

2024 Q2

EARNINGS PRESENTATION

August 1, 2024



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 2024 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 2024, including expectations regarding improvements in cash flow, decreases in capital additions and decrease in net 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.sedarplus.ca.

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", "adjusted EBITDA margin", "net 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 "replacement value", "liquidity", "return on invested capital", "net debt leverage", "senior debt" 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.

"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.

"Return on invested capital" is equal to adjusted EBIT less tax divided by average invested capital

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

"Senior Debt" is defined as the total of the Credit Facility, equipment financing and mortgage debt

"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

Continuous focus on improving the health and safety performance for ourselves, our environment, our customers and the communities we work in

- Trailing twelve-month injury rate of 0.45 is below the target of 0.50
 - As at June 30, 2024; includes Canada, Australia, and the U.S
- Primary safety initiatives in the second quarter
 - Integration of NACG's safety processes and implementing safety tracking software at the Nuna Group of Companies
 - Acceptance of Certificate of Recognition audit action plan by ACSA and subsequent implementation on sites
 - Completion of health and safety training survey by supervisors with results used to develop action plans to address gaps
 - Safety campaigns focused on mental health awareness, wildfire and air quality responsiveness and overall fitness for work

Q 2 2 0 2 4

¹ In millions, exposure hours are the number of employment hours including overtime & training but excluding leave, sickness & other absences



John T. Ryan National Safety Award

Significant recognition for the North American and Mikisew teams, safety lies at the core of our operations, embodied in the belief that *Everyone Gets Home Safe*

- Mikisew North American Limited Partnership was the recipient of the John T. Ryan National Safety Award for Select Mines on May 13, 2024 at the CIM annual convention in Vancouver, British Columbia
 - Award is a symbol of premier safety in mining and has been awarded since 1941
- Award commemorates 2023 safety performance at the Aurora Mine where operations posted a recordable injury rate of zero with over 650,000 exposure hours¹
- Second time we have received the award since 2016
 - Other past winners include Vale, De Beers Group, Mosaic Company & Nutrien Ltd



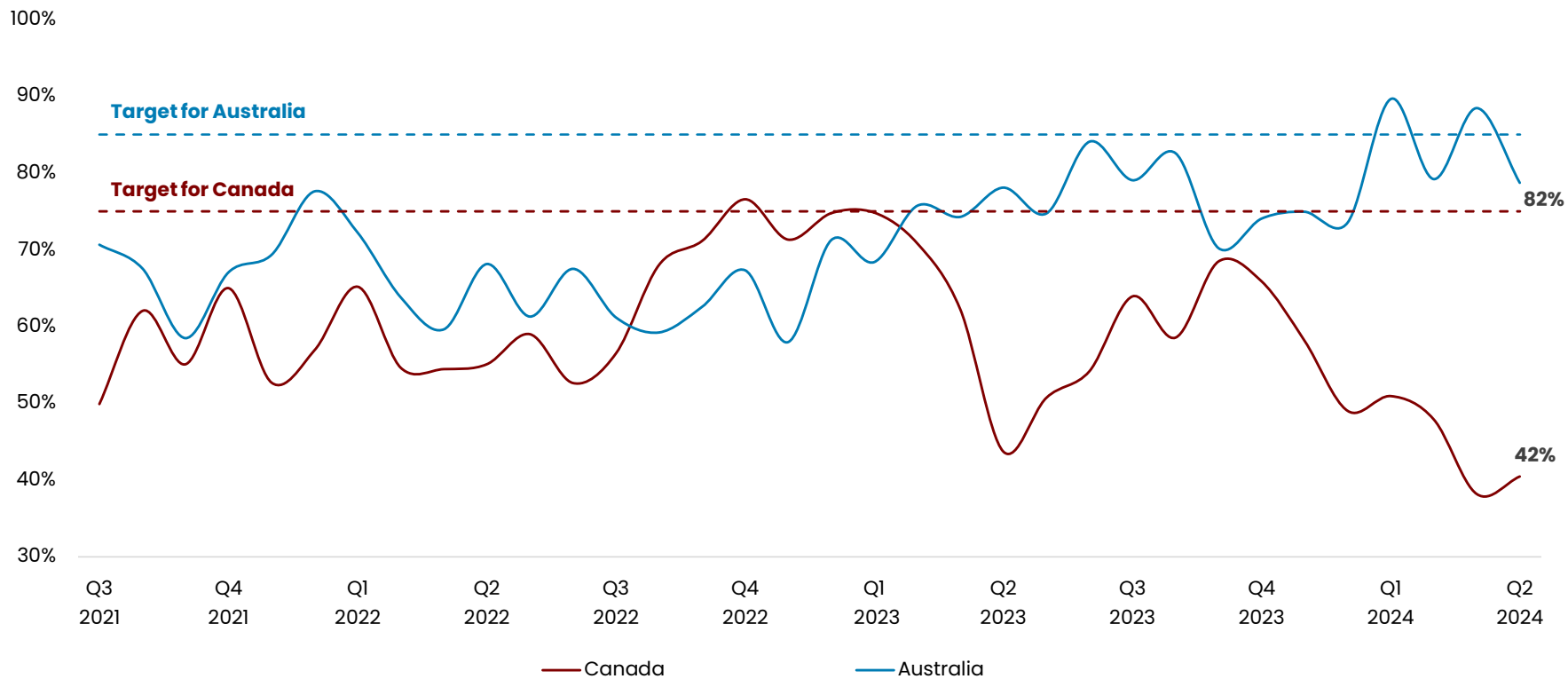
¹ In millions, exposure hours are the number of employment hours including overtime & training but excluding leave, sickness & other absences

2024 Q2 Accomplishments

- MacKellar Group posted record-setting revenue in May driven by effective fleet operation and favourable site conditions at the Middlemount and Carmichael mines
- Delivered consistent operating and project margins in the oil sands region despite significant adverse weather impacts including wildfire protocols and heavy rainfall
- Progressed spring and summer construction scopes at the Fargo-Moorhead flood diversion project and surpassed the 40% completion mark in June
- Nuna Group returned to profitability for the quarter and executed a strong month in June heading into a busy summer season in northern Canada
- Implemented various system improvements with the ERP integration team in Australia remaining on schedule with go-live planned for later in the third quarter
- Transport and delivery of approximately twenty haul trucks from Canada to Australia remains on schedule with bulk of commissioning planned for late Q3 and early Q4
- Equipment telematics team advanced Hitachi functionality on the Canadian heavy equipment fleet and are establishing mobile data infrastructure at the mine sites in Australia



Equipment Utilization^{1,2}



Australia and Canada fleets inversely impacted by operating conditions during the quarter

¹ NACG and MacKellar fleet only, data labels reflect 2024 Q2 performances, graph line reflects monthly performance
² Utilization values reflective of large capacity fleet

2024 Q2 FINANCIAL OVERVIEW



2024 Q2 Performance

\$330M

Combined revenue¹

\$87M

Adjusted EBITDA¹

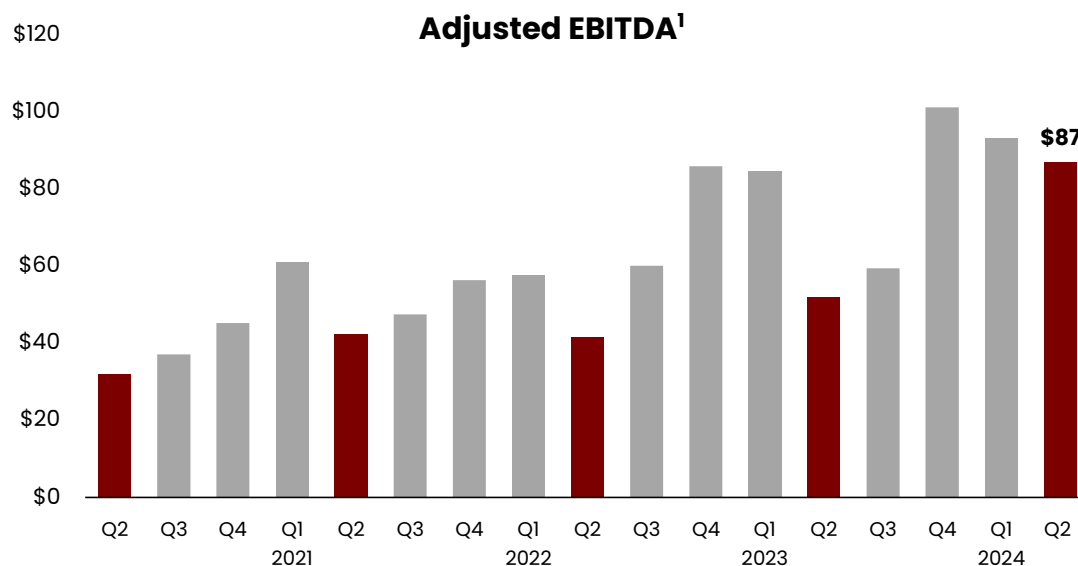
26.3%

Adjusted EBITDA margin¹

11.4%

Return on invested capital¹

- Record Q2 adjusted EBITDA¹ of \$86.9 million beat previous metric by 70% reflecting a more consistent diversified business
- Strong second quarter at MacKellar, with results driven by performance at the Middlemount and Carmichael mines
- Steady underlying run-rate in the oil sands from Q1 to Q2 compared to the five-year average decrease of 35%
- Strong adjusted EBITDA margin reflects effective operational quarter despite lower equipment utilization in Canada



¹ See Slide 2 or 2024 Q2 Financial Report for Non-GAAP Financial Measures

Combined Results

(figures in millions of Canadian dollars)

	Q2 2024	Q2 2023	Variance
Wholly-owned entities	\$276	\$195	\$81 ▲
Share of amounts from investments	\$54	\$84	(\$30 ▼)
TOTAL COMBINED REVENUE¹	\$330	\$279	\$52 ▲
Combined gross profit¹	\$60 18.3%	\$36 13.0%	\$24 ▲

Revenue from wholly owned entities increased 42% from Q2 2023

- MacKellar equipment utilization of 82% drove revenue up 10% from both 2024 Q1 and 2023 Q4 levels
- Wildfires protocols and heavy rainfall in the Canadian oil sands region resulted in work stoppages and cancelled shifts

Joint venture revenue decrease reflects completion of the construction project in Northern Ontario in 2023

- Fargo-Moorhead project completed another strong operational quarter surpassing the 40% completion mark in June

Combined gross profit margin of 18.3% marks significant improvement from Q2 2023

- Excluding one-time accounting loss, combined gross margin of 19.6% reflects strong operating performances across all businesses
- Third consecutive quarter of operational margin exceeding 18% indicating scopes being executed as planned

Acquisition of MacKellar fleet delivering consistency quarter to quarter

¹ See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

Adjusted EBITDA¹ and EPS¹

(figures in millions of Canadian dollars, except per share amounts)

	Q2 2024	Q2 2023	Variance
Adjusted EBITDA^{1,3}	\$87 26.3%	\$52 18.6%	\$34 ▲
Adjusted EBIT^{1,3}	\$47 14.1%	\$23 8.3%	\$24 ▲
Adjusted EPS¹	\$0.78	\$0.47	\$0.31 ▲
General & administrative expenses²	\$13 4.6%	\$7 3.7%	\$6 ▲
Net income	\$14	\$12	\$2 ▲
Basic net income per share	\$0.52	\$0.46	\$0.06 ▲

Record Q2 adjusted EBITDA¹ based on effective operating performances

- Beat previous Q2 metric by 70% based on a more consistent, less seasonal, diversified business

Adjusted EPS¹ of \$0.78 increased from the prior year period on strong operational earnings

- Step-change increase driven by an EBIT increase of over 100% offset by higher acquisition-related interest expense
- Overall interest rate of 7.0% in the quarter trending down as posted rates decreased

Adjusted earnings per share up over 65% from 2023 Q2

¹ See Slide 2 or Q2 2024 Financial 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

Cash Provided by Operating Activities

(figures in millions of Canadian dollars unless otherwise stated)

	Q2 2024	Q2 2023	Variance
Cash provided by operations prior to WC¹	\$69	\$27	\$42 ▲
Net changes in non-cash working capital	(10)	13	(23) ▼
Cash provided by operating activities	\$59	\$40	\$19 ▲
Sustaining capital additions¹	\$37	\$38	(\$1) ▼
Free cash flow¹	(\$2)	(\$4)	\$3 ▲

Cash provided by operating activities heavily impacted by changes in working capital accounts

- Prior to working capital, significant increase of \$42 million reflects the impact of the transformative acquisition in October 2023

Sustaining capital¹ additions related to routine maintenance on existing fleet

- Level compares favourably to overall depreciation posted in the quarter

Free cash flow¹ impacted by both changes in working capital balances and increases in capital work in progress

Free cash flow usage in Q2 as anticipated with generation expected in 2024 H2

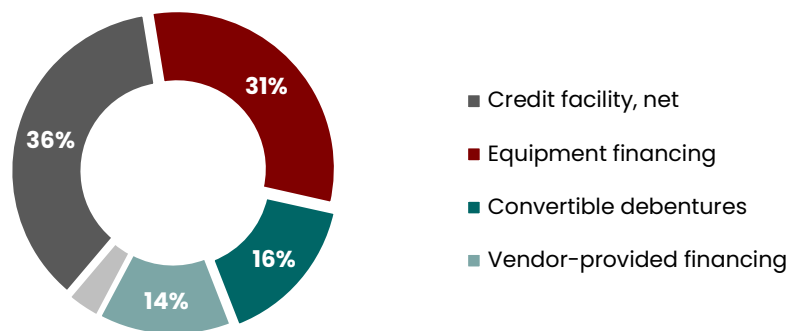
¹See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

Balance Sheet

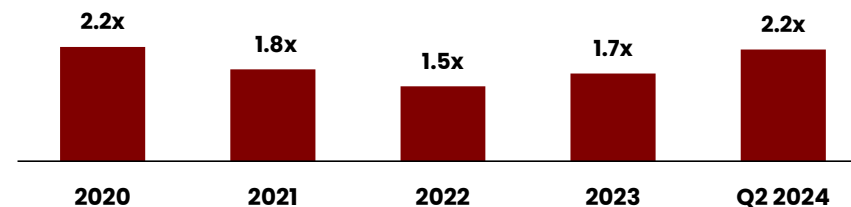
(figures in millions of Canadian dollars unless otherwise stated)

	June 30, 2024	December 31, 2023	December 31, 2022
Cash	\$68	\$89	\$69
Total capital liquidity¹	189	293	212
Property, plant & equipment	1,204	1,143	646
Total assets	1,625	1,546	980
Senior debt^{1,2}	\$657 1.7x	\$566 1.4x	\$266 1.1x
Net debt^{1,2}	833 2.2x	723 1.7x	356 1.5x
Return on invested capital¹	11.4%	12.3%	12.5%

Net Debt Composition



Net debt leverage^{1,2}



¹ See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures.

² Leverage ratios calculated on a trailing twelve-month basis



2024 OUTLOOK



Operational Priorities for 2024



1

Integrate & grow MacKellar with ERP and stronger systems & processes in place for second half of 2024

2

⇒ Win large-scale mining or civil construction project
⇒ Qualify for major earthworks infrastructure tender

3

Achieve fleet utilization targets, expand telematics & demonstrate value achieved with shared best practices

4

Re-establish operational excellence & return Nuna to consistent predictable project performance

Bid Pipeline

ESTIMATED PROJECT
COMMENCEMENT
TIMING

2024

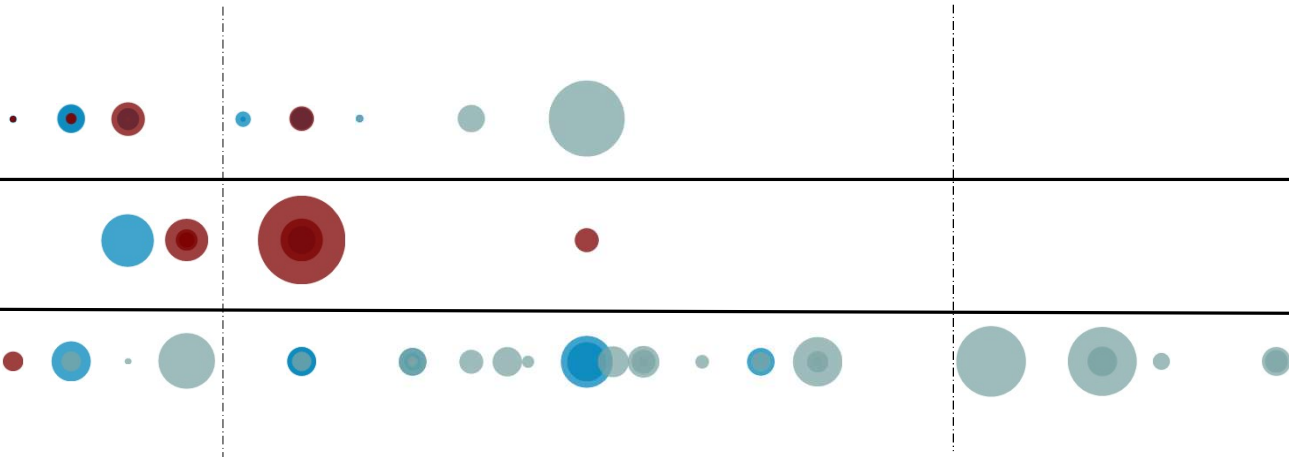
2025

2026+

Projects in the active
procurement
process

Potential contract
extensions

Upcoming bid
opportunities



BID PIPELINE¹ CONTAINS OVER \$10 BILLION OF SPECIFIC SCOPES OF WORK

- **Australia – consistent demand across all commodities in Queensland and Western Australia**
- **Canada – iron ore, nickel, gold, diamond mining projects (construction, operations, reclamation)**
- **Continued strong project demand in the oil sands region focused on increasing throughput**

- Diversified resources & infrastructure
- Oil sands region
- Projects in Australia
- Size = \$100m scope

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

Contractual backlog¹ of \$2.8 billion

 Additions in 2024 of \$720 million offset by \$600 million of work executed in the first half of the year

MINING, RESOURCE & CIVIL

- Strategic partnerships with the Red River Valley Alliance and ASN Constructors
- Mine services contracts provide accretive backlog¹ with no required capital investment

CANADIAN OIL SANDS REGION

Backlog provides stability & benefits in winning incremental scopes & attracting workforce

- Contracts secured through partnership with Mikisew Cree First Nation
- MNALP provides competitive advantage with contract renewals & extensions expected

QUEENSLAND & WESTERN AUSTRALIA

Metallurgical and thermal coal mines with long-term contracts and ample opportunity for growth

- Mine management services
- Maintained rental agreements

Contractual backlog¹ provides confidence for medium and long-term outlooks

¹ See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

Updated 2024 Outlook

KEY METRICS

Combined revenue ¹	\$1.4B - \$1.5B
Adjusted EBITDA ¹	\$395M - \$415M
Adjusted EPS ¹	\$3.95 - \$4.15
Sustaining capital ¹	\$150M - \$170M
Free cash flow ¹	\$100M - \$120M

CAPITAL ALLOCATION

Growth capital ¹	\$55M to \$70M
Net debt leverage ^{1,2}	targeting 1.8x

¹ See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

² Leverage ratios calculated on a trailing twelve-month basis

Revenue, EBITDA & EPS updated to reflect 2024 H1 performance

- 2024 H2 remains consistent with original expectations
- Line of sight based on contracts in place and upcoming busy season
- Fleet transported to & commissioned in Australia to maximize usage

Disciplined sustaining capital in light of changing scopes

- Component issues addressed in Canada in 2023 & 2024 H1
- Australian sustaining capital invested to maximize utilization

Free cash flow range updated to reflect 2024 H1 cash usage

- Generation in H2 provides funding for growth while also paying down debt

Growth capital assigned to committed contracts in Australia

- Queensland contract additions require \$20m to \$25m of capital



SUPPLEMENTAL INFORMATION



Company Overview

Fleet of ~1,200 heavy equipment assets

- Backed by support equipment & infrastructure

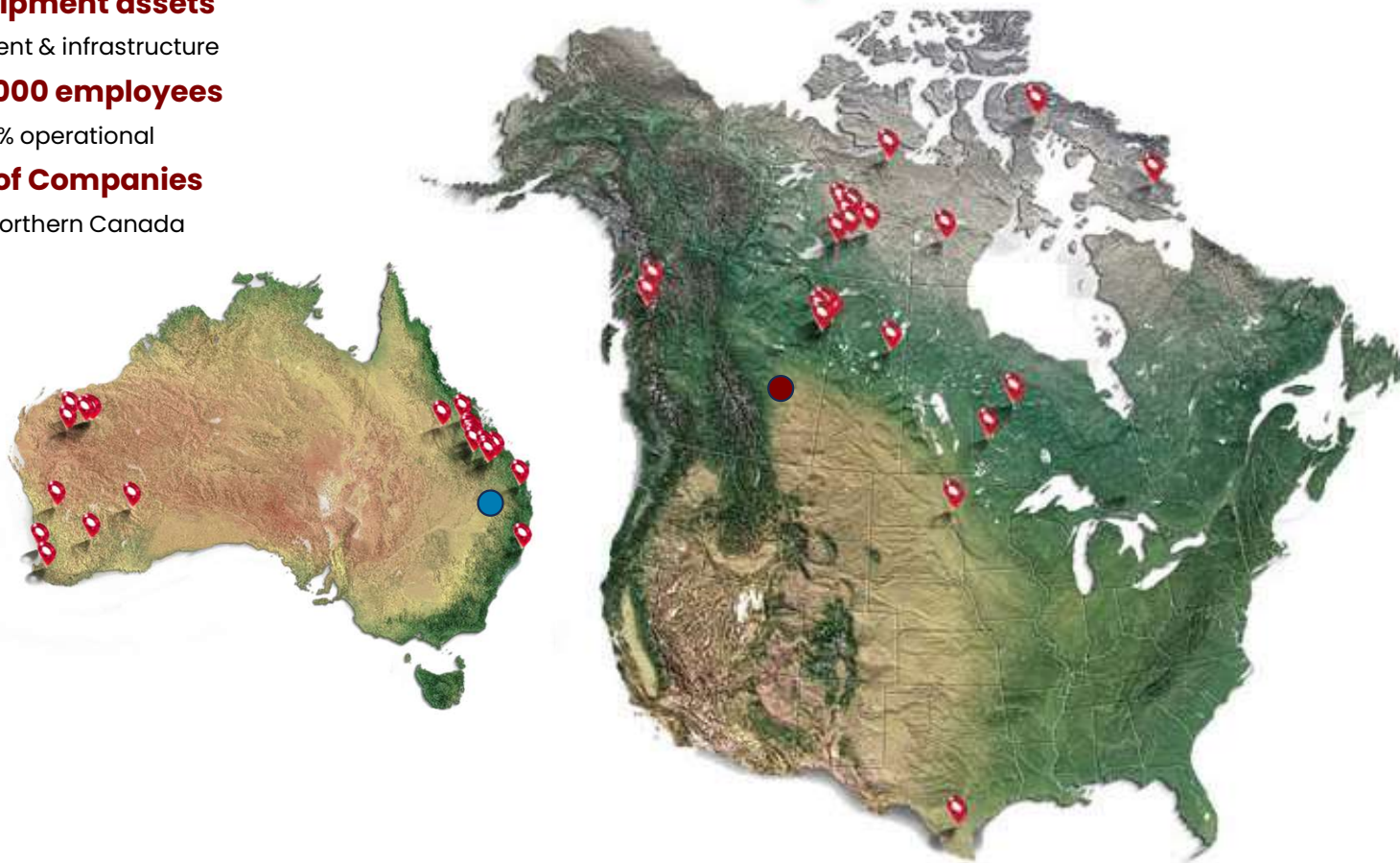
Current workforce of ~4,000 employees

- Canada, Australia, U.S.; +90% operational

Operator of Nuna Group of Companies

- Inuit-owned contractor in northern Canada









- Head office & maintenance facilities in Acheson, Alberta
- MacKellar Group – Corporate office & maintenance facilities
- 📍 Sites with significant current operations



PREMIER PROVIDER
OF MINING & HEAVY
CONSTRUCTION FOR

+70 YEARS

North American Construction Group

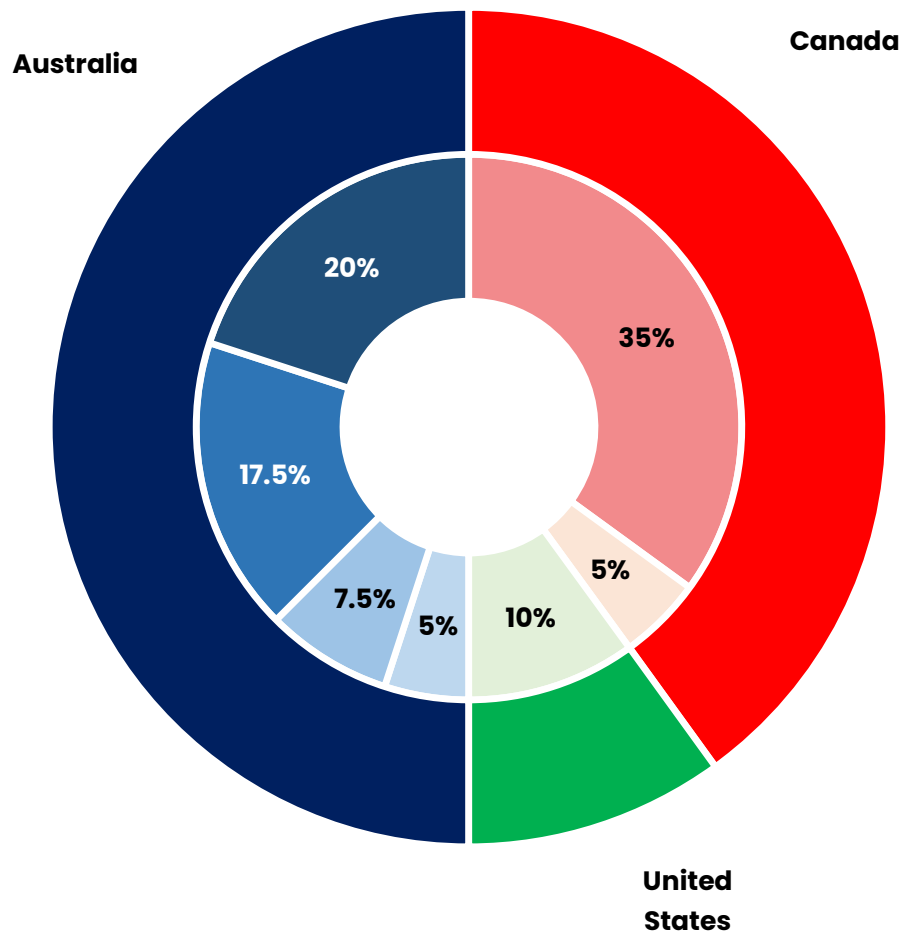
	<p>Australian contractor of civil earthmoving, mining services, and large-scale equipment rentals</p>
	<p>Provider of fully-maintained high-quality heavy equipment in Western Australia</p>
	<p>Majority Inuit-owned contract mining, heavy civil construction and earthworks in northern Canada</p>
	<p>Provider of preventative maintenance, fuel and lube services and steaming in the Fort McMurray region</p>
	<p>Global leader in sourcing critical mining machinery and core components and parts</p>
	<p>Majority owned by Mikisew Cree First Nation, specializes in heavy construction & mining services</p>
	<p>Partnership with Brake Supply, low-cost provider of remanufactured parts and components</p>
	<p>Joint ventures dedicated to the construction of the Fargo-Moorhead flood diversion project</p>



- ✓ LARGE SCALE
- ✓ LOW-COST OPERATOR
- ✓ GLOBALLY DIVERSIFIED
- ✓ +70 YEARS OF EXPERIENCE
- ✓ STRONG SAFETY COMMITMENT
- ✓ LEADING PARTNERSHIPS
- ✓ FULLY INTEGRATED

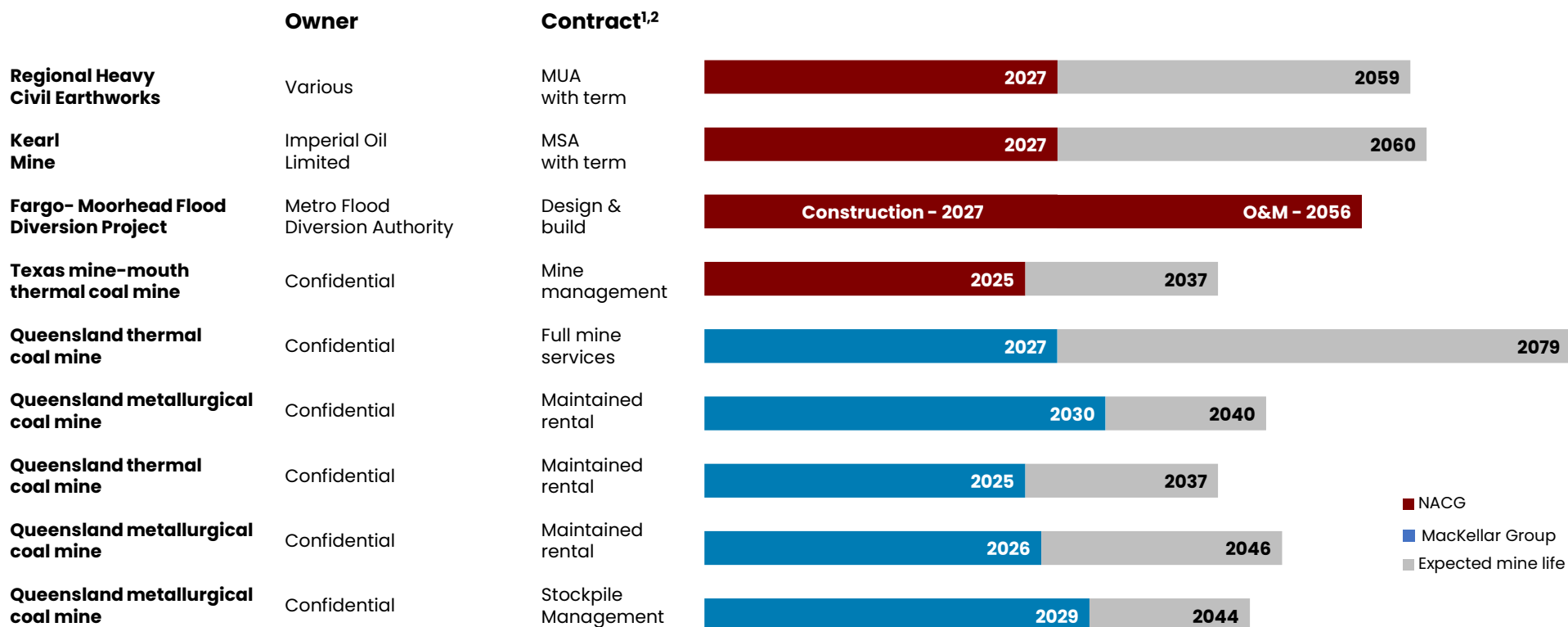
Diversified Business¹

- Queensland metallurgical coal
- Queensland thermal coal
- Western Australia
- Equipment & component sales
- Canada oil sands region
- Northern Canada mining (Nuna)
- U.S. civil construction and project management



¹ Based on EBIT. See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

Long-Term Contracts



¹ MUA – Multiple Use Agreement; MUC – Multiple Use Contract; MSA – Multiple Service Agreement.

² 'With term' reflects term commitments qualifying for contractual backlog³

³ See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

Heavy Equipment Fleet

- As of June 30, 2024, approximately 1,200 heavy equipment assets provide scale and operational flexibility
- Managed on an individual asset basis and deployed with sole objective of maximum operating utilization
- Replacement value¹ of heavy equipment fleet estimated at \$3.5 billion excludes required cost of infrastructure and smaller support equipment

Category ²	Capacity	Fleet Count	Replacement value ¹ (\$m)
Ultra-class & +200-ton trucks	Up to 400t	192	\$1,351
Large capacity loading units	Up to 61m ³	26	307
Large dozers & graders		155	560
Large capacity fleet		373	\$2,218
Haul trucks & articulated trucks	Up to 150t	252	755
Loading units & other loaders	Up to 10m ³	308	296
Other dozers & graders		141	181
Support equipment		78	80
Total heavy equipment fleet		1,152	3,530



¹ See Slide 2 or Q2 2024 Financial Report for Non-GAAP Financial Measures

² Large capacity fleet inclusive of haul trucks >200T, loaders in excess of 61m³, large dozers and graders include D11/D10 and 14/16 fleets respectively