

STAMPEDE DRILLING INC. PROVIDES OPERATIONAL UPDATE AND ENTERS INTO JOINT VENTURE

CALGARY, AB, Jan. 4, 2022 /CNW/ - Stampede Drilling Inc. ("Stampede" or the "Corporation") (TSXV: SDI) is pleased to provide the following update.

Operational Update

Operationally, Stampede currently has all 10 of its fully crewed marketable drilling rigs scheduled to go to work for the first quarter of 2022 due to the Corporation's expanding customer base. Discussions are ongoing with current and new customers to minimize the environmental footprint of our rigs as well as create further value for customers and shareholders through these initiatives.

Joint Venture

Stampede has entered into a joint venture relationship (the "Joint Venture") with a well-established private Alberta based company ("AlbertaCo") specializing in the engineering, manufacturing and supply of fully integrated under balanced coil drilling rigs ("UBC Drilling Rigs") and corresponding support equipment for the oil and gas industry worldwide. The business of the Joint Venture will be carried on through a new subsidiary ("UBC Drillco") to be managed and operated by Stampede. Stampede will make a total contribution of \$4.5 million to UBC Drillco, consisting of \$3 million of previous cash contributions and ancillary drilling equipment valued at \$1.5 million for a 50% ownership. In addition, Stampede has acquired a minority interest in AlbertaCo for an aggregate investment of \$3 million in cash. AlbertaCo will continue to own the technology in respect of the UBC Drilling Rigs and related systems which will be licensed to UBC Drillco. UBC Drillco has completed the fabrication of one UBC Drilling Rig.

Stampede believes both investments will enhance the Corporation's strategy in the provision of industry leading services for ESG extraction of hydrocarbons from bypassed reserves, low pressure reservoirs and extend the reach in underbalanced short radius wells through-tubing re-entry drilling applications in the future. The purpose of the Joint Venture is to combine Stampede's extensive drilling operations experience with AlbertaCo's technology of E-line coil tubing directional tools, tool deployment system, integrated drilling control systems, pumping systems, automated live wellbore modeling system, coil tubing injectors and reels. The Joint Venture estimates deployment and beta testing on the new UBC Drilling Rig and related technology to be completed by the end of the second quarter in 2022.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

Certain statements contained in this News Release 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 News Release contains forward-looking information pertaining to, among other things: the impacts of COVID-19 and expectations and responses related thereto; the establishment and future operations of the Joint Venture, the Corporation's performance and safety record and expectations related thereto; and expectations associated with the Corporation's outlook, including among other things, anticipated commodity pricing and expectations related to industry activity, improvements, and expected capital spending of the Corporation's customers, among others.

Forward-looking information is presented in this News Release 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 News Release, 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 (or lack thereof) of the testing of the Drilling Apparatus; the ability for DrillCo to secure new customers to contract for DrillCo's rigs and the Drilling Apparatus; the ability for DrillCo to continue to be supplied with Drilling Apparatus and new rigs; the ability for DrillCo's competitors to deploy technology that effectively competes with the Drilling Apparatus; the ability for AlbertaCo to patent and/or otherwise protect any proprietary technology comprising the Drilling Apparatus; the ability for AlbertaCo and Stampede to access capital to further fund the Joint Venture; 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 be disclosed in the Corporation's management's discussion and analysis and annual information form each dated March 24, 2021, the Corporation's management's discussion and analysis dated November 3, 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 News Release 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 News Release is expressly qualified by this cautionary statement.

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