



2024 Q3

EARNINGS PRESENTATION

October 31, 2024



**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 2024 and 2025 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 and 2025, 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.

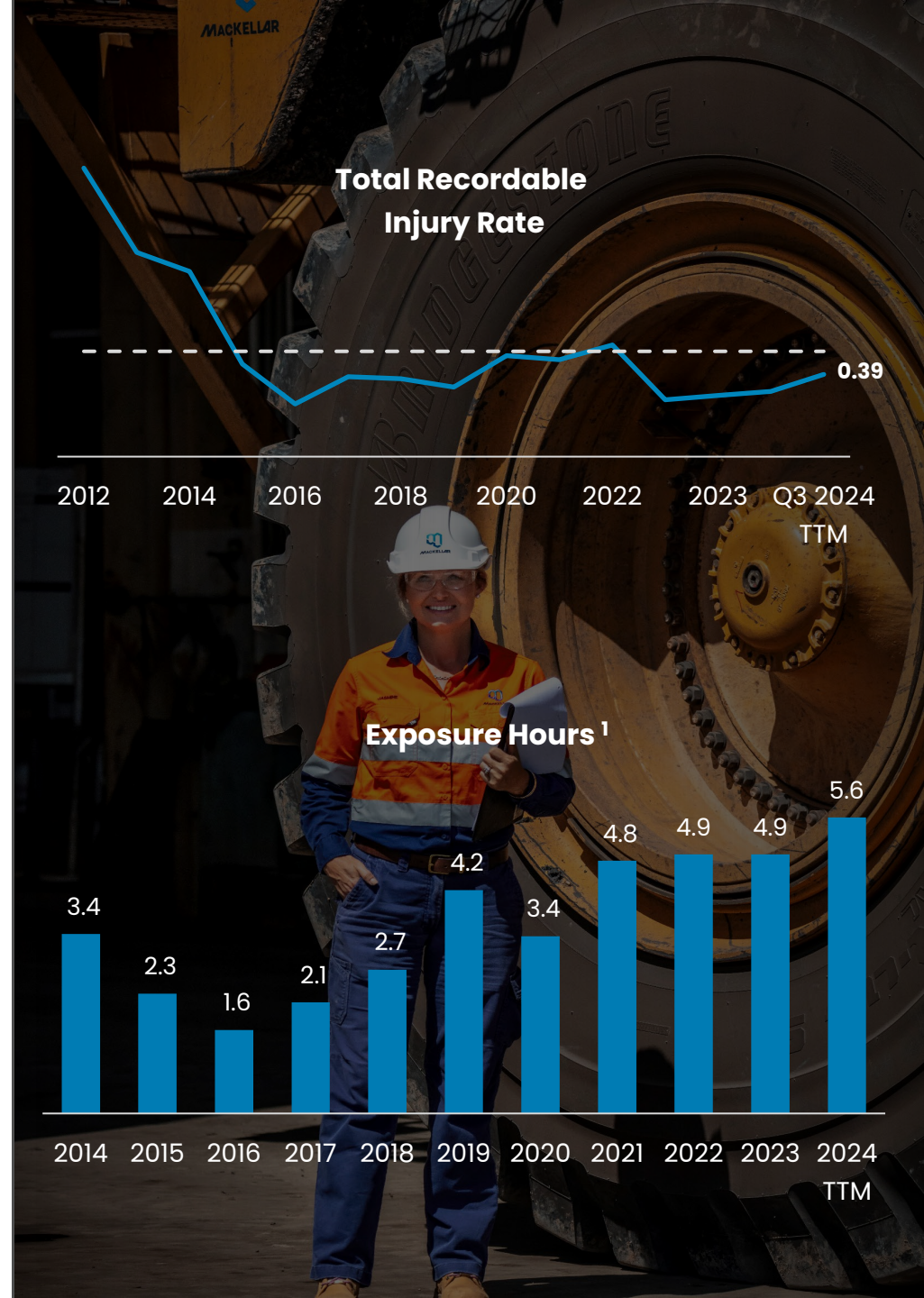
Everyone Gets Home Safe

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 0.39 below target of 0.50
- Primary safety initiatives in the second quarter
 - Task Hazard Analysis (THA) form has been developed to bridge the gap between the FLRA and JSA
 - Supervisor Field Incident Investigation Report developed to simplify the investigation process for supervision and improve information that is received, which will, in turn, improve the quality of our corrective actions
 - Audiometric testing completed at maintenance facilities
 - Rolled out winter preparation campaign for our operations in northern Alberta

Q 3 2024

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



Blackwoods Collaboration Award

Significant safety recognition of the MacKellar Group and Manabotix at the Queensland Mining Awards

- MacKellar Group, in partnership with Manabotix, was awarded for the Bund Monitoring System fit to all water trucks at the Jellinbah site, providing real-time data for proactive risk mitigation and optimized safety protocols
- The system ensures compliance for 100% of all critical areas across 120 kilometers of bunding (embankments) at the Jellinbah site
- Recognized at the Queensland Mining Awards on July 24, 2024 as part of the Queensland Mining & Engineering Exhibition



Trail Blazer Business Leader Award

Significant personal recognition of NACG's Kraig Wanner presented by the Alberta Mining Safety Association

- Award recognizes executive leaders for exemplary and inspiring leadership with a high commitment to health and safety.
- Kraig was awarded for inspiring others in accountability and safety, approachability and his embrace of technology and new ideas for safety
- Recognized at the 2024 AMSA Mine Safety Awards on October 24, 2024



2024 Q3 Accomplishments

- Consistent operating conditions and successful commissioning of growth assets in Australia generated strong top line results
- MacKellar Group posted record-setting revenue driven by steady site conditions at the Middlemount and Carmichael mines
- Solid increase in operating hours from the second quarter of 2024 in oil sands region on uninterrupted usage of heavy equipment
- Fargo-Moorhead flood diversion construction project surpassed the half-way completion mark in September
- Nuna Group executed profitable summer work programs returning to its legacy of strong project management and execution
- All told – the Company posted record adjusted EBITDA, EBIT, EPS

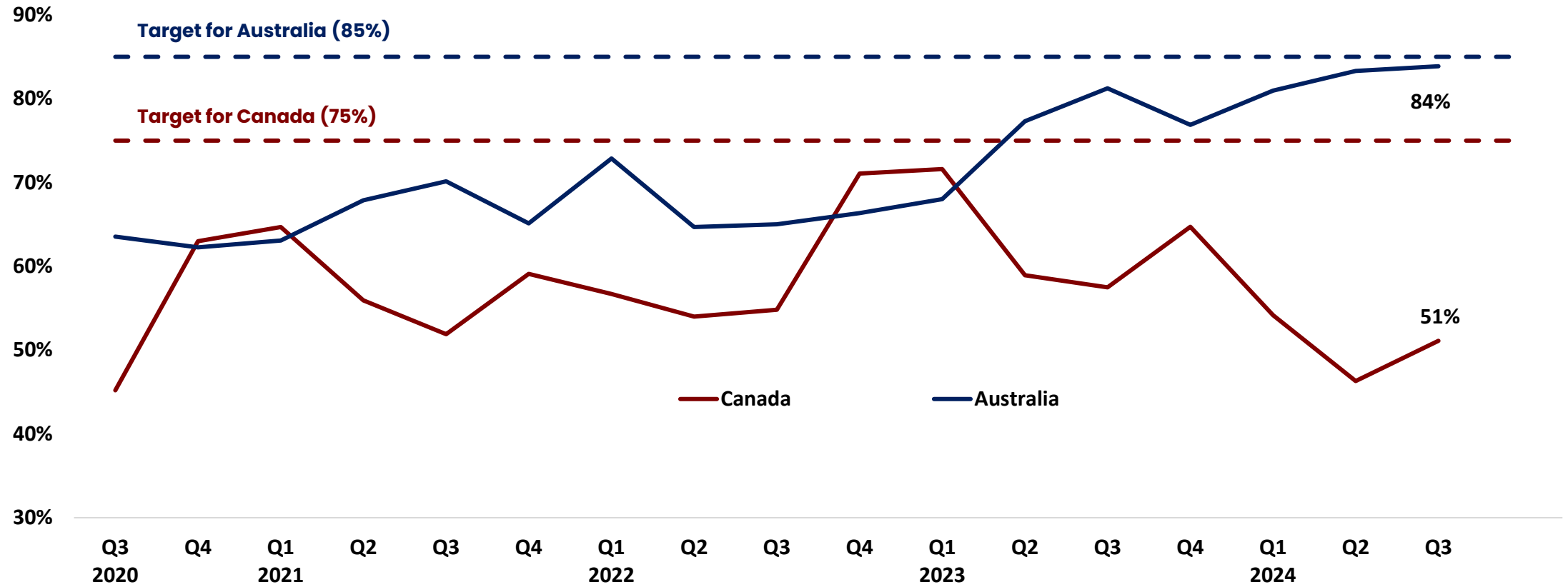
Additional highlights

- Signed a \$375 million five-year contract with an existing customer for fully maintained equipment fleet in Queensland expanding scope from dry rental arrangement
- Implemented the Company's ERP system in Australia using a phased go-live approach with operational efficiency benefits and improved supply chain processes in place for early 2025
- Signed a parts and component supply and services agreement with Finning, leveraging our in-house maintenance programs with Finning's expertise to provide operations with reliable products that will increase equipment utilization and lower cost



Equipment Utilization^{1,2}

Q 3 2024



Heavy equipment fleet in Australia maintained strong performance trend

¹ NACG and MacKellar fleet only, data labels reflect 2024 Q3 performances, graph line reflects quarterly performance
² Utilization values reflective of large capacity fleet

2024 Q3 FINANCIAL OVERVIEW



2024 Q3 Performance

\$367M

Combined revenue¹

\$106M

Adjusted EBITDA¹

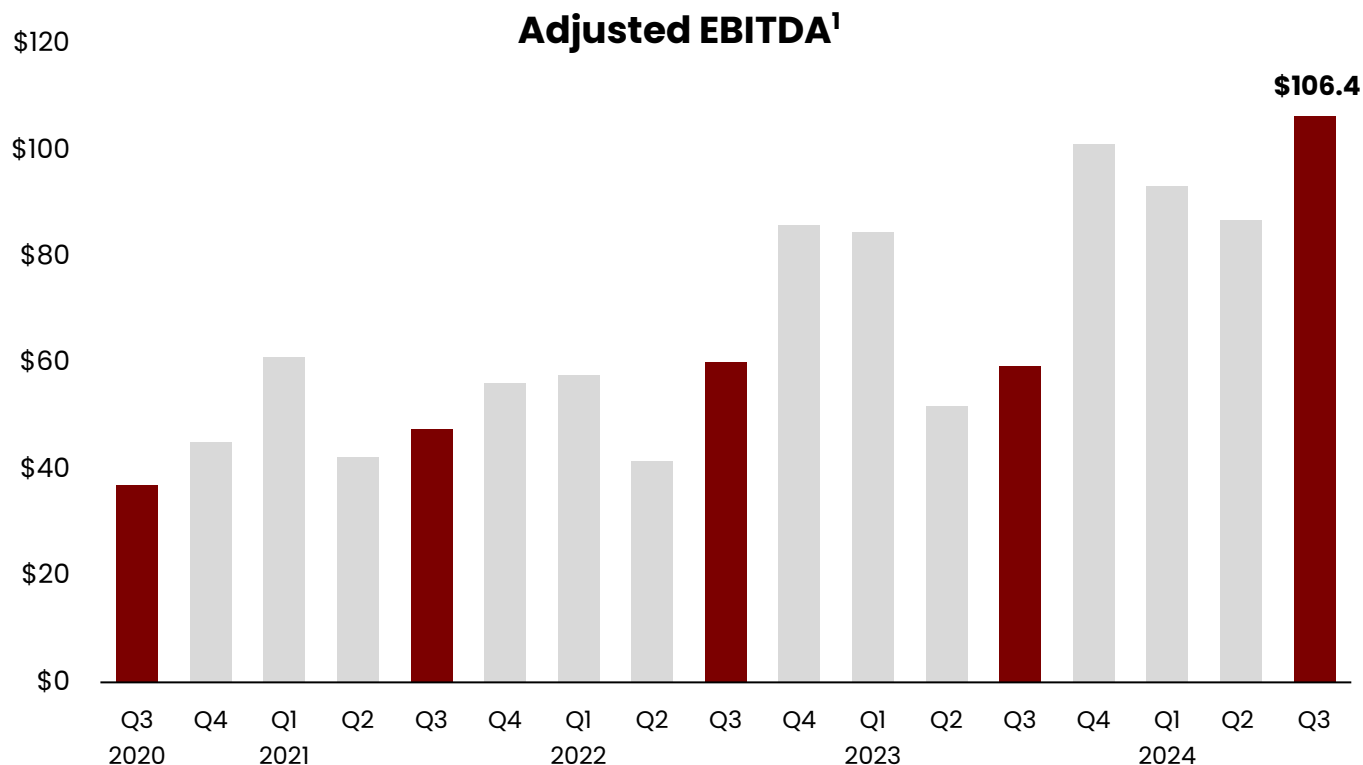
29.0%

Adjusted EBITDA margin¹

12.0%

Return on invested capital¹

- Record adjusted EBITDA¹ of \$106.4 million with Q3 performance reflecting a more consistent diversified business
- Strong utilization at MacKellar, with results driven by performances at the Middlemount and Carmichael mines
- Oil sands increase from 2024 Q2 to Q3 contrasts historical precedent of lower third quarter heavy equipment demand
- Efficient steady operations resulted in strong margins from Queensland, Fort McMurray and northern Canada



¹See Slide 2 or 2024 Q3 Financial Report for Non-GAAP Financial Measures

Combined Results

(figures in millions of Canadian dollars)

	2024 Q3	2023 Q3	Variance
Wholly-owned entities	\$287	\$197	\$90 ▲
Share of amounts from investments	\$80	\$78	\$2 ▲
TOTAL COMBINED REVENUE¹	\$367	\$275	\$92 ▲
Combined gross profit¹	\$80 21.9%	\$38 13.8%	\$42 ▲

Revenue from wholly owned entities increase almost 50% up from 2023 Q3

- MacKellar equipment utilization of 84% and commissioned growth assets drove revenue up from 2024 Q2
- Canadian oil sands region experienced steady operating conditions and increased revenue 8% from 2024 Q2

Joint venture revenue decrease reflects strongest quarter on record from the Fargo joint ventures

- Fargo-Moorhead project surpassed the 50% completion mark in September
- Nuna Group of Companies returned to historical revenue levels with the construction gold mine project completed in 2023 Q3

Combined gross profit margin of 21.9% marks step-change from 2023 Q3

- Year-to-date operational margin of 20% indicating scopes being executed efficiently, effectively and as planned

Acquisition of MacKellar fleet delivering consistency quarter to quarter

Adjusted EBITDA¹ and EPS¹

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

	2024 Q3	2023 Q3	Variance
Adjusted EBITDA^{1,3}	\$106 29.0%	\$59 21.6%	\$46
Adjusted EBIT^{1,3}	\$62 16.8%	\$25 9.2%	\$37
Adjusted EPS¹	\$1.17	\$0.54	\$0.63
General & administrative expenses²	\$10 3.3%	\$7 3.5%	\$3
Net income	\$14	\$11	\$3
Basic net income per share	\$0.52	\$0.43	\$0.09

Record adjusted EBITDA¹ based on effective operating performances

- Overall consistency of last four quarters reflects more diversified less seasonal business

Adjusted EPS¹ of \$1.17 increased from the prior year period on strong operational earnings

- Step-change increase driven by an EBIT increase of 2.5x offset by higher acquisition-related interest expense
- Overall interest rate of 6.5% in the quarter trending down as posted rates decreased

Adjusted earnings of \$1.17 per share more than double from 2023 Q3 EPS of \$0.54

¹ See Slide 2 or Q3 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)

	2024 Q3	2023 Q3	Variance
Cash provided by operations prior to WC¹	\$80	\$42	\$38 ▲
Net changes in non-cash working capital	(32)	(4)	(28) ▼
Cash provided by operating activities	\$48	\$38	\$11 ▲
Sustaining capital additions¹	\$21	\$42	(\$21) ▼
Free cash flow¹	\$11	\$9	\$2 ▲

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

- Prior to working capital, significant increase of \$34 million reflects the impact of the transformative acquisition in October 2023

Sustaining capital¹ additions related to routine maintenance on existing fleet

- Capital maintenance constrained in Canada on disciplined approach

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

Modest free cash flow in Q3 as anticipated with generation expected in 2024 Q4

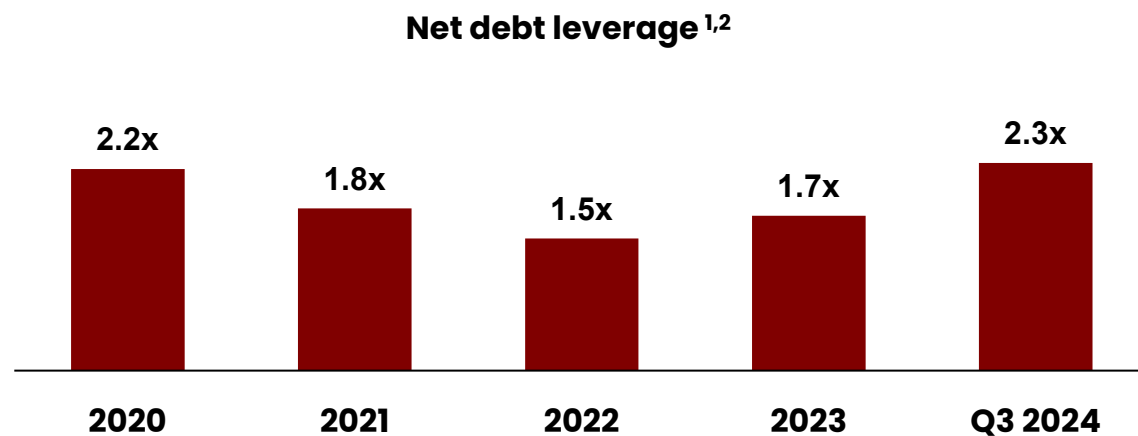
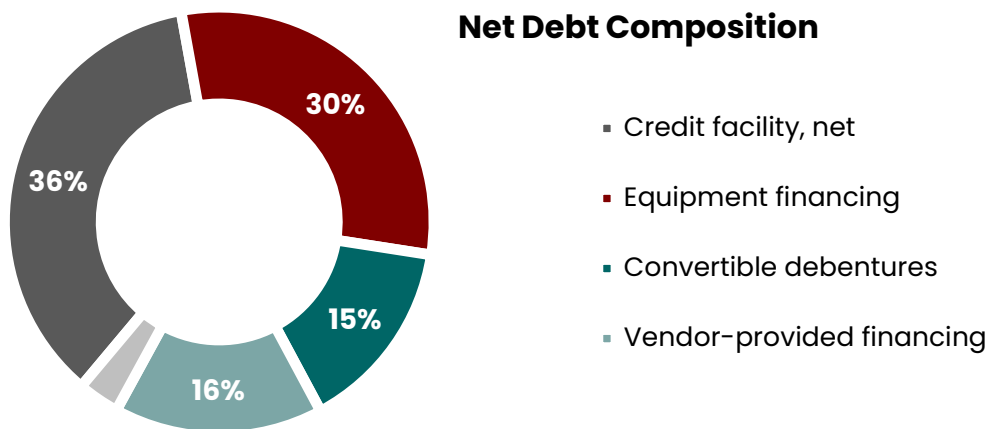
¹ See Slide 2 or Q3 2024 Financial Report for Non-GAAP Financial Measures

Balance Sheet

(figures in millions of Canadian dollars unless otherwise stated)

	September 30, 2024	December 31, 2023	December 31, 2022
Cash	\$78	\$89	\$69
Total capital liquidity¹	173	293	212
Property, plant & equipment	1,235	1,143	646
Total assets	1,694	1,546	980
Senior debt^{1,2}	\$691 1.8x	\$566 1.4x	\$266 1.1x
Net debt^{1,2}	883 2.3x	723 1.7x	356 1.5x
Return on invested capital¹	12.0%	12.3%	12.5%

Q3 2024



¹ See Slide 2 or Q3 2024 Financial Report for Non-GAAP Financial Measures.

² Leverage ratios calculated on a trailing twelve-month basis



2025 OUTLOOK



ASSESSING 2024 PRIORITIES

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

Ongoing

3

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

Ongoing

4

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



Priorities for Q4 2024 & Full Year 2025

1

Enhance safety systems focusing on consistency and front-line leaders training

2

→ Increase equipment utilization
→ Advance telematics and roll-out in Australia

3

Geographic and resource diversification outside of Alberta and Queensland

4

Keen focus on customer satisfaction to earn contract extensions and expansions

5

Leverage ERP system in Australia to optimize business processes and lower costs

6

Expand external maintenance and component rebuild services for third party customers

Bid Pipeline

ESTIMATED PROJECT
COMMENCEMENT
TIMING

2024

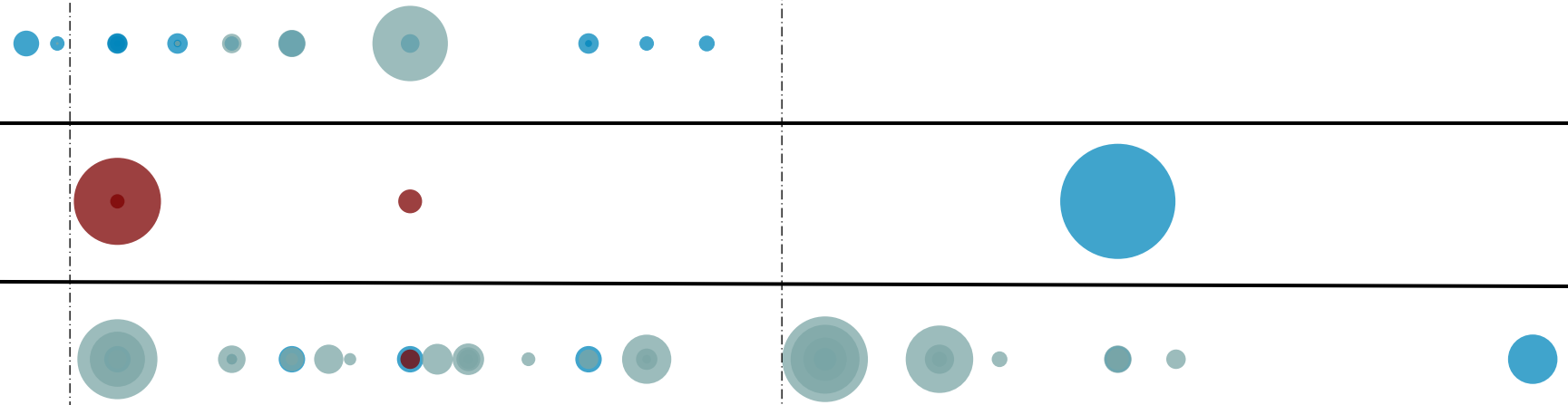
2025

2026+

Projects in active
procurement

Potential contract
extensions & expansions

Upcoming bid
opportunities



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

- **Australia – consistent strong demand across key 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 higher throughput**
- **Infrastructure project opportunities with large earthwork scopes increasing**

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

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

Contractual backlog¹ of \$3.1 billion

 Significant additions in 2024 of \$1.4 billion offset by over \$900 million of work executed year-to-date

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 estimated to remain above \$3.0 billion through year-end

¹ See Slide 2 or Q3 2024 Financial Report for Non-GAAP Financial Measures

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	\$85M to \$95M
Net debt leverage ^{1,2}	targeting 2.1x

¹ See Slide 2 or Q3 2024 Financial Report for Non-GAAP Financial Measures

² Leverage ratios calculated on a trailing twelve-month basis

Key metrics unchanged with growth spending updated for Q3 contract win

- 2024 Q4 remains consistent with prior expectations
- Line of sight based on existing contracts in Australia & Canada
- 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 reflects 2024 year-to date cash usage

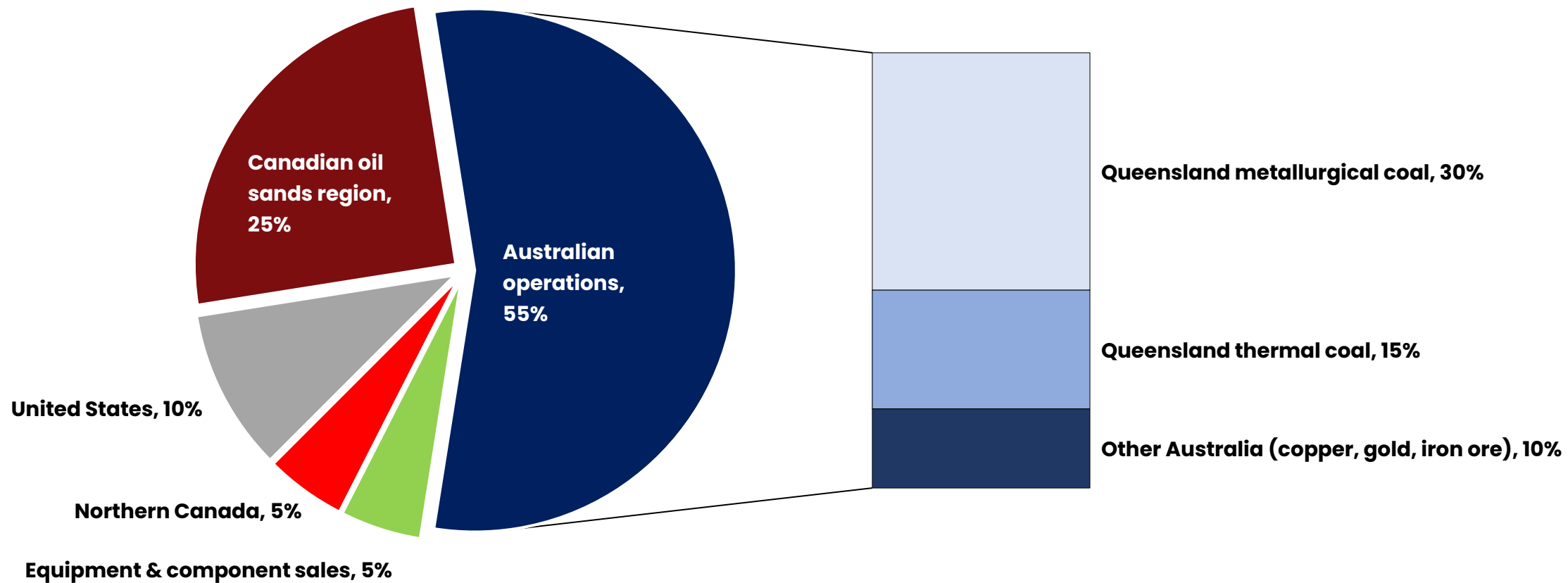
- Q4 generation to fund paying down debt and adding growth assets

Growth capital assigned to committed contracts in Australia

- Queensland contract additions require growth capital investment

The Diversification Journey Continues¹

Australian operations expected to exceed 50% of earnings generation



Q3 2024



SUPPLEMENTAL INFORMATION



Company Overview

Fleet of over 1,100 heavy equipment assets

- Backed by support equipment & infrastructure

Current workforce of ~3,000 employees

- Canada, Australia, U.S.; over 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

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 Q3 2024 Financial Report for Non-GAAP Financial Measures

Heavy Equipment Fleet

- As of September 30, 2024, approximately 1,100 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	193	\$1,357
Large capacity loading units	Up to 61m ³	26	307
Large dozers & graders		158	577
Large capacity fleet		377	\$2,241
Haul trucks & articulated trucks	Up to 150t	237	708
Loading units & other loaders	Up to 10m ³	301	271
Other dozers & graders		132	173
Support equipment		73	75
Total heavy equipment fleet		1,120	3,467

¹ See Slide 2 or Q3 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 24/18/16 fleets respectively

