NEWS RELEASE

Major Drilling Reports Third Quarter Results for Fiscal 2017

MONCTON, New Brunswick (March 2, 2017) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its third quarter of fiscal year 2017, ended January 31, 2017.

Highlights

In millions of Canadian dollars (except loss per share)	Q3 2017	Q3 2016	YTD 2017	YTD 2016
Revenue	$ 70.1	$ 71.9	$ 219.1	$ 240.5
Gross profit	9.4	13.0	40.6	57.9
As percentage of revenue	13.4%	18.1%	18.5%	24.1%
EBITDA(1)	(3.1)	(1.6)	5.1	20.7
As percentage of revenue	(4.4%)	(2.2%)	2.3%	8.6%
Net loss	(14.3)	(15.9)	(33.8)	(32.4)
Loss per share	(0.18)	(0.20)	(0.42)	(0.40)

(1) Earnings before interest, taxes, depreciation and amortization, excluding restructuring charge (see "non-GAAP financial measure")

- Quarterly revenue was $70.1 million, down 3% from the $71.9 million recorded for the same quarter last year.
- Gross margin percentage for the quarter was 13.4%, compared to 18.1% for the corresponding period last year.
- Net loss was $14.3 million or $0.18 per share for the quarter, compared to a net loss of $15.9 million or $0.20 per share for the prior year quarter.
- Total cash level, net of debt, stands at $27.0 million at quarter end.

"The Company faced the usual slowdown in activity over the holiday season but our teams were hard at work preparing for a busier startup as compared to last year. We incurred significant costs in the quarter as we overhauled more rigs and support equipment, and trained new crews. These costs, combined with weather-delayed mobilizations in Canada, impacted margins in the third quarter," said Denis Larocque, President and CEO of Major Drilling Group International Inc.

"Looking ahead to our fourth quarter and fiscal 2018, we have a positive but cautious view. Most senior and intermediate companies have increased their exploration budgets for calendar 2017, although some remain conservative. As well, junior mining companies continue to be active following the recent increase in mineral financings," said Mr. Larocque. "We have renewed most of our contracts for 2017, although at limited price increases given we were still facing pricing pressures. We continue to see an increase in inquiries from customers, and as they move forward with their stated plans, we should see utilization rates gradually improve as each month goes by."

"With increased demand, and utilization rates in the industry improving, we are starting to see marginal price improvements for our services in most regions. One of the challenges that is re-emerging in our sector is the shortage of experienced drill crews in the industry, particularly in Canada, a factor that will put some pressure on productivity and margins as we go forward."

"The Company's net cash position (net of debt) continues to be very healthy at $27.0 million. This quarter, we have spent $3.7 million on capital expenditures, adding two new rigs and support equipment to our fleet. In order to optimize our rig performance, we took the opportunity to review the quality of our fleet and retired 29 older, inefficient and less productive drill rigs, bringing the fleet total to 645 rigs. The net impact on results was less than $0.3 million, as most of these rigs had been fully depreciated over time," added Mr. Larocque.

"We continue to focus our efforts on getting prepared for a potential increase in activity and have ramped up our initiatives on recruitment and training. The recent increase in gold and base metal prices, combined with recent mineral financings, are positive signs going into calendar 2017. The Company's financial strength allows it to invest in safety and innovation, to maintain its equipment in good condition, and to retain many of its skilled employees, strategically positioning us to react quickly when the industry recovers."

Third Quarter ended January 31, 2017

Total revenue for the quarter was $70.1 million, down 3% from revenue of $71.9 million recorded in the same quarter last year. The foreign exchange translation impact for the quarter was an unfavorable impact of approximately $1 million on revenue and negligible on net earnings, when compared to the effective rates for the same period last year.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 20% to $37.8 million compared to the same period last year. The decrease in revenue came primarily from the Canadian operations as both senior and junior customers stopped their programs earlier this year as they worked through budgets and programs for 2017.

South and Central American revenue was up 43% to $19.0 million for the quarter, compared to the prior year quarter. While improvements were experienced in most operations, the increase came primarily from Mexico and Argentina.

Asian and African operations reported revenue of $13.3 million, up 20% from the same period last year. During the quarter, all operations in the region showed improvements compared to the prior year quarter.

The overall gross margin percentage for the quarter was 13.4%, down from 18.1% for the same period last year. Reduced pricing, along with significant repair, training and mobilization costs, impacted margins in the current quarter.

General and administrative costs were up $0.1 million at $11.4 million compared to the same quarter last year. The Company continues to focus on controlling its general and administrative costs across all operations.

The income tax provision for the quarter was a recovery of $1.9 million compared to a recovery of $0.8 million for the prior year period. The tax recovery for the quarter was impacted by non-tax affected losses and non-deductible expenses, while incurring taxes in profitable branches.

Non-GAAP Financial Measure

In this news release, the Company uses the non-GAAP financial measure, EBITDA, excluding restructuring charge. The Company believes this non-GAAP financial measure provides useful information to both management and investors in measuring the financial performance of the Company. This measure does not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, and should not be construed as an alternative to other financial measures determined in accordance with GAAP.

Forward-Looking Statements

Some of the statements contained in this news release may be forward-looking statements, such as, but not limited to, those relating to: worldwide demand for gold and base metals and overall commodity prices; the level of activity in the minerals and metals industry and the demand for the Company's services; the Canadian and international economic environments; the Company's ability to attract and retain customers and to manage its assets and operating costs; sources of funding for its clients (particularly for junior mining companies); competitive pressures; currency movements (which can affect the Company's revenue in Canadian dollars); the geographic distribution of the Company's operations; the impact of operational changes; changes in jurisdictions in which the Company operates (including changes in regulation); failure by counterparties to fulfill contractual obligations; and other factors as may be set forth as well as objectives or goals including words to the effect that the Company or management expects a stated condition to exist or occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements by reason of factors such as, but not limited to, the factors set out in the discussion on pages 15 to 18 of the 2016 Annual Report entitled "General Risks and Uncertainties", and such other documents as available on SEDAR at www.sedar.com. All such factors should be considered carefully when making decisions with respect to the Company. The Company does not undertake to update any forward-looking statements, including those statements that are incorporated by reference herein, whether written or oral, that may be made from time to time by or on its behalf, except in accordance with applicable securities laws.

About Major Drilling

Major Drilling Group International Inc. is one of the world's largest drilling services companies primarily serving the mining industry. To support its customers' varied exploration drilling requirements, Major Drilling maintains field operations and offices in Canada, the United States, Mexico, South America, Asia, Africa and Europe. Major Drilling provides all types of drilling services including surface and underground coring, directional, reverse circulation, sonic, geotechnical, environmental, water-well, coal-bed methane, shallow gas, underground percussive/longhole drilling and a variety of drilling-related mine services.

Financial statements are attached.

Webcast/Conference Call Information

Major Drilling will provide a simultaneous webcast and conference call to discuss its quarterly results on Friday, March 3, 2017 at 9:00 AM (EST). To access the webcast, which includes a slide presentation, please go to the investors/webcast section of Major Drilling's website at www.majordrilling.com and click on the link. Please note that this is listen only mode.

To participate in the conference call, please dial 416-340-2216 and ask for Major Drilling's Third Quarter Results Conference Call. To ensure your participation, please call in approximately five minutes prior to the scheduled start of the call.

For those unable to participate, a taped rebroadcast will be available approximately one hour after the completion of the call until midnight, Friday, March 17, 2017. To access the rebroadcast, dial 905-694-9451 and enter the passcode 8866904. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

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Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Operations
(in thousands of Canadian dollars, except per share information)
(unaudited)

	Three months ended January 31		Nine months ended January 31	
	2017	2016	**2017**	2016
TOTAL REVENUE	**$ 70,117**	$ 71,887	**$ 219,119**	$ 240,488
DIRECT COSTS	**60,737**	58,905	**178,510**	182,578
GROSS PROFIT	**9,380**	12,982	**40,609**	57,910
OPERATING EXPENSES				
General and administrative	**11,385**	11,334	**32,916**	32,779
Other expenses	**969**	1,621	**2,612**	3,502
Loss (gain) on disposal of property, plant and equipment	**179**	158	**364**	(2,181)
Foreign exchange (gain) loss	**(90)**	1,421	**(390)**	3,147
Finance costs	**97**	290	**241**	441
Depreciation of property, plant and equipment	**12,355**	12,633	**36,851**	37,561
Amortization of intangible assets	**661**	671	**1,965**	2,605
Restructuring charge (note 11)	**-**	1,509	**-**	8,000
	25,556	29,637	**74,559**	85,854
LOSS BEFORE INCOME TAX	**(16,176)**	(16,655)	**(33,950)**	(27,944)
INCOME TAX - (RECOVERY) PROVISION (note 7)				
Current	**413**	215	**6,141**	6,687
Deferred	**(2,295)**	(973)	**(6,258)**	(2,205)
	(1,882)	(758)	**(117)**	4,482
NET LOSS	**$ (14,294)**	$ (15,897)	**$ (33,833)**	$ (32,426)
LOSS PER SHARE (note 8)				
Basic	**$ (0.18)**	$ (0.20)	**$ (0.42)**	$ (0.40)
Diluted	**$ (0.18)**	$ (0.20)	**$ (0.42)**	$ (0.40)

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Comprehensive (Loss) Earnings

(in thousands of Canadian dollars)
(unaudited)

	Three months ended January 31		Nine months ended January 31	
	2017	2016	**2017**	2016
NET LOSS	**$ (14,294)**	$ (15,897)	**$ (33,833)**	$ (32,426)
OTHER COMPREHENSIVE EARNINGS				
Items that may be reclassified subsequently to profit or loss				
Unrealized (loss) gain on foreign currency translations (net of tax)	**(7,017)**	19,712	**13,167**	40,009
Unrealized gain (loss) on derivatives (net of tax)	**212**	(20)	**(77)**	(16)
COMPREHENSIVE (LOSS) EARNINGS	**$ (21,099)**	$ 3,795	**$ (20,743)**	$ 7,567

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity
For the nine months ended January 31, 2017 and 2016
(in thousands of Canadian dollars)
(unaudited)

	Share capital	Reserves	Share-based payments reserve	Retained earnings	Foreign currency translation reserve	Total
BALANCE AS AT MAY 1, 2015	$ 239,726	$ 24	$ 17,234	$ 152,764	$ 50,644	$ 460,392
Share-based payments reserve	-	-	807	-	-	807
Dividends	-	-	-	(1,603)	-	(1,603)
	239,726	24	18,041	151,161	50,644	459,596
Comprehensive earnings:						
Net loss	-	-	-	(32,426)	-	(32,426)
Unrealized gain on foreign currency translations	-	-	-	-	40,009	40,009
Unrealized loss on derivatives	-	(16)	-	-	-	(16)
Total comprehensive earnings	-	(16)	-	(32,426)	40,009	7,567
BALANCE AS AT JANUARY 31, 2016	$ 239,726	$ 8	$ 18,041	$ 118,735	$ 90,653	$ 467,163
BALANCE AS AT MAY 1, 2016	**$ 239,726**	**$ 326**	**$ 18,317**	**$105,876**	**$ 61,896**	**$426,141**
Exercise of stock options	**25**	**-**	**(4)**	**-**	**-**	**21**
Share-based payments reserve	**-**	**-**	**705**	**-**	**-**	**705**
	239,751	**326**	**19,018**	**105,876**	**61,896**	**426,867**
Comprehensive earnings:						
Net loss	**-**	**-**	**-**	**(33,833)**	**-**	**(33,833)**
Unrealized gain on foreign currency translations	**-**	**-**	**-**	**-**	**13,167**	**13,167**
Unrealized loss on derivatives	**-**	**(77)**	**-**	**-**	**-**	**(77)**
Total comprehensive loss	**-**	**(77)**	**-**	**(33,833)**	**13,167**	**(20,743)**
BALANCE AS AT JANUARY 31, 2017	**$ 239,751**	**$ 249**	**$ 19,018**	**$ 72,043**	**$ 75,063**	**$406,124**

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)
(unaudited)

	Three months ended January 31		Nine months ended January 31	
	2017	2016	**2017**	2016
OPERATING ACTIVITIES				
Loss before income tax	**$ (16,176)**	$ (16,655)	**$ (33,950)**	$ (27,944)
Operating items not involving cash				
Depreciation and amortization	**13,016**	13,304	**38,816**	40,166
Loss (gain) on disposal of property, plant and equipment	**179**	158	**364**	(2,181)
Share-based payments reserve	**228**	279	**705**	807
Restructuring charge	**-**	1,509	**-**	6,554
Finance costs recognized in loss before income tax	**97**	290	**241**	441
	(2,656)	(1,115)	**6,176**	17,843
Changes in non-cash operating working capital items	**9,113**	7,106	**(253)**	4,236
Finance costs paid	**(97)**	(290)	**(241)**	(441)
Income taxes (paid) recovered	**(1,484)**	173	**(4,229)**	(5,359)
Cash flow from operating activities	**4,876**	5,874	**1,453**	16,279
FINANCING ACTIVITIES				
Repayment of long-term debt	**(863)**	(2,089)	**(4,616)**	(5,770)
Issuance of common shares	**21**	-	**21**	-
Dividends paid	**-**	(1,603)	**-**	(3,206)
Cash flow used in financing activities	**(842)**	(3,692)	**(4,595)**	(8,976)
INVESTING ACTIVITIES				
Business acquisition (note 10)	**-**	-	**(3,881)**	(1,783)
Acquisition of property, plant and equipment (net of direct financing) (note 6)	**(2,814)**	(4,057)	**(10,385)**	(11,152)
Proceeds from disposal of property, plant and equipment	**120**	317	**1,557**	6,337
Cash flow used in investing activities	**(2,694)**	(3,740)	**(12,709)**	(6,598)
Effect of exchange rate changes	**(704)**	1,340	**1,166**	3,758
INCREASE (DECREASE) IN CASH	**636**	(218)	**(14,685)**	4,463
CASH, BEGINNING OF THE PERIOD	**34,907**	49,578	**50,228**	44,897
CASH, END OF THE PERIOD	**$ 35,543**	$ 49,360	**$ 35,543**	$ 49,360

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets
As at January 31, 2017 and April 30, 2016
(in thousands of Canadian dollars)
(unaudited)

		January 31, 2017		April 30, 2016
ASSETS				
CURRENT ASSETS				
Cash	$	**35,543**	$	50,228
Trade and other receivables		**59,244**		55,829
Note receivable		**471**		457
Income tax receivable		**6,084**		7,513
Inventories		**83,582**		74,144
Prepaid expenses		**5,345**		2,498
		190,269		190,669
NOTE RECEIVABLE		**1,175**		1,531
PROPERTY, PLANT AND EQUIPMENT		**221,347**		240,703
DEFERRED INCOME TAX ASSETS		**14,732**		9,564
GOODWILL		**58,022**		57,641
INTANGIBLE ASSETS		**1,307**		3,193
	$	**486,852**	$	503,301
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	$	**45,439**	$	34,068
Income tax payable		**2,167**		1,859
Current portion of contingent consideration		**4,466**		3,000
Current portion of long-term debt		**3,310**		5,288
		55,382		44,215
CONTINGENT CONSIDERATION		**-**		5,347
LONG-TERM DEBT		**5,265**		6,936
DEFERRED INCOME TAX LIABILITIES		**20,081**		20,662
		80,728		77,160
SHAREHOLDERS' EQUITY				
Share capital		**239,751**		239,726
Reserves		**249**		326
Share-based payments reserve		**19,018**		18,317
Retained earnings		**72,043**		105,876
Foreign currency translation reserve		**75,063**		61,896
		406,124		426,141
	$	**486,852**	$	503,301

1. NATURE OF ACTIVITIES

Major Drilling Group International Inc. (the "Company") is incorporated under the Canada Business Corporations Act and has its head office at 111 St. George Street, Suite 100, Moncton, NB, Canada. The Company's common shares are listed on the Toronto Stock Exchange ("TSX"). The principal source of revenue consists of contract drilling for companies primarily involved in mining and mineral exploration. The Company has operations in Canada, the United States, Mexico, South America, Asia, Africa and Europe.

2. BASIS OF PRESENTATION

Statement of compliance
These Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and using the accounting policies as outlined in the Company's annual Consolidated Financial Statements for the year ended April 30, 2016.

On March 2, 2017, the Board of Directors authorized the financial statements for issue.

Basis of consolidation
These Interim Condensed Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company 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.

The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statements of Operations from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Intra-group transactions, balances, income and expenses are eliminated on consolidation, where appropriate.

Basis of preparation
These Interim Condensed Consolidated Financial Statements have been prepared based on the historical cost basis except for certain financial instruments that are measured at fair value, using the same accounting policies and methods of computation as presented in the Company's annual Consolidated Financial Statements for the year ended April 30, 2016.

3. APPLICATION OF NEW AND REVISED IFRS

The following IASB standards, now in effect, have had no significant impact on the Company's Consolidated Financial Statements:

IFRS 10 *(amended) Consolidated Financial Statements*
IFRS 11 *(amended) Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations*
IAS 1 *(amended) Presentation of Financial Statements*
IAS 16 *(amended) Property, Plant and Equipment*
IAS 28 *(amended) Investments in Associates and Joint Ventures*
IAS 38 *(amended) Intangible Assets*

3. APPLICATION OF NEW AND REVISED IFRS (Continued)

The Company has not applied the following revised IASB standards that have been issued, but are not yet effective:

IFRS 2 *(as amended in 2016) Share-based Payment**
IFRS 9 *(as amended in 2014) Financial Instruments**
IFRS 15 *Revenue from Contracts with Customers**
IFRS 16 *Leases***
IAS 7 *(amended) Statement of Cash Flows****
IAS 12 *(amended) Income Taxes****

**Effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.*
***Effective for annual periods beginning on or after January 1, 2019, with earlier application permitted.*
****Effective for annual periods beginning on or after January 1, 2017, with earlier application permitted.*

The Company is currently in the process of assessing the impact of the adoption of these standards, however, they are not expected to have a significant impact on the Consolidated Financial Statements.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS

The preparation of financial statements, in conformity with International Financial Reporting Standards ("IFRS"), requires management to make judgments, estimates and assumptions that are not readily apparent from other sources, which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. Significant areas requiring the use of management estimates relate to the useful lives of property, plant and equipment for depreciation purposes, property, plant and equipment and inventory valuation, determination of income and other taxes, assumptions used in the compilation of share-based payments, fair value of assets acquired and liabilities assumed in business acquisitions, amounts recorded as accrued liabilities, contingent consideration and allowance for doubtful accounts, and impairment testing of goodwill and intangible assets.

The Company applied judgment in determining the functional currency of the Company and its subsidiaries, the determination of cash-generating units ("CGUs"), the degree of componentization of property, plant and equipment, and the recognition of provisions and accrued liabilities.

5. SEASONALITY OF OPERATIONS

The third quarter (November to January) is normally the Company's weakest quarter due to the shutdown of mining and exploration activities, often for extended periods over the holiday season.

6. PROPERTY, PLANT AND EQUIPMENT

Capital expenditures for the three months ended January 31, 2017 were $3,674 (2016 - $4,057) and for the nine months ended January 31, 2017 were $11,280 (2016 - $15,816). The Company obtained direct financing of $860 (2016 – nil) for the three months ended January 31, 2017 and $895 (2016 - $4,664) for the nine months ended January 31, 2017.

(in thousands of Canadian dollars, except per share information)

7. INCOME TAXES

The income tax provision for the period can be reconciled to accounting loss as follows:

	Q3 2017	Q3 2016	**YTD 2017**	YTD 2016
Loss before income tax	**$ (16,176)**	$ (16,655)	**$ (33,950)**	$ (27,944)
Statutory Canadian corporate income tax rate	**27%**	27%	**27%**	27%
Expected income tax recovery based on statutory rate	**(4,368)**	(4,497)	**(9,167)**	(7,545)
Non-recognition of tax benefits related to losses	**1,040**	1,686	**3,589**	6,359
Other foreign taxes paid	**71**	185	**444**	817
Rate variances in foreign jurisdictions	**(121)**	758	**499**	837
Permanent differences	**1,277**	942	**3,605**	3,497
Other	**219**	168	**913**	517
Income tax (recovery) provision recognized in net loss	**$ (1,882)**	$ (758)	**$ (117)**	$ 4,482

The Company periodically assesses its liabilities and contingencies for all tax years open to audit based upon the latest information available. For those matters where it is probable that an adjustment will be made, the Company records its best estimate of these tax liabilities, including related interest charges. Inherent uncertainties exist in estimates of tax contingencies due to changes in tax laws. While management believes they have adequately provided for the probable outcome of these matters, future results may include favorable or unfavorable adjustments to these estimated tax liabilities in the period the assessments are made, or resolved, or when the statutes of limitations lapse.

8. LOSS PER SHARE

All of the Company's earnings are attributable to common shares therefore net loss is used in determining loss per share.

	Q3 2017	Q3 2016	**YTD 2017**	YTD 2016
Net loss	**$ (14,294)**	$ (15,897)	**$ (33,833)**	$ (32,426)
Weighted average number of shares:				
Basic and diluted (000's)	**80,138**	80,137	**80,137**	80,137
Loss per share:				
Basic	**$ (0.18)**	$ (0.20)	**$ (0.42)**	$ (0.40)
Diluted	**$ (0.18)**	$ (0.20)	**$ (0.42)**	$ (0.40)

The total number of shares outstanding on January 31, 2017 was 80,139,884 (2016 - 80,136,884).

(in thousands of Canadian dollars, except per share information)

9. SEGMENTED INFORMATION

The Company's operations are divided into the following three geographic segments, corresponding to its management structure: Canada - U.S.; South and Central America; and Asia and Africa. The services provided in each of the reportable segments are essentially the same. The accounting policies of the segments are the same as those described in the Company's annual Consolidated Financial Statements for the year ended April 30, 2016. Management evaluates performance based on earnings from operations in these three geographic segments before finance costs, general corporate expenses and income taxes. Data relating to each of the Company's reportable segments is presented as follows:

	Q3 2017	Q3 2016	**YTD 2017**	YTD 2016
Revenue				
Canada - U.S.*	**$ 37,847**	$ 47,516	**$ 132,289**	$ 154,603
South and Central America	**18,952**	13,291	**48,617**	50,696
Asia and Africa	**13,318**	11,080	**38,213**	35,189
	$ 70,117	$ 71,887	**$ 219,119**	$ 240,488
(Loss) earnings from operations				
Canada - U.S.	**$ (9,042)**	$ (4,162)	**$ (12,868)**	$ 175
South and Central America	**(4,624)**	(6,158)	**(11,215)**	(6,876)
Asia and Africa	**(1,448)**	(3,160)	**(4,740)**	(14,034)
	(15,114)	(13,480)	**(28,823)**	(20,735)
Finance costs	**97**	290	**241**	441
General corporate expenses**	**965**	2,885	**4,886**	6,768
Income tax	**(1,882)**	(758)	**(117)**	4,482
Net loss	**$ (14,294)**	$ (15,897)	**$ (33,833)**	$ (32,426)

*Canada - U.S. includes revenue of $17,649 and $25,574 for Canadian operations for the three months ended January 31, 2017 and 2016, respectively, and $59,850 and $87,794 for the nine months ended January 31, 2017 and 2016, respectively.

**General corporate expenses include expenses for corporate offices and stock options.

	Q3 2017	Q3 2016	**YTD 2017**	YTD 2016
Capital expenditures				
Canada - U.S.	**$ 2,237**	$ 2,493	**$ 5,990**	$ 12,152
South and Central America	**762**	505	**3,817**	1,928
Asia and Africa	**675**	1,059	**1,473**	1,736
Total capital expenditures	**$ 3,674**	$ 4,057	**$ 11,280**	$ 15,816

	Q3 2017	Q3 2016	**YTD 2017**	YTD 2016
Depreciation and amortization				
Canada - U.S.	**$ 7,023**	$ 7,321	**$ 21,460**	$ 20,970
South and Central America	**3,330**	3,133	**9,671**	9,572
Asia and Africa	**2,108**	2,804	**6,096**	8,830
Unallocated and corporate assets	**555**	46	**1,589**	794
Total depreciation and amortization	**$ 13,016**	$ 13,304	**$ 38,816**	$ 40,166

(in thousands of Canadian dollars, except per share information)

9. SEGMENTED INFORMATION (Continued)

		January 31, 2017		April 30, 2016
Identifiable assets				
Canada - U.S.*	**$**	**213,404**	$	223,606
South and Central America		**145,672**		138,961
Asia and Africa		**98,210**		95,554
Unallocated and corporate assets		**29,566**		45,180
Total identifiable assets	**$**	**486,852**	$	503,301

*Canada - U.S. includes property, plant and equipment at January 31, 2017 of $60,960 (April 30, 2016 - $70,527) for Canadian operations.

10. BUSINESS ACQUISITION

During the previous quarter, the Company made the second payment on the contingent consideration arising out of the Taurus Drilling Services acquisition, for $3,881 (2016 - $1,783).

11. RESTRUCTURING CHARGE

During the previous year, due to ongoing market difficulties in the Republic of South Africa and Namibia, the Company decided to close its operations in those countries.

These restructuring initiatives generated impairment losses calculated based on the determination of the fair value of assets less cost of disposal. Fair value was determined through the use of industry knowledge and specialists.

The costs related to these initiatives were recorded as part of the restructuring charge for a total of $1,509 and $8,000 for the three and nine months ended January 31, 2016, respectively. For the three months ended January 31, 2016, the amount consists of an impairment charge of $900 relating to property, plant and equipment and a write-down of $609 to reduce inventory to net realizable value. For the nine months ended January 31, 2016, the amount includes an impairment charge of $4,379 relating to property, plant and equipment; a write-down of $1,913 to reduce inventory to net realizable value; employee severance charges of $446 and other non-cash charges of $262 along with a charge of $1,000 relating to the cost of winding down operations.

12. FINANCIAL INSTRUMENTS

Fair value

The carrying values of cash, trade and other receivables, demand credit facility and trade and other payables approximate their fair value due to the relatively short period to maturity of the instruments. The carrying value of long-term debt approximates its fair value as most debts carry variable interest rates, and the remaining fixed rate debts have been acquired recently and their carrying value continues to reflect fair value. The fair value of the interest rate swap included in long-term debt is measured using quoted interest rates. Contingent consideration is recorded at fair value and is classified as level 2 in accordance with the fair value hierarchy.

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(in thousands of Canadian dollars, except per share information)

12. FINANCIAL INSTRUMENTS (Continued)

There were no transfers of amounts between Level 1, Level 2 and Level 3 financial instruments for the quarter ended January 31, 2017. Additionally, there are no financial instruments classified as Level 3.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

Credit risk

As at January 31, 2017, 81.6% (April 30, 2016 - 85.9%) of the Company's trade receivables were aged as current and 2.4% (April 30, 2016 - 7.2%) of the trade receivables were impaired.

The movements in the allowance for impairment of trade receivables during the nine month periods were as follows:

	January 31, 2017	January 31, 2016
Opening balance	**$ 3,554**	$ 4,204
Increase in impairment allowance	**818**	1,177
Recovery of amounts previously impaired	**(92)**	(191)
Write-off charged against allowance	**(3,127)**	(206)
Foreign exchange translation differences	**40**	236
Ending balance	**$ 1,193**	$ 5,220

Foreign currency risk

As at January 31, 2017, the most significant carrying amounts of net monetary assets that: (i) are denominated in currencies other than the functional currency of the respective Company subsidiary; (ii) cause foreign exchange rate exposure; and (iii) may include intercompany balances with other subsidiaries, including the impact on earnings before income taxes ("EBIT"), if the corresponding rate changes by 10%, are as follows:

	Rate Variance	**CFA/USD**	**USD/AUD**	**PHP/USD**	**USD/CLP**	**USD/CAD**	**Other**
Net exposure on monetary assets		$ 2,555	$ 980	$ (1,223)	$ (2,100)	$ (8,433)	$ 267
EBIT impact	+/-10%	284	109	136	233	937	29

Liquidity risk

The following table details contractual maturities for the Company's financial liabilities.

	1 year	**2-3 years**	**4-5 years**	**Total**
Trade and other payables	$ 45,439	$ -	$ -	$ 45,439
Contingent consideration	4,466	-	-	4,466
Long-term debt (interest included)	3,469	3,835	1,677	8,981
	$ 53,374	**$ 3,835**	**$ 1,677**	**$ 58,886**