MANAGEMENT'S DISCUSSION AND ANALYSIS

Three months ended March 31, 2019 and 2018

The following management's discussion and analysis ("MD&A") of the financial position and results of operations of Secure Energy Services Inc. ("Secure" or the "Corporation") has been prepared by management and reviewed and approved by the Board of Directors of Secure on April 29, 2019. The discussion and analysis is a review of the financial results of the Corporation prepared in accordance with International Financial Reporting Standards ("IFRS"), which are also generally accepted accounting principles ("GAAP") for publicly accountable enterprises in Canada.

The MD&A's primary focus is a comparison of the financial performance for the three months ended March 31, 2019 to the three months ended March 31, 2018 and should be read in conjunction with the Corporation's condensed consolidated financial statements and notes thereto for the three months ended March 31, 2019 and 2018 ("Interim Financial Statements") and the Corporation's annual audited consolidated financial statements and notes thereto for the years ended December 31, 2018 and 2017 ("Annual Financial Statements").

All amounts are presented in Canadian dollars, unless otherwise stated and all tabular amounts are in thousands of Canadian dollars, except share amounts or as otherwise noted. Certain comparative figures have been reclassified to conform to the MD&A presentation adopted for the current year.

CORPORATE OVERVIEW

Secure is a TSX publicly traded integrated energy business with midstream infrastructure, environmental and technical solutions divisions providing industry leading customer solutions to upstream oil and natural gas companies operating in western Canada and certain regions in the United States ("U.S."). The Corporation is managed through three complementary divisions that provide innovative, efficient and environmentally responsible fluids and solids solutions to the oil and gas industry.

MIDSTREAM INFRASTRUCTURE DIVISION

The Midstream Infrastructure division owns and operates a network of over fifty facilities throughout western Canada and certain regions in the U.S. The Midstream Infrastructure division services include clean oil terminalling, rail transloading, pipeline transportation, crude oil storage and marketing, custom treating of crude oil, produced and waste water disposal, oilfield waste processing, and oil purchase/resale service. Secure provides these services at its full service terminals ("FST"), full service rail facilities ("FSR"), crude oil pipelines, crude oil terminalling facilities, water disposal facilities, and landfills.

ENVIRONMENTAL SOLUTIONS DIVISION

The Environmental Solutions division provides comprehensive environmental solutions, from initial assessment and planning to reclamation and remediation. The operations of the Environmental Solutions division includes: pipeline integrity projects; demolition, decommissioning, reclamation and remediation of former well sites, facilities, commercial and industrial properties; environmental construction projects; onsite integrated fluid solutions (water management, recycling, pumping and storage); Naturally Occurring Radioactive Material ("NORM") management; waste container services; and emergency response services.

TECHNICAL SOLUTIONS DIVISION

The Technical Solutions division provides customer focused product solutions for drilling, completion and production operations for oil and gas producers in western Canada. The drilling fluids and equipment line includes the design and implementation of drilling fluid systems for producers drilling for oil, bitumen and natural gas. The Corporation focuses on providing products and systems that are designed for more complex wells, such as medium to deep wells, horizontal wells and horizontal wells drilled into the oil sands. The production chemicals and enhanced oil recovery ("EOR") line provides equipment and chemical solutions that optimize production, provide flow assurance and maintain the integrity of production assets.

For a complete description of services provided in the Midstream Infrastructure, Environmental Solutions and Technical Solutions divisions, please refer to the headings '*Secure Energy Services Inc.*' and '*Description of Business*' in the Corporation's Annual Information Form for the year ended December 31, 2018 ("AIF").

OPERATIONAL AND FINANCIAL HIGHLIGHTS

During the quarter, Secure remained focused on executing the Corporation's strategy for enhanced fluid management, providing customers with solutions to increase operating netbacks and improve capital efficiency. Secure's dedication to helping the customer has proven to be a competitive advantage to the Corporation and continued to drive Secure's growth and success in the three months ended March 31, 2019. Highlights from the first quarter include:

- Despite lower oil and gas industry drilling and completions activity levels, Secure achieved Adjusted EBITDA[1] of $55.1 million, a 15% increase over the comparable period of 2018, demonstrating the reliability of the Corporation's cash flows. The increase was driven by growth initiatives over the last several years, ongoing production-related revenues, and a continued focus on efficient and proactive cost management. Additionally, Adjusted EBITDA increased by $3.8 million in the quarter as a result of the adoption of International Financial Reporting Standard 16, Leases ("IFRS 16" or the "new standard")[2] on January 1, 2019;
- The Midstream Infrastructure division continued to lead the Corporation's financial results, generating revenue from services of $94.1 million, a 16% increase over the same period in 2018. The increase in revenues was driven by infrastructure added in 2018, which resulted in new revenue streams and increased disposal capacity, and the Corporation's continued commitment to optimize realized pricing by utilizing multiple crude oil and condensate streams at Secure's pipeline connected FSTs, benefiting both the Corporation and our customers. The increase in revenue was partially offset by lower drilling and completions related processing and disposal volumes resulting from a slowdown in Canadian drilling and completion activity, as evidenced by a 39% decline in industry rig count from the first quarter of 2018;
- Revenue from the Technical Solutions division's production chemicals business modestly increased in the quarter as the Corporation continued to grow market share in western Canada leveraging off Secure's infrastructure, key relationships and proprietary patents. This, along with recurring work in the Environmental Solutions division, helped mitigate the impact of reduced demand for drilling fluids and water pumping services and rentals for fracing, which strongly correlate with drilling and completions activity in the Western Canadian Sedimentary Basin ("WCSB");
- Secure invested growth and expansion capital of $19.8 million during the quarter, advancing several projects including construction of additional crude oil storage at the receipt terminal in Kerrobert and a produced water transfer and injection pipeline in the Montney region. The Corporation also initiated and continued work on several projects geared towards increasing the processing and disposal capacity at various other facilities, including additional disposal wells, purchasing equipment to support existing services, and long lead items and upfront costs on future projects;
- Subsequent to quarter end, the Corporation acquired a 27% interest in a crude oil storage facility located in Cushing, Oklahoma, and a 51% interest in an adjacent 80 acre parcel of undeveloped land (the "Cushing Acquisition"). The facility was constructed in 2015 and is strategically located on 10 acres of land in South Cushing with long-term connection agreements in place, ultimately providing connectivity to all major inbound and outbound pipelines in Cushing. Having access to multiple Canadian crude streams and well-connected tankage will benefit our customers getting their product to market at the optimum price. Secure's majority investment in the 80 acre parcel of land provides the Corporation with significant optionality to develop additional midstream infrastructure in one of North America's key trading hubs;

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[1] Refer to the "*Non-GAAP Measures*" section herein.

[2] Refer to the "*Reporting Changes*" section herein for more information on Secure's adoption of IFRS 16. Secure anticipates the impact of the new standard to result in an increase of approximately $12 to $14 million to Adjusted EBITDA for the 2019 year following the reassignment of certain lease commitments during the second quarter.

- At March 31, 2019, Secure's Total Debt to EBITDA ratio, as defined in the Corporation's lending agreements, was 2.1 to 1. The strength of the Corporation's balance sheet provides significant financial flexibility to continue to grow the business organically and execute on strategic acquisition opportunities that align with the profitable growth strategy of Secure. On April 29, 2019, Secure closed an amendment to its First Lien Credit Facility, increasing the facility by $130 million and extending the maturity date by two years to June 30, 2023. The amended First Lien Credit Facility also includes an accordion feature, which, if exercised and approved by the Corporation's lenders, would increase the revolving credit facility by an additional $100 million. Secure has also entered into a new $75 million bilateral Letter of Credit Facility with a syndicate of two financial institutions and Chartered Banks. The amended First Lien Credit Facility and new Letter of Credit Facility result in total credit capacity of $805 million plus a $100 million accordion feature, providing sufficient financial flexibility and the incremental borrowing capacity required for Secure to continue to operate efficiently and execute on the Corporation's growth and capital investment strategy.

The operating and financial highlights for the three months ending March 31, 2019 and 2018 can be summarized as follows:

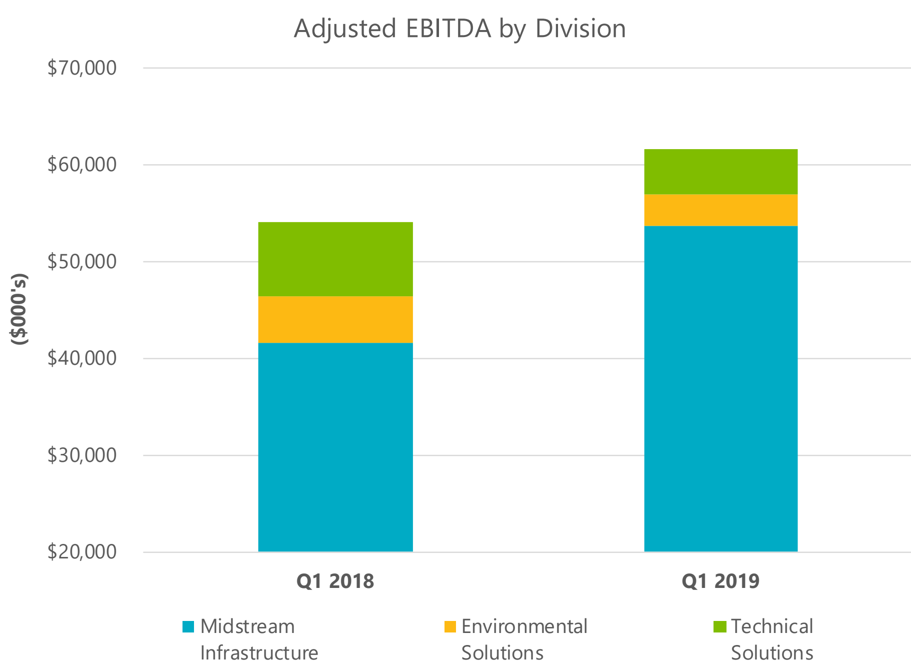
	Three months ended March 31,		
($000's except share and per share data)	**2019**	**2018**	**% change**
Revenue (excludes oil purchase and resale)	**177,379**	181,698	(2)
Oil purchase and resale	**611,503**	523,747	17
Total revenue	**788,882**	705,445	12
Adjusted EBITDA (1)	**55,139**	47,807	15
Per share ($), basic and diluted	**0.34**	0.29	17
Net income	**1,259**	6,077	(79)
Per share ($), basic and diluted	**0.01**	0.04	(75)
Cash flows from operating activities	**57,302**	32,754	75
Per share ($), basic and diluted	**0.36**	0.20	80
Dividends per common share	**0.0675**	0.0675	-
Capital expenditures (1)	**22,792**	56,581	(60)
Total assets	**1,648,660**	1,579,907	4
Long-term liabilities	**582,143**	560,863	4
Common shares - end of period	**161,437,474**	164,547,187	(2)
Weighted average common shares			
basic	**160,440,879**	164,009,829	(2)
diluted	**163,456,268**	166,079,649	(2)

(1) **Refer to "*Non-GAAP Measures" and "Operational Definitions*" for further information.**

- REVENUE OF $788.9 MILLION FOR THE THREE MONTHS ENDED MARCH 31, 2019
  - The Midstream Infrastructure division's revenue (excluding oil purchase and resale) increased to $94.1 million during the three months ended March 31, 2019, up 16% from the comparative period in 2018. The increase was driven by the addition of new infrastructure since the first quarter of 2018, including the light oil feeder pipeline system and receipt terminal in the Kindersley-Kerrobert region of Saskatchewan (the "Kerrobert Light Pipeline System") and two new water disposal facilities, expansion initiatives over the past several years to increase capacity and offer additional services at Secure's existing facilities, Secure's utilization of multiple crude oil and condensate streams at the Corporation's pipeline connected FSTs to optimize realized pricing which benefited both the Corporation and our customers, and increased rail activity due to wide crude oil differentials. The increases to revenue were partially offset by a decrease in processing and disposal volumes tied to drilling and completions activity the three months ended March 31, 2019 compared to the same period in 2018;
  - Oil purchase and resale revenue in the Midstream Infrastructure division for the three months ended March 31, 2019 increased by 17% from the 2018 comparative period to $611.5 million driven by the addition of the Kerrobert Light Pipeline System and increased rail activity;

- Environmental Solutions division revenue of $29.7 million in the first quarter of 2019 decreased 8% from the three months ended March 31, 2018 primarily due to lower completion activity in the WCSB which resulted in lower revenue from the integrated fluids solutions service line;
- Technical Solutions division revenue decreased 22% to $53.6 million in the three months ended March 31, 2019 as a result of a slowdown in drilling activity driven by deteriorating commodity prices in Canada, as evidenced by a 39% decrease in rigs drilling in the WCSB from the same period in 2018. A significant portion of the Technical Solutions division's revenue comes from drilling fluids and related equipment, which strongly correlates with oil and gas drilling activity in the WCSB. However, the impact of reduced drilling activity was partially mitigated by the Corporation's growing production chemicals service line. Since the acquisition of a production chemicals business in April 2017, related revenue has been increasing at a steady rate as the Corporation wins bids for new jobs and expands its customer base.

- ADJUSTED EBITDA OF $55.1 MILLION FOR THE THREE MONTHS ENDED MARCH 31, 2019
  - Adjusted EBITDA of $55.1 million increased 15% from the three months ended March 31, 2018, primarily from higher revenues (excluding oil purchase and resale) and segment profit margin[1] achieved by the Midstream Infrastructure division, both up 16% from the three months ended March 31, 2018, a continued focus on cost controls, and the adoption of IFRS 16. In the Midstream Infrastructure division, Adjusted EBITDA increased 29% in the first quarter of 2019 compared to 2018. Higher water disposal volumes and Secure's utilization of multiple crude oil and condensate streams to optimize pricing at the Corporation's pipeline connected FSTs, benefiting both the Corporation and our customers, more than mitigated a decrease in facility volumes relating to less drilling and completions waste processing and disposal during the three months ended March 31, 2019;
  - Adjusted EBITDA generated from the Environmental Solutions division decreased 31% in the three months ended March 31, 2019 over the comparative period in 2018, primarily as a result of the variance in revenue, as described above. The majority of the Environmental Solutions division's cost of sales are variable, and fluctuations will correspond to change in revenue and project mix;
  - The Technical Solutions division's Adjusted EBITDA decreased 39% in the three months ended March 31, 2019 over the 2018 comparative period primarily due to lower revenue driven by reduced drilling activity;
  - The following graph illustrates the divisional contributions to Adjusted EBITDA, excluding Corporate costs, for the three months ended March 31, 2019 and 2018.



[1] Refer to the "*Non-GAAP Measures*" section herein.

- NET INCOME OF $1.3 MILLION FOR THE THREE MONTHS ENDED MARCH 31, 2019
    - For the three months ended March 31, 2019, Secure's net income of $1.3 million decreased by $4.8 million from the three months ended March 31, 2018. The $7.3 million increase to Adjusted EBITDA described above was more than offset by increased interest expense resulting from higher debt levels to fund organic development in the past year, increased share based compensation expense driven by higher expense associated with deferred share units and performance share unit grants in the quarter, and higher depreciation expense resulting from the adoption of IFRS 16 and new assets put into use since the first quarter of 2018.
- CAPITAL EXPENDITURES OF $22.8 MILLION FOR THE THREE MONTHS ENDED MARCH 31, 2019
    - Total capital expenditures for the three months ended March 31, 2019 of $22.8 million were comprised of $19.8 million related to growth and expansion projects, and $3.0 million of sustaining capital. Growth and expansion capital in the quarter relates primarily to advancing construction of additional crude oil storage at the receipt terminal in Kerrobert; increasing processing and disposal capacity at various other facilities, including a second disposal well at the Tony Creek water disposal facility; ongoing construction of a produced water transfer and injection pipeline from a customer plant; purchasing equipment to support existing services; and long lead items and upfront costs for future projects. Sustaining capital incurred in the three months ended March 31, 2019 relates primarily to regular well and facility maintenance.
- FINANCIAL FLEXIBILITY
    - The total amount drawn on Secure's credit facilities as at March 31, 2019 decreased by 2% to $405.2 million compared to $413.5 million at December 31, 2018. The amount drawn decreased as a result of strong cash flows from operating activities, offset by amounts needed to fund the Corporation's organic capital program, monthly dividend payments and working capital changes;
    - As at March 31, 2019, the Corporation had $156.3 million available under its credit facilities, subject to covenant restrictions. On April 29, 2019, Secure closed an amendment to its First Lien Credit Facility, increasing the capacity by $130 million and issued a new $75 million bilateral Letter of Credit Facility, resulting in total credit capacity of $805 million. The Corporation is well positioned to pursue further accretive acquisition opportunities and execute on the expected 2019 capital program;
    - Secure is in compliance with all covenants related to its credit facilities at March 31, 2019. The following table outlines Secure's Senior Debt and Total Debt to trailing twelve month EBITDA ratios[1] at March 31, 2019 and December 31, 2018:

	Mar 31, 2019	Threshold	% Variance
Senior Debt to EBITDA	1.5	3.5	(57)
Total Debt to EBITDA	2.1	5.0	(58)

OUTLOOK

In April, Alberta elected a new Provincial Government which ran on a platform of regulatory and economic reform, sending a message that Alberta is "Open for Business." Among other things, the new government is expected to reduce regulatory red tape to expedite project development, lower corporate taxes, guarantee that the royalty regimes in place at the time of project permitting remain in place into perpetuity, reduce regulatory costs for drilling rigs, repeal the carbon tax, and wind down production curtailments imposed by the previous administration as rail activity ramps up. These changes are expected to improve producer confidence and drive increased investment, activity levels and cash flows for the oil and gas sector in the province. Narrowing price differentials in the first quarter of 2019 were positive for oil and gas producers, the majority of which also limited drilling and completion expenditures, resulting in higher than expected cash flows and improved balance sheets. These stronger financial positions combined with increased investment confidence in the WCSB is expected to result in increased drilling, completion and production activity in the second half of 2019 and beyond.

[1] Refer to the "*Liquidity and Capital Resources*" section herein for details on the Corporation's covenant calculations.

Production-related volumes represent the majority of the volumes processed and disposed of at Secure's midstream facilities, providing the Corporation with recurring cash flows that are more consistent during periods of reduced drilling and completion activity. These recurring cash flows, the addition of new infrastructure and expansions during 2018 and 2019, and the anticipation that drilling and completion activity will strengthen in the second half of 2019, are expected to result in increased volumes and cash flows for the Corporation following the second quarter's seasonal slowdown.

Secure's strategy remains focused on what is in the Corporation's control: working with customers to identify opportunities and integrated solutions where the Corporation can add value by increasing customer operating netbacks and improving capital efficiency. The recent Cushing Acquisition supports the continued growth and development of the Corporation's midstream business, providing Secure with a strategic footprint in a key U.S. crude market and the ability to offer customers market access flexibility to optimize pricing and increase operating netbacks. By continuing to focus on new and innovative ways to offer solutions, Secure's customers will be able to gain efficiencies for drilling, completing and producing their hydrocarbon reserves. Helping Secure's customers grow and being their trusted energy solutions partner will ensure that the Corporation continues to create long-term shareholder value.

The industry fundamentals driving the success of Secure's core operations remain unchanged:

- Trend towards increased outsourcing of midstream work by producers;
- Produced water increasing at a disproportionate rate relative to aggregate production as a result of larger fracs, aging wells and maturing basins in both Canada and the U.S.;
- Increasing opportunities relating to crude oil logistics as volatile differentials allow for opportunities related to crude oil storage, and transporting crude by rail and via pipeline;
- Well density improving economics to pipeline connect production volumes to midstream facilities;
- Forecast global oil and gas demand driving production growth in the WCSB;
- Highly regulated and best in the world environmental standards.

These factors are expected to result in the need for additional facilities to meet incremental requirements for processing and disposal capacity. Secure has made significant capital investments to ensure the business is well positioned to capture new demand. By offering exceptional customer service and owning and operating midstream facilities near customer production, Secure expects these trends will drive more volumes to the Corporation's midstream facilities. Additionally, customers continue to seek cost effective transportation solutions for water, oil and condensate volumes. Secure's successful execution of the Kerrobert Light Pipeline System will help the Corporation to take advantage of similar opportunities creating value for both the customer and Secure.

Secure has a solid balance sheet and is well positioned to respond with solutions and the right people to the market's requirements. With the Corporation's amended First Lien Credit Facility and the new Letter of Credit Facility, the Corporation now has total credit capacity of $805 million providing financial flexibility and the incremental borrowing capacity required for Secure to continue to operate efficiently and execute on the Corporation's growth and capital investment strategy. The Corporation expects to incur approximately $115 million of total growth and expansion capital in 2019 (acquisition and organic) depending on the outcome of various opportunities in development, such as regulatory approvals, development permits and other operating agreements. The initial organic growth and expansion capital plan of approximately $100 million includes completing construction of two crude oil storage tanks at the receipt terminal in Kerrobert to be commissioned in May 2019; completing construction of two produced water transfer and injection pipelines from customer processing plants; optimizing capabilities and increasing processing and disposal capacity at various other facilities, including additional disposal wells; and purchasing equipment to support existing services.

REPORTING CHANGES

The Corporation adopted IFRS 16 as at the effective date of January 1, 2019 which replaced IAS 17, Leases ("IAS 17"). The new standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There was also no impact to lessor accounting from the adoption of IFRS 16.

Leases are recognized as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Corporation.

Lease liabilities are initially measured at the present value of unpaid lease payments, less any lease incentives. Lease payments include fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. Lease payments are discounted using the Corporation's incremental borrowing rate where the rate implicit in the lease is not readily determinable.

Right-of-use assets are initially measured at the amount of the lease liability, plus any lease payments made at or before the commencement date, any initial direct costs, and estimated cost for dismantling or restoring the asset.

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease payments on short-term leases or leases on which the underlying asset is of low value are accounted for as expenses on a straight-line basis in the consolidated statement of operations.

The Corporation elected the modified retrospective transition approach, which provides lessees a method for recording existing leases at adoption with no restatement of prior period financial information. Under this approach, a lease liability was recognized at January 1, 2019 in respect of leases previously classified as operating leases, measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at transition. The associated right-of-use assets were measured at amounts equal to the respective lease liabilities, subject to certain adjustments allowed under IFRS 16.

Adoption of the new standard at January 1, 2019 resulted in the recording of additional right-of-use assets and lease liabilities of $33.4 million and $35.9 million, respectively, related to office space, warehouses, surface land, rail cars and certain heavy equipment. The new standard did not materially impact consolidated net income as the depreciation of right-of-use assets and interest and finance costs related to the lease liabilities recognized under IFRS 16 were mostly offset by reductions in operating lease expense, which were previously recognized in cost of sales and general and administrative expenses. The adoption of IFRS 16 had no impact on cash flows.

NON-GAAP MEASURES

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore, are considered non-GAAP measures. These measures are identified and presented, where appropriate, together with reconciliations to the equivalent IFRS measure. These measures are intended as a complement to results provided in accordance with IFRS. The Corporation believes these measures provide additional useful information to analysts, shareholders and other users to understand the Corporation's financial results, profitability, cost management, liquidity and ability to generate funds to finance its operations. However, they should not be used as an alternative to IFRS measures because they do not have a standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other companies. These non-GAAP measures are further explained below.

Adjusted EBITDA

Adjusted EBITDA is defined as net income before finance costs, taxes, depreciation, depletion, and amortization, non-cash impairments on the Corporation's non-current assets, unrealized gains or losses on mark to market transactions, share-based compensation, other income/expenses, and any other items that the Corporation considers appropriate to adjust given the irregular nature and relevance to comparable operations. Adjusted EBITDA is not a recognized measure under IFRS and therefore may not be comparable to similar measures presented by other companies.

Management believes that in addition to net income, Adjusted EBITDA is a useful supplemental measure to enhance understanding of the results generated by the Corporation's principal business activities prior to consideration of how those activities are financed, how the results are taxed, and how the results are impacted by non-cash charges, and charges that are irregular in nature or not reflective of Secure's core operations. Management calculates these adjustments consistently from period to period to enhance comparability of this MD&A. Adjusted EBITDA is used by management to determine Secure's ability to service debt, finance capital expenditures and provide for dividend payments to shareholders. Adjusted EBITDA is also used internally to set targets for determining employee variable compensation, largely because management believes that this measure is indicative of how the fundamental business is performing and being managed.

The following table reconciles the Corporation's net income, being the most directly comparable measure calculated in accordance with IFRS, to Adjusted EBITDA.

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Net income	**1,259**	6,077	79
Add:			
Depreciation, depletion and amortization (1)	**31,899**	27,294	17
Current tax expense	**298**	821	(64)
Deferred tax expense	**3,117**	3,928	(21)
Share-based compensation (1)	**7,288**	5,628	29
Interest, accretion and finance costs	**6,791**	3,856	76
Unrealized loss on mark to market transactions (2)	**4,487**	203	2,110
Adjusted EBITDA	**55,139**	47,807	15

(1) Included in cost of sales and general and adminstrative expenses on the Consolidated Statements of Comprehensive (Loss) Income.

(2) Included in revenue and cost of sales on the Consolidated Statements of Comprehensive (Loss) Income.

Segment profit margin

Segment profit margin is calculated as the difference between revenue and cost of sales, excluding depreciation, depletion and amortization expense and share-based compensation expense. Segment profit margin is not a recognized measure under IFRS and therefore may not be comparable to similar measures presented by other companies. Management analyzes segment profit margin and segment profit margin as a percentage of revenue excluding oil purchase and resale by division as a key indicator of segment profitability. This non-GAAP measure is also used by management to quantify the operating costs inherent in the Corporation's business activities, prior to operational related depreciation, depletion and amortization and share-based compensation, and evaluate segment cost control and efficiency.

The following table reconciles the Corporation's gross margin, being the most directly comparable measure calculated in accordance with IFRS, to consolidated segment profit margin.

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Gross margin	**39,906**	34,480	16
Add:			
Depreciation, depletion and amortization (1)	**28,576**	27,294	5
Share-based compensation (1)	**1,476**	5,628	(74)
Segment profit margin	**69,958**	67,402	4

(1) These charges are included in cost of sales on the Corporation's Consolidated Statements of Comprehensive (Loss) Income.

OPERATIONAL DEFINITIONS

Certain operational definitions used by the Corporation throughout this MD&A are further explained below.

Oil prices

Canadian Light Sweet crude oil price is the benchmark price for light crude oil (40 American Petroleum Institute ("API") gravity) at Edmonton, Alberta.

Operating netback

Operating netback is a common measure used in the oil and gas industry to measure results on a per barrel of equivalent basis and is typically calculated as oil and gas sales, less royalties, operating and transportation expenses.

Operating days

Operating days are calculated by multiplying the average number of active rigs where the Technical Solutions division provides drilling fluids services by the number of days in the period.

Capital expenditures

Expansion, growth or acquisition capital are capital expenditures with the intent to expand or restructure operations, enter into new locations or emerging markets, or complete a business or asset acquisition. Sustaining capital refers to capital expenditures in respect of capital asset additions, replacements or improvements required to maintain ongoing business operations. The determination of what constitutes sustaining capital expenditures versus expansion capital involves judgment by management.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2019

In order to discuss the factors that have caused period to period variations in operating activities, the Corporation has divided the business into three reportable segments, as outlined in the '*Corporate Overview*' above, and presented in Note 12 of the Interim Financial Statements. Total general and administration expenses by division excludes corporate expenses and share-based compensation, as senior management reviews each division's earnings before these expenses in assessing profitability and performance. The table below outlines the results by operating segment for the three months ended March 31, 2019 and 2018:

($000's) **Three months ended March 31, 2019**	**Midstream Infrastructure**	**Environmental Solutions**	**Technical Solutions**	**Corporate**	**Total**
Revenue from services	94,138	29,672	53,569	-	177,379
Oil purchase and resale service	611,503	-	-	-	611,503
Total revenue	705,641	29,672	53,569	-	788,882
Cost of sales excluding items listed separately below	(650,740)	(24,664)	(43,520)	-	(718,924)
Segment profit margin	54,901	5,008	10,049	-	69,958
G&A expenses excluding items listed separately below	(5,728)	(1,696)	(5,329)	(6,553)	(19,306)
Depreciation, depletion and amortization [(1)]	(21,936)	(2,700)	(6,065)	(1,198)	(31,899)
Share-based compensation [(1)]	-	-	-	(7,288)	(7,288)
Interest, accretion and finance costs	(474)	-	-	(6,317)	(6,791)
Earnings (loss) before tax	**26,763**	**612**	**(1,345)**	**(21,356)**	**4,674**

($000's) **Three months ended March 31, 2018**	**Midstream Infrastructure**	**Environmental Solutions**	**Technical Solutions**	**Corporate**	**Total**
Revenue from services	80,855	32,164	68,679	-	181,698
Oil purchase and resale service	523,747	-	-	-	523,747
Total revenue	**604,602**	**32,164**	**68,679**	**-**	**705,445**
Cost of sales excluding items listed separately below	(557,198)	(25,529)	(55,316)	-	(638,043)
Segment profit margin	**47,404**	**6,635**	**13,363**	**-**	**67,402**
G&A expenses excluding items listed separately below	(5,929)	(1,860)	(5,668)	(6,341)	(19,798)
Depreciation, depletion and amortization [(1)]	(18,718)	(2,742)	(5,515)	(319)	(27,294)
Share-based compensation [(1)]	-	-	-	(5,628)	(5,628)
Interest, accretion and finance costs	(413)	-	-	(3,443)	(3,856)
Earnings (loss) before tax	**22,344**	**2,033**	**2,180**	**(15,731)**	**10,826**

[(1)] Depreciation, depletion and amortization and share-based compensation have been allocated to cost of sales and general and administrative expenses on the Condensed Consolidated Statements of Comprehensive (Loss) Income based on function of the underlying asset or individual to which the charge relates.

MIDSTREAM INFRASTRUCTURE DIVISION

The Midstream Infrastructure division has two separate business lines: Midstream Infrastructure services; and oil purchase and resale services.

Midstream Infrastructure services:

The Midstream Infrastructure division owns and operates a network of facilities throughout western Canada, in North Dakota, and, as of the second quarter of 2019, has added storage assets in Cushing, Oklahoma. These facilities provide processing, storing, shipping and marketing of crude oil; oilfield waste and water disposal; and recycling. Processing services are primarily performed at FSTs and include waste processing and crude oil emulsion treating. Secure's FSTs that are connected to oil pipelines provide customers with an access point to process and/or treat their crude oil for shipment to market. The crude oil or oilfield waste is delivered by customers to Secure by tanker, vacuum truck or dedicated pipeline. The FST will process oilfield waste to separate out solids, water and crude oil. Crude oil that does not meet pipeline specifications is processed through a crude oil emulsion treater. Clean crude oil and treated crude oil may be aggregated and stored on site temporarily until the volumes are ready to be shipped through gathering, transmission or feeder pipelines, or via transloading facilities. Disposal services include produced and waste water disposal services through a network of disposal wells and disposal of oilfield solid wastes at the Corporation's landfills.

Oil purchase and resale:

The purpose of providing oil purchase and resale services is to enhance the service offering associated with Secure's business of terminalling, transloading and marketing. By offering this service, Secure's customers gain efficiencies in transportation and handling of their crude oil to the pipeline or via rail. At Secure FSTs, Secure will meter the crude oil volumes and purchase the crude oil directly from customers. The Corporation will then handle the shipment of crude oil down the pipeline. Secure's four rail terminals situated across Alberta and Saskatchewan, which carry crude by rail to virtually all North American markets, offer producers an alternative solution to get their product to market. The Corporation may also purchase and resale crude oil to take advantage of marketing opportunities and increase profitability.

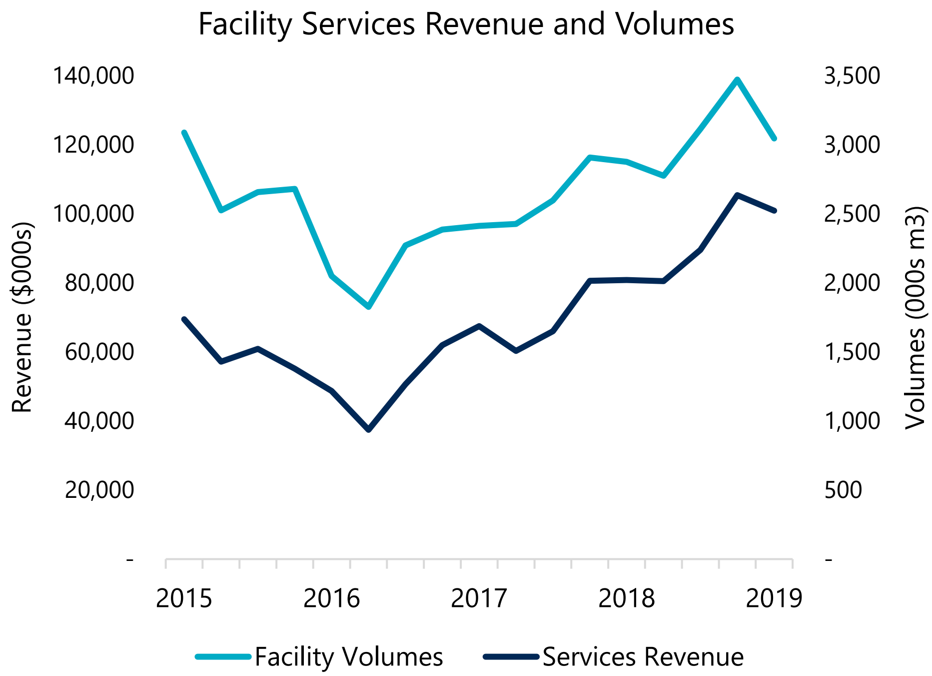
	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Revenue			
Midstream Infrastructure (a)	**94,138**	80,855	16
Oil purchase and resale	**611,503**	523,747	17
Total Midstream Infrastructure division revenue	**705,641**	604,602	17
Cost of Sales			
Midstream Infrastructure excluding items noted below	**39,237**	33,451	17
Depreciation, depletion and amortization	**20,364**	18,479	10
Oil purchase and resale	**611,503**	523,747	17
Total Midstream Infrastructure division cost of sales	**671,104**	575,677	17
Segment Profit Margin (1)	**54,901**	47,404	16
Segment Profit Margin (1) as a % of revenue (a)	**58%**	59%	

(1) Calculated as revenue less cost of sales excluding depreciation, depletion and amortization. Refer to "Non-GAAP measures" for further information.

Revenue (Midstream Infrastructure division)

Revenue generated from Midstream Infrastructure services of $94.1 million for the three months ended March 31, 2019 increased 16% from the 2018 comparative period. The increase in revenue during the quarter was primarily driven by higher volumes associated with new infrastructure, including the Kerrobert Light Pipeline System and expansions at certain of the Corporation's existing facilities during 2018. Further increases in revenue during the first quarter ended 2019 were due to Secure's continued utilization of multiple crude oil and condensate streams at the Corporation's pipeline connected FSTs to optimize realized pricing, which benefited both the Corporation and our customers, partially offset by a decrease in processing and disposal volumes tied to drilling and completion activity and lower realized pricing on recovered oil in the three months ended March 31, 2019, compared to the same period in 2018.

The graph below illustrates the relationship between volumes and revenues earned at the Corporation's facilities. Midstream Infrastructure services revenue is impacted by both the nature and amount of product received by Secure's facilities; pricing varies depending on the complexity to process and dispose.



	Three months ended Mar 31, 2019	2018	% Change
Average Benchmark Prices and Volumes [1]			
WTI (US$/bbl)	**$ 54.81**	$ 62.87	(13)
Canadian Light Sweet ($/bbl)	**$ 66.92**	$ 70.09	(5)
Processing volumes (in 000's m^3)	**450**	573	(21)
Recovery, terminalling and pipeline volumes (in 000's m^3)	**859**	457	88
Disposal volumes (in 000's m^3)	**1,737**	1,847	(6)

[1] Crude, emulsion and water volumes are metered at the Corporation's midstream facilities. Solid waste is weighed at landfills.

Processing volumes decreased by 21% in the three months ended March 31, 2019 from the 2018 driven by decreases in both completion fluids processing and drilling mud processing over the comparative period due to cold weather in the first quarter of 2019 and the slowdown of oil and gas activity resulting from challenging industry fundamentals as evidenced by a decline in both rig activity and meters drilled of 39% and 31%, respectively, in the WCSB. Overall, disposal volumes decreased by 6% in the three months ended March 31, 2019 from the comparative period in 2018. Drilling activity slowed in the quarter causing a 59% decrease in landfill disposal volumes compared to the same period in 2018, as cold weather in the period further compounded lower capital spending in light of volatile crude oil pricing, low natural gas prices and uncertainty with respect to the addition of pipeline capacity out of the WCSB.

The overall decrease in landfill disposal volumes was partially mitigated by an increase in water disposal volumes relating to production activities. The majority of the Corporation's facilities are located in high impact resource plays, such as the Montney and Duvernay regions, where producers were most active in the WCSB. Average fluids pumped per well in these regions are also significantly higher than other regions of the WCSB, driving incremental volumes at Secure's facilities. In the past year, Secure has strategically added new facilities, including the Gold Creek and Tony Creek water disposal facilities, and increased capacity for water disposal at various other facilities in these regions, including at the Dawson Creek and Fox Creek FSTs, Rycroft FSR and Big Mountain water disposal facility, in response to customer demand. These additions and expansions were the driving force behind an 8% increase in water disposal volumes during the three months ended March 31, 2019 over the comparative periods of 2018.

The Kerrobert Light Pipeline System commenced commercial operations on October 1, 2018, resulting in a new revenue source for the Corporation in the three months ended March 31, 2019 compared to the same quarter of 2018 through pipeline tariffs. The feeder pipeline project includes area dedication and contracted volume on both an annual and cumulative term basis over a 10 year term.

Oil purchase and resale revenue in the Midstream Infrastructure division for the three months ended March 31, 2019 increased by 17% from the 2018 comparative period to $611.5 million driven by the addition of the Kerrobert Light Pipeline System and increased rail activity resulting from volatile crude oil differentials, partially offset by a decline in volumes at certain of the Corporation's pipeline connected FSTs in the first quarter of 2019 over the 2018 comparative period.

Cost of Sales (Midstream Infrastructure division)

Cost of sales from Midstream Infrastructure services, excluding depreciation, depletion and amortization, increased by 17% to $39.2 million in the three months ended March 31, 2019 from the comparative period of 2018. The increase in cost of sales corresponds to the increased revenue in the period, partially offset by lease payments associated with the Corporation's rail car leases in the prior year quarter, which were capitalized at January 1, 2019 in accordance with IFRS 16.

Operating depreciation, depletion and amortization ("DD&A") expense included within cost of sales relates primarily to the division's facilities and landfills and includes non-cash impairment as well as any gains or losses on sale or disposal of equipment. For the three months ended March 31, 2019, operational DD&A increased by 10% to $20.4 million mainly due to depreciation associated with increases to property, plant and equipment from newly constructed facilities and other equipment put into use since the first quarter of 2018, and depreciation related to the Midstream Infrastructure division's right-of-use assets added as a result of the adoption of IFRS 16.

Segment Product Margin (Midstream Infrastructure division)

The Midstream Infrastructure's segment profit margin for the three months ended March 31, 2019 of $54.9 million increased by 16% from the prior year comparative period, driven by the impact of increased revenues, as discussed above. As a percentage of Midstream Infrastructure services revenue, segment profit margin decreased 1% for the three months ended March 31, 2019 from the comparative period in 2018 to 58%. The impact of higher revenues and the adoption of IFRS 16 was offset by the service mix in the three months ended March 31, 2019 compared to the same period of 2018.

General and Administrative Expenses (Midstream Infrastructure division)

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
G&A expense excluding depreciation and amortization	**5,728**	5,929	(3)
Depreciation and amortization	**1,572**	239	557
Total Midstream Infrastructure division G&A expense	**7,300**	6,168	18

General and administrative ("G&A") expenses of $7.3 million for the three months ended March 31, 2019 increased from the comparative period balances of $6.2 million. Although the Corporation continues to minimize G&A costs by streamlining operations where possible, Midstream Infrastructure G&A expenses have increased primarily due to overhead requirements to support new service lines, facilities and expansions. As a result of the adoption of IFRS 16, certain expenses previously included with G&A expense excluding depreciation and amortization and now reflected on the Corporation's consolidated statements of comprehensive (loss) income as depreciation of the right-of-use asset, and interest expense associated with the lease liability.

Earnings Before Tax (Midstream Infrastructure division)

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Earnings before tax	**26,763**	22,344	(20)

Earnings before tax of $26.8 million during the three months ended March 31, 2019 increased $4.4 million from the three months ended March 31, 2018. The increase is primarily a result of a $7.6 million increase in segment profit margin driven primarily as a result of facilities constructed in the second half of 2018. This increase was partially offset by higher G&A expenses incurred to support higher activity levels.

ENVIRONMENTAL SOLUTIONS DIVISION

The Environmental Solutions division provides comprehensive environmental solutions, from initial assessment and planning, to construction, demolition and decommissioning, and reclamation and remediation. The operations of the Environmental Solutions division includes pipeline integrity projects (inspection, excavation, repair, replacement and rehabilitation), demolition and decommissioning, and reclamation and remediation of former well sites, facilities, commercial and industrial properties, and environmental construction projects (landfills, containment ponds, subsurface containment walls, etc.), onsite integrated fluid solutions (water management, recycling, pumping and storage), NORM management, waste container services and emergency response services.

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Revenue			
Environmental Solutions	**29,672**	32,164	(8)
Cost of Sales			
Environmental Solutions excluding depreciation and amortization	**24,664**	25,529	(3)
Depreciation and amortization	**2,537**	2,397	6
Total Environmental Solutions division cost of sales	**27,201**	27,926	(3)
Segment Profit Margin [1]	**5,008**	6,635	(25)
Segment Profit Margin [1] as a % of revenue	**17%**	21%	

[1] Calculated as revenue less cost of sales excluding depreciation and amortization. Refer to "Non-GAAP measures" for further information.

Revenue (Environmental Solutions division)

Environmental Solutions division revenue of $29.7 million for the three months ended March 31, 2019 decreased by 8% from the comparative period of 2018. Higher revenue from projects generated from new customers, including several large decommissioning projects, and an increase in revenues from the management of scrap metal recycling programs in the oil sands, were offset by lower activity levels negatively impacting onsite water management and pumping services in the first quarter, and from lower environmental remediation revenue as major customers deferred this spending.

Cost of Sales (Environmental Solutions division)

Cost of sales for the three months ended March 31, 2019 decreased 3% to $27.2 million from the 2018 comparative period. Most of the Environmental Solutions division's cost of sales are variable, and fluctuations will correspond to change in revenue and project mix. The Environmental Solutions division continues to strategically manage its cost structure to minimize operating overhead expenses while remaining flexible for periods of increased activity.

Segment Product Margin (Environmental Solutions division)

Segment profit margin for the three months ended March 31, 2019 of $5.0 million decreased by 25% from the prior year comparative period. As a percentage of revenue, segment profit margin was 17% for the three months ended March 31, 2019 compared to 21% in the three months ended March 31, 2018. The Environmental Solutions division's segment profit margin as a percentage of revenue can fluctuate depending on the volume and type of projects undertaken and the blend of business between remediation and reclamation projects, demolition projects, pipeline integrity projects, site clean-up, and other services in any given period. As a percentage of revenue, the segment profit margin in the three months ended March 31, 2019 decreased primarily due to lower demand for water pumping and fracing services which in turn creates a competitive pricing environment leading to lower margins as a percentage of revenue. This was partially offset by the nature of project work in the quarter which included several highly specialized projects which generate higher margins.

General and Administrative Expenses (Environmental Solutions division)

($000's)	Three months ended Mar 31, 2019	2018	% Change
G&A expense excluding depreciation and amortization	**1,696**	1,860	(9)
Depreciation and amortization	**163**	345	(53)
Total Environmental Solutions division G&A expense	**1,859**	2,205	(16)

G&A expenses for the three months ended March 31, 2019 decreased 16% from the 2018 comparative period to $1.9 million as a result of ongoing initiatives to minimize costs, and the impact from the adoption of IFRS 16. Additionally, depreciation and amortization expenses were lower in the 2019 period as intangible assets recorded for two previous acquisitions were fully amortized in the second quarter of 2018.

Earnings Before Tax (Environmental Solutions division)

($000's)	Three months ended Mar 31, 2019	2018	% Change
Earnings before tax	**612**	2,033	(70)

Earnings before tax of $0.6 million during the three months ended March 31, 2019 has decreased $1.4 million from the 2018 comparative period. The variances correspond primarily to the change in segment profit margin, offset by the positive impact of a $0.3 million reduction in G&A expense in the quarter.

TECHNICAL SOLUTIONS DIVISION

The Technical Solutions division provides innovative, customer focused solutions, along with technical expertise and experience, to enhance the performance and productivity of drilling, completions and production operations. The drilling fluids and equipment line focuses on providing products and systems that are designed for more complex wells, such as medium to deep wells, horizontal wells and horizontal wells drilled into the oil sands. The production chemicals and EOR line focuses on providing equipment and chemical solutions that optimize production, provide flow assurance and maintain the integrity of production assets.

($000's)	Three months ended Mar 31, 2019	2018	% Change
Revenue			
Technical Solutions	**53,569**	68,679	(22)
Cost of Sales			
Technical Solutions excluding depreciation and amortization	**43,520**	55,316	(21)
Depreciation and amortization	**5,675**	5,173	10
Total Technical Solutions division cost of sales	**49,195**	60,489	(19)
Segment Profit Margin (1)	**10,049**	13,363	(25)
Segment Profit Margin (1) as a % of revenue	**19%**	19%	

(1) Calculated as revenue less cost of sales excluding depreciation and amortization. Refer to "*Non-GAAP measures*" for further information.

Revenue (Technical Solutions division)

During the three months ended March 31, 2019, rig activity and metres drilled in the WCSB decreased 39% and 31%, respectively, compared to the three months ended March 31, 2018. The Technical Solutions division's drilling fluids and equipment revenue correlates with oil and gas drilling activity in the WCSB. As a result, revenue generated from this service line was negatively impacted by fewer operating days and rigs serviced. Secure was able to partially mitigate the impact of reduced activity levels by continuing to focus on more complex wells which require specialized fluids, equipment and expertise. The increased contribution from Secure's production chemicals related services has also helped to lessen the impact of reduced activity levels, and the dependence on drilling activity through ongoing product development, new customers and increasing market share. Overall revenue from the Technical Solutions division for the three months ended March 31, 2019 decreased 22% to $53.6 million from the comparative period of 2018.

Cost of Sales (Technical Solutions division)

The Technical Solutions division's cost of sales for the three months ended March 31, 2019 decreased by 19% from the 2018 comparative period to $49.2 million. The decrease in cost of sales was a direct result of the lower activity levels during the first quarter of 2019 and is consistent with the decreased revenues discussed above.

Segment Profit Margin (Technical Solutions division)

The Technical Solutions division's segment profit margin for the three months ended March 31, 2019 decreased 25% from the comparative period to $10.0 million as a result of lower revenue and proportionately lower expenses, as discussed above. Although the continued cost inflation associated with drilling and production chemicals have outpaced the Technical Solutions division's ability to realize meaningful price increases during the period, the adoption of IFRS 16 has positively impacted the segment profit margin as certain production chemical blending plants are operated under lease agreements. As a result, segment profit margin as a percentage of revenue was 19%, unchanged from the comparable three months ended March 31, 2018.

General and Administrative Expenses (Technical Solutions division)

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
G&A expense excluding depreciation and amortization	**5,329**	5,668	(6)
Depreciation and amortization	**390**	342	14
Total Technical Solutions division G&A expense	**5,719**	6,010	(5)

G&A expenses decreased 5% to $5.7 million as a result of the Corporation's continued efforts to manage costs efficiently and proactively while still responding to customer demands and activity levels, including the positive impact on G&A from the adoption of IFRS 16. This is partially offset by costs associated with research and development projects as Secure continues its focus on expanding the value chain of services offered to customers, including innovative and cost-effective solutions to reduce waste in the drilling and production processes.

(Loss) Earnings Before Tax (Technical Solutions division)

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
(Loss) Earnings before tax	**(1,345)**	2,180	(162)

During the three months ended March 31, 2019, the Technical Solutions division had a loss before tax of $1.3 million compared to earnings of $2.2 million in the 2018 comparative period. The variance of $3.5 million was a result of a 25% decrease in segment profit margin, partially offset by a 5% decrease in G&A expense.

CORPORATE INCOME AND EXPENSES

Corporate Cost of Sales

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Cost of Sales			
Share-based compensation expense	**1,476**	1,653	(11)

Corporate cost of sales of $1.5 million for the three months ended March 31, 2019 is comprised of share-based compensation for employees directly associated with the revenue generating operations of the Corporation. Share-based compensation fluctuates based on the share price at the time of grant, any forfeitures of share-based awards, and the effects of vesting.

Corporate General and Administrative Expenses

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
General and administrative expenses excluding items noted below	**6,553**	6,341	3
Depreciation and amortization	**1,198**	319	276
Share-based compensation expense	**5,812**	3,975	46
Total Corporate division G&A expenses	**13,563**	10,635	28

Included in corporate G&A expenses are all public company costs, salaries, and office costs relating to corporate employees and officers, business development costs, any support services that are shared across all three operational business units, and share-based compensation for all employees, other than as recorded to Corporate cost of sales as noted above. Corporate G&A expenses excluding depreciation and amortization and share-based compensation expense increased by $0.2 million in the three months ended March 31, 2019 over the comparative period of 2018, primarily due to higher personnel, professional and information technology costs which more than offset the impact of the adoption of IFRS 16. Overall, the Corporation has been able to demonstrate a consistent G&A cost structure while being able to respond to industry activity.

Corporate depreciation and amortization expense of $1.2 million during the three months ended March 31, 2019 increased $0.9 million from the comparative period of 2018 as a result of leased office space accounted for in accordance with IFRS 16 at January 1, 2019.

Share-based compensation included in G&A expenses for the three months ended March 31, 2018 was $5.8 million, an increase of $1.8 million from the 2018 comparative period relating to revaluing deferred share units at period end, and performance share units granted during the year.

Interest, Accretion and Finance Costs

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Interest, accretion and finance costs	**6,317**	3,443	83

Interest, accretion and finance costs includes interest expense, amortization of financing fees, interest expense related to lease liabilities, all realized and unrealized foreign exchange differences arising from translation gains and losses that are not recorded to other comprehensive income and all realized and unrealized gains or losses related to interest rate swaps on the Corporation's second lien credit facility. The interest expense portion has increased primarily as a result of a 27% increase in the average long-term borrowings balance in the three months ended March 31, 2019 over the 2018 comparative period, and the adoption of IFRS 16.

Foreign Currency Translation Adjustment

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Foreign currency translation loss (gain), net of tax	**3,097**	(3,650)	(185)

Included in other comprehensive income is a loss of $3.1 million for the three months ended March 31, 2019 related to foreign currency translation adjustments resulting from the conversion of the assets, liabilities and financial results of the Corporation's ongoing U.S. operations for the three months ended March 31, 2019. The foreign currency translation adjustment included in the consolidated statements of comprehensive income does not impact net earnings for the period.

Income Taxes

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Income taxes			
Current tax expense	**298**	821	(64)
Deferred tax expense	**3,117**	3,928	(21)
Total income tax expense	**3,415**	4,749	(28)

Income tax expense for the three months ended March 31, 2019 was $3.4 million compared to $4.7 million in the comparative period of 2018. The overall decrease in income tax expense is due primarily to lower pre-tax income in the three months ended March 31, 2019 compared to the three months ended March 31, 2018.

SUMMARY OF QUARTERLY RESULTS

Seasonality

In Canada, the level of activity in the oilfield is influenced by seasonal weather patterns. As warm weather returns in the spring, the winter's frost comes out of the ground (commonly referred to as "spring break-up"), rendering many secondary roads incapable of supporting heavy loads. As a result, road bans are implemented prohibiting heavy loads from being transported in certain areas, limiting the movement of heavy equipment required for drilling and well servicing activities. In addition, the transportation of heavy waste loads is restricted resulting in smaller loads and a general reduction in the volume of waste delivered to Secure's facilities. Accordingly, while the Corporation's facilities are open and accessible year-round, spring break-up reduces the Corporation's activity levels. In the areas in which Secure operates, the second quarter has generally been the slowest quarter as a result of spring break-up. These seasonal trends typically lead to quarterly fluctuations in operating results and working capital requirements, which should be considered in any quarter over quarter analysis of performance.

The table below summarizes unaudited consolidated quarterly information for each of the eight most recently completed fiscal quarters:

	2019	2018				2017		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenue (excluding oil purchase and resale)	177,379	192,756	182,469	141,249	181,698	184,740	162,596	115,372
Oil purchase and resale	611,503	490,295	646,565	578,674	523,747	494,816	451,143	468,952
Total revenue	788,882	683,051	829,034	719,923	705,445	679,556	613,739	584,324
Net income (loss) for the period	1,259	13,944	6,809	(6,901)	6,077	(23,934)	(179)	(13,529)
Net income (loss) per share - basic and diluted	0.01	0.09	0.04	(0.04)	0.04	(0.15)	0.00	(0.08)
Weighted average shares - basic	160,440,879	161,251,096	162,286,387	164,524,360	164,009,829	163,352,572	163,128,460	162,776,950
Weighted average shares - diluted	163,456,268	164,374,324	164,911,044	164,524,360	166,079,649	163,352,572	163,128,460	162,776,950
Adjusted EBITDA (1)	55,139	57,810	53,746	31,158	47,807	51,177	43,820	20,044

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

Quarterly Review Summary

As illustrated above, quarterly performance is affected by seasonal variation; however, with Secure's historical growth and acquisitions, and fluctuating commodity prices impacting industry activity, variations in quarterly results are attributable to several factors.

During 2016, the Corporation's customers significantly reduced capital budgets in response to uncertainty in the price of crude oil and natural gas. In 2017, customers began ramping up activity levels as oil prices stabilized at higher levels, and activity remained at similar levels until near the end of 2018. These higher activity levels, combined with facility additions and expansions, and acquisitions positively impacted results. In the last several months of 2018, crude oil benchmark price and differential volatility resulted in a pull back on activity by producers.

Each previous quarter was also impacted by the date at which an acquisition occurred or any one of the constructed or acquired FSTs, water disposal facilities or landfills commenced operations. For a complete description of Secure's Midstream Infrastructure, Environmental Solutions and Technical Solutions division business assets and operations, please refer to the heading '*Description of Business*' in the AIF which includes a description of the date of acquisitions or on which each of Secure's facilities commenced operations.

The following summarizes the facilities commissioned and acquisitions completed in 2017 and 2018 that have impacted the quarterly results for the past two years:

- In the second quarter of 2017, Secure completed the acquisition of a production chemicals business;
- In the third quarter of 2017, Secure added ten facilities to the Corporation's infrastructure network through the acquisition of Ceiba Energy Services Inc.;
- In the third quarter of 2018, the Corporation's Gold Creek and Tony Creek water disposal facilities commenced operations;
- In the fourth quarter of 2018, the Corporation's Kerrobert Light Pipeline System commenced operations.

In addition to the above, Secure has completed several improvements and expansions to increase capacity and capabilities at existing facilities, primarily in the Montney and Duvernay regions of Alberta, and in the Bakken region of North Dakota.

By offering the oil purchase and resale service, Secure's customers gain efficiencies in transportation and handling of their crude oil to the pipeline. Revenue from this service is impacted by the change in oil prices and the number of pipeline connected facilities.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation's objective in capital program management is to ensure adequate sources of capital are available to carry out its capital plan, while maintaining operational growth, payment of dividends and stable cash flow so as to sustain future development of the business.

Secure expects cash flow to increase as a result of contributions from capital investments made by Secure in key areas over the past several years. Given annual sustaining capital of approximately $20 million, cash interest expense of approximately $20 million and minimal cash taxes, the amount of cash flow generated by the Corporation's assets can adequately fund annual dividends while still providing cash to fund growth capital, buy back shares, increase the dividend, and/or pay down debt.

Management considers capital to be the Corporation's net debt and shareholders' equity. The Corporation's overall capital management strategy remains unchanged from prior periods. Management controls its capital structure through detailed forecasting and budgeting, as well as established policies and processes over monitoring planned capital and operating expenditures. This includes the Board of Directors reviewing the Corporation's results on a monthly basis, and capital costs to approved limits on a quarterly basis.

The key measures management uses to monitor its capital structure are actual capital expenditures compared to authorized limits, Adjusted EBITDA on all of its operations, and Senior and Total Debt to Adjusted EBITDA.

The amount drawn on Secure's credit facilities decreased by 2% to $405.2 million at March 31, 2019 compared to $413.5 million at December 31, 2018. The decrease relates to repayments of the credit facilities through cash flows from operating activities partially offset by consideration paid for organic growth and expansion projects previously described, and dividend payments. Refer to the '*Financing Activities*' section below for further information with regards to net debt.

Issued capital increased 2% at March 31, 2019 from December 31, 2018 to $1.0 billion as a result of capital issued through the conversion of restricted share units and performance share units into common shares under the Corporation's Unit Incentive Plan during the quarter, partially offset by 131,500 shares repurchased for $0.9 million under the Corporation's Normal Course Issuer Bid.

Liquidity risk is the risk that the Corporation will not be able to meet financial obligations at the point at which they are due. The Corporation manages its liquidity risk through cash and debt management. Management's assessment of the Corporation's liquidity reflects estimates, assumptions and judgments relating to current market conditions. The Corporation intends to fund its operations, working capital requirements, dividends and capital program primarily with cash flow from operations and its credit facilities. At March 31, 2019, the Corporation had $156.3 million available under its credit facilities, subject to covenant restrictions. On April 29, 2019, Secure closed an amendment to its First Lien Credit Facility, extending the maturity date by two years to June 30, 2023, and increasing the borrowing capacity by $130 million. The amended First Lien Credit Facility also includes an accordion feature, which, if exercised and approved by the Corporation's lenders, would increase the revolving credit facility by an additional $100 million. In connection the Corporation also added a new $75 million bilateral Letter of Credit Facility. Refer to Note 13 of the Interim Financial Statements for further details regarding this transaction.

The Corporation's credit facilities require that Secure maintain certain coverage ratios, as follows:

- The Senior Debt to EBITDA ratio shall not exceed 3.5:1;
- The Total Debt to EBITDA ratio shall not exceed 5.0:1; and
- The interest coverage ratio, defined as EBITDA divided by interest expense on Total Debt, shall not be less than 2.5:1.

Senior and Total Debt and EBITDA are defined in the Corporation's lending agreements. Senior Debt is calculated as the amounts drawn on the Corporation's First Lien Credit Facility and finance leases entered into by the Corporation as defined by IAS 17, less cash balances above $5 million. Total Debt is equal to Senior Debt plus amounts drawn under the Corporation's Second Lien Credit Facility and any unsecured debt. EBITDA is defined in the lending agreement as earnings before interest, taxes, depreciation, depletion and amortization, less any operating lease payments as defined by IAS 17, and is adjusted for non-recurring losses, any non-cash impairment charges and any other non-cash charges, and acquisitions on a pro-forma basis.

At March 31, 2019, Secure was in compliance with all covenant requirements under the Corporation's credit facilities. The following table outlines the Corporation's financial covenant ratios as March 31, 2019 and December 31, 2018.

	Mar 31, 2019	Dec 31, 2018	% Change
Senior Debt to EBITDA	1.5	1.6	(6)
Total Debt to EBITDA	2.1	2.2	(5)
Interest coverage	8.4	9.2	(9)

Refer to Note 18 of the Annual Financial Statements for further disclosure of the Corporation's liquidity risk and Note 11 of the Interim Financial Statements for details of the Corporation's contractual obligations and contingencies at March 31, 2019.

Management expects that the Corporation has sufficient liquidity and capital resources to meet the Corporation's obligations and commitments while managing within these covenants. However, oil and gas prices over the past several years, and egress challenges lowering new investment in the WCSB continue to create a significant level of uncertainty in our industry which may challenge the assumptions and estimates used in the Corporation's forecasts. In light of this uncertainty, Secure will continue its prudent approach to capital spending and reduce operating costs where it does not impact safety, operations and environmental performance. To meet financial obligations, the Corporation may also adjust its dividends, draw on its first lien credit facility up to the covenant restrictions, divest assets, issue subordinated debt, or obtain equity financing.

While the Corporation has had success in obtaining financing in the past, access to capital may be more difficult in the current or future economic and operating environment. Refer to the '*Access to Capital*' discussion in the '*Risk Factors'* section of the Corporation's AIF.

The following provides a summary and comparative of the Corporation's operating, investing and financing cash flows for the three months ended March 31, 2019 and 2018.

Net Cash Flows from Operating Activities

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Net cash flows from operating activities	57,302	32,754	75

Net cash flows from operating activities of $57.3 million in the three months ended March 31, 2019 were up 75% from the 2018 comparative period. Higher Adjusted EBITDA, combined with fluctuations in non-cash working capital corresponding to changes in activity levels and timing differences in payment and collection, were partially offset by higher interest payments in concurrence with the increase in the average long-term borrowings balance in 2019 compared to 2018.

Investing Activities

($000's)	2019	2018	% Change
Capital expenditures (1)			
Growth and expansion capital expenditures	19,826	54,757	(64)
Sustaining capital expenditures	2,966	1,824	63
Total capital expenditures	22,792	56,581	(60)

(1) **Refer to "*Operational definitions*" for further information.**

The Corporation's growth and expansion capital expenditures for the three months ended March 31, 2019 of $19.8 million decreased 64% from the comparative periods of 2018. Secure employs a prudent approach to capital spending and will continue to evaluate and allocate capital to projects which will generate the highest risk adjusted rates of return. Growth and expansion projects in the quarter included construction of the additional crude oil storage at the receipt terminal in Kerrobert, facility upgrades at the Big Mountain water disposal facility, produced water transfer and injection pipelines from a customer plant, continued work on two new disposal wells and long lead items including upfront engineering related to future projects. In the 2018 comparative period, growth and capital spending related primarily to the Kerrobert Light Pipeline System and receipt terminal, construction of the Gold Creek water disposal facility, the facility upgrades and the addition of a third well at the Big Mountain water disposal facility and long lead items and upfront engineering related to the Tony Creek water disposal facility.

There were no business acquisitions completed during the three months ended March 31, 2019 and 2018.

During the three months ended March 31, 2019, sustaining capital was $3.0 million compared to $1.8 million in the 2018 comparative period. Sustaining capital during the quarter related primarily to operating equipment upgrades. Sustaining capital is typically minimal in the first two years of operation of a facility because each facility is constructed with new or refurbished equipment. Sustaining capital typically relates to pump and riser replacements or upgrades, and disposal well maintenance. As a facility matures, the amount of sustaining capital required generally increases. The Corporation expects to spend a similar amount on sustaining capital in 2019 as 2018, with the majority of the expenditures to occur in the second, third and fourth quarters.

Financing Activities

	Three months ended Mar 31,		
($000's)	**2019**	**2018**	**% Change**
Shares issued, net of share issue costs	-	55	-
Repurchase and cancellation of shares under NCIB	(893)	-	(100)
(Repayment) draw on credit facility	(8,216)	44,000	(119)
Lease liability principal payment	(5,723)	(1,256)	356
Dividends paid	(10,806)	(11,057)	(2)
Net cash flows (used in) from financing activities	(25,638)	31,742	(181)

As at March 31, 2019, the Corporation had drawn $405.2 million on its credit facilities compared to $413.5 million as at December 31, 2018. The decrease relates to cash flows from operating activities and changes in non-cash working capital, partially offset by growth and expansion capital. As at March 31, 2019, the Corporation had $156.3 million available under its first lien credit facility, subject to covenant restrictions. The Corporation is well positioned, based on this available amount and expected cash flows from operating activities, to pursue further accretive acquisition opportunities and execute on the 2019 capital program. At March 31, 2019, the Corporation was in compliance with all covenants.

In May 2018, Secure received approval from the Toronto Stock Exchange for the normal course issuer bid ("NCIB") whereby the Corporation may repurchase common shares at the prevailing market rate for cancellation. Pursuant to the NCIB, Secure may repurchase up to a maximum of 8,227,359 from May 28, 2018 to May 27, 2019, subject to daily limits in accordance with the terms of the NCIB. Transactions under the NCIB will depend on future market conditions. Secure retains the discretion whether to make purchases under the NCIB, and to determine the timing, amount and acceptable price of any such purchases, subject at all times to applicable TSX and other regulatory requirements. During the three months ended March 31, 2019, Secure purchased and cancelled 131,500 shares at a weighted average price per share of $6.79 for total proceeds of $0.9 million. In total, since the inception of the NCIB in May 2018, Secure has repurchased and cancelled 5,678,173 shares at a weighted average price of $7.40 for a total expenditure of $42.0 million.

During the three months ended March 31, 2019 the Corporation declared dividends of $10.8 million to holders of common shares. In the comparative period of 2018, $11.1 million of dividends were declared.

Management and the Board of Directors of the Corporation will monitor the Corporation's dividend policy with respect to forecasted Adjusted EBITDA, total and net debt, capital expenditures and other investment opportunities, as well as expected interest and tax payments.

Subsequent to March 31, 2019, the Corporation paid dividends to holders of common share of record on April 1, 2019 in the amount of $0.0225 per common share, and declared dividends to holders of common shares in the amount of $0.0225 per common share which are payable on May 15, 2019 for shareholders of record on May 1, 2019.

CONTRACTUAL OBLIGATIONS

Refer to Note 11 of the Interim Financial Statements for disclosure related to contractual obligations.

BUSINESS RISKS

A discussion of Secure's business risks is set out in the Corporation's AIF under the heading '*Business Risks*', which section is incorporated by reference herein. This section does not describe all risks applicable to the Corporation, its industry or its business, and is intended only as a summary of certain material risks. 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 statements discussed in this MD&A.

OUTSTANDING SHARE CAPITAL

As at April 29, 2019, there are 161,437,474 common shares issued and outstanding. In addition, as at April 29, 2019, the Corporation had the following share-based awards outstanding and exercisable or redeemable:

Balance as at April 29, 2019	Issued	Exercisable
Share Options	3,821,380	3,798,048
Restricted Share Units	3,529,386	-
Performance Share Units	2,315,154	-

OFF-BALANCE SHEET ARRANGEMENTS

At March 31, 2019 and December 31, 2018, the Corporation did not have any off-balance sheet arrangements.

ACCOUNTING POLICIES

Secure's significant accounting policies are set out in Note 2 of the Annual Financial Statements, other than as described in Note 3 of the Interim Financial Statements.

FINANCIAL AND OTHER INSTRUMENTS

As at March 31, 2019, the Corporation's financial instruments include cash, accounts receivables and accrued receivables, accounts payable and accrued liabilities, long-term borrowings, lease liabilities and derivative instruments. The fair values of these financial instruments approximate their carrying amount due to the short-term maturity of these instruments except long-term borrowings and derivative instruments. Long-term borrowings approximate their fair values due to the variable interest rates applied, which approximate market interest rates. Derivative instruments are fair valued at each period end in accordance with their classification of fair value through profit or loss. The Corporation utilizes derivative financial instruments to manage its exposure to market risks relating to commodity prices, foreign currency exchange rates and interest rates. Fair values of derivative contracts fluctuate depending on the underlying estimates of future commodity price curves, foreign currency exchange rates and interest rates. The estimated fair value of all derivative financial instruments is based on observable market data. The use of financial instruments exposes the Corporation to credit, liquidity, foreign currency, interest rate and market risk. A discussion of how these and other risks are managed can be found in the AIF under the heading '*Business Risks*'. Further information on how the fair value of financial instruments is determined is included in the '*Critical Accounting Estimates and Judgments*' section of this MD&A.

Of the Corporation's financial instruments, cash, accounts receivable, and derivative instruments contain credit risk. The credit risk associated with cash is minimized as all cash is held at major financial institutions. The Corporation provides credit to customers in the normal course of operations. The Corporation's credit risk policy includes performing credit evaluations of its customers. Substantially all of the Corporation's accounts receivable are due from companies in the oil and natural gas industry and are subject to normal industry credit risks. Given the policies and procedures in place, management views the credit risk related to accounts receivable as low. The Corporation's exposure to losses in the event that counterparties to derivative instruments are unable to meet the terms of the contracts is considered very low as commodity derivative trades are all done with a large commodity futures exchange, and interest rate and foreign exchange hedges are done with major financial institutions.

Funds drawn under the first lien credit facility bear interest at a floating interest rate. Therefore, to the extent that the Corporation borrows under this facility, the Corporation is at risk to rising interest rates. The Corporation has managed a portion of its interest rate risk through derivative instruments to effectively fix the interest rate on the $130 million second lien credit facility until July 31, 2021.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the preparation of the Corporation's Annual Financial Statements, management has made judgments, estimates and assumptions that affect the recorded amounts of revenues, expenses, assets, liabilities and the disclosure of commitments, contingencies and guarantees. Estimates and judgments used are based on management's experience and the assumptions used are believed to be reasonable given the circumstances that exist at the time the condensed consolidated financial statements are prepared. Actual results could differ from these estimates. The most significant estimates and judgments used in the preparation of the Corporation's Interim Financial Statements have been set out in Note 3 of the Corporation's Annual Financial Statements.

NEW ACCOUNTING POLICIES

For the three months ended March 31, 2019, the Corporation adopted IFRS 16 Leases. Refer to Note 3 of the Interim Financial Statements for a description of the new standard and the impact to the Corporation's financial statements. There were no other revised standards or amendments to IFRS issued that impacted the Interim Financial Statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING & DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures ("DC&P") as defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") means the controls and other procedures of Secure that are designed to provide reasonable assurance that information required to be disclosed by Secure in its annual fillings, interim fillings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by Secure in its annual fillings or other reports filed or submitted under securities legislation is accumulated and communicated to Secure's management including its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") as appropriate to allow timely decisions regarding required disclosure.

Internal control over financial reporting ("ICFR"), as defined in NI 52-109 means a process designed by, or under the supervisions of Secure's CEO and CFO, and effected by the Secure's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Corporation used the Internal Control – Integrated Framework (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission in the design of its ICFR. Secure's ICFR includes policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of Secure;
- Are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures of Secure are being made only in accordance with authorizations of management;
- Are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Secure's assets that could have a material effect on the financial statements.

There was no change to the Corporation's ICFR that occurred during the most recent interim period ended March 31, 2019 that has materially affected, or is reasonably likely to materially affect, the Corporation's ICFR.

Management, including the CEO and CFO, does not expect that the Corporation's DC&P and ICFR will prevent or detect all misstatements or instances of fraud. The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues, misstatements or instances of fraud, if any, within the Corporation have been detected.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Refer to Note 21 of the Corporation's Annual Financial Statements for disclosure related to legal proceedings and regulatory actions.

RELATED PARTIES

Refer to Note 20 of the Corporation's Annual Financial Statements for disclosure related to related parties.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements" and/or "forward-looking information" within the meaning of applicable securities laws (collectively referred to as forward-looking statements). When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", and similar expressions, as they relate to Secure, or its management, are intended to identify forward-looking statements. Such statements reflect the current views of Secure with respect to future events and operating performance and speak only as of the date of this document. In particular, this document contains or implies forward-looking statements pertaining to: key factors driving the Corporation's success; the impact of new facilities, new service offerings, potential acquisitions, and prior year acquisitions on the Corporation's future financial results; demand for the Corporation's services and products; growth and expansion strategy; the Corporation's ability to continue to grow the business organically and execute on strategic growth opportunities based on current financial position; the oil and natural gas industry in Canada and the U.S., including 2019 and 2020 activity levels, spending by producers and the impact of this on Secure's activity levels; future pipeline development in Canada; industry fundamentals driving the success of Secure's core operations, including increased outsourcing of midstream work by producers, drilling, completion and production trends, opportunities relating to crude oil logistics, well density and economics for pipeline connecting production volumes to midstream facilities, and global oil and gas demand; the Corporation's proposed 2019 capital expenditure program including growth and expansion and sustaining capital expenditures, and the timing of completion for projects, in particular the additional storage at the Kerrobert terminal; debt service; future capital needs and how the Corporation intends to fund its operations, working capital requirements, dividends and capital program; access to capital; the Corporation's ability to meet obligations and commitments and operate within any credit facility restrictions; and the impact on Adjusted EBITDA in 2019 from the adoption of IFRS 16.

Forward-looking statements concerning expected operating and economic conditions are based upon prior year results as well as the assumption that levels of market activity and growth will be consistent with industry activity in Canada and the U.S. and similar phases of previous economic cycles. Forward-looking statements concerning the availability of funding for future operations are based upon the assumption that the sources of funding which the Corporation has relied upon in the past will continue to be available to the Corporation on terms favorable to the Corporation and that future economic and operating conditions will not limit the Corporation's access to debt and equity markets. Forward-looking statements concerning the relative future competitive position of the Corporation are based upon the assumption that economic and operating conditions, including commodity prices, crude oil and natural gas storage levels, interest and foreign exchange rates, the regulatory framework regarding oil and natural gas royalties, environmental regulatory matters, the ability of the Corporation and its subsidiaries to successfully market their services and drilling and production activity in North America will lead to sufficient demand for the Corporation's services including demand for oilfield services for drilling and completion of oil and natural gas wells, that the current business environment will remain substantially unchanged, and that present and anticipated programs and expansion plans of other organizations operating in the energy industry may change the demand for the Corporation's services and its subsidiaries' services. Forward-looking statements concerning the nature and timing of growth are based on past factors affecting the growth of the Corporation, past sources of growth and expectations relating to future economic and operating conditions. Forward-looking statements in respect of the costs anticipated to be associated with the acquisition and maintenance of equipment and property are based upon assumptions that future acquisition and maintenance costs will not significantly increase from past acquisition and maintenance costs.

Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether such results will be achieved. Readers are cautioned not to place undue reliance on these statements as a number of factors could cause actual results to differ materially from the results discussed in these forward-looking statements, including but not limited to those factors referred to under the heading "*Risk Factors*" in the AIF for the year ended December 31, 2018 and also includes the risks associated with the possible failure to realize the anticipated synergies in integrating the assets acquired in prior year acquisitions with the operations of Secure. Although forward-looking statements contained in this document are based upon what the Corporation believes are reasonable assumptions, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements in this document are expressly qualified by this cautionary statement. Unless otherwise required by law, Secure does not intend, or assume any obligation, to update these forward-looking statements.

ADDITIONAL INFORMATION

Additional information, including the AIF, is available on available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and on the Corporation's website at www.secure-energy.com.