STAGE HOLDCO LTD.

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020

The following management discussion and analysis for *Stage Holdco Ltd.* ("the Company") is prepared as of **February 10, 2021** should be read together with the audited financial statements and related notes for the year ended December 31, 2020, which were prepared in accordance with the International Financial Reporting Standards ("IFRS").

On August 17, 2020, the Company completed a 100 for 1 share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation.

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information related to the Company is available for view on SEDAR under the Company's profile at www.sedar.com.

Description of Business

The Company was incorporated under the Business Corporations Act (Alberta) on December 24, 2018. The Company had a 10% equity interest in Stage Completions Inc. ("SC"), a private Canadian technology and services company in the oil and gas industry. The ownership in SC resulted as part of the arrangement between Blackbird Energy Inc. and Pipestone Oil Corp. completed on January 4, 2019 to form Pipestone Energy Corp. As part of the arrangement, Blackbird distributed its 10% interest in SC to the Company in exchange for 8,585,850 common shares of the Company that were distributed to the former shareholders of Blackbird. The 10% interest was distributed at a fair value of $6,550,000. Pursuant to the arrangement, 175,188,092 Listed Warrants were also issued.

Given its ownership position and other relationships with SC, the Company considered if equity accounting was required. The Company's security holdings in SC are for investment purposes only. The Company does not intend to participate in policy making. The Company did not receive any contractual entitlement to have a nominee appointed to the board of directors of SC as a result of the investment. The Company and SC do however have a common director from previous appointments. To ensure that the Company will not act jointly or in concert with any common directors/officers in connection with the holding or voting of its securities in SC, the individual has declared their conflict and has abstained from past voting when applicable and will continue to abstain from voting as a board member on any matters related to SC and the Company which may arise. Given these factors, the Company has concluded that equity accounting is not applicable.

With the absence of recent common share transactions in 2019 involving SC for reference, the determination of fair value for this investment required management to make judgments, estimates and assumptions. For the year ended December 31, 2019, the Company utilized a discounted cash flow ("DCF") model to derive the fair value of its investment in SC. The DCF model applied a discount rate of 25.0%. The key assumptions used in the DCF model consisted of certain future growth rates and profit margins that were based on signed and expected customer contracts and the number of wells that the SC technology would be deploying in certain geographic regions as well as industry comparable profit margins. A 10% change in the following key assumptions would result in the following fluctuations in estimated fair value of the investment in SC: +/- $500,000 for variances in projected revenues, and +/- $500,000 for variances in Earnings Before Interest, Taxes, Depreciation & Amortization ("EBITDA"). A 1% change in the discount rate would result in a +/- $200,000 fluctuation in estimated fair value. Depending on whether or not these assumptions are realized could result in material adjustment to the fair value resulting from this DCF model in the future.

During the year ended December 31, 2019, the Company had an unrealized loss on its investment of $4,900,000 resulting in an estimated fair value of $1,650,000 as at December 31, 2019.

During the year ended December 31, 2020, SC completed a multi-step financing and internal reorganization transaction, upon completion of which the Company now holds, directly and indirectly, a 6.43% continuing equity interest in Stage Completions LP, as the parent entity of the SC group. The transaction terms included a sale by the Company and other existing SC investors, on a proportionate basis, of a portion of their SC equity holdings as well as an issue of new equity by Stage Completions LP to raise additional capital.

The net proceeds for the SC equity sold by the Company is US$210,139 ($278,434) resulting in a gain of $73,009. The Company received $125,258 (US $96,839) as its initial share of the proceeds. The remaining US$113,300 ($143,236 at December 31, 2020) will be received in fiscal 2022 and is currently held in a third party escrow account.

The sale of SC equity and subsequent equity raised by Stage Completions LP imputes a value of $2,734,466 (US$2,147,696) to the Company's continuing 6.43% interest in Stage Completions LP resulting in a fair value adjustment of $1,289,871.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	Year ended December 31, 2020	Year ended December 31, 2019	Period from incorporation on December 24, 2018 to December 31, 2018
Total assets	$ 2,919,094	$ 1,650,001	$ 1
Working capital deficiency	(158,953)	(206,132)	-
Shareholders' equity	2,718,729	1,443,868	1
Net income (loss and comprehensive income (loss)	1,274,861	(5,106,133)	-
Basic and diluted income (loss) per common share	0.15	(0.60)	-

During the period from incorporation on December 24, 2018 to December 31, 2018, the Company issued 1 common share representing an incorporation share. There were no other transactions that occurred during this period.

During the year ended December 31, 2019, the Company issued 8,585,850 common shares pursuant to an Arrangement between Blackbird and Pipestone Oil as described above.

During the year ended December 31, 2020, the Company completed a 100 for 1 share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation. The Company also sold a partial interest in its investment in SC for gross proceeds of US$210,139 ($278,434) resulting in a gain of $73,009. A fair value adjustment of $1,289,871 was made to the investment in SC

Overall Performance

As at December 31, 2020, the Company had $37,525 (December 31, 2019 - $2,525) in cash and working capital deficiency was $158,953 (December 31, 2019 – $206,132). The Company earned income (loss) and comprehensive income (loss) of $1,274,861 during the year ended December 31, 2020 (2019 – ($5,106,133)).

Summary of Quarterly Results

	Three month period ended December 31, 2020	Three month period ended September 30, 2020	Three month period ended June 30, 2020	Three month period ended March 31, 2020
Total assets	$ 2,919,094	$ 1,673,371	$ 1,656,401	$ 1,654,898
Working capital deficiency	(158,953)	(181,262)	(241,048)	(216,135)
Shareholders' equity	2,718,729	1,468,738	1,408,952	1,433,865
Net income (loss) and comprehensive income (loss)	1,249,991	59,786	(24,913)	(10,003)
Income (loss) per common share	0.15	0.01	(0.00)	(0.00)

	Three month period ended December 31, 2019	Three month period ended September 30, 2019	Three month period ended June 30, 2019	Three month period ended March 31, 2019
Total assets	$ 1,655,601	$ 6,554,991	$ 6,553,481	$ 6,551,481
Working capital deficiency	(206,132)	(129,123)	(89,030)	(46,642)
Shareholders' equity	1,443,868	6,420,877	6,460,970	6,503,358
Net income (loss) and comprehensive income (loss)	(4,977,010)	(40,093)	(42,388)	(46,642)
Income (loss) per common share	(0.01)	(0.00)	(0.00)	(0.00)

This is the Company's eight quarter. During the period from incorporation on December 24, 2018 to December 31, 2018, the Company issued 1 common share representing an incorporation share. There were no other transactions that occurred during this period.

During the three month period ended March 31, 2019, the Company issued 8,585,850 common shares pursuant to an Arrangement between Blackbird and Pipestone Oil as described above.

During the quarter ended December 31, 2019, the Company recorded fair value adjustment on investment of $4,900,000 on its investment is SC as a result of various year-end audit adjustments.

During the quarter ended June 30, 2020, the Company issued two promissory notes for a total of $50,000 with an interest rate of 12% per annum.

During the quarter ended September 30, 2020, the Company issued a promissory note for $10,000 with an interest rate of 12% per annum. The Company also repaid all outstanding promissory notes by paying $61,889, with included $60,000 in promissory notes and $1,889 in accrued interest. The Company also received net proceeds of $77,374 (USD $59,369) from a partial disposal of its investment in SC.

During the quarter ended December 31, 2020, the Company received net proceeds of $47,885 (USD $37,470) from a partial disposal of its investment in SC.

Results of Operations

Year ended December 31, 2020:

During the year month period ended December 31, 2020, the Company had income (loss) and comprehensive income (loss) of $1,274,861 (2019 – ($5,106,133)). The net income (loss) and comprehensive income (loss) is comprised of the following items:

- Consulting fees of $12,000 (2019 - $60,000) consist of fees paid or accrued to a company controlled by the CEO of the Company.

- Directors fees of $12,000 (2019 - $36,000) consist of fees paid or accrued to an independent director of the Company.

- Interest of $1,884 (2019 - $Nil) was paid on the promissory notes.

- Office costs of $255 (2019 – $326) for bank charges and office related costs.

- Professional fees of $22,182 (2019 - $105,000) consisted of $Nil (2019 - $7,500) for legal and $22,182 (2019 - $80,000) for audit, accounting, administration and office related services.

- Registration and filing fees of $3,398 (2019 – $Nil).

- Shareholder costs of $11,496 (2019 - $Nil).

- Transfer agent fees of $14,864 (2019 – $4,807)

Three month period ended December 31, 2020

During the three month period ended December 31, 2020, the Company earned income (loss) and comprehensive (loss) of $1,249,991) (2019 – ($4,977,010). The net income (loss) and comprehensive income (loss) is comprised of the following items:

- Consulting fees of $3,000 (2019 - $15,000) consist of fees paid or accrued to a company controlled by the CEO of the Company.

- Directors fees of $3,000 (2019 - $9,000) consist of fees paid or accrued to an independent director of the Company.

- Office costs of $23 (2019 – $43) for bank charges and office related costs.

- Professional fees of $13,000 (2019 - $15,000) consisted of audit, accounting, administration and office related services.

- Shareholder costs of $50 (2019 - $Nil).

- Transfer agent fees of $6,503 (2019 – $467).

- Gain on sale of investment of $73,009 (2019- $Nil).

- Fair value gain (loss) on investment of $1,289,871 (2019 - $(4,900,000)).

Related Party Transactions

Key management personnel include these persons having the authority and responsibility for planning, directing and controlling activities of the Company as a whole. Key management includes members of the Board, the Chief Executive Officer and the Chief Financial Officer. The Company entered into the following transactions with related parties during the year ended December 31, 2020:

i) Paid or accrued $12,000 (2019 - $60,000) in consulting fees a company controlled by the Chief Executive Officer / director of the Company.

ii) Paid or accrued $12,000 (2019 - $60,000) in directors fees to an independent director of the Company.
iii) Paid or accrued $12,000 (2019 - $60,000) consisting of accounting and administration fees, recorded as professional fees, to a company controlled by the Chief Financial Officer / director of the Company.

Included in accounts payable and accrued liabilities $179,200 (December 31, 2019 - $166,733) due to a director and companies controlled by directors. The amounts are non-interest bearing and unsecured.

During the year ended December 31, 2020, the Company received $60,000 from a company controlled by a director of the Company by issuing two promissory notes payable at an interest rate of 12% per annum. The promissory notes of $60,000 plus accrued interest of $1,889 were paid during the year ended December 31, 2020.

Liquidity and Capital Resources

The financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

		December 31, 2020		December 31, 2019
Working capital deficiency	$	(158,953)	$	(206,132)
Deficit		(3,831,272)		(5,106,133)

Net cash (used in) provided by operating activities for the period was $90,258 (2019 - $2,525). This amount consists of a net income (operating loss) of $1,274,861 (2019 – ($5,106,133)); items not affecting cash of $9,940 (2019 - $Nil) as foreign exchange, gain on sale of investment of $73,009 (2019 - $Nil) and a fair value adjustment on investment of $1,289,871 (2019 - $4,900,000). Changes in non-cash working capital items consist of $811 (2019 - $3,075) as a change in receivables and $11,368 (2019 - $211,733) as a change in accounts payable and accrued liabilities.

Financing activities provided net cash of $Nil (2019 - $Nil). This consisted the receipt of proceeds of $60,000 (2019 - $Nil) from the issuance of promissory notes and the repayment of $60,000 (2019 - $Nil) of promissory notes.

Investing activities provided cash of $125,258 (2019 - $Nil) which consisted of net proceeds received from the partial sale of its equity interest in SC.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

Financial Instruments

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments and contractual cash flow characteristics of the financial asset.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (FVTOCI"), or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of financial assets held at FVTPL are included in the statement of (loss) income in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

The Company has classified its cash and investment in securities at FVTPL and its receivables at amortized cost.

Impairment of financial assets at amortized cost: The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for each category is as follows:

Fair value through profit or loss: This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations and comprehensive loss.

Other financial liabilities: This category includes accounts payable and accrued liabilities which are recognized at amortized cost using the effective interest method.

Transaction costs in respect of financial instruments at fair value through profit or loss are recognized in the statement of operations and comprehensive loss immediately, while transaction costs associated with all other financial instruments are included in the initial measurement of the financial instrument.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure. The Company monitors the level of risk incurred in its expenditures relative to its capital structure.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at December 31, 2020.

Outstanding Share Data

On August 17, 2020, the Company completed a 100 for 1 share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation.

The following table summarizes the Company's outstanding share data as of the date of this Management Discussion and Analysis:

	Number of shares issued or issuable
Common shares	8,585,851
Listed Warrants (1)	175,188,092

(1) The Listed Warrants were issued by Pipestone Energy, as per the arrangement, are listed on the TSX-V and trade under the symbol PIPE.WT. On the exercise of each Listed Warrant, the Company is obligated to issue one common share to the warrant holder and receive proceeds of $0.00375 from Pipestone Energy. With the 100 for 1 share consolidation completed in August 2020, on exercise of each Listed Warrant, the Company is obligated to issue 0.01 common share to the warrant holder and receive proceeds of $0.00375 from Pipestone Energy.

Critical Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Note 3 of the audited financial statements for the year ended December 31, 2020.

Risks and Uncertainties

The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to generate earnings or pay dividends in the immediate or foreseeable future. The Company was only recently incorporated and does not operate any ongoing business. The Company has a minority equity interest in a private company and has no other assets other than cash and receivables. The directors and the officers of the Company will only be devoting a portion of their time to the affairs of the Company. Potential conflicts of interest may result from the ordinary course of business of the Company and of the directors and the officers of the Company.

COVID-19

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

Outlook

The Company's current objective is review business opportunities in the technology industry.

Corporate Governance

The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee of the Company fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual financial statements prior to their submission to the Board of Directors for approval. The Audit Committee, comprised of three directors, all of whom are independent, meets with management of the Company on a quarterly basis to review the financial statements, including the MD&A, and to discuss other financial, operating and internal control matters as required.

Forward-Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of gold, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting time lines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These 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 statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained into this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of gold as well as petroleum products;
- the availability of financing for the Company's development of the Project on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, gold prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. **Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.**