MAJOR
Partners on the Ground

NEWS RELEASE

Major Drilling Announces Third Quarter Results

MONCTON, New Brunswick (March 3, 2014) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its third quarter of fiscal year 2014, ended January 31, 2014.

Highlights

In millions of Canadian dollars (except earnings per share)	Q3-14	Q3-13	YTD-14	YTD-13
Revenue	$71.8	$123.2	$272.3	$560.4
Gross profit	17.8	29.3	82.9	177.3
As percentage of sales	24.7%	23.8%	30.4%	31.6%
Adjusted EBITDA(1)	0.6	12.4	35.9	120.3
As percentage of revenue	0.9%	10.0%	13.2%	21.5%
Net (loss) earnings	(12.8)	(4.3)	(30.4)	49.9
(Loss) earnings per share	(0.16)	(0.05)	(0.38)	0.63

(1) Earnings before interest, taxes, depreciation and amortization, excluding restructuring charges and goodwill impairment (see "non-GAAP financial measures")

- Major Drilling posted quarterly revenue of $71.8 million, down 42% from the $123.2 million recorded for the same quarter last year.

- Gross margin percentage for the quarter was 24.7%, compared to 23.8% for the corresponding period last year.

- Foreign exchange loss for the quarter was $3.3 million, mostly related to the devaluation of Argentine pesos.

- Net loss was $12.8 million or $0.16 per share for the quarter, compared to net loss of $4.3 million or $0.05 per share for the prior year quarter.

- The Company remains in an excellent financial position with a total net cash position (net of debt) of $33.6 million, after a dividend payment of $7.9 million last November, and capital expenditures of $6.2 million.

- Given the Company's ability to generate cash flows, it has declared a semi-annual dividend of $0.10 per share to be paid on May 1, 2014.

- The Company achieved over 3.4 million hours worked in the last seven months without a single lost time injury.

"As we had noted in our second quarter news release, program extentions in November were lower than last year. Also, subsequent to the holiday season, and as expected, customers have been, and continue to be, slow in deciding on their 2014 calendar year drilling plans. This has led to reduced activity levels as compared to the third quarter last year, and produced a seasonal loss as anticipated," said Francis McGuire, President and CEO of Major Drilling Group International Inc. "Quarterly results were also impacted by a foreign exchange loss of $3.3 million, mostly related to the devaluation of the Argentine peso, and the Company crystalized currency losses by converting some of its Argentine pesos into U.S. dollar investments, although at a significant discount, in order to protect against further devaluations."

"As we started our fourth quarter, there continued to be a number of projects for which decisions had not yet been made regarding start dates and exact drilling meterage. Weather conditions have also caused start times to be delayed. This has resulted in reduced activity in February. In a number of jurisdictions, uncertainty as to the policies of host governments or issues of land tenure are causing customers to hold back on investments. This is making it difficult to predict what might happen in those markets. With lower utilization rates and a slow start in activity levels, we are also seeing pricing pressures throughout the industry."

"In Australia we continue to see no improvement since the beginning of the year. The utilization rates for surface rigs are extremely low. Price competition has been especially intense in Eastern Australia where our operations are concentrated. We are currently considering all restructuring options for this branch, including the possibility of withdrawing from this market."

"On the other hand, in many regions we are seeing encouraging signs of increased inquiries, especially from gold customers, which if they result in successful bids, would generate higher activity levels in the second half of this calendar year."

"We feel we are in a strong position to react quickly when the industry begins to recover as the Company's financial strength has allowed it to invest in safety, to maintain its equipment in excellent condition, and to retain many of its skilled employees. The Company will continue to focus on cash management by limiting capital expenditures, and by closely monitoring costs. We will, however, react to local conditions in specific markets when necessary."

"Long-term, the fundamental drivers of our business remain positive, with worldwide supply for most metals expected to tighten. We believe that in the medium-term, most commodities could face an imbalance between supply and demand, and that the need to develop resources in areas that are increasingly difficult to access will increase, which should increase demand for specialized drilling."

"Despite the difficult environment, we have one of the most solid balance sheets in our industry with $62.4 million in cash and total debt of $28.9 million at the end of the quarter. This combines for a net cash position of $33.6 million, after payment of our semi-annual dividend of $7.9 million in November 2013, and capital expenditures for the quarter of $6.2 million as we purchased 3 rigs and support equipment in order to expand our energy services. We also retired 11 older mineral rigs," observed Mr. McGuire. "Finally, I would like to congratulate our employees on over 3.4 million hours worked in the last seven months without a single lost time injury. This is a substantial achievement."

“Given the Company’s ability to continue generating cash flows, the Company is pleased to announce that its Board of Directors has declared a cash dividend of $0.10 per common share payable on May 1, 2014 to shareholders of record as of April 7, 2014. This dividend is designated as an “eligible dividend” for Canadian tax purposes,” said Mr. McGuire.

Third quarter ended January 31, 2014

Total revenue for the quarter was $71.8 million, down 42% from revenue of $123.2 million recorded in the same quarter last year. There have been continued delays in the decision making process on the part of many of the Company’s senior customers in regards to their 2014 exploration drilling programs, and many junior customers have scaled back or suspended drilling activities as compared to last year. Also, program extensions in November were lower than the prior year. This has led to reduced activity levels as compared to the third quarter last year. The favourable foreign exchange translation impact for the quarter, when comparing to the effective rates for the same period last year, is estimated at $2 million on revenue but negligible on net earnings.

Revenue for the quarter from Canada-U.S. drilling operations decreased by 33% to $32.4 million compared to the same period last year, as both countries were affected by the slowdown in the industry.

South and Central American revenue was down 53% to $18.6 million for the quarter, compared to the same quarter last year. Mexico, Chile and Argentina were affected by a reduction in work by juniors and the cancellation of certain projects. Additionally, in Colombia and Argentina, geopolitical factors have slowed the exploration efforts of many mining companies.

Australian, Asian and African operations reported revenue of $20.8 million, down 41% from the same period last year. In Australia, projects have been cancelled due to high costs being incurred by mining companies. Mongolia continues to be affected by political uncertainty around mining laws and Burkina Faso was affected by a reduction in work by juniors. Also, the Company closed its operations in Tanzania earlier in the fiscal year.

The overall gross margin percentage for the quarter was 24.7%, up slightly from 23.8% for the same period last year. Third quarter margins are typically impacted by a slowdown during the holiday season combined with higher than usual mobilizations, demobilizations and increased repairs during this period. Reduced pricing, due to increased competitive pressures and delays, impacted margins, however the Company has been able to recapture some of this through productivity gains and cost cutting.

General and administrative costs decreased 22% from last year at $12.1 million for the quarter compared to $15.4 million in the same period last year. With the decrease in activity, the Company has reduced its general and administrative costs by implementing reductions of salaried employees, restructuring certain branches, and reducing management salaries.

Foreign exchange loss was $3.3 million compared to a gain of $0.5 million last year. Most of this quarter’s loss was related to the devaluation of the Argentine peso and the Company crystalized currency losses by converting some of its Argentine pesos into U.S. dollar investments, although at a significant discount, to protect against further devaluations.

The provision for income tax for the quarter was a recovery of $0.5 million compared to an expense of $1.9 million for the prior year period. This quarter's tax expense was impacted by differences in tax rates between regions, non-tax affected losses, and non-deductible expenses, including the foreign exchange loss in Argentina.

Non-GAAP Financial Measure

In this news release, the Company uses the non-GAAP financial measure, EBITDA. 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 it 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 press 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, and 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 16 to 18 of the 2013 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.

Based in Moncton, New Brunswick, Major Drilling Group International Inc. is one of the world's largest metals and minerals contract drilling service companies. To support its customers' varied exploration drilling requirements, Major Drilling maintains field operations and offices in Canada, the United States, South and Central America, Australia, Asia, and Africa.

Financial statements are attached.

Major Drilling will provide a simultaneous webcast of its quarterly conference call on ***Monday, March 3, 2014 at 9:00 AM (EST).*** *To access the webcast please go to the investors/webcast section of Major Drilling's website at www.majordrilling.com and click the attached link, or go directly to the CNW Group website at www.newswire.ca for directions. Participants will require Windows MediaPlayer, which can be downloaded prior to accessing the call. Please note that this is listen only mode.*

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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	
	2014	2013	**2014**	2013
TOTAL REVENUE	**$ 71,830**	$ 123,189	**$ 272,309**	$ 560,391
DIRECT COSTS	**54,060**	93,914	**189,406**	383,139
GROSS PROFIT	**17,770**	29,275	**82,903**	177,252
OPERATING EXPENSES				
General and administrative	**12,070**	15,447	**37,386**	48,509
Other expenses	**636**	644	**2,719**	9,237
Loss on disposal of property, plant and equipment	**826**	1,353	**1,259**	1,220
Loss on short-term investments	**307**	-	**307**	-
Foreign exchange loss (gain)	**3,291**	(529)	**5,295**	(2,010)
Finance costs	**198**	504	**736**	1,970
Depreciation of property, plant and equipment	**12,886**	12,884	**38,862**	37,422
Amortization of intangible assets	**343**	408	**1,027**	2,428
Impairment of goodwill (note 11)	**-**	-	**12,057**	-
Restructuring charge (note 12)	**508**	937	**3,220**	937
	31,065	31,648	**102,868**	99,713
(LOSS) EARNINGS BEFORE INCOME TAX	**(13,295)**	(2,373)	**(19,965)**	77,539
INCOME TAX - (RECOVERY) PROVISION (note 8)				
Current	**886**	3,584	**9,361**	28,487
Deferred	**(1,384)**	(1,669)	**1,049**	(884)
	(498)	1,915	**10,410**	27,603
NET (LOSS) EARNINGS	**$ (12,797)**	$ (4,288)	**$ (30,375)**	$ 49,936
(LOSS) EARNINGS PER SHARE (note 9)				
Basic	**$ (0.16)**	$ (0.05)	**$ (0.38)**	$ 0.63
Diluted	**$ (0.16)**	$ (0.05)	**$ (0.38)**	$ 0.63

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

(in thousands of Canadian dollars)
(unaudited)

	Three months ended January 31		Nine months ended January 31	
	2014	2013	**2014**	2013
NET (LOSS) EARNINGS	**$ (12,797)**	$ (4,288)	**$ (30,375)**	$ 49,936
OTHER COMPREHENSIVE EARNINGS (LOSS)				
Items that may be reclassified subsequently to profit or loss				
Unrealized gains on foreign currency translations (net of tax)	**16,944**	1,516	**21,557**	7,441
Unrealized gain (loss) on interest rate swap (net of tax)	**134**	25	**101**	(128)
COMPREHENSIVE EARNINGS (LOSS)	**$ 4,281**	$ (2,747)	**$ (8,717)**	$ 57,249

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity

For the nine months ended January 31, 2013 and 2014

(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, 2012	$ 230,763	$ 121	$ 11,797	$246,809	$ (1,791)	$487,699
Share-based payments reserve	(93)	-	2,170	-	-	2,077
Dividends	-	-	-	(7,915)	-	(7,915)
	230,670	121	13,967	238,894	(1,791)	481,861
Comprehensive earnings:						
Net earnings	-	-	-	49,936	-	49,936
Unrealized gains on foreign currency translations	-	-	-	-	7,441	7,441
Unrealized loss on interest rate swap	-	(128)	-	-	-	(128)
Total comprehensive earnings	-	(128)	-	49,936	7,441	57,249
BALANCE AS AT JANUARY 31, 2013	$ 230,670	$ (7)	$ 13,967	$288,830	$ 5,650	$539,110
BALANCE AS AT MAY 1, 2013	**$ 230,985**	**$ 40**	**$ 14,204**	**$283,088**	**$ 10,012**	**$538,329**
Share-based payments reserve	**-**	**-**	**1,372**	**-**	**-**	**1,372**
Dividends	**-**	**-**	**-**	**(7,916)**	**-**	**(7,916)**
	230,985	**40**	**15,576**	**275,172**	**10,012**	**531,785**
Comprehensive loss:						
Net loss	**-**	**-**	**-**	**(30,375)**	**-**	**(30,375)**
Unrealized gains on foreign currency translations	**-**	**-**	**-**	**-**	**21,557**	**21,557**
Unrealized gain on interest rate swap	**-**	**101**	**-**	**-**	**-**	**101**
Total comprehensive loss	**-**	**101**	**-**	**(30,375)**	**21,557**	**(8,717)**
BALANCE AS AT JANUARY 31, 2014	**$ 230,985**	**$ 141**	**$ 15,576**	**$244,797**	**$ 31,569**	**$523,068**

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	
	2014	2013	**2014**	2013
OPERATING ACTIVITIES				
(Loss) earnings before income tax	**$ (13,295)**	$ (2,373)	**$ (19,965)**	$ 77,539
Operating items not involving cash				
Depreciation and amortization	**13,229**	13,292	**39,889**	39,850
Loss on disposal of property, plant and equipment	**826**	1,353	**1,259**	1,220
Loss on short-term investments	**307**	-	**307**	-
Share-based payments reserve	**391**	598	**1,372**	2,077
Impairment of goodwill	**-**	-	**12,057**	-
Restructuring charge	**-**	-	**665**	-
Finance costs recognized in earnings before income tax	**198**	504	**736**	1,970
	1,656	13,374	**36,320**	122,656
Changes in non-cash operating working capital items	**1,890**	25,793	**1,997**	25,151
Finance costs paid	**(195)**	(497)	**(722)**	(1,961)
Income taxes paid	**(2,422)**	(10,438)	**(11,882)**	(25,881)
Cash flow from operating activities	**929**	28,232	**25,713**	119,965
FINANCING ACTIVITIES				
Increase in demand loan (note 7)	**4,066**	-	**4,066**	-
Repayment of long-term debt	**(1,683)**	(1,945)	**(18,717)**	(7,580)
Dividend paid	**(7,916)**	(7,915)	**(15,832)**	(15,038)
Cash flow used in financing activities	**(5,533)**	(9,860)	**(30,483)**	(22,618)
INVESTING ACTIVITIES				
Payment of consideration for previous business acquisition	**-**	(885)	**(205)**	(1,698)
Acquisition of short-term investments	**(3,587)**	-	**(3,587)**	-
Acquisition of property, plant and equipment (note 6)	**(6,227)**	(20,006)	**(17,436)**	(59,518)
Proceeds from disposal of property, plant and equipment	**502**	1,259	**3,385**	2,525
Cash flow used in investing activities	**(9,312)**	**(19,632)**	**(17,843)**	(58,691)
Effect of exchange rate changes	**1,203**	(302)	**2,713**	(410)
(DECREASE) INCREASE IN CASH	**(12,713)**	(1,562)	**(19,900)**	38,246
CASH, BEGINNING OF THE PERIOD	**75,124**	77,045	**82,311**	37,237
CASH, END OF THE PERIOD	**$ 62,411**	$ 75,483	**$ 62,411**	$ 75,483

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets

As at January 31, 2014 and April 30, 2013

(in thousands of Canadian dollars)

(unaudited)

	January 31, 2014	April 30, 2013
ASSETS		
CURRENT ASSETS		
Cash	**$ 62,411**	$ 82,311
Trade and other receivables	**68,583**	98,079
Short-term investments	**3,396**	-
Income tax receivable	**10,812**	10,013
Inventories	**89,755**	88,118
Prepaid expenses	**7,950**	6,119
	242,907	284,640
PROPERTY, PLANT AND EQUIPMENT	**325,936**	339,971
DEFERRED INCOME TAX ASSETS	**5,448**	5,601
GOODWILL (note 11)	**40,371**	52,736
INTANGIBLE ASSETS	**2,255**	3,279
	$ 616,917	$ 686,227
LIABILITIES		
CURRENT LIABILITIES		
Demand loan (note 7)	**$ 4,085**	$ -
Trade and other payables	**34,655**	73,315
Income tax payable	**3,210**	5,251
Current portion of long-term debt	**9,512**	9,097
	51,462	87,663
LONG-TERM DEBT	**15,263**	34,497
DEFERRED INCOME TAX LIABILITIES	**27,124**	25,738
	93,849	147,898
SHAREHOLDERS' EQUITY		
Share capital	**230,985**	230,985
Reserves	**141**	40
Share-based payments reserve	**15,576**	14,204
Retained earnings	**244,797**	283,088
Foreign currency translation reserve	**31,569**	10,012
	523,068	538,329
	$ 616,917	$ 686,227

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, South and Central America, Australia, Asia and Africa.

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, 2013.

On February 28, 2014 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 where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

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, 2013, with the exception of the impact of certain amendments to accounting standards or new interpretations issued by the IASB, which were applicable for fiscal years beginning on or after January 1, 2013. The adoption of these amendments and standards has not had a material impact on the accounting policies, methods of computation or presentation applied by the Company.

3. FUTURE ACCOUNTING CHANGES

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

IFRS 9 *(as amended in 2010) Financial Instruments*
IAS 32 *(amended) Financial Instruments: Presentation*
IAS 36 *(amended) Impairment of Assets*
IAS 39 *(amended) Financial Instruments: Recognition and Measurement*
IFRIC 21 *Levies*

The adoption of the above standards is not expected to have a significant impact on the Company's 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 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 amortization purposes, property, plant and equipment and inventory valuation, determination of income and other taxes, assumptions used in compilation of share-based payments, fair value of assets acquired and liabilities assumed in business acquisitions, amounts recorded as accrued liabilities, 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, particularly in South and Central America.

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

6. PROPERTY PLANT & EQUIPMENT

Capital expenditures for the three months ended January 31, 2014 were $6,227 (2013 - $20,126) and for the nine months ended January 31, 2014 were $17,436 (2013 - $61,342). The Company obtained direct financing of nil for the three months ended January 31, 2014 (2013 - $120) and of nil for the nine months ended January 31, 2014 (2013 - $1,824).

7. DEMAND LOAN

In the third quarter of the current fiscal year, the Company borrowed 2,000 million Chilean pesos (CAD $4.1 million), secured by a USD $4.4 million stand-by letter of credit drawn from the Company's demand credit facility, carrying interest at an annual rate of 6.85%.

8. INCOME TAXES

The income tax expense for the period can be reconciled to accounting profit as follows:

	2014 Q3	2013 Q3	**YTD 2014**	YTD 2013
(Loss) earnings before income tax	**$ (13,295)**	$ (2,373)	**$ (19,965)**	$ 77,539
Statutory Canadian corporate income tax rate	**28%**	28%	**28%**	28%
Expected income tax (recovery) expense based on statutory rate	**(3,723)**	(664)	**(5,590)**	21,711
Non-recognition of tax benefits related to losses	**1,275**	554	**2,356**	1,185
Other foreign taxes paid	**71**	1,069	**273**	1,767
Rate variances in foreign jurisdictions	**(854)**	(181)	**990**	1,210
Permanent differences	**1,726**	-	**5,394**	-
De-recognition of previously recognized tax losses	**-**	-	**4,536**	-
Other	**1,007**	1,137	**2,451**	1,730
Income tax (recovery) expense recognized in net (loss) earnings	**$ (498)**	$ 1,915	**$ 10,410**	$ 27,603

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

8. INCOME TAXES (Continued)

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.

9. (LOSS) EARNINGS PER SHARE

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

	2014 Q3	2013 Q3	**YTD 2014**	YTD 2013
Net (loss) earnings	**$ (12,797)**	$ (4,288)	**$ (30,375)**	$ 49,936
Weighted average shares outstanding – basic (000's)	**79,161**	79,147	**79,161**	79,147
Net effect of dilutive securities:				
Stock options (000's)	**-**	-	**-**	490
Weighted average number of shares – diluted (000's)	**79,161**	79,147	**79,161**	79,637
(Loss) earnings per share:				
Basic	**$ (0.16)**	$ (0.05)	**$ (0.38)**	$ 0.63
Diluted	**$ (0.16)**	$ (0.05)	**$ (0.38)**	$ 0.63

The three and nine months ended January 31, 2014 exclude the effect of 62,438 options (2013 – nil) and 39,122 options (2013 - 214,677), respectively, as they were anti-dilutive.

The total number of shares outstanding on January 31, 2014 was 79,161,378.

10. SEGMENTED INFORMATION

The Company's operations are divided into three geographic segments corresponding to its management structure, Canada - U.S., South and Central America, and Australia, 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, 2013. 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:

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

10. SEGMENTED INFORMATION (Continued)

	2014 Q3	2013 Q3	**YTD 2014**	YTD 2013
Revenue				
Canada – U.S.	**$ 32,389**	$ 48,447	**$ 129,421**	$ 255,264
South and Central America	**18,633**	39,433	**57,895**	159,743
Australia, Asia and Africa	**20,808**	35,309	**84,993**	145,384
	$ 71,830	$ 123,189	**$ 272,309**	$ 560,391
(Loss) earnings from operations				
Canada – U.S.	**$ (4,278)**	$ (1,630)	**$ 7,246**	$ 44,146
South and Central America*	**(5,731)**	3,112	**(22,304)**	28,485
Australia, Asia and Africa	**(1,934)**	(777)	**1,763**	18,057
	(11,943)	705	**(13,295)**	90,688
Eliminations	**(135)**	(508)	**(419)**	(974)
	(12,078)	197	**(13,714)**	89,714
Finance costs	**198**	504	**736**	1,970
General corporate expenses**	**1,019**	2,066	**5,515**	10,205
Income tax	**(498)**	1,915	**10,410**	27,603
Net (loss) earnings	**$(12,797)**	$ (4,288)	**$ (30,375)**	$ 49,936

* Loss from South and Central American operations includes an impairment of goodwill totaling $12,057 for the nine month period ending January 31, 2014 (2013 – nil).
** General corporate expenses include expenses for corporate offices and stock options.

Canada – U.S. includes revenue of $18,627 and $27,959 for Canadian operations for the three months ended January 31, 2014 and 2013, respectively, and $81,413 and $150,566 for the nine months ended January 31, 2014 and 2013, respectively.

	2014 Q3	2013 Q3	**YTD 2014**	YTD 2013
Depreciation and amortization				
Canada – U.S.	**$ 5,727**	$ 5,799	**$ 17,199**	$ 16,864
South and Central America	**2,929**	2,740	**8,923**	8,565
Australia, Asia and Africa	**4,053**	3,820	**12,146**	11,519
Unallocated corporate assets	**520**	933	**1,621**	2,902
Total depreciation and amortization	**$ 13,229**	$ 13,292	**$ 39,889**	$ 39,850

	January 31, 2014	April 30, 2013
Identifiable assets		
Canada – U.S.	**$ 194,916**	$ 243,027
South and Central America	**191,535**	224,878
Australia, Asia and Africa	**162,391**	165,318
	548,842	633,223
Eliminations	**-**	(38)
Unallocated and corporate assets	**68,075**	53,042
	$ 616,917	$ 686,227

Canada – U.S. includes property, plant and equipment at January 31, 2014 of $89,877 (April 30, 2013 - $97,110) for Canadian operations.

11. IMPAIRMENT OF GOODWILL

For the purposes of assessing impairment, the Company's assets are grouped and tested at the cash generating unit ("CGU") level. The Company has operations in Canada, the United States, South and Central America, Australia, Asia and Africa and management has determined that its CGUs are identifiable at the country level as this is the smallest identifiable group of assets that generate cash inflows that are largely independent of cash inflows from other assets or groups of assets.

In the previous quarter, due to the weakness in the Chilean market caused by the recent changes in labor laws and the severity of the downturn in that market, the Company recorded an impairment of goodwill of $12,057 in the South and Central American segment.

Cash flow projections were calculated over a five-year period based on budgeted earnings, forecasted from historical earnings, using the value-in-use method, with a discount rate of 13.22% (2012 - 13.00%).

12. RESTRUCTURING CHARGE

Restructuring charges for the three months ended January 31, 2014 were $508 (2013 - $937) and for the nine months ended January 31, 2014 were $3,220 (2013 - $937), consisting of employee severance charges relating to the restructuring plan implemented in some of the Company's operations in the previous year and continued in the current year.

13. DIVIDENDS

The Company declared two dividends during the year, $0.10 per common share paid on November 1, 2013 to shareholders of record as of October 10, 2013, and $0.10 per common share to be paid on May 1, 2014 to shareholders of record as of April 7, 2014.

The Company declared two dividends during the previous year, $0.10 per common share paid on November 1, 2012 to shareholders of record as of October 10, 2012, and $0.10 per common share paid on May 2, 2013 to shareholders of record as of April 5, 2013.

14. FINANCIAL INSTRUMENTS

There have been no significant changes to financial instruments compared to the Company's annual Consolidated Financial Statements for the year ended April 30, 2013 except for the following:

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

14. FINANCIAL INSTRUMENTS (Continued)

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 following table shows carrying values of short-term investments, which are measured at fair value through profit or loss, and carrying values of long-term debt, which approximates its fair value, as most debts carry variable interest rates and the remaining fixed rate debts have been acquired recently and their carrying values continue to reflect fair value. The fair value of the interest rate swap included in long-term debt is measured using quoted interest rates.

	January 31, 2014	April 30, 2013
Short-term investments	**$ 3,396**	$ -
Long-term debt	**(24,775)**	(43,594)

Fair value hierarchy

The Company has certain financial assets and liabilities that are held at fair value. Financial assets and financial liabilities are classified and disclosed in one of the following categories reflecting the significance of inputs used in making the fair value measurement:

- 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).

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.

As at January 31, 2014, short-term investments are classified as a Level 1 financial instrument as the fair value is determined using quoted prices in the active market.

There were no transfers of amounts between Level 1, Level 2 and Level 3 financial instruments for the period ended January 31, 2014. Additionally, there are no financial instruments classified in Level 3.

Other price risk

Sensitivity analysis relating to short-term investments has been determined based on the exposure to equity price risks as at January 31, 2014. If the equity prices had been 5% higher or lower, the value of the investment and the impact on short-term investment recognized in net earnings would be approximately $170.

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

14. FINANCIAL INSTRUMENTS (Continued)

Credit risk

As at January 31, 2014, 74% of the Company's trade receivables were aged as current (April 30, 2013 - 86%) and 4.2% of the trade receivables were impaired (April 30, 2013 - 3.1%).

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

	January 31, 2014	January 31, 2013
Opening balance	**$ 2,790**	$ 2,236
Increase in impairment allowance	**744**	1,000
Write-off charged against allowance	**(844)**	(395)
Foreign exchange translation differences	**10**	(2)
Ending balance	**$ 2,700**	$ 2,839

Foreign currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's reporting currency. The Company monitors the exchange rate fluctuations and manages the foreign currency monetary accounts on a regular basis and acts accordingly. The Company operates in several geographic areas and is exposed to foreign currency risk, primarily, but not limited to, the Canadian dollar to United States dollar exchange rate. The Company does not use currency derivative instruments to manage its exposure to foreign currency fluctuations.

The 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, are USD $393 as of January 31, 2014. If the Canadian dollar moved by plus or minus 10% at January 31, 2014, the unrealized foreign exchange gain or loss recognized in net earnings would move by approximately $39.

Inherent uncertainties exist in the foreign currency markets due to some countries' economic difficulties. While management continues to monitor and manage the currency risks, future results may include favorable or unfavorable adjustments to foreign exchange gain or loss.

Liquidity risk

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

	1 year	2-3 years	4-5 years	thereafter	Total
Trade and other payables	$ 34,655	$ -	$ -	$ -	$ 34,655
Long-term debt	9,512	10,613	2,067	2,583	24,775
	$ 44,167	$ 10,613	$ 2,067	$ 2,583	$ 59,430