

Selected Financial and Operating Information

(Thousands of dollars except per share data,
numbers of shares and kilometres of seismic data)

	Three months ended September 30,		Nine months ended September 30,		Year ended December 31, 2023
	2024	2023	2024	2023	
	(Unaudited)		(Unaudited)		
Revenue					
Data library sales	2,726	5,103	17,803	22,266	39,127
Amortization of seismic data library	2,278	2,273	6,827	6,833	9,103
Net earnings (loss)	(1,405)	393	2,617	6,700	15,007
Per share basic and diluted	(0.03)	0.01	0.05	0.13	0.28
Cash provided by operating activities	2,665	10,564	11,860	16,524	23,524
Per share basic and diluted	0.05	0.20	0.23	0.31	0.44
EBITDA ^(a)	1,064	3,289	11,711	16,839	30,431
Per share basic and diluted ^(a)	0.02	0.06	0.23	0.32	0.57
Shareholder free cash flow ^(a)	1,061	2,793	9,968	13,883	24,829
Per basic and diluted ^(a)	0.02	0.05	0.19	0.26	0.47
Capital expenditures					
Seismic data	-	-	225	-	-
Property and equipment	45	14	45	28	28
Total capital expenditures	45	14	270	28	28
Dividends					
Regular dividends	766	731	2,255	2,138	2,862
Special dividends	2,548	7,992	2,548	7,992	18,519
Total dividends	3,314	8,723	4,803	10,130	21,381
Normal course issuer bid					
Number of shares purchased and cancelled	519,500	853,158	1,686,300	945,506	1,005,006
Cost of shares purchased and cancelled	1,245	1,670	3,653	1,830	1,943
Weighted average shares outstanding					
Basic and diluted	51,071,111	53,135,041	51,640,483	53,436,340	53,237,569
Shares outstanding at period-end			50,935,563	52,681,363	52,621,863
Seismic library					
2D in kilometres			829,207	829,207	829,207
3D in square kilometres			65,310	65,310	65,310

Financial Position and Ratio

(Thousands of dollars except ratio)

	September 30, 2024	September 30, 2023	December 31, 2023
Working capital	7,460	7,820	7,468
Working capital ratio	3.8:1	2.3:1	1.5:1
Cash and cash equivalents	7,414	9,821	15,948
Total assets	22,374	34,727	41,249
Trailing 12-month (TTM) EBITDA ^(b)	25,303	17,306	30,431
Shareholders' equity	19,351	28,225	25,655

(a) These non-GAAP financial measures are defined, calculated and reconciled to the nearest GAAP financial measures in the Management's Discussion and Analysis.

(b) TTM EBITDA is defined as the sum of EBITDA generated over the previous 12 months and is used to provide a comparable annualized measure.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Three and nine months ended September 30, 2024

This Management's Discussion and Analysis (MD&A) of the financial condition and results of operations of Pulse Seismic Inc. ("Pulse" or the "Company") for the three and nine months ended September 30, 2024, was prepared taking into consideration information available to October 22, 2024. It is supplemental to the unaudited condensed consolidated interim financial statements and related notes for the three and nine months ended September 30, 2024. This MD&A is also supplemental to the MD&A, audited consolidated financial statements and related notes for the year ended December 31, 2023.

The unaudited condensed consolidated interim financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) with comparative figures for the prior year. Certain comparative figures were reclassified to conform to the current year's presentation. The unaudited condensed consolidated interim financial statements and the MD&A were reviewed by Pulse's Audit and Risk Committee and approved by Pulse's Board of Directors. All financial information is reported in Canadian dollars. This MD&A discusses matters that Pulse's management considers material. Management determines if information is material based on whether they believe a reasonable investor's decision to buy, sell or hold shares in the Company would likely be influenced or changed if the information were omitted or misstated. Readers should also read the cautionary statement in "Forward-Looking Information".

Contents

Overview	3
Corporate Update	3
Key Performance Indicators.....	4
Outlook	5
Discussion of Operating Results	5
Review of Financial Position	8
Financial Summary of Quarterly Results	10
Contractual Obligations	11
Liquidity, Capital Resources and Capital Requirements	11
Non-Capital Resources	13
Non-GAAP Financial Measures and Reconciliations.....	13
Financial Instruments.....	14
New IFRS Standards	15
Critical Accounting Estimates	15
Disclosure Controls and Procedures (DC&P) and Internal Controls Over Financial Reporting (ICFR)	15
Risk Factors	15
Additional Information	15
Forward-Looking Information	16

OVERVIEW

ABOUT PULSE

Pulse is a market leader in the acquisition, marketing and licensing of two-dimensional (2D) and three-dimensional (3D) seismic data for the energy sector in Western Canada. Seismic data is used by oil and natural gas exploration and development companies to identify portions of geological formations that have the potential to hold hydrocarbons. Seismic data is also used by those requiring advanced geophysics to maximize the probability of project success including companies exploring for non-traditional forms of energy such as lithium, companies developing carbon capture, utilization and storage (CCUS) projects, and companies exploring for helium. Seismic data is used in conjunction with well logging data, well core comparisons, geological mapping and surface outcrops to create a detailed map of the Earth's subsurface at various depths.

Pulse owns the largest licensable seismic data library in Canada, currently consisting of approximately 65,310 net square kilometres of 3D seismic and 829,207 net kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin (WCSB) where most of Canada's oil and natural gas exploration and development occur.

Pulse calculates net kilometres of 2D data and net square kilometres of 3D data by multiplying the number of kilometres of seismic data in each 2D line and the number of square kilometres of seismic data in individual 3D seismic datasets by Pulse's percentage of ownership in each.

MISSION AND STRATEGY

As a pure-play seismic data library company, Pulse's business model is designed to generate a growing stream of cash flow by repeatedly licensing the data in its seismic data library to the western Canadian oil and natural gas, and new energy sectors.

Pulse is working with partners to explore the use of sophisticated processing technologies that provide advanced interpretation and visualization of seismic data to reduce the geological and drilling risks in exploring for subsurface targets. The application of such technologies is intended to increase the attractiveness and range of uses of Pulse's seismic dataset for potential new and existing customers. These include companies in emerging energy-transition projects such as lithium, CCUS, geothermal and helium resource extraction, and Pulse's traditional core focus of oil and natural gas development.

Current seismic processing and visualization software allows historical 2D and 3D data to be reprocessed and reinterpreted, thereby maintaining the technical usefulness and marketability of historical data and, through repeated licensing sales, generating recurring revenue. The Company is continuously seeking and evaluating opportunities to expand its data library by acquiring high-quality 2D and 3D datasets that cover some of western Canada's most prospective current exploration regions, are complementary to its current library and are available at favourable valuations.

Pulse's strategy is to pursue growth opportunities that meet its financial and technical criteria while maintaining a low-cost structure.

CORPORATE UPDATES

On October 22, 2024, Pulse's Board of Directors approved the regular quarterly dividend of \$0.015 per share. The total dividend will be approximately \$764,000 based on Pulse's 50,904,663 common shares outstanding as of October 22, 2024, and will be paid on November 28, 2024, to shareholders of record on November 14, 2024.

KEY PERFORMANCE INDICATORS

The key performance indicators used by Pulse’s management to analyze business results are: revenue, net earnings, cash provided by operating activities, EBITDA and shareholder free cash flow. The definitions, calculations and reconciliations of EBITDA and shareholder free cash flow to the nearest GAAP financial measures are provided in “Non-GAAP Financial Measures and Reconciliations”.

Results for the key performance indicators for the three and nine months ended September 30, 2024, with comparative figures for 2023, are outlined in the following table:

(thousands of dollars except per share data)	Three months ended September 30,			Nine months ended September 30,		
	2024	2023	Variance	2024	2023	Variance
Revenue - Data library sales	2,726	5,103	(2,377)	17,803	22,266	(4,463)
Net earnings (loss)	(1,405)	393	(1,798)	2,617	6,700	(4,083)
Per share basic and diluted	(0.03)	0.01	(0.04)	0.05	0.13	(0.08)
Cash provided by operating activities	2,665	10,564	(7,899)	11,860	16,524	(4,664)
Per share basic and diluted	0.05	0.20	(0.15)	0.23	0.31	(0.08)
EBITDA	1,064	3,289	(2,225)	11,711	16,839	(5,128)
Per share basic and diluted	0.02	0.06	(0.04)	0.23	0.32	(0.09)
Shareholder free cash flow	1,061	2,793	(1,732)	9,968	13,883	(3,915)
Per share basic and diluted	0.02	0.05	(0.03)	0.19	0.26	(0.07)

For the three months ended September 30, 2024, Pulse generated \$2.7 million of revenue compared to \$5.1 million for the same period in 2023. For the nine months ended September 30, 2024, Pulse generated \$17.8 million of revenue compared to \$22.3 million for the same period in 2023.

The periods-over-periods decreases in each of the Company’s key performance metrics was a result of the decrease in revenue for the three-and nine-months periods ending September 30, 2024, compared to the same periods in 2023.

OUTLOOK

So far in 2024, there have been a variety of factors influencing industry conditions which impact Pulse's revenue generation. While land sales in Alberta at September 30, 2024 were approximately \$300 million, down slightly from the \$318 million for the same period in 2023, they remain significantly higher than in recent years going back to 2014. There are several notable infrastructure improvements which will lead to increased offtake capacity for Canadian oil and gas, such as the recent completion of the TMX pipeline expansion and the 2025 forecast completion of LNG Canada's natural gas export facility. 2024 has also brought improvements in oil prices and an expectation by some for increasing natural gas prices in 2025. These positives, are offset by the factors that create uncertainty for the future, including economic, political, and environmental concerns. Pulse, as always, has low visibility regarding future seismic data library sales levels, regardless of industry conditions. The Company remains focused on business practices that have served throughout the full range of conditions. The Company maintains a strong balance sheet, has zero debt, no capital spending commitments, and a disciplined and rigorous approach to evaluating growth opportunities. This 15-person company, led by an experienced and capable management team, operates with a low-cost structure and focuses on developing excellent client relations as well providing exceptional customer service. Pulse's strong financial position, high leverage to increased revenue in its EBITDA margin and careful management of its cash resources have resulted in the return of capital to shareholders through regular and special dividends and the repurchase of its shares.

Discussion of Operating Results

SUMMARY FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

EARNINGS(LOSS) BEFORE INCOME TAXES

For the three months ended September 30, 2024, the Company generated a loss before income taxes of \$1.1 million (\$0.02 per share basic and diluted) compared to earnings before income taxes of \$1.1 million (\$0.02 per share basic and diluted) for the comparable period of 2023.

For the nine months ended September 30, 2024, the Company generated earnings before income taxes of \$5.2 million (\$0.10 per share basic and diluted) compared to earnings before income taxes of \$10.2 million (\$0.19 per share basic and diluted) for the comparable period of 2023.

REVENUE

Revenue was \$2.7 million for the three months ended September 30, 2024, compared to \$5.1 million for the three months ended September 30, 2023.

Revenue was \$17.8 million for the nine months ended September 30, 2024, compared to \$22.3 million for the nine months ended September 30, 2023.

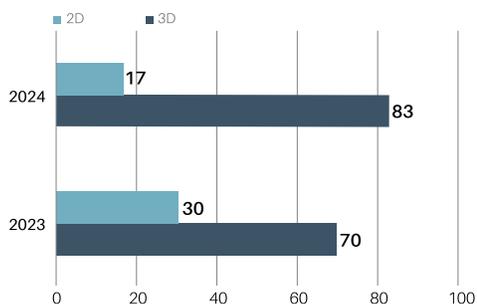
DISAGGREGATED DATA LIBRARY SALES BREAKDOWN

Pulse disaggregates its data library sales in two ways. The following graphs illustrate the comparative disaggregated sales for the three-and nine-month periods ended September 30, 2024, and 2023.

The first breakdown is data type. It compares sales of 2D and 3D seismic data. As 3D seismic licence contracts are generally larger than 2D seismic licence contracts, the percentage of seismic data library revenues generated from 2D and 3D seismic data can fluctuate significantly depending on the number of 3D seismic sale contracts signed during a given period.

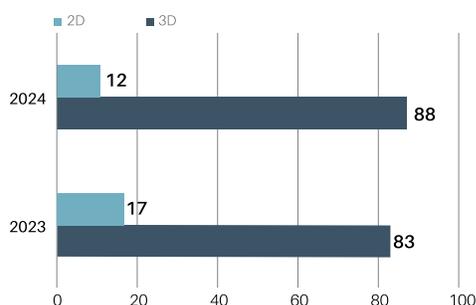
DISAGGREGATED SALES 2D/3D (%)

Three months ended September 30



DISAGGREGATED SALES 2D/3D (%)

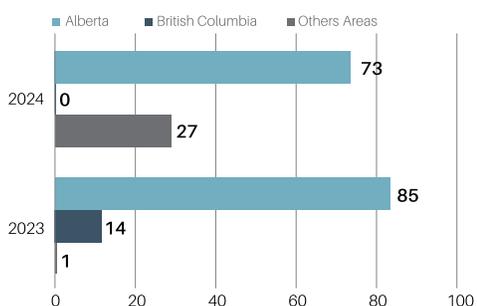
Nine months ended September 30



The second breakdown is geographical. The largest proportion of data sales is usually generated in Alberta, as that is where most of Pulse's data coverage and current industry activity are.

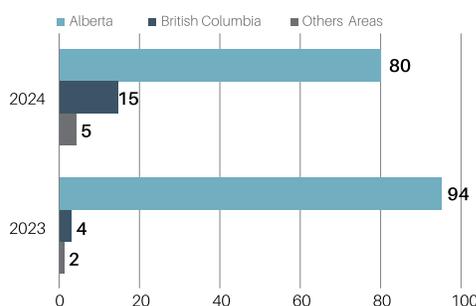
DISAGGREGATED SALES GEOGRAPHICAL (%)

Three months ended September 30



DISAGGREGATED SALES GEOGRAPHICAL (%)

Nine months ended September 30



The Company's customers are currently, and generally, focusing on liquids-rich natural gas and light oil pools found primarily in a broad corridor running from northwest Calgary, Alberta, along the Foothills of the Rocky Mountains, to the British Columbia border, as compared to "dry" natural gas more often found in British Columbia, on Alberta's eastern prairies, and in Saskatchewan and Manitoba. During the nine months ended September 30, 2024, 80 percent (nine months ended September 30, 2023 – 94 percent) of the data library sales were from data located in Alberta and 15 percent were from British Columbia (nine months ended September 30, 2023 – 4 percent).

AMORTIZATION OF SEISMIC DATA LIBRARY

For the three months ended September 30, 2024 and 2023, seismic data amortization was \$2.3 million. For the nine months ended September 30, 2024, and 2023, seismic data amortization was \$6.8 million.

Amortization of the seismic data library is described further under "Critical Accounting Estimates".

IMPAIRMENT

On September 30, 2024, the Company assessed the cash-generating units (CGUs) in its seismic data library for indicators of impairment, as required under IFRS, and concluded there were no indicators on September 30, 2024. As a result, no impairment test was required.

SALARIES, COMMISSIONS AND BENEFITS (SCB)

SCB includes salaries, related benefits, incentive compensation and internal commissions. SCB for the three months ended September 30, 2024, was \$1.1 million compared to \$1.3 million for the three months ended September 30, 2023.

SCB for the nine months ended September 30, 2024, was \$4.4 million compared to \$3.9 million for the nine months ended September 30, 2023.

The increase in the 2024 nine-month period over 2023 is mainly due to an increase in the long-term incentive plan (LTIP) accounting expense estimate for the period. The LTIP expense estimate is impacted by the increase in the share price between September 30, 2023, and September 30, 2024, as well as the additional units added to the LTIP notional accounts for dividends paid in the past 12 months.

OTHER SELLING, GENERAL AND ADMINISTRATIVE (SG&A) COSTS

SG&A includes external commissions, occupancy costs, office and general costs, information technology expenses, data storage expenses, directors' fees and corporate costs, and consulting and professional fees.

For the three months ended September 30, 2024, SG&A was \$533,000 compared to \$518,000 for the three months ended September 30, 2023.

For the nine months ended September 30, 2024, SG&A was \$1.7 million compared to \$1.6 million for the nine months ended September 30, 2023. The slight increase, compared to the same period in 2023, is mainly due to software expenses and the operating cost component of the office lease.

NET FINANCING COSTS (INCOME)

For the three months ended September 30, 2024, the Company's net financing income was \$91,000 compared to net financing income of \$130,000 for the three months ended September 30, 2023.

For the nine months ended September 30, 2024, the Company's net financing income was \$362,000 compared to net financing income of \$263,000 for the nine months ended September 30, 2023.

Net financing costs (income) include two items: financing expenses and interest income. In 2023, the financing expenses mainly consisted of standby fees related to the Company's revolving credit facility. There are no stand-by fees associated with the revolving demand facility, as amended in February 2024. Financing expenses also includes a nominal amount of interest related to lease liabilities as per IFRS 16. Interest income includes interest on term deposits. The Company earned higher interest income after three quarters of 2024 compared to the same period in 2023 because of the higher cash balance through the period.

In 2024 and 2023, the Company did not carry any long-term debt balance at any time. The cash surplus is invested in short-term term deposits.

INCOME TAXES

For the three months ended September 30, 2024, the income tax expense was \$260,000 compared to \$734,000 for the same period in 2023.

For the nine months ended September 30, 2024, the income tax expense was \$2.6 million compared to \$3.5 million for the same period in 2023.

The main factor affecting the tax rate calculation in both periods is the permanent difference between the tax basis and the accounting value of the seismic data library acquired in 2019.

The average combined income tax rate for 2024 and 2023 was 23 percent. A reconciliation of the income tax expense is included in the unaudited condensed consolidated interim financial statements.

Review of Financial Position

AS AT SEPTEMBER 30, 2024

TRADE AND OTHER RECEIVABLES

Trade and other receivables at September 30, 2024, totalled \$2.4 million compared to \$6.3 million at December 31, 2023.

Lower sales for the nine-month period ended September 30, 2024, compared to the same period last year, along with the timing of collection of accounts receivable explain the lower trade and other receivable balance at September 30, 2024.

SEISMIC DATA LIBRARY

In the first quarter of 2024, the Company acquired partnership interests in certain of its proprietary datasets for an amount of \$225,000.

At September 30, 2024, the Company considered indicators of impairment for each of its CGUs. Based on that review, no impairment test was performed. The last impairment test was performed at March 31, 2020, and no impairment loss was recognized.

DEFERRED INCOME TAX ASSETS / LIABILITIES

The net deferred income tax assets were \$277,000 at September 30, 2024 compared to \$91,000 at December 31, 2023. The increase in net deferred income tax assets is mainly due to the decrease of the liability related to the difference between the tax base of the seismic data library and the carrying amount on the statement of financial position.

The deferred income tax assets or liabilities consist mainly of temporary differences between LTIP accounting expense and future tax deductions and, the tax base of the seismic data library and the carrying amount on the statement of financial position.

RIGHT-OF-USE (ROU) ASSETS

Included in the ROU assets is the present value of the basic rent related to the Company's office lease agreement. The present value is calculated using an incremental borrowing rate of 7.45 percent. The operating costs associated with the lease agreement are not included as those costs are not fixed or based on an index or rate.

DEFERRED REVENUE

On July 14, 2023, the Company collected payment for the \$9.0 million seismic data licensing sales contract signed at the end of June 2023. \$7.6 million of the \$9.0 million was recognized in revenue in 2023, when data was delivered. In the first nine months of 2024, \$950,000 was reclassified from deferred revenue to revenue.

The \$403,000 of remaining seismic data will be delivered to the client by the end of 2024 as per the agreement, with the related amount of deferred revenue reclassified as revenue.

CURRENT INCOME TAX LIABILITIES

Included in current tax liabilities is the current tax expense for 2024, less the 2024 tax instalments.

REVOLVING DEMAND CREDIT FACILITY

In February 2024, the Company amended its \$25.0 million committed revolving credit facility. The new revolving demand facility has a \$5.0 million borrowing limit and was undrawn at September 30, 2024.

LEASE LIABILITIES

Included in the lease liability is the present value of the basic rent related to the lease agreement. The present value is calculated using an incremental borrowing rate of 7.45 percent. The operating costs associated with the lease agreements are not included as those costs are not fixed or based on an index or rate.

LONG-TERM PAYABLE

Included in long-term payable is the estimated cash-settled portion of the liability related to the LTIP, as estimated to vest in 2026 and 2027.

SHARE CAPITAL SUMMARY

The Company's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

The following table provides details of the Company's outstanding share capital:

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Weighted average shares outstanding: Basic and diluted	51,071,111	53,135,041	51,640,483	53,346,340
Shares outstanding at period-end			50,935,563	52,681,363
Shares outstanding at October 22, 2024			50,904,663	

DILUTED EARNINGS PER SHARE RECONCILIATION

The Company does not have any dilutive securities.

LONG-TERM INCENTIVE PLAN (LTIP)

The Company has an LTIP for employees, officers, and Directors, designed to align the Company's long-term incentive compensation with its performance and increase levels of stock ownership. Participants are granted restricted share units (RSUs) and performance share units (PSUs). LTIP awards are granted at the discretion of the Board of Directors.

RSUs and PSUs have accompanying dividend-equivalent rights and, therefore, additional RSUs and PSUs are issued to reflect dividends declared on common shares. Historically, the plan's trustee purchased common shares on the open market for the after-tax number of RSUs and PSUs vested, with funds provided by the Company. In the first quarter of 2024, the Board of Directors approved an amendment to the LTIP to allow, at its discretion, to settle the LTIP obligation with equity or an equivalent cash payment. They elected to cash-settle the 2023 related vested units for the employees, but equity-settle the vested units for board members.

On March 31, 2024, 477,654 RSUs and 488,225 PSUs were eligible to vest. The Company's performance in 2023 met the predetermined minimum performance benchmarks and, consequently, 100% PSUs vested on March 31, 2024. RSUs vest automatically based on time and, consequently, all the eligible RSUs vested on March 31, 2024.

The Company settled the employees and Director's vested units in the second quarter of 2024.

At September 30, 2024, there were 990,370 RSUs and 1,186,375 PSUs outstanding.

DEFICIT

On September 30, 2024, the Company had a deficit of \$54.2 million, compared to \$50.7 million at December 31, 2023. The \$2.6 million of net earnings for the nine-month period reduced the deficit but was offset by the dividends of \$4.8 million declared and paid, and \$1.3 million related to the purchasing and cancelling of its common shares under the NCIB, resulting in the deficit increase.

The purchasing and cancelling common shares adjustment relates to the difference between the price paid by the Company for the shares purchased and cancelled under the Company's normal course issuer bid (NCIB) and the average historical cost of the Company's shares. The average historical cost of the shares purchased and cancelled was recorded as a reduction to share capital.

DIVIDENDS

As mentioned previously in the corporate update, on October 22, 2024, Pulse's Board of Directors approved the regular quarterly dividend of \$0.015 per share. The quarterly dividend will be paid on November 28, 2024, to shareholders of record at the close of business on November 14, 2024.

On July 23, 2024, the Company declared a regular quarterly dividend from \$0.015 per share and a special dividend of \$0.05 per share. The dividends totalling \$3.3 million and were paid on August 21, 2024, to shareholders of record on August 14, 2024.

On April 24, 2024, the Company increased the regular quarterly dividend from \$0.01375 per share, declaring a regular dividend of \$0.015 per share. The dividend totalling \$775,000 and was paid on May 23, 2024, to shareholders of record on May 14, 2024.

On February 15, 2024, the Company approved the regular quarterly dividend of \$0.01375 per share. The dividend totalling \$715,000 was paid on March 11, 2024, to shareholders of record at the close of business on March 1, 2024.

On December 6, 2023, the Company declared a special dividend of \$0.20 per share. The dividend totalling \$10.5 million was paid on January 8, 2024, to shareholders of record at the close of business on December 21, 2023.

Pulse confirms that all dividends paid to shareholders in 2024 are designated as "eligible dividends" entitling Canadian resident individuals to a higher gross-up and dividend tax credit. For non-resident shareholders, Pulse's dividends are subject to Canadian withholding tax.

FINANCIAL SUMMARY OF QUARTERLY RESULTS

(Thousands of dollars, except per share data)	2024			2023				2022
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue - data library sales	2,726	6,300	8,777	16,861	5,103	8,756	8,407	2,439
Net earnings (loss)	(1,405)	1,341	2,681	8,307	393	3,399	2,908	(1,948)
Per share basic and diluted	(0.03)	0.03	0.05	0.16	0.01	0.06	0.05	(0.04)

During the past eight quarters, the fluctuations in net earnings or losses have mainly been a function of the corresponding quarterly fluctuations in revenue.

CONTRACTUAL OBLIGATIONS

Pulse's known contractual obligations at September 30, 2024, are comprised of an office space lease, payments under seismic data services contracts, accounts payable and accrued liabilities. The following table reflects the Company's anticipated payment of contractual obligations:

Contractual Obligations (Thousands of dollars)	Payments due by period			
	Total	Less than 1 year	1-3 years	4-5 years
Lease liabilities	243	69	169	5
Seismic data services contracts	34	34	-	-
Accounts payable and accrued liabilities	1,903	1,672	231	-
Total contractual obligations	2,180	1,775	400	5

Obligations related to seismic data services contracts is the cost for storage of physical seismic data.

Accounts payable and accrued liabilities at September 30, 2024, include the accrual of \$559,000 related to the short-term incentive plan (STIP) and the accrual of \$555,000 related to the LTIP.

LIQUIDITY, CAPITAL RESOURCES AND CAPITAL REQUIREMENTS

At September 30, 2024, Pulse had working capital of \$7.5 million and a working capital ratio of 3.8:1. At December 31, 2023, Pulse had working capital of \$7.5 million, including cash of \$15.9 million, and a working capital ratio of 1.5:1.

For the nine months ended September 30, 2024, the Company generated \$11.9 million of cash from operating activities compared to \$16.5 million for the same period in 2023. The main difference between the two periods relates to lower data library sales for the nine-month period ended on September 30, 2024 compared to the same period in 2023.

The Company also utilized cash for the following:

- Purchase and cancellation of 1,686,300 common shares through its NCIB for a total of \$3.7 million (at an average price of \$2.17 per common share including commissions);
- Dividends paid of \$15.3 million;
- LTIP settlement of \$1.1 million; and
- Acquisition of partnership interests on proprietary seismic data for \$225,000.

In February 2024, the Company amended its \$25.0 million committed revolving credit facility. The new revolving demand facility has a \$5.0 million borrowing limit and is secured through a charge on all the assets of the Company and its material subsidiaries.

Interest is calculated based on the lender's prime loan rate, or USBR loan, or term CORRA or term SOFR, plus an applicable margin based on the type of loan. At September 30, 2024, the applicable interest rate for the prime loan was 6.95 percent.

The revolving demand credit facility also includes the following financial covenants:

1) Maximum Total debt to Adjusted EBITDA Ratio

The total debt to adjusted EBITDA ratio shall not be greater than 3.0:1 at all times.

Adjusted EBITDA is calculated on a trailing 12-month basis. It is defined as earnings or losses before interest, income taxes, depreciation and amortization. It also includes extraordinary losses, non-cash losses and expense charges, and any other unusual or non-recurring cash charges, expenses or losses consented to by the lenders, less participation survey revenue, lease payments treated as capital lease, extraordinary gains, and non-cash gains and income. Adjusted EBITDA will be adjusted for any acquisition or disposition to reflect that it occurred on the first day of such calculation period.

2) Minimum Interest Coverage Ratio

The minimum interest coverage ratio is defined as the ratio of adjusted EBITDA to interest expense.

The minimum interest coverage ratio shall not be less than 2.5:1 at all times.

At September 30, 2024, with no revolving demand credit facility balance, the interest coverage ratio was 393.0:1. No stand-by fees are applicable to the revolving demand credit facility.

The Company was in compliance with all covenants at September 30, 2024.

Pulse has an NCIB in place to buy back its shares on the Toronto Stock Exchange (TSX). TSX rules determine the number of shares the Company is permitted to purchase through its NCIB for any renewal period.

On December 20, 2023 the NCIB became effective. The Company may purchase, for cancellation, up to a maximum of 2,957,406 common shares, equal to 10 percent of the public float of 29,574,064 common shares as at December 13, 2023. The Company will be limited under the NCIB to purchase up to 2,618 common shares in any one day, subject to the block purchase exemption under TSX rules. The NCIB will continue until December 19, 2024. Purchases will be made on the open market through the TSX, or alternative trading platforms, at the market price of such shares. All shares purchased under the NCIB will be cancelled.

On February 20, 2024, the Company entered into an automatic share purchase plan (ASPP) to facilitate repurchases of common shares under its NCIB. The Company can purchase common shares when it would not be active in the market due to regulatory restrictions, including insider trading rules and the Company's own internal trading blackout periods. Purchases were made by the Company's broker based on parameters set by the Company when it was not in possession of any material non-public information about the Company or its securities, and in accordance with the limits and other terms of the ASPP. The ASPP was entered into in accordance with the requirements of applicable Canadian securities laws and will terminate on December 19, 2024.

From December 20, 2023 to September 30, 2024, the Company purchased 1,701,900 common shares under the NCIB. All purchases were made on the open market through the TSX, or alternative trading platforms, at the market price of such shares. All shares purchased under the NCIB were cancelled.

Funding for Pulse's future capital expenditures will generally depend on the level of future data library sales. Pulse's management believes that the Company's capital resources will be sufficient to finance future operations and carry out the necessary capital expenditures through 2024. The Company anticipates that future capital expenditures will be financed through funds from operations. As at the date of this MD&A, the Company has a \$5.0 million credit facility which is undrawn. If deemed appropriate by management and the Board of Directors, Pulse can also issue common or preferred shares.

Pulse requires flexibility in managing its capital structure to take advantage of opportunities for raising additional capital to finance opportune seismic data acquisitions. Historically, the Company has used a combination of debt and equity to finance growth initiatives. It continues to rely on internal measures, such as the debt-to-equity ratio, to structure and forecast its capital requirements. Pulse's management considers the current capital structure appropriate.

This discussion on liquidity, capital resources and capital requirements contains forward-looking information. Users of this information are cautioned that actual results may vary and are encouraged to review the discussions of risk factors and forward-looking statements below.

NON-CAPITAL RESOURCES

The Company's main non-capital resource is its key management and staff. The Company has an experienced team with extensive knowledge of the seismic industry. Pulse's management understands industry cycles and how to manage the business in the downturn and recovery phases. Pulse has built strong sales, financial and IT departments. Management and staff are eligible to participate in the STIP and LTIP, which are tied to the Company's shareholder free cash flow per share.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS

This MD&A and the Company's continuous disclosure documents provide discussion and analysis of EBITDA and shareholder free cash flow. IFRS do not include standard definitions for these measures and, therefore, may not be comparable to similar measures used and disclosed by other companies. As IFRS have been incorporated into Canadian generally accepted accounting principles (GAAP), these non-IFRS measures are also non-GAAP measures. The Company has included these non-GAAP financial measures because they are used by management, investors, analysts and others to evaluate the Company's financial performance.

These measures should not be considered in isolation or as a substitute for IFRS performance measures. They should not be used as an exclusive measure of cash flow, because they do not consider working capital changes, capital expenditures, debt repayments and other sources and uses of cash, which are disclosed in the consolidated audited and interim unaudited statements of cash flows.

EBITDA AND SHAREHOLDER FREE CASH FLOW

EBITDA and shareholder free cash flow represent the capital generated and available to allocate.

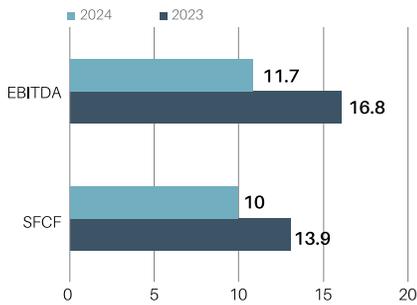
EBITDA is calculated as earnings from operations before interest, taxes, depreciation and amortization.

Shareholder free cash flow further refines the calculation of capital available to invest in growing the Company's 2D and 3D seismic data library, pay dividends, purchase its common shares and repay debt when applicable by adding non-cash expenses and non-cash deferred financing charges, and deducting net financing costs and current income tax expense.

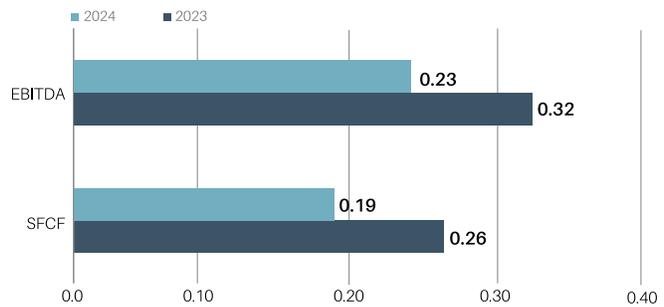
A reconciliation of net earnings (loss) to EBITDA and shareholder free cash flow follows:

(Thousands of dollars, except per share data)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net earnings (loss)	(1,405)	393	2,617	6,700
Add:				
Amortization of seismic data library	2,278	2,273	6,827	6,833
Net financing income	(91)	(130)	(362)	(263)
Income tax expense	260	734	2,566	3,510
Depreciation	22	19	63	59
EBITDA	1,064	3,289	11,711	16,839
Add:				
Non-cash expenses	147	184	584	467
Non-cash deferred financing charges	-	6	-	16
Deduct:				
Net financing income	(91)	(130)	(362)	(263)
Current income tax expense	241	816	2,689	3,702
Shareholder free cash flow (SFCF)	1,061	2,793	9,968	13,883
EBITDA per share basic and diluted	0.02	0.06	0.23	0.32
SFCF per share basic and diluted	0.02	0.05	0.19	0.26

EBITDA AND SFCF
NINE MONTHS ENDED SEPTEMBER 30
(millions of dollars)



EBITDA AND SFCF PER SHARE (BASIC AND DILUTED)
NINE MONTHS ENDED SEPTEMBER 30
(dollars per share)



FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized on the statement of financial position when the Company becomes a party to the instrument’s contractual obligations. The Company’s financial assets include cash and cash equivalents, and trade and other receivables. Its financial liabilities mainly comprise accounts payable and would include any balance owing on the revolving demand credit facility balance.

FAIR VALUE

The fair values of cash and cash equivalents, accounts receivable and accounts payable approximate their carrying amount largely due to the short-term maturities of these instruments. The fair value of the revolving demand credit facility balance, if any, approximates the carrying value because interest charges under the bank loan are based on current Canadian bankers’ acceptance rates and margins.

CREDIT RISK

There have been no significant changes in Pulse’s credit risk as disclosed in the Company’s MD&A for the year ended December 31, 2023.

At September 30, 2024, 87 percent of the total accounts receivable were due from five customers. The Company does not anticipate problems collecting any of its accounts receivable.

LIQUIDITY RISK

There have been no significant changes in Pulse’s liquidity risk as disclosed in the Company’s MD&A for the year ended December 31, 2023.

COMMODITY PRICE RISK

The Company is not directly exposed to commodity price risk as it does not have any contracts directly based on commodity prices. A change in commodity prices, specifically oil and natural gas prices, could have a material impact on the Company’s customers’ cash flows and could, therefore, affect seismic data library sales. Commodity prices are affected by many factors, including supply and demand. The Company has not entered into any commodity price risk contracts. Given that this is an indirect influence, the financial impact on the Company due to changing oil and natural gas prices is not reasonably determinable.

NEW IFRS STANDARDS

Several new standards, amendments to standards and interpretations have been issued by the International Accounting Standards Board but were not effective for the period ending September 30, 2024. Accordingly, they were not applied in preparing the consolidated financial statements. None of the new standards is expected to have a significant effect on the condensed consolidated interim financial statements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements, in conformity with IFRS, requires management to make estimates and assumptions. Management's estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's critical accounting estimates are discussed annually with the Audit and Risk Committee of the Company's Board of Directors.

DISCLOSURE CONTROLS AND PROCEDURES (DC&P) AND INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR)

The Company applies the COSO Internal Control — Integrated Framework (2013 framework). There were no changes in the ICFR that occurred during the period beginning July 1, 2024 and ending September 30, 2024, that materially affected, or are reasonably likely to materially affect, the Company's ICFR. No material weaknesses relating to the design of the ICFR were identified. Furthermore, there were no limitations on the scope of the design of the DC&P or the ICFR.

No changes were made to ICFR during the period beginning July 1, 2024 and ending September 30, 2024, that have materially affected, or are reasonably likely to materially affect, Pulse's ICFR.

RISK FACTORS

There have been no significant changes in Pulse's risk factors as described in the Company's MD&A for the year ended December 31, 2023.

ADDITIONAL INFORMATION

Additional information relating to Pulse, including the Company's Annual Information Form is available on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This document contains information that constitutes “forward-looking information” or “forward-looking statements” (collectively, “forward-looking information”) within the meaning of applicable securities legislation. Forward-looking information is often, but not always, identified by the use of words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “forecast”, “target”, “project”, “guidance”, “may”, “will”, “should”, “could”, “estimate”, “predict” or similar words suggesting future outcomes or language suggesting an outlook.

This MD&A and, specifically, the “Outlook” and “Liquidity, Capital Resources and Capital Requirements” sections herein contain forward-looking information which includes, but is not limited to, statements regarding:

- The outlook of the Company for the year ahead, including future operating costs and expected revenues;
- Recent events on the political, economic, regulatory, public health and legal fronts affecting the industry’s medium- to longer- term prospects, including progression and completion of LNG and pipeline projects;
- The Company’s capital resources and sufficiency thereof to finance future operations, meet its obligations associated with financial liabilities and carry out the necessary capital expenditures through 2024;
- Pulse’s capital allocation strategy;
- Pulse’s dividend policy;
- Oil and natural gas prices and forecast trends;
- Oil and natural gas drilling activity and land sales activity;
- Oil and natural gas company capital budgets;
- Future demand for seismic data;
- Future seismic data sales;
- Pulse’s business and growth strategy; and
- Other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results and performance, as they relate to the Company or the oil and natural gas industry as a whole.

Sources for the forecasts and the material assumptions underlying this forward-looking information are, where applicable, noted in the relevant sections of this MD&A.

By its very nature, forward-looking information involves inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. Pulse does not publish specific financial goals or otherwise provide guidance, due to the inherently poor visibility of seismic revenue. Pulse cautions readers not to place undue reliance on these statements as several important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, estimates and intentions expressed in such forward-looking information. These factors include, but are not limited to:

- Uncertainty of the timing and volume of data sales from the recently acquired seismic data library, which was partially funded with long-term debt; Volatility of oil and natural gas prices;
- Risks associated with the oil and natural gas industry in general;
- The Company’s ability to access external sources of debt and equity capital;
- Credit, liquidity, and commodity price risks;
- The demand for seismic data;
- The pricing of data library licence sales;
- Cybersecurity;
- Relicensing (change-of-control) fees and partner copy sales;
- Environmental, health and safety risks;
- Federal and provincial government laws and regulations, including those pertaining to taxation, royalty rates, environmental protection, and public health and safety;

- Competition;
- Dependence on key management, operations and marketing personnel;
- The loss of seismic data;
- Protection of intellectual property rights;
- The introduction of new products; and
- Climate change.

Pulse cautions that the foregoing list of factors that may affect future results is not exhaustive. Additional information on these risks and other factors that could affect the Company's operations and financial results is included under "Risk Factors" herein, under "Risk Factors" in the Company's most recent annual information form and in the Company's most recent audited annual financial statements, management information circular, quarterly reports, material change reports and news releases. Copies of the Company's public filings are available on SEDAR at www.sedar.com.

When relying on forward-looking information to make decisions with respect to Pulse, investors and other individuals should carefully consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking information in this MD&A is provided as of the date of this MD&A. The Company does not undertake any obligation to update publicly, or to revise, any of the included forward-looking information, except as required by law. The forward-looking information in this document is provided for the limited purpose of enabling current and potential investors to evaluate an investment in Pulse. Readers are cautioned that such forward-looking information may not be appropriate and should not be used for other purposes.

Corporate Information

Pulse is a market leader in the acquisition and licensing of 2D and 3D seismic data to the western Canadian energy sector. Pulse owns the largest licensable seismic data library in Canada, currently consisting of 65,310 net square kilometres of 3D seismic and 829,207 net kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin where most of Canada's oil and natural gas exploration and development occur.

OFFICERS

Neal Coleman
President and CEO

Pamela Wicks
Vice President, Finance and CFO

Trevor Meier
Vice President, Sales and Marketing

Catherine Samuel
Corporate Secretary

BOARD OF DIRECTORS

Robert Robotti ^{(2) (3)}
Chair

Paul Crilly ^{(1) (3)}
Director

Dallas Droppo ^{(1) (2) (3)}
Director

Patrick R. Ward ^{(2) (4)}
Director

Melanie Westergard ^{(1) (2) (4)}
Director

Neal Coleman ⁽⁴⁾
Director

(1) Member of the Audit and Risk Committee

(2) Member of the Compensation Committee

(3) Member of the Corporate Governance and Nominating Committee

(4) Member of the ESG-Health Committee

BANKERS

The Toronto-Dominion Bank
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada
Calgary, Alberta

SOLICITORS

McCarthy Tétrault LLP
Calgary, Alberta

AUDITORS

MNP LLP
Calgary, Alberta

STOCK EXCHANGE LISTING

TSX: PSD
OTCQX: PLSDF

HEAD OFFICE

Suite 2700, 421 7th Avenue S.W.
Calgary, Alberta T2P 4K9

Telephone: 403-237-5559
Toll Free: 1-877-460-5559
Email: info@pulsesismic.com

www.pulsesismic.com



PULSE

Energy Data. On Demand.

Q3

For the three and nine months
ended September 30, 2024

TSX: PSD
OTCQX:PLSDF

