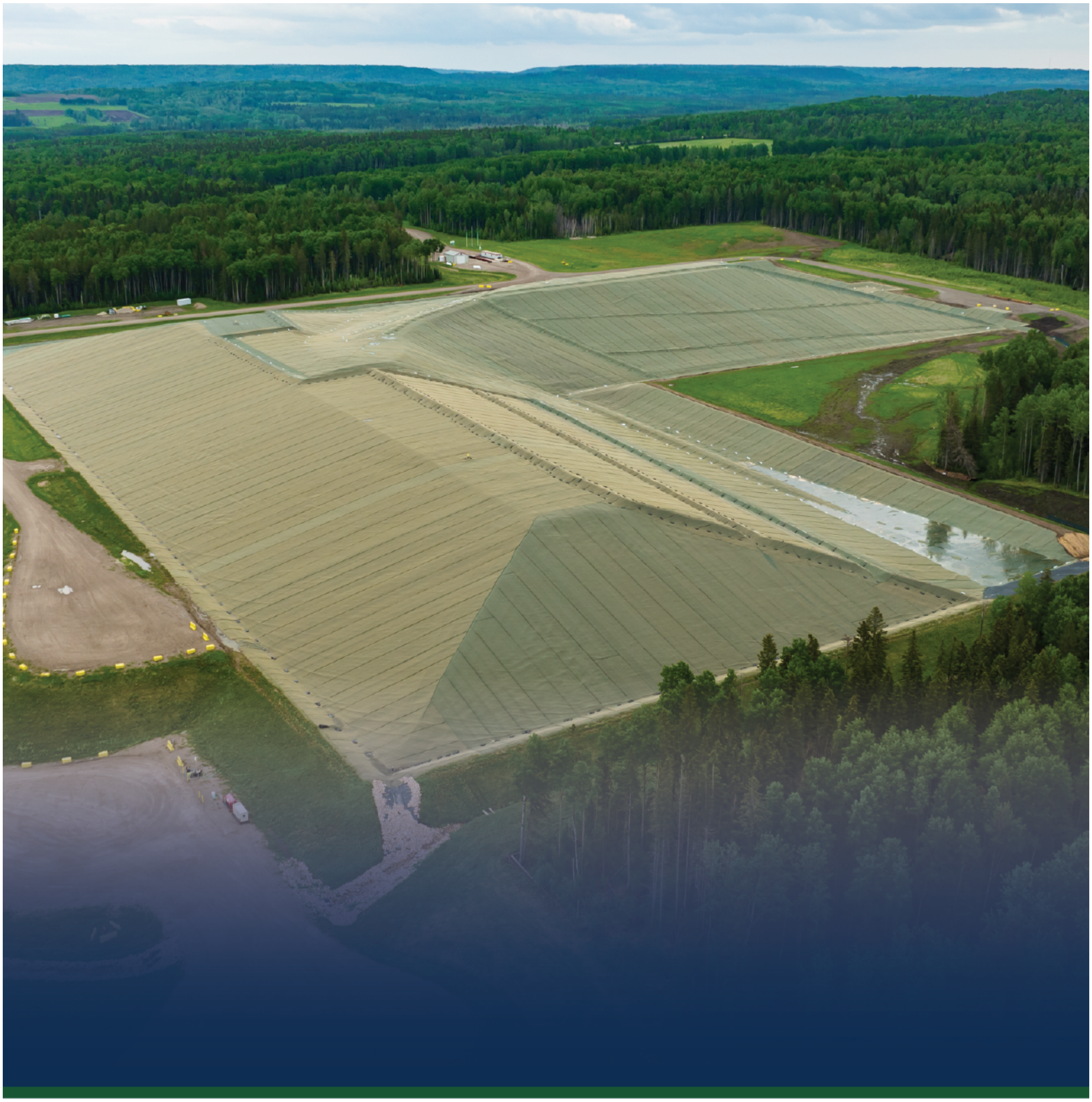


Management's Discussion & Analysis

2023 First Quarter Report

SECURE

CONTENTS

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 and reviewed and approved by the Board of Directors of SECURE (the "Board") on April 26, 2023. The MD&A is a review of the financial results of the Corporation prepared in accordance with International Financial Reporting Standards ("IFRS"), which are also generally accepted accounting principles ("GAAP") for publicly accountable enterprises in Canada.

This MD&A's primary focus is a comparison of the financial performance for the three months ended March 31, 2023 to the three months ended March 31, 2022, and should be read in conjunction with the Corporation's condensed consolidated financial statements and notes thereto for the three months ended March 31, 2023 and 2022 ("Interim Financial Statements") and the Corporation's annual audited consolidated financial statements and notes thereto for the years ended December 31, 2022 and 2021 ("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. Certain comparative figures have been reclassified to conform to the MD&A presentation adopted for the current year.

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.

On July 2, 2021 (the "Acquisition Date"), pursuant to a plan of arrangement under the *Business Corporations Act* (Alberta), SECURE acquired all of the issued and outstanding common shares of Tervita Corporation ("Tervita") and subsequently Tervita was amalgamated with SECURE (collectively, the "Transaction"). SECURE issued approximately 147.6 million common shares following which Tervita amalgamated with SECURE. The common shares of Tervita were delisted from the Toronto Stock Exchange ("TSX") at the close of market on July 6, 2021. Following completion of the Transaction, Tervita ceased to make separate filings as a reporting issuer. The Interim Financial Statements and this MD&A include financial results for Tervita since the Acquisition Date. Refer to the 'Business Risks' and 'Legal Proceedings and Regulatory Actions' sections of this MD&A for ongoing *Competition Act* (Canada) ("Competition Act") matters related to the Transaction.

CORPORATE OVERVIEW

SECURE is a leading environmental 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 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 TSX under the symbol "SES" and is a constituent of the S&P/TSX Composite Index.

For a complete description of services provided by the Corporation, please refer to the heading '*Description of the Business and Facilities'* in the Corporation's Annual Information Form for the year ended December 31, 2022 ("AIF") which is available under SECURE's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com 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.

Reporting Change

During the three months ended March 31, 2023, the Corporation realigned its reporting structure to reflect changes in the aggregation of operating segments following the completion of the Tervita post-merger integration in 2022. The results of the Corporation are now being reported in the following three operating segments:

1. Environmental Waste Management ("EWM") Infrastructure includes a network of waste processing facilities, produced water pipelines, industrial landfills, waste transfer and metal recycling facilities. 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 and metal recycling.
2. 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.
3. Oilfield Services includes drilling fluid management, and project management services. Drilling fluid management include products, equipment and services to enhance drilling performance. Project management services provide equipment contracting services supporting the energy, mining, forestry, rail, pipeline, government and civil industries across Canada.

The 2022 Annual MD&A for the three and twelve months December 31, 2022 were reported under three reportable segments, Midstream Infrastructure, Environmental and Fluid Management and Corporate. Changes between the three reportable segments reported at December 31, 2022 and the four reportable segments reported as at and for the three months ended March 31, 2023 are as follows:

- EWM Infrastructure includes business units that were previously included in the Midstream Infrastructure segment (all except for Energy Infrastructure) as well as business units which were previously in the Environmental and Fluid Management segment including: landfills, waste transfer and metal recycling facilities.
- Energy Infrastructure was previously included in the Midstream Infrastructure segment.
- Oilfield Services includes drilling fluid management, and project management services which were previously included in the Environmental and Fluid Management segment.
- The Corporation reports activities not directly attributable to an operating segment under Corporate. Corporate division expenses consist of public company costs, share-based compensation, interest and finance costs, and personnel, office and other administrative costs relating to corporate employees and officers. There has been no change to what is included within the Corporate segment.

The new reporting structure provides a more direct connection between the Corporation's operations, the services it provides to customers and the ongoing strategic direction of the Corporation. Comparative information has been presented to conform to the current segmented reporting information. No changes were implemented with respect to the consolidated data as a result of the presentation of prior periods. Refer to the 'Quarterly Review Summary' for a breakdown of results by quarter for the past two years.

OPERATIONAL DEFINITIONS

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

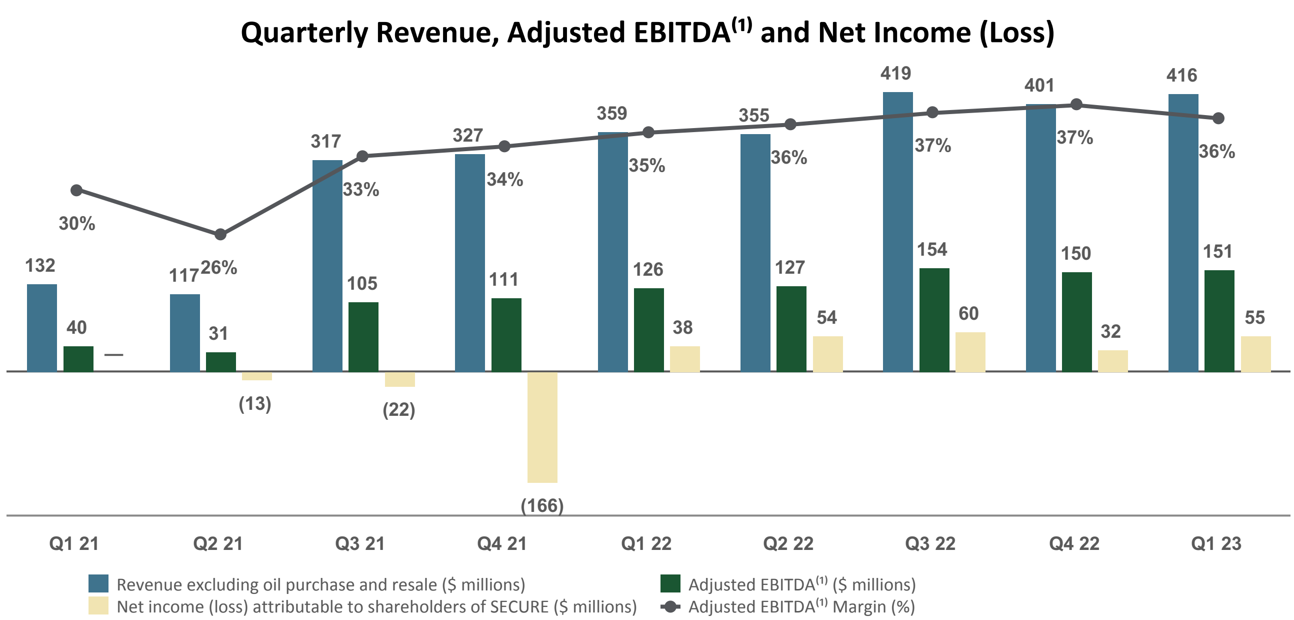
Capital expenditures

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. At the start of the third quarter of 2021, the Corporation closed the Transaction.

The Corporation's operating and financial highlights for the three months ended March 31, 2023 and 2022 can be summarized as follows:

($ millions except share and per share data)	Three months ended March 31, 2023	2022	% change
Revenue (excludes oil purchase and resale)	**416**	359	16
Oil purchase and resale	**1,491**	1,391	7
Total revenue	**1,907**	1,750	9
Adjusted EBITDA (1)	**151**	126	20
Per share ($), basic (1)	**0.49**	0.41	20
Per share ($), diluted (1)	**0.49**	0.40	23
Net income	**55**	38	45
Per share ($), basic and diluted	**0.18**	0.12	50
Funds flow from operations	**136**	107	27
Per share ($), basic	**0.44**	0.35	26
Per share ($), diluted	**0.44**	0.34	29
Discretionary free cash flow (1)	**122**	100	22
Per share ($), basic (1)	**0.40**	0.32	25
Per share ($), diluted (1)	**0.39**	0.32	22
Capital expenditures (1)	**46**	13	254
Dividends declared per common share	**0.1000**	0.0075	1,233
Total assets	**2,830**	2,970	(5)
Long-term liabilities	**1,184**	1,378	(14)
Common shares - end of period	**300,818,846**	309,800,855	(3)
Weighted average common shares:			
Basic	**306,517,269**	308,833,319	(1)
Diluted	**310,026,987**	312,043,772	(1)

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

FIRST QUARTER HIGHLIGHTS

- **Revenue (excluding oil purchase and resale) of $416 million** - an increase of 16% compared to the first quarter of 2022 with EWM Infrastructure revenue increasing by $27 million to $256 million, Energy Infrastructure revenue (excluding oil purchase and resale) increasing by $12 million to $52 million and Oilfield Services revenue increasing by $18 million to $108 million for the quarter. These increases were primarily due to recurring waste volumes from both energy and industrial waste, increased production volumes and higher oilfield activities. Oil purchase and resale revenue increased by 7% to $1.5 billion compared to the comparative 2022 period due to strong commodity pricing and volumes.
- **Net income of $55 million and $0.18 per share** - an increase of $17 million or $0.06 per share compared to the first quarter of 2022, as general industry conditions stayed strong.
- **Adjusted EBITDA[1] of $151 million and $0.49 per basic share[1]** - an increase of 20% compared to the first quarter of 2022. Produced water, waste processing, terminalling, and pipeline volumes increased in the current quarter driven by robust energy, environmental and industrial markets.
- **Adjusted EBITDA margin[1] of 36%** - increased from 35% in the first quarter of 2022, due to the higher volumes and higher revenue contributing to improved cost efficiencies and fixed cost absorption.

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

- **Funds flow from operations of $136 million** - an increase of $29 million from the prior year comparative period, or 26% on a per basic share basis, driven by the increase in Adjusted EBITDA.
- **Discretionary free cash flow[1] of $122 million** - an increase of 22% from the first quarter of 2022, and which was used primarily to repurchase shares under the normal course issuer bid ("NCIB").
- **Buyback of 9,595,200 common shares under the NCIB** - in the first quarter of 2023 the Corporation purchased common shares at a weighted average price per share of $7.24 for a total of $69 million, reducing our shares outstanding by 3% in the first quarter.
- **Declared dividends of $30 million** - a quarterly dividend of $0.10 per common share was paid to shareholders on April 17, 2023.
- **Divested non-core assets for total proceeds of $22 million** - continuing to optimize our portfolio.
- **Growth capital[2] expenditures of $36 million** - primarily related to the construction of our Clearwater pipeline and terminal which is backstopped by commercial agreements and the expansion of a Montney water disposal facility.
- **Sustaining capital[2] expenditures of $10 million** - related to landfill cell expansions, well and facility maintenance, asset integrity programs and asset purchases for our metal recycling operations.
- **Maintained our Total Debt[3] to EBITDA covenant ratio[4] of 1.9x** - Adjusted EBITDA and cash generation supported significant share repurchases in the first quarter while maintaining our Total Debt to EBITDA covenant ratio.
- **Liquidity[3] of $363 million** - As at March 31, 2023, the Corporation had drawn $412 million aggregate principal amount on the Revolving Credit Facility and a total of $98 million of letters of credit ("LCs") have been issued against SECURE's credit facilities resulting in $363 million of Liquidity (available capacity under SECURE's credit facilities and cash-on-hand, subject to covenant restrictions).

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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.*

OUTLOOK

The Corporation expects a supportive macro environment will continue to drive higher volumes, activity levels and overall demand for SECURE's infrastructure during the remainder of 2023. Our infrastructure network has significant capacity to help customers with increased volumes requiring processing, disposal, recycling, recovery and terminalling with minimal incremental fixed costs or additional capital. We are also excited to work in partnership with our customers to commission new infrastructure this year, providing SECURE with long-term take or pay volumes, and providing our customers with cost-effective, reliable solutions for growing volumes, allowing them to free up resources to focus on their own corporate initiatives.

While the Federal Court of Appeal decision in the Competition Act matter is not anticipated until the fourth quarter of 2023, the partial stay received with respect to the divestiture order allows SECURE to operate status quo until the appeal is complete. We remain steadfast that the Tervita merger has achieved significant efficiencies by optimizing existing infrastructure assets and operations, and believe SECURE has strong grounds for appeal. However, if required the Corporation will be prepared to conduct a process to maximize sales proceeds from required divestitures which we can then use to strengthen the business through the repayment of debt, growth and additional shareholder returns.

2023 Expectations

- Growth capital expenditures of approximately $100 million. This has increased from the previously announced $50 million program supported by a new 12 year commercial agreement with an existing anchor tenant. The majority of 2023 growth capital relates to the following projects:
    - Clearwater oil pipeline and terminalling infrastructure – Q3 2023 target completion
    - Montney water pipeline and disposal infrastructure – Q4 2023 target completion
- Sustaining capital expenditures of approximately $60 million and $25 million of capital related to landfill expansions. The landfill expansions are in anticipation of increased abandonment spend obligations driven from government regulations.
- Asset retirement obligation expenditures of approximately $20 million.
- Annualized base dividend of $0.40 per share, which equates to a total of approximately $120 million for the year based on current issued and outstanding shares.
- Continued opportunistic share repurchases, balanced with other capital allocation opportunities.
- Exit the year with principal balance debt of $850 million to $950 million, resulting in a Total Debt to EBITDA[3] covenant ratio of less than 2x.
- Continued strong margins as we focus on optimizing the business, targeting additional operating efficiencies and continually improving operating cash flow.

[3] *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.*

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. 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 Financial Ratios), Segment Profit Margin (Total of Segment Measure), Working Capital, Total Debt and Liquidity (Capital Management Measures), and certain supplemental financial measures as discussed in this section. 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 given the irregular nature and relevance to comparable operations. 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 months ended March 31, 2023 and 2022. 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.sedar.com and each such reconciliation is incorporated by reference herein.

	Three months ended March 31,		
	2023	**2022**	**% Change**
Net income	**55**	38	45
Adjustments:			
Depreciation, depletion and amortization [1]	**54**	56	(4)
Current tax expense	**3**	—	100
Deferred tax expense	**15**	9	67
Share-based compensation [1]	**9**	5	80
Interest, accretion and finance costs	**23**	25	(8)
Unrealized gain on mark to market transactions [2]	**(3)**	(2)	50
Other income	**(8)**	(14)	(43)
Transaction and related costs	**3**	9	(67)
Adjusted EBITDA	**151**	126	20

[1] Included in cost of sales and/or general and administrative expenses on the Consolidated Statements of Comprehensive Income.

[2] Net balance. Includes amounts presented in revenue and cost of sales on the Consolidated Statements of Comprehensive Income.

The Corporation incurred Transaction related costs of $3 million for the three months ended March 31, 2023 consisting of $1 million related to legal and advisory fees for the competition review process, and $2 million of integration costs. The integration costs primarily related to the implementation of a new enterprise resource planning system. For the three months ended March 31, 2022, transaction and related costs amounted to $9 million.

The Corporation also adjusted for other income in the three months ended March 31, 2023 resulting mainly from the sale of a water pumping business unit and a rail terminal.

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, and lease payments. 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 months ended March 31, 2023 and 2022, net income has been adjusted for transaction and related costs 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.

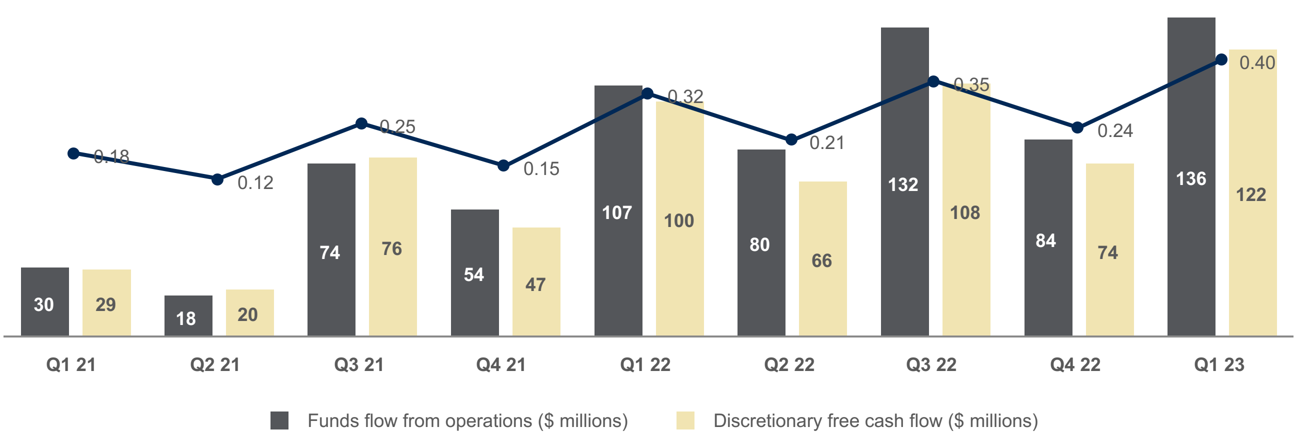
Discretionary free cash flow and discretionary free cash flow per share are used by investors and management to assess the level of cash flow generated from ongoing operations. Management uses the discretionary free cash flow and discretionary free cash flow per share measures to evaluate the adequacy 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 March 31,		
	2023	**2022**	**% Change**
Funds flow from operations	**136**	107	27
Adjustments:			
Sustaining capital [(1)]	**(10)**	(10)	—
Lease liability principal payment	**(7)**	(6)	17
Transaction and related costs	**3**	9	(67)
Discretionary free cash flow	**122**	100	22

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

Funds Flow from Operations, Discretionary Free Cash Flow and Discretionary Free Cash Flow per share



Total Segment Profit Margin

Segment profit margin is calculated as the difference between revenue and cost of sales, excluding depreciation, depletion, amortization, impairment, and share-based compensation expenses. 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 March 31,		
	2023	**2022**	**% Change**
Gross margin	**127**	101	26
Add:			
Depreciation, depletion and amortization [(1)]	**53**	53	—
Segment profit margin	**180**	154	17

[(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, Total Debt and Liquidity. Working Capital is calculated as the difference between current assets less accounts payable and accrued liabilities and interest payable. Liquidity is calculated as the total of cash and the available borrowing amount under the Corporation's $800 million Revolving Credit Facility and SECURE's $50 million unsecured letter of credit facility guaranteed by Export Development Canada (the "LC Facility"). Total Debt is calculated as the total of amounts drawn on the Corporation's Revolving Credit Facility, the principal amount outstanding on the 2025 senior secured notes, the principal outstanding on the 2026 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 5, 6 and 12 of the Interim Financial Statements for additional information.

Supplemental financial measures

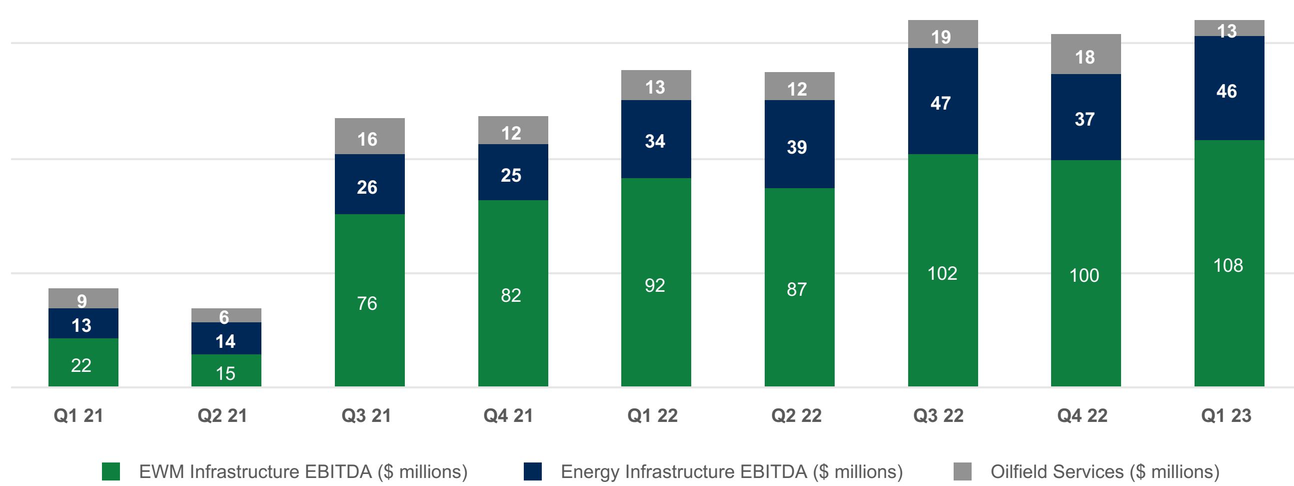
This MD&A includes funds flow from operations per basic and diluted share as a supplemental financial measure and is calculated as funds flow from operations, as determined in accordance with IFRS, divided by basic and diluted weighted average common shares.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED MARCH 31, 2023

In order to discuss the factors that have caused period to period variations in operating activities, the Corporation has divided the business into four reportable segments, as outlined in the '*Corporate Overview*' above, and presented in Note 14 of the March 31, 2023 Interim Financial Statements.

Total G&A expenses by segment excludes corporate 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.

The tables below outline the results by reportable segment for the three months ended March 31, 2023 and 2022:

Three months ended March 31, 2023	EWM Infrastructure	Energy Infrastructure	Oilfield Services	Corporate	Total
Revenue excluding oil purchase and resale	256	52	108	—	416
Oil purchase and resale	—	1,491	—	—	1,491
Total revenue	**256**	**1,543**	**108**	**—**	**1,907**
Cost of sales excluding items listed separately below	(143)	(1,496)	(88)	—	(1,727)
Segment profit margin	**113**	**47**	**20**	**—**	**180**
G&A expenses excluding items listed separately below	(5)	(1)	(7)	(13)	(26)
Depreciation, depletion and amortization [(1)]	(44)	(5)	(5)	—	(54)
Share-based compensation [(1)]	—	—	—	(9)	(9)
Interest, accretion and finance costs	(3)	—	—	(20)	(23)
Transaction and related costs	—	—	—	(3)	(3)
Other income	3	—	5	—	8
Income (loss) before tax	**64**	**41**	**13**	**(45)**	**73**

Three months ended March 31, 2022	EWM Infrastructure	Energy Infrastructure	Oilfield Services	Corporate	Total
Revenue excluding oil purchase and resale	229	40	90	—	359
Oil purchase and resale	—	1,391	—	—	1,391
Total revenue	**229**	**1,431**	**90**	**—**	**1,750**
Cost of sales excluding items listed separately below	(128)	(1,395)	(73)	—	(1,596)
Segment profit margin	**101**	**36**	**17**	**—**	**154**
G&A expenses excluding items listed separately below	(9)	(2)	(4)	(11)	(26)
Depreciation, depletion and amortization [(1)]	(46)	(5)	(4)	(1)	(56)
Share-based compensation [(1)]	—	—	—	(5)	(5)
Interest, accretion and finance costs	(3)	—	—	(22)	(25)
Transaction and related costs	—	—	—	(9)	(9)
Other (expense) income	(1)	—	4	11	14
Income (loss) before tax	**42**	**29**	**13**	**(37)**	**47**

[(1)] Depreciation, depletion and amortization, and share-based compensation 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 or individual to which the charge relates.

EWM INFRASTRUCTURE SEGMENT

The EWM Infrastructure operating segment includes a network of waste processing facilities, produced water pipelines, industrial landfills, waste transfer and metal recycling facilities. 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 and metal recycling.

The table below outlines the operational and financial results for the segment for the three months ended March 31, 2023 and 2022.

	Three months ended March 31,		
	2023	**2022**	**% Change**
Volumes			
Produced water (in 000's m^3)	**2,032**	1,863	9
Waste processing (in 000's m^3)	**960**	935	3
Oil recovery (in 000's m^3)	**61**	66	(8)
Industrial landfill (m^3)	**739**	750	(1)
EWM Infrastructure Revenue	**256**	229	12
Cost of Sales			
Cost of sales excluding items noted below	**143**	128	12
Depreciation, depletion and amortization	**43**	45	(4)
EWM Infrastructure Cost of Sales	**186**	173	8
G&A expense (including depreciation not in cost of sales)	**6**	10	(40)
Segment income before tax	**64**	42	52

Volumes

For three months ended March 31, 2023, solid industry fundamentals including recurring waste and transfer volumes, commodity pricing and field activity led to strong production levels driving produced water volumes higher by 9% and waste processing volumes up by 3%. Recovered oil volumes decreased 8%, and landfill volumes decreased marginally by 1% but had less of an impact than the increase in produced water and waste processing volumes to the segment's overall results.

Financial Results

For the three months ended March 31, 2023, compared to the three months ended March 31, 2022:

Revenue increased 12% with higher revenues from waste processing facilities and produced water pipelines, industrial landfills and waste management services. Revenues increased driven by higher volumes and pricing increases in the third quarter of 2022 to keep pace with inflationary costs.

Cost of sales increased 12% and is consistent with the increase in revenue, industry activity and inflationary pressures.

Operational depreciation and amortization decreased 4% due to adjustments associated with the change in asset retirement obligations in the second quarter of 2022 which decreased the net asset value.

G&A expense decreased by $4 million or 40% primarily due to realizing the full synergies related to the Transaction. In addition, wages for individuals working on IT projects including the implementation of a new enterprise resource planning system were capitalized or recorded within Transaction and related costs.

The segment's income before tax increased by 52% to $64 million, driven by higher revenues while effectively managing costs.

ENERGY INFRASTRUCTURE SEGMENT

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

Energy Infrastructure

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 enhance the service offering associated with SECURE's business of terminalling and marketing. By offering this service, SECURE's customers gain efficiencies in transportation 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 increase profitability.

The tables below outlines average benchmark prices, operational and financial results for the three months ended March 31, 2023 and 2022.

	Three months ended March 31,		
	2023	**2022**	**% Change**
Average Benchmark Prices and Volumes			
WTI (US$/bbl)	**$ 76.13**	$ 94.29	(19)
WCS average differential (US$/bbl)	**$ 20.98**	$ 14.52	44
Exchange rate CAD/USD	**0.74**	0.79	(6)
Canadian Light Sweet ($/bbl)	**$ 99.73**	$ 117.66	(15)
Crude oil terminalling and pipeline volumes (in 000's m^3)	**1,337**	1,235	8
Revenue (excluding oil purchase and resale)	**52**	40	30
Oil purchase and resale	**1,491**	1,391	7
Energy Infrastructure Revenue	**1,543**	1,431	8
Cost of Sales			
Cost of sales excluding items noted below	**5**	4	25
Depreciation and amortization	**5**	5	—
Oil purchase and resale	**1,491**	1,391	7
Energy Infrastructure Cost of Sales	**1,501**	1,400	7
G&A expense	**1**	2	(50)
Segment income before tax	**41**	29	41

Volumes

Crude oil terminalling and pipeline volumes for the three months ended March 31, 2023 increased by 8% from the 2022 comparative period driven by commercial agreements and recurring crude oil volumes from the Corporation's oil gathering pipelines.

Financial Results

For the three months ended March 31, 2023, compared to the three months ended March 31, 2022:

Revenue (excluding oil purchase and resale) increased $12 million or 30% due to higher volumes for crude oil terminalling and pipeline volumes. Strong commodity pricing along with changing oil quality differentials increased opportunities for blend and price optimization at the Corporation's terminals, resulting in higher revenues generated from blending optimization. Oil purchase and resale revenue increased 7% to $1.5 billion, in line with volume increases.

Cost of sales, excluding depreciation, amortization and oil purchase and resale, increased by $1 million or 25%, lower than rate of increase in revenue due to the full synergy benefits of the Transaction.

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 months ended March 31, 2023, operational depreciation and amortization was consistent with the 2022 comparative period.

G&A expense of $1 million remained relatively consistent.

The segment's income before tax of $41 million was $12 million higher mainly due to higher revenues while maintaining costs.

OILFIELD SERVICES SEGMENT

Oilfield Services includes drilling fluid management, and project management services. Drilling fluid management include products, equipment and services to enhance drilling performance. Project management services provide equipment contracting services supporting the energy, mining, forestry, rail, pipeline, government and civil industries across Canada.

	Three months ended March 31,		
	2023	**2022**	**% Change**
Industry Rig Count (Western Canada)	**224**	202	11
Oilfield Services Revenue	**108**	90	20
Cost of Sales			
Cost of sales excluding items noted below	**88**	73	21
Depreciation and amortization	**5**	4	25
Oilfield Services Cost of Sales	**93**	77	21
G&A expense	**7**	4	75
Segment income before tax	**13**	13	—

Financial Results

For the three months ended March 31, 2023 compared to the three months ended March 31, 2022:

Revenue increased 20% to $108 million primarily due to higher drilling and completions activity driven by a higher industry rig count.

Cost of sales excluding depletion and depreciation increased 21%, consistent with the increase in revenues and higher drilling fluid activity, combined with an inflationary price increase particularly in the projects business line.

G&A expenses, excluding depreciation and amortization, of $7 million increased by $3 million primarily due to an increase in allowance for expected credit losses, higher legal fees and inflationary impacts on costs.

Segment income before tax remained consistent at $13 million as revenue increases were offset by increases in cost of sales and general and administrative expenses.

CORPORATE INCOME AND EXPENSES

	Three months ended March 31,		
	2023	2022	% Change
G&A expenses excluding items noted below	13	11	18
Depreciation and amortization	—	1	(100)
Share-based compensation expense	9	5	80
Total Corporate G&A expenses	22	17	29
Interest and finance costs	20	22	(9)
Transaction and related costs	3	9	(67)
Other income	—	(11)	(100)
Income taxes	18	9	100

Included in Corporate G&A expenses are all public company costs, salaries, and office costs relating to corporate employees and officers, any support services that are shared across all operational business segments, and share-based compensation for all employees.

For the three months ended March 31, 2023 compared to the three months ended March 31, 2022:

Corporate G&A expenses excluding depreciation and amortization and share-based compensation expense of $13 million increased by $2 million primarily due to inflationary impact on costs and credits received in prior year.

Share-based compensation included in G&A expenses of $9 million increased by $4 million as a result of additional performance share units issued under the Corporation's unit incentive plan ("UIP") for the performance factor multiple and the settlement of the vested units in cash. Under the UIP, upon vesting units are settled in equity or cash at the discretion of the Corporation, in the amount equal to the five day weighed average price prior to the vesting date. During the current period, to align with the Corporation's strategy of repurchasing and cancelling shares under the NCIB, the Corporation settled vested units in cash.

Transaction and related costs recorded to the Corporate segment were $3 million consisting of $1 million related to legal and advisory fees for the competition review process and appeal of the Tribunal decision, and $2 million of integration costs. The integration costs primarily related to the implementation of a new enterprise resource planning system. For the three months ended March 31, 2022, transaction and related costs amounted to $9 million.

Interest and finance costs decreased by $2 million to $20 million. During 2022, SECURE repurchased US$138 million aggregate principal amount of 2025 senior secured notes reducing the outstanding principal amount on the 2025 senior secured notes resulting in a lower interest expense. This was partially offset by an increase in the interest expense in the Revolving Credit Facility due to higher benchmark interest rates and an increase in the amount drawn.

Other income for the three months ended March 31, 2022 is primarily due to a gain from the sale of unused land. In addition, realized and unrealized foreign exchange gains and losses and realized and unrealized gains or losses related to the cross currency swaps to hedge foreign exchange exposure on U.S. dollar denominated debt are included.

Income taxes increased by 100% to $18 million due to higher income before tax.

SUMMARY OF QUARTERLY RESULTS

Seasonality

In Canada, the level of activity in the energy industry 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 the heavy equipment required for production, drilling and well servicing activities, and the level of activity of the Corporation's customers may, consequently, be reduced. In addition, the transportation of heavy waste loads is restricted, resulting in smaller loads and a general reduction in the volume of waste delivered to SECURE's facilities. Accordingly, while the Corporation's facilities are open and accessible year-round, spring break-up reduces the Corporation's EWM Infrastructure and Oilfield Services activity levels. In the areas in which the Corporation operates, the second quarter has generally been the slowest quarter as a result of spring break-up. These seasonal trends typically lead to quarterly fluctuations in operating results and working capital requirements, which should be considered in any quarter over quarter analysis of performance.

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

	2023	2022				2021		
($ millions except share and per share data)	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Revenue (excluding oil purchase and resale)	**416**	401	419	355	359	327	317	117
Oil purchase and resale	**1,491**	1,624	1,730	1,723	1,391	1,013	936	395
Total revenue	**1,907**	2,025	2,149	2,078	1,750	1,340	1,253	512
Net income (loss) attributable to shareholders of SECURE [1]	**55**	32	60	54	38	(166)	(22)	(13)
Per share - basic and diluted	**0.18**	0.10	0.19	0.17	0.12	(0.54)	(0.07)	(0.08)
Adjusted EBITDA [2]	**151**	150	154	127	126	111	105	31

[1] Represents total net income (loss) income attributable to shareholders of SECURE.

[2] 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 and acquisitions, variations in quarterly results are attributable to several other factors as well.

During the third quarter of 2021, the Corporation closed the Transaction which significantly impacted the results in the second half of 2021 as SECURE increased its EWM Infrastructure footprint and increased its Energy Infrastructure volumes.

During the fourth quarter of 2021, the Corporation recorded a non-cash impairment charge of $247 million attributable to the suspension or closure of facilities in order to achieve the integration cost savings related to the Transaction and assets assigned value in the purchase price allocation of the Transaction that do not have continuing value to SECURE.

Since the close of the Transaction, the Corporation has executed on realizing the integration cost savings identified at the time of the Transaction and along with the continued improvement in oil prices and corresponding increase in industry activity, has seen positive impacts on the quarter over prior year quarter results.

During the three months ended March 31, 2023, the Corporation realigned its reporting structure to reflect changes in the aggregation of operating segments based on the economic prospects of these operating segments. The results of the Corporation are now being reported in the following three operating segments EWM Infrastructure, Energy Infrastructure and Oilfield Services. Comparative information has been recast to conform to the current segmented reporting information. No changes were implemented with respect to the consolidated data as a result of the recast. The following tables outline the quarterly results for each of these reportable segments by quarter for 2021 and 2022.

EWM Infrastructure

	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	**63**	**57**	**196**	**206**	**229**	**228**	**253**	**243**
Cost of sales excluding items listed separately below	(38)	(38)	(110)	(116)	(128)	(131)	(143)	(140)
Segment Profit Margin	**25**	**19**	**86**	**90**	**101**	**97**	**110**	**103**
G&A expenses excluding items listed separately below	(3)	(4)	(10)	(8)	(9)	(10)	(8)	(3)
Depreciation, depletion and amortization	(20)	(22)	(47)	(38)	(46)	(10)	(39)	(38)
Interest, accretion and finance costs	(1)	(1)	(2)	(6)	(3)	(2)	(3)	(2)
Impairment	—	—	(21)	(212)	—	—	—	—
Other (expense) income	—	(2)	—	—	(1)	—	14	—
Income (loss) before tax	**1**	**(10)**	**6**	**(174)**	**42**	**75**	**74**	**60**

Energy Infrastructure

	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue excluding oil purchase and resale service	16	17	29	32	40	45	56	45
Oil purchase and resale service	529	395	936	1,013	1,391	1,723	1,730	1,624
Total revenue	**545**	**412**	**965**	**1,045**	**1,431**	**1,768**	**1,786**	**1,669**
Cost of sales excluding items listed separately below	(530)	(396)	(937)	(1,017)	(1,395)	(1,727)	(1,736)	(1,629)
Segment Profit Margin	**15**	**16**	**28**	**28**	**36**	**41**	**50**	**40**
G&A expenses excluding items listed separately below	(2)	(2)	(2)	(3)	(2)	(2)	(3)	(3)
Depreciation and amortization	(4)	(4)	(5)	(5)	(5)	(5)	(5)	(5)
Interest, accretion and finance costs	—	—	—	—	—	—	(1)	—
Impairment	—	—	—	(21)	—	—	—	—
Income (loss) before tax	**9**	**10**	**21**	**(1)**	**29**	**34**	**41**	**32**

Oilfield Services

	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	**53**	**43**	**92**	**89**	**90**	**82**	**110**	**113**
Cost of sales excluding items listed separately below	(41)	(34)	(72)	(73)	(73)	(65)	(85)	(90)
Segment Profit Margin	**12**	**9**	**20**	**16**	**17**	**17**	**25**	**23**
G&A expenses excluding items listed separately below	(3)	(3)	(4)	(4)	(4)	(5)	(6)	(5)
Depreciation and amortization	(4)	(3)	(7)	(6)	(4)	(5)	(5)	(5)
Interest, accretion and finance costs	—	—	—	—	—	—	(1)	(1)
Impairment	—	—	—	(10)	—	—	—	—
Other (expense) income	—	—	—	(2)	4	—	—	—
Income (loss) before tax	**5**	**3**	**9**	**(6)**	**13**	**7**	**13**	**12**

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 and interest payable), total amounts drawn on debt borrowings (Revolving Credit Facility, 2025 senior secured notes and 2026 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 on a monthly basis, and capital spending to approved 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 March 31, 2023 consisted of:

- The Revolving Credit Facility, an $800 million three-year revolving credit facility with nine financial institutions, maturing in July 2025. Total amount drawn at the end of the period was $412 million. LCs issued against the Revolving Credit Facility in the amount of approximately $71 million reduce the amount available to be drawn under the Revolving Credit Facility.
- The SECURE LC Facility, a $50 million unsecured letter of credit facility guaranteed by Export Development Canada. At March 31, 2023, SECURE issued LCs in the amount of approximately $27 million against the SECURE LC Facility.
- The 2025 senior secured notes, consisting of US$162 million aggregate principal amount of 11% senior second lien secured notes due December 1, 2025. These are subordinate to the Revolving Credit Facility and are secured by substantially all tangible and intangible assets owned by the Corporation.
- The 2026 unsecured notes, consisting of $340 million aggregate principal amount of 7.25% unsecured notes due December 30, 2026.

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 0.625% to 2.50% or the bankers' acceptance rate or SOFR rate plus 1.625% to 3.50%, depending, in each case, on the ratio of Total Debt to EBITDA as defined in the Revolving Credit Facility.

The interest payments on the 2025 senior secured notes and 2026 unsecured notes occur in June and December during the term of the debt. This will typically result in lower discretionary free cash flow generated in the second and fourth quarter.

The Corporation's credit ratings issued by S&P Global Ratings ("S&P"), Fitch Ratings ("Fitch") and Moody's Investor Service, Inc. ("Moody's"), providing increased transparency and comparability for debt investors and other capital market participants, and except for an S&P increase to the 2026 unsecured notes to B+, remained unchanged as at March 31, 2023 as follows:

	S&P	Fitch	Moody's
Corporate Rating	B	B+	B1
2025 senior secured notes	BB-	BB	B1
2026 unsecured notes	B+	B+	B3

Revolving Credit Facility Covenants

At March 31, 2023, 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 March 31, 2023, and December 31, 2022:

	Covenant	March 31, 2023	December 31, 2022	% Change
Senior Debt to EBITDA	not to exceed 2.75	**0.9**	0.9	—
Total Debt to EBITDA	not to exceed 4.5	**1.9**	1.9	—
Interest coverage	not to be less than 2.5	**6.0**	5.8	3

Issued capital

Issued capital of $1.6 billion at March 31, 2023 decreased from $1.7 December 31, 2022, with common shares repurchased and cancelled under the NCIB.

On December 14, 2022, the Corporation commenced the NCIB, under which the Corporation may purchase for cancellation up to a maximum of 22,055,749 common shares of the Corporation representing approximately 7.1% of the Corporation's outstanding shares as at December 7, 2022, or 10% of the Corporation's public float. The NCIB will terminate on December 13, 2023 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. For the three months ended March 31, 2023, the Corporation purchased 9,595,200 common shares at a weighted average price per share of $7.24 for a total of $69 million under the terms of the NCIB. Subsequent to March 31, 2023, the Corporation has purchased 3,983,500 additional shares at a weighted average price per share of $6.60 for a total of $26 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 is impacted by oil and gas prices, which can be susceptible to volatility at times, and their impacts on drilling and completion activity. SECURE's EWM Infrastructure and Energy Infrastructure reportable segments are highly concentrated on production volumes which are considered recurring. 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.

Throughout 2021, the Corporation declared a quarterly dividend of $0.0075 (0.75 cents) per common share. Starting on December 15, 2022, SECURE declared an increase of the quarterly dividend to $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.

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'* section of the Corporation's AIF.

As at March 31, 2023, the Corporation had $363 million in Liquidity consisting of $23 million in cash and $340 million in available borrowing capacity on its Revolving Credit Facility and SECURE LC Facility, subject to covenant restrictions. Refer to Note 22 of the Annual Financial Statements for further disclosure of the Corporation's liquidity risk and Note 13 of the Interim Financial Statements for details of the Corporation's contractual obligations and contingencies at March 31, 2023.

The following provides a summary and comparison of the Corporation's operating, investing and financing cash flows for the three months ended March 31, 2023 and 2022.

Net Cash Flows from Operating Activities

	Three months ended March 31,		
	2023	**2022**	**% Change**
Net cash flows from operating activities	**97**	100	(3)

The Corporation generated net cash flows from operating activities of $97 million for the three months ended March 31, 2023, a decrease of $3 million from the prior year comparative periods, resulting from a larger change in non-cash working capital in the current year period as accounts payables were reduced.

Investing Activities

	Three months ended March 31,		
	2023	**2022**	**% Change**
Capital expenditures (1)			
Growth capital expenditures	**36**	3	1,100
Sustaining capital expenditures	**10**	10	—
Total capital expenditures	**46**	13	254

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

The Corporation's total capital expenditures increased by $33 million for the three months ended March 31, 2023, from the 2022 comparative period. Growth capital of $36 million primarily related to the Clearwater oil pipeline and terminalling infrastructure and the Montney water disposal pipeline and related infrastructure.

Sustaining capital of $10 million was consistent from the prior year and included landfill expansions, well maintenance and asset integrity programs for processing facilities, and asset purchases for our metal recycling and waste management operations.

Financing Activities

	Three months ended March 31,		
	2023	**2022**	**% Change**
Draw (repayment) of credit facilities	**60**	(90)	(167)
Lease liability principal payments and other	**(8)**	(6)	33
Dividends declared	**(30)**	(2)	1,400
Repurchase and cancellation under NCIB	**(69)**	—	100
Settlement of share units	**(14)**	—	100
Net cash flows used in financing activities	**(61)**	(98)	(38)

The Corporation declared dividends to holders of common shares for the three months ended March 31, 2023 of $30 million (March 31, 2022: $2 million). On March 15, 2023, the Corporation declared a dividend in the amount of $0.10 per common share. Subsequent to March 31, 2023, the Corporation paid out this dividend to holders of common shares on record on April 1, 2023.

For the three months ended March 31, 2023, the Corporation purchased 9,595,200 common shares at a weighted average price per share of $7.24 for a total of $69 million under the terms of the NCIB. Subsequent to March 31, 2023, the Corporation has purchased 3,983,500 additional shares at a weighted average price per share of $6.60 for a total of $26 million.

The repurchase of common shared under the NCIB was funded through discretionary cash flows and a draw on the credit facility of $60 million.

CONTRACTUAL OBLIGATIONS

Refer to Note 13 of the Interim Financial Statements for disclosure related to contractual obligations.

BUSINESS RISKS

A discussion of SECURE's business risks is set out in the AIF under the heading *'Risk Factors',* which is incorporated by reference herein, including risks related to the Transaction and the business acquired in connection therewith. This section does not describe all risks applicable to the Corporation, its industry or its business, and is intended only as a summary of certain material risks of significance to this MD&A. If any of the risks or uncertainties set out in the AIF or this MD&A actually occur, the Corporation's business, financial condition, operating results or share price could be harmed substantially and could differ materially from the plans and other forward-looking statements discussed in this MD&A.

Inflation

The Corporation has experienced inflationary pressures, if such pressures continue or our development, operation or labour costs become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through corresponding increases in the costs of our products and services to our customers. Our inability or failure to do so could harm our business, financial condition and results of operations. Further, there can be no assurance that any governmental action to mitigate inflationary cycles will be taken or be effective. Central banks have increased interest rates in response to inflation, and additional rate increases are expected. Governmental action, such as the imposition of higher interest rates or wage controls, may also negatively impact SECURE's costs and may magnify the risks identified in SECURE's AIF. Continued inflation, any governmental response thereto, or SECURE's inability to offset inflationary effects may have a material adverse effect on our business, results of operations, financial condition or value of our common shares.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global energy and financial markets, as well as increased cybersecurity risks. The global economy has been greatly affected by the war between Russia and Ukraine. The ongoing conflict and associated sanctions levied against Russia led to sharp increases in, and supply shortages of, key commodities. Uncertainty regarding the duration and ultimate effects of the war have raised global concerns over the potential for major disruptions in oil and natural gas supply and continuing commodity price volatility. Any additional sanctions or other international action may have a destabilizing effect on commodity prices, supply chains and global economies more broadly. Specifically, as a major exporter of oil and natural gas, any disruption of supply of oil and natural gas from Russia, as a result of sanctions and associated repercussions, operational disruptions, damage to infrastructure or otherwise, may cause a supply shortage globally and significantly impact commodity prices. Volatility in commodity prices may adversely affect our business, financial condition and results of operations. Reductions in commodity prices may affect oil and natural gas activity levels and therefore adversely affect the demand for, or price of, our services. The Russian-Ukrainian conflict has also highlighted the importance of global energy security which may positively or negatively impact demand for and investment in hydrocarbons. At the 2022 United Nations Climate Change Conference ("COP27") the anticipated phasing out or phasing down of oil and gas alongside coal, which was agreed to at the previous summit COP26, did not materialize.

The extent and duration of the war in Ukraine and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified by the Corporation in the AIF, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on SECURE, our stakeholders, and counterparties on which we rely and transact with, may materialize and may have an adverse effect on our business, results of operation and financial condition.

Competition Act Matters in Relation to Tervita Merger

On March 9, 2021 the Corporation announced an arrangement agreement to acquire Tervita. On July 2, 2021, pursuant to a plan of arrangement under the Business Corporations Act (Alberta), SECURE acquired all of the issued and outstanding common shares of Tervita and subsequently Tervita was amalgamated with SECURE.

On June 29, 2021, the Commissioner of Competition filed an application under Section 92 of the Competition Act (the "Section 92 Application") with the Competition Tribunal (the "Tribunal") and served SECURE with a notice of application to block the closing of the Transaction under Section 92 of the Competition Act. That application was unsuccessful and at the hearing of the Section 92 Application, the Commissioner sought the divestiture of 41 facilities.

On March 3, 2023 the Tribunal issued its decision regarding the Section 92 Application. The Tribunal issued an order requiring SECURE to divest 29 facilities all formerly owned by Tervita (the "Facilities"). On March 24, 2023, SECURE filed a Notice of Appeal to the Federal Court of Appeal. On March 31, 2023, SECURE received a partial stay of the Tribunal's order which will remain in place until the appeal is complete.

The Tribunal's order to divest of the Facilities, if not overturned or modified on appeal, could have a material impact on the business, financial condition or results of operations of the Corporation. SECURE would expect to receive sale proceeds relating to such divestitures which could mitigate, in whole or in part, any such impact.

Pandemic Risk

Pandemics, epidemics or other disease outbreaks, such as COVID-19, and its variants, may adversely affect local and global economies, as well as the Corporation's business, operations and financial results. Measures taken in response by governments and health authorities, including travel restrictions, quarantines, business and school closures, and restrictions on public gatherings, may result in the significant slow-down in economic activity and reduce the demand for and price of commodities closely linked to SECURE's business and financial condition. As a result, the Corporation's business, operations and financial condition could be materially adversely affected by a resurgence of COVID-19 or other outbreaks, epidemics or health crises.

While restrictions with respect to COVID-19 have been substantially removed and demand has normalized, governments will continue to closely monitor the spread of COVID-19, its variants, and other infectious illnesses. There can be no certainty regarding the long-term efficacy of vaccines and the effectiveness of government interventions against the spread of COVID-19 or other viruses may lead to the reintroduction of emergency measures to counter any such spread which may have a negative impact on the Corporation's business, commodity prices, supply chain or the broader economy.

The ultimate nature and scope of the long-term effects of the COVID-19 pandemic and its impact on the Corporation and the Corporation's stakeholders including its customers, vendors and employees cannot be predicted at this time and future material adverse effects may materialize. There are no comparable recent events to provide guidance on the spread or subsidence of COVID-19, and the ultimate effect on SECURE's business, operations and financial condition is uncertain. For a full discussion of SECURE's pandemic risk, see '*Risk Factors – Pandemic*' in the AIF.

OUTSTANDING SHARE CAPITAL

As at April 26, 2023, there are 297,368,546 common shares issued and outstanding. In addition, as at April 26, 2023, the Corporation had the following share-based awards outstanding and exercisable or redeemable:

Balance as at April 26, 2023	Issued	Exercisable
Restricted Share Units	2,282,161	—
Performance Share Units	3,552,100	—

OFF-BALANCE SHEET ARRANGEMENTS

At March 31, 2023 and December 31, 2022, the Corporation did not have any material off-balance sheet arrangements.

FINANCIAL AND OTHER INSTRUMENTS

As at March 31, 2023, the Corporation's financial instruments include cash, accounts receivable and accrued receivables, accounts payable and accrued liabilities, interest payable, the Revolving Credit Facility, 2025 senior secured notes, 2026 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, 2025 senior secured notes and the 2026 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 2026 unsecured notes is influenced by changes in risk-free interest rates and the market assessment of credit risk. The fair value of the 2025 senior secured notes is influenced by the same factors as the 2026 unsecured notes as well as foreign currency fluctuation.

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 22 of the Corporation's Annual Financial Statements.

Of the Corporation's financial instruments, cash, accounts receivable and accrued receivables and derivative instruments contain credit risk. The credit risk associated with cash is minimized as all cash 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. 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 Secured Overnight Financing Rate ("SOFR") loans which bear interest at a floating interest rate and the 2025 senior secured notes are U.S. dollar denominated debt. 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 in addition to its exposure to rising foreign exchange rates with respect to its senior secured notes.

ACCOUNTING POLICIES

SECURE's significant 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.

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 each 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 fillings, interim fillings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by SECURE in its annual fillings or other reports filed or submitted under securities legislation is accumulated and communicated to SECURE's management including its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") as appropriate to allow timely decisions regarding required disclosure.

Internal control over financial reporting ("ICFR"), as defined in NI 52-109 means a process designed by, or under the supervisions of SECURE's CEO and CFO, and effected by the 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
- 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 or annual period ended March 31, 2023 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

See 'Business Risks Factors – Competition Act Matters in Relation to Tervita Merger' in this MD&A for further information on the proceedings under the Competition Act relating to the Transaction.

Refer to Note 13 of the Corporation's Interim Financial Statements for disclosure related to legal proceedings and regulatory actions and its impact on contingencies.

RELATED PARTIES

Refer to Note 24 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 priorities for 2023 and beyond and its ability and position to achieve such priorities; a supportive macro environment driving higher volumes, activity levels, SECURE's business and demand for SECURE's products and services for the remainder of 2023; SECURE's infrastructure network capacity; commission new infrastructure and the timing thereof; SECURE's long-term take or pay contracts; SECURE's ability to help their customers; the effects, costs and results of the Tribunal decision and the appeal thereof; the timing of the Federal Court of Appeal's decision; SECURE's ability to operate status quo until the appeal of the Tribunal's decision is complete; SECURE's grounds for appeal; 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; SECURE's expectations for 2023, including growth and sustaining capital expenditures, asset retirement obligations, and shareholder returns; achieving SECURE's principal balance debt target and the timing thereof; focusing on optimizing the business, targeting additional operating efficiencies and improving operating cashflows; 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; SECURE's capital allocation priorities, including share repurchases; SECURE’s ability to optimize its portfolio; SECURE's NCIB; increased industry activity, including related to abandonment, remediation and reclamation and the impacts thereof; SECURE's 2023 capital program; expected capital expenditures and the timing of the completion of projects related thereto; SECURE's ability to repay debt and achieve its near-term debt targets; sustained inflationary pressures and increased 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 slowdowns 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; and maintaining financial resiliency.

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: economic and operating conditions, including commodity prices, crude oil and natural gas storage levels, interest rates, exchange rates, and inflation; 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; the impact of the COVID-19 pandemic (including its variants) and 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; the ability of the Corporation to realize the anticipated benefits of acquisitions or dispositions, including the Transaction; the resolution of SECURE's appeal of the Tribunal's decision on terms acceptable to the Corporation and the impacts of the divestiture of facilities, if any, as a result thereof; SECURE's ability to successfully integrate Tervita's legacy business; anticipated sources of funding being available to SECURE on terms favourable to SECURE; the success of the Corporation’s operations and growth projects; the Corporation’s competitive position, operating, acquisition and sustaining costs remaining substantially unchanged; the Corporation's ability to attract and retain customers (including Tervita's historic customers); 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; the Corporation's ability to repay debt and return capital to shareholders; 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 the COVID-19 pandemic (including its variants), inflation and 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; 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; a failure to realize the benefits of acquisitions, including the Transaction and risks related to the associated business integration; the inaccuracy of pro forma information prepared in connection with acquisitions; risks related to a new business mix and significant shareholder; liabilities and risks, including environmental liabilities and risks inherent in SECURE's operations, including those associated with the Transaction; 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 SECURE's appeal of the Tribunal's decision and 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.

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 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, is available on the SEDAR at www.sedar.com and on the Corporation's 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 and any information on the Corporation's website do not constitute part of this MD&A.