

DATE: November 6, 2025

STAMPEDE DRILLING INC. ANNOUNCES 2025 THIRD 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 nine month periods ended September 30, 2025.

The following press release should be read in conjunction with the December 31, 2024 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, 2024, as well as the unaudited condensed consolidated interim financial statements and notes for the three and nine month periods ended September 30, 2025 and 2024 and management's discussion and analysis thereon. 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 number of drilling rigs, operating days, or unless otherwise noted. All share amounts are presented to the nearest thousand.

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.

THIRD QUARTER 2025 OPERATIONAL HIGHLIGHTS

- **Revenue of \$20,678** – a decrease of \$3,584 (15%) from \$24,262 in the corresponding 2024 period. The decrease was primarily driven by a 11% decrease in operating days compared to the corresponding period of 2024.
- **Gross Margin⁽¹⁾ of 32%** – an increase of 1% from 31% in the corresponding 2024 period. The gross margin increase was primarily related to the reduction in repair and maintenance costs.
- **Net Income of \$826** – a decrease of \$961 (54%) from \$1,787 in the corresponding 2024 period. The decrease was primarily due to the reduction in revenue and operating gross margin, along with increased depreciation costs.
- **Adjusted EBITDA⁽¹⁾ of \$4,199** – a decrease of \$706 (14%) from \$4,905 in the corresponding 2024 period. The decrease was primarily due to customer drilling program deferrals and operator consolidation resulting in a reduction in operating days and operating gross margin, partially offset by the reduction in general and administrative expenses.
- **Free Cash Flow⁽¹⁾ of \$2,121** – a decrease of \$1,273 (38%) from \$3,394 in the corresponding 2024 period, primarily due to a decrease in funds from operating activities, along with an increase in funds used in maintenance and sustaining capital expenditures compared to the corresponding 2024 period.

OUTLOOK

In the back half of 2025, commodity prices remained under pressure due to geopolitical tensions, U.S. tariffs, and ongoing conflicts in Eastern Europe and the Middle East. These factors contributed to a persistently volatile market environment. International sanctions and supply uncertainties have contributed to market unpredictability. Meanwhile, a change in Canadian federal leadership has led to a cautiously optimistic outlook on future energy policies, with increased awareness of the need for greater export diversification of Canadian natural resources to enhance market resilience, reduce reliance on specific regions and bring investment back into the energy sector with corresponding meaningful production growth.

Recent infrastructure projects like the Trans Mountain expansion, LNG Canada, and Coastal GasLink have increased takeaway capacity and have provided new opportunities for the Canadian energy services industry. However, many producers have prioritized free cash flow for shareholder dividends, debt reduction, and consolidation. Eventually, the focus may shift back toward production to sustain these returns when commodity pricing improves.

Despite these challenges, Stampede has 12 of its 17 rigs currently in operation and 16 of its 17 rigs operational in 2025, minimal capital investment is needed to achieve full utilization, as the past three years' capital expenditures have been focused on enhancing fleet marketability in line with market demand. In July 2025, with the full support of its banking syndicate, Stampede extended the term of its amended and restated credit agreement (the "Credit Agreement") from September 20, 2026 to September 20, 2028. Under the Credit Agreement, the total \$50 million facility remains unchanged, consisting of a \$20 million non-revolving term loan and two separate \$15 million revolving credit facilities. The extension of the Credit Agreement will allow Stampede to continue to pursue further growth opportunities and potential returns to our shareholders.

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

FINANCIAL SUMMARY

(000's CAD \$ except per share amounts)	Three months ended, September 30			Nine months ended, September 30		
	2025	2024	% Change	2025	2024	% Change
Revenue	20,678	24,262	(15%)	50,094	61,679	(19%)
Direct operating expenses	13,975	16,753	(17%)	34,563	41,321	(16%)
Gross margin ⁽¹⁾	6,703	7,509	(11%)	15,531	20,358	(24%)
Net income (loss)	826	1,787	(54%)	(710)	4,476	(116%)
Basic and diluted income (loss) per share	0.00	0.01	nm	(0.00)	0.02	nm
Adjusted EBITDA ⁽¹⁾	4,199	4,905	(14%)	8,705	13,499	(36%)
Funds from operating activities	4,095	4,777	(14%)	8,468	13,291	(36%)
Free cash flow ⁽¹⁾	2,121	3,394	(38%)	3,710	7,654	(52%)
Weighted average common shares outstanding (000's)	199,942	210,627	(5%)	201,301	211,816	(5%)
Weighted average diluted common shares outstanding (000's)	199,942	210,810	(5%)	201,301	212,086	(5%)
Capital expenditures	4,981	3,125	59%	14,212	12,937	10%
Number of marketed rigs	17	19	(11%)	17	19	(11%)
Drilling rig utilization ⁽²⁾	51%	51%	-	39%	42%	(3%)
CAOEC industry average utilization ⁽³⁾	44%	49%	(5%)	43%	43%	-

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 17 marketable telescopic double drilling rigs 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".

RECENT DEVELOPMENTS

On May 5, 2025, the Corporation entered into a drilling equipment purchase and sale agreement with a private company for the sale of certain drilling triple rig components (the "Transaction"). The Transaction closed on October 31, 2025. The total consideration paid to the Corporation was \$5,000 in cash, plus the transfer to the Corporation of certain drilling equipment valued at approximately \$290.

The Corporation has retained key components of the triple rig for future sale or internal deployment to minimize future capital expenditures. Accordingly, the equipment sold is presented as asset held for sale. The assets classified as held for sale are presented below. The Corporation measured its non-current assets classified as held for sale at the lower of the carrying amount and fair value less costs to sell.

	September 30, 2025	December 31, 2024
Assets classified as held for sale:		
Property, plant and equipment	1,251	-
Total assets classified as held for sale	1,251	-

RESULTS FROM OPERATIONS FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2025

(000's CAD \$)	Nine months ended, September 30		
	2025	2024	% Change
Revenue	50,094	61,679	(19%)
Direct operating expenses	34,563	41,321	(16%)
Gross margin ⁽¹⁾	15,531	20,358	(24%)
Gross margin % ⁽¹⁾	31%	33%	(2%)
Net (loss) income	(710)	4,476	(116%)
General and administrative expenses	7,901	8,183	(3%)
Adjusted EBITDA ⁽¹⁾	8,705	13,499	(36%)
Drilling rig operating days ⁽²⁾	1,833	2,197	(17%)
Drilling rig revenue per day ⁽³⁾	27.3	28.1	(3%)
Drilling rig utilization ⁽⁴⁾	39%	42%	(3%)
CAOEC industry average utilization ⁽⁵⁾	43%	43%	-

⁽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 \$50,094** – a decrease of \$11,585 (19%) from \$61,679 in the corresponding 2024 period. The decrease was primarily driven by a 17% decrease in operating days compared to the corresponding period of 2024.
- **Operating days of 1,833** – a decrease of 364 operating days (17%) from 2,197 operating days in the corresponding 2024 period. Operating days decreased due to customer consolidation and drilling program deferrals in the first nine months of 2025, resulting in lower drilling rig utilization compared to the corresponding period of 2024.
- **Gross margin percentage of 31%** – a decrease of 2% from 33% in the corresponding 2024 period. The gross margin decrease was primarily due to the reduction in revenue as a result of the decrease in operating days and revenue per day.
- **Net loss \$710** – a decrease of \$5,186 (116%) from \$4,476 in the corresponding 2024 period. The decrease was primarily due to the reduction in revenue and operating gross margin, along with increased depreciation costs.
- **General and administrative expenses of \$7,901** – a decrease of \$282 (3%) from \$8,183 in the corresponding 2024 period. The decrease was primarily related to the decrease in share-based payments offset by the increase from depreciation of right-of-use assets in the first nine months of 2025.
- **Adjusted EBITDA of \$8,705** – a decrease of \$4,794 (36%) from \$13,499 in the corresponding 2024 period. The decrease was primarily due to customer drilling program deferrals and operator consolidation resulting in a reduction in operating days and operating gross margin.

RESULTS FROM OPERATIONS FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2025

(000's CAD \$)	Three months ended, September 30		
	2025	2024	% Change
Revenue	20,678	24,262	(15%)
Direct operating expenses	13,975	16,753	(17%)
Gross margin ⁽¹⁾	6,703	7,509	(11%)
Gross margin % ⁽¹⁾	32%	31%	1%
Net income	826	1,787	(54%)
General and administrative expenses	2,866	3,027	(5%)
Adjusted EBITDA ⁽¹⁾	4,199	4,905	(14%)
Drilling rig operating days ⁽²⁾	802	898	(11%)
Drilling rig revenue per day ⁽³⁾	25.8	27.0	(5%)
Drilling rig utilization ⁽⁴⁾	51%	51%	-
CAOEC industry average utilization ⁽⁵⁾	44%	49%	(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 \$20,678** – a decrease of \$3,584 (15%) from \$24,262 in the corresponding 2024 period. The decrease was primarily driven by a 11% decrease in operating days and revenue per day compared to the corresponding period of 2024.
- **Operating days of 802** – a decrease of 96 operating days (11%) from 898 operating days in the corresponding 2024 period. Operating days decreased due to customer consolidation and drilling program deferrals in the third quarter of 2025, resulting in lower drilling rig utilization compared to the corresponding period of 2024.
- **Gross margin percentage of 32%** – an increase of 1% from 31% in the corresponding 2024 period. The gross margin increase was primarily related to the reduction in repair and maintenance costs.
- **Net income of \$826** – a decrease of \$961 (54%) from \$1,787 in the corresponding 2024 period. The decrease was primarily due to the reduction in revenue and operating gross margin, along with increased depreciation costs.
- **General and administrative expenses of \$2,866** – a decrease of \$161 (5%) from \$3,027 in the corresponding 2024 period. The decrease was primarily related to the decrease in share based compensation, worker compensation insurance and credit loss allowance in the third quarter of 2025.
- **Adjusted EBITDA of \$4,199** – a decrease of \$706 (14%) from \$4,905 in the corresponding 2024 period. The decrease was primarily due to customer drilling program deferrals and operator consolidation resulting in a reduction in operating days and operating gross margin, partially offset by the reduction in general and administrative expenses.

NON-GAAP AND OTHER FINANCIAL MEASURES

This press 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.

(000's CAD \$)	Three months ended, September 30			Nine months ended, September 30		
	2025	2024	% Change	2025	2024	% Change
Net income (loss)	826	1,787	(54%)	(710)	4,476	nm
Depreciation	2,510	2,242	12%	7,427	6,481	15%
Finance costs	442	511	(14%)	1,256	1,534	(18%)
Other income	(9)	(26)	(65%)	(56)	(39)	44%
Deferred income tax expense	188	-	nm	10	-	nm
Gain on asset disposal	(51)	(31)	65%	(66)	(52)	27%
Share-based payments	217	317	(32%)	640	1,007	(36%)
Transaction costs	68	102	(33%)	177	108	64%
Foreign exchange loss (gain)	8	3	nm	27	(16)	nm
Adjusted EBITDA	4,199	4,905	(14%)	8,705	13,499	(36%)

nm - not meaningful

- (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 \$)	Three months ended, September 30			Nine months ended, September 30		
	2025	2024	% Change	2025	2024	% Change
Income from operations	4,338	5,373	(19%)	8,539	14,194	(40%)
Depreciation of property and equipment	2,365	2,136	11%	6,992	6,164	13%
Gross margin	6,703	7,509	(11%)	15,531	20,358	(24%)
Gross margin %	32%	31%	1%	31%	33%	(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.

FORWARD-LOOKING INFORMATION

Certain statements contained in this press 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 press 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 prices and the volatility thereof; expectations about industry activities and the impacts thereof on the Corporation; market conditions and corresponding rig utilization; the ability of the Corporation to pursue growth opportunities and potential returns to its shareholders; future projects and the anticipated benefits thereof to the Corporation; and factors impacting global energy supply.

Forward-looking information is based on certain assumptions that Stampede has made in respect thereof as at the date of this press 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 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 facilities 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 press 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, including the imposition of tariffs and other non-tariff trade barriers; 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 management's discussion and analysis and under the heading "Risk Factors" in the Corporation's AIF, each dated March 13, 2025, for the year ended December 31, 2024, 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 press 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. All forward-looking information contained in this press release is expressly qualified by this cautionary statement.

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