



Management's Discussion & Analysis

Stampede Drilling Inc.

For the three and nine month periods ended September 30, 2021 and 2020

(Expressed in Canadian Dollars)

STAMPEDE DRILLING INC.
("Stampepe" or the "Corporation")

MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2021

The following management's discussion and analysis ("MD&A") should be read in conjunction with the December 31, 2020 audited consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), and the annual information form ("AIF") for the year ended December 31, 2020, as well as the condensed unaudited consolidated interim financial statements and notes for the three and nine month period ended September 30, 2021 and 2020. Additional information regarding Stampede, including the AIF, is available on SEDAR at www.sedar.com.

All amounts or dollar figures are denominated in thousands of Canadian dollars except for number of drilling rigs, and operating days, or unless otherwise noted.

This MD&A is dated November 3, 2021 and is in respect of the three and nine month periods ended September 30, 2021.

Estimates and forward-looking information are based on assumptions of future events and actual results may vary from these estimates. See "Forward-Looking Information" in this MD&A for additional details.

FINANCIAL SUMMARY

(000's CAD \$ except per share amounts)	Three months ended September 30,			Nine months ended September 30,		
	2021	2020	% Change	2021	2020	% Change
Revenue	6,482	714	808%	22,983	11,879	93%
Direct operating expenses	4,107	530	675%	14,124	8,033	76%
Gross margin ⁽¹⁾	2,375	184	1,191%	8,859	3,846	130%
Net income (loss)	225	(1,633)	114%	2,480	(2,376)	204%
Basic and diluted per share	0.00	(0.01)	nm	0.02	(0.02)	nm
Adjusted EBITDA ⁽¹⁾	1,269	(269)	572%	6,412	1,898	238%
Weighted average common shares outstanding	132,166	132,046	0%	132,166	132,046	0%
Weighted average diluted common shares outstanding	133,200	132,046	1%	132,496	132,046	0%
Capital expenditures	1,362	4	nm	2,781	709	292%
Average active rig count	10	10	nm	10	10	nm
Drilling rig utilization	37%	4%	nm	44%	21%	110%
CAODC industry average utilization ⁽²⁾	27%	9%	200%	23%	16%	44%

nm - not meaningful

(1) Refer to "Non-GAAP Measures" for further information.

(2) Source: The Canadian Association of Oilwell Drilling Contractors ("CAODC") monthly Contractor Summary. The CAODC industry average is based on Operating Days divided by total available drilling days.

(000's CAD \$)	As at September 30,		
	2021	2020	% Change
Current assets	7,705	2,150	258%
Total assets	50,626	46,845	8%
Total current liabilities	10,266	9,546	8%
Total non-current liabilities	4,741	2,887	64%
Shareholders' equity	35,619	34,412	4%

DESCRIPTION OF STAMPEDE'S BUSINESS

Stamperde is an energy services company that currently provides premier contract drilling services in Western Canada. Stamperde operates a fleet of 10 telescopic double drilling rigs suited for most formations within the WCSB. The corporation's head office is located in Calgary, Alberta with operations based out of Nisku, Alberta and Estevan, Saskatchewan. The Corporation's shares trade on the TSX Venture Exchange under the symbol "SDI".

THIRD QUARTER 2021 OPERATIONAL OVERVIEW

For the three month period ended September 30, 2021, the Corporation recorded adjusted EBITDA of \$1,269, up 572% from an adjusted EBITDA loss of (\$269) and net income of \$225, up 114% from a net loss of (\$1,633) and as compared to the 2020 corresponding period. The Corporation's quarterly utilization rate for Q3 2021 was 37%, 35% higher than the CAODC industry average for Q2 2021 of 27%.

During Q3 2021, the Corporation qualified for the Canadian Federal Government's Canadian Emergency Wage Subsidy program ("CEWS") which was used to reduce employee related salary expenses and help minimize reduction in headcount. For the three months ended September 30, 2021, the Corporation recorded \$471 against cost of sales and \$59 against salaries and benefit expenses.

OUTLOOK

The Corporation continued to build off its strong first half off 2021 with another strong quarter operationally and financially with net income of \$225 and Adjusted EBITDA of \$1,269. Rising commodity pricing and corresponding producer cash flows continue to increase drilling activity in Western Canada as compared to 2020. As producers are expected to increase spending in response to higher prices and increased discretionary cash flow growth. The Corporation continues to maintain a strong emphasis and focus on safety, culture and performance as drilling activity continues to improve. With the increased utilization, the Corporation will continue to proactively respond to the safety challenges associated with the COVID-19 pandemic and remains committed to ensuring the health and safety of all its personnel and the safe, efficient and reliable operations at each of its drilling sites.

RESULTS FROM OPERATIONS FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2021

(000's CAD \$ except operating days)	Nine months ended September 30,		
	2021	2020	% Change
Revenue	22,983	11,879	93%
Direct operating expenses	14,124	8,033	76%
Gross margin ⁽¹⁾	8,859	3,846	130%
Gross margin % ⁽¹⁾	39%	32%	22%
Net income (loss)	2,480	(2,376)	204%
General and administrative expenses	3,015	2,448	23%
Adjusted EBITDA ⁽¹⁾	6,412	1,898	238%
Drilling rig operating days ⁽²⁾	1187	567	109%
Drilling rig revenue per day	19.4	20.9	(7%)
Drilling rig utilization	44%	21%	110%
CAODC industry average utilization ⁽³⁾	23%	16%	44%

nm - not meaningful

⁽¹⁾ Refer to "Non-GAAP measures" for further information.

⁽²⁾ Defined as contract drilling days, between spud to rig release

⁽³⁾ Source: The Canadian Association of Oilwell Drilling Contractors ("CAODC") monthly Contractor Summary. The CAODC industry average is based on Operating Days divided by total available drilling days.

- Revenue for the nine month period ended September 30, 2021 was \$22,983, up \$11,104 (93%) compared to \$11,879 for the corresponding 2020 period. Overall, the increase was a result of higher customer activity levels and related increased drilling activity. Crude oil and liquids pricing reached historic lows in the prior year comparative period, which resulted in production shut-ins and minimal drilling activity. The lower revenue per day was due to increased market pricing pressures as compared to the corresponding 2020 period.
- The Corporation had a total of 1,187 operating days for the nine months ended September 30, 2021, an increase of 620 operating days (109%) from the 567 operating days in the corresponding 2020 period. The Corporation's drilling rig utilization for the nine months ended September 30, 2021 was 44%, which was a 110% increase from the corresponding 2020 period and 89% higher than the CAODC industry average utilization rate of 23% for 2021.

- Gross margin for the nine month period ended September 30, 2021 was 39%, up 22% from 32% as compared to the corresponding 2020 period. The increase in 2021 gross margin was primarily due to the \$2,012 of CEWS funding the Corporation qualified for during the nine months ended September 30, 2021 which was recorded against cost of sales and partially offset by the lower revenue per day. The Corporation recorded \$116 in CEWS against cost of sales for the nine month period in 2020.
- For the nine month ended September 30, 2021, general and administrative expenses were \$3,015 up \$649 (23%) from \$2,448 as compared to the corresponding 2020 period. The increase is primarily related to the elimination of the Corporation's 2020 salary roll backs for its employees and its board of directors on April 1, 2021. The Corporation also incurred increased overall administration expenses due to the increased 2021 activity as compared to prior year.
- Due to the above information, Adjusted EBITDA and net income for the nine month period ended September 30, 2021 were \$6,412 and \$2,480, respectively. Adjusted EBITDA was up \$4,514 (238%) from \$1,898, and net income was up \$4,514 (204%) from a net loss of (\$2,376) from the 2020 corresponding period.

EXPENSES

General and Administrative Expenses

(000's CAD \$)	Nine months ended September 30,		
	2021	2020	% Change
Administrative expenses	1,014	693	46%
Salaries and benefits	1,433	1,255	14%
Share-based payments	328	195	68%
Depreciation of right-of-use assets	240	305	(21%)
Total general and administrative expenses	3,015	2,448	23%

nm - not meaningful

Total general and administrative expenses for the nine month period ended September 30, 2021 was \$3,015, an increase of \$567 (23%) from \$2,448 for the comparative 2020 period. The primary reason for the 2021 increase was due to overall increased operating activity for the Corporation in 2021 as compared to 2020. In 2020 the Corporation had implemented cost cutting initiatives in March 2020 due to the decreased drilling activity in Western Canada which was a result of record low commodity pricing and COVID-19.

For the nine months ended September 30, 2021, salaries and benefits were \$1,433, up \$178 from \$1,255 for the comparative 2020 period. For the nine months ended September 30, 2021, the Corporation recorded \$254 (2020 - \$330) against salaries and benefit expenses related to the CEWS. This amount was partially offset due to the elimination of salary roll backs for its employees and its board of directors.

For the nine months ended September 30, 2021 administrative expenses were \$1,014, up \$321 (46%) from \$693 for the comparative 2020 period. The increase in administrative expenses is related to the increase in operational activity in 2021 as compared to 2020.

Share-based payments expense for the nine month period ended September 30, 2021 relates to the expense of stock options issued to directors, officers and employees of the Corporation. Stock option expense fluctuates based on the share price of grants during the year, expiries and forfeitures of options and the effects of vesting. In March 2021 the Corporation granted 3,555 stock options which was the primary reason for the increase as compared to prior period. The Corporation did not grant any stock options in 2020. At the date of this MD&A, 8,523 stock options and 132,166 common shares were outstanding.

Depreciation of right-of-use assets represents the straight-line amortization of the Corporation's leases, Leases which was adopted January 1, 2019. For the nine month period ended September 30, 2021, depreciation of right-of-use assets expense was \$240, down \$65 (21%) from \$305 for the corresponding 2020 period related to new negotiated terms regarding a lease extension signed in Q4 2020.

Depreciation of Property and Equipment

(000's CAD \$)	Nine months ended September 30,		
	2021	2020	% Change
Depreciation of property and equipment	3,124	3,331	(6%)

Depreciation expense for the nine month period ended September 30, 2021 was \$3,124, a decrease of \$207 (6%) from \$3,331 as compared to the corresponding 2020 period. The decrease is primarily related to the property and equipment asset write down taken in Q4 2020.

Other Income (Expenses)

(000's CAD \$)	Nine months ended September 30,		
	2021	2020	% Change
Gain on Extinguishment of Convertible Debenture	-	84	nm
Gain from equipment lost in hole	242	-	nm
Finance costs	(509)	(544)	(6%)
Other income	8	52	(85%)
Foreign exchange gain (loss)	(40)	-	nm
Transaction costs	-	(35)	(100%)
Total other income (expenses)	(240)	(443)	(46%)

nm - not meaningful

For the nine months ended September 30, 2021, the Corporation recorded a gain of \$242 related to equipment lost downhole. The timing of lost-in-hole recoveries is not within the control of the Corporation and therefore can fluctuate significantly from period to period.

For the nine month period ended September 30, 2021, finance costs were \$509, down \$35 (6%) from \$544 as compared to the corresponding 2020 period. The decrease in finance costs was related to a lower average balance on the Corporation's Demand Facility during 2021 as compared to the corresponding period in 2020.

Other income for the nine months ended September 30, 2021 is related to the sale of scrap metal during the period. For the corresponding 2020 period, other income was comprised of rent collections from the Corporation's subleases which have all expired.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth a summary of the Corporation's quarterly results for each of the last eight quarters:

(000's CAD \$)	2021			2020				2019	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	6,482	4,640	11,861	2,515	714	275	10,890	6,705	5,910
Gross margin ⁽¹⁾	2,375	1,836	4,648	1,019	184	133	3,529	2,116	1,790
Net income (loss)	225	(153)	2,408	(2,386)	(1,633)	(1,878)	1,135	(104)	(705)
Basic per share	0.00	(0.00)	0.02	(0.01)	(0.01)	(0.01)	0.01	(0.00)	(0.01)
Adjusted EBITDA ⁽¹⁾	1,269	1,226	3,917	479	(269)	(417)	2,584	1,139	682
Working capital	(2,561)	(2,648)	(2,941)	(5,811)	(7,396)	(7,372)	(6,729)	(8,241)	(4,423)
Total assets	50,626	48,780	52,298	47,784	46,845	47,180	53,665	53,182	51,165

⁽¹⁾ Refer to "Non-GAAP measures" for further information.

Seasonality

An assessment or comparison of the Corporation's quarterly results, at any given time, requires consideration of crude oil and natural gas commodity prices and the seasonal nature of the oil and gas industry in North America. Commodity prices ultimately drive the level of exploration and development activities carried out by the Corporation's customers and associated demand for the oilfield services provided by Stampede. Results are impacted by the gain or loss of key customers and expected customer capital spending. Additions or losses of key customers can fluctuate on a quarterly basis. From a seasonality perspective, the Corporation currently operates all of its drilling rigs in Western Canada, therefore, operations are impacted by weather and seasonal factors. The winter season, which incorporates the first quarter, is generally a higher activity period as oil and gas companies take advantage of frozen ground conditions to move heavy equipment and operate in regions which might otherwise be inaccessible due to ground conditions during warmer periods. The second quarter normally encompasses a slow period in Canada referred to as spring break-up. During this period, melting conditions result in temporary municipal road bans that effectively prohibit the movement of drilling rigs and other heavy equipment. The third and fourth quarters in Western Canada are usually representative of average activity levels.

CAPITAL PROGRAM

For the nine months ended September 30, 2021, the Corporation spent \$2,781 on capital expenditures for drilling programs with its customers and depending on market conditions, capital spending by the Corporation for the remainder of 2021 may increase.

As of the date of this MD&A, the Corporation is committed to approximately \$829 of capital.

RESULTS FROM OPERATIONS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2021

(000's CAD \$ except per day amounts)	Three months ended September 30,		
	2021	2020	% Change
Drilling rig revenue	6,482	714	808%
Direct operating expenses	4,107	530	675%
Gross margin ⁽¹⁾	2,375	184	1,191%
Gross margin % ⁽¹⁾	37%	26%	42%
Net income (loss)	225	(1,633)	114%
General and administrative expenses	1,238	589	110%
Adjusted EBITDA ⁽¹⁾	1,269	(269)	572%
Drilling rig operating days ⁽²⁾	341	36	855%
Drilling rig revenue per day	19.0	20.0	(5%)
Drilling rig utilization	37%	4%	855%
CAODC industry average utilization ⁽³⁾	27%	9%	200%

nm - not meaningful

⁽¹⁾ Refer to "Non-GAAP measures" for further information.

⁽²⁾ Source: The Canadian Association of Oilwell Drilling Contractors ("CAODC") monthly Contractor Summary. The CAODC industry average is based on Operating Days divided by total available drilling days.

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⁽²⁾ Defined as contract drilling days, between spud to rig release

⁽³⁾ Source: The Canadian Association of Oilwell Drilling Contractors ("CAODC") monthly Contractor Summary. The CAODC industry average is based on Operating Days divided by total available drilling days.

- Revenue for the three month period ended September 30, 2021 was \$6,482, up \$5,768 (808%) compared to \$714 for the corresponding 2020 period. Overall, the increase was as a result of higher customer activity levels resulting in increased drilling activity. Crude oil and liquids pricing reached historic lows in the prior year comparative period, which resulted in production shut-ins and minimal drilling activity.
- The Corporation had a total of 239 operating days in Q3 2021, as compared to 36 days in 2020. The operating days in 2020 were severely impacted by the record low commodity pricing in 2020 and corresponding drop in customer drilling activity. The drilling rig utilization for Q3 2021 was 37%, which was 35% higher than the CAODC industry average utilization rate of 27%.
- Gross margin for the three month period ended September 30, 2021 was 37%, which was positively impacted by the \$417 (2020 - \$116) reduction of field hand wages related to the CEWS. This was partially offset by a lower revenue per day.
- For the three months ended September 30, 2021, general and administrative expenses were \$1,238 up \$649 (110%) from \$589 as compared to the corresponding 2020 period. The increase is related to increased operating activity, and the elimination of salary roll backs for the Corporations employees and Directors partially offset by CEWS in 2021 as compared to 2020.
- Due to the above information, Adjusted EBITDA and net income for the three month period ended September 30, 2021 were \$1,238 and \$225, respectively. Adjusted EBITDA was up \$1,538 from a loss of (\$269), and net income was up \$1,858 (114%) from a net loss of \$1,633 from the 2020 corresponding period.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation's primary liquidity and capital resource needs are to fund ongoing capital expenditures and growth opportunities; to service its debt, including interest payments; and to finance working capital needs. The Corporation's short-term and long-term liquidity needs are met through cash flow from operations, operating loan, and debt and equity financings.

(000's CAD \$)	Nine months ended September 30,		
	2021	2020	% Change
Cash provided by (used in):			
Operating activities	3,768	4,311	(13%)
Investing activities	(2,153)	(3,123)	(31%)
Financing activities	(1,695)	(778)	118%
Increase (decrease) in cash and cash equivalents	(80)	410	(120%)

Cash Flows from Operating Activities

For the nine month ended September 30, 2021, cash flows from operating activities were \$3,768, down \$543 (13%) from \$4,311 compared to the corresponding 2020 period. The overall decrease was primarily related by the decrease in non-cash working capital partially offset by a larger net income for the nine months ended September 30, 2021 as compared to the corresponding 2020 period.

Cash Flows from Investing Activities

For the nine month period ended September 30, 2021, cash flows used in investing activities were \$2,153, down \$970 (31%) from \$3,123 compared to the corresponding 2020 period. The overall decrease is primarily related to proceeds from lost in hole equipment and changes in non-cash working capital balances for the nine months ended September 30, 2021 as compared to the corresponding 2020 period.

Cash Flows from Financing Activities

For the nine month period ended September 30, 2021, cash flows used in financing activities were \$1,695, up \$917 (118%) from \$778 compared to the corresponding 2020 period. The increase in financing activities is primarily related to repayment of \$1,218 of the Corporation's demand facility as compared to \$10 for the corresponding 2020 period.

Loans and Borrowings

Demand Operating Revolving Loan Facility ("Demand Facility")

On December 20, 2018, the Corporation established the Demand Facility with HSBC Bank of Canada ("HSBC") which provides for a total credit capacity of up to, but not exceeding, a maximum of \$15,000 comprised of the following margin requirements:

- (i) 75% of Acceptable Receivables from Non-Investment Grade Customers; plus
- (ii) 85% of Acceptable Receivables from Investment Grade Customers and Major Customers; plus
- (iii) 50% of the net orderly liquidation value of capital assets and equipment; less
- (iv) Potential Prior Ranking Claims; less Accounts Receivables of the Corporation that have been sold or factored, whether to HSBC or another third party.

The Demand Facility bears interest at the lender's prime rate plus 85 basis points and is secured by a general first ranking security agreement on all assets, property, and undertakings of the Corporation.

On November 30, 2020, the Corporation amended the Demand Facility, which included the following amended covenant thresholds:

EBITDA per the Demand Facility is calculated as net income plus interest expense, income taxes, depreciation and amortization, other non-cash charges, transaction costs not to exceed \$1,500, cash dividends, and losses attributable to minority equity investments, less non-cash gains, and income attributable to minority equity investments:

1. Interest Coverage is calculated as the ratio of EBITDA as at such date to interest expense as at such date.
2. Net Funded Debt to EBITDA is calculated as total interest-bearing indebtedness on a consolidated basis excluding cash and cash equivalents held by the bank and loans which have been subordinated and postponed in favour of the bank

to EBITDA.

Revised Net Funded Debt/EBITDA Covenants

- as at the fiscal quarter end September 30, 2021, permit EBITDA, calculated using EBITDA for such fiscal quarter end, to be no less than negative \$600;
- as at the fiscal quarter end September 30, 2021, permit EBITDA, calculated using EBITDA for such fiscal quarter end, to be less than \$200; and
- as at the fiscal quarter end December 31, 2021, permit EBITDA, calculated using EBITDA for such fiscal quarter end, to be less than \$650.

Revised trailing twelve month Interest Coverage Ratio

- as at the fiscal quarter end September 30, 2021, waived;
- as at fiscal quarter end September 30, 2021, permit the Interest Coverage Ratio, calculated using Interest Expense and EBITDA for such fiscal quarter end, to be no less than 1.00:1.00;
- as at fiscal quarter end December 31, 2021, permit the Interest Coverage Ratio, calculated using Interest Expense and EBITDA for such fiscal quarter end, to be less than 3.00:1.00;

As at September 30, 2021, the amended Demand Facility is subject to the following financial covenants:

	Covenant	September 30, 2021
Interest Coverage Ratio ⁽¹⁾	Waived	13.98:1.00
Net Funded Debt to EBITDA Ratio ⁽²⁾	Minimum EBITDA of \$200	\$1,182

Subsequent to September 30, 2021 the debt covenants related to the Demand Facility will revert back to the following original ratios:

	Covenant
Interest Coverage Ratio ⁽¹⁾	3.00:1.00 or more
Net Funded Debt to EBITDA Ratio ⁽²⁾	3.00:1.00 or less

As at September 30, 2021, \$7,042 (December 31, 2020 - \$8,260) was drawn on the Demand Facility and the Corporation was in compliance with all covenants related to its Demand Facility.

Convertible Debenture

	Number of convertible debentures	Liability component (\$,000)	Equity component (\$,000)
Balance at January 1, 2020	2,612	2,530	265
Accretion of discount	-	82	-
Liability revaluation adjustment	-	(130)	-
Equity revaluation adjustment	-	-	(219)
Balance at December 31, 2020	2,612	2,482	46
Balance at December 31, 2020	2,612	2,482	46
Accretion of discount	-	40	-
Balance at September 30, 2021	2,612	2,522	46

Business Development Bank of Canada ("BDC")

In conjunction with the amending credit agreement on November 30, 2020, the Corporation entered into a loan facility in an amount of up to \$2,000 with the BDC ("BDC Facility"). The BDC Facility has an interest rate equal to BDC's floating base rate, currently at 4.55% and a maturity date of September 1, 2023. The Corporation granted BDC a security interest in all present and after-acquired property, except consumer goods, accounts receivable and inventory. BDC, HSBC and the Corporation 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 Corporation in connection with the BDC Facility.

As at September 30, 2021, the Corporation had drawn \$2,000 of the BDC Facility and the Corporation was in compliance with all covenants related to its BDC loan.

COMMITMENTS

The following table reflects the Corporation's commitments as of September 30, 2021:

(000's CAD \$)	2021	2022	2023	2024	2025	2026
Operating loan	7,042	-	-	-	-	-
Convertible debenture repayment	-	-	2,612	-	-	-
Convertible debenture interest	196	261	218	-	-	-
BDC Facility	100	400	1,500	-	-	-
BDC Facility interest	68	78	47	-	-	-
Lease obligations	294	175	114	114	19	-
Trade and other payables	2,960	-	-	-	-	-
Total	10,660	914	4,491	114	19	-

As of the date of this MD&A the Corporation has committed \$829 related to capital expenditures.

OFF-BALANCE SHEET ARRANGEMENTS

During the first nine months of 2021 and the corresponding period in 2020, the Corporation had no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

Credit Risk

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized below:

IFRS 9 requires an entity to estimate its expected credit loss for all trade accounts receivable even when they are not past due based on the expectation that certain receivables will be uncollectible. Based on the Corporation's assessment, an increase in the allowance for doubtful accounts was recorded, using the lifetime expected credit loss model. The expected credit loss rates are based on actual credit loss experience since inception.

The loss allowance provision for trade accounts receivable as at September 30, 2021 reconciles to the opening loss allowance provision as follows:

At December 31, 2020	59
Increase in credit loss allowance	49
As at September 30, 2021	108

Credit risk arises from the potential that one or more counterparties fail to meet their obligations. The Corporation is normally exposed to credit risk through its accounts receivable balances. The Corporation manages credit risk by assessing the creditworthiness of its customers before providing services and on an ongoing basis, as well as monitoring the amount and age of balances outstanding. The Corporation views credit risks on its accounts receivable as normal for the industry.

Substantially all of the Corporation's cash and cash equivalents are held by high credit quality financial institutions.

For the three month period ended September 30, 2021, the Corporation had four customers that comprised 29%, 15%, 14% and 12% of total revenue, compared to 3 customers that comprised 54%, 19% and 18% of total revenue for the period ended September 30, 2020.

For the nine month period ended September 30, 2021, the Corporation had 3 customers that comprised 23%, 19% and 10% of total revenue, compared to 5 customers that comprised 19%, 12%, 11%, 10% and 10% of total revenue for the period ended September 30, 2020.

For the accounts receivable balances outstanding as at September 30, 2021, the Corporation had three customers that comprised 31%, 17% and 16% of the total balance as compared to five customers that comprised 19%, 12%, 11%, 10% and 10% of the total balance as at December 31, 2020.

The Corporation's trade and other receivables aging is as follows:

	September 30, 2021	December 31, 2020
Within 30 days	1,448	956
31 to 60 days	1,563	985
61 to 90 days	2,255	583
Over 90 days	539	48
Accrued accounts receivable	1,128	337
Other receivables	167	557
Allowance for doubtful accounts	(108)	(59)
Accounts receivable	6,992	3,407

As at September 30, 2021, approximately 7.7% of the Corporation's total accounts receivable balance was over 90 days. The Corporation's provision for uncollectible accounts are based on historical loss experience and is adjusted for forward looking estimates based on current and future economic conditions using internal and externally sourced data.

Liquidity Risk

The Corporation's objective in managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due by maintaining sufficient cash to settle current liabilities and meet its anticipated working capital requirements. As at September 30, 2021, the Corporation had negative working capital of \$2,561 (December 31, 2020 – negative \$5,811) The Corporation's principal sources of liquidity are operating cash flows and its operating loan. The Corporation monitors its liquidity position on an ongoing basis and manages liquidity risk by regularly evaluating capital and operating budgets, forecasting cash flows and maintaining a sufficient credit facility to meet financing requirements.

The Corporation's trade and accrued payables were as follows:

	September 30, 2021	December 31, 2020
Accounts payable	1,737	974
Accrued liabilities	1,030	364
Total current accounts payable and accrued liabilities	2,767	1,338
Other liabilities	193	230
Total accounts payable, accrued liabilities and other liabilities	2,960	1,568

Depending on the credit terms of the trade payable, interest will be charged after a predetermined number of days from the date of the invoice. The Corporation has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest Rate Risk:

The Corporation is exposed to interest rate fluctuations on its operating loan facility which bears interest at floating market rates. For the three month period ended September 30, 2021, if the prime interest rate increased/decreased by 1%, with all other variables held constant, the Corporation's net income would have increased/decreased by \$18. For the nine month period ended September 30, 2021, if the prime interest rate increased/decreased by 1%, with all other variables held constant, the Corporation's net income would have increased/decreased by \$54. The Corporation has not entered into any interest rate swaps or other financial arrangements that mitigate the Corporation's exposure to interest rate fluctuations.

- b) **Foreign Currency Risk:**
The Corporation is exposed to foreign currency fluctuations on its financial instruments in relation to its U.S. dollar-denominated cash, accounts receivable and accounts payable. The Corporation monitors its foreign currency exposure and attempts to minimize the effect of fluctuations in the U.S. dollar by maintaining appropriate levels of cash and accounts receivable to offset corresponding U.S. dollar denominated accounts payable.
- c) **Fair Value:**
The Corporation uses the following hierarchy for determining and disclosing the fair value of financial instruments depending on the observable nature of inputs employed in the measurement:
- Level 1: fair value measurements are based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is considered to be a market where transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: fair value measurements are based on valuation models and techniques where the significant inputs are derived from quoted indices. Level 2 valuations are based on inputs including quoted forward prices, time value, volatility factors and broker quotes that can be observed or corroborated in the market for the entire duration of the derivative instrument.
- Level 3: fair value measurements are based on unobservable information or where the observable data does not support a significant portion of the instrument's fair value. The carrying amount of cash and cash equivalents, trade and other receivables, Demand Facility, and accounts payable and accrued liabilities approximates their fair value due to their short-term nature. The fair value of the BDC Facility approximates its carrying amount as the BDC Facility has a floating interest rate. At September 30, 2021, the Corporation valued its cash and cash equivalents using Level 1 inputs. The Corporation does not have any Level 2 instruments.

RISKS AND UNCERTAINTIES

A discussion of the Corporation's business and operational risks is set out in the Corporation's most recent AIF under the heading "Risk Factors", a copy of which can be found under the Corporation's profile at www.sedar.com. Additionally, see "Financial Instruments" and "Forward-Looking Information" in this MD&A for additional information regarding the risks to which Stampede and its business and operations are subject. If any of such risks or uncertainties actually occur, the Corporation's business, financial condition or operating results could be harmed substantially and could differ materially from the plans and other forward-looking information discussed in this MD&A.

NON-GAAP MEASURES

This MD&A contains references to (i) Adjusted EBITDA and (ii) Gross margin and Gross margin percentage. These financial measures are not measures that have any standardized meaning prescribed by IFRS and are therefore referred to as non-GAAP (non - Generally Accepted Accounting Principles) measures. The non-GAAP measures used by the Corporation may not be comparable to similar measures used by other companies.

- (i) Adjusted EBITDA is defined as "income (loss) from operations before interest income, interest expense, taxes, transaction costs, depreciation and amortization, share-based compensation expense, gains on disposal of property and equipment, impairment expenses, other income, foreign exchange, non-recurring restructuring charges, finance costs, accretion of debentures and other income/expenses, and any other items that the Corporation considers appropriate to adjust given the irregular nature and relevance to comparable operations." Management believes that in addition to net and total comprehensive income (loss), Adjusted EBITDA is a useful supplemental measure as it provides an indication of the results generated by the Corporation's principal business activities prior to consideration of how these activities are financed, how assets are depreciated, amortized and impaired, the impact of foreign exchange, or how the results are affected by the accounting standards associated with the Corporation's stock-based compensation plan. Investors should be cautioned, however, that Adjusted EBITDA should not be construed as an alternative to net income (loss) and comprehensive income (loss) determined in accordance with IFRS as an indicator of the Corporation's performance. The Corporation's method of calculating Adjusted EBITDA may differ from that of other organizations and, accordingly, its Adjusted EBITDA may not be comparable to that of other companies.

**Three months ended
September 30,**

**Nine months ended
September 30,**

(000's CAD \$)	2021	2020	% Change	2021	2020	% Change
Net income (loss)	225	(1,633)	114%	2,480	(2,376)	204%
Depreciation	1,092	1,211	(10%)	3,364	3,636	(7%)
Finance costs	165	166	(1%)	509	544	(6%)
Other income	-	(10)	(100%)	(8)	(52)	(85%)
Gain from disposition of property and equipment	(59)	-	nm	(59)	-	nm
Gain from equipment lost in hole	(203)	-	nm	(242)	-	nm
Share-based payments	52	34	53%	328	195	68%
Transaction costs	-	35	nm	-	35	(100%)
Foreign exchange gain (loss)	(3)	12	(125%)	40	-	nm
Gain on Extinguishment of Convertible Debenture	-	(84)	nm	-	(84)	nm
Adjusted EBITDA	1,269	(269)	572%	6,412	1,898	238%

nm - not meaningful

- (ii) Gross margin and Gross margin percentage is defined as "gross profit from services revenue from continuing operations before depreciation". Gross margin is a measure that provides shareholders and potential investors additional information regarding the Corporation's cash generating and operating performance. Management utilizes this measure to assess the Corporation's operating performance. Investors should be cautioned, however, that gross margin should not be construed as an alternative to net income (loss) and comprehensive income (loss) determined in accordance with IFRS as an indicator of the Corporation's performance. The Corporation's method of calculating gross margin may differ from that of other organizations and, accordingly, its gross margin may not be comparable to that of other companies.

(000's CAD \$)	Three months ended September 30,			Nine months ended September 30,		
	2021	2020	% Change	2021	2020	% Change
Income (loss) from operations	1,363	(925)	247%	5,735	515	1,014%
Depreciation of property and equipment	1,012	1,109	(9%)	3,124	3,331	(6%)
Gross margin	2,375	184	1,191%	8,859	3,846	130%
Gross margin %	37%	26%	42%	39%	32%	22%

nm - not meaningful

FORWARD-LOOKING INFORMATION

Certain statements contained in this MD&A constitute forward-looking statements or forward-looking information (collectively, "forward-looking information"). Forward-looking information relates to future events or the Corporation's future performance. All information other than statements of historical fact is forward-looking information. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "could", "should", "believe", "predict", and "forecast" are intended to identify forward-looking information.

This MD&A contains forward-looking information pertaining to, among other things: the impacts of COVID-19 and expectations and responses related thereto; the Corporation's performance and safety record and expectations related thereto; expectations associated with the Corporation's outlook, including among other things, anticipated commodity pricing and expectations related to industry activity and improvements, expected capital spending of the Corporation's customers, and plans, strategies and expectations regarding the Corporation's balance sheet, financial resiliency and capital spending; expectations relating to the Corporation's capital program, including commodity pricing, forecasted drilling activity and market conditions; the Corporation's liquidity and capital resource needs; expectations regarding the management of the Corporation's liquidity risk; expected future contractual commitments; the Corporation's treatment and categorization of doubtful accounts and expectations regarding credit loss rates based on its past experiences and expectations in respect of certain receivables; expectations relating to credit risk and the Corporation's assessment of its customers' creditworthiness; the Corporation's expectations that its financial risk management policies will ensure that all payables are paid within the pre-agreed credit terms; and the Corporation's expectations relating to market risk, among others.

Forward-looking information is presented in this MD&A for the purpose of assisting investors and others in understanding certain key elements of the Corporation's financial results and business plan, as well as the objectives, strategic priorities and business outlook of the Corporation, and in obtaining a better understanding of the Corporation's anticipated operating environment.

Readers are cautioned that such forward-looking information may not be appropriate for other purposes.

Forward-looking information, by its very nature, is subject to inherent risks and uncertainties and is based on many assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from the expectations of the Corporation expressed in or implied by such forward-looking information and that the Corporation's business outlook, objectives, plans and strategic priorities may not be achieved. Macro-economic conditions, including public health concerns (including the impact of the COVID-19 pandemic) and other geopolitical risks, the condition of the global economy and, specifically, the condition of the crude oil and natural gas industry, and the ongoing significant volatility in world markets may adversely impact drilling and completions programs, which could materially adversely impact the Corporation.

In addition to other factors which may be identified in this MD&A, such forward-looking information is subject to various risks, uncertainties and assumptions, including, but not limited to: the condition of the global economy, including trade, public health (including the impact of the COVID-19 pandemic) and other geopolitical risks; the stability of the economic and political environment in which the Corporation operates; future commodity prices and the potential impact on the Corporation and the industry in which the Corporation operates, including levels of exploration and development activities; the success of the measures implemented by the Corporation to ensure the safety of its field and office employees and safe, efficient and reliable operations at each of its drilling sites; the creditworthiness of the Corporation's customers and counterparties; the effectiveness of the Corporation's financial risk management policies at ensuring all payables are paid within the pre-agreed credit terms; the ability of the Corporation to retain qualified staff; the ability of the Corporation to obtain financing on acceptable terms; the impact of increasing competition; the belief that the Corporation's principal sources of liquidity, its operating cash flows, operating loan and debt and equity financings will be sufficient to service its debt and fund its operations and other strategic opportunities; the timing and impacts of lost-in-hole recoveries; the expected effects of seasonality and weather on the Corporation's operations and business; the ability to protect and maintain the Corporation's intellectual property; the ability of the Corporation to maintain key customers; foreign currency exchange rates; interest rates; the regulatory framework regarding taxes and environmental matters in the jurisdictions in which the Corporation operates; and the ability of the Corporation to successfully implement key cost and discretionary spending plan adjustments. Actual results and future events could differ materially from those expected or estimated in such forward-looking information. As a result, the Corporation cannot guarantee that any forward-looking information will materialize and we caution you against relying on any of this forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information.

Additional information on these and other factors that the Corporation's forward-looking information is subject to are disclosed under the heading "Risks and Uncertainties" herein, in the Corporation's management's discussion and analysis and annual information form each dated March 24, 2021, and in other reports filed with the securities regulatory authorities in Canada from time to time and available on SEDAR (sedar.com).

Statements, including forward-looking information, are made as of the date of this MD&A and the Corporation does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

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