

DATE: November 30, 2020

STAMPEDE DRILLING INC. ANNOUNCES \$2 Million Secured Credit Facility, Amendment to its Existing Credit Facility with HSBC

CALGARY, ALBERTA – Stampede Drilling Inc. (“Stampede” or the “Company”) is pleased to announce the closing of a loan facility (the “BDC Facility”) in an amount of up to \$2 million pursuant to a letter of offer dated October 28, 2020 with the Business Development of Canada (“BDC”). The BDC Facility has an interest rate equal to BDC’s floating base rate, currently at 4.55%, a maturity date of September 1, 2023, and comes with customary representations, warranties and covenants. The Company also granted BDC a security interest (the “BDC Security Interest”) in all present and after-acquired property, except consumer goods, accounts receivable and inventory. BDC, HSBC Bank Canada (“HSBC”) and the Company have also entered into a priority agreement, whereby the BDC Security Interest is postponed and subordinated to the security interests held by HSBC in the personal property of the Company in connection with the facility letter dated December 20, 2018 from HSBC to the Company, as acknowledged and agreed to by the Company on December 20, 2018 (the “HSBC Facility”).

The Company has also announced an amendment to its existing credit agreement, including adjustments to, and suspension of, certain debt covenant thresholds with HSBC (the “HSBC Amendment”) commencing on December 31, 2020 until December 31, 2021, as well as other amendments to reflect the establishment of the BDC Facility. While the Company has not breached any covenants, management felt that in light of the ongoing negative impact on 2020 drilling activity from the COVID-19 pandemic and depressed oil prices, it was prudent to make these amendments to provide the Company with additional financial assurance and flexibility as it navigates the Unprecedented uncertainties in the present environment.

In commenting on these initiatives, Lyle Whitmarsh, President and Chief Executive Officer, noted: “The addition of the BDC Facility and HSBC Amendment, combined with the extensive cost cutting initiatives implemented in Q1 2020, will help provide the Company the appropriate level of flexibility to strategically manage the business through this global pandemic and positions the Company well for a market recovery.”

ADVISORY ON FORWARD-LOOKING STATEMENTS:

This news release contains forward-looking statements and information (“forward-looking statements”) within the meaning of applicable securities laws and is based on the expectations, estimates and projections of management of Stampede as of the date of this news release, unless otherwise stated. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking statements.

More particularly and without limitation, this news release contains forward-looking statements concerning: the intention of entering into the HSBC Amendment and the BDC Facility; the achievement of the Company’s financial covenants with HSBC and BDC; the impact of regional and/or global health related events, including the ongoing COVID-19 pandemic, on energy demand and commodity prices; and the outlook for the Company. Such forward-looking statements are provided for the purpose of providing information about management’s current expectations and plans relating to the future. Investors are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions.

The forward-looking statements address future events and conditions and, as this is the case, such information by its very nature involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks.

Readers are cautioned that the foregoing list of factors is not exhaustive. The reader is cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and Stampede undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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