DATE: July 25, 2024

STAMPEDE DRILLING INC. ANNOUNCES 2024 SECOND QUARTER RESULTS

CALGARY, ALBERTA – Stampede Drilling Inc. ("Stampede" or the "Corporation") (TSX-V: SDI) announces today its consolidated financial and operational results for the three and six month periods ended June 30, 2024.

The following press release should be read in conjunction with the December 31, 2023 audited consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting (together, IFRS Accounting Standards), and the annual information form ("AIF") for the year ended December 31, 2023, as well as the condensed unaudited consolidated interim financial statements and notes for the three and six month periods ended June 30, 2024 and 2023. Additional information regarding Stampede, including the AIF, is available on SEDAR+ at www.sedarplus.ca.

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

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 press release for additional details.

SECOND QUARTER 2024 OPERATIONAL HIGHLIGHTS

- **Revenue of $9,918** – a decrease of $3,879 (28%) from $13,797 in the corresponding 2023 period. The decrease was primarily due to the decreased number of operating days.
- **Gross Margin(1) of 30%** – a decrease of 1% from 31% in the corresponding 2023 period. The decrease was primarily due to the reduction in operating days and revenue, and as a result an increase in repair and maintenance costs per day.
- **Net Loss of $2,248** – a decrease of $2,187 (3,585%) from $61 in the corresponding 2023 period. The decrease was primarily related to the decreased revenue as a result of lower operating days and higher depreciation expenses compared to the corresponding period of 2023.
- **Adjusted EBITDA(1) of $934** – a decrease of $1,619 (63%) from $2,553 in the corresponding 2023 period. The decrease was primarily due to weather delays during the quarter resulting in a reduction in operating days, and operating margin.
- **Free Cash Flow(1) of $841** – a decrease of $1,136 (57%) primarily related to the decrease of funds from operating activities.
- **Repurchase of 2,600 common shares** – In the second quarter of 2024 the Corporation repurchased and cancelled 2,600 common shares under its normal course issuer bid (the "NCIB") at a weighted average price per common share of $0.23, for total consideration of $597. The total amount of common shares repurchased and cancelled during the second quarter of 2024 represents 1.23% of the total issued and outstanding common shares of the Corporation.

OUTLOOK

Currently the Corporation has 13 out of its 19 rigs operating as of the date of this Press Release. The Corporation anticipates maintaining this positive momentum into the back half of the year. The optimistic outlook for Western Canada, driven by rising global demand and increased tidewater access for Canadian produces from the startup of the Trans Mountain pipeline expansion in 2024 and LNG Canada planned for 2025, thereby supporting increased forecasted drilling activity amid ongoing geopolitical challenges affecting global energy supply and commodity prices.

The Corporation ended the second quarter of 2024 with a debt to EBITDA ratio of 0.77x. Stampede continues to demonstrate prudent debt management, maintaining financial risk at manageable levels.

The Corporation is undrawn on its $30,000 revolving credit facility, enhancing financial flexibility for responding to market changes and to capitalize on opportunities as they arise. With the NCIB program renewed on June 3, 2024, the Corporation can further return value to shareholders through share buybacks, dependent on market conditions and growth prospects. Notably, the Company has repurchased 4,075 shares for cancellation through the NCIB, spending a total of $941 at an average share price of $0.23 per share as of this Press Release date in 2024.

The Corporation's organisational structure continues to drive growth, efficiency and resilience, allowing quick adaptation, and sustainable expansion while controlling costs in both up and down markets.

(1) – Refer to "Non-GAAP and Other Financial Measures" for further information.

FINANCIAL SUMMARY

(000's CAD $ except per share amounts)	Three months ended, June 30 2024	2023	% Change	Six months ended, June 30 2024	2023	% Change
Revenue	9,918	13,797	(28%)	37,417	39,495	(5%)
Direct operating expenses	6,980	9,482	(26%)	24,566	26,865	(9%)
Gross margin(1)	2,938	4,315	(32%)	12,851	12,630	2%
Net (loss) income	(2,248)	(61)	3,585%	2,691	3,704	(27%)
Basic and diluted (loss) income per share	(0.01)	(0.00)	nm	0.01	0.02	(50%)
Adjusted EBITDA(1)	934	2,553	(63%)	8,596	8,544	1%
Funds from operating activities	905	2,527	(64%)	8,516	8,494	0%
Free cash flow(1)	(841)	(1,977)	(57%)	4,307	2,116	104%
Weighted average common shares outstanding (000's)	213,557	228,590	(7%)	212,417	226,691	(6%)
Weighted average diluted common shares outstanding (000's)	213,557	228,590	(7%)	212,728	230,171	(8%)
Capital expenditures	3,632	4,715	(23%)	9,812	6,956	41%
Number of marketed rigs	19	19	0%	19	19	0%
Drilling rig utilization(2)	20%	29%	(9%)	38%	41%	(3%)
CAOEC industry average utilization(3)	30%	25%	5%	40%	35%	5%

nm - not meaningful
(1) Refer to "Non-GAAP and Other Financial Measures" for further information.
(2) Drilling rig utilization is calculated based on operating days (spud to rig release).
(3) Source: The Canadian Association of Energy Contractors ("CAOEC") monthly Contractor Summary. The CAOEC industry average is based on operating days divided by total available drilling days.

DESCRIPTION OF STAMPEDE'S BUSINESS

Stampede is an energy services company that provides premier contract drilling services in Western Canada. Stampede operates a fleet of 18 telescopic double drilling rigs and 1 high spec triple drilling rig suited for most formations within the Western Canadian Sedimentary Basin ("WCSB"). The Corporation's head office is located in Calgary, Alberta with operations based out of Nisku, Alberta and Estevan, Saskatchewan. The Corporation's common shares trade on the TSX Venture Exchange (the "TSXV") under the symbol "SDI".

RESULTS FROM OPERATIONS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2024

(000's CAD $)	Six months ended, June 30 2024	2023	% Change
Revenue	37,417	39,495	(5%)
Direct operating expenses	24,566	26,865	(9%)
Gross margin(1)	12,851	12,630	2%
Gross margin %(1)	34%	32%	2%
Net income	2,691	3,704	(27%)
General and administrative expenses	5,156	4,864	6%
Adjusted EBITDA(1)	8,596	8,544	1%
Drilling rig operating days(2)	1299	1426	(9%)
Drilling rig revenue per day(3)	28.8	27.7	4%
Drilling rig utilization(4)	38%	41%	(3%)
CAOEC industry average utilization(5)	40%	35%	5%

(1) Refer to "Non-GAAP and Other Financial Measures" for further information.
(2) Defined as contract drilling days, between spud to rig release.
(3) Drilling rig revenue per day is calculated by revenue divided by drilling rig operating days.
(4) Drilling rig utilization is calculated based on operating days (spud to rig release).
(5) Source: The Canadian Association of Energy Contractors ("CAOEC") monthly Contractor Summary. The CAOEC industry average is based on Operating Days divided by total available drilling days.

- **Revenue of $37,417** – a decrease of $2,078 (5%) from $39,495 in the corresponding 2023 period. The decrease was primarily due to the decreased number of operating days.
- **Operating days of 1,299** – a decrease of 127 (9%) from 1,426 operating days in the corresponding 2023 period. Operating days decreased due to weather delays in the second quarter of 2024, resulting in lower drilling rig utilization compared to the corresponding period of 2023.
- **Gross margin percentage of 34%** – an increase of 2% from 32% in the corresponding 2023 period. The increase was primarily due to a 4% increase in revenue per day.
- **Net income of $2,691** – a decrease of $1,013 (27%) from $3,704 in the corresponding 2023 period. The decrease was primarily related to the decreased revenue as a result of lower operating days and higher depreciation expenses compared to the corresponding period of 2023.
- **Adjusted EBITDA of $8,596** – an increase of $52 (1%) from $8,544 in the corresponding 2023 period. The increase was primarily related to the increase in revenue per day and gross margin, partially offset by an increase in general and administrative expenses compared to the corresponding period of 2023.
- **General and administrative expenses of $5,156** – an increase of $292 (6%) from $4,864 in the corresponding 2023 period. The increase was primarily related to the increase in share-based compensation expense, and increased salary expenses in 2024.

RESULTS FROM OPERATIONS FOR THE THREE MONTH PERIOD ENDED JUNE 30, 2024

	Three months ended, June 30		
(000's CAD $)	**2024**	**2023**	**% Change**
Revenue	9,918	13,797	(28%)
Direct operating expenses	6,980	9,482	(26%)
Gross margin(1)	2,938	4,315	(32%)
Gross margin %(1)	30%	31%	(1%)
Net loss	(2,248)	(61)	3,585%
General and administrative expenses	2,630	2,214	19%
Adjusted EBITDA(1)	934	2,553	(63%)
Drilling rig operating days(2)	343	508	(32%)
Drilling rig revenue per day(3)	28.9	27.2	6%
Drilling rig utilization(4)	20%	29%	(9%)
CAOEC industry average utilization(5)	30%	25%	5%

(1) Refer to "Non-GAAP and Other Financial Measures" for further information.
(2) Defined as contract drilling days, between spud to rig release.
(3) Drilling rig revenue per day is calculated by revenue divided by drilling rig operating days.
(4) Drilling rig utilization is calculated based on operating days (spud to rig release).
(5) Source: The Canadian Association of Energy Contractors ("CAOEC") monthly Contractor Summary. The CAOEC industry average is based on Operating Days divided by total available drilling days.

- **Revenue of $9,918** – a decrease of $3,879 (28%) from $13,797 in the corresponding 2023 period. The decrease was primarily due to the decreased number of operating days.
- **Operating days of 343** – a decrease of 165 (32%) from 508 operating days in the corresponding 2023 period. Operating days decreased due to weather delays in the second quarter, resulting in lower drilling rig utilization compared to the corresponding period of 2023.
- **Gross margin percentage of 30%** – a decrease of 1% from 31% in the corresponding 2023 period. The decrease was primarily due to the reduction in operating days and revenue, and as a result an increase in repair and maintenance costs per day.
- **Net loss of $2,248** – a decrease of $2,187 (3,585%) from $61 in the corresponding 2023 period. The decrease was primarily related to the decreased revenue as a result of lower operating days and higher depreciation expenses compared to the corresponding period of 2023.
- **Adjusted EBITDA of $934** – a decrease of $1,619 (63%) from $2,553 in the corresponding 2023 period. The decrease was primarily due to weather delays during the quarter resulting in a reduction in operating days, and operating margin.
- **General and administrative expenses of $2,630** – an increase of $416 (19%) from $2,214 in the corresponding 2023 period. The increase was primarily related to the increase in share-based compensation expense, and increased salary expenses in the second quarter of 2024.

RENEWAL OF NORMAL COURSE ISSUER BID

As previously announced, on May 28, 2024, the TSXV accepted the renewal of Stampede's NCIB that allows the Corporation to repurchase for cancellation, through the facilities of the TSXV and/or alternative trading platforms, up to 20,137,617 common shares, representing 10% of the Corporation's Public Float (as such term is defined in TSXV Policy 1.1 – *Interpretation*). The NCIB commenced on June 3, 2024 and will expire on the earlier of June 2, 2025 and the date on which Stampede has acquired the maximum number of common shares allowable under the NCIB. Shareholders can obtain a copy of the Corporation's Notice of

Intention to Make a Normal Course Issuer Bid filed with the TSXV, without charge, by contacting the Corporation.

NON-GAAP AND OTHER FINANCIAL MEASURES

This news release contains references to (i) adjusted EBITDA, (ii) gross margin (iii) gross margin percentage, and (iv) free cash flow. These financial measures are not measures that have any standardized meaning prescribed by IFRS Accounting Standards and are therefore referred to as non-generally accepted accounting principles ("non-GAAP") 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 from operations before interest income, interest expense, taxes, transaction costs, depreciation and amortization, share-based compensation expense, gains on asset disposals, impairment expenses, other income, foreign exchange, non-recurring restructuring charges, finance costs, accretion of debentures and other income/expenses, foreign exchange gain 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 income, 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 and comprehensive income determined in accordance with IFRS Accounting Standards 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, June 30			Six months ended, June 30		
(000's CAD $)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Net (loss) income	(2,248)	(61)	3,585%	2,691	3,704	(27%)
Depreciation	2,172	1,734	25%	4,239	3,359	26%
Finance costs	506	473	7%	1,023	902	13%
Other income	(13)	(3)	333%	(13)	(3)	333%
(Gain) loss on asset disposal	(2)	35	(106%)	(21)	(12)	75%
Share-based payments	520	346	50%	690	562	23%
Transaction costs	5	16	(69%)	6	29	(79%)
Foreign exchange (gain) loss	(6)	13	(146%)	(19)	3	(733%)
Adjusted EBITDA	934	2,553	(63%)	8,596	8,544	1%

(ii) **Gross margin** - is defined as "Income from operations before depreciation of property and equipment". 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) determined in accordance with IFRS Accounting Standards 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.

(iii) **Gross margin percentage** - is calculated as gross margin divided by revenue. The Corporation believes gross margin as a percentage of revenue is an important measure to determine how the Corporation is managing its revenues and corresponding cost of sales. The Corporation's method of calculating gross margin percentage may differ from that of other organizations and, accordingly, its gross margin percentage may not be comparable to that of other companies.

The following table reconciles the Corporation's income from operations, being the most directly comparable financial measure disclosed in the Corporation's interim financial statements, to gross margin and gross margin percentage:

(000's CAD $)	2024	2023	% Change	2024	2023	% Change
	Three months ended, June 30			Six months ended, June 30		
Income from operations	872	2,687	(68%)	8,823	9,487	(7%)
Depreciation of property and equipment	2,066	1,628	27%	4,028	3,143	28%
Gross margin	2,938	4,315	(32%)	12,851	12,630	2%
Gross margin %	30%	31%	(1%)	34%	32%	2%

(iv) **Free cash flow** - is calculated based on funds from operating activities less maintenance and sustaining capital, and interest and principal debt repayments. The Corporation uses this measure to assess the discretionary cash that management has to invest in growth capital, asset acquisitions, or return capital to shareholders. The Corporation's method of calculating free cash flow may differ from that of other organizations and, accordingly, its free cash flow may not be comparable to that of other companies. The following table reconciles the Corporation's funds from operating activities to free cash flow.

(000's CAD $)	2024	2023	% Change	2024	2023	% Change
	Three months ended, June 30			Six months ended, June 30		
Funds from operating activities	905	2,527	(64%)	8,516	8,494	0%
Maintenance and sustaining capital	(814)	(2,420)	(66%)	(1,826)	(3,576)	(49%)
Interest paid on Demand Facility	(49)	(198)	(75%)	(112)	(353)	(68%)
BDC principal payments	-	(1,400)	nm	-	(1,500)	nm
Interest on BDC loan	-	(59)	nm	-	(91)	nm
Term Loan principal payments	(476)	(250)	90%	(1,463)	(500)	193%
Interest on Term Loan Facility	(407)	(177)	130%	(808)	(358)	126%
Total free cash flow	(841)	(1,977)	(57%)	4,307	2,116	104%

nm - not meaningful

FORWARD-LOOKING INFORMATION

Certain statements contained in this new 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 new release contains forward-looking information pertaining to, among other things: the Corporation's performance; expectations associated with the Corporation's outlook, including among other things, anticipated commodity pricing and the volatility thereof, expectations about industry activities, market conditions and corresponding rig utilization; future projects and the anticipated benefits thereof to the Corporation, including potential increased drilling activity; the Corporation's ability to return value to shareholders through repurchases of common shares under the NCIB; the expected effects of seasonality and weather on the Corporation's operations and business; and expectations regarding future expansion and sustained growth in the energy services landscape.

Forward-looking information is based on certain assumptions that Stampede has made in respect thereof as at the date of this new release regarding, among other things: the Corporation's ability to fully crew and contract its rigs; the success of the measures implemented by the Corporation to ensure the 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; that the Corporation has adequate access to its credit facility to provide the necessary liquidity needed to manage fluctuations in the timing of receipt and/or disbursement of operating cash flows; expectations regarding Stampede's share price; the impact of inflation, weather conditions, and expectations regarding the duration and overall impact of the continued conflicts in Ukraine and the Middle East; the ability of the Corporation to retain qualified staff; the ability of the Corporation to maintain key customers; the ability of the Corporation to obtain financing on acceptable terms; the belief that the Corporation's principal sources of liquidity will be sufficient to service its debt and fund its operations and other strategic opportunities; the ability to protect and maintain the Corporation's intellectual property; and the regulatory framework regarding taxes and environmental matters in the jurisdictions in which the Corporation operates.

Forward-looking information is presented in this new 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.

While Stampede believes the expectations and material factors and assumptions reflected in the forward-looking information is reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. Forward-looking information is not a guarantee of future performance and actual results or events could differ materially from the expectations of the Corporation expressed in or implied by such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information is subject to a number of known and unknown risks and uncertainties including, but not limited to: the condition of the global economy, including trade, inflation, the ongoing conflict in Ukraine, the Middle East and other geopolitical risks; the condition of the crude oil and natural gas industry and related commodity prices; other 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 impact of increasing competition; fluctuations in operating results; the ongoing significant volatility in world markets and the resulting impact on drilling and completions programs; foreign currency exchange rates; interest rates; labour and material shortages; cyber security risks; natural catastrophes; and certain other risks and uncertainties detailed under the heading "Risks and Uncertainties" in the Corporation's annual MD&A and under the heading "Risk Factors" in the Corporation's AIF, each dated March 14, 2024 for the year ended December 31, 2023, and from time to time in Stampede's public disclosure documents available at www.sedarplus.ca.

This list of risk factors should not be construed as exhaustive. Readers are cautioned that events or circumstances could cause actual results to differ materially from those predicted, forecasted, or projected. Statements, including forward-looking information, are made as of the date of this new 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 new release is expressly qualified by this cautionary statement.

For further information, please contact:

Lyle Whitmarsh

President & Chief Executive Officer

Stampede Drilling Inc.

Tel: (403) 984-5042