NEWS RELEASE

Major Drilling Reports Third Quarter Results for Fiscal 2018

MONCTON, New Brunswick (March 1, 2018) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its third quarter of fiscal year 2018, ended January 31, 2018.

Highlights

In millions of Canadian dollars (except loss per share)	**Q3 2018**	Q3 2017	**YTD 2018**	YTD 2017
Revenue	**$ 75.0**	$ 70.1	**$ 246.9**	$ 219.1
Gross profit	**13.2**	9.4	**51.1**	40.6
As percentage of revenue	**17.6%**	13.4%	**20.7%**	18.5%
EBITDA(1)	**0.1**	(3.1)	**14.5**	5.1
As percentage of revenue	**0.1%**	(4.4%)	**5.9%**	2.3%
Net loss	**(8.5)**	(14.3)	**(18.1)**	(33.8)
Loss per share	**(0.11)**	(0.18)	**(0.23)**	(0.42)

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

- Quarterly revenue was $75.0 million, up from the $70.1 million recorded for the same quarter last year.
- Gross margin percentage for the quarter was 17.6%, compared to 13.4% for the corresponding period last year.
- Total cash level, net of debt, stands at $14.4 million at quarter-end.
- Recipient of the PDAC Safe Day Everyday Gold Award.

"The Company faced the usual slowdown in activity over the holiday season. While all regions were affected by loss of revenue and increased costs due to increased mobilization and maintenance, our teams were active preparing for a busier startup as compared to last year," said Denis Larocque, President and CEO of Major Drilling Group International Inc.

"As we look forward, the fundamentals driving the business continue to be encouraging for the coming quarter and into fiscal 2019, with gold and base metal prices remaining at healthy levels. Most senior and intermediate companies have increased their exploration budgets for calendar 2018, and the demand for drilling services continues to increase."

"Given the sustained commodity prices over the last few months, we are seeing an increase in activity at most of our international operations. In North America, we have been successful in renegotiating some of our lower margin contracts at better prices, and have replaced a few others with new contracts at better pricing. We expect margins to improve going forward as increased demand drives improved pricing."

"It is clear, as we continue to manage our growth, that developing human resources will be our biggest challenge as the industry moves deeper into the cycle. 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," said Denis Larocque. "For this reason, we continue to make investments in technology and enhancements to our recruiting and training systems. We focus on providing tools to our crews that will improve safety and productivity, particularly as we bring in a new generation of employees."

"We are pleased to be this year's recipient of the PDAC Safe Day Everyday Gold Award, in recognition of our Canadian crews having worked over 1,000,000 hours, lost time injury free, during 2016. Canadian crews have now worked more than 4,000,000 hours over three and a half years without a single lost time injury," said Denis Larocque. "The safety and well-being of our crews is our first and highest responsibility when we work on any project," said Ben Graham, Vice President - HR & Safety. "We work hard to earn the trust and support of our crews, and we are pleased to see their success recognized by a group of our clients and peers."

"Finally, the Company's net cash position (net of debt) continues to be very healthy at $14.4 million. This quarter, we spent $7.6 million on capital expenditures, adding three new larger specialized rigs and additional support equipment to our fleet," added Mr. Larocque.

Third quarter ended January 31, 2018

Total revenue for the quarter was $75.0 million, up 7.0% from revenue of $70.1 million recorded in the same quarter last year. The unfavorable foreign exchange translation impact for the quarter, compared to the effective rates for the same period last year, is estimated at $3 million on revenue, with a negligible impact on net earnings.

Revenue for the quarter from Canada - U.S. drilling operations decreased by 6% to $35.5 million, compared to the same period last year. Both the Canadian and U.S. exploration operations saw an increase in revenue that was more than offset by the completion of a large percussive drilling program.

South and Central American revenue increased by 21% to $22.9 million for the quarter, compared to the same quarter last year. The increase was driven by Argentina, Brazil and Colombia.

Asian and African operations reported revenue of $16.6 million, up 25% from the same period last year. This increase was driven by stronger activity in Mongolia and Burkina Faso.

The overall gross margin percentage for the quarter was 17.6%, up from 13.4% for the same period last year. A higher volume of specialized work accounted for most of the gross margin increase. Third quarter margins are always impacted by a slowdown during the holiday season combined with higher mobilization and demobilization costs and increased repairs.

General and administrative costs were up 6% from the same quarter last year at $12.1 million. Staffing levels and salaries have increased as activity ramped up from low levels. As well, the Company continues to invest in recruitment and information technology as it continues to prepare for the upturn in the industry.

The income tax provision for the quarter was a recovery of $3.7 million compared to a recovery of $1.9 million for the prior year period. The tax recovery for the quarter was impacted by non-tax affected losses, non-deductible expenses, and a reduction of the U.S. federal corporate tax rate.

Net loss was $8.5 million or $0.11 per share ($0.11 per share diluted) for the quarter, compared to a net loss of $14.3 million or $0.18 per share ($0.18 per share diluted) for the prior year quarter.

Non-GAAP Financial Measure

The Company uses the non-GAAP financial measure, EBITDA. The Company believes this non-GAAP financial measure is key, for both management and investors, in evaluating performance at a consolidated level. EBITDA is commonly reported and widely used by investors and lending institutions as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric. 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 mining 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 13 to 16 of the 2017 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. Established in 1980, Major Drilling has over 1,000 years of combined experience within its management team alone. The Company 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, surface drill and blast, and a variety of mine services.

Webcast/Conference Call Information

Major Drilling Group International Inc. will provide a simultaneous webcast and conference call to discuss its quarterly results on Friday, March 2, 2018 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 16, 2018. To access the rebroadcast, dial 905-694-9451 and enter the passcode 2366678#. 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	
	2018	2017	**2018**	2017
TOTAL REVENUE	**$ 74,970**	$ 70,117	**$ 246,914**	$ 219,119
DIRECT COSTS	**61,777**	60,737	**195,777**	178,510
GROSS PROFIT	**13,193**	9,380	**51,137**	40,609
OPERATING EXPENSES				
General and administrative	**12,149**	11,385	**35,473**	32,916
Other expenses	**952**	969	**2,215**	2,612
Loss (gain) on disposal of property, plant and equipment	**90**	179	**(49)**	364
Foreign exchange gain	**(55)**	(90)	**(995)**	(390)
Finance costs	**192**	97	**557**	241
Depreciation of property, plant and equipment	**12,102**	12,355	**35,679**	36,851
Amortization of intangible assets	**-**	661	**657**	1,965
	25,430	25,556	**73,537**	74,559
LOSS BEFORE INCOME TAX	**(12,237)**	(16,176)	**(22,400)**	(33,950)
INCOME TAX - PROVISION (RECOVERY) (note 7)				
Current	**337**	413	**5,191**	6,141
Deferred	**(4,080)**	(2,295)	**(9,485)**	(6,258)
	(3,743)	(1,882)	**(4,294)**	(117)
NET LOSS	**$ (8,494)**	$ (14,294)	**$ (18,106)**	$ (33,833)
LOSS PER SHARE (note 8)				
Basic	**$ (0.11)**	$ (0.18)	**$ (0.23)**	$ (0.42)
Diluted	**$ (0.11)**	$ (0.18)	**$ (0.23)**	$ (0.42)

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

(in thousands of Canadian dollars)
(unaudited)

	Three months ended January 31		Nine months ended January 31	
	2018	2017	**2018**	2017
NET LOSS	**$ (8,494)**	$ (14,294)	**$ (18,106)**	$ (33,833)
OTHER COMPREHENSIVE EARNINGS				
Items that may be reclassified subsequently to profit or loss				
Unrealized (loss) gain on foreign currency translations (net of tax)	**(10,243)**	(7,017)	**(26,930)**	13,167
Unrealized gain (loss) on derivatives (net of tax)	**74**	212	**(135)**	(77)
COMPREHENSIVE LOSS	**$ (18,663)**	$ (21,099)	**$ (45,171)**	$ (20,743)

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity
For the nine months ended January 31, 2018 and 2017
(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, 2016	$ 239,726	$ 326	$ 18,317	$ 105,876	$ 61,896	$ 426,141
Exercise of stock options	25		(4)			21
Share-based compensation	-	-	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
BALANCE AS AT MAY 1, 2017	**$ 239,751**	**$ 163**	**$ 19,250**	**$ 63,812**	**$ 86,787**	**$409,763**
Exercise of stock options	**1,513**	**-**	**(310)**	**-**	**-**	**1,203**
Share-based compensation	**-**	**-**	**615**	**-**	**-**	**615**
	241,264	**163**	**19,555**	**63,812**	**86,787**	**411,581**
Comprehensive earnings:						
Net loss	**-**	**-**	**-**	**(18,106)**	**-**	**(18,106)**
Unrealized loss on foreign currency translations	**-**	**-**	**-**	**-**	**(26,930)**	**(26,930)**
Unrealized loss on derivatives	**-**	**(135)**	**-**	**-**	**-**	**(135)**
Total comprehensive loss	**-**	**(135)**	**-**	**(18,106)**	**(26,930)**	**(45,171)**
BALANCE AS AT JANUARY 31, 2018	**$ 241,264**	**$ 28**	**$ 19,555**	**$ 45,706**	**$ 59,857**	**$366,410**

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	
	2018	2017	**2018**	2017
OPERATING ACTIVITIES				
Loss before income tax	**$ (12,237)**	$ (16,176)	**$ (22,400)**	$ (33,950)
Operating items not involving cash				
Depreciation and amortization	**12,102**	13,016	**36,336**	38,816
Loss (gain) on disposal of property, plant and equipment	**90**	179	**(49)**	364
Share-based compensation	**187**	228	**615**	705
Finance costs recognized in loss before income tax	**192**	97	**557**	241
	334	(2,656)	**15,059**	6,176
Changes in non-cash operating working capital items	**11,684**	9,113	**9,616**	(253)
Finance costs paid	**(192)**	(97)	**(557)**	(241)
Income taxes paid	**(2,532)**	(1,484)	**(4,598)**	(4,229)
Cash flow from operating activities	**9,294**	4,876	**19,520**	1,453
FINANCING ACTIVITIES				
Repayment of long-term debt	**(805)**	(863)	**(2,451)**	(4,616)
Proceeds from draw on long-term debt	**-**	-	**15,000**	-
Issuance of common shares due to exercise of stock options	**-**	21	**1,203**	21
Cash flow (used in) from financing activities	**(805)**	(842)	**13,752**	(4,595)
INVESTING ACTIVITIES				
Business acquisition (note 10)	**-**	-	**(5,135)**	(3,881)
Acquisition of property, plant and equipment (net of direct financing) (note 6)	**(7,560)**	(2,814)	**(17,753)**	(10,385)
Proceeds from disposal of property, plant and equipment	**243**	120	**1,863**	1,557
Cash flow used in investing activities	**(7,317)**	(2,694)	**(21,025)**	(12,709)
Effect of exchange rate changes	**(1,010)**	(704)	**(3,743)**	1,166
INCREASE (DECREASE) IN CASH	**162**	636	**8,504**	(14,685)
CASH, BEGINNING OF THE PERIOD	**34,317**	34,907	**25,975**	50,228
CASH, END OF THE PERIOD	**$ 34,479**	$ 35,543	**$ 34,479**	$ 35,543

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets
As at January 31, 2018 and April 30, 2017
(in thousands of Canadian dollars)
(unaudited)

	January 31, 2018	April 30, 2017
ASSETS		
CURRENT ASSETS		
Cash	$ 34,479	$ 25,975
Trade and other receivables	61,487	72,385
Note receivable	490	476
Income tax receivable	3,498	5,771
Inventories	79,213	88,047
Prepaid expenses	3,853	3,210
	183,020	195,864
NOTE RECEIVABLE	685	1,055
PROPERTY, PLANT AND EQUIPMENT (note 6)	187,630	221,524
DEFERRED INCOME TAX ASSETS	23,172	17,026
GOODWILL	57,459	58,432
INTANGIBLE ASSETS	-	669
	$ 451,966	$ 494,570
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	$ 48,593	$ 48,359
Income tax payable	1,543	3,036
Contingent consideration (note 10)	-	5,135
Current portion of long-term debt	2,325	3,291
	52,461	59,821
LONG-TERM DEBT	17,708	4,544
DEFERRED INCOME TAX LIABILITIES	15,387	20,442
	85,556	84,807
SHAREHOLDERS' EQUITY		
Share capital	241,264	239,751
Reserves	28	163
Share-based payments reserve	19,555	19,250
Retained earnings	45,706	63,812
Foreign currency translation reserve	59,857	86,787
	366,410	409,763
	$ 451,966	$ 494,570

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, 2017.

On March 1, 2018, 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, 2017.

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:

IAS 7 (amended) Statement of Cash Flows
IAS 12 (amended) Income Taxes

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

IFRS 2 Share-based Payment ("IFRS 2")
IFRS 2, amended in June 2016, clarifies the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. These final amendments to IFRS 2 are effective for annual periods beginning on or after January 1, 2018. The Company has completed its assessment of IFRS 2 and the amendments are not expected to have a significant impact on the Consolidated Financial Statements.

3. APPLICATION OF NEW AND REVISED IFRS (Continued)

IFRS 9 Financial Instruments ("IFRS 9")
IFRS 9, completed by the IASB in phases, with the final version issued in July 2014, replaces IAS 39, Financial Instruments: Recognition and Measurement. The standard contains requirements in the areas of classification and measurement of financial instruments, impairment of financial assets, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. As a result of adoption on May 1, 2018, the Company will reclassify its financial assets into new categories specified under IFRS 9 and will apply the expected credit loss model to measure impairment, however the Company does not expect a significant change in accounting for its financial assets as a result. Further, the Company's designated hedges will continue to qualify for hedge accounting under IFRS 9 and therefore no significant impact on the Consolidated Financial Statements is expected.

IFRS 15 Revenue from Contracts with Customers ("IFRS 15")
IFRS 15, issued in May 2014, clarifies the principles for recognizing revenue from contracts with customers. It provides a comprehensive framework for recognition and measurement of revenue from contracts with customers and will also result in enhanced disclosures around revenue. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Additional disclosures relating to revenue may be required in the Consolidated Financial Statements, however, the adoption of IFRS 15 is not expected to have a significant impact on the ongoing recognition of the Company's revenue.

IFRS 16 Leases ("IFRS 16")
IFRS 16, issued in January 2016, replaces IAS 17, Leases. Early adoption is permitted if IFRS 15 has been applied or is applied on the same date. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting remains substantially unchanged as they continue to classify leases as operating or finance. IFRS 16 is effective for periods beginning on or after January 1, 2019. The Company is in the process of quantifying the impact IFRS 16 will have 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, the recognition of provisions and accrued liabilities, and the determination of the probability that deferred income tax assets will be realized from future taxable earnings.

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.

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

6. PROPERTY, PLANT AND EQUIPMENT

Capital expenditures for the three months ended January 31, 2018 were $7,560 (2017 - $3,674) and $17,804 (2017- $11,280) for the nine months ended January 31, 2018. The Company obtained direct financing of nil for the three months ended January 31, 2018 (2017 - $860) and $51 for the nine months ended January 31, 2018 (2017- $895).

7. INCOME TAXES

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

	Q3 2018	Q3 2017	**YTD 2018**	YTD 2017
Loss before income tax	**$ (12,237)**	$ (16,176)	**$ (22,400)**	$ (33,950)
Statutory Canadian corporate income tax rate	**27%**	27%	**27%**	27%
Expected income tax recovery based on statutory rate	**(3,304)**	(4,368)	**(6,048)**	(9,167)
Non-recognition of tax benefits related to losses	**943**	1,040	**2,754**	3,589
Utilization of previously unrecognized losses	**-**	-	**(811)**	-
Other foreign taxes paid	**64**	71	**263**	444
Rate variances in foreign jurisdictions	**(258)**	(121)	**(5)**	499
Permanent differences	**399**	1,277	**698**	3,605
Effect of change in U.S. tax rate	**(1,587)**	-	**(1,587)**	-
Other	**-**	219	**442**	913
Income tax recovery recognized in net loss	**$ (3,743)**	$ (1,882)	**$ (4,294)**	$ (117)

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.

During the quarter, the U.S. Tax Cuts and Jobs Act of 2017 ("the Act") was signed into legislation. The Act includes a broad range of legislative changes including, but not limited to, a reduction of the U.S. federal corporate income tax rate to 21% effective January 1, 2018. As a result, the Company revalued its U.S. deferred income tax liability based on the new 21% federal tax rate. The Company has recognized an income tax recovery of $1,587.

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 2018	Q3 2017	**YTD 2018**	YTD 2017
Net loss	**$ (8,494)**	$ (14,294)	**$ (18,106)**	$ (33,833)
Weighted average number of shares:				
Basic and diluted (000s)	**80,300**	80,138	**80,248**	80,137
Loss per share				
Basic	**$ (0.11)**	$ (0.18)	**$ (0.23)**	$ (0.42)
Diluted	**$ (0.11)**	$ (0.18)	**$ (0.23)**	$ (0.42)

The calculation of diluted loss per share for the three and nine months ended January 31, 2018, respectively, excludes the effect of 3,347,361 and 2,727,342 options (2017 - 3,642,139 and 3,981,841) as they were anti-dilutive.

The total number of shares outstanding on January 31, 2018 was 80,299,984 (2017 - 80,139,884).

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, 2017. 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 2018	Q3 2017	**YTD 2018**	YTD 2017
Revenue				
Canada - U.S.*	**$ 35,473**	$ 37,847	**$ 140,343**	$ 132,289
South and Central America	**22,935**	18,952	**61,203**	48,617
Asia and Africa	**16,562**	13,318	**45,368**	38,213
	$ 74,970	$ 70,117	**$ 246,914**	$ 219,119
Loss from operations				
Canada - U.S.	**$ (7,887)**	$ (9,042)	**$ (7,087)**	$ (12,868)
South and Central America	**(2,296)**	(4,624)	**(7,826)**	(11,215)
Asia and Africa	**(124)**	(1,448)	**(2,041)**	(4,740)
	(10,307)	(15,114)	**(16,954)**	(28,823)
Finance costs	**192**	97	**557**	241
General corporate expenses**	**1,738**	965	**4,889**	4,886
Income tax recovery	**(3,743)**	(1,882)	**(4,294)**	(117)
Net loss	**$ (8,494)**	$ (14,294)	**$ (18,106)**	$ (33,833)

*Canada - U.S. includes revenue of $17,130 and $17,649 for Canadian operations for the three months ended January 31, 2018 and 2017, respectively, and $68,470 and $59,850 for the nine months ended January 31, 2018 and 2017, respectively.

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

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

9. SEGMENTED INFORMATION (Continued)

	Q3 2018	Q3 2017	**YTD 2018**	YTD 2017
Capital expenditures				
Canada - U.S.	**$ 4,755**	$ 2,237	**$ 11,857**	$ 5,990
South and Central America	**2,521**	762	**3,617**	3,817
Asia and Africa	**284**	675	**2,330**	1,473
Total capital expenditures	**$ 7,560**	$ 3,674	**$ 17,804**	$ 11,280
Depreciation and amortization				
Canada - U.S.	**$ 6,704**	$ 7,023	**$ 18,499**	$ 21,460
South and Central America	**3,690**	3,330	**10,051**	9,671
Asia and Africa	**2,394**	2,108	**7,544**	6,096
Unallocated and corporate assets	**(686)**	555	**242**	1,589
Total depreciation and amortization	**$ 12,102**	$ 13,016	**$ 36,336**	$ 38,816

	January 31, 2018	April 30, 2017
Identifiable assets		
Canada - U.S.*	**$ 185,666**	$ 216,391
South and Central America	**126,406**	151,894
Asia and Africa	**89,432**	99,850
Unallocated and corporate assets	**50,462**	26,435
Total identifiable assets	**$ 451,966**	$ 494,570

*Canada - U.S. includes property, plant and equipment at January 31, 2018 of $47,652 (April 30, 2017 - $57,689) for Canadian operations.

10. BUSINESS ACQUISITION

During the previous quarter, the Company made the final payment on the contingent consideration arising out of the Taurus Drilling Services acquisition, for $5,135 (2017 - $3,881).

11. 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)

11. 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, 2018. 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, 2018, 83.8% (April 30, 2017 - 87.3%) of the Company's trade receivables were aged as current and 1.9% (April 30, 2017 - 1.4%) of the trade receivables were impaired.

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

	January 31, 2018	April 30, 2017
Opening balance	**$ 847**	$ 3,554
Increase in impairment allowance	**257**	668
Recovery of amounts previously impaired	**(142)**	(92)
Write-off charged against allowance	**-**	(3,374)
Foreign exchange translation differences	**(71)**	91
Ending balance	**$ 891**	$ 847

Foreign currency risk
As at January 31, 2018, 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	**USD/CAD**	**MNT/USD**	**CFA/USD**	**COP/USD**	**Other**
Net exposure on monetary assets		$ 7,204	$ 5,252	$ 3,735	$ 1,488	$ (648)
EBIT impact	+/-10%	800	584	415	165	72

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	$ 48,593	$ -	$ -	$ 48,593
Long-term debt (interest included)	2,972	18,295	653	21,920
	$ 51,565	**$ 18,295**	**$ 653**	**$ 70,513**