Vertex Resource Group Ltd.

Management's Discussion and Analysis

For the three months ended March 31, 2022 and 2021

The following Management's Discussion and Analysis ("MD&A") is dated May 11, 2022, and is a discussion of the consolidated financial position and results of Vertex Resource Group Ltd. ("Vertex" or the "Company") for the three months ended March 31, 2022 and 2021, and should be read together with Vertex's unaudited condensed consolidated interim financial statements and accompanying notes (the "Interim Financial Statements") for the three months ended March 31, 2021, the annual audited consolidated financial statements and accompanying notes (the "Annual Financial Statements") for the year ended December 31, 2021 and the Company's Annual Information Form ("AIF") for the same year filed on the Company's SEDAR profile at www.sedar.com. All dollar amounts contained in tables in this MD&A are in thousands of Canadian dollars, except per share amounts or unless otherwise stated.

This MD&A and the Interim Financial Statements and comparative information have been 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 contains forward looking information and reference should be made to Section 7.0 Forward-Looking Information.

1.0 Executive Overview

Vertex is a TSX Venture Exchange publicly traded environmental services company providing industry leading solutions to a diverse range of clients across Canada and within select regions of the United States. Vertex helps its clients achieve their developmental and operational goals through a versatile suite of integrated services. From initial site selection, consultation, and regulatory approval, through the construction, operation and maintenance phases, to conclusion and environmental cleanup, Vertex offers services throughout the life cycle of its clients' projects. The Company services a wide array of high-quality customers operating in numerous industries, and Vertex trades under the symbol "VTX".

The Company provides services in Canada where the level of operating activity is influenced by seasonal weather patterns. Certain project sites are located in remote areas that are inaccessible other than during the winter months as the ground surrounding the project sites makes the area inaccessible during warmer seasons. Seasonal factors and unexpected weather patterns may lead to declines in the demand for the services of the Company. Wet weather and the spring thaw can make the ground unstable; consequently, municipalities and provincial transportation authorities enforce road bans that restrict movement of vehicles and other heavy equipment, thereby reducing activity levels.

The Company has two reportable segments:

Environmental Consulting

Through Vertex's Environmental Consulting segment, the Company provides a variety of services related to assisting its clients to meet internal environmental standards, environmental legislation, and related environmental compliance requirements. These services span multiple industries including energy, mining, utilities, forestry, private development, public infrastructure, telecommunications, and government. More specifically, these services include advisory services related to new capital expenditure and asset development, environmental consulting and monitoring on existing assets, emission management solutions, sub-surface engineering, facility engineering, asset retirement and land reclamation services.

Environmental Services

Through Vertex's Environmental Services segment, the Company provides a variety of services related to transportation, removal, storage, disposal of materials, and maintenance of facilities in an environmentally safe manner. Services include fluid management and logistics, waste and recycling, industrial cleaning and maintenance, hydro-excavating, and site services for various industries including energy, telecommunications, public sector, utilities, mining, and agriculture.

2.0 First Quarter Operational and Financial Highlights

The first quarter of 2022 was a robust quarter, characterized by high commodity prices and improved demand for services. The worldwide economy finally emerged from the restraints of Covid only to replace health related concerns to with concerns related to Russia's invasion of the Ukraine and the potential geopolitical and economic impacts in both the short and long term.

Vertex's diversification efforts with continued expansion in the utilities, telecommunications and government sectors have helped to grow revenue. The Company is maintaining its focus on cost containment, operating efficiencies, geographic diversification, and sector diversification.

First quarter highlights:

Highest Q1 revenue in Vertex's public company history.

The Company generated $45.4 million in revenues compared to $32.9 million in Q1 2021, while gross margin increased to $10.5 million compared to $8.0 million in Q1 2021.

Adjusted EBITDA during the first quarter amounted to $5.7 million compared to $4.7 million in Q1 2021.

During the quarter, Vertex issued a $15.0M convertible debenture, with a term of 5 years, 8.0% annual interest paid monthly, at a conversion price of $0.65.

On April 25, 2022, the Company acquired Cordy Oilfield Services Inc. ("Cordy").

Free cash flow amounted to $4.1 million compared to $4.0 million in Q1 2021 (See Non-IFRS Financial Measures – Section 7.0).

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2.1 Selected Financial Information

	Three months ended March 31,	
	2022	2021
Revenue	**45,429**	32,948
Direct costs	**34,972**	24,914
Gross profit	**10,457**	8,034
General and administrative expenses	**4,797**	3,379
Depreciation and amortization	**4,933**	4,114
Finance costs	**1,644**	1,296
Share-based compensation	**50**	-
Loss before income taxes	**(967)**	(755)
Income tax recovery	**(227)**	(184)
Net loss and comprehensive loss for the period	**(740)**	(571)
Net loss per share		
Basic and diluted	**(0.01)**	(0.01)
Weighted average number of shares outstanding for the purpose of calculating earnings per share		
Basic and diluted	**91,253,115**	91,253,115

ADJUSTED EBITDA (1)		
Environmental Consulting	**2,469**	1,741
Environmental Services	**4,959**	4,063
Corporate	**(1,768)**	(1,149)
	5,660	4,655

(1) See Non-IFRS Financials Measures - Section 7.0

3.0 Outlook

Vertex started 2022 with a first quarter that exceeded our expectations. The Corporation's strong first quarter results were driven by cost control, realized synergies from our acquisition in the first quarter of 2021 and increasing commodity prices as well as a gradual return to pre-COVID activity levels across other industries. Our cross-border activity was negatively impacted in the quarter by the Canadian/United States border vaccination requirements that were put into place in late January for our cross-border drivers.

Our outlook for 2022 is that North American economies will continue to benefit from favourable commodity prices in energy, utilities, agriculture and forestry. In addition, we have major capital projects from multiple midstream, utilities/telecommunications, municipal infrastructure and energy transition projects in 2022 and 2023. With secured backlog reaching record levels, Vertex is well positioned for strong earnings growth for 2022.

The current trend towards less carbon-intensive energy sources is presenting new opportunities for Vertex. Vertex is working closely with several of our Indigenous Partners and customers to advance projects that reduce atmospheric carbon emissions, enhance biodiversity, carbon sequestering, utilize or convert to wind or solar, renewable natural gas (RNG), biofuels, helium and emerging hydrogen opportunities.

Economists believe Alberta and Saskatchewan will lead the country in growth this year and next, largely because prices for energy products and other key commodities have recovered strongly. Over the past 12 months, Alberta's exports of crude oil are up by +86% and exports of natural gas have risen by +165%.

The Ontario Ministry of Finance projects that Ontario's real GDP is projected to rise by 4.5% in 2022. Ontario's economy had been held back by some of Canada's toughest COVID-19 control measures. Backlog from halted projects, combined with new capital projects, is poised to give a strong boost to the service sector in 2022.

The rapid rebound in demand for raw materials, intermediate goods and various logistics services has been hampered by limited global supply. Vertex will need to focus on our supply chains and rising costs and to continue to develop agile and creative strategies to address labour challenges which appear likely to persist for many years.

On April 25, 2022, Vertex completed the acquisition of Cordy Oilfield Services Inc. (TSXV: CKK) ("Cordy"). Cordy is a specialized value-additive business with quality people and equipment, providing environmental services to the drilling, midstream, commercial, utilities and municipal sectors in Western Canada. This acquisition strengthens our environmental services business while providing additional free cashflow generation through savings from integration, elimination of duplicate corporate office costs and by increasing the utilization of the equipment fleet and personnel.

Vertex's vision of being a world-leading environmental services company has not changed. As an environmental service business, we believe we are uniquely positioned for ESG performance. We understand that we have a responsibility to maximize our internal ESG performance and have made a corporate commitment to do so. More substantially, we understand that our opportunity to support the ESG initiatives of our customers has a significantly broader global impact. As such our ESG system design includes both an internal and a customer focus. As our ESG journey evolves so too will our measurement and reporting, holding ourselves accountable to internal and customer metrics. Ultimately, our intent is to create business resiliency by becoming a primary source of executable ESG supply chain solutions for our customers.

4.0 Results from Operations

4.1 Revenue

The following table sets forth revenue by reportable operating segment for the following periods:

	Three Months Ended		Variance	
	March 2022	March 2021	**$**	%
Environmental Consulting	**14,488**	11,066	**3,422**	30.9%
Environmental Services	**30,390**	21,087	**9,303**	44.1%
Corporate	**551**	795	**(244)**	-30.7%
Revenue	**45,429**	32,948	**12,481**	37.9%

Revenues in the quarter were up by $12.5M or 37.9% from prior year quarter due to an improved economic environment that was positively impacted by commodity pricing and the continued easing of COVID-19 restrictions. A competitive labor and equipment environment combined with rising input costs have resulted in upward price adjustments for all services.

The Environmental Consulting segment revenue increased by 30.9% to $14.5 million. This was a result of high demand for reclamation and engineering services in the quarter as the company continues to perform its strong backlog of site rehabilitation work.

The Environmental Services segment revenue increased by 44.1% to $30.4 million. Higher revenues were attributable to elevated pricing of commodities which had positive impacts on exploration, development, and production activity levels and the related support services.

4.2 Gross Profit

	Three Months Ended		Variance	
	March 2022	March 2021	**$**	%
Gross profit	**10,457**	8,034	**2,423**	30.2%
Gross profit as a % of revenue	**23.0%**	24.4%		

The increase in gross profit is due to the aforementioned growth in revenue of $12.5 million. Margin as a % of revenue decreased slightly as reported gross margin for the quarter ended March 31, 2022 as Q1 2021 includes the benefit of $0.9 million related to wage subsidies versus nil for the current period. Cost containment and margin protection were key undertakings for management during the quarter and will continue throughout the year.

4.3 General and Administrative Expenses (G&A)

	Three Months Ended		Variance	
	March 2022	March 2021	**$**	%
General and administrative expenses	**4,797**	3,379	**1,418**	42.0%
G&A as a % of revenue	**10.6%**	10.3%		

G&A increased by $1.4 million resulting from increased utility costs and workforce as activity levels were higher quarter over quarter. These were offset by continuous efficiency improvements and active management of costs over during the start of the year, which maintained an even G&A cost as a percentage of revenue year over year. Reported G&A for the quarter reflects wage subsidies of nil (quarter ended March 31, 2021 - $0.4 million).

4.4 Adjusted EBITDA

	Three Months Ended		**Variance**	
	March 2022	March 2021	**$**	%
Environmental Consulting	**2,469**	1,741	**728**	41.8%
Environmental Services	**4,959**	4,063	**896**	22.0%
Corporate	**(1,768)**	(1,149)	**(619)**	-53.9%
	5,660	4,655	**1,005**	21.6%
Adjusted EBITDA as a % of revenue	**12.5%**	14.1%	**-1.7%**	-11.8%

Adjusted EBITDA finished the quarter at $5.7 million an increase that resulted from a combination of the high activity levels and cost control.

The Environmental Consulting segment's Adjusted EBITDA increased by $0.7 million during the period on execution of backlog and high demand for rehabilitation and engineering services. The Environmental Services segment's Adjusted EBITDA increased by $0.9 million over the same period on strong demand for propane and butane during the winter, combined with the resumption of cross border hauling demand and customers growth and maintenance projects.

The "Other" segment is comprised of corporate costs and other minor operations. Adjusted EBITDA in this segment decreased due to the impact of wage subsidies as discussed above combined with increasing facility and human resource costs.

4.5 Other items

	Three Months Ended		**Variance**	
	March 2022	March 2021	**$**	%
Depreciation and amortization	**4,933**	4,114	**819**	19.9%
Finance costs	**1,644**	1,296	**348**	26.9%
Share-based compensation	**50**	-	**50**	-
Total	6,627	5,410	**1,217**	22.5%

Other items during the three months ended March 31, 2022 increased by $1.2 million due to an increase of depreciation resulting from assets added on acquisition in 2021 which were not present in Q1 2021 plus additions during the remainder of fiscal 2021, higher finance costs which were a result of carrying higher comparative debt to meet working capital requirements of higher activity, and increasing interest rates.

4.6 Net Loss and Comprehensive Loss for the Period

	Three Months Ended		Variance	
	March	March		
	2022	2021	**$**	%
Net loss and comprehensive loss for the period	**(740)**	(571)	**(169)**	-29.6%

Net loss for the quarter ended March 31, 2022 decreased from the comparative quarter despite higher comparative EBITDA, due to higher amortization and finance costs in the quarter.

4.7 Summary of Quarterly Results

($000 except per share amounts)	**2022**	2021				2020		
	31-Mar	31-Dec	30-Sep	30-Jun	31-Mar	31-Dec	30-Sep	30-Jun
Revenue	**45,429**	46,076	42,284	38,130	32,948	37,331	32,067	28,301
Net income (loss)	**(740)**	1,386	649	194	(571)	(859)	1,471	(711)
Basic and diluted income (loss) per share	**(0.01)**	0.02	0.01	0.00	(0.01)	(0.01)	0.02	(0.01)
Adjusted EBITDA	**5,660**	6,409	7,633	7,539	4,655	5,617	6,822	6,702

5.0 Liquidity and Capital Management

The following table sets forth the Company's cash flow by activity for the following periods:

	Three months ended March 31,	
	2022	2021
Cash provided by operating activities	**5,370**	1,687
Cash used in investing activities	**(2,336)**	(5,929)
Cash provided by (used in) financing activities	**(2,571)**	4,242
	463	-

The Company expects to generate sufficient cash flows from operations and continues to access its credit facilities to meet contractual obligations, planned expenditures and growth initiatives as they are required. The Company typically utilizes its available committed operating loans and equipment lease lines which provide in excess of $21 million to fund working capital requirements and planned expenditures.

5.1 Cash Generated from Operating Activities

Cash provided by operating activities was a return to traditional levels, compared to Q1 2021 where the increase was lower than usual due to government led environmental and reclamation projects.

5.2 Cash Used in Investing Activities

The decrease in cash used in investing activities was that absence of the net cash outlay for the acquisition of MAD of $4.4 million in Q1 2021 offset by an increase in net capital expenditures during the quarter.

5.3 Cash (Used in) provided by Financing Activities

In Q1 2021 the ramp up of activity and working capital needs resulted in Vertex drawing on the revolving and operating loans in amounts that exceeded scheduled repayments. In Q1 2022, the opposite occurred as the increase in cash used in financing activities is tied to net collection of working capital as noted above. Vertex is focused on reducing its loans and borrowings through scheduled and additional repayments in 2022.

5.4 Adjusted Working Capital

	March 31, 2022	December 31, 2021
Current assets	**64,397**	63,442
Current liabilities (excluding current portion of loans and borrowings, other liabilities, and lease liabilities)	**31,675**	31,607
Adjusted Working Capital [1]	**32,722**	31,835

(1) See Non-IFRS Financial Measures - Section 7.0

At March 31, 2022 adjusted working capital has increased modestly based on operating activity.

5.5 Credit Facilities

	March 31, 2022	December 31, 2021
Revolving and operating loans:		
Committed revolving and operating facilities	**35,000**	35,000
Drawn on revolving and operating facilities	**22,500**	30,400
Available revolving and operating facilities	**12,500**	4,600

Debt as of March 31, 2022, consisted of the items noted in Section 5.6 Commitment and Contingencies. Proceeds from the convertible debenture issued during the quarter were applied against the revolving and operating loans.

Debt Covenants

As of March 31, 2022, the Company complied with the terms and covenants of its Credit Facilities. Certain adjustments, as approved by the syndicate of lenders, are made to Adjusted EBITDA to derive Bank EBITDA, which amounted to $22.0 million for the trailing twelve months ending March 31, 2022.

5.6 Commitments and Contingencies

As part of the Company's normal operations, it often enters into contracts, such as leases and purchase contracts, which obligate the Company to make disbursements in the future. Contractual maturities for financial liabilities on an undiscounted basis, including interest and principal at March 31, 2022 are as follows:

Due Within	Operating loan [1]	Loans and borrowings	Other liabilities	Lease liabilities	**Total**
One year	31,675	11,647	1,516	7,428	**52,266**
Two years	-	51,134	1,201	5,851	**58,186**
Three years	-	3,737	-	3,302	**7,039**
Four years	-	1,879	-	2,267	**4,146**
Five years	-	15,488	-	1,156	**16,644**
Thereafter	-	-	-	1,484	**1,484**
	31,675	**83,885**	**2,717**	**21,488**	**139,765**

(1) Operating loan and accounts payable and accrued liabilities

Legal Claims

In the ordinary course of business activities, the Company may be contingently liable for litigation and claims with customers, suppliers and other third parties. Management believes that adequate provisions have been made for potential claims in the Company's accounts. Although it is not possible to estimate the extent of potential costs and losses, if any, management believes, but can provide no assurance, that the ultimate resolution of such contingencies would not have a material adverse effect on the consolidated financial position of the Company.

Off-Balance Sheet Arrangements

At March 31, 2022, the Company did not have any off-balance sheet arrangements.

5.7 Capital Expenditures

The Company's gross capital expenditures were $2.8 million in the first quarter of 2022, up from $1.7 million in the same quarter of 2021. The Company undertakes to sell any under-utilized assets that cannot be redeployed in other geographical locations in order to improve utilization. In the first quarter of 2022, the Company sold $0.4 million worth of capital assets compared to $0.2 million in the first quarter 2021.

The 2022 net capital expenditures are expected to be in the range of $7.0 million to $8.0 million. The maintenance and growth capital expenditures are not committed or required if factors related to economics, industrial and customer spending plans change.

5.8 Credit Risk

The Company's revenues are from a diverse customer base that includes the energy, telecommunications, public sector, real estate, utility, and mining industries in Western Canada. The Company believes that there is no unusual exposure associated with the collection of accounts receivable outside of the normal risk associated with contract audits and normal trade terms common in the industry. The Company performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable. For the quarter ended March 31, 2022, the Company had no customers that accounted for more than 10% of the consolidated sales (year ended December 31, 2021 – nil)

5.9 Outstanding Share Data

As of the date of the MD&A, the Company had 110,166,368 Common Shares outstanding. As of the same date, the Company had 3,000,000 stock options outstanding to purchase up to an aggregate of 3,000,000 Common Shares. On March 31, 2022, prior to the close of the Cordy transaction, the Company had 91,253,115 Common Shares outstanding.

5.10 Transactions with Related Parties

All related party transactions are in the normal course of business materially under the same commercial terms and conditions as transactions with unrelated companies and are recorded at the exchange amount. Related party transactions include transactions with other private companies that are controlled by a director or officer.

At March 31, 2022, lease liabilities include $4.5 million (March 31, 2021 - $5.1 million) of liabilities relating to the leases with a related party. Principal payments of unsecured lease liabilities and associated interest accretion for the three months ended March 31, 2022 were $0.2 million (three months ended March 31, 2021 - $0.2 million).

6.0 Critical Accounting Judgments, Estimates and Accounting Policy Developments

6.1 Critical Judgments in Applying the Company's Accounting Policies

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements, the reported amounts of revenues and expenses during the reporting period, as well as the disclosures of contingent assets and liabilities. Accordingly, actual results could differ from these estimates and judgments.

The Company has:

- continuously refined and documented its management and internal reporting systems to ensure that accurate and timely internal and external information is gathered and disseminated. Management also regularly evaluates these estimates and assumptions, which are based on past experience and other factors that are deemed reasonable under the circumstances; and
- hired employees and consultants who have the skills required to make such estimates and ensures that employees or departments with the most knowledge of the activity are responsible for the estimates. Furthermore, past estimates are reviewed and compared to actual results, and actual results are compared to budgets in order to make more informed decisions on future estimates.

The Company's summary of significant accounting policies, estimates and critical judgements are contained in note 5 to the consolidated financial statements.

6.2 Future Accounting Standard Pronouncements

The Company has reviewed new and revised standards and interpretations that have been approved by the IASB. There have been no new standards or interpretations issued during 2022 that significantly impact Vertex.

6.3 Financial Instruments

The Company considers managing risk as being an integral part of its development and diversification strategies. The Company uses a proactive and rigorous approach for management of the financial risks to which it is exposed.

The Company does not enter into financial instrument agreements, including derivative financial instruments, for speculative purposes.

The Company's most significant financial risk exposure and its financial risk management policies are discussed in Note 27 to the Annual Financial Statements.

7.0 Non-IFRS Financial Measures

This release includes certain terms or performance measures that are not defined under International Financial Reporting Standards ("IFRS"), including "Adjusted EBITDA". The data presented is intended to provide additional information that should not be considered in isolation or as a substitute measure of performance prepared in accordance with IFRS. The non-IFRS measures should be read in conjunction with the Company's financial statements and accompanying notes.

A) "Adjusted EBITDA" is a non-financial measure which is calculated by adjusting net (loss) income for the sum of income taxes, finance costs including interest accretion on lease liabilities, depreciation of property and equipment and right of use assets, amortization of intangible assets, share-based compensation, restructuring costs and impairment. The Company uses Adjusted EBITDA as an indicator of its principal business activities operational performance prior to consideration of how its activities are financed and the impact of taxation, non-cash depreciation and amortization, restructuring costs and other non-cash expenses such as impairments required under IFRS. Adjusted EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures provided by other companies. Adjusted EBITDA is used by many analysts as an important analytical tool and management of Vertex believes it is useful for providing readers with additional clarity on Vertex's operational performance. This measure is also considered important by the Company's lenders in determining compliance by the Company with the financial covenants under its lending arrangements.

	Three months ended March 31,	
	2022	2021
Net loss and comprehensive loss for the period	**(740)**	(571)
Add:		
Depreciation and amortization	**4,933**	**4,114**
Finance costs	**1,644**	**1,296**
Share-based compensation	**50**	**-**
Income tax recovery	**(227)**	(184)
ADJUSTED EBITDA	**5,660**	4,655
Environmental Consulting	**2,469**	1,741
Environmental Services	**4,959**	4,063
Corporate	**(1,768)**	(1,149)
	5,660	4,655

B) "Free cash flow" is a non-financial measure which is calculated by reducing adjusted EBITDA by maintenance capital expenditures net of disposal proceeds.

Adjusted EBITDA	**5,660**	4,655
Maintenance capex	**(1,974)**	(866)
Proceeds from disposal of property and equipment	**427**	195
	4,113	3,984

C) “Adjusted Working Capital” is a non-financial measure which is calculated by reducing current liabilities by the current portion loans and borrowings, lease liabilities and other liabilities.

	March 31, 2022	December 31, 2021
Current assets	**64,397**	63,442
Current liabilities, less	**55,095**	58,526
Current portion of loans and borrowings	**(15,377)**	(18,433)
Current portion of other liabilities	**(1,405)**	(1,390)
Current portion of lease liabilities	**(6,638)**	(7,096)
Adjusted current liabilities	**31,675**	**31,607**
Adjusted Working Capital	**32,722**	31,835

8.0 Forward-Looking Information

Any “financial outlook” or “future oriented financial information” in this MD&A, as defined by applicable securities laws, has been approved by management of Vertex. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management’s current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other circumstances.

Certain statements contained in this document constitute “forward-looking information”. When used in this document or by any of the Company’s management, the words “may”, “would”, “will”, “intend”, “plan”, “propose”, “anticipate” and “believe” are intended to identify forward-looking information. In particular, but without limiting the foregoing, this document contains forward-looking information and statements pertaining to the following: the Company's key strategies, objectives and competitive strengths; anticipated expenses; the Company's ability to integrate and capitalize on underutilized equipment through cross-selling opportunities across service lines and reducing redundant costs in 2022; growth opportunities in 2022; supply and demand for the Company's services; anticipated savings in 2022; activity levels in the oil and gas industry and other industries in which the Company operates; annual gross maintenance capital expenditures for 2022; future development activities; and the Company's ability to retain existing clients and attract new business, particularly business outside of the oil and gas industry. Such statements reflect the Company’s forecasts, estimates and expectations, as they relate to the Company’s current views based on its experience and expertise with respect to future events, and are subject to certain risks, uncertainties, and assumptions.

The forward-looking information and statements contained in this document reflect several material factors and expectations and assumptions of the Company, including, without limitation: that the Company will continue to conduct its operations in a manner consistent with past operations; positive future trends in revenue, gross profit margin, Adjusted EBITDA, Bank EBITDA and net income; the general continuance of current or, where applicable, assumed industry conditions; the mix of revenue from non-oil and gas customers in 2022; pricing of the Company's services; the Company's ability to market successfully to current and new clients; the Company's ability to obtain qualified personnel and equipment in a timely and cost-effective manner; the Company's future debt levels; the impact of competition on the Company; the Company's ability to obtain financing on acceptable terms; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing tax, royalty and regulatory regimes; the impact of seasonal weather conditions; client activity levels; anticipated market recovery; the Company's anticipated business strategies and expected success; the Company's ability to utilize its equipment; levels of deployable equipment; and future sources of funding for the Company's capital program.

The forward-looking information and statements included in this document are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements, including, without limitation: volatility of the oil and natural gas industry; dependence on customer contracts and market acceptance; the Company's growth strategy may not achieve anticipated results; potential litigation claims; difficulty in attracting and retaining skilled personnel; adverse litigation judgments, settlements and exposure to liability resulting from legal proceedings could reduce profits of limit Vertex's ability to operate; the market for Vertex's products and services is subject to extensive government and regulatory approvals; health, safety and environment laws and regulations may require the Company to make substantial expenditures or cause it to incur substantial liabilities; the Company may fail to realize anticipated benefits of future acquisitions; Vertex's indebtedness may adversely affects its financial flexibility and competitive position; competition in the industries in which Vertex operates; downturns in general economic and market conditions; operational hazards and unforeseen interruptions for which Vertex may not be adequately insured; positive covenants in Vertex's material contracts could limit its ability to operate; third part credit risk; conservation measures and technological advances may reduce demand for hydrocarbons; loss of the Company's information and computer systems or cyber-attacks; director and officer conflicts of interest; a reassessment by tax authorities of Vertex's income calculations; volatility in the price of the Common Shares; and the risk factors set forth under the heading "Risk Factors" in the AIF.

Vertex's business is subject to a number of risks and uncertainties. Readers are encouraged to review and carefully consider the risk factors described in the AIF, which risk factors are specifically incorporated by reference herein.

The forward-looking statements contained in this MD&A are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A. The Company does not intend and does not assume any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, unless required by law.

9.0 Additional Information

Additional information, including the AIF, is available on SEDAR at www.sedar.com and the Company's website at www.vertex.ca.