



CATHEDRAL

www.CathedralEnergyServices.com

Annual General Meeting – April 14, 2011

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All forward-looking statements contained in this document are expressly qualified by this cautionary statement. Further information about the factors affecting forward-looking statements is available in Cathedral’s current Annual Information Form and Annual Report which have been filed with Canadian provincial securities commissions and are available on www.sedar.com.



TRADING AND FINANCIAL

TSX: CET

\$344 Million	Market Value <small>(April 13, 2011)</small>	
\$9.30	Share Price <small>(April 13, 2011)</small>	
\$10.80/\$4.52	52 Week Share High/Low <small>(High 03/04/11 Low 05/25/10)</small>	
37.0 Million	Shares Outstanding	
\$ 0.24*	Annual Dividend	<small>*Based on a \$0.06 per share quarterly dividend declared for 2011 Q1</small>
2.58%	Yield	
6%	Insider Ownership	

Our vision is to be a premier international provider of proven and innovative drilling and completion services.



RECENT EVENTS

2011 OUTLOOK

- Capital budget of \$35.5 million
- Additional MWD systems & expansion to motor fleet
- Additional production testing units and auxiliary equipment
- Continue to focus on research and technology: MWD platform enhancements

Houston, Texas expansion

- Opened operations center in Houston, Texas on November 1, 2010
- Relocated equipment
- Key personnel in place, in the final stages of hiring and training skilled field personnel
- Provides additional geographic diversification

Joint venture agreement with PDVSA, providing expansion opportunity into Venezuela

- “Vencana” to supply oilfield services in Venezuela
- Initially commencing with provision of directional drilling services



INDUSTRY

Significant growth in demand for horizontal and directional drilling technology

New well completion technology has expanded the development of unconventional oil and natural gas deposits as well as leading to the re-development of older mature basins, targeting zones which were not previously economically viable without this technology

Operator demands include increased drilling efficiencies as they move from “drilling wells” to “manufacturing wells”

Significant change in well completion technology through the combination of horizontal well bores and multi-stage fracturing

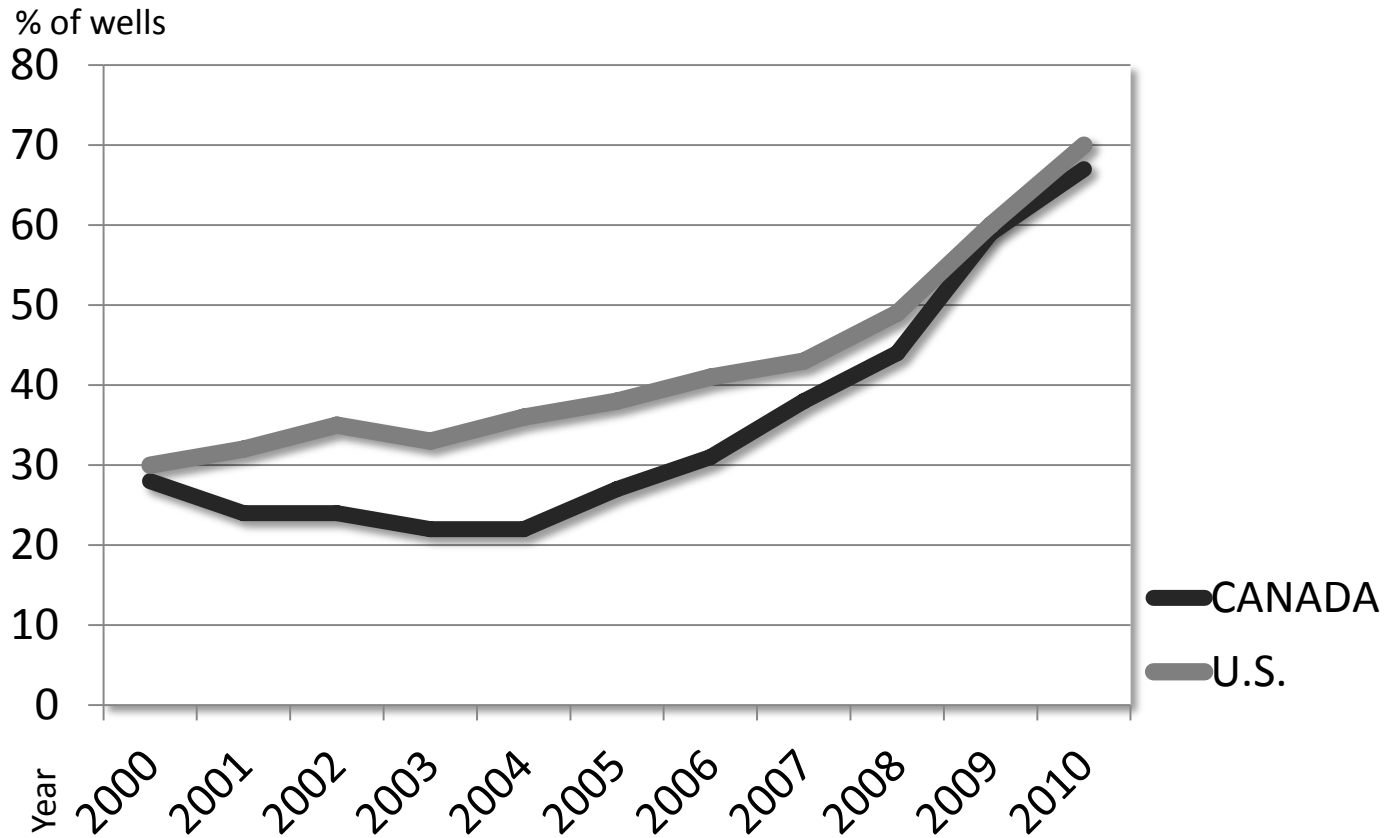
Overall increase in fracturing has resulted in demand for high pressure production testing packages for frac fluid flow back

Number of active U.S. and Canada rigs and drilling days are forecasted to increase in 2011 and 2012* wells are increasingly being drilled deeper

*Peters & Co. Limited, North American Energy
Overview: Winter 2011



INCREASE IN Hz & DIRECTIONAL WELLS



Source: Nickles, Baker Hughes



DIRECTIONAL DRILLING CANADA

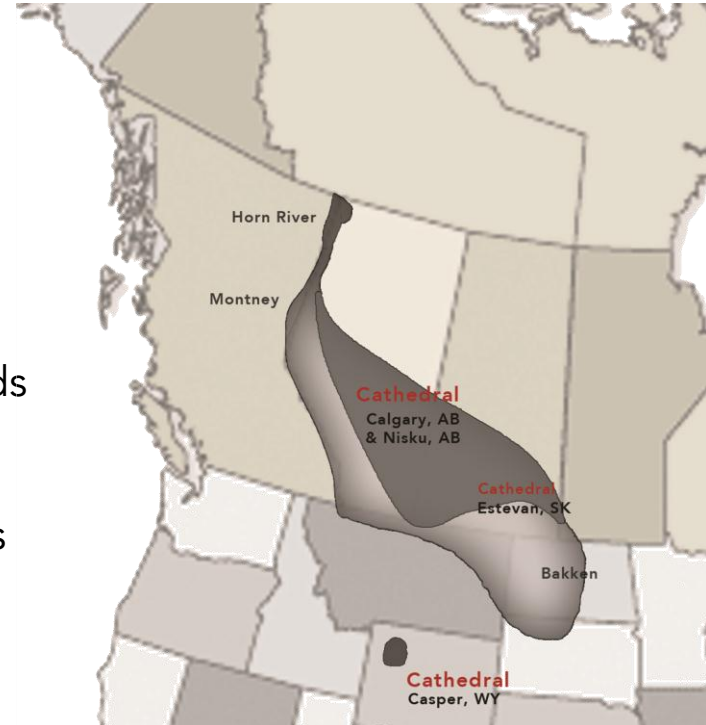
Operating Centers in Calgary, AB, Nisku, AB and Estevan, SK

Contracted by major operators in:

Bakken	Utica
Montney	Doig
Cardium	Notikewin
Viking	Wilrich
Nikanassin	

Current operations are: ~75% Oil and Liquids
~25% Natural Gas

High activity in Q1 2011 and early indicators
that the balance of 2011 will be very busy



DIRECTIONAL DRILLING UNITED STATES

Operating Centers in Denver, Colorado, Casper, Wyoming, Washington, Pennsylvania and Houston, Texas

Largest growth opportunity through regional diversification

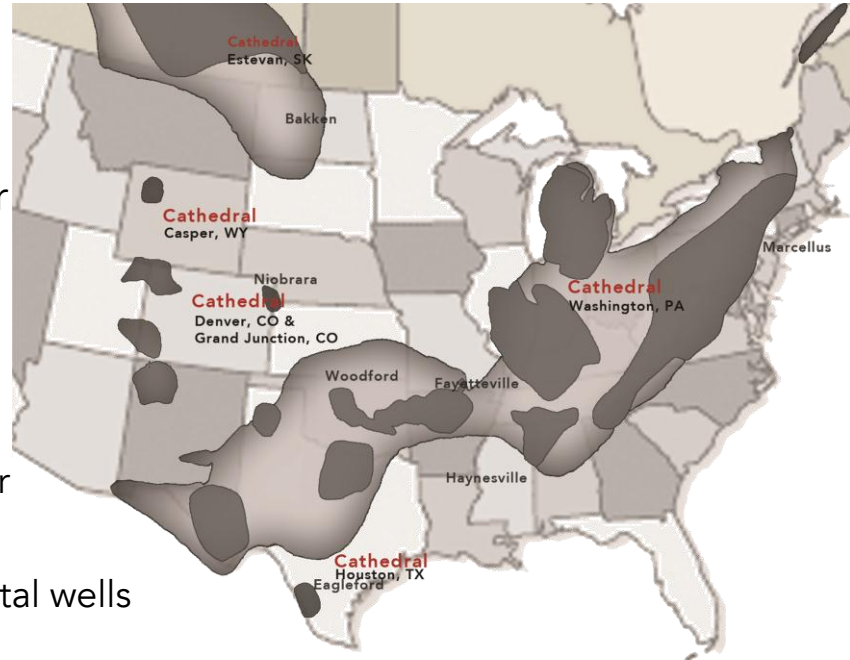
Increased demand reflected by major operators in shale plays:

North Dakota (Bakken) – Operators increasing budgets and # of wells planned

Pennsylvania (Marcellus)- Expansion of our customer base

Rockies (Niobrara)- Increased # of horizontal wells
Steady activity continues in the area

Houston (Haynesville, Eagle Ford and Barnett) – Local plays continue to be attractive and # of rigs in the area is increasing
Key personnel in place, recruiting and training field staff



DIRECTIONAL DRILLING

VENEZUELA

Facility located in Maturin, Venezuela

MARKET

Orinoco Belt is one of the largest oil deposits in the world (est. 500b barrels)

Goal of increasing the number of rigs and utilization

OPPORTUNITY

Joint venture agreement signed with PDVSA

- Directional drilling equipment to be provided
- Future: MWD and LWD tools to be supplied
- "Vencana" open to expanding into other oil and gas service lines



PRODUCTION TESTING

Production testing capabilities to meet market demand in pressure testing and completion services including increasing demand for specialized equipment & amount of equipment required on each project

Our focus is high pressure testing services including critical sour services

- Diversified equipment capabilities for projects
- Flowbacks after well stimulation (flare or inline)

New equipment added to our service line

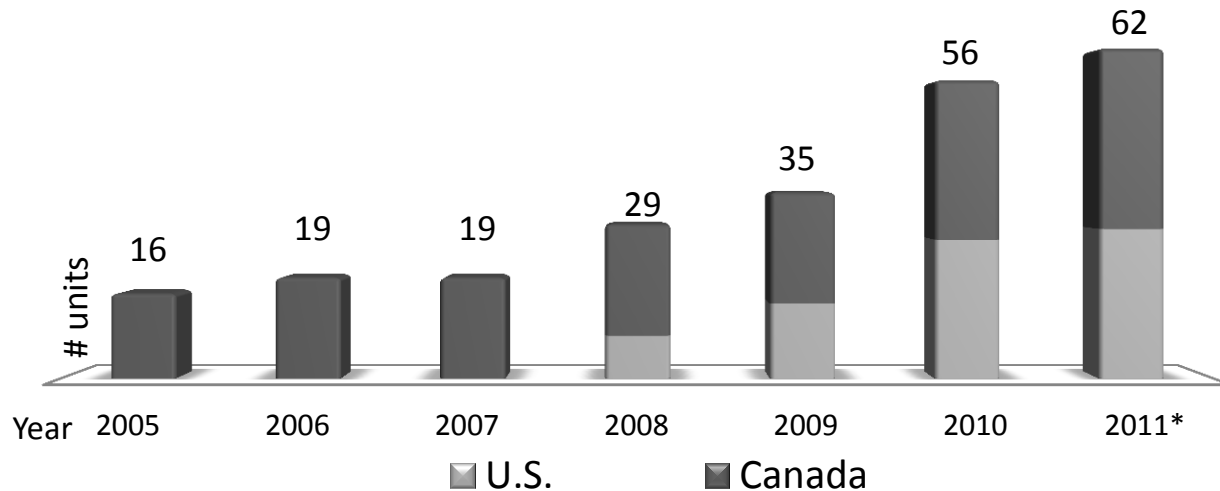
- 6 – 1440 psi production testing units to be added by Q3 2011
- Adding additional storage units, line heaters and pipe



PRODUCTION TESTING

CANADA & U.S.

- Currently 56 production testing units in Canada and the U.S.
- U.S. units currently in the Rockies (Niobrara), North Dakota (Bakken) and Pennsylvania (Marcellus)



+75% increase in number of units from 2009 through 2011

*Projected



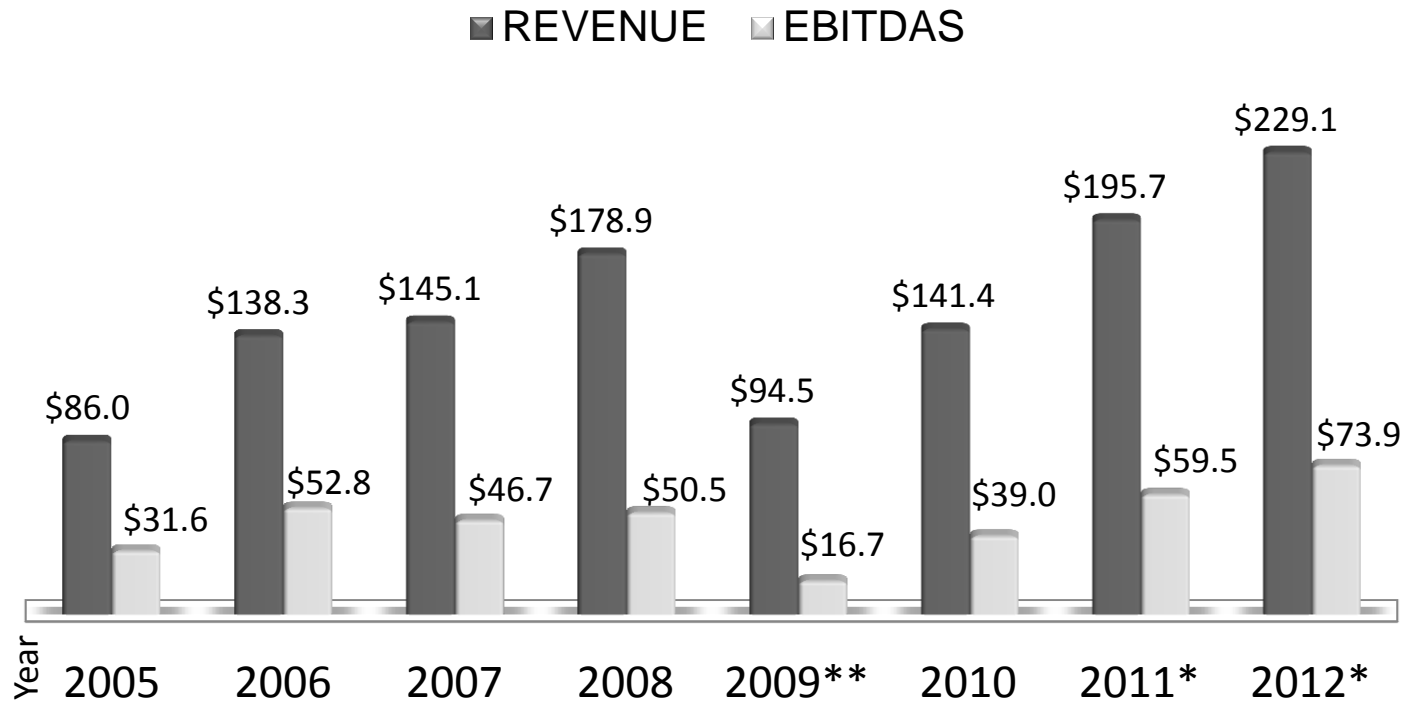
FINANCIAL INFORMATION

	December 31				
	2006	2007	2008	2009	2010
Current assets	\$43.2	\$43.0	\$62.4	\$38.5	\$50.9
Capital assets, net	61.5	67.6	101.3	77.4	104.2
Assets held for sale	-	-	-	14.0	1.5
Goodwill	19.8	19.8	19.8	19.8	18.4
Intangibles, net	0.7	0.6	0.4	0.3	-
Future income taxes	-	-	-	23.5	19.1
	\$125.2	\$131.0	\$183.9	\$173.5	\$194.1
Current liabilities	\$28.1	\$26.1	\$44.9	\$16.1	\$32.4
Long-term debt	15.6	17.4	40.3	39.5	34.5
Future income taxes	5.3	8.3	6.8	-	-
Deferred credit	-	-	-	20.5	18.1
Shareholders' equity	76.2	79.2	91.9	97.4	109.1
	\$125.2	\$131.0	\$183.9	\$173.5	\$194.1
Working capital	\$15.1	\$16.9	\$17.5	\$22.4	\$18.5
Net debt	\$0.5	\$0.5	\$22.8	\$17.1	\$16.0



FINANCIAL INFORMATION

(\$MILLIONS)



2009 and prior Revenue and EBITDAS includes discontinued wireline division

*Consensus average of 3-9 market analysts

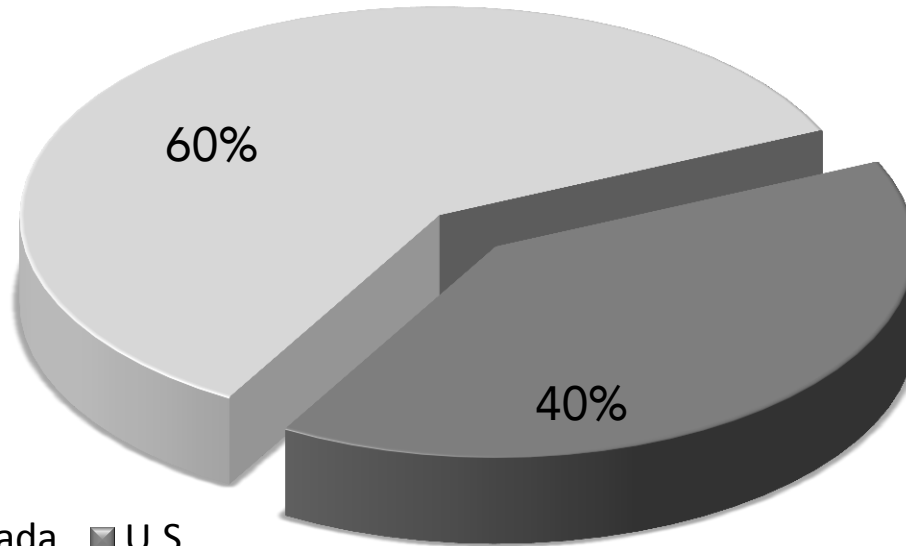
** EBITDAS reduced by one time charges of \$1.13 million
(E-line restructuring, trust conversion)



GEOGRAPHIC RESULTS

We continue to gain success through diversifying our resource plays in North America and maintain our goal to further increase our presence in the U.S. and internationally

REVENUE (%) BY COUNTRY



Year ended December 31, 2010

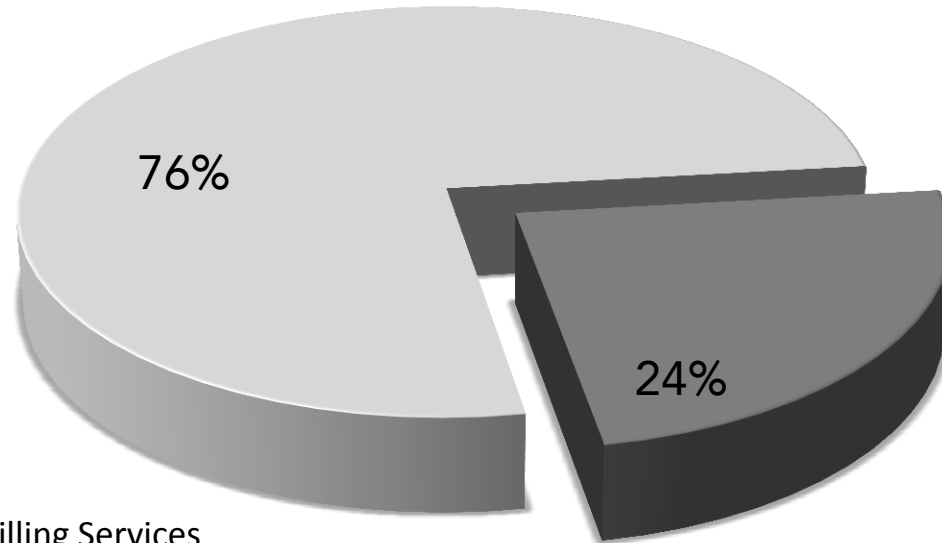


SERVICES

Drilling Services: Focus on targeting oil, greater meters drilled and increased demand for directional and horizontal drilling.

Production Testing: Opportunities in high pressure production testing have increased due to minimal competition and the high cost of entry.

REVENUE (%) BY SERVICE



■ Drilling Services

■ Production Testing

Year ended December 31, 2010



OUTLOOK

CORPORATE STRUCTURE:

Currently 700+ staff in 3 countries

Utilization of tax pools based on our conversion back to a corporate structure

OPPORTUNITIES:

Increase in market share through diversification in play areas

Overall capacity growth to meet market demand

Growth internationally

Strategic acquisition opportunities related to current business lines

RESEARCH AND DEVELOPMENT:

New MWD Platform – anticipated second quarter launch

Technology innovations and enhancements in MWD

- Resistivity Logging While Drilling (LWD) platform in development
- Rotary Steerable System platform in development with a third party
- High temperature MWD system





CATHEDRAL

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Cathedral Energy Services is committed to providing value-added services and solutions. Our success is measured by the quality of our people, innovative technology, and the satisfaction of our customers. We build strong beneficial business partnerships to maintain a competitive advantage.

www.CathedralEnergyServices.com