

Management's Discussion & Analysis

2024 Second Quarter Report



SECURE

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ABOUT THIS MD&A

The following management's discussion and analysis ("MD&A") of the financial position and results of operations of SECURE Energy Services Inc. ("SECURE", the "Corporation", "we", or "our") has been prepared by management as of, and reviewed and approved by the Board of Directors of SECURE (the "Board") on July 29, 2024. The MD&A is a review of the financial results of the Corporation prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

This MD&A's primary focus is a comparison of the financial performance for the three and six months ended June 30, 2024 to the three and six months ended June 30, 2023, and should be read in conjunction with the Corporation's condensed consolidated financial statements and notes thereto for the three and six months ended June 30, 2024 and 2023 ("Interim Financial Statements") and the Corporation's annual audited consolidated financial statements and notes thereto for the years ended December 31, 2023 and 2022 ("Annual Financial Statements").

All amounts are presented in Canadian dollars, unless otherwise stated, and all tabular amounts are in millions of Canadian dollars, except share and per share amounts or as otherwise noted.

This MD&A contains references to the following financial measures that do not have a standardized meaning as prescribed under IFRS ("non-GAAP and other specified financial measures"): Adjusted EBITDA, Adjusted EBITDA per share basic and diluted, Adjusted EBITDA margin, Total Segment Profit Margin, discretionary free cash flow, discretionary free cash flow per share basic and diluted, working capital, Total Debt, Liquidity and certain supplemental financial measures. Refer to the "Non-GAAP and other specified financial measures" section of this MD&A for a full discussion on management's use of non-GAAP and other specified financial measures, including, where applicable, reconciliations to the most directly comparable IFRS measure.

CORPORATE OVERVIEW

SECURE is a leading waste management and energy infrastructure business headquartered in Calgary, Alberta. The Corporation's extensive infrastructure network located throughout western Canada and North Dakota includes waste processing and transfer facilities, industrial landfills, metal recycling facilities, crude oil and water gathering pipelines, crude oil terminals and storage facilities. Through this infrastructure network, the Corporation carries out its principal business operations, including the processing, recovery, recycling and disposal of waste streams generated by our energy, mining and industrial customers and gathering, optimization and storage of crude oil and natural gas liquids. The solutions the Corporation provides are designed not only to help reduce costs, but also lower emissions, increase safety, manage water, recycle by-products and protect the environment.

SECURE's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol "SES" and SECURE is a constituent of the S&P/TSX Composite Index.

SECURE's Waste Management segment includes a network of waste processing facilities, produced water pipelines, industrial landfills, waste transfer stations, metal recycling facilities, and specialty chemicals. Through this infrastructure network, the Corporation carries out business operations including the processing, recovery, recycling and disposal of waste streams generated by our energy and industrial customers. Services include produced and waste water disposal, hazardous and non-hazardous waste processing and transfer, treatment of crude oil emulsions, metal recycling, drilling waste management and specialty chemicals.

SECURE's Energy Infrastructure reportable segment includes a network of crude oil gathering pipelines, terminals and storage facilities. Through this infrastructure network, the Corporation engages in the transportation, optimization, terminalling and storage of crude oil.

For a complete description of services provided by the Corporation, please refer to the "Description of the Business and Facilities" section of the Corporation's Annual Information Form for the year ended December 31, 2023 ("AIF") which is available under SECURE's profile on the System for Electronic Document Analysis and Retrieval + ("SEDAR +") at www.sedarplus.ca and our website at www.SECURE-energy.com. Other

than the information set out under the heading “*Risk Factors*” in the AIF, which is incorporated by reference herein, the AIF does not constitute part of this MD&A.

Asset Divestiture

In December 2023, the Corporation entered into a definitive agreement (the “Divestiture Agreement”) with a subsidiary of Waste Connections, Inc. to sell 29 facilities (the “Facilities”) all formerly owned by Tervita Corporation (“Tervita”) for \$1.075 billion in cash plus \$74 million for certain adjustments as provided in the Divestiture Agreement for total cash proceeds of \$1.149 billion. The Corporation closed the sale on February 1, 2024 (the “Sale Transaction”).

OPERATIONAL DEFINITIONS

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

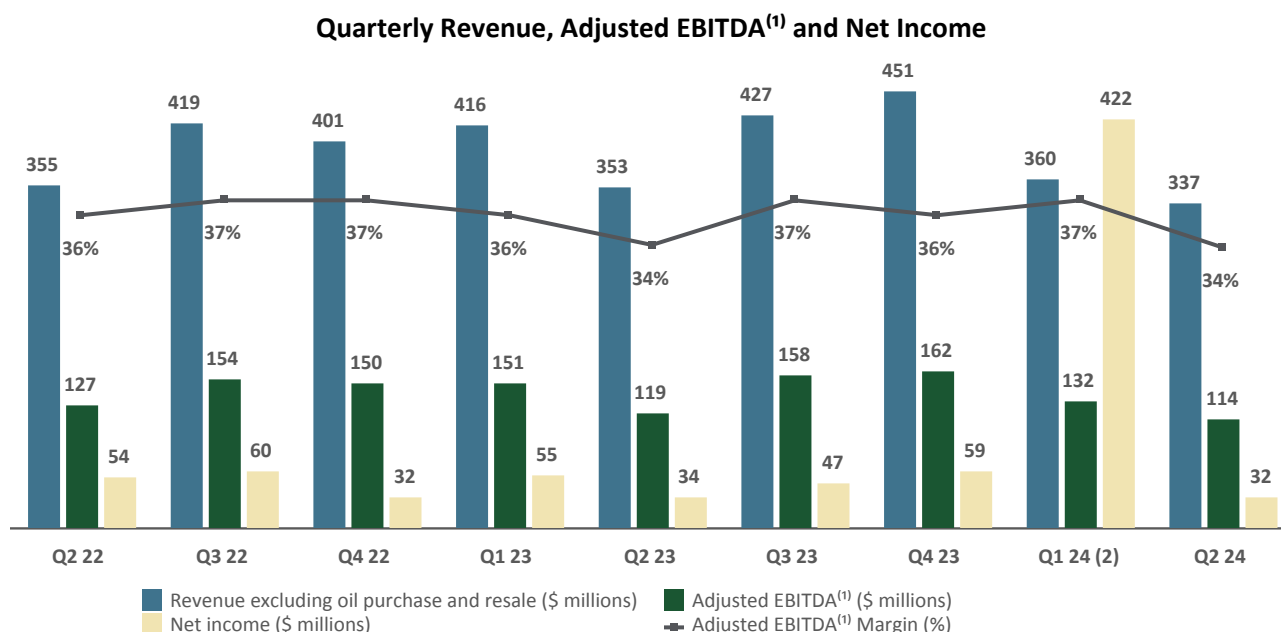
Capital Expenditures

The Corporation classifies capital expenditures as either growth, acquisition or sustaining capital. Growth and 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 growth capital involves judgment by management.

Oil Prices

Canadian Light Sweet crude oil price is the benchmark price for light crude oil (40 American Petroleum Institute gravity) at Edmonton, Alberta. West Texas Intermediate (“WTI”) crude oil is the North American benchmark price for light crude oil at Cushing, Oklahoma.

FINANCIAL AND OPERATING HIGHLIGHTS



1. Refer to the “Non-GAAP and other specified financial measures” section in this MD&A for further information.

2. On February 1, 2024, SECURE closed the Sale Transaction to divest 29 Facilities.

The Corporation's operating and financial highlights for the three and six months ended June 30, 2024 and 2023 can be summarized as follows:

(\$ millions except share and per share data)	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% change	2024	2023	% change
Revenue (excludes oil purchase and resale)	337	353	(5)	697	769	(9)
Oil purchase and resale	2,215	1,429	55	4,704	2,920	61
Total revenue	2,552	1,782	43	5,401	3,689	46
Adjusted EBITDA ⁽¹⁾	114	119	(4)	246	270	(9)
Per share (\$), basic ⁽¹⁾	0.43	0.40	8	0.90	0.90	—
Per share (\$), diluted ⁽¹⁾	0.43	0.40	8	0.89	0.89	—
Net income	32	34	(6)	454	89	410
Per share (\$), basic	0.12	0.11	9	1.67	0.30	457
Per share (\$), diluted	0.12	0.11	9	1.64	0.29	466
Funds flow from operations	91	80	14	199	216	(8)
Per share (\$), basic	0.35	0.27	30	0.73	0.72	1
Per share (\$), diluted	0.34	0.27	26	0.72	0.71	1
Discretionary free cash flow ⁽¹⁾	53	42	26	146	163	(10)
Per share (\$), basic ⁽¹⁾	0.20	0.14	43	0.54	0.54	—
Per share (\$), diluted ⁽¹⁾	0.20	0.14	43	0.53	0.54	(2)
Capital expenditures ⁽¹⁾	43	68	(37)	62	114	(46)
Dividends declared per common share	0.10	0.10	—	0.20	0.20	—
Total assets	2,312	2,796	(17)	2,312	2,796	(17)
Long-term liabilities	658	1,179	(44)	658	1,179	(44)
Common shares - end of period	241,167,308	293,629,841	(18)	241,167,308	293,629,841	(18)
Weighted average common shares:						
Basic	262,468,788	296,343,936	(11)	272,013,348	301,402,499	(10)
Diluted	265,906,070	298,407,348	(11)	276,196,506	304,185,069	(9)

⁽¹⁾ Refer to the "Non-GAAP and other specified financial measures" and "Operational Definitions" sections in this MD&A for further information.

SECOND QUARTER HIGHLIGHTS

- **Repurchased and cancelled 37,937,838 common shares during the second quarter** - reducing our shares outstanding by 13.6% in the quarter. On April 29, 2024, the Corporation entered into an agreement (the "Share Purchase Agreement" or "SPA") with an affiliate of TPG Angelo Gordon to purchase for cancellation an aggregate of 13,181,020 common shares at a price of \$11.38 per share, for total consideration of \$150 million. The Corporation completed a substantial issuer bid ("SIB") on June 10, 2024, with the Corporation repurchasing 21,929,818 common shares at a price of \$11.40 per share, representing an aggregate purchase of \$250 million. Following completion of the SIB, during the second quarter of 2024, the Corporation also continued to repurchase common shares under the normal course issuer bid ("NCIB"), repurchasing 2,827,000 common shares at a weighted average price per share of \$11.47 for a total of \$32 million.
- **Acquisition of metal recycling business** - completed a tuck-in acquisition of a metal recycling company for a total purchase price of \$31 million. This strategic acquisition in our metal recycling business expands our network into a new operating region, diversifying our supply base, and bolstering our processing capabilities and logistics strategies.
- **Revenue (excluding oil purchase and resale) of \$337 million** - a decrease of 5% from the second quarter of 2023, primarily related to the impact of the Sale Transaction, and the divestiture of a non-core oilfield service business unit in Q4 2023. This decrease was partially offset by higher revenues from specialty

chemical sales, driven by higher product demand. Additionally, revenues in the Energy Infrastructure segment rose during the second quarter of 2024 compared to the same period in 2023, supported by contributions from the Clearwater heavy oil terminal, which began operations in Q4 2023.

- **Net income of \$32 million and \$0.12 per basic share** - net income decreased by \$2 million compared to the second quarter of 2023 while net income per share increased by \$0.01 per basic share (9% increase) over the same period. The decrease in net income from the prior year comparative quarter was primarily due to the impact of the Sale Transaction, resulting in lower revenues and gross margin. However, net income per share increased in the second quarter of 2024 compared to the second quarter of 2023 due to share buybacks during the past year reducing the number of shares outstanding by 11%.
- **Adjusted EBITDA¹ of \$114 million and \$0.43 per basic share¹** - Adjusted EBITDA decreased by 4% compared to the second quarter of 2023 while Adjusted EBITDA per basic share increased 8% over the same period. The decrease in Adjusted EBITDA was attributed to the divestiture of the Facilities in the Sale Transaction, partially offset by higher operating profits in specialty chemical sales and the Energy Infrastructure segment. Adjusted EBITDA per basic share increased in the second quarter of 2024 compared to 2023 due to the reduction in the number of shares outstanding.
- **Funds flow from operations of \$91 million and \$0.35 per basic share¹** - an increase of 14% and \$0.08 per basic share (30% increase), compared to the second quarter of 2023. This increase resulted from the timing of fixed debt payments, lower interest payments due to reduced debt and interest income generated on cash held during the quarter, partially offset by the impact of lower Adjusted EBITDA and higher current taxes. The further increase on a per basic share basis resulted from the reduction in the number of shares outstanding.
- **Discretionary free cash flow¹ of \$53 million and \$0.20 per basic share¹** - an increase of 26% and \$0.06 per basic share (43% increase), compared to the second quarter of 2023. This increase resulted from higher funds flow from operations in the second quarter of 2024 compared to the same period in the prior year and consistent capital expenditures. Additionally, discretionary free cash flow per share further increased due to a reduction in the number of common shares outstanding.
- **Declared dividends of \$24 million** - a quarterly dividend of \$0.10 per common share, declared in the second quarter of 2024, was paid to shareholders on July 15, 2024.
- **Growth capital² expenditures of \$11 million** - primarily for additional investments made in the Clearwater heavy oil terminalling and gathering infrastructure to enhance capacity, completed in the second quarter of 2024. Additional growth capital includes new rail cars for our metal recycling operations and pipeline projects and well expansions.
- **Sustaining capital² expenditures of \$32 million** - related to asset integrity programs, well and facility improvements at waste management facilities, and landfill cell expansions.
- **A Total Debt³ to EBITDA covenant ratio⁴ of 1.3x** - resulting from the redemption of SECURE's 11% senior secured notes due December 1, 2025 (the "2025 senior secured notes") and 7.25% senior unsecured notes due December 30, 2026 (the "2026 unsecured notes") which reduced our outstanding debt.
- **Liquidity³ of \$624 million** - as at June 30, 2024, the Corporation had \$624 million of Liquidity (being the available capacity under SECURE's credit facilities and cash-on-hand, subject to covenant restrictions), compared to \$356 million at December 31, 2023.

¹ Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.

² Refer to the "Operational Definitions" section in this MD&A for further information.

³ Capital management measure. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.

⁴ Calculated in accordance with the Corporation's credit facility agreements. Refer to the "Liquidity and Capital Resources" section of this MD&A for additional information.

- **Extension of Revolving Credit Facility** - extended the maturity of our \$800 million senior secured revolving credit facility (the “Revolving Credit Facility”) until May 31, 2027. As at June 30, 2024, the Corporation had drawn \$121 million on the Revolving Credit Facility, excluding letters of credit.

OUTLOOK

SECURE is well positioned for success with a constructive industry backdrop, growth opportunities, and the financial capacity to execute on our strategic initiatives and deliver enhanced shareholder returns. Sustained and expanded industry activity levels in the coming years are expected to drive higher volumes and overall demand for SECURE's infrastructure as new infrastructure developments in western Canada provide our customers with increased takeaway capacity and improved access to global markets.

With our waste processing facilities currently operating at approximately 60 percent utilization, we have ample capacity to accommodate growing customer needs for processing, disposal, recycling, recovery, and terminalling, all with minimal incremental fixed costs or additional capital investment. With the completion of the Trans Mountain Expansion Pipeline in May, and commissioning of LNG Canada's export terminal expected by early 2025, increased capacity for our customers to gain stronger pricing with access to global markets is expected to result in sustained and growing activity levels in the years to come. Furthermore, the industrial sector is expected to remain stable, characterized by sustained volumes, continued demand for our infrastructure services and activity linked to long-term and recurring projects.

The accretive multiple achieved from the mandated facilities divestiture to Waste Connections in the first quarter highlights the underlying value of SECURE's business. The Board of Directors and management believe a substantive disparity remains between SECURE's share price and its fundamental value, which supported the share buybacks executed in the second quarter. In the coming months, the Board of Directors and management will continue to evaluate our capital allocation priorities. We intend to remain active under our NCIB and may repurchase up to the remaining 6.3 million shares before the NCIB renewal on December 13, 2024. These repurchases may occur through open market transactions at SECURE's discretion, in accordance with TSX rules and applicable regulatory restrictions.

Low leverage following the receipt of proceeds from the Sale Transaction, as well as continued strong free cash flow generation, provides the Corporation with significant capacity to execute on SECURE's strategic priorities. With a solid foundation and clear direction, we're confident in our ability to protect the base business, continue to advance our strategy as a leader in waste management and energy infrastructure and seize new opportunities to create value for our shareholders.

2024 EXPECTATIONS

- The previous guidance to our 2024 Adjusted EBITDA ranged from \$450 million to \$465 million. Given the strong first half results and the tuck in metal acquisition, the Corporation has increased our full year Adjusted EBITDA guidance to \$470 million to \$490 million. Excluding Corporate costs, SECURE anticipates approximately 70% of Adjusted EBITDA will be attributable to the Waste Management segment in 2024, with the remaining approximately 30% of Adjusted EBITDA generated from the Energy Infrastructure segment.
- Continued robust Adjusted EBITDA margins as we focus on optimizing the business, targeting additional operating efficiencies, and continually improving operating cash flow.
- High discretionary free cash flow conversion with low sustaining capital and debt service requirements.
- Growth capital expenditures of \$75 million for 2024, consistent with previous guidance, related primarily to expansions at the Clearwater heavy oil terminal, and pipeline tie-ins to existing waste processing facilities. With a solid pipeline of organic growth opportunities, the Corporation continues to pursue growth strategies to expand its infrastructure network with new project announcements following the finalization of customer agreements. Additionally, the Corporation will consider further acquisitions that meet its investment criteria and enhance its core operations in waste management and energy infrastructure.

- Sustaining capital expenditures of approximately \$60 million, including landfill expansions.
- Asset retirement obligation expenditures of approximately \$15 million.
- Continued share repurchases through the NCIB based on, among other things, market conditions and the discretion of the Board of Directors.
- Annualized base dividend of \$0.40 per share, which equates to a total of approximately \$96 million per year based on current issued and outstanding shares.

NON-GAAP AND OTHER SPECIFIED FINANCIAL MEASURES

Certain measures in this MD&A do not have any standardized meaning as prescribed under IFRS and are considered non-GAAP and other specified financial measures as defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure*. These measures are identified and presented, where appropriate, together with reconciliations to the most directly comparable 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.

This MD&A includes the following non-GAAP and other specified financial measures: Adjusted EBITDA and discretionary free cash flow (non-GAAP Financial Measures), Adjusted EBITDA margin, Adjusted EBITDA per basic and diluted share and discretionary free cash flow per basic and diluted share (non-GAAP), Total Segment Profit Margin (Total of Segment Measure), working capital, Total Debt and Liquidity (Capital Management Measures), and certain supplemental financial measures. These non-GAAP and other specified financial measures are further explained below.

Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EBITDA per share

Adjusted EBITDA is calculated as noted in the table below and reflects items that the Corporation considers appropriate to adjust including unrealized gains or losses on mark to market transactions, share-based compensation, transaction costs, other income and expenses, and items that do not relate to the primary operations of the business. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue (excluding oil purchase and resale). Adjusted EBITDA per basic and diluted share is defined as Adjusted EBITDA divided by basic and diluted weighted average common shares.

Adjusted EBITDA and Adjusted EBITDA margin are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies.

Management believes that in addition to net income, Adjusted EBITDA is a useful supplemental measure to enhance investors' 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, 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. Adjusted EBITDA margin is used as a supplemental measure by investors and management to evaluate cost efficiency.

The following table reconciles the Corporation's net income, being the most directly comparable financial measure disclosed in the Corporation's Interim Financial Statements, to Adjusted EBITDA for the three and six months ended June 30, 2024 and 2023. For all prior periods, Adjusted EBITDA is reconciled to its most directly comparable financial measure under IFRS in SECURE's MD&A for the respective period. All such reconciliations are in the non-GAAP and other specified financial measures advisory section of the applicable MD&A, each of which are available on SECURE's SEDAR+ profile at www.sedarplus.ca and each such reconciliation is incorporated by reference herein.

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Net income	32	34	(6)	454	89	410
Adjustments:						
Depreciation, depletion and amortization ⁽¹⁾	41	47	(13)	86	101	(15)
Share-based compensation	6	5	20	20	14	43
Interest, accretion and finance costs	13	24	(46)	31	47	(34)
Gain on asset divestitures	—	—	—	(520)	—	100
Other expense (income)	1	(8)	(113)	15	(16)	(194)
Unrealized loss on mark to market transactions ⁽²⁾	8	3	167	9	—	100
Current tax expense	15	1	1,400	42	4	950
Deferred tax expense (recovery)	(4)	9	(144)	107	24	346
Transaction and related costs	2	4	(50)	2	7	(71)
Adjusted EBITDA	114	119	(4)	246	270	(9)

⁽¹⁾ Included in cost of sales and/or G&A expenses on the Consolidated Statements of Comprehensive Income.

⁽²⁾ Includes amounts presented in revenue on the Consolidated Statements of Comprehensive Income.

For the three and six months ended June 30, 2024 and 2023, in determining Adjusted EBITDA, net income has been adjusted for transaction and related costs as they are costs outside the normal course of business. In the three months ended June 30, 2024, the Corporation incurred transaction and related costs of \$2 million related to the metal recycling business acquisition, in addition to restructuring costs resulting from the Sale Transaction in Q1 2024. In the three months ended June 30, 2023, the Corporation incurred transaction and related costs of \$3 million related to legal and advisory fees for the competition review process, and \$1 million of integration costs primarily related to the implementation of a new enterprise resource planning system.

In the six months ended June 30, 2024, the Corporation realized a gain of \$520 million from the Sale Transaction net of \$20 million of advisory and legal fees, severance and restructuring costs. For the six months ended June 30, 2023, the Corporation incurred transaction and related costs of \$4 million related to legal and advisory fees for the competition review process, and \$3 million of integration costs, primarily related to the implementation of a new enterprise resource planning system.

In the three months ended June 30, 2023, other income included unrealized foreign currency gains of \$6 million related to U.S. dollar denominated debt. In the six months ended June 30, 2024, within other expense, the Corporation realized a loss on debt extinguishment of \$16 million related to the 2026 unsecured notes. In the six months ended June 30, 2023, the Corporation recognized gains aggregating to \$9 million related to the sale of a water pumping business unit and a rail terminal, in addition to unrealized foreign currency gains of \$6 million related to U.S. dollar denominated debt.

Discretionary Free Cash Flow and Discretionary Free Cash Flow per share

Discretionary free cash flow is defined as funds flow from operations adjusted for sustaining capital expenditures, lease payments and transaction costs. The Corporation may deduct or include additional items in its calculation of discretionary free cash flow that are unusual, non-recurring, or non-operating in nature. Discretionary free cash flow per basic and diluted share is defined as discretionary free cash flow divided by basic and diluted weighted average common shares. For the three and six months ended June 30, 2023, in discretionary free cash flow, transaction and related costs have been adjusted as they are costs outside the normal course of business.

Discretionary free cash flow and discretionary free cash flow per share are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other companies.

Discretionary free cash flow and discretionary free cash flow per share are used by investors and management to assess the level of cash flow generated from ongoing operations. Management uses the discretionary free

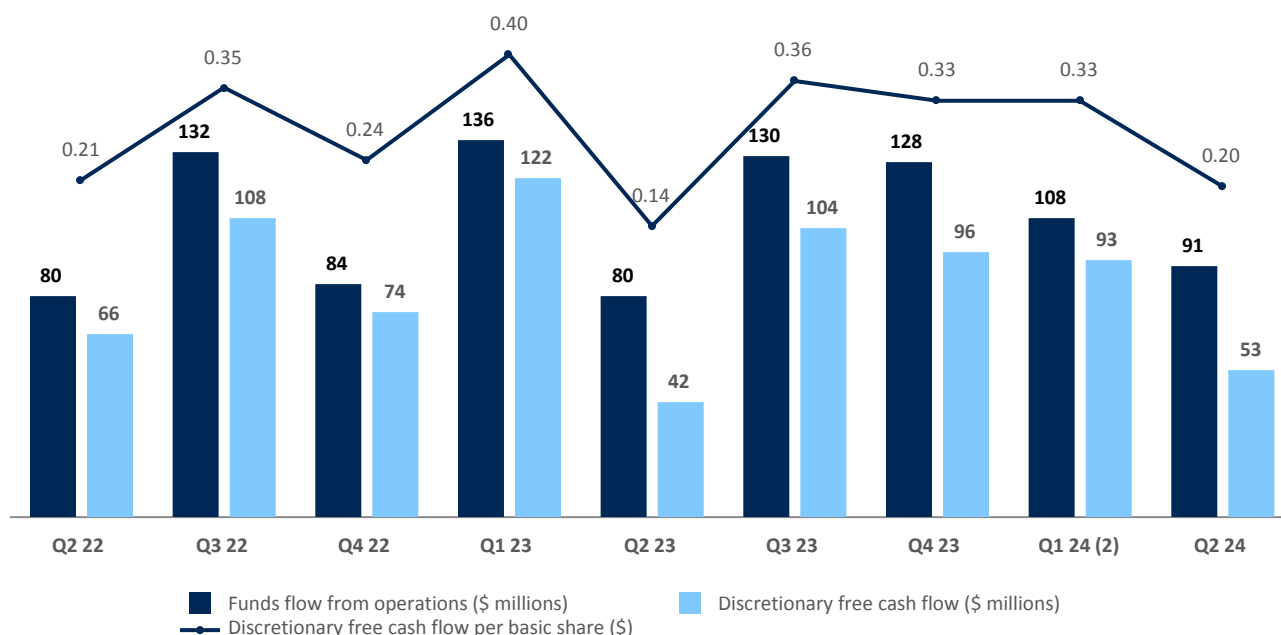
cash flow and discretionary free cash flow per share measures to evaluate the adequacy of internally generated cash flow to manage debt levels, invest in the growth of the business, or return capital to our shareholders.

The following table reconciles the Corporation's funds flow from operations, being the most directly comparable financial measure disclosed in the Corporation's Interim Financial Statements, to discretionary free cash flow.

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Funds flow from operations	91	80	14	199	216	(8)
Adjustments:						
Sustaining capital ⁽¹⁾	(32)	(37)	(14)	(40)	(47)	(15)
Lease liability principal payments and other	(8)	(5)	60	(15)	(13)	15
Transaction and related costs	2	4	(50)	2	7	(71)
Discretionary free cash flow	53	42	26	146	163	(10)

⁽¹⁾ Refer to the "Operational Definitions" section of this MD&A for further information.

**Funds Flow from Operations, Discretionary Free Cash Flow⁽¹⁾ and
Discretionary Free Cash Flow per basic share⁽¹⁾**



1. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.

2. On February 1, 2024, SECURE closed the Sale Transaction to divest 29 Facilities.

Total Segment Profit Margin

Segment Profit Margin is calculated as the difference between revenue and cost of sales, excluding depreciation, depletion, amortization and impairment. Management analyzes Segment Profit Margin as a key indicator of segment profitability. Segment Profit Margin 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, impairment and share-based compensation, and to evaluate segment cost control and efficiency. The following table reconciles the Corporation's gross margin, being the most directly comparable financial measure disclosed in the Corporation's Interim Financial Statements, to total and consolidated Segment Profit Margin.

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Gross margin	93	97	(4)	209	224	(7)
Add:						
Depreciation, depletion and amortization ⁽¹⁾	39	44	(11)	81	97	(16)
Total Segment Profit Margin	132	141	(6)	290	321	(10)

⁽¹⁾ Included in cost of sales on the Consolidated Statements of Comprehensive Income.

Capital Management Measures

This MD&A includes the following capital management measures: working capital, Liquidity and Total Debt. Working capital is calculated as the difference between current assets less accounts payable and accrued liabilities, customer prepayments, interest payable and current tax payable. Liquidity is calculated as the total of cash and the available borrowing amount under the Corporation's Revolving Credit Facility and SECURE's \$50 million unsecured letter of credit facility guaranteed by Export Development Canada (the "Letter of Credit Facility"). Total Debt is calculated as the total of amounts drawn on the Corporation's Revolving Credit Facility, the principal amount outstanding on the 2029 6.75% senior unsecured notes due March 22, 2029 (the "2029 unsecured notes"), lease liabilities and financial letters of credit. Management analyzes working capital, Total Debt and Liquidity as part of the Corporation's overall capital management strategy to ensure adequate sources of capital are available to maintain operational activities, carry out the Corporation's planned capital program, fund dividend payments and have sufficient cash sources to sustain the business for the long-term. Refer to Notes 9, 10 and 16 of the Interim Financial Statements for additional information.

Supplemental Financial Measures

This MD&A includes funds flow from operations per basic and diluted share as a supplemental financial measure and is calculated as funds flow from operations, as determined in accordance with IFRS, divided by basic and diluted weighted average common shares.

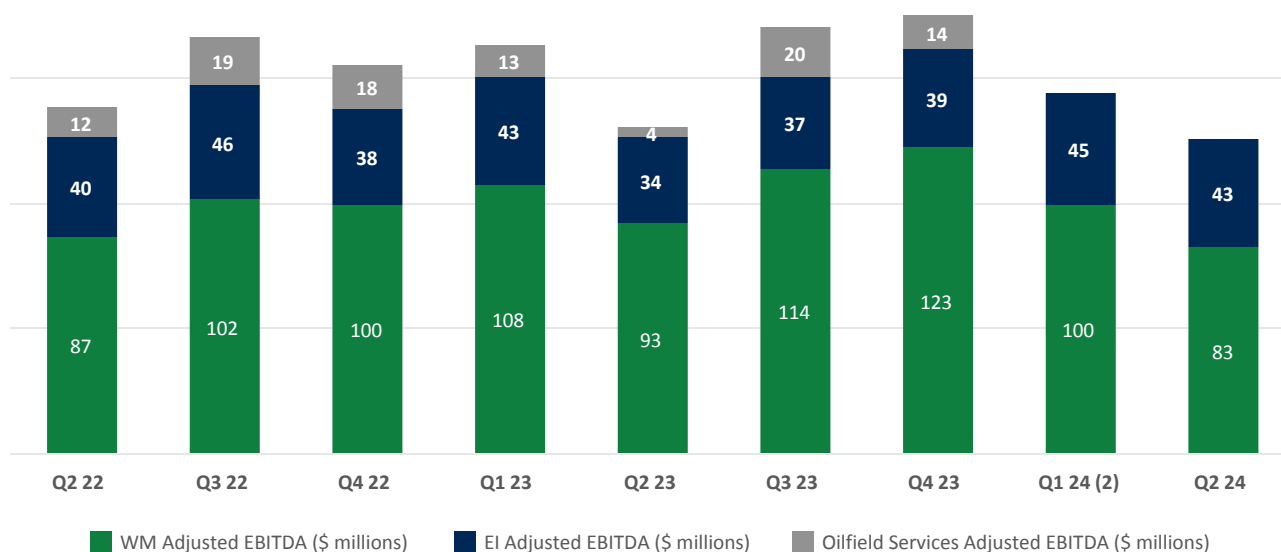
RESULTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024

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 for the three and six months ended June 30, 2024, as outlined in the "Corporate Overview" above, and presented in Note 18 of the Interim Financial Statements.

The 2023 Annual MD&A for the three and twelve months ended December 31, 2023 included the Oilfield Services segment which included specialty chemicals drilling fluid management, and project management services. As a result of the divestiture of project management services in December 2023, specialty chemicals drilling fluid management does not meet the quantitative thresholds to be reported as a separate segment, and as a result, this business is included in the Waste Management segment prospectively. No changes were implemented with respect to comparative information or the consolidated data.

Total Segment Adjusted EBITDA excludes corporate G&A expenses and share-based compensation, as senior management reviews each segment's earnings before these expenses in assessing profitability and performance.

Quarterly Segment Adjusted EBITDA⁽¹⁾



1. Refer to the "Non-GAAP and other specified financial measures" section in this MD&A for further information.
2. Two Oilfield Services businesses were divested in 2023. As a result, the Oilfield Services segment is not reported starting in 2024.

The tables below outline the results by reportable segment for the three and six months ended June 30, 2024 and 2023:

Three months ended June 30, 2024	Waste Management	Energy Infrastructure	Corporate	Total
Revenue excluding oil purchase and resale	280	57	—	337
Oil purchase and resale	—	2,215	—	2,215
Total revenue	280	2,272	—	2,552
Cost of sales excluding items listed separately below	(186)	(2,234)	—	(2,420)
Segment profit margin	94	38	—	132
G&A expenses excluding items listed separately below	(11)	(3)	(12)	(26)
Depreciation, depletion and amortization ⁽¹⁾	(34)	(6)	(1)	(41)
Share-based compensation	—	—	(6)	(6)
Transaction and related costs	—	—	(2)	(2)
Interest, accretion and finance costs	(3)	(1)	(9)	(13)
Other income (expense)	—	1	(2)	(1)
Income (loss) before tax	46	29	(32)	43

Six months ended June 30, 2024	Waste Management	Energy Infrastructure	Corporate	Total
Revenue excluding oil purchase and resale	576	121	—	697
Oil purchase and resale	—	4,704	—	4,704
Total revenue	576	4,825	—	5,401
Cost of sales excluding items listed separately below	(371)	(4,740)	—	(5,111)
Segment profit margin	205	85	—	290
G&A expenses excluding items listed separately below	(22)	(6)	(25)	(53)
Depreciation, depletion and amortization ⁽¹⁾	(73)	(11)	(2)	(86)
Share-based compensation	—	—	(20)	(20)
Transaction and related costs	—	—	(2)	(2)
Interest, accretion and finance costs	(6)	(2)	(23)	(31)
Gain on asset divestiture	—	—	520	520
Other income (expense)	—	1	(16)	(15)
Income before tax	104	67	432	603

Three months ended June 30, 2023	Waste Management	Energy Infrastructure	Oilfield Services	Corporate	Total
Revenue excluding oil purchase and resale	242	43	68	—	353
Oil purchase and resale	—	1,429	—	—	1,429
Total revenue	242	1,472	68	—	1,782
Cost of sales excluding items listed separately below	(144)	(1,438)	(59)	—	(1,641)
Segment profit margin	98	34	9	—	141
G&A expenses excluding items listed separately below	(5)	(3)	(5)	(12)	(25)
Depreciation, depletion and amortization ⁽¹⁾	(36)	(5)	(5)	(1)	(47)
Share-based compensation	—	—	—	(5)	(5)
Transaction and related costs	—	—	—	(4)	(4)
Interest, accretion and finance costs	(3)	—	(1)	(20)	(24)
Other (expense) income	(2)	4	—	6	8
Income (loss) before tax	52	30	(2)	(36)	44

Six months ended June 30, 2023	Waste Management	Energy Infrastructure	Oilfield Services	Corporate	Total
Revenue excluding oil purchase and resale	498	95	176	—	769
Oil purchase and resale	—	2,920	—	—	2,920
Total revenue	498	3,015	176	—	3,689
Cost of sales excluding items listed separately below	(287)	(2,934)	(147)	—	(3,368)
Segment profit margin	211	81	29	—	321
G&A expenses excluding items listed separately below	(10)	(4)	(12)	(25)	(51)
Depreciation, depletion and amortization ⁽¹⁾	(80)	(10)	(10)	(1)	(101)
Share-based compensation	—	—	—	(14)	(14)
Transaction and related costs	—	—	—	(7)	(7)
Interest, accretion and finance costs	(6)	—	(1)	(40)	(47)
Other income	1	4	5	6	16
Income (loss) before tax	116	71	11	(81)	117

⁽¹⁾ Depreciation, depletion and amortization have been allocated to cost of sales and general and administrative expenses on the Consolidated Statements of Comprehensive Income based on function of the underlying asset.

WASTE MANAGEMENT SEGMENT

The Waste Management segment includes a network of waste processing facilities, produced water pipelines, industrial landfills, waste transfer and metal recycling facilities and specialty chemicals. Through this infrastructure network, the Corporation carries out business operations including the processing, recovery, recycling and disposal of waste streams generated by our energy and industrial customers. Services include produced and waste water disposal, hazardous and non-hazardous waste processing and transfer, treatment of crude oil emulsions, metal recycling and specialty chemicals.

The table below outlines the operational and financial results for the segment for the three and six months ended June 30, 2024 and 2023.

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Volumes						
Produced water (in 000's m ³)	1,328	2,226	(40)	2,971	4,258	(30)
Waste processing (in 000's m ³)	562	841	(33)	1,303	1,801	(28)
Oil recovery (in 000's m ³)	50	52	(4)	100	113	(12)
Industrial landfill (in 000's m ³)	371	479	(23)	941	1,218	(23)
Waste Management Revenue	280	242	16	576	498	16
Cost of Sales						
Cost of sales excluding items noted below	186	144	29	371	287	29
Depreciation, depletion and amortization	32	35	(9)	69	78	(12)
Waste Management Cost of Sales	218	179	22	440	365	21
G&A expense (including depreciation not in cost of sales)	13	6	117	26	12	117
Segment income before tax	46	52	(12)	104	116	(10)

Volumes

For the three and six months ended June 30, 2024, produced water, waste processing, oil recovery, and industrial landfill volumes decreased in comparison to the respective periods in 2023. This decrease was attributed to the reduction in the number of waste management facilities and landfills divested in the Sale Transaction. The volumes for the six months ended June 30, 2024 include contributions from the divested Facilities for January, as the Sale Transaction was completed on February 1, 2024. As a result of the Sale Transaction, SECURE divested of 17 treatment, recovery and disposal facilities, 6 landfills, 4 water disposal wells and 2 disposal caverns, all formerly owned by Tervita, all within the Waste Management segment.

Financial Results

Revenue increased 16% for the three and six months ended June 30, 2024 compared to the respective comparative periods in 2023, mainly due to the inclusion of all specialty chemicals into the segment as of January 1, 2024, as well as an approximate five percent price increase in the fourth quarter of 2023. Revenue contributions from the inclusion of all specialty chemicals more than offset the loss of revenues associated with the divested waste management facilities and landfills in the Sale Transaction.

For the second quarter of 2024, revenues from the metal recycling operations decreased by 13% compared to the second quarter of 2023, due to a 10% drop in ferrous metal pricing, despite a 4% increase in volumes driven by continued strong demand for recycled metal. For the six months ended June 30, 2024, revenue from metal recycling operations remained relatively consistent compared to the same period in 2023. This stability was driven by a 22% increase in ferrous volumes processed, offset by a marginal 4% decline in ferrous prices.

During the three and six months ended June 30, 2024, cost of sales excluding depreciation, depletion and amortization, increased 29% from the 2023 comparative periods due to the inclusion of all specialty chemicals in the segment, which more than offset reductions in cost of sales for waste management facilities and landfills as a result of the Sale Transaction. Specialty chemicals has lower margins compared to waste management facilities and landfills. Additionally, cost of sales were higher due to higher volumes processed in metal recycling operations.

For the three and six months ended June 30, 2024, operational depreciation and amortization decreased by 9% and 12%, respectively compared to the same periods in 2023. These reductions were a result of the divestiture of \$380 million of property, plant, and equipment in the Sale Transaction, leading to a corresponding decrease in depletion, depreciation, and amortization.

G&A expenses increased by \$7 million and \$14 million for the three and six months ended June 30, 2024, respectively, compared to the same period in 2023. These increases are largely attributed to the inclusion of all specialty chemicals in the Waste Management segment during the current year.

During the three and six months ended June 30, 2024, the segment's pre-tax income decreased by 12% and 10%, respectively, from the corresponding period in 2023. These decreases were primarily due to higher cost of sales and G&A expenses, partially offset by higher revenues and lower depreciation and amortization. Higher revenues, cost of sales and G&A expense were in part due to the addition of all specialty chemicals into the segment as of January 1, 2024.

ENERGY INFRASTRUCTURE SEGMENT

The Energy Infrastructure segment has two separate business lines: energy infrastructure and oil purchase and resale.

Energy Infrastructure

SECURE's energy infrastructure includes a network of crude oil gathering pipelines, terminals and storage facilities. Through this infrastructure network, the Corporation engages in the transportation, optimization, terminalling and storage of crude oil.

Oil Purchase and Resale

SECURE's oil purchase and resale enhances the service offering associated with SECURE's business of terminalling and marketing. By offering this service, SECURE's customers gain efficiencies in transporting and handling of their crude oil to the pipeline. At the Corporation's terminals, SECURE meters the crude oil volumes and purchases the crude oil directly from customers. The Corporation then processes and handles the shipment of crude oil down the pipeline. The Corporation may also purchase and resell crude oil to take advantage of changing market prices and price differentials to enhance profitability.

The table below outlines average benchmark prices, operational, and financial results for the three and six months ended June 30, 2024 and 2023.

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
WTI (US\$/bbl)	\$ 80.57	\$ 73.80	9	\$ 78.76	\$ 74.97	5
WCS average differential (US\$/bbl)	\$ 13.66	\$ 14.99	(9)	\$ 16.42	\$ 18.00	(9)
Average exchange rate CAD/USD	0.73	0.74	(1)	0.74	0.74	—
Canadian Light Sweet (\$/bbl)	\$ 105.97	\$ 94.99	12	\$ 100.71	\$ 97.36	3
Crude oil terminalling and pipeline volumes (in 000's m ³)	1,743	1,404	24	3,409	2,741	24

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenue (excluding oil purchase and resale)	57	43	33	121	95	27
Oil purchase and resale	2,215	1,429	55	4,704	2,920	61
Energy Infrastructure Revenue	2,272	1,472	54	4,825	3,015	60
Cost of Sales						
Cost of sales excluding items noted below	19	9	111	36	14	157
Depreciation and amortization	6	5	20	11	10	10
Oil purchase and resale	2,215	1,429	55	4,704	2,920	61
Energy Infrastructure Cost of Sales	2,240	1,443	55	4,751	2,944	61
G&A expense	3	3	—	6	4	50
Segment income before tax	29	30	(3)	67	71	(6)

Volumes

For the three and six months ended June 30, 2024, crude oil pipeline and terminalling volumes increased by 24% from the respective 2023 comparative periods. The increases are due to significant volume contributions from the Clearwater heavy oil terminal which commenced operations in the fourth quarter of 2023, partially offset by volumes attributed to assets divested in the Sale Transaction.

Financial Results

In the three and six months ended June 30, 2024, revenue (excluding oil purchase and resale) increased by \$14 million and \$26 million, respectively, from the 2023 comparative periods. The increases were primarily due to higher optimization and tariffs from higher volumes. Additionally, during the second quarter of 2024, the sale of a portion of the crude oil and natural gas liquids inventory held at the end of the first quarter drove higher trading revenue related to storage positions.

Oil purchase and resale revenue increased 55% for the three months ended, and 61% for the six months ended June 30, 2024 compared to the respective prior year periods. The increases were driven by additional volumes acquired through third-party pipelines, allowing SECURE to capitalize on arbitrage opportunities and leverage price differentials between markets to enhance profitability.

For the three and six months ended June 30, 2024, cost of sales, excluding depreciation, amortization and oil purchase and resale, increased by \$10 million and \$22 million, respectively, from the 2023 comparative periods. The increases were due to higher transportation charges in line with higher throughput volumes and revenues, as well as additional costs at the Clearwater heavy oil terminal which commenced operations in the fourth quarter of 2023.

Operating depreciation expense included in cost of sales relates primarily to the Energy Infrastructure segment's oil pipelines, terminals and storage facilities. For the three and six months ended June 30, 2024, operating depreciation was marginally higher compared to the corresponding periods in 2023. The decrease in operating depreciation attributed to the divested facilities was offset by depreciation of the Clearwater heavy oil terminalling and gathering infrastructure following the initiation of operations in the fourth quarter of 2023.

In the second quarter of 2024, G&A expenses were consistent with those in the second quarter of 2023. For the six months ended June 30, 2024, G&A expenses were higher than the prior year comparative period, primarily due to higher salaries and wages implemented in the second quarter of 2023 to keep pace with inflation.

During the three months ended June 30, 2024, the segment's income before tax decreased marginally by \$1 million due to higher cost of sales and depreciation and amortization more than offsetting higher revenues. During the six months ended June 30, 2024, the segment's income before tax decreased by \$4 million due to the same factors as for the three month period in addition to higher G&A expenses.

CORPORATE INCOME AND EXPENSES

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
G&A expenses excluding items noted below	12	12	—	25	25	—
Depreciation and amortization	1	1	—	2	1	100
Share-based compensation expense	6	5	20	20	14	43
Total Corporate G&A expenses	19	18	6	47	40	18
Transaction and related costs	2	4	(50)	2	7	(71)
Interest and finance costs	9	20	(55)	23	40	(43)
Gain on asset divestiture	—	—	—	(520)	—	100
Other expense (income)	2	(6)	(133)	16	(6)	(367)
Income taxes	11	10	10	149	28	432

Included in total Corporate G&A expenses are all public company costs, personnel, office and other administrative costs relating to corporate employees and officers, support services shared across all operational business units, and share-based compensation for all employees.

During the three and six months ended June 30, 2024, Corporate G&A expenses, excluding depreciation, amortization, and share-based compensation, remained consistent compared to the prior year periods. Increased salaries and wages in the second quarter of 2023 and higher information technology costs related to cybersecurity were offset by a decrease in G&A expenses due to the reduction of employees who transitioned with the Sale Transaction.

For the three and six months ended June 30, 2024, total Corporate G&A expenses included share-based compensation expenses of \$6 million and \$20 million, respectively, which increased by \$1 million and \$6 million compared to the respective prior year comparative periods. This increase was primarily due to units issued under the Corporation's unit incentive plan at a higher share price, resulting in higher expenses. Additionally, during the six month period, the issuance of additional performance share units for the performance factor contributed to the increase in share-based compensation expense.

In the six months ended June 30, 2024, the Corporation realized a gain of \$520 million for the Sale Transaction, net of \$20 million of advisory and legal fees, severance and restructuring costs.

Interest and finance costs for the three and six months ended June 30, 2024 decreased by 55% and 43%, respectively, compared to the same periods in the prior year. This reduction was due to the redemption of the 2025 senior secured and 2026 unsecured notes during Q1 2024 and the issuance, in Q1 2024, of the 2029 6.75% unsecured notes at a lower interest rate as compared to the 2026 unsecured notes. Additionally, a lower balance was drawn on the Revolving Credit Facility after it was fully paid off in Q1 2024.

In the three months ended June 30, 2023, other income included unrealized foreign currency gains of \$6 million related to U.S. dollar denominated debt. In the six months ended June 30, 2024, within other expense, the Corporation realized a loss on debt extinguishment of \$16 million related to the 2026 unsecured notes. In the six months ended June 30, 2023, the Corporation recognized gains aggregating to \$9 million related to the sale of a water pumping business and a rail terminal, in addition to unrealized foreign currency gains of \$6 million related to U.S. dollar denominated debt.

For the three and six months ended June 30, 2024, the Corporation's income tax expense was \$11 million and \$149 million, respectively, compared to \$10 million and \$28 million for the respective 2023 comparative periods. These increases were due to higher taxable income, primarily resulting from the gain recognized on the Sale Transaction in the first quarter of 2024.

SUMMARY OF QUARTERLY RESULTS

Seasonality

In western Canada, the level of activity 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 and, as a result, road bans are implemented prohibiting heavy loads from being transported in certain areas. This limits the movement of heavy equipment and 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 waste volumes received and specialty chemical sales. 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.

	2024		2023				2022	
(\$ millions, except share and per share data)	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue (excluding oil purchase and resale)	337	360	451	427	353	416	401	419
Oil purchase and resale	2,215	2,489	1,889	1,788	1,429	1,491	1,624	1,730
Total revenue	2,552	2,849	2,340	2,215	1,782	1,907	2,025	2,149
Net income	32	422	59	47	34	55	32	60
Per share - basic	0.12	1.50	0.20	0.16	0.11	0.18	0.10	0.19
Per share - diluted	0.12	1.47	0.20	0.16	0.11	0.18	0.10	0.19
Weighted average shares - basic	262,468,788	281,557,907	288,968,141	292,043,344	296,343,936	306,517,269	309,956,766	309,912,215
Weighted average shares - diluted	265,906,070	286,486,941	293,212,504	294,929,189	298,407,348	310,026,987	314,248,785	313,278,309
Adjusted EBITDA ⁽¹⁾	114	132	162	158	119	151	150	154

⁽¹⁾ Refer to the "Non-GAAP measures" section of this MD&A for further information.

Quarterly Review Summary

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

Since the close of the Corporation's acquisition of Tervita in the third quarter of 2021, through 2022, the Corporation executed on realizing the integration of cost savings identified at the time of the transaction. This along with strong commodity prices and corresponding increase in industry activity, had positive impacts on quarterly results through 2022.

During the second quarter of 2023, the Corporation was impacted by wildfires in western Canada which occurred in May 2023, resulting in temporary facility closures in the Waste Management segment, reduced activity from evacuations in certain areas and reduced revenues from energy producers that shut in operations in affected areas and took precautionary measures.

During the fourth quarter of 2023, the Corporation experienced a substantial rise in revenues, driven by enhanced activity across all business units within the Waste Management segment and Energy Infrastructure segment. This increase in activity was spurred by higher growth and sustaining capital expenditures invested during the year. Key contributors to the Corporation's improved earnings included produced water growth across our network in western Canada, the completion of the Clearwater heavy oil terminalling and gathering infrastructure, the expansion of a Montney water disposal facility, and investments in equipment for metal recycling.

The divestiture of 29 facilities in the first quarter of 2024 had a notable impact on the Corporation's operating and financial results. Consequently, both revenues and expenses (excluding oil purchase and resale) experienced a decline due to this divestiture. As a result of the Sale Transaction, the Corporation recorded a gain of \$520 million in the first quarter of 2024.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation's objective in capital program management is to ensure adequate sources of capital are available to carry out our capital plan, while maintaining operational growth, payment of dividends and stable cash flow, to sustain the business for the long-term.

Management considers capital to be the Corporation's working capital (current assets less accounts payable and accrued liabilities, customer prepayments, interest payable and current tax payable), total amounts drawn on debt borrowings (Revolving Credit Facility and 2029 unsecured notes) 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 reviewing the Corporation's results and approving capital spending limits on a quarterly basis.

The key measures management uses to monitor its capital structure are incurred capital expenditures compared to authorized limits, Adjusted EBITDA on all of its operations, discretionary free cash flow and the covenant ratios as defined in the Corporation's lending agreements which are discussed further below.

Debt Borrowings

The Corporation's debt borrowings as at June 30, 2024 consisted of:

- The Revolving Credit Facility, an \$800 million three-year revolving credit facility with nine financial institutions. The Revolving Credit Facility was renewed in June 2024 with the term extended to May 31, 2027. The total amount drawn at the end of the second quarter of 2024 was \$121 million. All amounts borrowed under the Revolving Credit Facility are secured by substantially all tangible and intangible assets owned by the Corporation.
- The 2029 unsecured notes, consisting of \$300 million aggregate principal amount of 6.75% unsecured notes due March 22, 2029.
- A total of \$112 million of letters of credit issued against the Revolving Credit Facility and Letter of Credit Facility.

Amounts borrowed under the Revolving Credit Facility bear interest at the Corporation's option of either the Canadian prime rate or US Base Rate plus 0.875% to 2.75% or Canadian Overnight Repo Rate Average (CORRA) rate or Secured Overnight Financing Rate ("SOFR") rate plus 1.875% to 3.75%, depending, in each case, on the ratio of Total Debt to EBITDA as defined in the Revolving Credit Facility.

On February 5, 2024, the Corporation fully repaid the outstanding balance on the Revolving Credit Facility with proceeds from the Sale Transaction. Subsequently, during the three months ended June 30, 2024, the Corporation made a draw of \$121 million on the Revolving Credit Facility primarily to fund share repurchases.

On February 22, 2024, the Corporation used proceeds from the Sale Transaction to redeem the outstanding 2025 senior secured notes at the redemption price of 105.50% of the principal amount, plus accrued and unpaid interest. The total payment was \$223 million, comprised of principal of \$207 million (US\$153 million), unpaid interest of \$5 million and a premium of \$11 million.

On March 22, 2024 the Corporation closed an offering of \$300 million aggregate principal amount of 6.75% 2029 senior unsecured notes at an issue price of \$100.00 (the "Offering"). The Corporation used the net proceeds of the Offering, along with cash on hand, to fund the redemption of the 2026 unsecured notes at the redemption price of 103.63% of the principal amount, plus accrued and unpaid interest. The total payment was \$358 million,

comprised of principal of \$340 million, unpaid interest of \$6 million and a premium of \$12 million, resulting in a loss on extinguishment of debt of \$16 million.

The interest payments on the 2029 unsecured notes occur in March and September during the term of the debt. Payment of this interest has historically resulted in lower discretionary free cash flow generated in the first and third quarter.

Credit Ratings

The Corporation's credit ratings issued by S&P Global Ratings ("S&P") and Fitch Ratings ("Fitch") provide increased transparency and comparability for debt investors and other capital market participants. The Corporation's credit ratings as at June 30, 2024 are as follows:

	S&P	Fitch
Corporate Rating	B+	BB-
2029 unsecured notes	BB-	BB-

Revolving Credit Facility Covenants

At June 30, 2024, the Corporation was in compliance with all financial covenants contained in the Revolving Credit Facility.

The following table outlines SECURE's covenant ratios, calculated in accordance with the Revolving Credit Facility, at June 30, 2024 and December 31, 2023:

	Covenant	June 30, 2024	December 31, 2023	% Change
Senior Debt to EBITDA	not to exceed 2.75	0.6	1.0	(40)
Total Debt to EBITDA	not to exceed 4.5	1.3	1.9	(32)
Interest coverage	not to be less than 2.5	5.8	6.2	(7)

Issued capital

Issued capital of \$1.0 billion at June 30, 2024 decreased from \$1.5 billion at December 31, 2023, with common shares repurchased and cancelled in the year.

On April 29, 2024, the Corporation entered into a Share Purchase Agreement with an affiliate of TPG Angelo Gordon to purchase for cancellation an aggregate of 13,181,020 common shares at a price of \$11.38 per share (representing a discount of approximately 1.8% to the closing price of the Shares on the TSX on April 26, 2024), for total consideration of \$150 million.

On May 1, 2024, the Corporation commenced the SIB pursuant to which it offered to purchase for cancellation up to \$250 million of its common shares through a modified Dutch auction. The SIB was completed on June 10, 2024, with the Corporation repurchasing 21,929,818 common shares at a price of \$11.40 per share, representing an aggregate purchase of \$250 million and 8.33% of SECURE's issued and outstanding Shares before giving effect to the SIB. The Corporation also incurred \$1 million in transaction costs in connection with the SIB which were included in the cost of acquiring the common shares.

On December 14, 2023, the Corporation renewed the previous NCIB, which was completed in September 2023 upon the Corporation acquiring the maximum number of common shares purchasable thereunder. Pursuant to the renewed NCIB, the Corporation is authorized to purchase and cancel up to a maximum of 23,196,967 common shares of the Corporation representing approximately 8% of the Corporation's outstanding shares as at December 8, 2023, or 10% of the Corporation's public float. The NCIB will terminate on December 13, 2024 or such earlier date as the maximum number of common shares are purchased pursuant to the NCIB or the NCIB is completed or terminated at the Corporation's election.

The table below summarizes the purchases under the SPA, SIB and NCIB for the three months ended June 30, 2024 and 2023:

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Shares repurchased and cancelled under SPA	13,181,020	—	100	13,181,020	—	100
Price per share	\$ 11.38	\$ —	100	\$ 11.38	\$ —	100
Total consideration	\$ 150	\$ —	100	\$ 150	\$ —	100
Shares repurchased and cancelled under SIB	21,929,818	—	100	21,929,818	—	100
Price per share	\$ 11.40	\$ —	100	\$ 11.40	\$ —	100
Total consideration ⁽¹⁾	\$ 251	\$ —	100	\$ 251	\$ —	100
Shares repurchased and cancelled under NCIB	2,827,000	7,270,800	(61)	14,882,510	16,866,000	(12)
Price per share	\$ 11.47	\$ 6.40	79	\$ 10.66	\$ 6.87	55
Total consideration	\$ 32	\$ 47	(32)	\$ 159	\$ 116	37

⁽¹⁾ Includes transaction costs

Subsequent to June 30, 2024, the Corporation repurchased 497,100 additional shares at a weighted average price per share of \$11.77 for a total of \$6 million.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet our financial obligations when 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's customers are impacted by fluctuations in oil and gas prices, which may lead to volatility affecting drilling and completion activity. However, SECURE's business units are primarily centered on production volumes which are recurring. In addition, a portion of these production volumes are contracted and/or fee-for-service contracts that are expected to provide a degree of cash flow stability.

SECURE declared a quarterly dividend of \$0.10 per common share. The decision whether or not to pay dividends and the amount of any such dividends are subject to the sole discretion of the Board, which regularly evaluates the Corporation's proposed dividend payments.

SECURE believes the sharing of excess cash flows with shareholders is a core business principle; as a result, management and the Board will continue to monitor the Corporation's dividend policy with respect to forecasted Adjusted EBITDA, debt, capital expenditures and other investment opportunities including share buybacks, as well as expected interest, lease, tax and transaction costs, and will look for opportunities to return additional capital as business conditions warrant. While the Corporation is recording current income taxes in 2024, it does not expect to pay the corresponding material cash tax until 2025.

To meet financial obligations, the Corporation may adjust the amount of its dividends, draw on the Revolving Credit Facility up to the covenant restrictions, divest assets, issue subordinated debt, or obtain equity financing. The declaration and payment of dividends is at the discretion of the Board and is dependent upon, among other things, financial performance, compliance with debt covenants and the factors referred to under the heading "Risk Factors" in the AIF. While the Corporation has had success in obtaining financing in the past, access to capital may be more difficult in the future depending on the economic and operating environment. Refer to the "Access to Capital and Financing Future Growth Expansion" discussion in the "Risk Factors" sections of the AIF.

As at June 30, 2024, the Corporation had \$624 million in Liquidity consisting of \$7 million in cash and \$617 million in available borrowing capacity on its Revolving Credit Facility and Letter of Credit Facility, subject to covenant restrictions. Refer to Note 21 of the Annual Financial Statements for further disclosure regarding the Corporation's liquidity risk and Note 17 of the Interim Financial Statements for details of the Corporation's contractual obligations and contingencies at June 30, 2024, which notes are incorporated by reference into this MD&A and available on SEDAR+ at www.sedarplus.ca and on the Corporation's website www.SECURE-energy.com.

The following provides a summary and comparison of the Corporation's operating, investing and financing cash flows for the three and six months ended June 30, 2024 and 2023.

Net Cash Flows from Operating Activities

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Net cash flows from operating activities	190	131	45	198	228	(13)

During the three months ended June 30, 2024, the Corporation generated net cash flows from operating activities totaling \$190 million, an increase of \$59 million compared to the corresponding prior year period. Operating margin remained relatively stable for the second quarter of 2024 compared to 2023; however, interest payments were lower in the current period due to reduced debt and the timing of fixed debt payments. Additionally, in the current quarter, other income adjustments included an unrealized hedge loss, whereas the prior year's second quarter had a cash flow adjustment for an unrealized foreign exchange gain. Furthermore, the higher contribution from changes in non-cash working capital during the second quarter of 2024 resulted from the decrease in crude oil and natural gas inventories as a portion was sold during the current quarter.

During the six months ended June 30, 2024, the Corporation generated net cash flows from operating activities totaling \$198 million, a decrease of \$30 million compared to the corresponding prior year period. This decrease was primarily attributed to the divestiture of the Facilities in the Sale Transaction, resulting in a lower profit margin. However, this was partially offset by lower interest payments in the current year due to reduced debt and the timing of fixed debt payments.

Investing Activities

During the six months ended June 30, 2024, the Corporation received cash proceeds of \$1.149 billion from the Sale Transaction.

The Corporation's total capital expenditures decreased by \$25 million in the second quarter of 2024 compared to the corresponding period in the previous year, and by \$52 million on a year to date comparable basis, largely due to the timing of expenditures on various capital projects.

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Capital expenditures ⁽¹⁾						
Growth capital expenditures	11	31	(65)	22	67	(67)
Sustaining capital expenditures	32	37	(14)	40	47	(15)
Total capital expenditures	43	68	(37)	62	114	(46)

⁽¹⁾ Refer to the "Operational definitions" section of this MD&A for further information.

Growth capital expenditures of \$11 million for the three month period and \$22 million for the six months ended June 30, 2024 related primarily to phase two investments made in the Clearwater heavy oil terminalling and gathering infrastructure, new rail cars for our metal recycling operations, pipeline projects, well expansions and enhancements to the WiQ application, a transparent e-ticketing system that ensures compliance and standardization for the documentation of waste and recyclables.

Sustaining capital expenditures of \$32 million for the three months ended and \$40 million for the six months ended June 30, 2024, included capital expenditures for asset integrity programs, asset purchases for our metal recycling and waste service operations, well and facility improvements at waste management facilities and landfill cell expansions.

Financing Activities

	Three months ended June 30,			Six months ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Draw (repayment) of credit facilities	121	10	1,110	(300)	70	(529)
Settlement of notes	—	(11)	(100)	(571)	(11)	5,091
Issuance of unsecured notes	—	—	—	300	—	100
Financing fees	(2)	(1)	100	(8)	(1)	700
Lease liability principal payments	(8)	(5)	60	(15)	(13)	15
Dividends declared	(24)	(29)	(17)	(52)	(59)	(12)
Share repurchases and cancellations	(434)	(47)	823	(560)	(116)	383
Tax on share repurchases	(11)	—	100	(11)	—	100
Settlement of share units	—	—	—	—	(14)	(100)
Change in non-cash working capital	6	—	100	6	—	100
Net cash flows used in financing activities	(352)	(83)	324	(1,211)	(144)	741

During the three months ended June 30, 2024, the Corporation made a draw of \$121 million on the Revolving Credit Facility primarily to fund share repurchases. For the six months ended June 30, 2024, using proceeds from the Sale Transaction, the Corporation fully repaid the outstanding balance on the Revolving Credit Facility in the first quarter prior to the draws made in the second quarter.

During the three and six months ended June 30, 2024, principal payments on lease liabilities amounted to \$8 million and \$15 million respectively. The increase in lease payments is related to the recently constructed Clearwater terminal as well as equipment and vehicle leases.

The Corporation declared dividends to holders of common shares for the three and six months ended June 30, 2024 of \$24 million and \$52 million respectively (June 30, 2023: \$29 million and \$59 million, respectively). On June 15, 2024, the Corporation declared a dividend in the amount of \$0.10 per common share. The Corporation paid out this dividend to holders of common shares on record on July 1, 2024.

On April 29, 2024, the Corporation entered into a SPA with an affiliate of TPG Angelo Gordon to purchase for cancellation an aggregate of 13,181,020 common shares for total consideration of \$150 million.

The Corporation completed the SIB on June 10, 2024, with the Corporation repurchasing 21,929,818 common shares for total consideration of \$250 million.

For the three months ended June 30, 2024, the Corporation repurchased 2,827,000 common shares for a total of \$32 million under the terms of the NCIB. During the prior year comparative quarter, the Corporation repurchased 7,270,800 common shares for a total of \$47 million.

For the six months ended June 30, 2024, the Corporation repurchased 14,882,510 common shares for a total of \$159 million under the terms of the NCIB. During the prior year comparative period, the Corporation repurchased 16,866,000 common shares for a total of \$116 million.

In February 2024, using proceeds from the Sale Transaction, the Corporation redeemed the outstanding 2025 senior secured notes at the redemption price of 105.50% of the principal amount, plus accrued and unpaid interest.

On March 22, 2024, the Corporation closed the Offering. The Corporation used proceeds from the Offering, and cash on hand, to redeem all of the outstanding 2026 unsecured notes at the redemption price of 103.63% of the principal amount, plus accrued and unpaid interest.

CONTRACTUAL OBLIGATIONS

Refer to Note 17 of the Interim Financial Statements for disclosure related to contractual obligations.

BUSINESS RISKS

A detailed discussion of SECURE's business risks and uncertainties are set out in the "Risk Factors" section of the AIF, which is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website www.SECURE-energy.com, which is incorporated by reference herein.

OUTSTANDING SHARE CAPITAL

As at July 29, 2024, there are 240,670,208 common shares issued and outstanding. In addition, the Corporation had the following share-based awards outstanding and exercisable or redeemable:

Balance as at July 29, 2024	Issued	Exercisable
Restricted Share Units	2,260,559	—
Performance Share Units	3,333,183	—

OFF-BALANCE SHEET ARRANGEMENTS

At June 30, 2024 and December 31, 2023, the Corporation did not have any material off-balance sheet arrangements.

FINANCIAL AND OTHER INSTRUMENTS

As at June 30, 2024, the Corporation's financial instruments included cash and cash equivalents, restricted cash, accounts receivable and accrued receivables, accounts payable and accrued liabilities, customer prepayments, current tax payable, the Revolving Credit Facility, the 2029 unsecured notes, lease liabilities and derivative instruments. The fair values of these financial instruments approximate their carrying amount due to the short-term maturity of the instruments, except for the Revolving Credit Facility, and the 2029 unsecured notes. The Revolving Credit Facility's carrying value approximates its fair value due to the variable interest rates applied, which approximate market interest rates. The fair value of the 2029 unsecured notes is influenced by changes in risk-free interest rates and the market assessment of credit risk.

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 "Risk Factors" and a discussion of the corresponding classification and amounts of income, expenses, gains and losses associated with these financial instruments and their fair value can be found in Note 21 of the Corporation's Annual Financial Statements.

Of the Corporation's financial instruments, cash and cash equivalents, restricted cash, accounts receivable and accrued receivables and derivative instruments contain credit risk. The credit risk associated with cash and cash equivalents is minimized as all is held at major Canadian 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. A significant portion 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. Where credit risk associated with a counterparty is high, the Corporation requires prepayments from customers. Given the policies and procedures in place, management is appropriately managing its credit risk.

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 Canadian financial institutions.

Funds drawn under the Revolving Credit Facility are managed through a combination of bankers' acceptance loans and U.S. dollar SOFR loans which bear interest at a floating interest rate. To the extent that the Corporation borrows under the Revolving Credit Facility, the Corporation is at risk to rising interest rates and foreign exchange rates.

ACCOUNTING POLICIES

SECURE's material accounting policies are set out in Note 2 of the Annual Financial Statements. There were no new accounting standards or amendments to IFRS issued that materially impacted the Interim Financial Statements.

FUTURE ACCOUNTING PRONOUNCEMENTS

On June 26, 2023, the International Sustainability Standards Board ("ISSB") issued IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and IFRS S2 "Climate-related Disclosures". IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after January 1, 2024. The sustainability standards as issued by the ISSB provide for transition relief in IFRS S1 that allow a reporting entity to report only on climate-related risks and opportunities, as set out in IFRS S2, in the first year of reporting under the sustainability standards.

The Canadian Securities Administrators ("CSA") are responsible for determining the reporting requirements for public companies in Canada and are responsible for decisions related to the adoption of the sustainability disclosure standards, including the effective annual reporting dates. The CSA issued proposed National Instrument 51-107 – *Disclosure of Climate-related Matters* in October 2021. The CSA has indicated it will consider the ISSB sustainability standards and developments in the United States in its decisions related to developing climate-related disclosure requirements for reporting issuers in Canada. The CSA will involve the Canadian Sustainability Standards Board ("CSSB") for their combined review of the ISSB issued sustainability standards for their suitability for adoption in Canada. Until such time as the CSA and CSSB make decisions on sustainability standard adoption here in Canada, there is no requirement for public companies in Canada to adopt the sustainability standards. The Corporation is actively evaluating the potential effects of the ISSB issued sustainability standards; however, at this time, the Corporation is not able to determine the impact on future financial statements and business, nor the potential costs to comply with these sustainability standards.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the preparation of the Corporation's Interim 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 Interim 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 Interim and Annual 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 filings, interim filings 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 filings, interim filings 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 supervision of SECURE's CEO and CFO, and effected by the Board, 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 and directors; and
- 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 June 30, 2024 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 17 of the Corporation’s Interim Financial Statements for disclosure related to legal proceedings and regulatory actions and its impact on contingencies, if any.

RELATED PARTIES

Refer to Note 23 of the Corporation’s Annual Financial Statements for disclosure of related parties. There have been no other material related party transactions or significant changes to those disclosed in the Annual Financial Statements.

FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this MD&A 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 MD&A, the words “achieve”, “advance”, “anticipate”, “believe”, “can be”, “capacity”, “commit”, “continue”, “could”, “deliver”, “drive”, “enhance”, “ensure”, “estimate”, “execute”, “expect”, “focus”, “forecast”, “forward”, “future”, “goal”, “grow”, “integrate”, “intend”, “may”, “maintain”, “objective”, “ongoing”, “opportunity”, “outlook”, “plan”, “position”, “potential”, “prioritize”, “realize”, “remain”, “result”, “seek”, “should”, “strategy”, “target”, “will”, “would” and similar expressions, as they relate to SECURE, its management, or the combined company, are intended to identify forward-looking statements. Such statements reflect the current views of SECURE and speak only as of the date of this MD&A.

In particular, this MD&A contains or implies forward-looking statements pertaining but not limited to: SECURE's expectations and priorities for 2024 and beyond and its ability and position to achieve such priorities; lower interest expenses; debt repayment; SECURE’s expectations for 2024, including growth opportunities and sustaining capital expenditures; the ability of SECURE to execute and capitalize on its strategic initiatives and divestitures; SECURE’s capital allocation priorities and strategies; capital structure improvements, repayment of debt, payment of dividends and the amounts thereof; growing our base infrastructure with customer-backed contracts and share repurchases; expectations regarding sustained and expanded activity levels; the ability to create value for, and deliver returns to, our shareholders; the performance and benefits of SECURE’s metal recycling business; construction activities on the Clearwater heavy oil terminal and expected timing of the second phase operation; allocation of spending of the capital budget, including on pipeline tie-ins, landfill

expansions and retirement obligations; repurchase of shares under the NCIB and the renewal thereof; the ability of the Corporation to reduce the valuation gap of the common shares; capacity to enhance returns to shareholders and the ability to strategically expand in the industrial and energy waste markets; higher and sustained volumes and activity levels; shifting supply and demand dynamics driving commodity price volatility; stability in the industrial sector; discipline and modest production growth by the Corporation's customers; SECURE's business and demand for SECURE's products, services and infrastructure; opportunities as a result of production growth; SECURE's infrastructure network capacity and costs to meet growing demand; SECURE's long-term take or pay contracts; directing significant discretionary free cash toward capital allocation priorities; expectation that the Corporation will not pay material cash tax until 2025 or later; Canada's role in responsibly meeting growing demand for energy; the significance of oil and natural gas; the effect of expanded access from new pipeline infrastructure, and new natural gas liquids marine export terminals on domestic production; long-term investment by energy producers, resulting in sustained and growing activity levels; the impact of the Sale Transaction on discretionary free cash compared to 2023; SECURE's position to benefit from increased activity for the long-term; the benefit of recurring volumes on SECURE's industrial landfills as a result of government regulations; the stability and resilience of SECURE's operations and the drivers thereof; the ability of the Corporation to realize the anticipated benefits of acquisitions or dispositions; SECURE's vision of being a leader in environmental, waste management and energy infrastructure; value creation for SECURE's customers through reliable, safe, and environmentally responsible infrastructure; SECURE's ability to help their customers achieve operational excellence and leading ESG standards, reduce costs, lower emissions, increase safety, manage water, recycle by-products and protect the environment; the costs and the proceeds of sale should SECURE be required to divest of any facilities and SECURE's ability to maximize such proceeds; the use of such proceeds of sale and their ability to mitigate the impact of such sale; maintaining SECURE's Total Debt to EBITDA covenant ratio; SECURE's capital program management and ability to ensure adequate sources of capital to carry out its capital plan; maintaining operational growth, payment of dividends and stable cashflow; sustaining capital growth for the long-term; SECURE's capital allocation priorities, including share repurchases; SECURE's ability to optimize its portfolio; industry activity, including related to abandonment, remediation and reclamation and the impacts thereof; expected capital expenditures and the timing of the completion of projects related thereto; the contribution of completed projects to SECURE's results and the timing thereof; SECURE's ability to repay debt and achieve its near-term debt targets; inflationary pressures and interest rates, their impact on SECURE's business and SECURE's ability to manage such pressures; the impact of new or existing regulatory requirements, including mandatory spend requirements for retirement obligations, on SECURE's business, and the introduction of such requirements; seasonal variations in energy industry activity; SECURE's dividend policy, the declaration, timing and amount of dividends thereunder and the continued monitoring of such policy by the Board and management; the Corporation's ability to fund its capital needs and the amount thereof; methods and sources of liquidity to meet SECURE's financial obligations, including adjustments to dividends, drawing on credit facilities, issuing debt, obtaining equity financing or divestitures; SECURE's liquidity position and access to capital; maintaining financial resiliency; the impacts of renewing credit facilities and the likelihood thereof; and the contribution of completed projects to SECURE's results and the timing thereof.

Forward-looking statements are based on certain assumptions that SECURE has made in respect thereof as at the date of this MD&A regarding, among other things: SECURE's 2024 expectations; economic and operating conditions, including commodity prices, crude oil and natural gas storage levels, interest rates, exchange rates, and inflation; ability to enter into signing agreements with customers to backstop the investments and acquisition opportunities present; continued demand for the Corporation's infrastructure services and activity linked to long-term and recurring projects; the changes in market activity and growth will be consistent with industry activity in Canada and the U.S. and growth levels in similar phases of previous economic cycles; infrastructure developments in western Canada; increased capacity and stronger pricing with access to global markets through new infrastructure; the impact of any new pandemic or epidemic and other international or geopolitical events, including government responses related thereto and their impact on global energy pricing, oil and gas industry exploration and development activity levels and production volumes; anticipated sources of funding being available to SECURE on terms favourable to SECURE; the success of the Corporation's operations and growth projects; the impact of seasonal weather patterns; the Corporation's competitive position,

operating, acquisition and sustaining costs remaining substantially unchanged; the Corporation's ability to attract and retain customers; that counterparties comply with contracts in a timely manner; current commodity prices, forecast taxable income, existing tax pools and planned capital expenditures; that counterparties comply with contracts in a timely manner; that there are no unforeseen events preventing the performance of contracts or the completion and operation of the relevant facilities; that there are no unforeseen material costs in relation to the Corporation's facilities and operations; that prevailing regulatory, tax and environmental laws and regulations apply or are introduced as expected, and the timing of such introduction; increases to the Corporation's share price and market capitalization over the long term; disparity between the Corporation's share price and the fundamental value of the business; the Corporation's ability to repay debt and return capital to shareholders; credit ratings; the Corporation's ability to obtain and retain qualified personnel (including those with specialized skills and knowledge), technology and equipment in a timely and cost-efficient manner; the Corporation's ability to access capital and insurance; operating and borrowing costs, including costs associated with the acquisition and maintenance of equipment and property; the ability of the Corporation and our subsidiaries to successfully market our services in western Canada and the U.S.; an increased focus on ESG, sustainability and environmental considerations in the oil and gas industry; the impacts of climate-change on the Corporation's business; the current business environment remaining substantially unchanged; present and anticipated programs and expansion plans of other organizations operating in the energy service industry resulting in an increased demand for the Corporation's and our subsidiaries' services; future acquisition and maintenance costs; the Corporation's ability to achieve its ESG and sustainability targets and goals and the costs associated therewith; and other risks and uncertainties described in the AIF and from time to time in filings made by SECURE with securities regulatory authorities.

Forward-looking statements involve significant known and unknown 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: general global financial conditions, including general economic conditions in Canada and the U.S.; the effect of any pandemic or epidemic, inflation and international or geopolitical events and governmental responses thereto on economic conditions, commodity prices and the Corporation's business and operations; changes in the level of capital expenditures made by oil and natural gas producers and the resultant effect on demand for oilfield services during drilling and completion of oil and natural gas wells; volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oilfield services generally; a transition to alternative energy sources; the Corporation's inability to retain customers; risks inherent in the energy industry, including physical climate-related impacts; the Corporation's ability to generate sufficient cash flow from operations to meet our current and future obligations; the seasonal nature of the oil and gas industry; increases in debt service charges including changes in the interest rates charged under the Corporation's current and future debt agreements; inflation and supply chain disruptions; the Corporation's ability to access external sources of debt and equity capital and insurance; disruptions to our operations resulting from events out of our control; the timing and amount of stimulus packages and government grants relating to site rehabilitation programs; the cost of compliance with and changes in legislation and the regulatory and taxation environment, including uncertainties with respect to implementing binding targets for reductions of emissions and the regulation of hydraulic fracturing services and services relating to the transportation of dangerous goods; uncertainties in weather and temperature affecting the duration of the oilfield service periods and the activities that can be completed; ability to maintain and renew the Corporation's permits and licenses which are required for its operations; competition; impairment losses on physical assets; sourcing, pricing and availability of raw materials, consumables, component parts, equipment, suppliers, facilities, and skilled management, technical and field personnel; supply chain disruption; the Corporation's ability to effectively complete acquisition and divestiture transactions on acceptable terms or at all; failure to realize the benefits of acquisitions or dispositions and risks related to the associated business integration; risks related to a new business mix and significant shareholder; liabilities and risks, including environmental liabilities and risks inherent in SECURE's operations; the Corporation's ability to invest in and integrate technological advances and match advances of our competition; the viability, economic or otherwise,

of such technology; credit, commodity price and foreign currency risk to which the Corporation is exposed in the conduct of our business; compliance with the restrictive covenants in the Corporation's current and future debt agreements; the Corporation's or our customers' ability to perform their obligations under long-term contracts; misalignment with our partners and the operation of jointly owned assets; the Corporation's ability to source products and services on acceptable terms or at all; the Corporation's ability to retain key or qualified personnel, including those with specialized skills or knowledge; uncertainty relating to trade relations and associated supply disruptions; the effect of changes in government and actions taken by governments in jurisdictions in which the Corporation operates, including in the U.S.; the effect of climate change and related activism on our operations and ability to access capital and insurance; cyber security and other related risks; the Corporation's ability to bid on new contracts and renew existing contracts; potential closure and post-closure costs associated with landfills operated by the Corporation; the Corporation's ability to protect our proprietary technology and our intellectual property rights; legal proceedings and regulatory actions to which the Corporation may become subject, including in connection with any claims for infringement of a third parties' intellectual property rights; the Corporation's ability to meet its ESG targets or goals and the costs associated therewith; claims by, and consultation with, Indigenous Peoples in connection with project approval; disclosure controls and internal controls over financial reporting; and other risk factors identified in the AIF and from time to time in filings made by the Corporation with securities regulatory authorities.

The guidance in respect of the Corporation's expectations of Adjusted EBITDA and discretionary free cash flow in 2024 contained in this MD&A may be considered to be a financial outlook for the purposes of applicable Canadian securities laws. Such information is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available, and which may become available in the future. These projections constitute forward-looking statements and are based on several material factors and assumptions set out above. Actual results may differ significantly from such projections. See above for a discussion of certain risks that could cause actual results to vary. The financial outlook contained in this MD&A has been approved by management as of the date of this MD&A. Readers are cautioned that any such financial outlook contained herein should not be used for purposes other than those for which it is disclosed herein. The Corporation and its management believe that the financial outlook contained in this MD&A has been prepared based on assumptions that are reasonable in the circumstances, reflecting management's best estimates and judgments, and represents, to the best of management's knowledge and opinion, expected and targeted financial results. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

Although forward-looking statements contained in this MD&A 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 MD&A are made as of the date hereof and are expressly qualified by this cautionary statement. Unless otherwise required by applicable securities laws, SECURE does not intend, or assume any obligation, to update these forward-looking statements.

ADDITIONAL INFORMATION

Additional information, including the AIF and the Annual Financial Statements, is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.SECURE-energy.com. Other than the information set out under the heading "*Risk Factors*" section in the AIF, which is incorporated by reference herein, the AIF and any information on the Corporation's website referred to in this MD&A do not constitute part of this MD&A.