



NORTH AMERICAN ENERGY PARTNERS ANNOUNCES THIRD QUARTER RESULTS

Acheson, Alberta, Canada, (March 1, 2006) – North American Energy Partners Inc. (the Company) announced fiscal third quarter results today. For the three months ended December 31, 2005, the Company continued to demonstrate strong financial results, including a 50% increase in revenue. “The last twelve months have seen a steady improvement in the performance of our business and a continued robust economic environment in our region and industry,” commented President and CEO Rod Ruston. “Among other things, our improved performance has allowed a substantial increase in our cash position since the last reported quarter. We are excited about our prospects as we head into the 2007 fiscal year.”

Third Quarter Highlights (in CDN\$ millions)

	Three months ended December 31		Nine months ended December 31	
	2005	2004	2005	2004
Revenue	\$121.5	\$81.0	\$349.9	\$234.5
EBITDA*	\$11.6	(\$5.5)	\$41.3	\$17.2
Capital Expenditures	\$10.1	\$6.1	\$23.3	\$20.5

*see note 1

Revenue for the quarter of \$121 million and year-to-date of \$350 million compared favorably to \$81 million in the prior corresponding quarter and \$235 million for the same nine month period last year. The increase in revenue is attributed to a number of large mining and site preparation projects, including site preparation, underground utility installation and overburden removal work for CNRL, as well as continued mining work for Grande Cache Coal Corporation. Increased activity in the piling division has also been a significant contributing factor.

The Company’s cash position has increased considerably since the last reported quarter to approximately \$32 million. The availability under the Company’s revolving credit facility was \$5 million at December 31, 2005. Capital expenditures for the period of \$10.1 million primarily reflect spending related to construction of the Company’s maintenance shop facility at CNRL’s horizon project.

Segment Results

Mining and Site Preparation, the Company’s largest segment, reported revenues of close to \$90 million for the three months ended December 31, 2005, a 40% increase from the previous comparative quarter. Year-to-date revenues for the segment were greater than \$265 million, an increase of \$92.5 million over the prior corresponding period. Profit margins in this division were lower than usual this quarter due to lower than anticipated margins on the CNRL site grading contract.

The Company’s piling segment continues to show outstanding results with revenues totaling \$21 million for the quarter, 57% higher than the prior comparative quarter. Revenue for the year-to-date was approximately \$63 million compared to \$43 million in the previous corresponding period. Profit margins for this segment increased significantly for the three months ended

More...



December 31, 2005 as demand for piling work has grown to significantly outstrip the availability of piling rigs and people.

The Pipeline segment achieved increases from the prior comparative quarter with revenue nearly tripling to \$11 million for the three months ended December 31, 2005. Year-to-date revenue for this segment was approximately \$21 million, a 19% increase over the previous corresponding period. Profit margins for the segment more than doubled over last year's corresponding quarter reflecting the increasing demand in this segment.

For over 50 years North American Energy Partners has been one of the largest providers of mining and site preparation, piling and pipeline installation services in western Canada. The Company provides services primarily to major oil and natural gas, petrochemical and other natural resource companies within western Canada and maintains one of the largest independently owned equipment fleets in the region.

Note 1:

EBITDA is defined as earnings before interest, income tax, depreciation and amortization, with adjustments for other non-cash items including, stock-based compensation expense, unrealized foreign exchange gain (loss) on senior notes, realized and unrealized loss on derivative financial instruments and the (gain) loss on disposal of property, plant and equipment. The Company believes that EBITDA is a meaningful measure of the performance of its business because it excludes items, such as depreciation, interest and taxes, that are not directly related to the operating performance of its business. Management reviews EBITDA to determine whether capital assets are being allocated efficiently. However, EBITDA is not a measure of performance under Canadian GAAP or U.S. GAAP and the Company's computation of EBITDA varies from others in its industry. EBITDA should not be considered as an alternative to operating income or net income as a measure of operating performance or cash flows as a measure of liquidity. EBITDA has important limitations as analytical tools, and the reader should not consider them in isolation, or as a substitute for analysis of the Company's results as reported under Canadian GAAP or U.S. GAAP.

Reconciliation of Net Income (Loss) to EBITDA (in CDN\$ millions)

	Three months ended		Nine months ended	
	December 31		December 31	
	2005	2004	2005	2004
Net income (loss)	\$ 2.1	\$ (32.4)	\$ (35.6)	\$ (42.2)
Interest expense - Regular	8.7	7.6	25.3	22.8
- Series B preferred shares	(0.4)	-	36.1	-
Income taxes	0.2	1.7	0.4	2.4
Depreciation	5.5	5.3	16.0	14.9
Amortization of intangible assets	0.2	0.5	0.5	3.0
Stock-based compensation expense	0.3	0.1	0.6	0.3
Foreign exchange loss (gain) on senior notes	0.9	(11.9)	(14.6)	(21.3)
Realized and unrealized change in derivative financial	(5.4)	23.3	13.4	36.8
Loss (gain) on disposal of property, plant and equipment	(0.5)	0.3	(0.8)	0.5
EBITDA	\$ 11.6	\$ (5.5)	\$ 41.3	\$ 17.2

More...



This news release contains forward-looking statements. Actual results could differ materially from those contemplated by such forward-looking statements as a result of any number of factors and uncertainties, many of which factors may be beyond the Company's control. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein are enumerated in North American Energy Partners periodic reports filed with the United States Securities and Exchange Commission. Undue reliance should not be placed upon forward-looking statements and the Company undertakes no obligation to update those statements.

North American Energy Partners Inc. will be reviewing its fiscal third quarter results via conference call on:

Date: Monday, March 6, 2006
Time: 10:00 am MST
Dial In #: 1-888-458-1598
Code: 3044213#

A playback of the call will be available until midnight April 6, 2006 at:

Phone #: 1-877-653-0545
Code: 307806#

For further information contact:

Vincent J. Gallant
Vice President, Corporate
North American Energy Partners Inc.
Phone: (780) 960-2255
Email: vgallant@nacg.ca

-END-