



Investor Update

January 2018



TSX:SDY

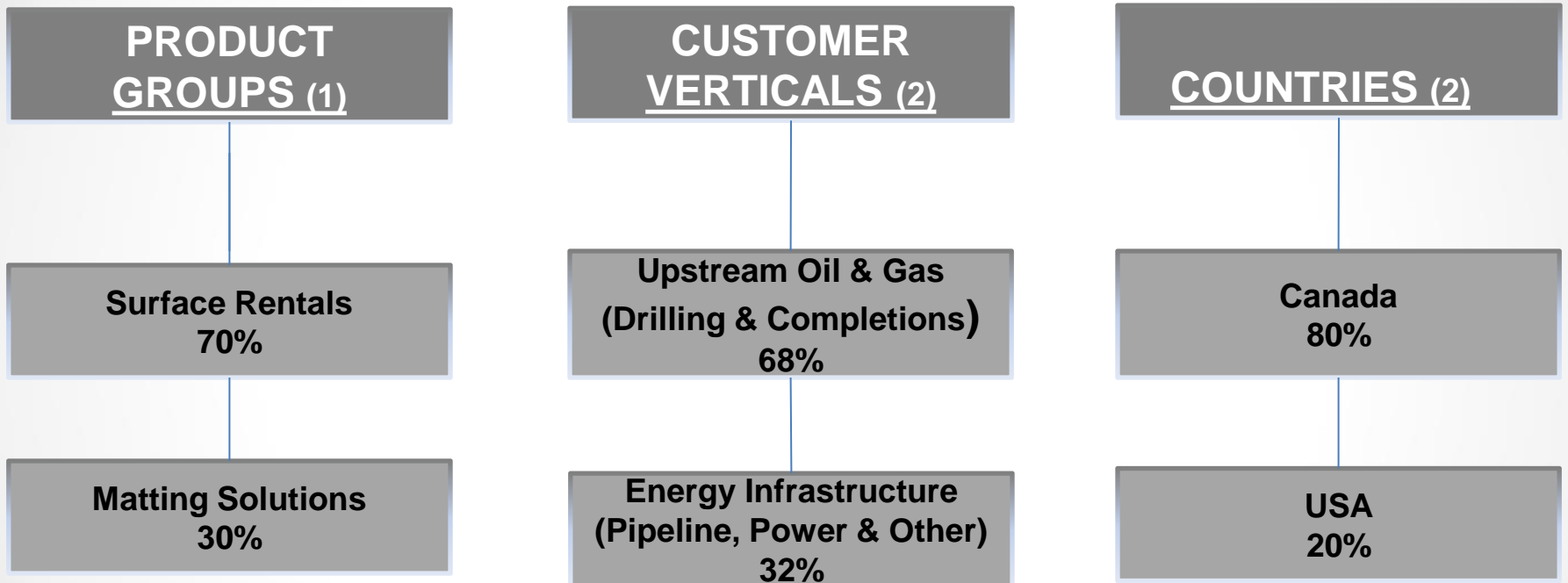


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This presentation contains statements and information that constitute forward-looking statements. These statements relate to future events or to the Company's future financial performance and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements.

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ABOUT STRAD



(1) Percentages based on gross value of rental assets at September 30, 2017

(2) Percentages based on year-to-date revenue at September 30, 2017

ENERGY INFRASTRUCTURE GROWTH

CUSTOMERS

- Large pipeline and power line contractors
- Midstream companies (integrity and maintenance work)

ENERGY INFRASTRUCTURE REVENUE

- \$30.2 MM – 2017 (nine months ending September 30, 2017)
- \$33.9 MM – 2016
- \$27.9 MM – 2015

PROJECTS

- Size and duration varies by project
- Logistics management key to success

Q3 2017 RESULTS

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- Canadian Operations
 - Strong matting demand and pricing
 - Acquisitions (Redneck and Got Mats?) added assets and revenue
 - Energy Infrastructure was 40% of revenue
- U.S. Operations
 - YOY Drilling activity up 89%, 114% and 94% respectively in Bakken, Rockies and Marcellus
 - Higher matting and surface equipment utilization
 - Modest pricing increase

	3Q17	2Q17	1Q17	4Q16	3Q16
(\$MM)					
Revenue					
Total Revenue	34.0	28.5	27.7	27.3	20.3
EBITDA					
CAN Ops	8.5	5.1	4.8	3.4	2.5
US Ops	1.8	0.6	0.2	0.1	(0.3)
Product Sales	0.1	1.0	0.5	2.6	0.3
Corporate	(1.0)	(1.1)	(1.0)	(1.3)	(1.3)
Total EBITDA	9.4	5.6	4.5	4.8	1.2
EBITDA Margin %					
CAN Ops	36%	26%	23%	20%	18%
US Ops	10%	10%	4%	3%	-11%
Product Sales	33%	33%	31%	47%	9%
Total EBITDA Margin %	28%	20%	16%	18%	6%

Q4 2017 AND 2018 OUTLOOK

Canada

- Upstream Oil and Gas Segment:
 - Expect surface equipment utilization to remain steady through Q4 and increase in Q1 2018 to meet or exceed average Q1 2017 levels
- Energy Infrastructure Segment:
 - Matting demand expected to follow historical trend of declining in Q4 prior to increasing mid to late Q1 2018

USA

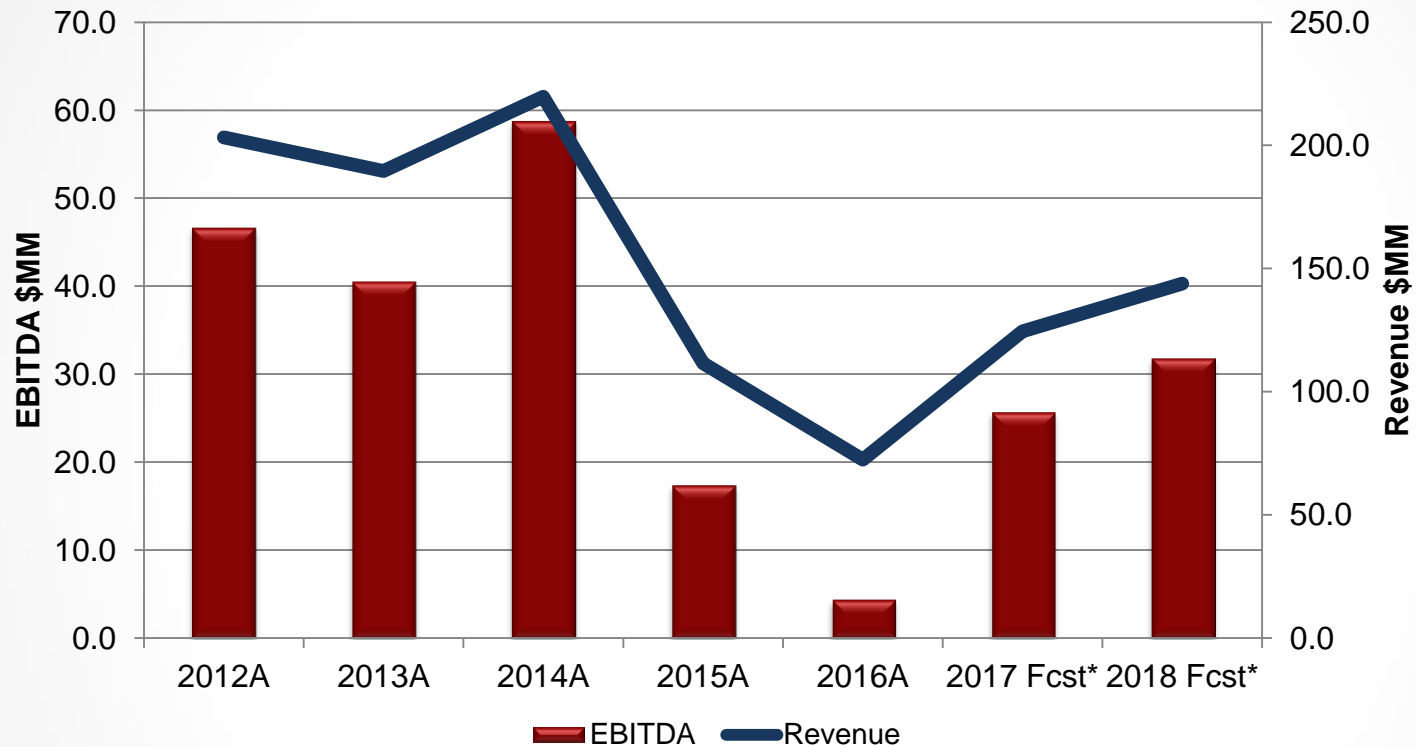
- Upstream Oil and Gas Segment:
 - Expect steady improvement in results as surface equipment pricing and utilization increases, combined with a low cost structure, take effect
- Energy Infrastructure Segment:
 - Continued focus on building this customer segment

2018 CAPITAL BUDGET

Capital Budget

- Total capital budget of \$8.0MM, maintenance focused
 - \$5.0MM for replacement matting
 - \$1.5MM in information technology upgrades
 - \$1.5MM of other maintenance capital
- Strong balance sheet allows flexibility to expand capital program
- EBITDA generates significant free cash flow

REVENUE & EBITDA



EBITDA Margin	2012A	2013A	2014A	2015A	2016A	2017 Fcst*	2018 Fcst*
	23%	21%	27%	16%	6%	21%	22%

*Average Analyst Estimates 2017 & 2018

TOTAL DEBT

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	<u>Mar. 31, 2017</u>	<u>Jun. 30, 2017</u>	<u>Sep. 30, 2017</u>
Total debt	\$19.3 MM	\$21.1 MM	\$23.3 MM

BALANCE SHEET AT SEPTEMBER 30, 2017



STRATEGIC PRIORITIES

MAINTAIN STRONG BALANCE SHEET

- ✓ Target leverage of 1.0 to 1.5X
- ✓ Permanent reduction of SG&A and indirect annual costs
- ✓ Significant free cash flow generation



ENERGY INFRASTRUCTURE

- ✓ Energy Infrastructure accounts for 34% of company revenue for the nine months ended September 30, 2017
- ✓ Continue to maintain and grow this customer base



SIZE & SCALE

- ✓ Look to deploy capital for acquisitions and growth capex in high return product lines



THANK YOU

