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Introduction

Recover Energy Services Inc. (“Recover”) has developed a patented technology to recycle drilling waste. Recover’s business plan is focused on using a new technology to recycle waste that would have otherwise been disposed of into landfills.

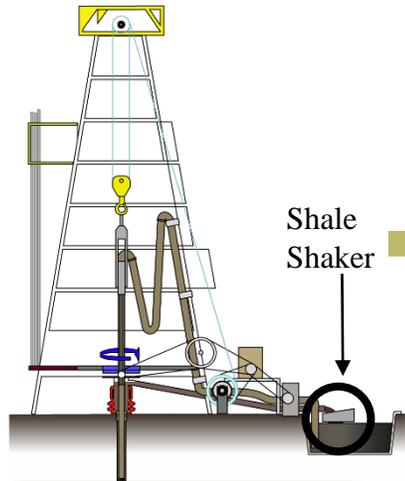
- The energy industry predominantly uses oil-based drilling fluids to drill horizontal wells. Oil-based drilling fluids provide many benefits to the operator including better well bore stability, improved hydraulics, enhanced penetration rates and increased lubricity, while helping industry meet its initiative to reduce water consumption. As the well is drilled, the drill cuttings from the well bore contain drilling fluid; this is commonly known as drilling waste. The energy industry primarily manages oil-based drilling waste by separating the liquids phase from the solids phase prior to disposal. The solids phase often requires additional stabilization prior to landfill disposition and the liquids phase is typically disposed of using slurry injection facilities.
- Recover is an environmental clean technology company with a patented process for cleaning oil-based drilling waste. Our technology recovers base oil from drilling waste while providing a significant reduction in carbon dioxide emissions. Recover is in the business of recovering energy and our team is proud to help make the energy industry more sustainable.

Current Industry Practice

- Adjacent is a photo of a typical Permian Basin landfill. This particular landfill is within ~ 200 meters of homesteads.
- We estimate there are ~ 50 landfills of this nature within North America.
- In addition to being aesthetically unappealing, landfills are susceptible to leachate, which can cause harm to surrounding surface and/or ground waters, soils, agriculture, etc.



Current Industry Practice (continued)



Typical Drilling Rig

Shale Shaker



OBM & Cuttings
Exit Shale Shakers



Sealed-end dump trailer
unloading at a Class II
Industrial Landfill



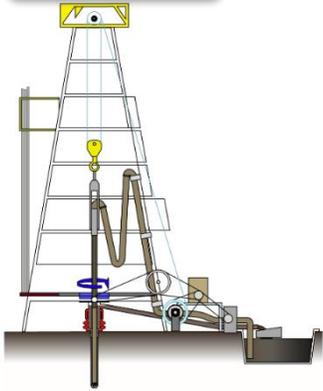
Current Industry Practice

- Given the drilling waste contains high amounts of oil and chlorides, the waste must be separated into liquids and solids phases and then trucked and stabilized prior to being sent for storage in specialized landfills and slurry injection wells.
- Landfill storage and slurry injection wells have become so commonplace in the industry that most refer to these processes as “disposal”.

Since Class II Industrial Landfills were created 25 years ago, none containing drilling waste have been remediated and returned to their natural state.

Recover's Technology

Drilling Rig



Cuttings Transport Vehicle



Recover Facility



Recovered OBM



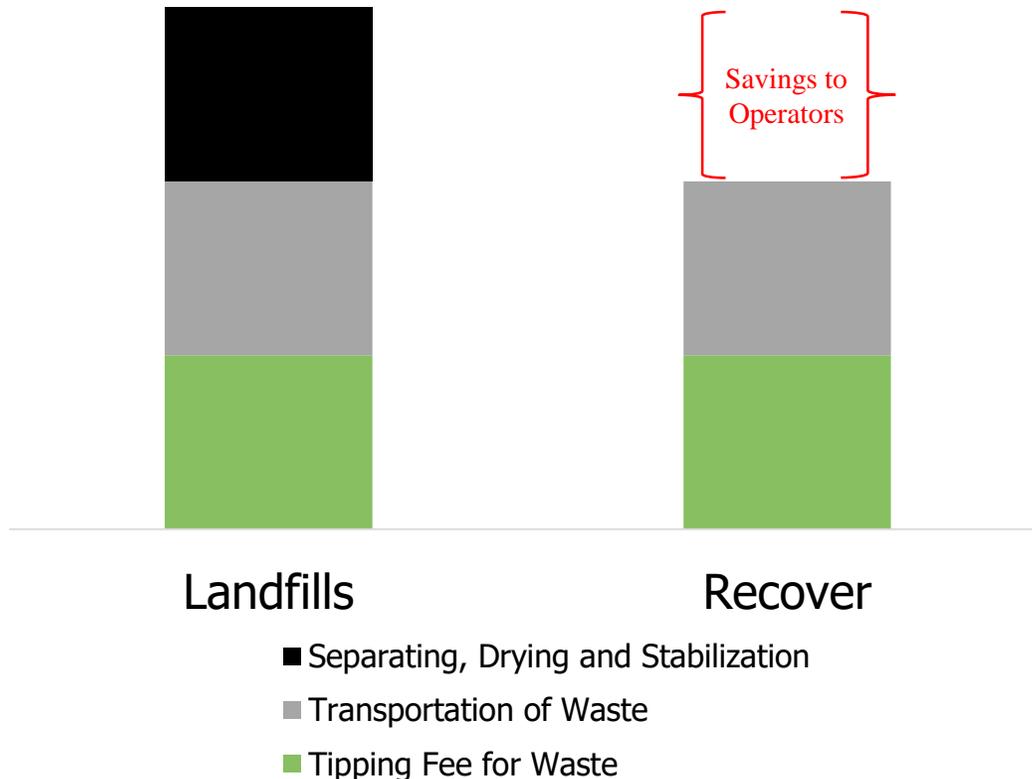
Clean Drill Cuttings



In a world that is becoming increasingly environmentally conscious, Recover's solution provides a significant environmental improvement on existing practices.

Landfills vs. Recover - Costs to Operators

Disposal Costs of Drilling Waste



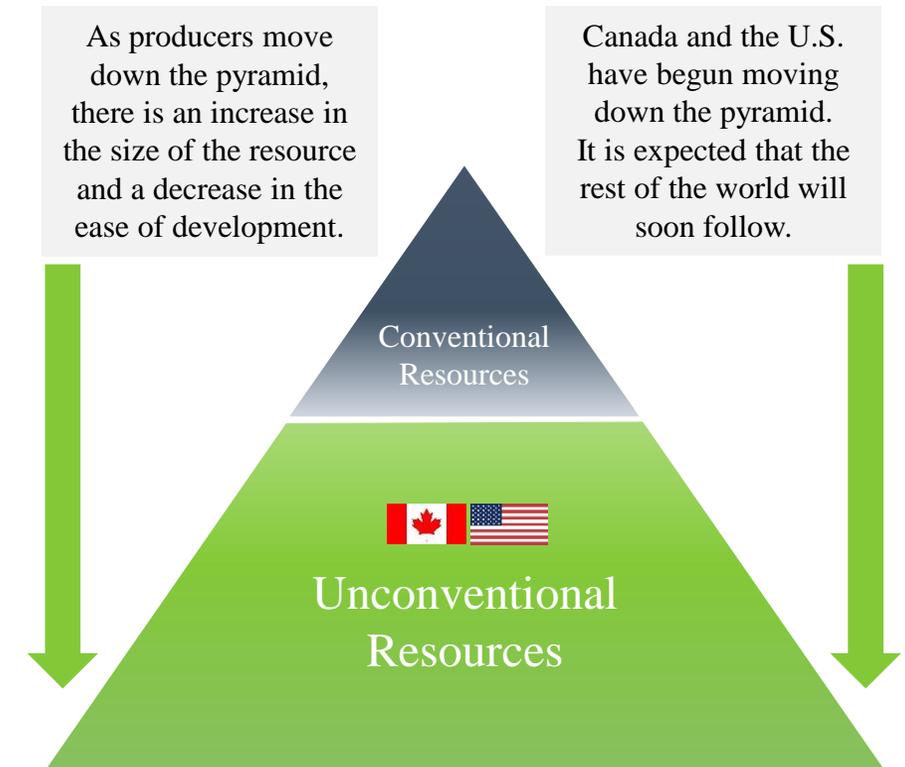
Recover’s technology offers substantial cost savings to operators because it can be applied to the entire oil-based mud drill cuttings waste stream, which eliminates the need for separating and drying the waste or using stabilization materials. Operators are no longer required to pay for additional equipment in order to separate the waste streams for disposal (i.e. landfills, slurry injection, etc.), which reduces equipment rental, transport, disposal and stabilization costs.

- A well will generate between 200 – 600 tons of oil-based mud (“OBM”) drill cuttings waste.
- Operators typically pay ~ \$75/ton to dry, separate, stabilize, transport and dispose of this waste stream.

Increasing Global Reliance on Recover's Solution

- The choice of drilling fluid depends on the resource play being developed. In North America, development is focusing more and more on larger scale unconventional resource pools.
- The drilling fluids most commonly used for these resources are OBM, as compared to other fluids they are much better at preventing the shales from hydrating, swelling or sloughing into the wellbore.
- As a result, the demand for OBM is expected to increase in North America and around the world as global producers increase their focus on unconventional resources.

Global Resource Pyramid



Environmental Benefits

Solids & Liquids Pollution

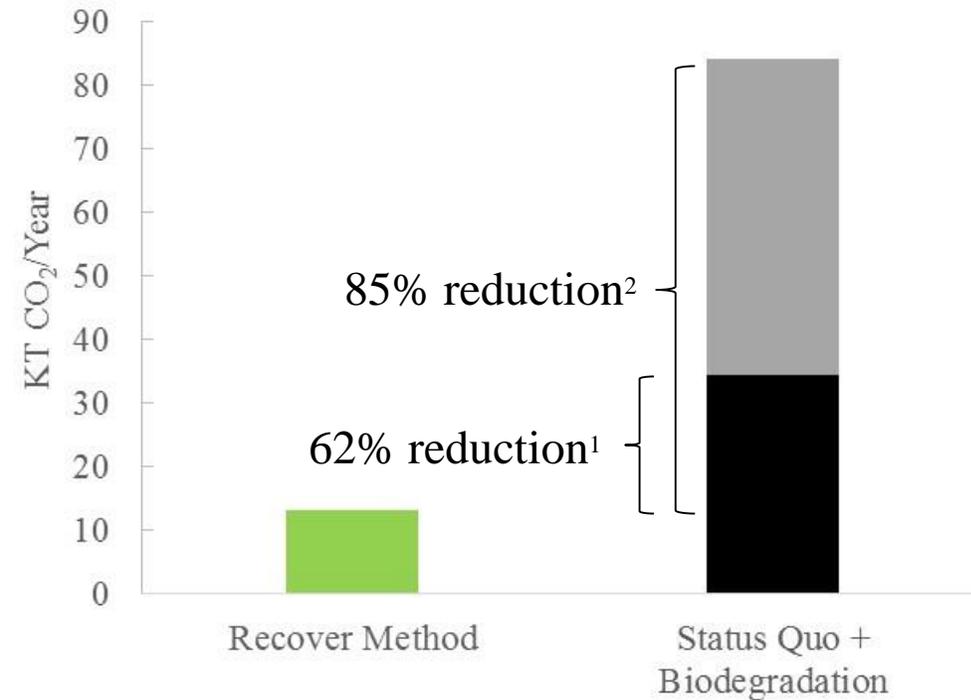
Status Quo



Recover



Air Pollution



- Landfills have the potential for environmental contamination

- Each project has the potential to reduce 71 KT CO₂/year
- This would represent an 85% reduction relative to the current status quo

1. Recover estimate based on the guidelines set out in the Alberta Offset Emission Factor Handbook 2015
 2. Long term GHG reductions would occur beyond the 20 year horizon of the Handbook

Marketing Strategy

- Cheaper, cleaner with no investment.

	Typical Green Technology	Recover's Technology
Benefit	Environmental	Cost and Environmental
Upfront costs	Purchase product & pay environmental surcharge	None
Risk	Potential for impacting existing operations	None

- Recover has an enviable marketing strategy in that it can demonstrate **quantifiable cost savings** to producers at day one, while providing **long-term environmental benefits**. Further, **Recover's services require no capital investment and almost no changes to normal business operations**.
- Due to these strong competitive aspects, we have experienced a quick and high rate of adoption for our services.

Partners, Customers & Suppliers

Financial Partners



Customers and Strategic Suppliers



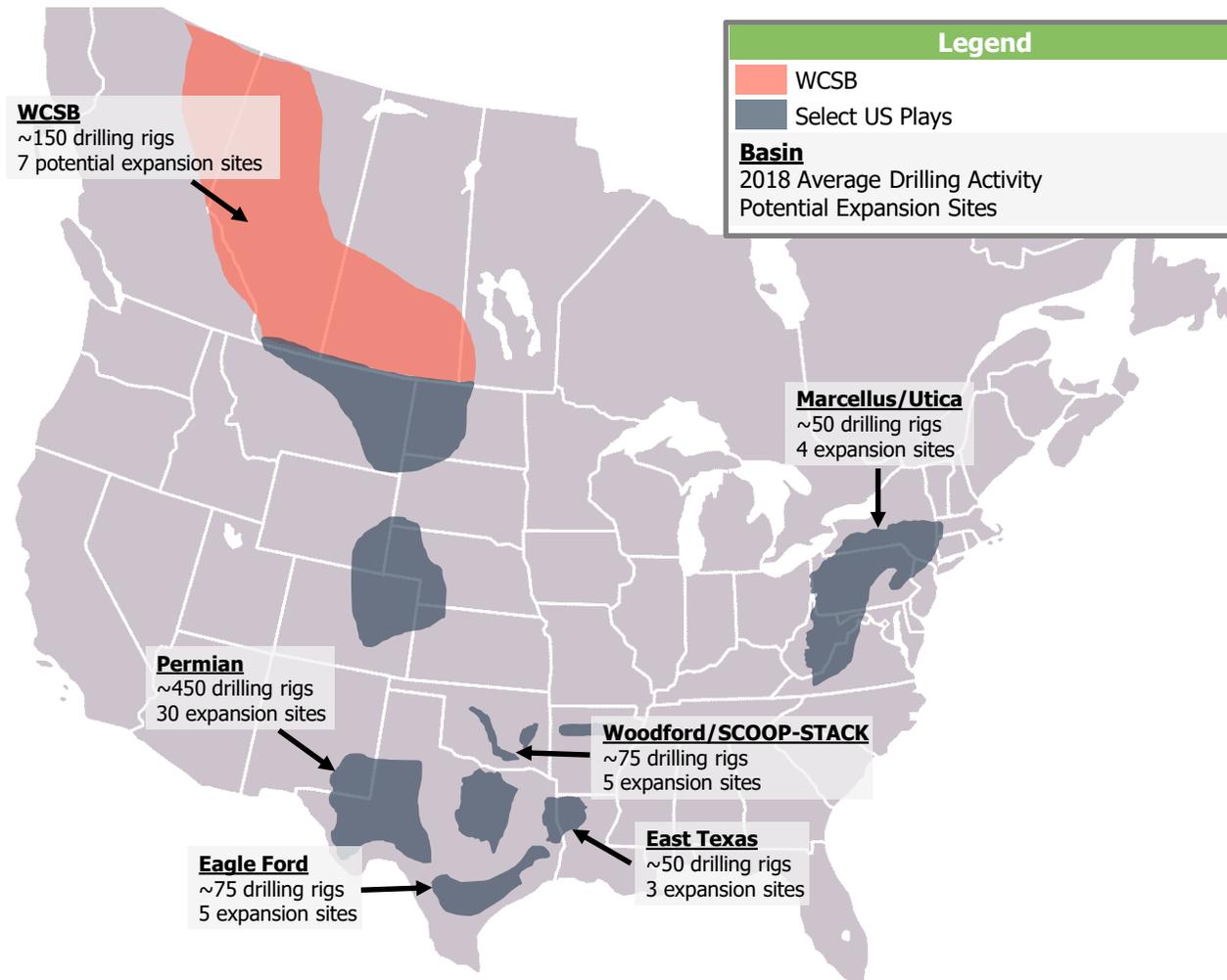
Accomplishments to-date



- Enviable patent portfolio (26 and counting) with nearly 10 years of R&D experience
- Exceptional management team and board that have established a thorough business plan and execution strategy
- Constructed a commercial scale facility on budget that is capable of processing OBM drill cuttings waste and generating saleable base oil for reuse as a drilling fluid.
- Customer base is proven
 - Feedstock supply > current capacity
 - Recovered base oil meeting industry specifications

North American Marketplace

Future Expansion into the Most Active North American Basins



- Started in Canada due to proximity to head office.
- US expansion would be a replication of the Canadian business model
- Recover's existing producing facility will allow US operators to verify the technology prior to committing waste streams to Recover

Recover's technology has broad applications to the largest and most active basins in North America.

Recover's Management Team



Stan Ross – *President & CEO*

Serial entrepreneur that has spent his entire career in the energy industry and the last seven years identifying a problem and developing the Recover technology. Previously, was the founder of a successful oilfield rental business.



Shane Kozak – *Vice President of Finance & CFO*

More than 15 years of progressive experience in finance and accounting within start-ups and multi billion dollar organizations in the energy sector. Previously, the Chief Financial Officer for five E&P start-up companies operating in Western Canada and Australia.



Nathan Kunec - *Vice President Business Development*

More than 15 years of experience in the finance, energy, technology, chemicals and transportation industries, including extensive experience in investment analysis and evaluation.



Paul Sudlow - *Vice President of Engineering*

More than 20 years of experience in oil and gas facilities engineering and project management, including 10 years managing in situ thermal heavy oil projects in Alberta's oil sands.



Mike Biersteker - *Vice President of Regulatory, Research & Development*

More than 15 years of experience in a variety of roles in the environmental and regulatory aspects of the energy industry including roles at Secure Energy Services, Quicksilver Resources Canada Inc. and EnCana Corporation.

Recover's Board of Directors



Stan Ross – *President & CEO*



Ric Peterson – *Director*

CEO of Oculus Transport Ltd and a director of Horizon North Logistics Inc., Canyon Services Group, and CanAir Nitrogen. Ric has more than 25 years of experience establishing and growing business principally related to the oilfield service industry.



A.J. (Joe P.) Peskunowicz – *Director*

Executive Vice President, Corporate and Founder of Canyon Services Group, one of the largest fracking companies in Canada. Prior to founding Canyon, Mr. Peskunowicz has had significant management and sales experience with several energy companies across Western Canada.



Dave Pearce – *Director*

Deputy Managing Partner with Azimuth Capital Management.



Jim Nieuwenburg – *Director*

Operating Partner with Azimuth Capital Management.



Stephen Harper – *Director*

Former Prime Minister of Canada and presently Chairman of Harper & Associates.

Recover has built a well rounded management team complemented by directors and advisors with excellent experience and industry contacts.

Summary

Recover is focused on:

- Continuing to operate and optimize the Lodgepole facility;
- Demonstrating commerciality of Recover's technology and EBITDA;
- Confirming the design optimization for the next facilities; and
- Expanding throughout North America by securing expansion sites in known US drilling locations with contracted suppliers to complement the 4 expansion sites already identified in Western Canada.

Recover is:

- A technology company with an extensive portfolio of 26 patents;
- An environmental company (that will displace meaningful conventional oil production and eventually eliminate landfills all together); and
- An organic growth company.

Thank You

