MANAGEMENT'S DISCUSSION AND ANALYSIS

FIRST QUARTER FISCAL 2022

(Three-month period ended September 30, 2021)

November 11, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") is a review of the results of operations, the liquidity and the capital resources of Orbit Garant Drilling Inc. This discussion contains forward-looking statements. Please see ''Forward-Looking Statements'' for a discussion of the risks, uncertainties and assumptions relating to these statements.

This MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three-month period ended September 30, 2021; as compared with the corresponding period of the previous year and also with the audited consolidated financial statements and MD&A contained in the Company's annual report for the fiscal year ended June 30, 2021 ("Fiscal 2021").

The Company's first quarter of Fiscal 2022 unaudited interim condensed consolidated financial statements and the accompanying notes were prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts in this MD&A are in Canadian dollars, except when otherwise noted.

In this MD&A, references to the "Company" or to "Orbit Garant" shall mean, as the context may require, either Orbit Garant Drilling Inc. or Orbit Garant Drilling Inc. together with its wholly-owned subsidiaries.

This MD&A is dated November 11, 2021. Disclosure contained in this document is current to that date unless otherwise stated.

Percentage calculations are based on numbers in the Financial Statements and may not correspond to rounded figures presented in this MD&A.

Additional information relating to the Company, including the Company's Annual Information Form for the most recently completed fiscal year, can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Securities laws encourage companies to disclose forward-looking information in order for investors to have a better understanding of a company's future prospects and make informed investment decisions.

This MD&A contains forward-looking statements about the Company's objectives, strategies, financial condition, results of operations, cash flows and businesses. These statements are "forward-looking" because they are based on current expectations, estimates and assumptions about: the markets in which the Company operates; the world economic climate as it relates to the mining industry; the Canadian economic environment; and the Company's ability to attract and retain customers and to manage its assets and operating costs. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Risks and uncertainties that could cause actual results, performance or achievements to differ materially include the ability of the jurisdictions in which the Company operates to manage and cope with the implications of COVID-19, the impact of measures taken by such jurisdictions to control the spread of COVID-19 on the Company's operations, and the economic and financial implications of COVID-19 to the Company.

Actual results could be materially different from expectations if known or unknown risks affect the business, or if estimates or assumptions turn out to be inaccurate. The Company does not guarantee that any forward-looking statement will materialize and, accordingly, the reader is cautioned not to place reliance on these forward-looking statements.

The Company disclaims any intention and assumes no obligation to update any forward-looking statement, even if new information becomes available, as a result of future events or for any other reasons except in accordance with applicable securities laws. Risks that could cause the Company's actual results to materially differ from its current expectations are discussed in this MD&A. For a more complete discussion of the risk factors that could cause the

Company's actual results to materially differ from its current expectations, please refer to the Company's Annual Information Form dated September 28, 2021, accessible via www.sedar.com.

COVID-19

On March 11, 2020, the World Health Organization declared the COVID-19 outbreak to be a global pandemic. Governments responded by implementing emergency measures to minimize the spread of the virus, including the temporary shutdown of businesses deemed to be non-essential. These measures caused significant economic disruption, as well as volatility in equity markets, commodity prices and foreign exchange rates.

Orbit Garant's operations were significantly impacted by these measures beginning late in its fiscal 2020 third quarter ("Q3 2020"), as a number of its drilling projects were put on hold or postponed. In Quebec, as a result of the provincial government's order to minimize non-essential business activity, the Company's operations were suspended from March 24, 2020 until April 20, 2020, at which time they were permitted to resume in a gradual and supervised manner. In addition, drilling activity on certain projects in Nunavut Territory and Ontario was temporarily reduced or suspended. Orbit Garant's international drilling operations were also affected, either as a result of government restrictions on certain business activities, or customer decisions to reduce or delay certain projects.

Orbit Garant considers the health and safety of its personnel, customers, suppliers, and the communities in which it operates to be a top priority. The Company has implemented precautionary health and safety measures across its operations, based on the recommendations, or directives, issued by the public health authorities and governments in the various jurisdictions in which the Company operates.

Management took several measures to mitigate the economic impact of COVID-19 on its business and operations. To ensure Orbit Garant's continuing ability to meet its financial and contractual obligations, the Company: (i) applied for government grants and subsidies made available by various governments in response to COVID- 19; (ii) reworked its cost structure and postponed non-essential expenses; (iii) made arrangements with Export Development Canada ("EDC") to temporarily suspend principal and interest payments on its loans from EDC until October 2020 (see Note 16 in the FY2020 Financial Statements); and (iv) made arrangements with National Bank of Canada ("National Bank") to modify the covenants in its senior credit facility (the "Credit Facility"). The Company believes that as a result of these measures it mitigated the risk of not being able to meet its obligations under its credit facilities during this difficult period and that it had sufficient resources to carry on its business operations.

Operationally, the Company implemented multiple initiatives to reduce costs and manage its liquidity position during the period in which drilling activities were reduced. In addition, effective April 1, 2020 to September 30, 2020, Orbit Garant's Management and Directors agreed to take a temporary 15% reduction in their remuneration to further support the Company.

During Fiscal 2021, Orbit Garant recorded a benefit related to the Canadian Emergency Wage Subsidy ("CEWS") program in the amount of $3.2 million, of which $2.9 million was recognized as a reduction of cost of contract revenue and $0.3 million was recognized as a reduction of general and administrative expenses. During Fiscal 2020, the Company recorded a benefit related to the CEWS program in the amount of $3.6 million, of which $3.2 million was recognized as a reduction of cost of contract revenue and $0.4 million was recognized as a reduction of general and administrative expenses.

The Company was no longer eligible for the CEWS program in the Fiscal 2022 first quarter ("Q1 2022"), given that its drilling activities in Canada have now returned to, or surpassed, pre-pandemic levels.

The Company's drilling activities in West Africa began to gradually resume or ramp up in the first quarter of Fiscal 2021 ("Q1 2021") and have now returned to, or surpassed, pre-pandemic levels. The Company's drilling activities in Chile began to gradually ramp up in the latter half of its Fiscal 2021 fourth quarter ("Q4 2021") and have not yet reached pre-pandemic levels.

The long-term impact of COVID-19 is unknown. While mineral drilling projects are now allowed to operate with appropriate safety measures, government business restrictions could be reinstated in any of the jurisdictions in which the Company operates should there be a significant increase in COVID-19, or COVID-19 variant, case counts.

Management continues to closely monitor the impact of the pandemic in the jurisdictions in which it operates. As part of its business continuity plan, Orbit Garant continues to manage its variable cost structure and cash prudently, while maintaining the flexibility required to adapt to any potential increase in COVID-19 related business restrictions.

FISCAL 2022 FIRST QUARTER SUMMARY

- Revenue totalled $50.6 million, an increase of 41.9% compared to $35.6 million in Q1 2021
- Gross margin was 7.4%, compared to 24.6% in Q1 2021
- Adjusted gross margin(1) (excluding depreciation expense) was 12.3%, compared to 31.3% in Q1 2021
- EBITDA(1) totalled $2.7 million, compared to $8.4 million in Q1 2021
- Net loss was $1.3 million, compared to net earnings of $3.5 million in Q1 2021
- Metres drilled totalled 463,755, an increase of 32.0% compared to 351,373 metres drilled in Q1 2021

(1) See Reconciliation of non-IFRS Financial Measures

CORPORATE OVERVIEW

Orbit Garant (TSX: OGD) is one of the largest Canadian-based mineral drilling companies, with 220 drill rigs and approximately 1,500 employees. Headquartered in Val-d'Or, Québec, the Company provides both underground and surface drilling services in Canada and internationally to major, intermediate and junior mining companies, through each stage of mineral exploration, mine development and production. Orbit Garant also provides geotechnical and water drilling services to mining or mineral exploration companies, engineering and environmental consultant firms, and government agencies. The majority of Orbit Garant's business activity is currently conducted in Canada. The Company has regional offices and facilities in Sudbury, Ontario and Moncton, New Brunswick, to support its Canadian business activities. Orbit Garant has worked on international projects in the United States, Mexico, Guyana, Chile, Argentina, Kazakhstan, Burkina Faso, Ghana and Guinea. The Company has established international operating subsidiaries in: Winnemucca (Nevada), U.S.A.; Santiago, Chile; Georgetown, Guyana; Ouagadougou, Burkina Faso; Takoradi, Ghana, and in Conakry, Guinea to support its international operations.

Orbit Garant has a comprehensive infrastructure with vertically integrated manufacturing capabilities. The Company manufactures custom drill rigs, equipment and drilling materials for use in its operations. Orbit Garant focuses on "specialized drilling", which refers to drilling projects that are in remote locations or, in the opinion of Management, because of the scope, complexity or technical nature of the work, cannot be undertaken by smaller conventional drilling companies.

The Company has two operating segments: Canada (including surface drilling, underground drilling and manufacturing Canada), and International.

For the three-month period ended September 30, 2021:

- Specialized drilling services, which typically generate a higher gross margin than conventional drilling services, accounted for approximately 34% of the Company's total revenue, compared to 46% in Q1 2021
- Approximately 73% of the Company's revenues were generated by gold related operations, and

approximately 27% were generated by base metal related and other operations.

- Surface and underground drilling services accounted for approximately 74% and 26%, respectively, of the Company's revenue.

- Approximately 72% of Orbit Garant's revenue was generated from major and intermediate mining company projects, compared to 75% in Q1 2021. Orbit Garant's drilling contracts with major and intermediate customers are typically from one to five years in length.

- Approximately 75% of Orbit Garant's revenue was generated from domestic drilling projects, and approximately 25% was generated from international drilling contracts.

BUSINESS STRATEGY

Orbit Garant's goal is to be the leading Canadian-based mineral drilling company. This will be achieved through the pursuit of both domestic and international market opportunities, and through the provision of best-in-class underground and surface drilling services, equipment and personnel for all stages of the mining and minerals business, including exploration, development and production. The Company employs the following business strategies:

- Focus primarily on major and well-financed intermediate mining and exploration companies operating in stable jurisdictions;
- Provide conventional, specialized and geotechnical drilling services;
- Manufacture customized drills and equipment to fit the needs of customers;
- Maintain a commitment to technological innovation and advanced drilling technologies, such as the Company's current implementation of computerized monitoring and control technologies;
- Provide training for the Company's personnel to continuously improve labour efficiency and the availability of a skilled labour force;
- Maintain a high level of health and safety standards in the workplace and promote protection of the environment;
- Establish and maintain long-term relationships with customers;
- Cross-sell drilling services to existing customers;
- Expand the Company's base of operations in strategic regions, such as: the Company's acquisition of Orbit Garant Chile S.A. ("OG Chile") based in Santiago, Chile in December 2015, and the acquisition of the drilling business of Projet Production International BF S.A. ("PPI") in Ouagadougou, Burkina Faso in October 2018;
- Maintain a sound balance sheet and a judicious deployment of capital; and
- Evaluate strategic acquisition opportunities to enhance value for the Company's stakeholders.

INDUSTRY OVERVIEW

Orbit Garant provides drilling services, in Canada and internationally, to the minerals industry through all stages of mine development, from exploration through production. Client mining companies consist of major (or senior), intermediate, and junior companies (which generally focus on exploration only). Mining companies' budgets for external drilling services, such as those offered by Orbit Garant, are typically determined by ferrous (iron) and non-ferrous (precious and base) metals prices, and the availability of capital to finance exploration (particularly in the case of juniors) and development programs, and/or ongoing mining operations.

Gold

Gold prices are determined by the balance between supply (primarily mine production) and the many sources of demand including global demand for gold jewelry, investment demand, and to a much lesser extent, demand from industrial applications.

The price of gold is slightly lower today compared to 12 months ago, but is significantly above its trailing five-year low. At the time of this report, the spot price of gold was approximately US$1,861 per ounce, representing a decline of approximately 1% compared to a year ago and an increase of approximately 66% from its trailing five-year price low in late 2016.

Base Metals

Base metals' prices generally reflect global economic conditions, as these metals are used primarily in infrastructure, industrial and manufacturing applications. Demand from emerging markets, particularly China and India, has a major influence on base metals markets. As emerging markets advance their economic development, their infrastructure and industrial bases expand. Further, residents typically become more affluent, driving increased demand for manufactured goods.

Aluminum, copper, lead, nickel and zinc are the primary base metals. The spot prices of each of these metals are significantly higher compared to 12 months ago. The spot price for copper, the metal widely considered to be the most sensitive to macroeconomic activity, was approximately US$3.15 per pound a year ago and at the time of this report was approximately US$4.40 per pound, an increase of approximately 40%. The spot prices of the primary base metals are currently near the upper end of their respective trailing five-year price ranges.

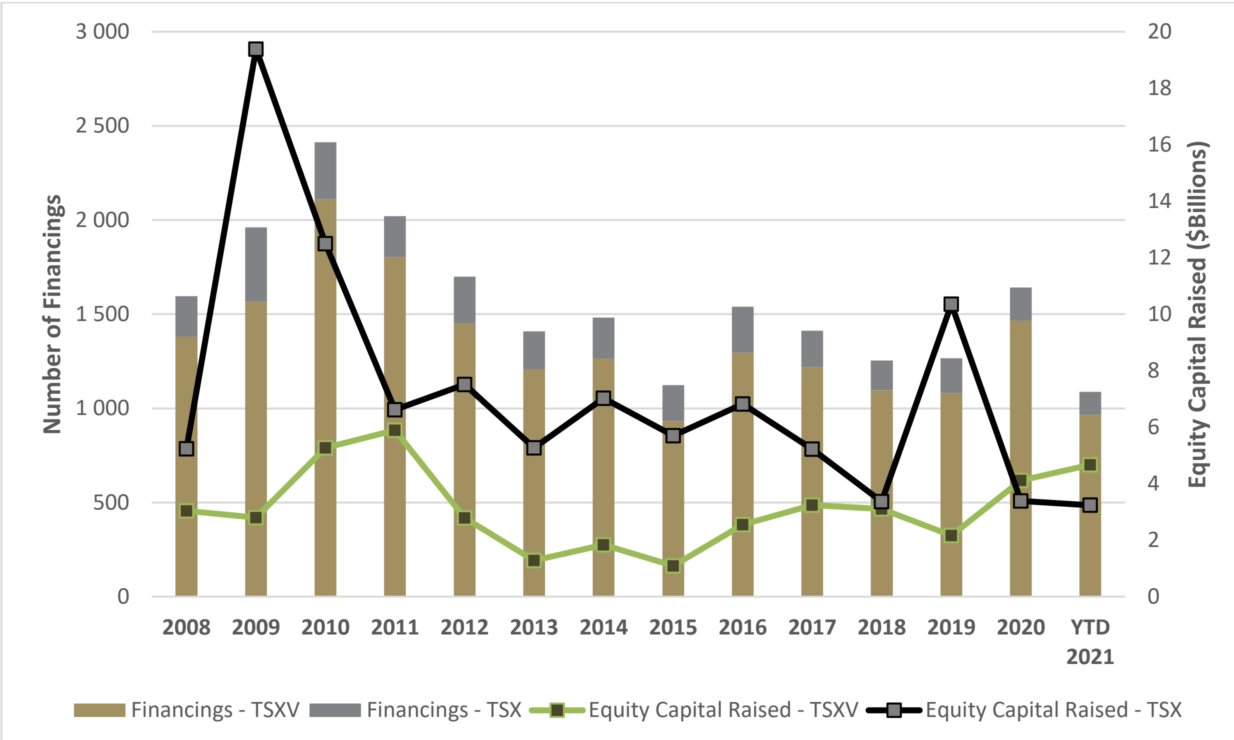
Iron Ore

Iron ore prices are determined by the global demand for steel, as more than 95% of mined iron ore is used to make steel. As both the world's largest consumer and producer of steel, China is widely regarded as having the most influence on global iron ore market prices. Continuing urbanization of the world's population, particularly in China and India, the world's most populous countries, is fueling global steel consumption, and long-term demand is expected to continue to trend higher. In the short term, the spot price of iron ore is principally affected by seasonal effects, short-term mismatches between supply and demand, and other factors. At the time of this report, the spot price of iron ore was approximately US$85 per tonne, compared to approximately US$121 per tonne one year ago. In May 2021, the spot price of iron ore reached a record high of approximately US$233 per tonne.

Market Participants

The mining industry has strengthened since a prolonged downturn ended in early 2016. Metal prices have increased, driving higher mining equity valuations and increased financing activity. Over the past 12 months, market conditions have been favourable for both precious metals and base metals mining companies, supported by the relatively strong price of gold and increases in base metal prices. Financing activity has strengthened during the period.

TSX / TSX-V Mining Sector Financings (2008 to September 30, 2021)



Mining companies listed on the Toronto Stock Exchange ("TSX") and the TSX-Venture Exchange ("TSX-V") completed 1,087 financings and raised $7.9 billion of equity capital in the first nine months of 2021, according to TMX Group. By comparison, they completed 1,212 financings and raised $5.5 billion of equity capital in the comparable period in 2020. They completed 904 financings and raised $3.5 billion of equity capital in the first nine months of 2019.

Global exploration activity is currently strong. According to S&P Capital IQ Metals and Mining Research (October 2021), drilling results were reported from a record 390 projects in September 2021. That compares to 331 projects in August 2021. The total number of drill holes reported during September 2021 was 6,208, close to the record of 6,291 set in October 2018.

According to a report from S&P Global Market Intelligence (August 2021), global exploration budgets for nonferrous metals are expected to increase 25% to 35% in 2021 from US$8.7 billion in 2020. That surpasses S&P's previous forecast of a 15% to 20% year-over-year increase in budgets, provided in March 2021. Looking ahead to 2022, S&P anticipates another increase in global exploration budgets for nonferrous metals, though smaller than its projected increase in 2021. S&P expects budgets to pull back slightly from 2022 levels in 2023 to 2025 as the economic recovery related to the COVID-19 pandemic subsides and global economic growth returns to a "more moderate" pace.

OVERALL PERFORMANCE

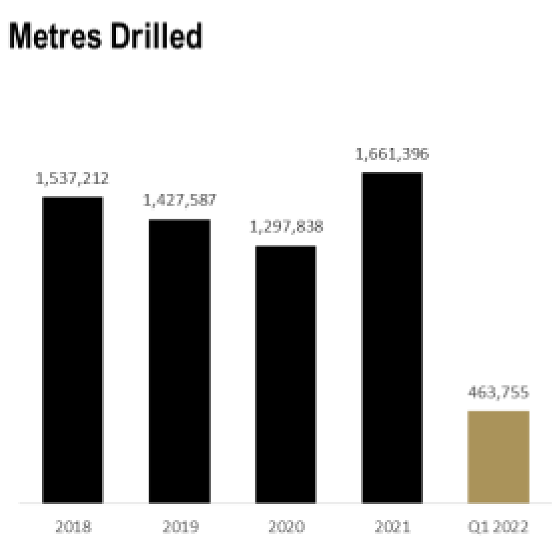
Results of operations for the first quarter ended September 30, 2021

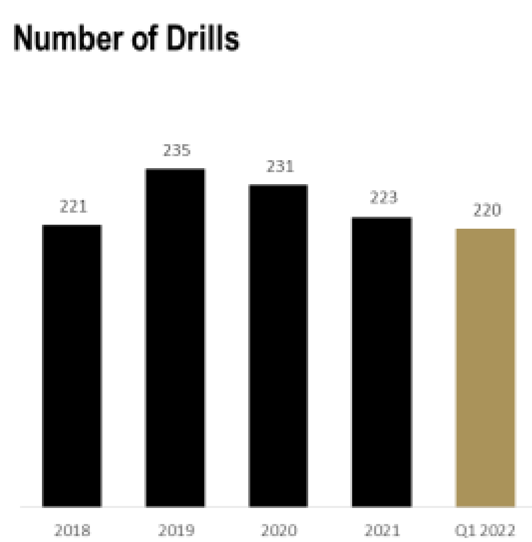
FIRST QUARTER ENDED SEPTEMBER 30 * ($millions)		Fiscal 2022 1st Quarter	Fiscal 2021 1st Quarter	2022 vs. 2021 Variance
Revenue *		**50.6**	35.6	**15.0**
Gross profit *		**3.8**	8.7	**(4.9)**
Gross margin (%)		**7.4**	24.6	**(17.2)**
Adjusted gross margin (%) (1)		**12.3**	31.3	**(19.0)**
Net (loss) earnings *		**(1.3)**	3.5	**(4.8)**
Net (loss)earnings per common share	**- Basic ($)**	**(0.04)**	0.09	**(0.13)**
	- Diluted ($)	**(0.04)**	0.09	**(0.13)**
EBITDA * (2)		**2.7**	8.4	**(5.7)**
Metres drilled		**463,755**	351,373	**112,382**

(1) Reflects gross margin, excluding depreciation expenses. See "Reconciliation of non-IFRS financial measures"
(2) EBITDA = Earnings before interest, taxes, depreciation and amortization. See "Reconciliation of non-IFRS financial measures."

During Q1 2022 Orbit Garant drilled 463,755 metres, an increase of 32.0% compared to 351,373 metres drilled in Q1 2021. Average revenue per metre drilled in Q1 2022 was $108.46, an increase of 7.9% compared to $100.51 in Q1 2021. The increase in average revenue per metre drilled is primarily attributable to improved pricing in Canada on drilling activities due to increased customer demand, partially offset by a lower proportion of specialized drilling activity.

The Company had 220 drill rigs as at September 30, 2021, compared to 223 drill rigs at the end of Fiscal 2021. During Q1 2022, three conventional drill rigs were dismantled. Orbit Garant currently has 43 drill rigs outfitted with computerized monitoring and control technology.





ANALYSIS OF THE FIRST QUARTER OF FISCAL 2022 COMPARED TO THE FIRST QUARTER OF FISCAL 2021

Contract Revenue

Revenue for Q1 2022 totalled $50.6 million, an increase of 41.9% compared to $35.6 million in Q1 2021. The increase in revenue was primarily attributable to an increase in drilling activities in Canada and internationally.

Canada revenue totalled $37.9 million in Q1 2022, an increase of 20.7% compared to $31.4 million in Q1 2021, reflecting strong domestic demand for the Company's drilling services in Q1 2022.

International revenue increased to $12.7 million in Q1 2022, from $4.2 million in Q1 2021, reflecting increased drilling activities.

Gross Profit and Margins (see Reconciliation of non-IFRS financial measures)

Gross profit for Q1 2022 was $3.8 million, compared to $8.7 million in Q1 2021. Gross margin for Q1 2022 was 7.4%, compared to 24.6% in Q1 2021. Depreciation expenses totalling $2.5 million are included in the cost of contract revenue for Q1 2022, compared to $2.4 million in Q1 2021. Adjusted gross margin, excluding depreciation expenses, was 12.3% in Q1 2022, compared to adjusted gross margin of 31.3% in Q1 2021. In Q1 2022, margins were negatively impacted by increased driller training and project ramp-up costs in Canada due to rapid growth in customer demand, and significant mobilization costs related to new, long-term contracts in Guinea and Chile. The Company is also experiencing supply chain disruptions in all of the regions in which it operates, which has resulted in cost inflation for materials and supplies, which has also negatively impacted gross margins. In addition, the cost of contract revenue was reduced by $2.4 million in Q1 2021 as a result of financial support recorded from the CEWS program. The Company was no longer eligible for the program in Q1 2022.

General and Administrative Expenses

General and Administrative ("G&A") expenses were $3.8 million (representing 7.4% of revenue) in Q1 2022, compared to $3.2 million (representing 9.1% of revenue) in Q1 2021. The increase in G&A expenses for Q1 2022 reflects increased drilling activities and revenues. G&A expenses were reduced by $0.2 million in Q1 2021 due to financial support recorded from the CEWS program. The Company was no longer eligible for the program in Q1 2022.

Operating Results

Earnings from operations for Q1 2022 were $1.1 million, compared to operating earnings of $6.3 million in Q1 2021.

Drilling Canada's operating earnings totalled $3.3 million in Q1 2022, compared to $7.9 million in Q1 2021. The decrease is primarily attributable to the $2.4 million in financial support that Orbit Garant recorded from the CEWS program in Q1 2021. The Company was no longer eligible for this program in Q1 2022. Drilling Canada's operating earnings in Q1 2022 also reflect the decline in gross margin due to increased driller training and project ramp-up costs, as discussed above.

Drilling International's operating loss totalled $2.2 million in Q1 2022, compared to an operating loss of $1.6 million in Q1 2021. The operating loss in Q1 2022 was primarily attributable to the impact of significant mobilization costs related to new long-term contracts, as discussed above.

Foreign Exchange Loss (Gain)

Foreign exchange loss was $0.1 million in Q1 2022, compared to a gain of $0.1 million in Q1 2021.

EBITDA (see Reconciliation of non-IFRS financial measures)

EBITDA totalled $2.7 million in Q1 2022, compared to $8.4 million in Q1 2021. The decrease was primarily attributable to increased driller training and project ramp-up costs, new project mobilization costs and the reduction of financial support from the CEWS program, partially offset by increased drilling activities.

Financial Expenses

Interest costs related to long-term debt and bank charges were $0.4 million in Q1 2022, compared to $0.6 million in Q1 2021.

Income Tax

Income tax expense was $0.8 million in Q1 2022, compared to $1.5 million in Q1 2021. The effective tax rate for Q1 2022 was negatively impacted mainly by tax losses for which no deferred tax assets were recognized.

Net (Loss) Earnings

Net loss for Q1 2022 was $1.3 million, or $0.04 per share, compared to net earnings of $3.5 million, or $0.09 per share, in Q1 2021. The negative variance reflects increased driller training and project ramp-up costs, new project mobilization costs and the reduction of financial support from the CEWS program, partially offset by increased drilling activities.

SUMMARY OF QUARTERLY RESULTS

* ($millions)		Fiscal 2022	Fiscal 2021				Fiscal 2020		
		Sept. 30	**June 30**	**Mar. 31**	**Dec. 31**	**Sept. 30**	**June 30**	**Mar. 31**	**Dec. 31**
Contract revenue *		**50.6**	51.1	40.5	36.1	35.6	20.2	36.0	38.3
Gross profit [(1)]*		**3.8**	3.0	3.2	5.4	8.7	2.3	1.3	2.4
Gross margin %		**7.4**	5.9	7.8	14.9	24.6	11.5	3.5	6.3
Net earnings (loss) *		**(1.3)**	(2.2)	0.7	0.3	3.5	(2.7)	(3.4)	(2.4)
Net earnings (loss) per common share ($)	- Basic	**(0.04)**	(0.06)	0.02	0.01	0.09	(0.08)	(0.09)	(0.06)
	- Diluted	**(0.04)**	(0.06)	0.02	0.01	0.09	(0.08)	(0.09)	(0.06)

[(1)] Includes amortization and depreciation expenses related to operations.

LIQUIDITY AND CAPITAL RESOURCES

Operating Activities

Cash flow from operations (before changes in non-cash operating working capital items, finance costs and income taxes paid), was $2.7 million in Q1 2022, compared to $7.8 million in Q1 2021.

The change in non-cash operating working capital items was an inflow of $0.9 million, compared to an outflow of $5.2 million in Q1 2021.The change in non-cash operating working capital in Q1 2022 was primarily attributable to:

- $0.8 million related to an increase in accounts receivable and prepaid expenses, and
- $3.8 million related to an increase in inventory, partially offset by
- $5.5 million related to an increase in accounts payable.

Investing Activities

Cash used in investing activities totalled $3.4 million in Q1 2022, compared to $0.4 million in Q1 2021. During Q1 2022, $3.6 million was used for the acquisition of property, plant and equipment of which $1.6 million was used for the acquisition of drill rigs for new contracts, partially offset by a cash inflow of $0.2 million on disposal of investments, property, plant and equipment. In Q1 2021, $0.6 million was used for the acquisition of property, plant and equipment, partially offset by a cash inflow of $0.2 million on disposal of instruments, property, plant and equipment.

Financing Activities

Orbit Garant's primary sources of liquidity are cash flow from operations and borrowings under a credit facility (the "Credit Facility") with National Bank of Canada Inc. ("National Bank"). On March 8, 2021 the Company and National Bank entered into an amended and restated Credit Agreement in respect of the Credit Facility. This Credit Facility consists of a $35.0 million revolving credit facility and a US$5.0 million revolving credit facility guaranteed by EDC. The current term of the Credit Facility expires on November 2, 2022.

The Company withdrew a net amount of $1.4 million during Q1 2022 on its Credit Facility, compared to a repayment of $2.1 million in Q1 2021. The Company's long-term debt, under the Credit Facility, including US$1.0 million ($1.3 million) drawn from the US$5.0 million revolving credit facility and the current portion, was $25.7 million as at September 30, 2021, compared to $24.3 million as at June 30, 2021. The debt was used to support working capital requirements and the acquisition of capital assets, property, plant and equipment.

As at September 30, 2021, the Company's working capital totalled $53.5 million, compared to $54.0 million as at June 30, 2021. The Company's working capital requirements are primarily related to the funding of inventory and the financing of accounts receivable.

The Company believes that it will be able to generate sufficient cash flow to meet its current and future working capital expenditures and repayment of its debt obligations. The Company's principal capital expenditures are related to the acquisition of drill rigs and property, plant and equipment.

Sources of Financing

As at September 30, 2021, the Company complied with all covenants in the Credit Facility and in the EDC Loan Agreement.

Orbit Garant's primary sources of liquidity are cash flow from operations and borrowings under its Credit Facility. The Credit Facility matures no later than November 2, 2022. The Company and the Lender are discussing a potential amendment and renewal of the Credit Facility to take into account the Company's current and expected financial position and the current market environment. The Company expects that availability under the Credit Facility will continue to provide it with sufficient liquidity to fund its working capital and capital asset acquisition requirements. As at September 30, 2021, the Company had drawn $25.7 million ($24.3 million as at June 30, 2021) under the Credit Facility.

Availability under the main revolving facility under the Credit Facility is subject to a borrowing base that is determined by the value of the Company's inventory, accounts receivable and real estate. All of Orbit Garant's assets are pledged as security for the Company's obligations under the Credit Facility. In addition, the Company's obligations under the US$5.0 million revolving credit facility are guaranteed by EDC.

The Credit Facility contains covenants that limit the Company's ability to undertake certain actions without prior approval of the Lender, including: i) mergers, liquidations, dissolutions and changes of ownership; ii) the incurrence of additional indebtedness; iii) encumbering the Company's assets; iv) guarantees, loans, investments and acquisitions that may be made by the Company; v) investing in or entering into derivative instruments, paying dividends and/or making other capital distributions to related parties; vi) capital expenditures exceeding mutually agreed upon limits;

and vii) certain asset sales. The Credit Facility also contains a number of financial covenants that the Company must comply with.

On December 20, 2018, Orbit Garant entered into an additional loan agreement with EDC for a term loan in the principal amount of up to US$5.15 million for the purposes of financing the acquisition of certain assets of PPI that was completed on October 11, 2018 (the "EDC Loan"). Orbit Garant is required to repay this loan in 57 consecutive monthly installments commencing May 2019, and maturing January 2024. The Company's obligations under the EDC Loan, are secured by a third ranking hypothec over all of Orbit Garant's assets. On January 21, 2019, an initial drawdown of US$2.575 million was used to reduce the amount drawn from the Company's Credit Facility. On October 9, 2019, Orbit Garant withdrew an amount of $3.4 million (US$2.575 million) to fund the final payment in connection with the acquisition of certain assets of PPI.

On April 23, 2020, the Company and EDC made arrangements whereby, among other things, all payments of principal and interest under the EDC Loan were deferred until October 16, 2020 and therefore the terms of these loans were extended by six months. Orbit Garant's long-term debt under the EDC loan including current portion amounted to $4.1 million as at September 30, 2021 ($4.3 million as at June 30, 2021).

In May 2020, OG Chile obtained a total of approximately $1.7 million in loans from Banco Scotiabank. The loans bear interest at a rate of 3.5% per annum, have a term of 36 months and are 70% guaranteed by the Chilean government. The loans had no capital repayments for the first six months and the interest over such period is capitalised over the remaining term of the loans.

In February 2021, OG Chile, entered into a financing agreement with Banco Scotiabank for a total of approximately $2.6 million in order to purchase the office building it had rented for several years. This agreement bears interest at a rate of 3.3% per annum, has a term of 84 months and is guaranteed by OG Chile's real estate assets.

Orbit Garant believes that it will continue to meet its payment terms under its credit facilities and have sufficient resources to carry on its business operations.

OUTSTANDING SECURITIES AS AT NOVEMBER 11, 2021

Number of common shares	37,372,756
Number of options	3,342,500
Fully diluted	40,715,256

RELATED PARTY TRANSACTIONS

Transactions with related parties

The Company is related to Dynamitage Castonguay Ltd., a company in which a director has an interest.

During the three-month periods ended September 30, 2021 and September 30, 2020, the Company entered into the following transactions with its related company and with persons related to directors:

*($000s)	3 months ended September 30, 2021	3 months ended September 30, 2020
Revenue*	0	6
Expenses*	38	37

As at September 30, 2021, a negligible amount was a receivable resulting from these transactions (negligible amount as at June 30, 2021).

All of these related party transactions were made in the normal course of business and were measured at the exchange amount, which is the amount established and agreed to by the parties.

Key management personnel and directors' transactions

The definition of key management includes the close members of the family of key personnel and any entity over which key management exercises control. The key management personnel have been identified as directors of the Company and key management staff. Close members of the family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Company.
Compensation paid to key management personnel and directors is as follows:

*($000s)	3 months ended September 30, 2021	3 months ended September 30, 2020
Salaries and fees *	246	250
Share-based compensation*	-	-
Total*	246	250

BASIS OF PREPARATION

Basis of presentation

The Company's unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, ("IAS 34"). The IFRS accounting policies that are set out in Note 4 to the Company's annual audited consolidated statements for the year ended June 30, 2021 were consistently applied to all periods presented. These interim condensed consolidated financial statements have not been subject to a review engagement by the Company's independent auditors.

The preparation of unaudited interim condensed consolidated financial statements in conformity with IAS 34 requires the use of certain critical accounting estimates, assumptions and judgments. It also requires Management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in Note 5 in the Company's annual audited consolidated financial statements for the year ended June 30, 2021. They remained unchanged for the three-month period ended September 30, 2021.

These unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis except for the investments, which are measured at fair value, and share-based compensation which is measured in accordance with IFRS 2, *Share-Based Payment*. They are presented in Canadian dollars, which is the currency of the primary economic environment in which the Company operates ("functional currency"). All values are rounded to the nearest thousand dollars, except where otherwise indicated.

These unaudited interim condensed consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company's 2021 annual audited consolidated financial statements.

These unaudited interim condensed consolidated financial statements were approved for issue by the Board of Directors of Orbit Garant Drilling Inc. on November 11, 2021.

Principles of consolidation

The Company's unaudited interim condensed consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. A subsidiary is an entity controlled by the Company. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee, independently of its percentage of participation. The existence and effect of potential voting rights are considered when the Company controls another entity.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the interim condensed consolidated statement of earnings from the effective date of acquisition to the effective date of disposal, as appropriate. Intercompany transactions and balances are eliminated on consolidation.

RECONCILIATION OF NON - IFRS FINANCIAL MEASURES

Financial data has been prepared in conformity with IFRS. However, certain measures used in this discussion and analysis do not have any standardized meaning under IFRS and could be calculated differently by other companies. The Company believes that certain non-IFRS financial measures, when presented in conjunction with comparable IFRS financial measures, are useful to investors and other readers because the information is an appropriate measure to evaluate the Company's operating performance. Internally, the Company uses this non-IFRS financial information as an indicator of business performance. These measures are provided for information purposes, in addition to, and not as a substitute for, measures of financial performance prepared in accordance with IFRS.

EBITDA: Net earnings (loss) before interest, taxes, depreciation and amortization.

Adjusted gross profit and margin: Contract revenue less operating costs. Operating expenses comprise material and service expenses, personnel expenses, other operating expenses, excluding depreciation.

EBITDA

Management believes that EBITDA is an important measure when analyzing its operating profitability, as it removes the impact of financing costs, certain non-cash items and income taxes. As a result, Management considers it a useful and comparable benchmark for evaluating the Company's performance, as companies rarely have the same capital and financing structure.

Reconciliation of EBITDA

(unaudited) (in millions of dollars)	**3 months ended September 30, 2021**	**3 months ended September 30, 2020**
Net earnings (loss) for the period	**(1.3)**	3.5
Add:		
Finance costs	**0.4**	0.6
Income tax expense	**0.8**	1.5
Depreciation and amortization	**2.8**	2.8
EBITDA	**2.7**	8.4

Adjusted Gross Profit and Margin

Although adjusted gross profit and margin are not recognized financial measures defined by IFRS, Management considers them to be important measures as they represent the Company's core profitability, without the impact of depreciation expense. As a result, Management believes they provide a useful and comparable benchmark for evaluating the Company's performance.

Reconciliation of Adjusted Gross Profit and Margin

(unaudited) (in millions of dollars)	3 months ended September 30, 2021	3 months ended September 30, 2020
Contract revenue	**50.6**	35.6
Cost of contract revenue (including depreciation)	**46.9**	26.9
Less depreciation	**(2.5)**	(2.4)
Direct costs	**44.4**	24.5
Adjusted gross profit	**6.2**	11.1
Adjusted gross margin (%) (1)	**12.3**	31.3

(1) Adjusted gross profit, divided by contract revenue X 100

RISK FACTORS

The following are certain factors relating to the Company's business and the industry within which it operates. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and should be read in conjunction with, the detailed information appearing elsewhere in this report and in the Company's Annual Information Form dated September 28, 2021. These risks and uncertainties are not the only ones relevant to the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the business, financial condition, liquidity and results of operations of the Company could be affected materially and adversely.

COVID-19

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics, pandemics or other health crises, including COVID-19.

COVID-19 negatively affected the Company and its customers in the second half of Fiscal 2020 and the first quarter of Fiscal 2021, and further spreading of the infection could continue to impact customers, vendors, suppliers and other counterparties and materially impact the Company's business, operations and financial condition. The extent to which COVID-19 impacts the Company's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or resolve it. In particular, the continued spread of COVID- 19 (and / or COVID-19 variants) or a resurgence of infections in jurisdictions that have previously controlled the pandemic could result in a slowdown or temporary suspension in operations or a re-imposition of restrictions on the operation of non-essential services.

The risks to the Company's business include, without limitation, the risk of breach of material contracts and customer agreements, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, supply chain disruptions, increased costs of supplies and materials, prolonged restrictive measures put in place in order to control an outbreak of contagious disease or other adverse public health developments in Canada or any of the markets in which Orbit Garant operates and other factors that will depend on future developments beyond the Company's control, which may have a material and adverse effect on the Company's business, financial condition and results of operations.

There can be no assurance that Orbit Garant will not ultimately see its workforce productivity reduced or that the Company will not incur increased medical costs / insurance premiums as a result of these health risks. Under the circumstances, the Company or its customers, suppliers and other counterparties may be forced to declare force majeure on certain contracts. In addition, the pandemic could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for drilling services, the Company's prospects and its ability to achieve its objectives. Orbit Garant continues to monitor the situation and the impact COVID-19 may have on its business.

Risk Related to Structure and Common Shares

Equity Market Risks

There is a risk associated with any investment in shares. The market price of securities such as the Common Shares of the Company are affected by numerous factors including, but not limited to, general market conditions, actual or anticipated fluctuations in the Company's results of operations, changes in estimates of future results of operations by the Company or securities analysts, risks identified in this section and other factors. In addition, the financial markets have experienced significant price and volume fluctuations that have sometimes been unrelated to the operating performance of the issuers or the industries in which they operate. Consequently, the trading price of the Common Shares may fluctuate.

Influence of Existing Shareholders

As of November 11, 2021, Pierre Alexandre, Vice Chairman and Vice President of Corporate Development of the Company, holds or controls, directly or indirectly, approximately 23% of Orbit Garant's outstanding Common Shares. As a result, this shareholder has the ability to influence Orbit Garant's strategic direction and policies, including any merger, consolidation or sale of all or substantially all of its assets, and the election and composition of Orbit Garant's Board of Directors. The foregoing ability to affect the control and direction of Orbit Garant could reduce its attractiveness as a target for potential takeover bids and business combinations, and correspondingly affect its share price.

Future Sales of Common Shares by the Company's Existing Shareholders

Certain shareholders, including Pierre Alexandre, hold or control significant blocks of shares of the Company. The decision of any of these shareholders to sell a substantial number of Common Shares in the public market could result in a material imbalance in demand for the Company's shares and therefore a decline in the market price of the Common Shares. In addition, the perception among the public that such sales may occur could also result in a reduction in the market price of the Common Shares.

Dilution

Orbit Garant may raise additional funds in the future by issuing equity securities. Holders of Common Shares will have no pre-emptive rights in connection with such further issuances. Additional Common Shares may be issued by Orbit Garant in connection with the exercise of options granted. Such additional equity issuances could, depending on the price at which such securities are issued, substantially dilute the interests of the holders of Common Shares.

OUTLOOK

Orbit Garant continues to monitor market conditions in the mining sector and the impact of the COVID-19 pandemic on its business. Orbit Garant's business activity in Canada and West Africa has recently surpassed pre-pandemic levels, while the Company's business activity in Chile, which began to ramp up in the latter half of Q4 2021, remains below pre-pandemic levels. The current high level of customer demand in Canada has resulted in a shortage of experienced drillers, which is expected to increase labour costs and impede productivity levels in the near term. The Company does not expect to experience a shortage of experienced drillers in its international operations. Orbit Garant is addressing the shortage of experienced drillers in Canada through its driller training program and its computerized drilling technology. The impact of the pandemic on global supply chains is currently resulting in a higher cost of supplies and materials for Orbit Garant in the near term. The Company expects to offset the increased labour costs in Canada and the higher costs of materials with price increases on its drilling contracts. Orbit Garant expects to gradually increase its capacity utilization and driller productivity as the mining cycle progresses, driving growth in margins.

While market conditions may fluctuate in the near term, Management believes that the longer-term outlook for drilling in the gold industry is positive, as many mining companies are facing declining reserves. Accordingly, increased spending on exploration and mine development will be required for the industry to remain viable in the long term as the reserves at existing mines are depleted. The current strong price of gold may incentivize mining companies to increase exploration and development spending on gold projects in the near term. Orbit Garant is well positioned to benefit from increased drilling services demand in the gold sector as it derives approximately 73% of its revenue from gold related projects.

Management is also encouraged by the current strong price of copper, which has more than doubled from a recent low of US$2.10 per pound in March 2020 at the onset of the pandemic. Many industry analysts expect that declining copper reserves may necessitate increased exploration activity for copper in the coming years. The current strength in the price of copper may incentivize increased exploration and development spending on copper projects.

Orbit Garant generated approximately 80% of its revenue from its Canadian operations in fiscal 2021. S&P Global Market Intelligence forecasts that Canada is the only major gold-producing country in the world in which output is expected to increase significantly through 2024. As such, Orbit Garant is well positioned to benefit from the positive outlook for the gold mining sector in Canada. An additional positive factor for mining companies operating in Canada is the current lower value of the Canadian dollar relative to the US dollar, as their expenses are typically in Canadian dollars and their revenues are denominated in US dollars. At the time of this report, the value of the Canadian dollar was approximately $0.80 US dollars.

Orbit Garant's international operations provide enhanced market, customer and commodity diversification, as well as increased access to higher margin specialized drilling activity. In South America, Orbit Garant is currently working on projects in Chile and Guyana. In West Africa, the Company is currently working on projects in Burkina Faso and Guinea.

Civil unrest and widespread protests in Chile as well as regional security concerns in Burkina Faso resulted in the delay or interruption of certain mineral drilling projects in these countries during the Company's 2020 fiscal year. This was prior to the pandemic, which temporarily disrupted most of the Company's remaining mineral drilling projects in these countries. The Company believes that the impact of the civil protests in Chile on mineral drilling projects has now diminished, but logistical challenges related to the pandemic continue to impact drilling projects. Orbit Garant's drilling projects in Burkina Faso are in areas of the country that have historically experienced less incidents of violence. The Company continues to monitor the regional security concerns in Burkina Faso. Orbit Garant's policy is to only work in areas where the security of its employees can be appropriately maintained.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The CEO and the CFO are responsible for designing internal controls over financial reporting ("ICFR") or causing them to be designed under their supervision. The Company's ICFR are designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and its preparation of financial statements for external purposes in accordance with IFRS.

As discussed above, the inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Company, have been detected. Therefore, no matter how well designed, ICFR have inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

For the three-month period ended September 30, 2021; there have been no significant changes to the ICFR and no change in the assessment of the effectiveness of the Company's ICFR. Accordingly, the CEO and CFO have concluded that the design and operation were effective at a reasonable level as at the end of the period covered by this report.