



CATHEDRAL

www.CathedralEnergyServices.com

September, 2011

DISCLAIMER

Certain statements in this presentation including (i) statements that may contain words such as “anticipate”, “could”, “expect”, “seek”, “may”, “intend”, “will”, “believe”, “should”, “project”, “forecast”, “plan” and similar expressions, including the negatives thereof, (ii) statements that are based on current expectations and estimates about the markets in which the Cathedral operations and (iii) statements of belief, intentions and expectations about developments, results and events that will or may occur in the future, constitute “forward-looking statements” and are based on certain assumptions and analysis made by Cathedral. Forward-looking statements in this presentation include, but are not limited to, statements with respect to future capital expenditures, including the amount, nature and timing thereof, oil and natural gas prices and demand; other development trends within the oil and natural gas industry; business strategy; expansion and growth of Cathedral’s business and operations including Cathedral’s market share and position in the oilfield service market; and other such matters. Such forward-looking statements are subject to important risks and uncertainties, which are difficult to predict and that may affect Cathedral’s operations, including, but not limited to: the impact of general economic conditions in Canada, the United States and Venezuela; industry conditions, including the adoption of new environmental, safety and other laws and regulations and changes in how they are interpreted and enforced; volatility of oil and natural gas prices; oil and natural gas product supply and demand; risks inherent in Cathedral’s ability to generate sufficient cash flow from operations to meet its current and future obligations; increased competition; the lack of availability of qualified personnel or labor unrest; fluctuation in foreign exchange or interest rates; stock market volatility; opportunities available to or pursued by Cathedral and other factors, many of which are beyond the control of Cathedral. Cathedral’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do transpire or occur, what benefits Cathedral will derive therefrom. Subject to applicable law, Cathedral disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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

\$267 Million

Market Value (September 7, 2011)

\$7.20

Share Price (September 7, 2011)

\$10.80/\$5.91

52 Week Share High/Low

(High 03/04/11 / Low 09/07/10)

37.1 Million

Shares Outstanding

\$ 0.24*

Annual Dividend

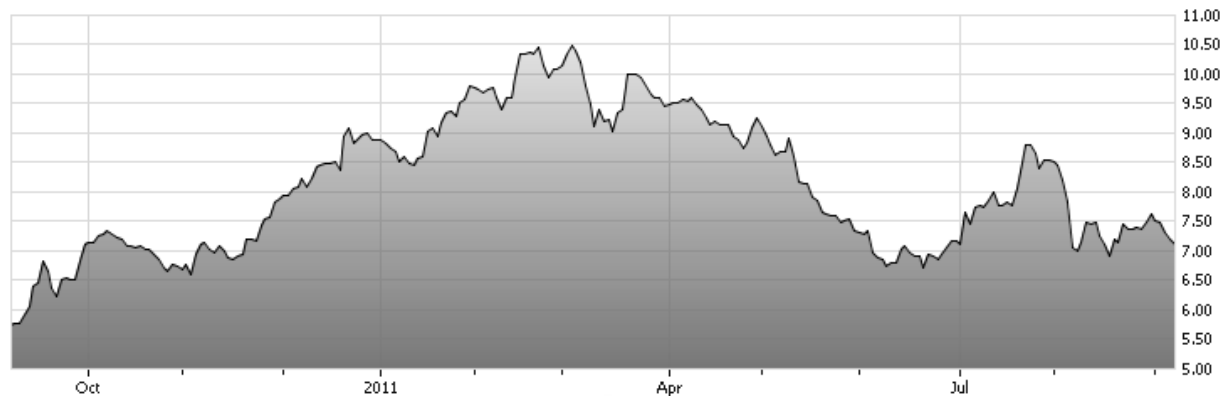
*Based on a \$0.06 per share quarterly dividend declared for 2011 Q3

3.33%

Yield

6%

Insider Ownership

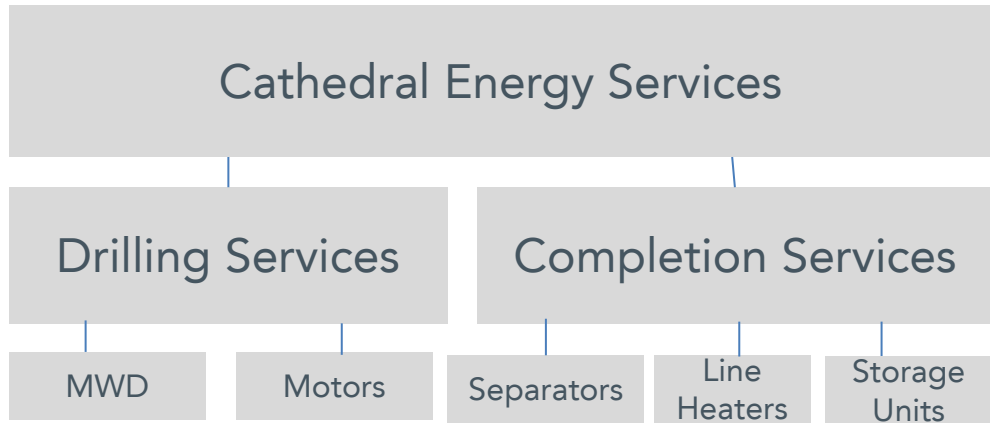


CET: 1 Yr.

© quotemedia.com

TSX: CET





Cathedral's goal is to be a premier provider of proven and innovative drilling and completion services. With current operational centers in the leading play areas of Canada, the U.S. and Venezuela.

- TECHNOLOGY FOCUSED: providing innovative and value-added drilling and completion technologies.
- SERVICE ORIENTATED: Meeting the industry challenges with innovative solutions.
- Vertically integrated.

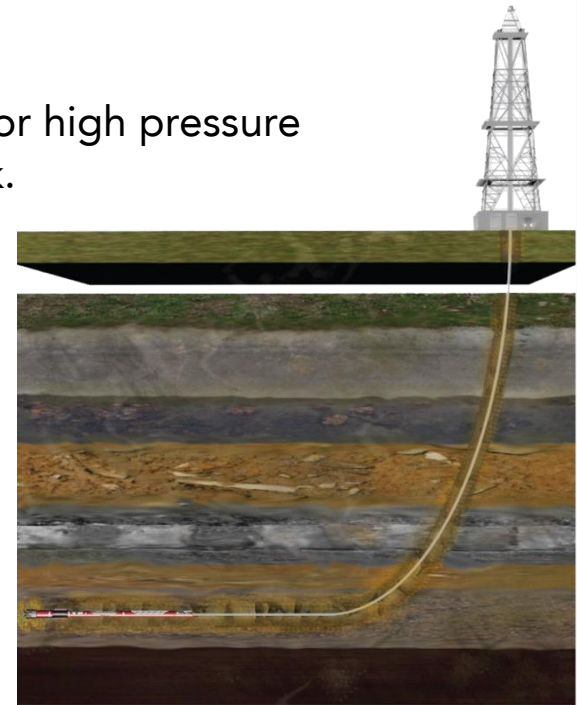


INDUSTRY

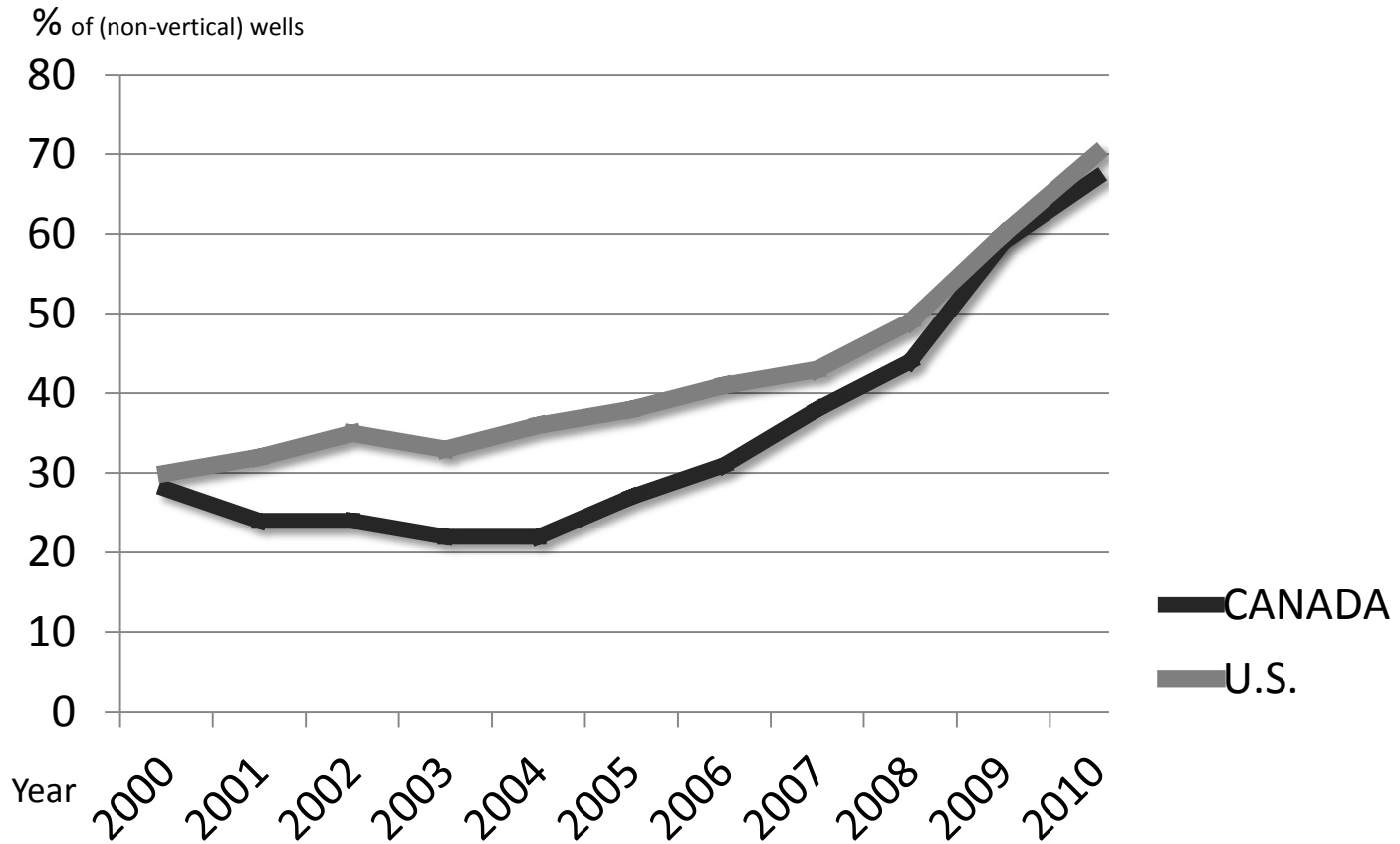
New well completion and fracturing technology has expanded the development of unconventional oil and natural gas deposits as well as leading to the re-development of older mature basins, targeting zones which were not previously economically viable without this technology.

Significant growth in demand for horizontal and directional drilling technology.

Increase in fracturing has also resulted in demand for high pressure production testing packages for frac fluid flow back.



INCREASE IN Hz & DIRECTIONAL WELLS



Source: Nickles, Baker Hughes



DRILLING TRENDS

- Number of active drilling days in the U.S. and Canada are forecasted to increase in 2011 and 2012
- LOGGING WHILE DRILLING (LWD): Geologists requiring additional formation information and the ability to book reserves (requiring the use of gamma ray and resistivity)
- FASTER DRILLING: Continuous push for higher rates of penetration. Operators have become more aggressive:
 - Increasing the use of PDC bits
 - Increased use of Xciters or Agitators
 - Increased weight on bit
 - Running higher fluid volumes



MWD TECHNOLOGY

NEW:

FUSION MWD SYSTEM

- Complete re-design based on customer and drilling demands
- Field testing completed with successful results
- Commercial launch in May 2011
- Fabricated in-house for increased quality control and reduced costs
- Single multi-compatible platform
- Redesigns provide the ability to run at increased power

FEATURES:

- EM, positive pulse or dual telemetry
- Resistivity compatible
- Rotary steerable compatible
- Air drilling configuration

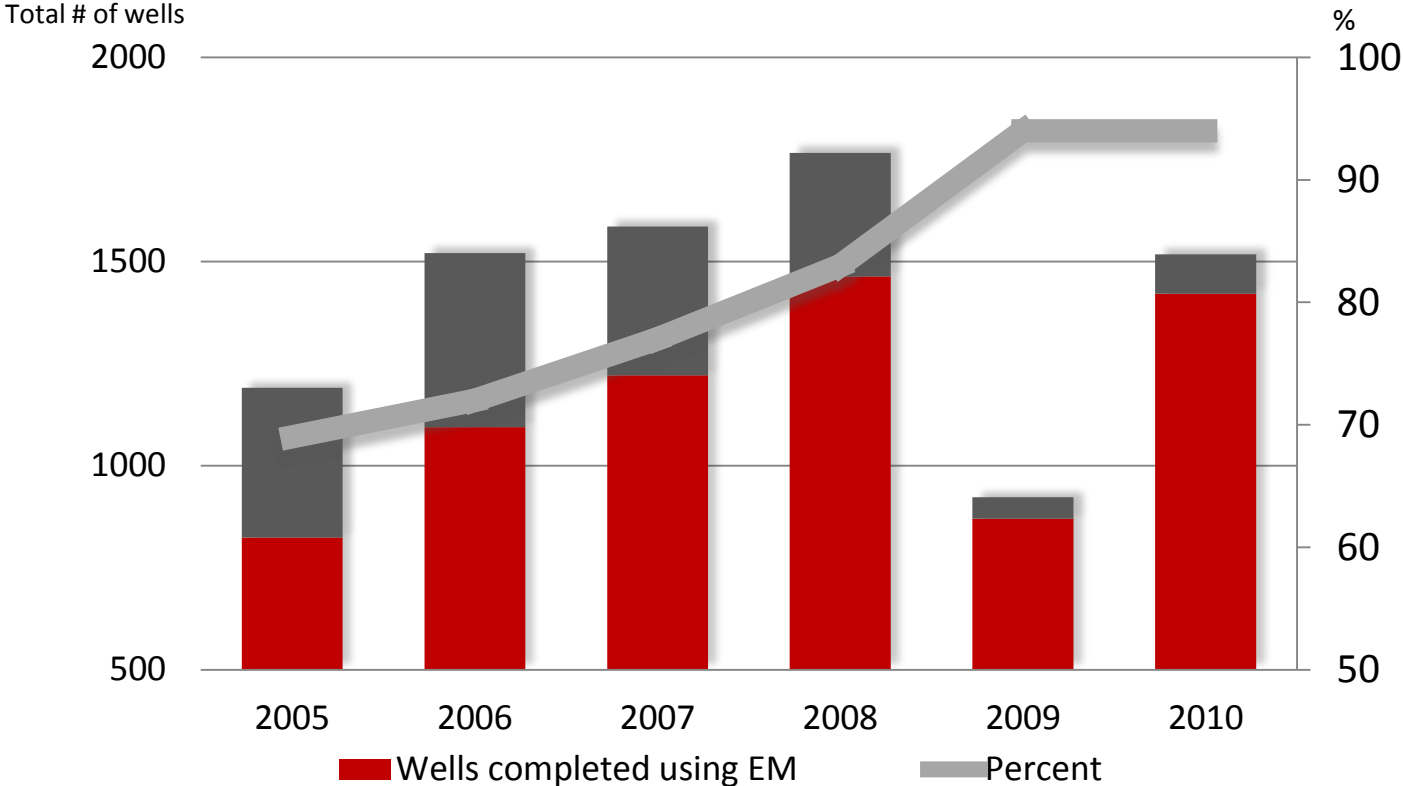
IN DEVELOPMENT:

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 EM UTILIZATION IN NORTH AMERICA



Source: Job IoCATor



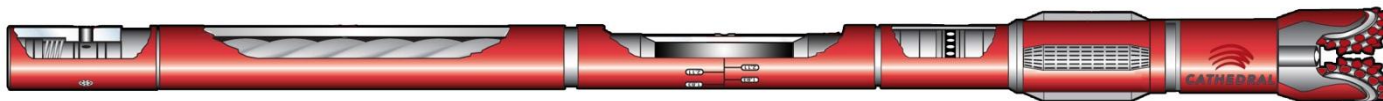
MOTOR TECHNOLOGY

IN DEVELOPMENT:

In-house design and fabrication of motors

BENEFITS:

- Design control allowing for modifications to meet future demands
- Control supply chain management
- Reduction in drilling motor expenditures (capital and operating)
- Full integration with our MWD tools



DIRECTIONAL DRILLING

CANADA

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

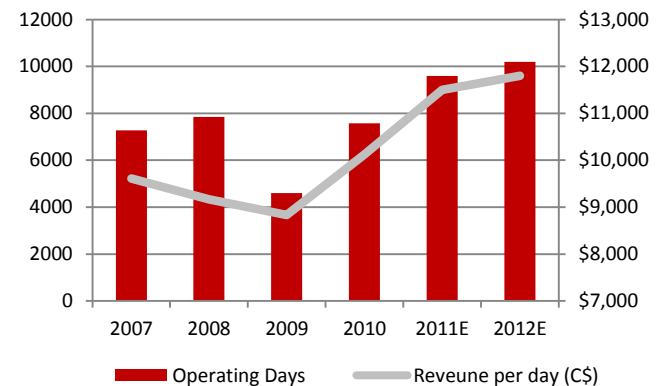
Providing services to most major operators in:

Bakken	Cardium	Doig
Duvernay	Montney	Nikanassin
Notikewin	Utica	Viking
Wilrich		

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

Canadian activity levels continue to increase

Expecting operating day levels to reach record highs



*Source: Stifel Nicolas Company Reports



DIRECTIONAL DRILLING

UNITED STATES

Operating Centers in Denver, CO, Casper, WY, Washington, PA and Houston, TX

Largest growth opportunity through regional diversification

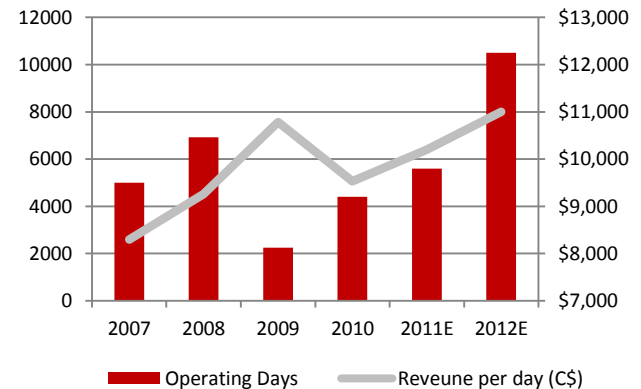
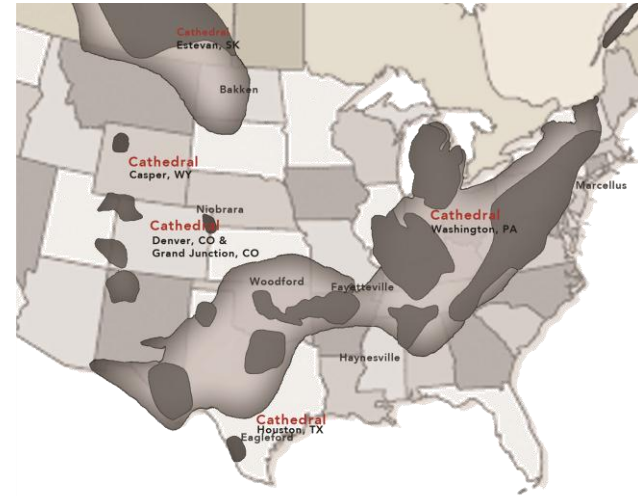
Increasing demand reflected by major operators in key shale plays:

North Dakota (Bakken) – Servicing three major operators and expanding. Budgets and # of rigs continues to increase.

Rockies (Niobrara)- Increasing # of horizontal wells. Great growth opportunities, well positioned to service this play.

Pennsylvania (Marcellus, Utica)-Currently working with a major operator and further expansion of our customer base.

Houston (Haynesville, Eagle Ford and Barnett) –Very attractive area with # of rigs increasing and we are strategically located to service this area.



*Source: Stifel Nicolas Company Reports



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
- Completing Joint Venture company registration



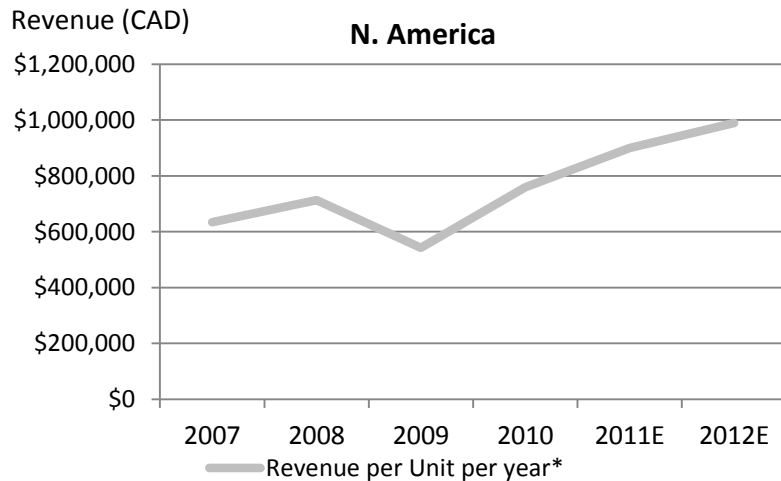
PRODUCTION TESTING

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 added in summer 2011
- Adding additional storage units, line heaters and pipe



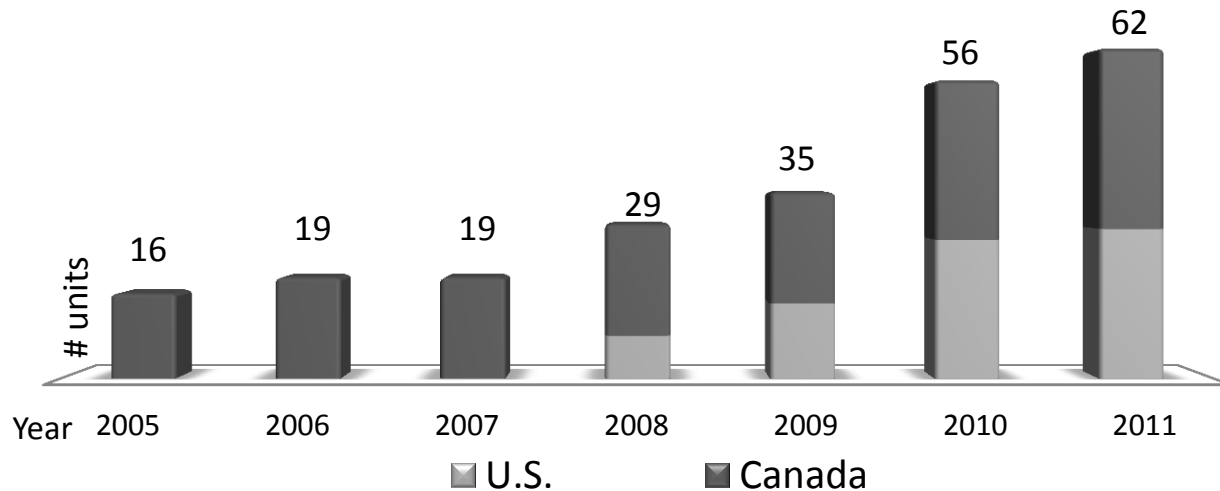
*Source: Stifel Nicolas Company Reports



PRODUCTION TESTING

CANADA & U.S.

- Currently 62 production testing units in Canada and the U.S.
- U.S. units currently in the Rockies, North Dakota (Bakken) and Pennsylvania (Marcellus)



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

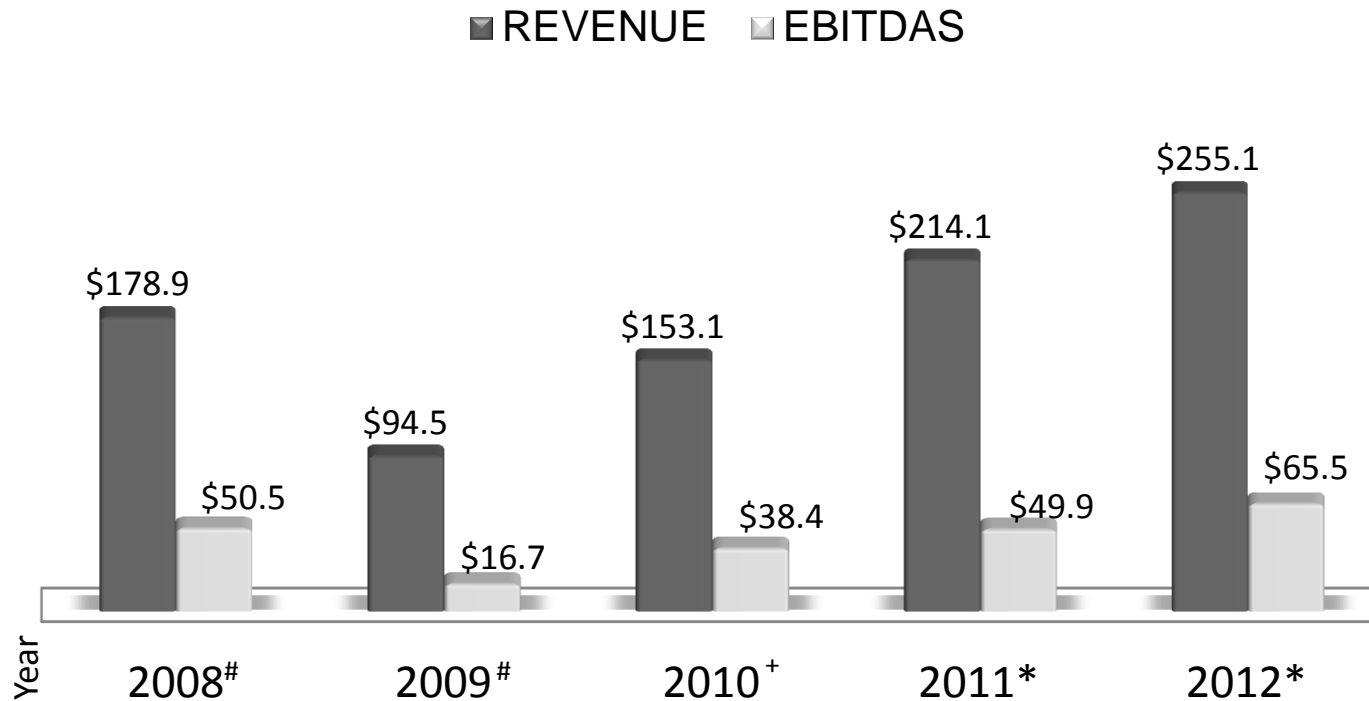
FINANCIAL INFORMATION

	December 31		June 30
	2009*	2010*	2011
Current assets	\$53.5	\$52.5	\$46.0
Capital assets, net	77.0	102.6	118.9
Goodwill	5.8	5.8	5.8
Intangibles, net	0.9	0.4	0.3
Deferred income taxes	24.3	19.5	17.4
	\$161.5	\$180.8	\$188.4
Loans and borrowings	\$16.6	\$33.0	\$31.0
Long-term debt	40.9	35.4	40.5
Deferred income taxes	0.6	0.2	0.8
Shareholders' equity	103.4	112.2	116.1
	\$161.5	\$180.8	\$188.4
Working capital	\$36.9	\$19.5	\$15.0
Net debt	\$4.0	\$15.9	\$25.5

*2009 and 2010 information restated under IFRS

FINANCIAL INFORMATION

(\$ MILLIONS)



+ 2010 restated under IFRS, revenue previously stated at \$141.4 and EBITDAS at \$37.9 under CGAAP

Presented under CGAAP

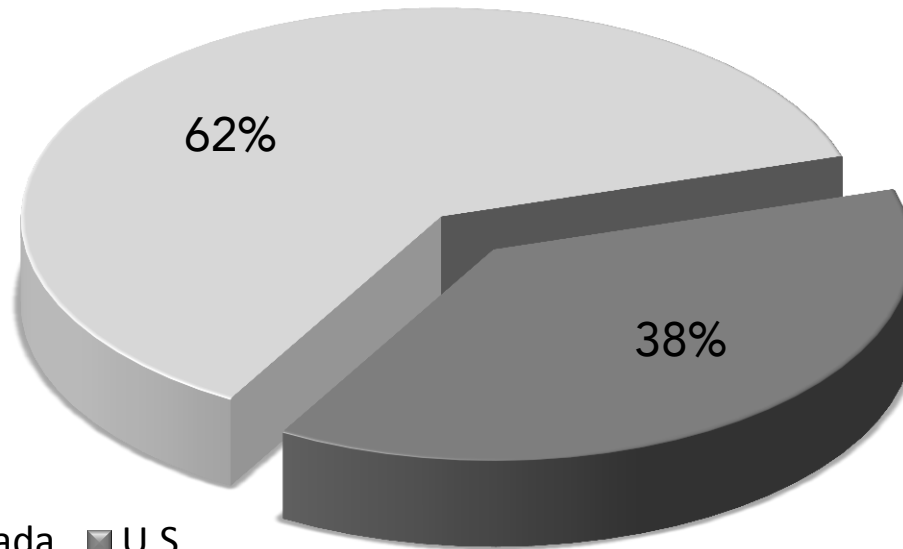
*Consensus average of 7-8 market analysts



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



■ Canada ■ U.S.

Six months ended June 30, 2011

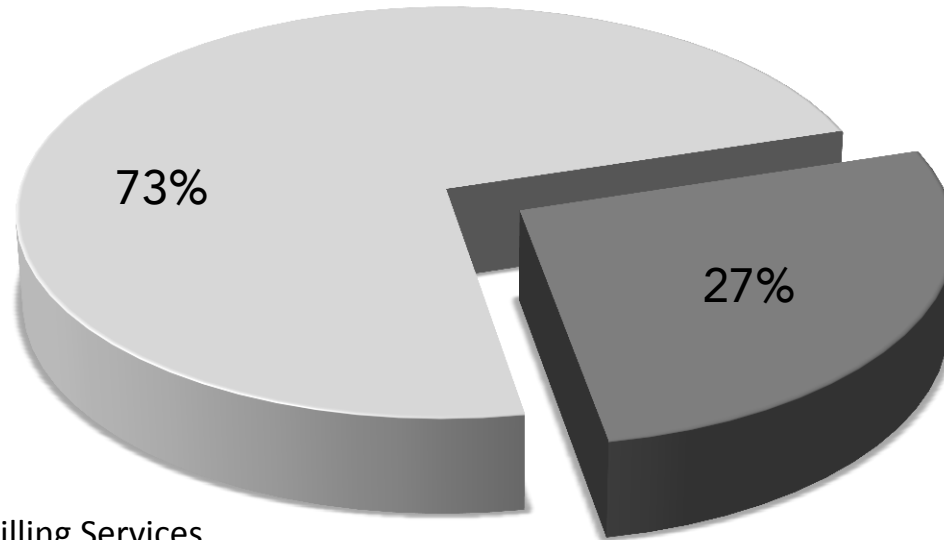


SERVICES

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

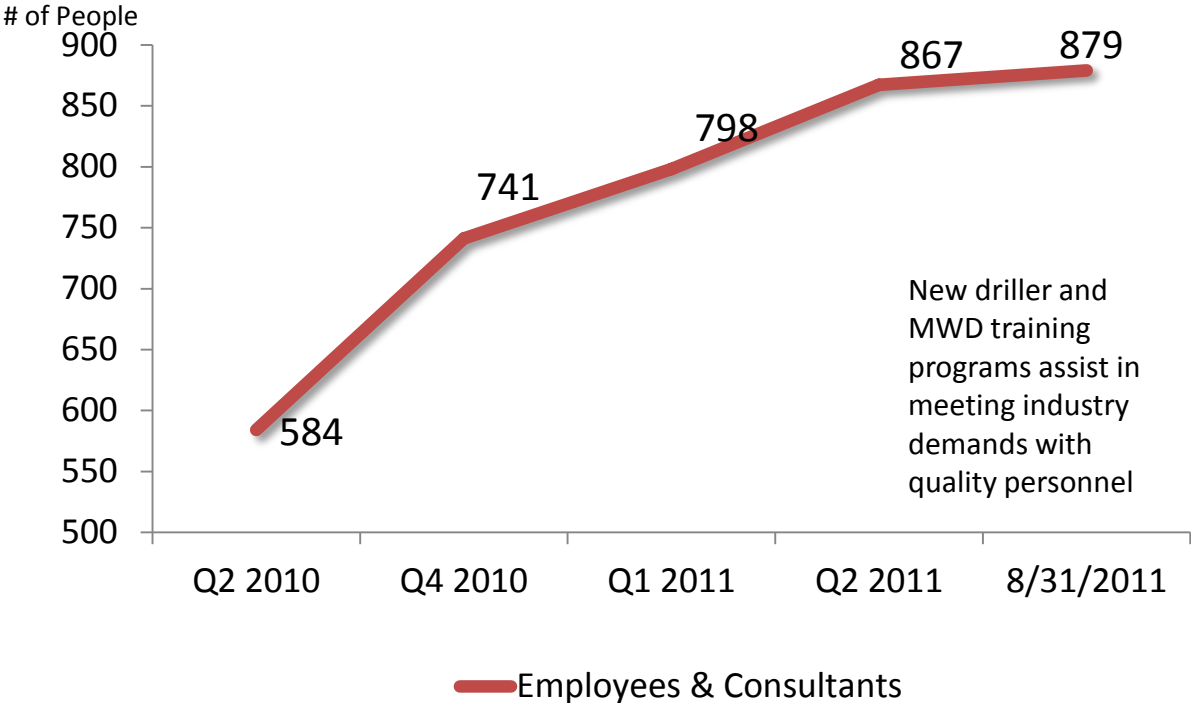


- Drilling Services
- Production Testing

Six months ended June 30, 2011

TEAM GROWTH

Our focus on our team ensures we are continually providing highly skilled and trained personnel, and that we are consistently able to meet the industry demands



OUTLOOK

CORPORATE STRUCTURE:

Currently 850+ staff in 3 countries

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

OPPORTUNITIES:

Increase in market share and diversification in play areas

Overall capacity growth to meet market demand

Growth internationally

Strategic acquisition opportunities related to current business lines

Vertical integration

RESEARCH AND DEVELOPMENT:

Continuous technological innovations and developments in MWD tools

Proven success in the introduction of new technologies to the market

Full utilization of research and development resources





CATHEDRAL

1700, 715 – 5th Avenue SW
Calgary, Alberta T2P 2X6
Phone 403.265.2560

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