NACG shareholders including expected synergies

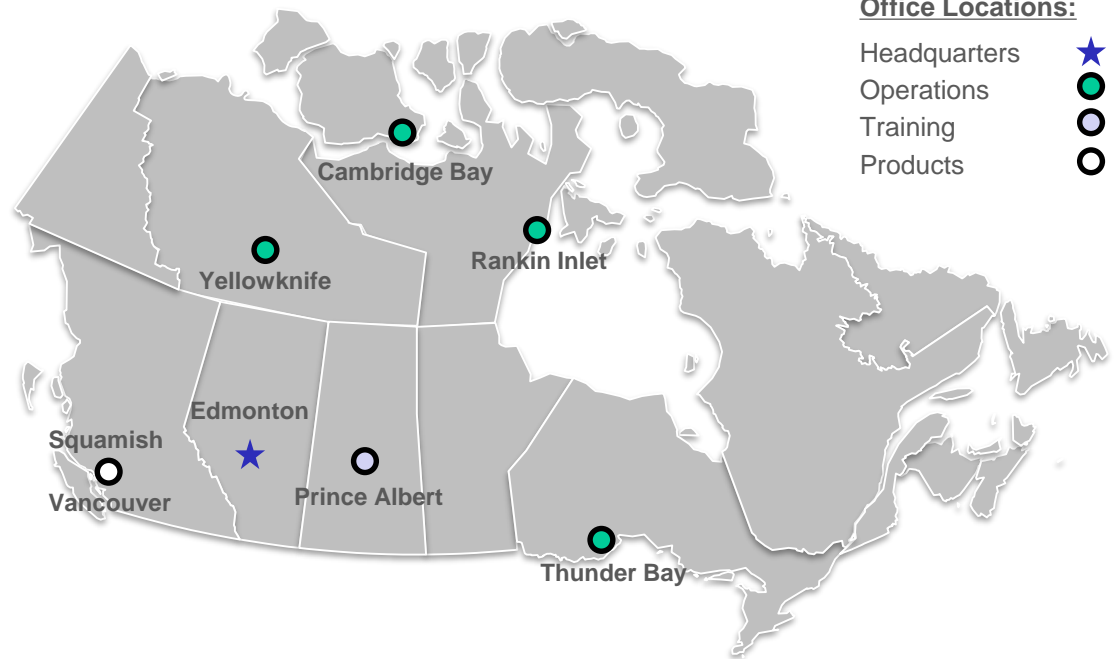
Benefits to NACG

- **Aligned with NACG's strategy:** expands end user coverage into other commodity types (gold, copper, diamond, etc.) and infrastructure related projects that involve major earthworks
- **Opportunity for shared resources:** access to broader equipment fleets, experienced field personnel, and expanded services such as NACG's growing external maintenance services
- **Sizeable:** Meaningful impact on NACG's revenue profile (increase of approximately 20%)
- **Growth platform:** Established market position in northern Canada
- **Premier market access to mines subject to Impact and Benefit Agreements** ⁽¹⁾
- **Accretive:** Nuna's asset light business model highly accretive to EBITDA, EPS and cash flow

1. Impact and Benefit Agreement: Negotiated between resource companies and Inuit communities with objective of reducing the environmental impacts of mining operations and securing economic benefits for affected communities

Nuna – Business Overview

- Formed in 1993, Nuna provides construction, logistics, contract mining and support services to the resource industry primarily in northern Canada
 - Involved in virtually every major mining project in Nunavut and the Northwest Territories
- Notable long-term projects include:
 - Rio Tinto's Diavik Diamond Mine
 - Baffinland Iron Mines' Mary River Iron Ore Project
 - Agnico Eagle Mines' Meliadine Gold Project
- Nuna operates an extensive fleet of mobile construction equipment distributed across its various project locations
 - Total equipment fleet of over 500 units
- Peak workforce of more than 800 people employed on a variety of projects throughout Canada
 - Employs approximately one third Indigenous staff on its operations over the past several years
- Nuna Innovations Inc., a division of Nuna, produces innovative technologies to the mining, construction, civil, defense, disaster relief and oil & gas industries



Nuna – Existing Customers

Mining Services



Oil & Gas / Chemicals



Government



Nuna – Major Projects

Rio Tinto

Diavik Diamond Mine early earthworks, site development, dikes, and other contracts

Baffinland

Mary River site services, early earthworks & ad hoc labour supply contracts

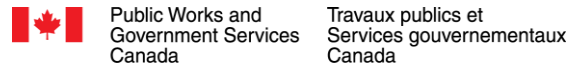


Canyon Creek access road



Gahcho Kué's ongoing Winter roads contracts

Snap Lake site development



Giant Mine care & maintenance

Eureka Weather Station



Gunnar Uranium Mine Mine reclamation and rehabilitation

Aecon Mining - Transaction Rationale



- ✓ Value based opportunity with equipment priced consistent with the book value of comparable property and equipment already owned by NACG
- ✓ Provides immediate operational synergies given same work and same customers, with the ability to leverage existing operational management infrastructure to operate fleet
- ✓ Ability to leverage existing corporate infrastructure to reduce layers of overhead
- ✓ Strong growth opportunities with current heavy construction fleet is at practical capacity with few used equipment purchase opportunities available
- ✓ Significant impact anticipated on NACG's revenue profile and it is profitable
- ✓ Investment in equipment demonstrates commitment to our oil sands customers and is expected to have a reciprocal commitment from customers in the form of term contracts

Benefits to NACG

- **Aligned with NACG's strategy:** expands our capacity to grow volumes in our core oil sands market
- **Sizeable:** meaningful impact on NACG's revenue profile
- **Growth platform:** an expanded footprint on the Fort Hills, Aurora and Millennium mine sites leveraging the move to term contracts by our customers
- **Strong synergies:** ability to execute on both operational and cost synergies going forward
- **Accretive:** accretive to EBITDA, free cash flow and earnings

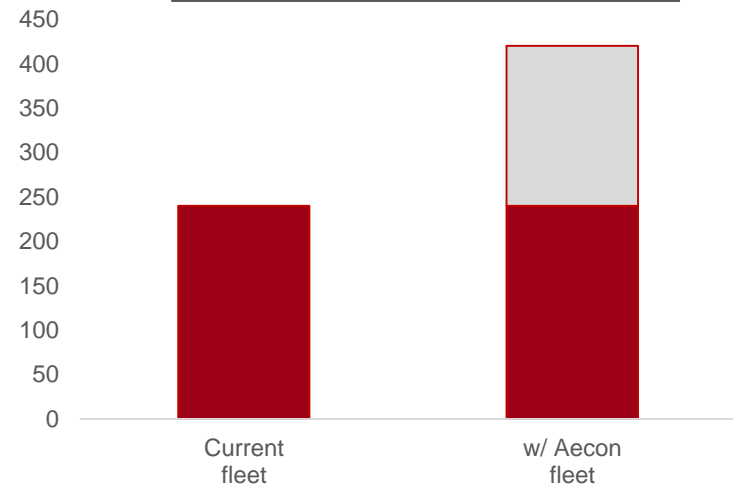
Unique opportunity with compelling strategic rationale

Aecon Mining - Overview



- Transaction includes the purchase of Aecon's fleet of heavy earth-moving assets together with lighter construction assets, support equipment and maintenance facilities
- Existing contractual commitments will be assigned to NACG, subject to customer and partner consents
- Integrating this large heavy equipment fleet will allow improved customer utilization by applying NACG innovations to an expanded fleet at a time when oil sands producers are striving to maximize throughput and efficiency on each mine
- Aecon's fleet has a similar age profile to NACG's existing fleet
- **Oil sands heavy construction and mining sector remains a growth market with several market signals of strength**
 - Fort Hills Mine production continuing to increase
 - Existing sites increasing production through debottlenecking
 - CNRL purchase of Joslyn Mine signals future development
 - Teck's Frontier Mine continues to advance through the regulatory process
 - CNRL purchase of Albian Sands mines

Oil Sands Heavy Equipment Fleet



Continued growth in mine support volumes and heavy construction activity on existing oil sands mine sites as owners grow production

- Securing our core business by signing long-term agreements with four major customers
- Supporting production efforts at Kearl, Mildred Lake, Aurora, Millennium, Steepbank, and Horizon mines
- Multi Use Contract with Suncor includes potential work at the new Fort Hills mine

In addition to Nuna acquisition, continue to pursue revenue diversification

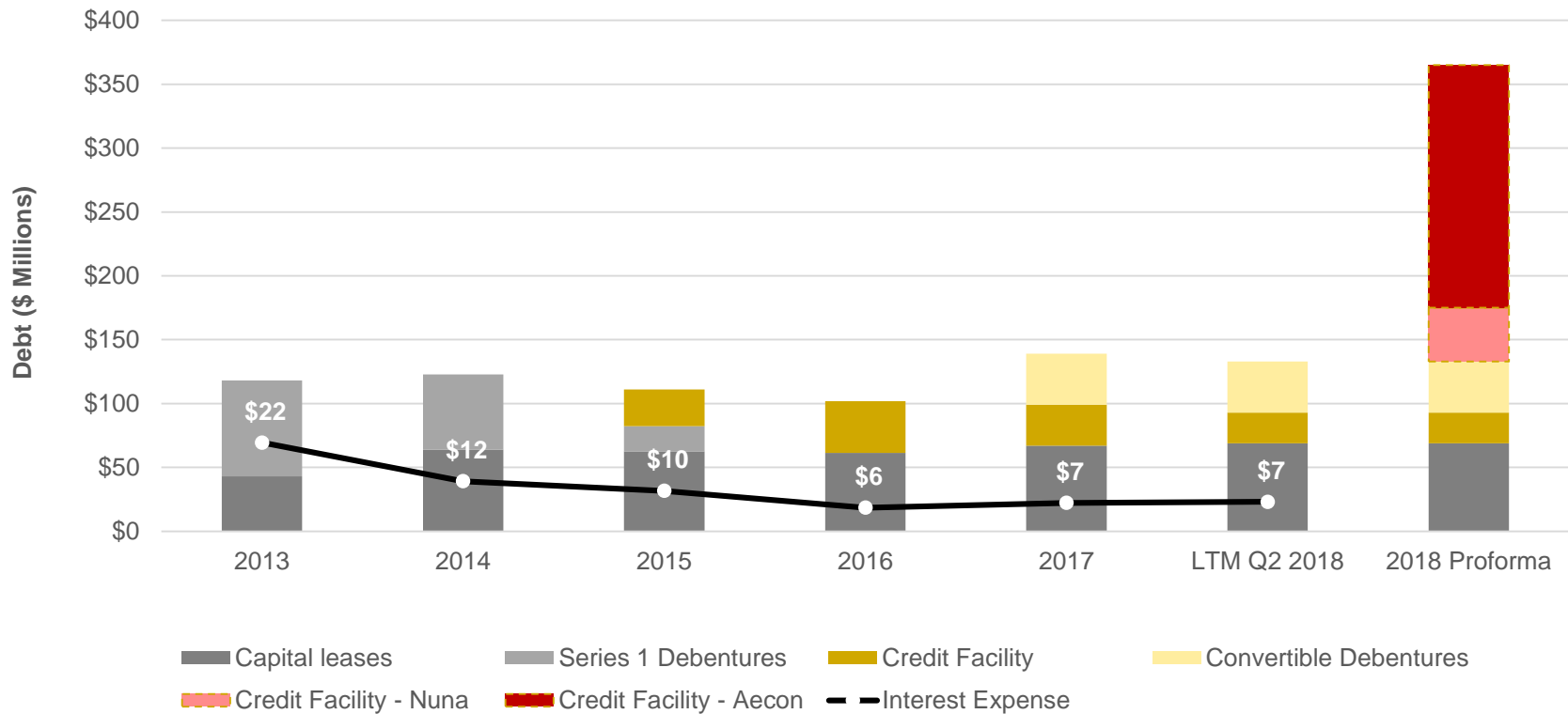
- Other resource plays, such as metals, coal, precious gems, hydroelectricity and LNG
 - Recently completed an in-pit mining contract at the Fording River Coal Mine and are currently working on a three year construction and mining contract at the Highland Valley Copper mine, both in British Columbia
 - Actively bidding on multiple precious gem and metal mine projects in Northern Canada
- We continue to pursue contracts with our partnership Dene North Site Services. With our combined skills and synergy we can provide a platform that will expand our services in the oil sands mines and the in-situ market

Continue to expand in the infrastructure sector

- Potential infrastructure spending from Federal and Provincial Governments
- Pursuing large earthworks projects (e.g. P3 projects, flood diversion, road building)



Financing Impact



Ability to use operational cash flow to de-lever the balance sheet by ~\$150 million over the next three years while still having sufficient cash flow to apply to growth opportunities

Note: Debt figures exclude operating lease obligations related to building lease commitments



**NORTH
AMERICAN**
CONSTRUCTION GROUP



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 ability to grow its support services through term contracts on existing and new mines, leverage its expertise to secure of the market for third party repair and maintenance services, expand the Company’s mining and service offerings to coal, copper, gold, and diamond mines, and secure diversified revenue from infrastructure projects that involve large earthworks volumes, the Company’s expectation of a 5 year payback on its new facility project, the expectation that the Aecon and Nuna acquisitions will close as planned, the Company’s ability to achieve and capitalize on synergies from those acquisitions and to generate additional revenues, cashflow and earnings, including the expectation that earnings potential for 2019 could exceed \$1.60 per share, and the Company’s ability to de-lever its balance sheet by approximately \$150 million over the next three years with the use of operational cashflow while maintaining sufficient cashflow to fund other growth activities. Actual results could differ materially from those contemplated by such forward-looking statements as a result of any number of factors and uncertainties, many of which are beyond our control. Important factors that could cause actual results to differ materially from those in forward-looking statements include success of business development efforts, changes in prices of oil, gas and other commodities, availability of government infrastructure spending, availability of a skilled labour force, general economic conditions, weather conditions, performance and strategic decisions of our customers, access to equipment, changes in laws and ability to execute work. Undue reliance should not be placed upon forward-looking statements and we undertake no obligation, other than those required by applicable law, to update or revise those statements.

For more complete information about us and the material factors and assumptions underlying our forward-looking statements you should read the most recent disclosure documents posted on our website www.nacg.ca or filed with the SEC and the CSA. You may obtain these documents by visiting EDGAR on the SEC website at www.sec.gov or on the CSA website at www.sedar.com.