

TOTAL ENERGY SERVICES INC.



Annual Meeting of Shareholders • May 21, 2015

FOCUS DISCIPLINE GROWTH

Non-IFRS Measures



EBITDA means earnings before interest, taxes, depreciation and amortization and is equal to net income before income taxes plus finance costs plus depreciation minus finance income. Cashflow means cash provided by operations before changes in non-cash working capital items. EBITDA and cashflow are not recognized measures under International Financial Reporting Standards (“IFRS”). Management believes that in addition to net income, EBITDA and cashflow are useful supplemental measures as they provide an indication of the results generated by the Company’s primary business activities prior to consideration of how those activities are financed, amortized or how the results are taxed in various jurisdictions as well as the cash generated by the Company’s primary business activities without consideration of the timing of the monetization of non-cash working capital items. Readers should be cautioned, however, that EBITDA and cashflow should not be construed as an alternative to net income determined in accordance with IFRS as an indicator of Total Energy’s performance. Total Energy’s method of calculating EBITDA and cashflow may differ from other organizations and, accordingly, EBITDA and cashflow may not be comparable to measures used by other organizations.



Forward-Looking Statements



Certain information presented in these remarks and in this presentation that is not historical factual information may constitute forward-looking information within the meaning of securities laws. Actual results could differ materially from a conclusion, forecast or projection contained in such forward-looking information. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements about Total Energy Services Inc. or its subsidiaries (“Total Energy” or “Total”), including business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future financial performance, ongoing business strategies or prospects, and possible future action on our part, is also a forward-looking statement.

Certain material factors or assumptions were also applied in drawing a conclusion or making a forecast or projection as reflected in such forward-looking information. Additional information about the material factors that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward looking information, details regarding the material factors or assumptions that were applied in drawing such conclusions or making such forecasts or projections, and more exhaustive information on the risks and uncertainties can be found in Total’s most recent Annual Information Form which is available on www.sedar.com

Corporate Information



- Common Shares TSX Trading Symbol TOT
- Common Shares Outstanding 31.0 million
- Options Outstanding (\$14.73 average exercise price) 1.7 million
- Market Capitalization (basic, at \$15.00 share price) \$465 million
- Director/Officer Ownership (basic) 7%
- Common Share Dividend (per share) \$0.06/quarter (\$0.24/annum)
- Long Term Debt (due May 2020, 3.06% interest rate) \$50 million
- Redeemed \$69 million of 5.75% Convertible Debentures on May 19, 2015 with \$50 million LTD and cash on hand

Operations



Three business divisions:

Contract Drilling Services
(Chinook Drilling)

Rentals and Transportation Services
(Total Oilfield Rentals)

Compression & Process Services
(Bidell Compression & Spectrum Process Systems)

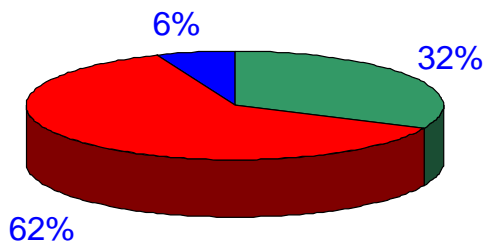


Division Revenue

(Percentage of Consolidated Revenue)

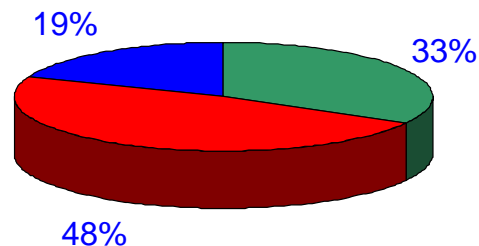


Three months ending
March 31, 2015



■ Rentals & Transportation Services
■ Compression & Process Services
■ Contract Drilling Services

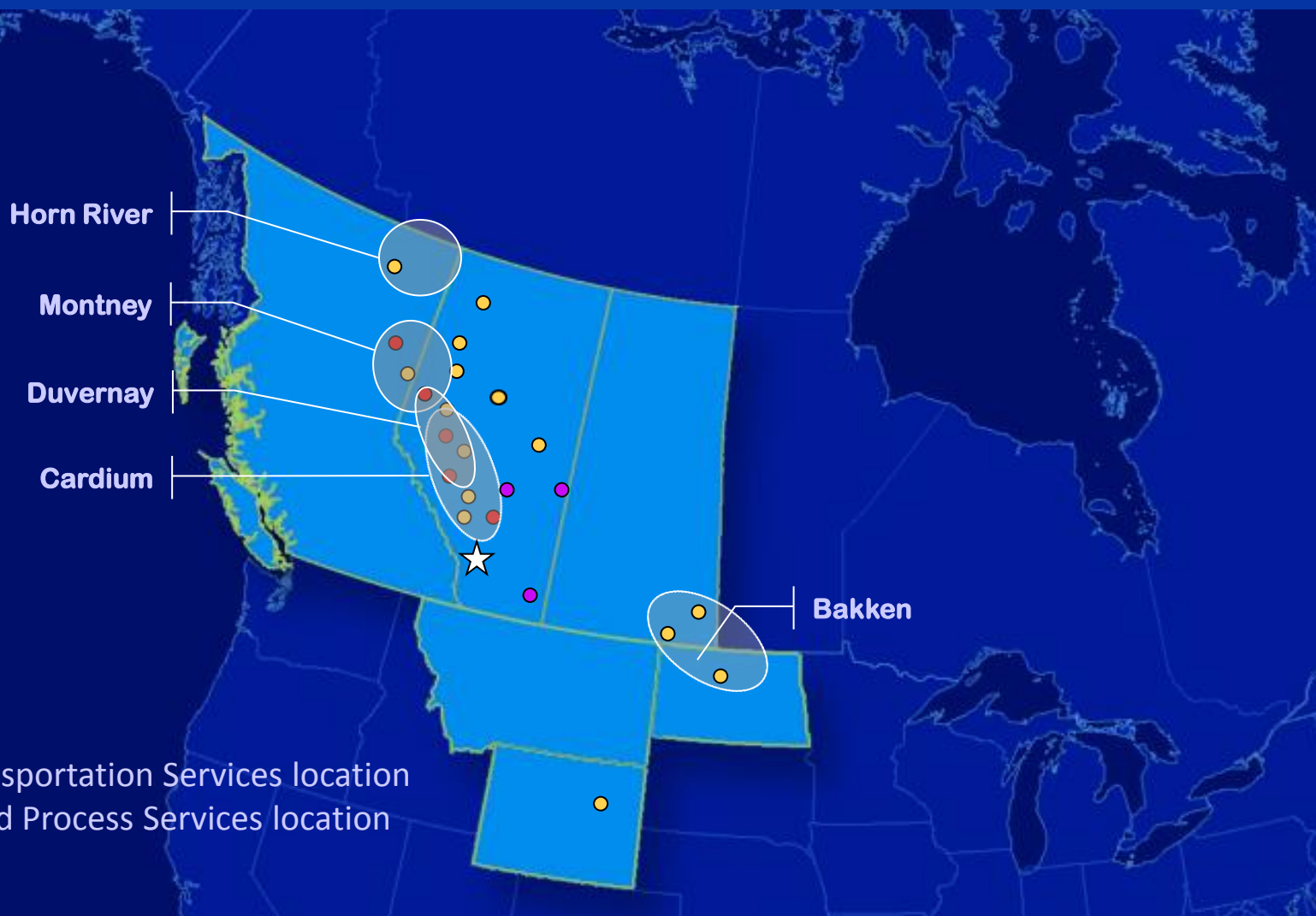
Three months ending
March 31, 2014



■ Rentals & Transportation Services
■ Compression & Process Services
■ Contract Drilling Services

Operations Infrastructure

Exposure to Significant WCSB Resource Plays



Contract Drilling Services

Chinook Drilling



- Focused on deeper basins in Western Canada
- 18 rig fleet: 16 telescopic doubles and 2 extended reach singles
- Telescopic doubles average TVD rating of 3,300 meters
- Two 4,200 meter TVD AC electric doubles built in past two years
- Two singles substantially upgraded in past two years; TVD rating of 1800 meters and integrated top drives
- Significant owned top-drive fleet - 70% of rig fleet



Contract Drilling – *Chinook Drilling*

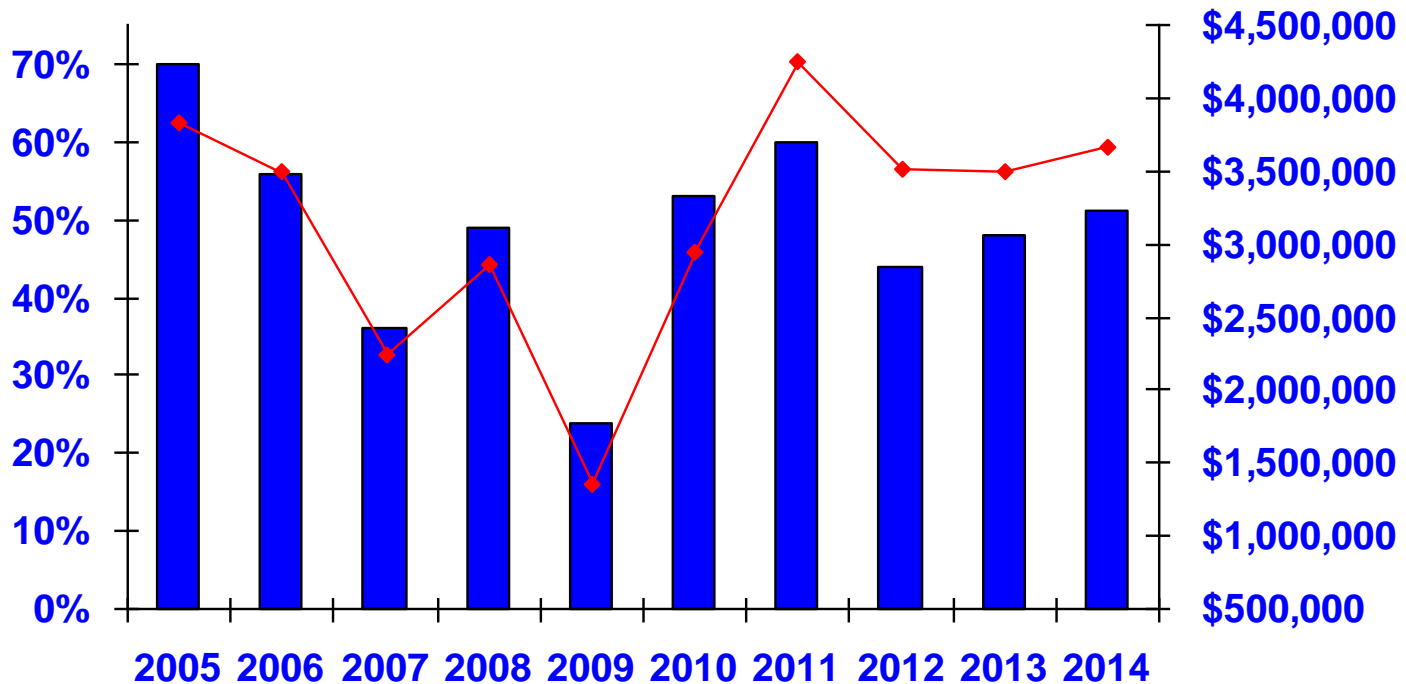
(dollar amounts in thousands)



<i>Twelve months ended Dec 31</i>	2014	2013	% Change
Operating Days (spud to release)	3,038	2,814	8%
# of Rigs (average)	17	16	6%
Revenue	\$ 62,358	\$ 55,953	11%
EBITDA	\$ 19,771	\$ 18,248	8%
Assets (period end)	\$125,992	\$107,206	18%

Contract Drilling Services

Revenue/Rig



■ Rig Utilization (%) —◆— Revenue/Rig (\$)

Contract Drilling – *Chinook Drilling*

(dollar amounts in thousands)



<i>Three months ended March 31</i>	2015	2014	% Change
Operating Days (spud to release)	263	1,015	(74)%
# of Rigs (average)	18	16	13%
Revenue	\$ 5,230	\$ 21,741	(76)%
EBITDA	\$ 1,651	\$ 9,173	(82)%
Assets (period end)	\$119,357	\$116,158	3%

Rentals and Transportation Services

Total Oilfield Rentals



- Leading provider of surface rental equipment and general oilfield hauling in western Canada with growing presence in the northwestern United States
- Provide equipment and transportation services used in the drilling, completion and production of oil and natural gas wells
- Current fleet of 10,000 pieces of rental equipment and 119 heavy trucks based in 22 branch locations
- Q1 2015 acquisition added branch in Casper, Wyoming



Rentals and Transportation Services

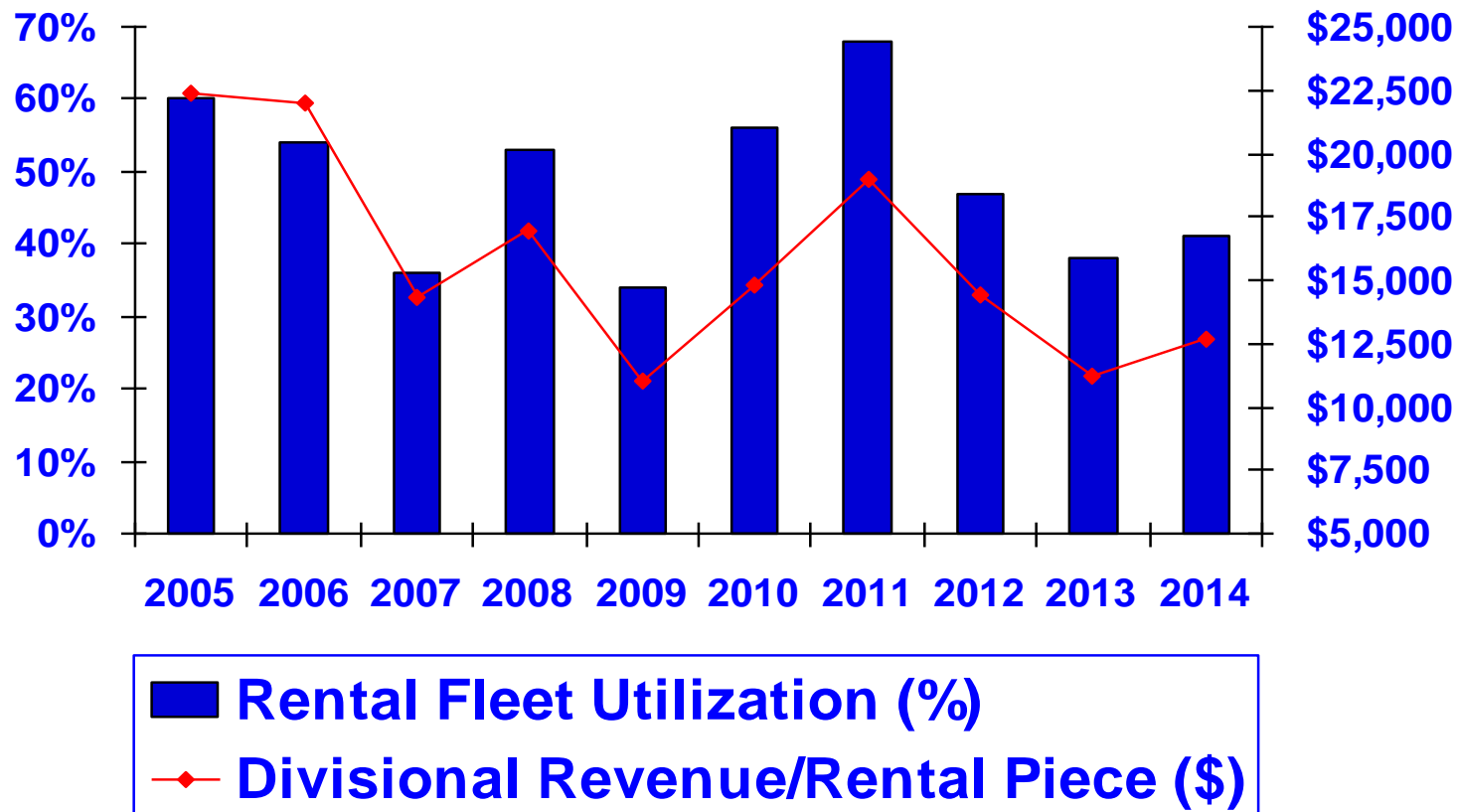
(dollar amounts in thousands)



<i>Twelve months ended Dec 31</i>	2014	2013	% Change
Rental Pieces (period end)	10,000	9,700	3%
Heavy Trucks (period end)	109	100	9%
Average Utilization (rental equipment)	41%	38%	8%
Revenue	\$124,840	\$108,908	15%
EBITDA	\$ 45,386	\$ 41,690	9%
Assets (period end)	\$261,089	\$234,343	11%

Rentals and Transportation Services

Historical Revenue Analysis



Rentals and Transportation Services

(dollar amounts in thousands)



<i>Three months ended March 31</i>	2015	2014	% Change
Rental Pieces (period end)	10,000	9,900	1%
Heavy Trucks (period end)	119	109	9%
Average Utilization (rental equipment)	38%	51%	(25)%
Revenue	\$ 29,871	\$ 38,628	(23)%
EBITDA	\$ 10,473	\$ 16,752	(37)%
Assets	\$259,261	\$251,252	3%

Compression and Process Services

Bidell Gas Compression



- In business since 1988, Bidell is a leading provider of gas compression fabrication, sales, rental and service in Canada and select international markets
- 123,000 square feet of fabrication space located in SE Calgary
- Manufacture 25 to 10,000 hp compression packages
- Carry all major engine lines (natural gas and electric) and compressors (reciprocating and screw)
- Recently designated Canadian Platinum Participant in General Electric's Distributed Power business
- Patented NOMAD™ line of large hp mobile compressors – maximize compression capital and operating efficiencies for steep decline wells
- Growing parts and service infrastructure throughout Western Canada – offer an extensive parts inventory, exchange programs, overhaul and retrofit services



Compression and Process Services

Spectrum Process Services



- Established Spectrum in late 2012 to increase exposure to Canadian oil and NGL production activity as well as potential LNG driven infrastructure build.
- Q1 2013 acquired Opsco Manufacturing - in business since 1975 serving the Canadian and select international markets
- 85,000 square feet of fabrication space located in SE Calgary
- Offer full service project management, engineering, design and procurement services
- Specializes in large capacity dehydration, regeneration, separation, line heaters, free water knock outs and custom manufactured process equipment



Compression and Process Services

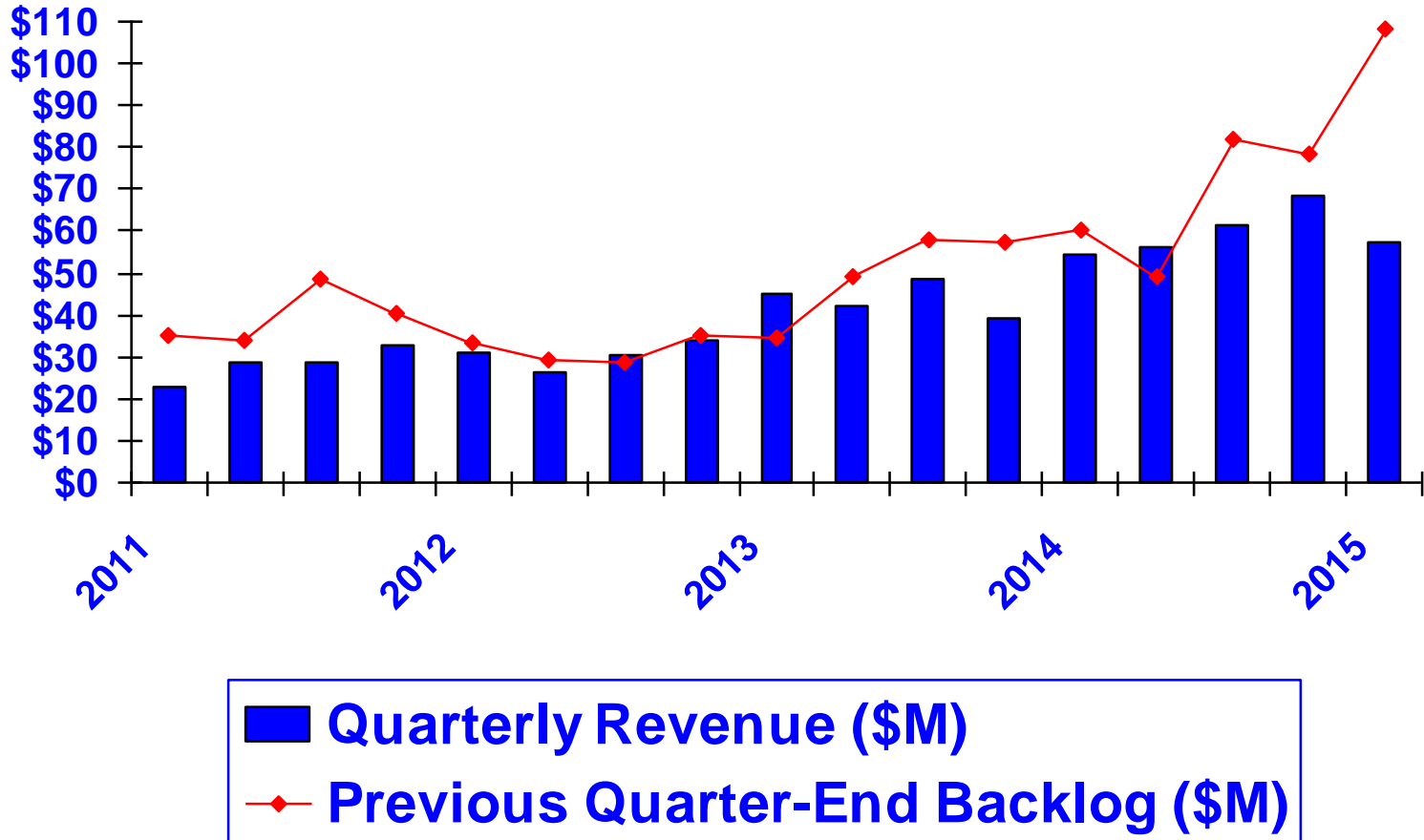
(dollar amounts in thousands)



<i>Twelve Months ended Dec 31</i>	2014	2013	% Change
Horsepower on Lease (period end)	45,000	43,900	3%
Fabrication Sales Backlog (period end)	\$108,000	\$ 60,100	80%
Revenue	\$240,951	\$174,718	38%
EBITDA	\$ 46,545	\$ 30,563	52%
Assets (period end)	\$199,903	\$161,342	24%

Compression and Process Services

Historical Revenue Analysis



Compression and Process Services

(dollar amounts in thousands)



<i>Three Months ended March 31</i>	2015	2014	% Change
Horsepower on Lease (period end)	38,400	51,400	(25)%
Fabrication Sales Backlog (period end)	\$ 86,600	\$ 49,000	77%
Revenue	\$ 57,389	\$ 54,744	5%
EBITDA	\$ 10,672	\$ 11,621	(8)%
Assets (period end)	\$199,434	\$170,590	17%

Consolidated Financial Performance

(in thousands of dollars, except per share amounts)



<i>Twelve months ended Dec 31 (audited)</i>	2014	2013	% Change
Revenue	\$ 428,149	\$ 339,579	26%
EBITDA	105,533	82,952	27%
Cashflow	108,357	60,446	79%
Net Income	53,305	37,308	43%
<i>Per Share, Diluted</i>			
EBITDA	\$3.04	\$2.43	25%
Cashflow	\$3.12	\$1.77	76%
Net Income	\$1.66	\$1.20	38%

Consolidated Financial Performance

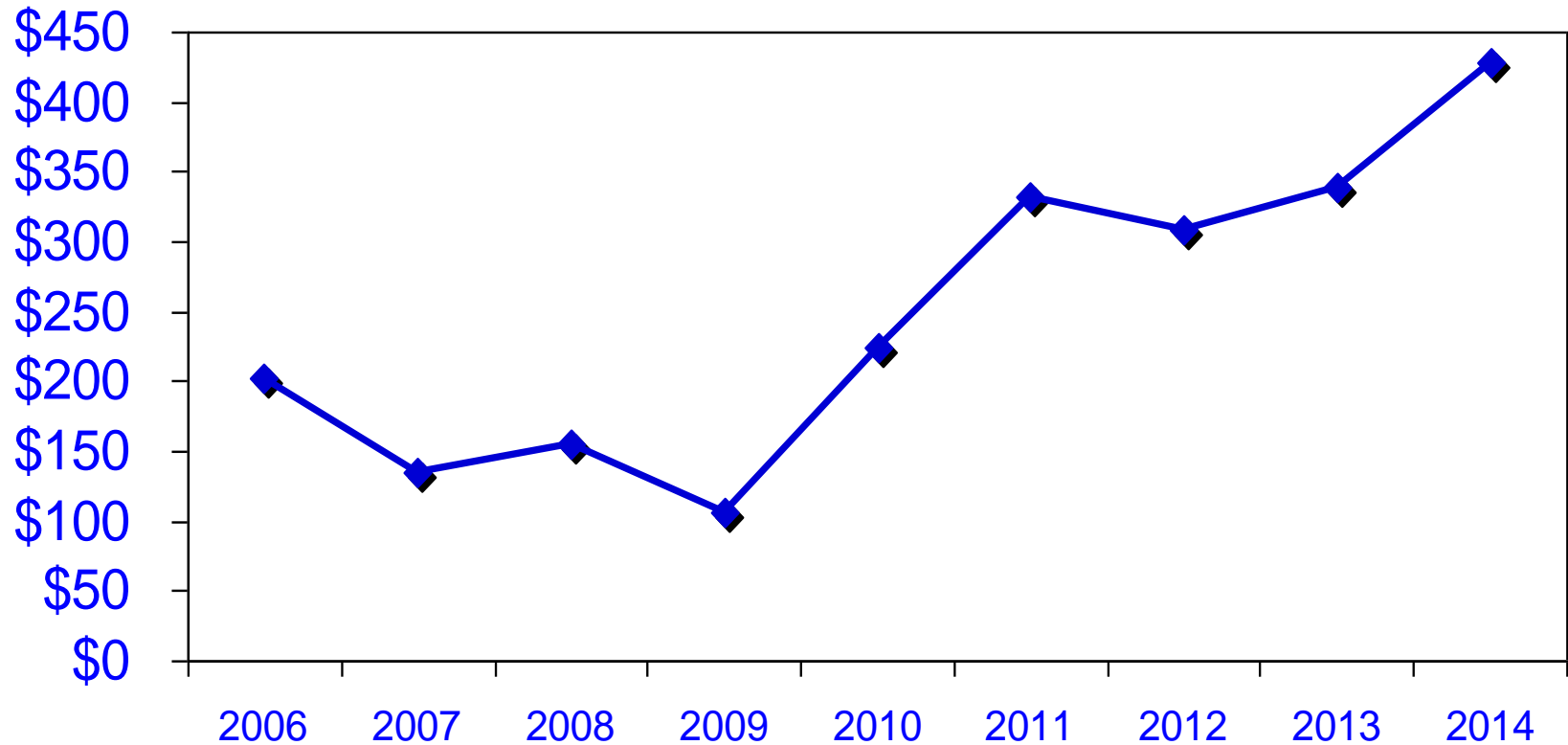
(in thousands of dollars, except per share amounts)



<i>Three months ended March 31 (unaudited)</i>	2015	2014	% Change
Revenue	\$92,490	\$115,113	(20)%
EBITDA	21,875	35,679	(39)%
Cashflow	7,988	34,023	(77)%
Net Income	9,183	21,028	(56)%
<i>Per Share, Diluted</i>			
EBITDA	\$0.71	\$1.02	(30)%
Cashflow	\$0.26	\$0.98	(73)%
Net Income	\$0.30	\$0.63	(52)%

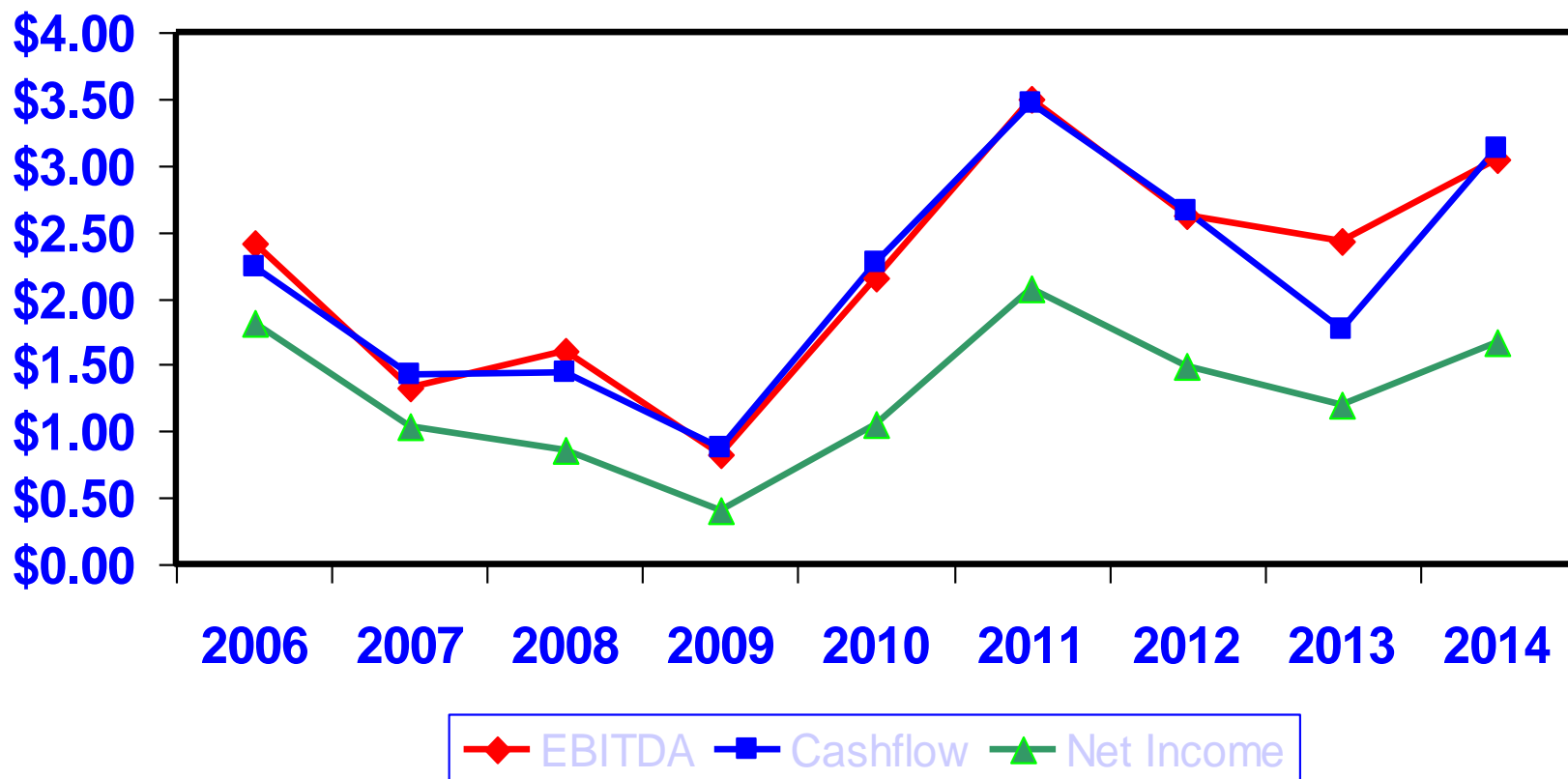
Long Term Performance – Annual Revenue

(in millions of dollars)



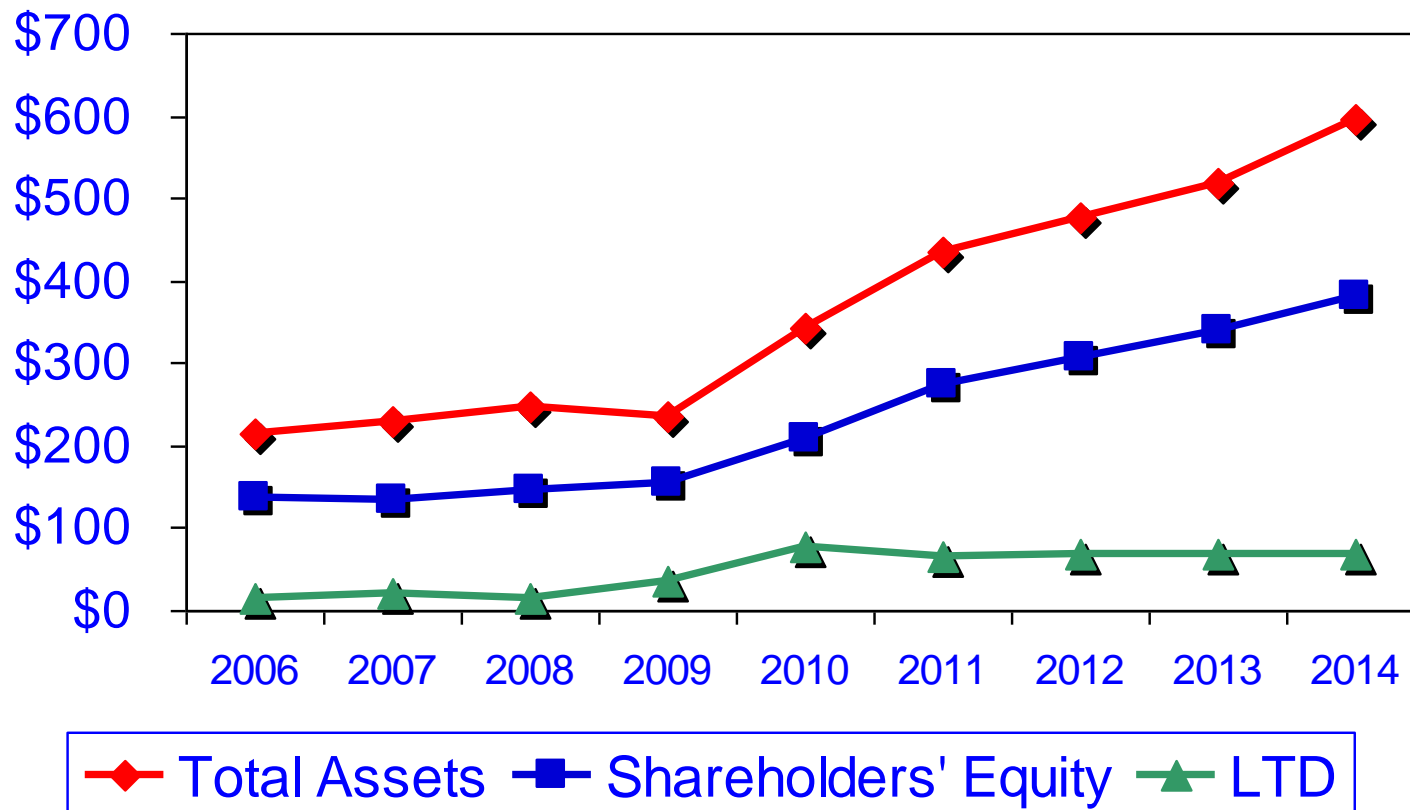
Long Term Performance – Income Statement

(dollars per share, diluted)



Long Term Performance – Balance Sheet

(in millions of dollars)



2015 Capital Expenditure Budget

(in millions of dollars)



\$13.6 million preliminary 2015 capital expenditure budget:

- \$5.0 million – expansion of gas compression rental fleet
- \$5.9 million – maintenance and miscellaneous
- \$2.7 million – equipment for the Compression and Process Services division
- \$3.1 million of 2014 carry-forward

\$7.7 million of capital expenditures in Q1 2015

- includes \$1.2 million Wyoming acquisition and all committed capex

No remaining material capital expenditure commitments

- Any further 2015 capital expenditures are discretionary



Strong Track Record



Established long-term track record of building sustainable shareholder value:

- 10 year annual total asset growth rate of 17%
- 10 year annual EBITDA/share (diluted) growth rate of 24%
- 10 year annual pre-tax return on total assets of 16%
- 10 year annual pre-tax return on equity of 25%
- No capital asset or goodwill impairment write-downs ever recorded after completing over 20 acquisitions since 1997
- Returns achieved with moderate use of debt

Annual growth rates are 10 year simple averages (2005-2014). ROA and ROE are calculated using the simple average of opening and closing total assets and equity, respectively.



Well Positioned For the Future



Well positioned for continued accretive growth that rewards our owners:

Operational strength: stable, experienced management and a well established market position in each business division provides a solid base for continued growth

Financial strength: \$50 million LTD secured by 65% (based on value) of owned real estate and unused \$65 million operating line

Rewarding our Owners: from Jan 1, 2010 to Dec 31, 2014 returned \$67.4 million to Shareholders (\$28.0 million of dividends and \$39.4 million of share buybacks)

Leverage to Increased Activity: from Jan. 1, 2010 to Dec 31, 2014: \$327.4 million (190%) increase to PPE (net of proceeds from dispositions) against a 18% increase in fully diluted shares outstanding (including shares issuable on conversion of \$69 million of convertible debentures at \$22.19) and elimination of bank debt



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