2022 Q4

EARNINGS PRESENTATION

February 16, 2023

NORTH AMERICAN
CONSTRUCTION GROUP

Forward-looking statements & Non-GAAP financial measures

This presentation contains forward-looking information which reflects the current plans and expectations of North American Construction Group Ltd. (the "Company") with respect to future events and financial performance. Examples of such forward-looking information in this document include, but are not limited to, statements with respect to the Company's targets for percentage of Adjusted EBIT to be generated outside Canadian oil sands; the Company's 2022 and 2023 targets and guidance related to Adjusted EBITDA, Adjusted EPS, Sustaining Capital, Free Cash Flow, Growth Capital, Deleveraging, Leverage Ratios and share purchases; and the Company's liquidity and capital allocation expectations for 2023, including expectations regarding improvements in cash flow, decreases in capital additions and decrease in senior debt leverage.

Forward-looking information is based on management's plans, estimates, projections, beliefs and opinions as at the date of this presentation, and the assumptions related to those plans, estimates, projections, beliefs and opinions may change; therefore, they are presented for the purpose of assisting the Company's security holders in understanding management's views at such time regarding those future outcomes and may not be appropriate for other purposes. While the Company anticipates that subsequent events and developments may cause the Company's views to change, the Company does not undertake to update any forward-looking information, except to the extent required by applicable securities laws.

Actual results could differ materially from those contemplated by the forward-looking information in this presentation as a result of any number of factors and uncertainties, many of which are beyond the Company's control. Important factors that could cause actual results to differ materially from those in the forward-looking information 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.

For more complete information about the Company and the material factors and assumptions underlying our forward-looking information please read the most recent disclosure documents posted on the Company's 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.

This presentation presents certain non-GAAP financial measures because management believes that they may be useful to investors in analyzing our business performance, leverage and liquidity. The non-GAAP financial measures we present include "adjusted EBIT", "adjusted EBITDA", "adjusted EPS", "backlog", "cash provided by operating activities prior to change in working capital", "combined revenue", "free cash flow", "growth capital", "invested capital", "EBITDA margin", "net debt", "senior debt" and "sustaining capital". A non-GAAP financial measure is defined by relevant regulatory authorities as a numerical measure of an issuer's historical or future financial performance, financial position or cash flow that is not specified, defined or determined under the issuer's GAAP and that is not presented in an issuer's financial statements. These non-GAAP measures do not have any standardized meaning and therefore are unlikely to be comparable to similar measures presented by other companies. They should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Each of the above referenced non-GAAP financial measure is defined and reconciled to its most directly comparable GAAP measure in the "Non-GAAP Financial Measures" section of our Management's Discussion and Analysis filed concurrently with this presentation.

Other non-GAAP financial measures used in this presentation are "combined gross profit margin", "replacement value", "liquidity", "return on invested capital" and "senior debt leverage". We believe these non-GAAP financial measures are commonly used by the investment community for valuation purposes and provide useful metrics common in our industry.

"Combined gross profit margin" is calculated as combined gross profit divided by combined revenue.

"Replacement value" represents the cost to replace our fleet at market price for new equivalent equipment.

"Liquidity" is calculated as unused borrowing availability under the credit facility plus cash.

"Net debt leverage" is calculated as net debt at period end divided by the trailing twelve-month adjusted EBITDA.

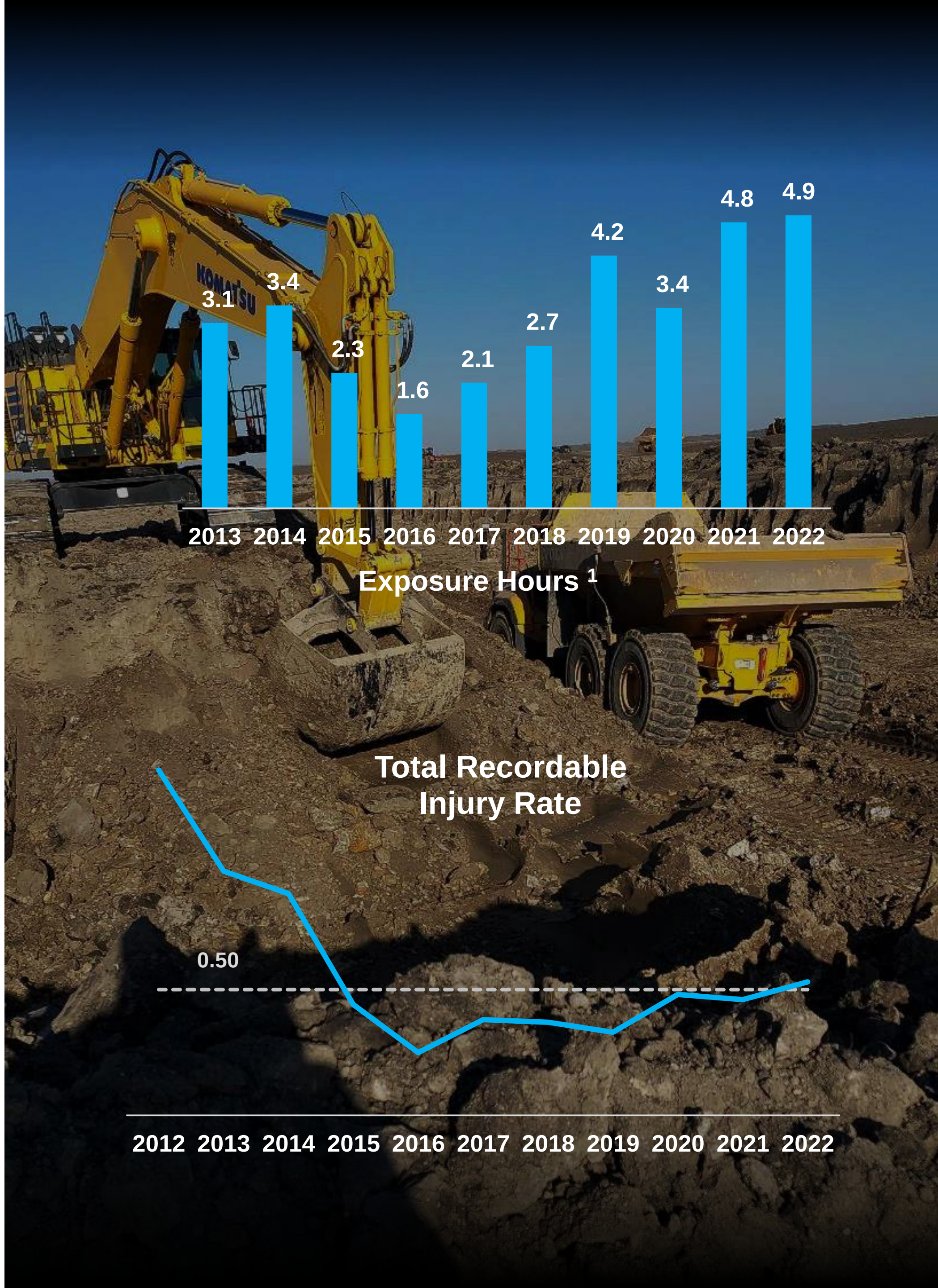
"Senior debt leverage" is calculated as senior debt at period end divided by the trailing twelve-month EBITDA as defined by our Credit Facility Agreement.

Everyone Gets Home Safe

Standalone Q4 total recordable rate of 0.30 & trending in the right direction despite a difficult start to the year

Maintaining focus on health & safety through initiatives

- Utilization of drone technology to improve hazard identification in remote locations
- Ongoing focus on critical task audits, targeting safe operating trends
- Implementation of "*Acts of Safety*" to promote peer to peer recognition engaging workers in safe behaviors
- High potential injury reduction program which allocates resources to events that have a serious potential outcome and subsequently perform detailed root cause analysis; and
- Continuing to research & test collision avoidance technology on large capacity haul trucks



[1] In millions, exposure hours relate to direct NACG employees and are the number of employment hours including overtime & training but excluding leave, sickness & other absences

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Q4 2022 EARNINGS

2022 Operational Successes

- Steady improvements in equipment utilization to post highest ever fourth quarter rate of 75%
- Expanded critical maintenance headcount by over 10% despite pervasive shortages in availability of skilled tradespeople
- Managed severe inflationary pressures through cost containment and rate adjustments

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- Acquired ML Northern Services Ltd. to lower operating costs
- Rebuilt & commissioned nine ultra-class & 240-ton haul trucks
- Formal earthworks commencement of Fargo-Moorhead project

- Telematics packages now installed on 375 assets as a key component of cost reduction & operational excellence initiatives
- Extended contract at Kearl Mine to 2027 through Indigenous partnership with Mikisew Cree First Nation

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Q4 2022 EARNINGS

2022 Financial Highlights

Combined revenue[1]

$1.1B

▲ 30% on 2021

Adjusted EBITDA[1]

$245M

▲ 18% on 2021

Adjusted EPS[1]

$2.41

▲ 17% on 2021

Free cash flow[1]

$70M

▲ 4% on 2021

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

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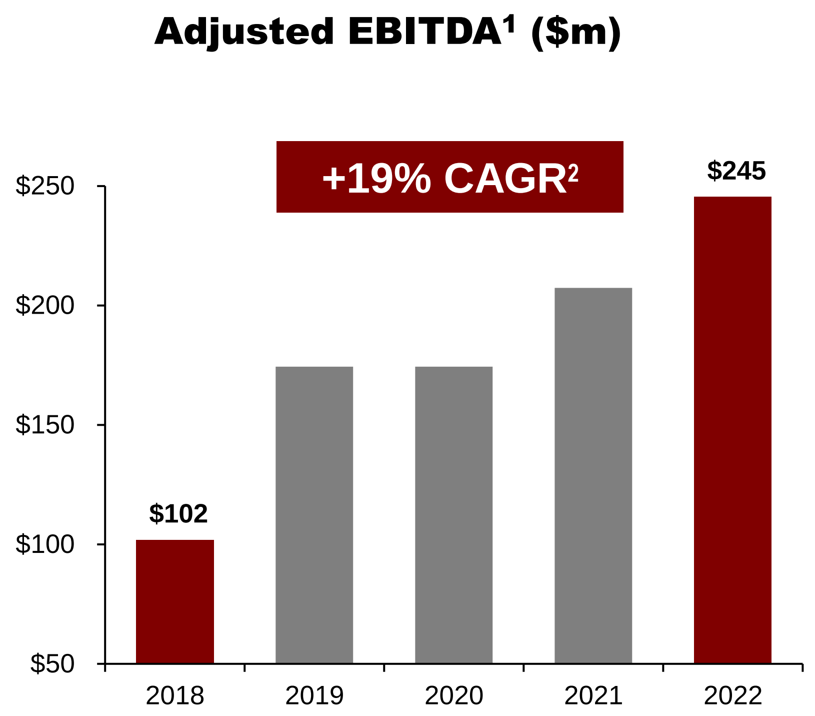
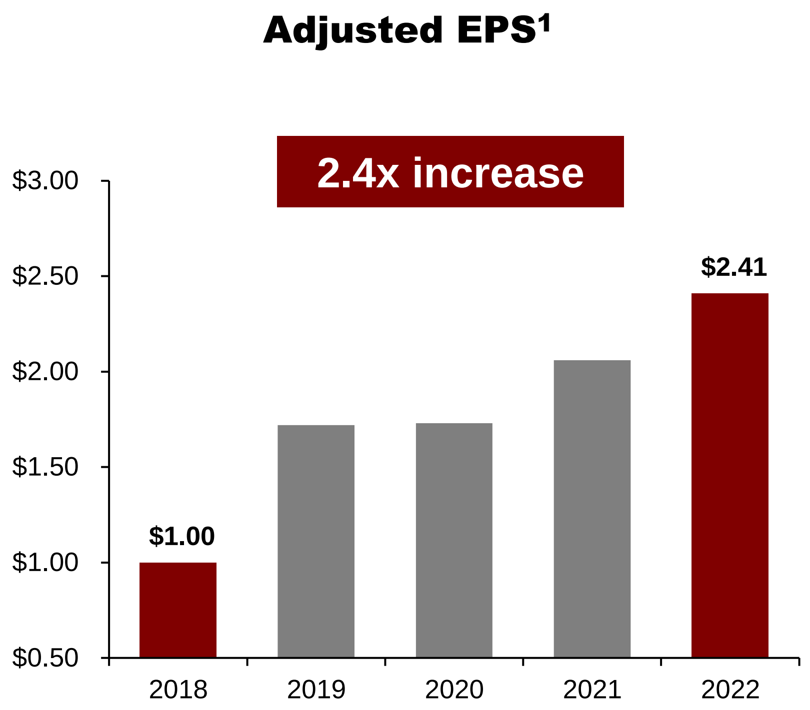
Q4 2022 EARNINGS

Five Year Perspective





2022 financial performance validates path set in late 2018

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] Compound Annual Growth Rate

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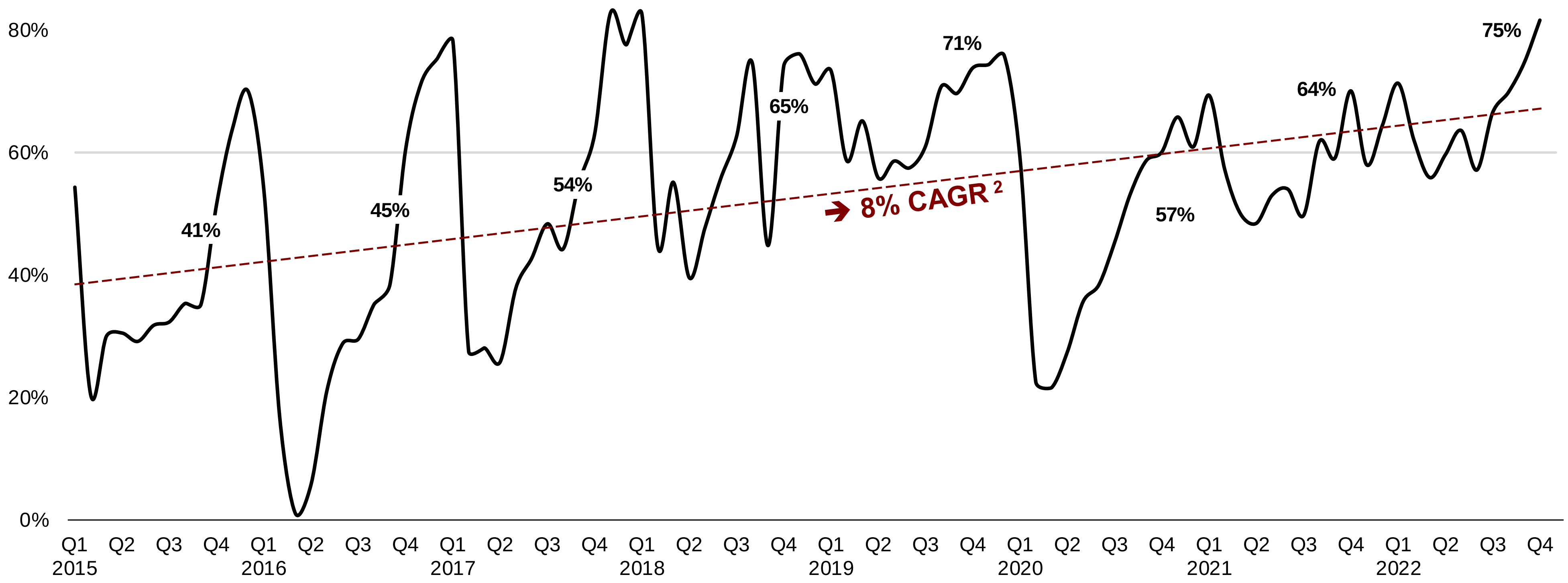
Q4 2022 EARNINGS

Equipment Utilization[1]



Upward trend correlated with maintenance headcount

[1] NACG fleet only, data labels reflect Q4 performances, graph line reflects monthly performance
[2] Compound Annual Growth Rate

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Q4 2022 EARNINGS

Utilizing and Investing in Technology

Telematics hardware now installed on 375 pieces of heavy equipment

- Specific to Q4, approximately 110,000 machine hours monitored

Acheson control center operational and showing meaningful results

- 395 alerts identified during the year resulting in savings between $2.0 and $3.0 million through proactive interventions
- Early identification of issues saved over 1,200 labor hours in 2022

Primary Operational Benefits

- Ability to identify and correct operational behaviors and increase efficiency
- Enhanced equipment tracking allows for optimization of fleet allocation
- Quicker response times to critical issues improves mechanical availability

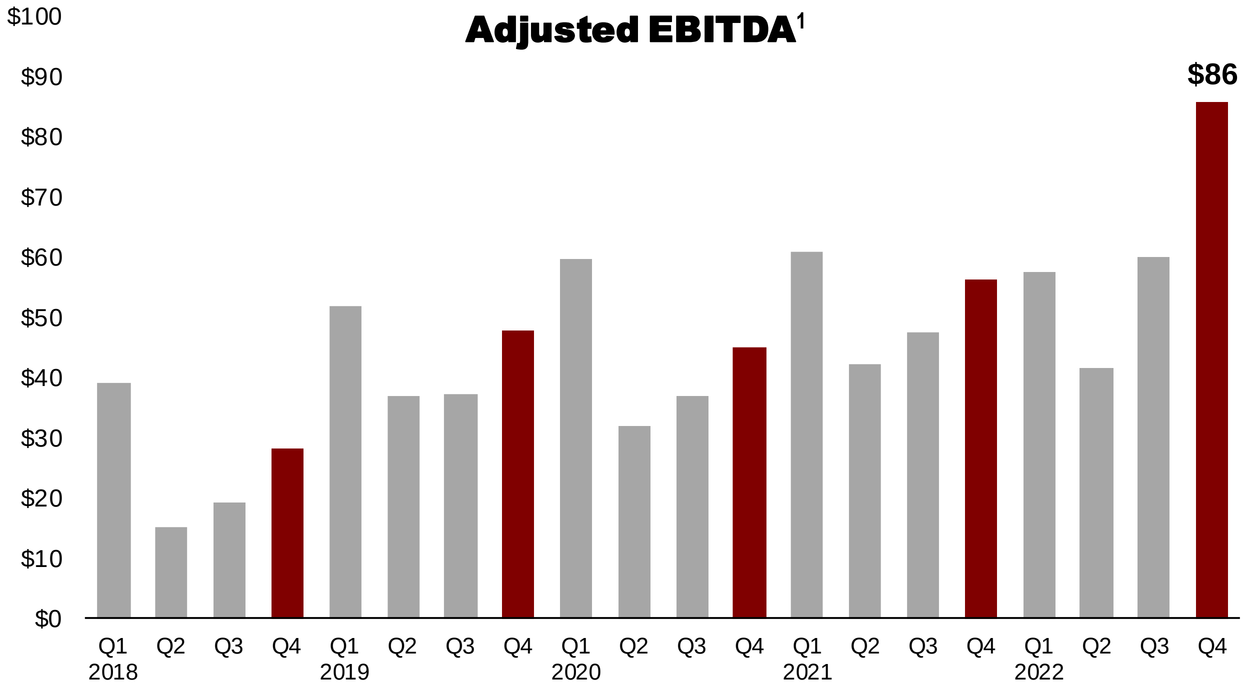
2022 Q4 FINANCIAL OVERVIEW

Q4 2022 EARNINGS

2022 Q4 Performance

$320M	$86M	75%	$68M
Combined revenue[1]	Adjusted EBITDA[1]	Equipment utilization[2]	Free cash flow[1]

- Record quarterly combined revenue[1] bringing annual total to over $1 billion
- **Adjusted EBITDA[1] of $86 million exceeded previous record by +40%**
- Quarterly EBIT, EPS[1] are also highest in company history
- Results driven by strong equipment utilization & correlated operating hours
- Acquired ML Northern to reduce run-rate operating costs on fuel & lube servicing
- Another 240-ton rebuilt haul truck commissioned and sold



[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] NACG fleet only

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Q4 2022 EARNINGS

Combined Results

(figures in millions of Canadian dollars, except per share amounts)	2022 Q4		2021 Q4		2022		2021	
Wholly-owned entities	**$233**		$181		**$770**		$654	
Share of amounts from investments	**$87**		$54		**$285**		$158	
TOTAL COMBINED REVENUE[1]	**$320**		$235		**$1,054**		$812	
Combined gross profit[1]	**$57**	*17.8%*	$32	*13.6%*	**$151**	*14.3%*	$124	*15.3%*

Revenue from wholly-owned entities up 29% in Q4 due to improved year-over-year utilization

- Top-line increase generated by equipment fleets at Syncrude Aurora, Fort Hills and Suncor Millennium mines
- Bolstered by escalated rates updated to reflect inflationary cost pressures experienced in early to mid-2022

Joint venture revenue increased 61% in Q4 driven by activity at Northern Ontario gold mine project

- Fleet additions in MNALP of ultra class and 240-ton haul trucks benefitting joint venture top-line
- First full quarter of earthworks scope completed and continued overall ramp up at Fargo-Moorhead project also contributed

Strong momentum in both wholly-owned and joint venture generated revenue

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

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Q4 2022 EARNINGS

Adjusted EBITDA[1] and EPS

(figures in millions of Canadian dollars, except per share amounts)	2022 Q4		2021 Q4		2022		2021	
Adjusted EBITDA[1,3]	**$86**	26.8%	$56	24.0%	**$245**	23.3%	$207	25.5%
Adjusted EBIT[1,3]	**$46**	14.3%	$25	10.7%	**$114**	10.8%	$93	11.4%
Adjusted EPS[1]	**$1.10**		$0.59		**$2.41**		$2.06	
General & administrative expenses[2]	**$7**	2.8%	$4	2.0%	**$25**	3.3%	$24	3.6%
Net income	**$26**		$15		**$67**		$51	
Basic net income per share	**$0.99**		$0.54		**$2.46**		$1.81	

Record Adjusted EBITDA[1] based on solid operating performance across a variety of diverse work locations

- Directly correlated with upward trending utilization due to onboarding and subsequent retention of HETs and apprentices

Adjusted EPS[1] benefitted from share repurchases completed in Q2 & Q3

- Higher interest rates and corresponding expense reduced earnings by $0.23 per share (Q4 2021 - $0.14)

Q4 margins[1] represent continued demand and demonstration of operational excellence

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] Excludes stock-based compensation
[3] Adjusted EBIT and EBITDA percentages shown are calculated as percentages of combined revenue

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Cash Provided by Operating Activities

(figures in millions of Canadian dollars unless otherwise stated)	2022 Q4	2021 Q4	2022	2021
Cash provided by operations prior to change in working capital[1]	**$64**	$45	**$183**	$165
Net changes in non-cash working capital	**14**	21	**(13)**	1
Cash provided by operating activities	**$78**	$66	**$169**	$166
Sustaining capital additions[1]	**$26**	$20	**$113**	$102
Free cash flow[1]	**$68**	$48	**$70**	$67

Cash from operating activities driven by higher EBITDA[1] and positive working capital changes

- Current interest rate environment led to higher cash interest paid offsetting the increase

Sustaining capital[1] spending represented routine maintenance necessary to operate fleet in winter conditions

- 2022 capital program in line with original expectations despite strong inflationary pressure on component purchases

Free cash flow[1] in 2022 negatively impacted by approximately $25m by deferrals in joint venture profits

- Full year free cash flow[1] of $70.0m directed to shareholders returns ($44m), ML Northern acquisition ($13m) & debt reduction ($13m)

EBITDA, working capital catch-up & modest capital spending drove Q4 free cash flow[1]

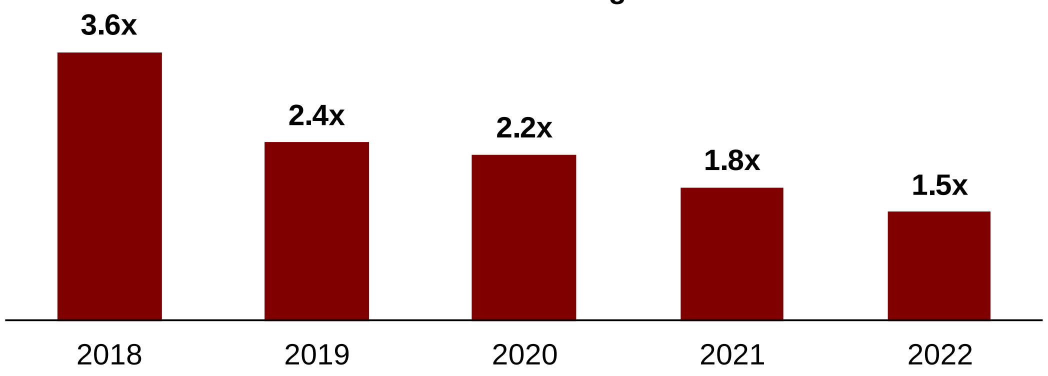
[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

Q4 2022 EARNINGS

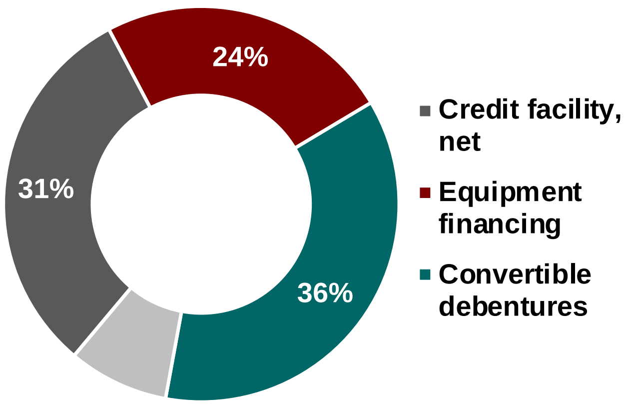
Balance Sheet

(figures in millions of Canadian dollars unless otherwise stated)	December 31, 2022		December 31, 2021		December 31, 2020	
Cash	$69		$17		$43	
Total capital liquidity [1]	212		233		178	
Property, plant & equipment	646		641		632	
Total assets	980		869		839	
Senior debt [1,2]	$266	1.5x	$226	1.5x	$353	2.0x
Net debt [1,2]	356	1.5x	369	1.8x	386	2.2x

Net Debt Leverage [1,2]



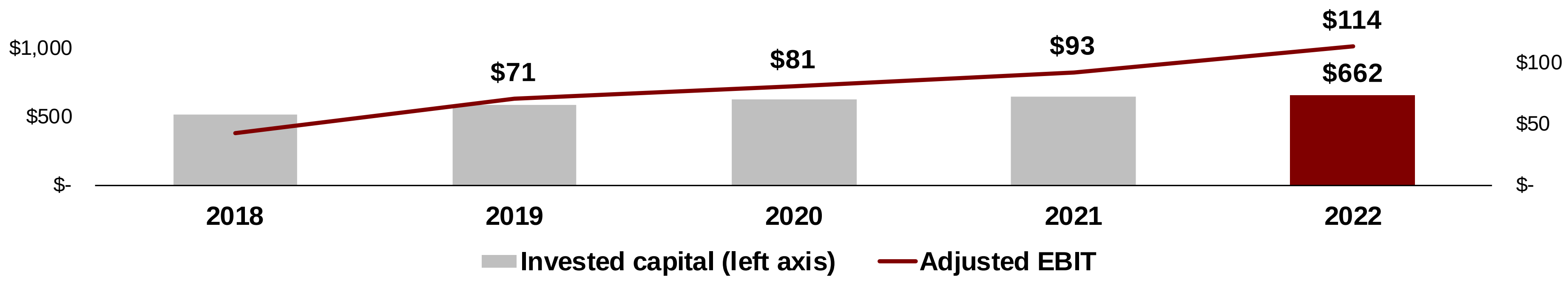
Net debt composition



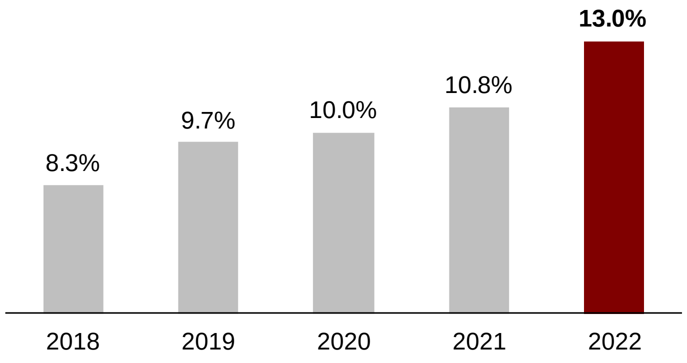
[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] Leverage ratios calculated on a trailing twelve-month basis

Return on Capital & Equity

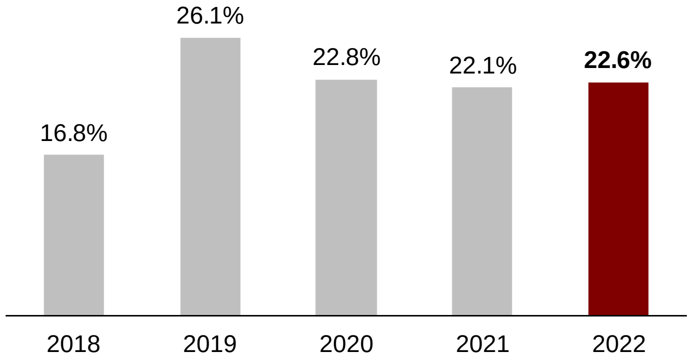
Invested Capital & Adjusted EBIT[1]



Return on Invested Capital[1]



Return on Equity[1]



Adjusted EBIT[1] has increased 2.6x since 2018 on diversification efforts

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

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2023 OUTLOOK

Priorities for 2023

Q4 2022 EARNINGS

1

Drive safety performance & expectations focused on front-line supervision & green-hand training

2

Leverage technology & operational initiatives to effect improved equipment utilization & lower costs

3

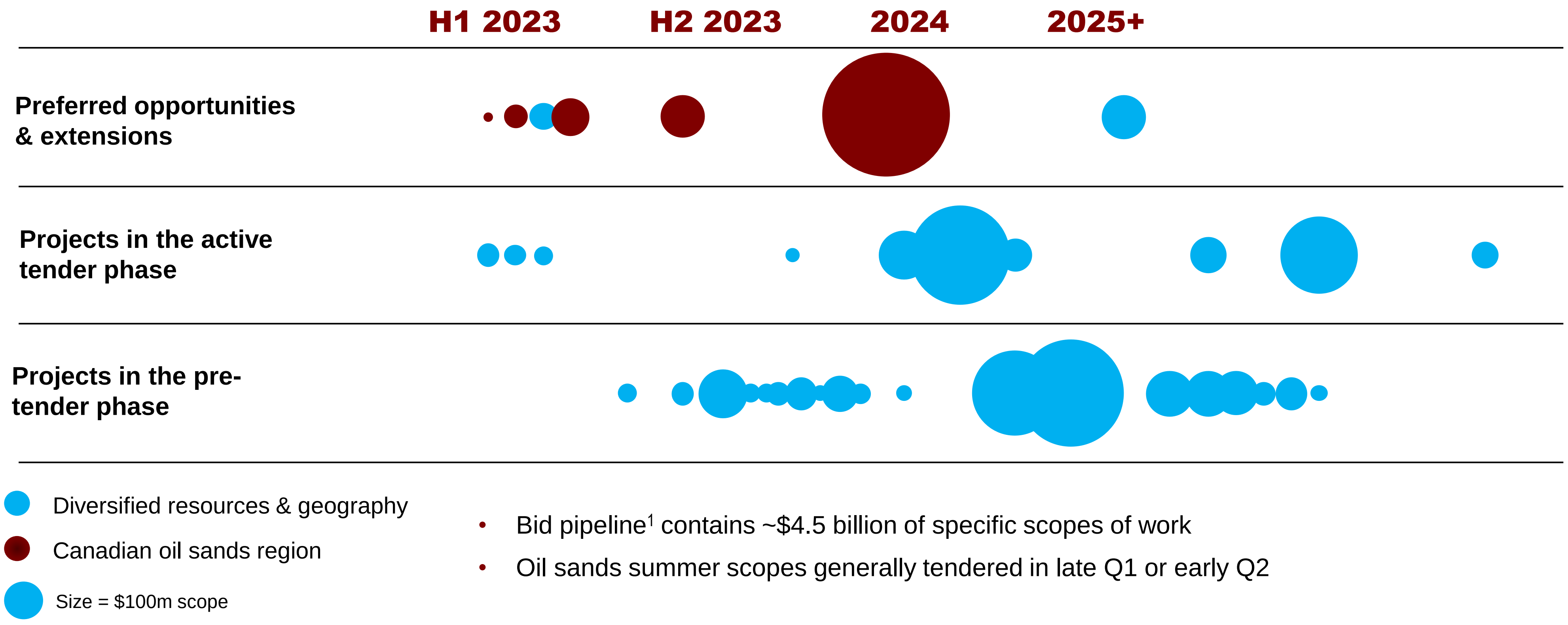
- Win regional tender opportunity in oil sands business
- Win large-scale mining or civil construction project
- Achieve backlog[1] target of >$2.0b

4

Attract, develop & retain skilled labour personnel with the goal of displacing higher cost vendors

Bid Pipeline

ESTIMATED PROJECT COMMENCEMENT TIMING



- Bid pipeline[1] contains ~$4.5 billion of specific scopes of work
- Oil sands summer scopes generally tendered in late Q1 or early Q2

Over 90% of projects in pipeline involve participation of Indigenous partnerships

[1] Bid pipeline estimate reflects NACG's share of joint venture ownership

Contractual Backlog[1] at $1.3 billion

Q4 2022 EARNINGS

Over half of backlog[1] contracted to established Indigenous partnerships

55% of backlog[1] through customers in diversified mining, resource & civil construction industries

- Fargo–Moorhead flood diversion project provides diversified backlog[1] and geographically enhances work in the United States
- Strategic partnerships with the Nuna Group of Companies, Red River Valley Alliance and ASN Constructors account for substantial balances within backlog[1]
- Mine services contracts also provide accretive backlog[1] with no required capital investment

45% of backlog[1] through major oil sands producers continues to provide line of sight for core business

- Provides stability & significant benefits in winning incremental scopes & attracting workforce
- Contracts secured through strategic partnership with Mikisew Cree First Nation
- MNALP provides competitive advantage and is anticipated to increase future backlog[1]

Strong contractual backlog[1] provides confidence moving into 2023 & beyond

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

Q3 2022 EARNINGS

Enhanced 2023 Outlook

Key financial measures	PREVIOUS		CURRENT
Adjusted EBITDA[1]	$235 - $260	➡	$240 - $260
Sustaining capital[1]	$120 - $130	➡	$120 - $130
Adjusted EPS[1]	$2.05 - $2.25	➡	$2.15 - $2.35
Free cash flow[1]	$85 - $105	➡	$85 - $105
Capital allocation			
Deleverage			$70 - $80
Shareholder activity[2]			$15 - $25
Growth capital spending[1]			TBD
Leverage & shares			
Senior debt[1,3]			1.0x – 1.2x
Net debt[1,3]			1.1x – 1.3x

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] Shareholder activity includes common shares purchased under an NCIB, dividends paid and the purchase of treasury shares
[3] Leverage ratios calculated on a trailing twelve-month basis

2022 Q4 performance modestly increased financial targets for 2023

- Range based on continued & consistent increases in equipment utilization
- Leverages backlog[1] and well-maintained fleet that provide line of sight to targets

Adjusted EPS expected to be impacted by mix of work and higher interest rates

Free cash flow[1] range driven by EBITDA & strong joint venture distributions in 2023

Capital allocation currently focused on deleverage & shareholder returns

- Shareholder returns includes increased dividend rate
- Acquisitions & growth spending primarily assessed on accretion & operational fit

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Q4 2022 EARNINGS

Disciplined Capital Allocation

Debt Repayment

Lowering leverage continues to be a prudent use of capital

Acquisitions

Continuing to evaluate smaller bolt on acquisitions as well as larger transformative targets

$85-$105m

Range for 2023 free cash flow[1]

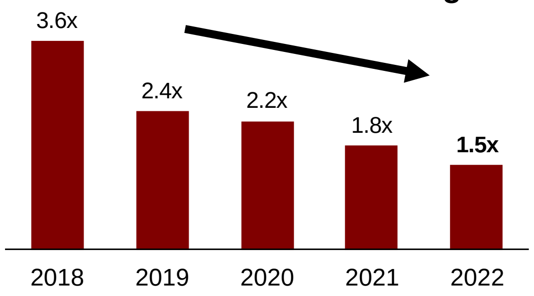
Share repurchases

Lower share price valuation continues to provide potential for share repurchases

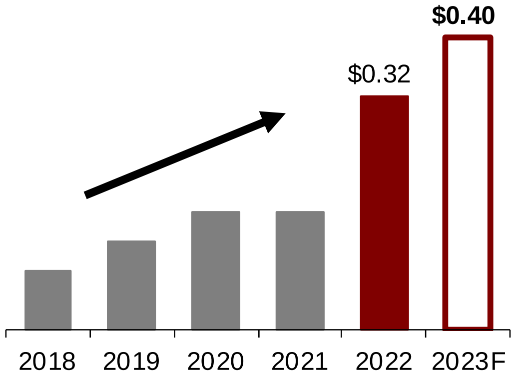
Dividends

Visibility to increase annual dividend to $0.40 per share

Net Debt Leverage[1,2]



Dividend History



Strong operational cash flow provides capital allocation flexibility

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] Leverage ratios calculated on a trailing twelve-month basis

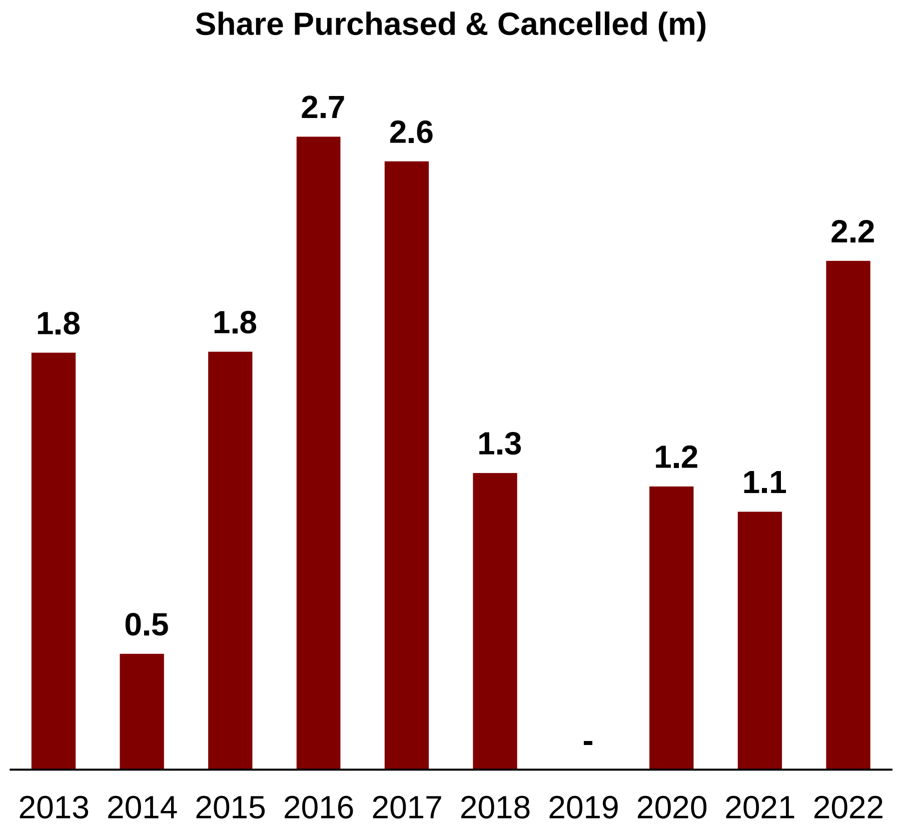
Valuing Common Shares

10-year NCIB purchase track record

+15 million
shares purchased

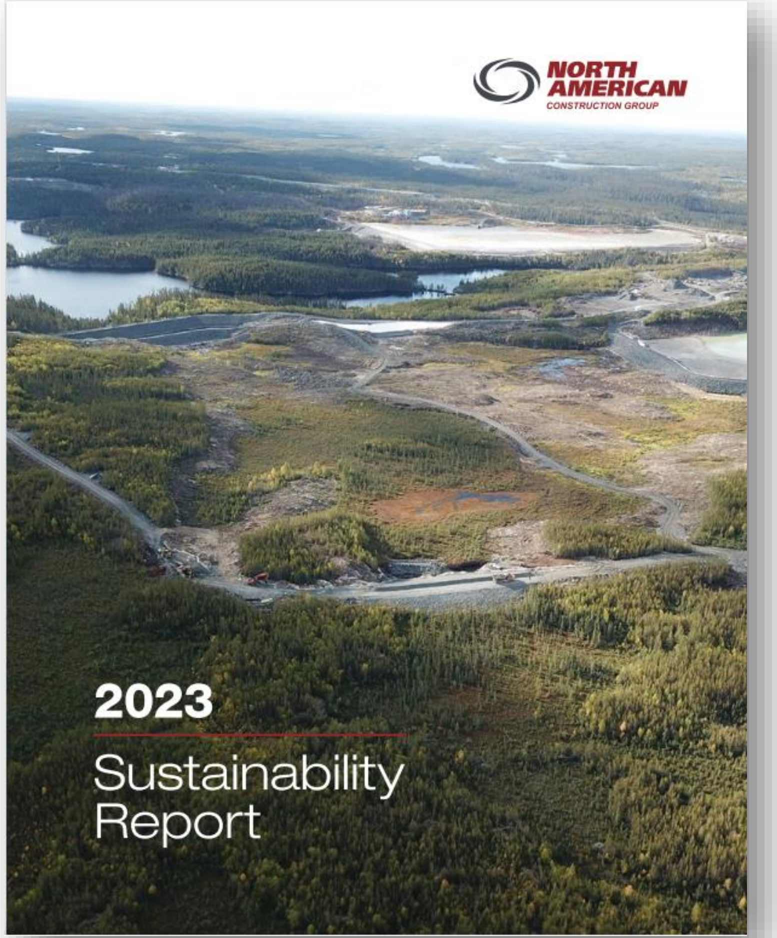
$7.90
average price per share

Purchased & cancelled +40% of shares outstanding at the start of 2013



Consistent NCIB programs a key component of capital allocation over the past ten years

2023 Sustainability Report



ENVIRONMENT

2% reduction in scope 1 emissions intensity since 2021

- Committed to reducing scope 1 emissions intensity by 10% by 2025 and be net zero by 2050

SAFETY

- Integral part of core business process to provide safe and healthy working conditions for all employees and subcontractors. Strong management systems in place.

DIVERSE WORKFORCE

- Recognition of the importance of a diverse and inclusive work environment

> Issued February 15, 2023
> www.nacg.ca/about-us/sustainability

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SUPPLEMENTAL INFORMATION
2022 Q4 EARNINGS PRESENTATION

Company Overview

Premier provider of mining and heavy construction services

- Established reputation with over 65 years in business
- Long-term contracts awarded based on safe cost-effective operations

Mobile fleet of ~900 heavy equipment assets

- Fully backed by support equipment & associated infrastructure

Current workforce of ~3,500 employees

- Includes workforces within joint ventures & managed mine sites
- Over 90% of personnel are operational and working on site

Operating partner of *Nuna Group of Companies*

- Inuit-owned mining contractor in northern Canada for over 25 years

Market Statistics – NOA (TSX & NYSE)

Share price[1]	**$20.66**
Market Cap[1]	**$546 million**
S&P Rating	**B+ | Stable outlook**
Annual dividend per share	**$0.40**

■ Provinces, territories and states with significant current operations

○ Head office in Acheson, Alberta, Canada

[1] Toronto Stock Exchange, close of business February 14, 2023

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Q4 2022 EARNINGS

2022 Performance

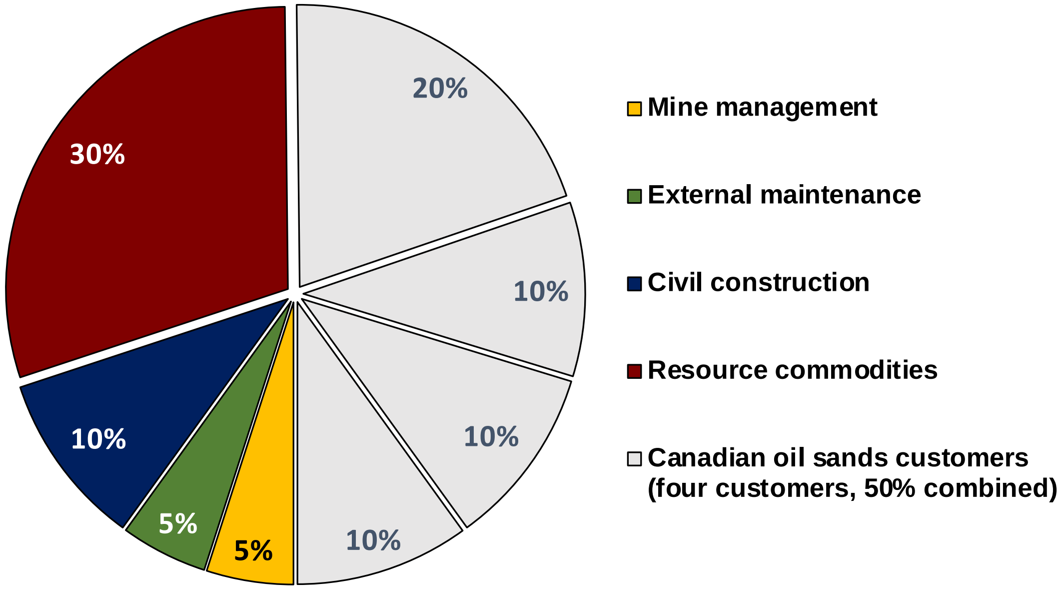
	STATED TARGETS Oct 2021	STATED TARGETS Oct 2022	ACTUAL RESULTS
Adjusted EBITDA[1]	**$215 – $245**	**$220 – $235**	**$245m**
Sustaining capital[1]	**$110 – $120**	**$105 – $110**	**$113m**
Adjusted EPS[1]	**$2.15 – $2.55**	**$1.90 – $2.10**	**$2.41/share**
Free cash flow[1]	**$95 – $115**	**$65 – $75**	**$70m**
Deleverage[1]		**$5 – $15**	**$13m**
Shareholder activity		**~$45**	**$44m**
Growth capital & acquisitions[1]		**~$15**	**$13m**
Leverage ratios:			
Senior debt[1,2]		**1.1x – 1.5x**	**1.5x**
Net debt[1,2]		**1.4x – 1.8x**	**1.5x**

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures
[2] Leverage ratios calculated on a trailing twelve-month basis

Q4 2022 EARNINGS

Diversified Business

Adjusted EBIT[1] Breakdown



Objective to continue to grow both business areas while maintaining 50-50 distribution

- Project awards and acquisitions have established a clear path to maintain diversification
- Current backlog[1] split evenly between oil sands and other commodities which reinforces diversification moving forward
- Joint ventures and partnerships providing adjusted EBIT[1] generation from commodities including diamonds, iron ore, and gold
- Geographically diversified across Canada, the U.S. and Australia
- Canadian oil sands adjusted EBIT[1] split between four major producers, all investment-grade

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

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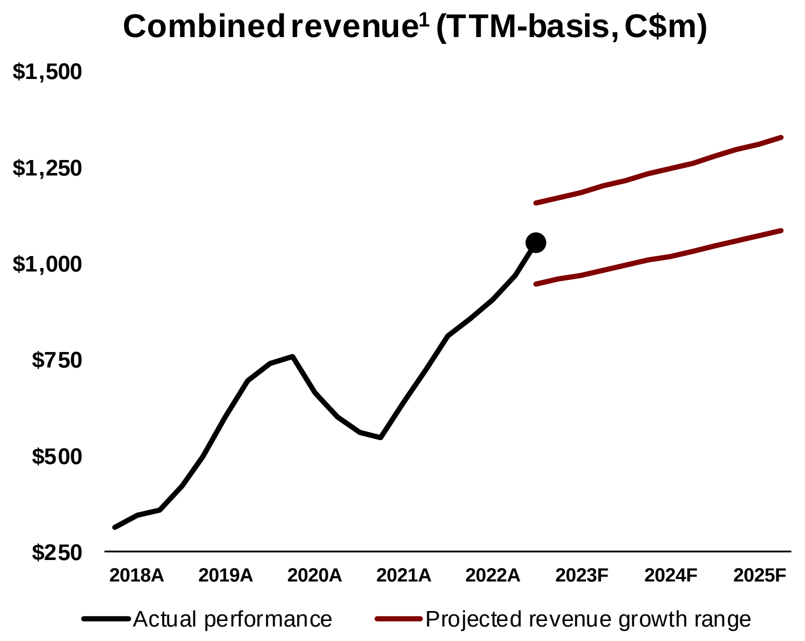
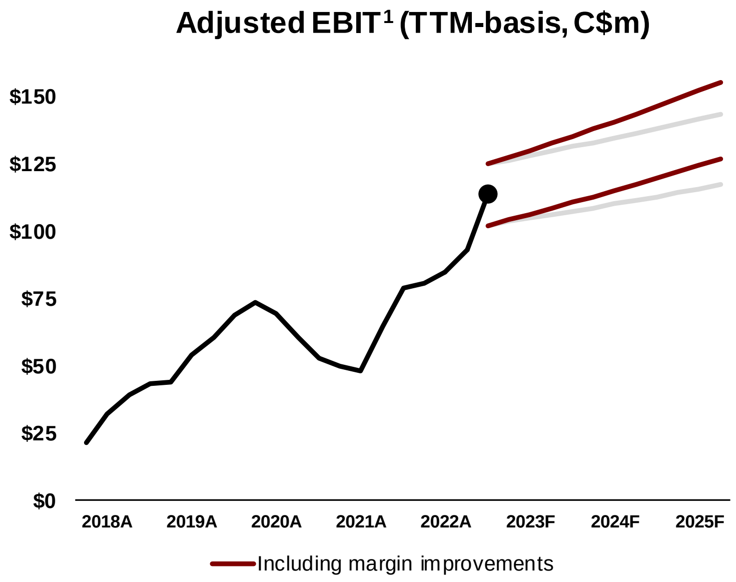
Revenue & Margins

We have the backlog[1], bid pipeline & low-cost culture for both continued revenue growth & margin improvement

- Momentum regained from pre-pandemic operating performance and improved commodity market
- Projected revenue growth range based on improving equipment utilization and the incremental successes of project wins
- Margin improvements based on lower inflationary impacts, disciplined G&A and, as mentioned above, improved utilization





[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

Long Term Contracts

	Owner	Contract[1,2]	
Base Mine – Millennium & North Steepbank	Suncor Energy Services Inc.	MUA *with term*	2023 / 2040
Fort Hills Mine	Fort Hills Energy LP	MUC *with term*	2023 / 2059
Mildred Lake & Aurora mines	Syncrude Canada	MSA *with term*	2023 / 2046
Kearl Mine	Imperial Oil Limited	MSA *with term*	2027 / 2060
Ontario gold Mine project	*Confidential*	Earthworks contract	Q2 2023 / 2040
Fargo- Moorhead Flood Diversion Project	Metro Flood Diversion Authority	Design & build	Construction - 2027 / O&M - 2056
Wyoming thermal coal mine	*Confidential*	Mine management	2024 / 2027
Texas mine-mouth thermal coal mine	*Confidential*	Mine management	2025 / 2037

■ Contract term
■ Expected mine life

[1] MUA – Multiple Use Agreement; MUC – Multiple Use Contract; MSA – Multiple Service Agreement.
[2] 'With term' reflects term commitments qualifying for contractual backlog
[3] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

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Q4 2022 EARNINGS

Heavy Equipment Fleet

- As at December 31, 2022, ~900 mobile heavy equipment assets provide operational flexibility
- Managed on an individual asset basis and deployed with sole objective of maximum operating utilization
- ~300 assets operated within the Nuna Group of Companies
- New replacement value[1] of fleet calculated at $2.1 billion excludes the significant required cost of infrastructure and support equipment

	Fleet count	Replacement value[1] (m)
Rigid frame trucks	282	$1,303
Articulated trucks	73	64
Loading units	268	385
Dozers	155	239
Graders	58	90
Specialty & other	68	61
Total fleet	**904**	**$2,141**

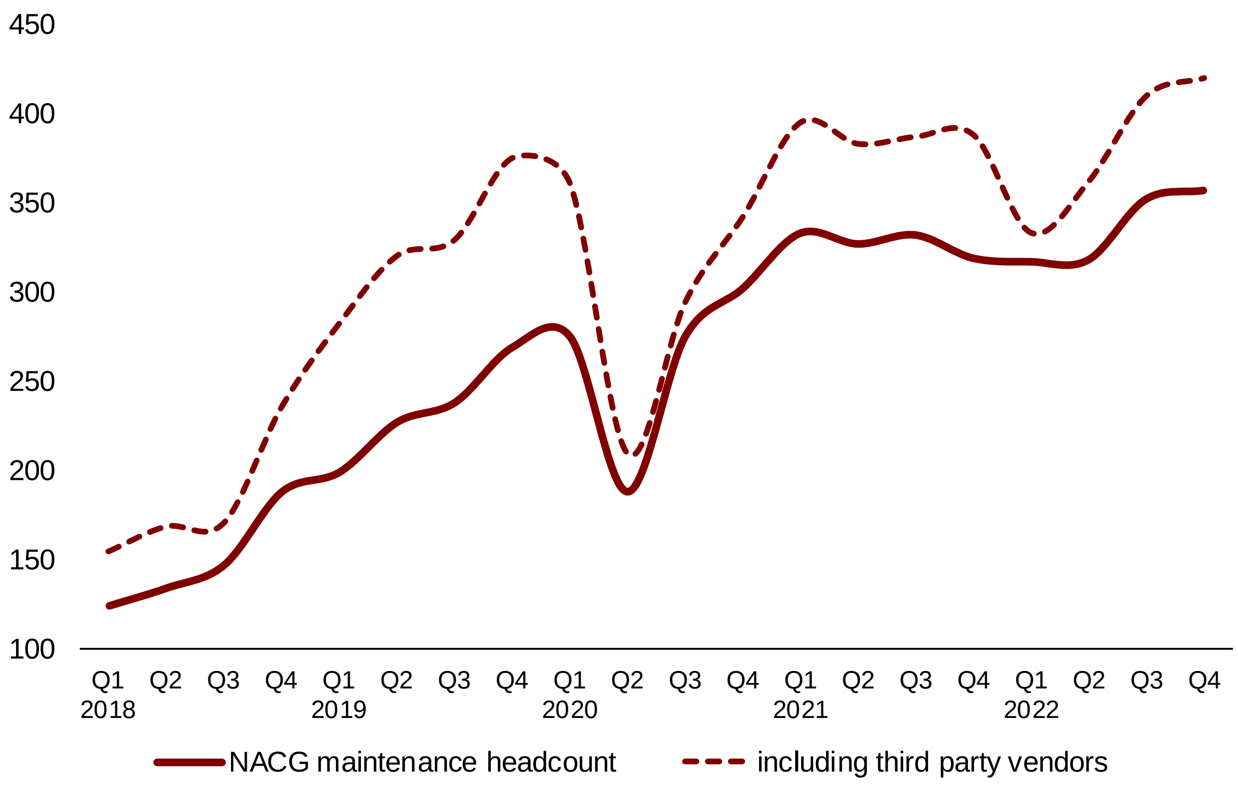
Replacement value[1] over $2.1 billion provides growing barrier to entry

[1] See Slide 2 or 2022 Annual Report for Non-GAAP Financial Measures

NORTH AMERICAN CONSTRUCTION GROUP

Q4 2022 EARNINGS

Maintenance Headcount



Maintained step-change achieved in Q3

- Stable headcount increasing fleet availability and utilization
- Apprenticeship program addressing persistent shortages
- Direct service providers & third-party vendors provide required supplementary maintenance

TARGETED PROFILE

150 **Heavy equipment technicians (HET)**

100 **HET apprentices**

125 **Direct service providers**

25 **Bench-hands**

Continued focus on attracting, developing, and retaining skilled trades