NEWS RELEASE

Major Drilling Announces Second Quarter Results

MONCTON, New Brunswick (December 3, 2015) – Major Drilling Group International Inc. (TSX: MDI) today reported results for its second quarter of fiscal year 2016, ended October 31, 2015.

Highlights

In millions of Canadian dollars (except loss per share)	Q2-16	Q2-15	YTD-16	YTD-15
Revenue	$84.7	$87.2	$168.6	$154.7
Gross profit	23.3	20.7	44.9	37.4
As percentage of revenue	27.5%	23.8%	26.6%	24.2%
EBITDA(1)	10.9	8.4	22.2	13.1
As percentage of revenue	12.9%	9.6%	13.2%	8.5%
Net loss	(5.3)	(10.1)	(16.5)	(17.5)
Loss per share	(0.07)	(0.13)	(0.21)	(0.22)

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

- Major Drilling posted relatively stable quarterly revenue of $84.7 million, down 3% from the $87.2 million recorded for the same quarter last year.

- Gross margin percentage for the quarter was 27.5%, compared to 23.8% for the corresponding period last year.

- EBITDA increased 30% to $10.9 million compared to $8.4 million for the prior year quarter.

- Net cash increased $0.2 million to $33.1 million during the quarter. Capital expenditures for the quarter were $6.5 million.

- Net loss was $5.3 million or $0.07 per share ($0.07 per share diluted) for the quarter, compared to a net loss of $10.1 million or $0.13 per share ($0.13 per share diluted) for the prior year quarter.

"We continued to see some stability in our activity levels this quarter. This stability in our ongoing contracts in the last few quarters has allowed us to optimize productivity and costs, which is reflected in this quarter's margins," said Denis Larocque, President and CEO of Major Drilling. "Although volume and pricing are still not at profitable levels, we are generating cash while still investing in our equipment and training, which is key in our plan to be ready for the next upturn."

"Our customers continue to focus their work almost exclusively on mine sites, which means they have a much greater focus on production related drilling, such as percussive and underground drilling, which has lower margins. We are continuing to adapt to the current market conditions by investing in and growing our percussive operations."

"For now, exploration efforts from our customers are expected to remain low while most senior and intermediate mining companies are still working through their mining plans for calendar 2016. Given the recent decrease in all commodity prices over the last few months, it is very difficult to predict activity levels over the next year."

"We are, however, in a unique position to react quickly when the industry begins to recover as the Company's financial strength has allowed it to retain key employees and to maintain its equipment in excellent condition. As we go through this challenging period, we continue to focus on cash generation. Major Drilling remains debt free, with a net cash position of $33 million at the end of the quarter. Capital expenditures for the quarter were $6.5 million as we purchased five rigs, including four rigs for our percussive division, and also added support equipment, while retiring four rigs. During the quarter, we also paid $1.8 million in contingent consideration on our Taurus acquisition," added Mr. Larocque.

"It is important to note that we are now in our third quarter, traditionally the weakest quarter of our fiscal year, as mining and exploration companies shut down, often for extended periods over the holiday season. At this time, most senior and intermediate companies are still working through their budget process and have yet to decide on post-holiday start-up dates. As usual, due to the time it takes to mobilize once new contracts are awarded, a slow pace of start-ups is expected in January and February, which will impact overall third quarter revenue and margins, and to some extent, fourth quarter margins. We expect pricing to remain competitive until utilization rates pick up significantly."

Second Quarter Ended October 31, 2015

Total revenue for the quarter was $84.7 million, down 3% from revenue of $87.2 million recorded in the same quarter last year. The decrease came from both the South and Central American and the Asian and African operations, offset by an increase in the Canada-US operations. The favorable foreign exchange translation impact for the quarter is estimated at $8 million on revenue with a negligible impact on net earnings, when comparing to the effective rates for the same period last year.

Revenue for the quarter from Canada-U.S. drilling operations increased by 13% to $56.1 million compared to the same period last year. Most of the increase came from percussive services in which the Company continues to invest.

South and Central American revenue was down 28% to $16.9 million for the quarter, compared to the same quarter last year. The Company saw decreased activity levels mostly in Chile, Argentina and Colombia.

Asian and African operations reported revenue of $11.7 million, down 16% from the same period last year. Most of the decrease came from the closure of operations in the Democratic Republic of Congo, and was also affected by political uncertainty around mining laws in Mongolia.

The overall gross margin percentage for the quarter was 27.5%, up from 23.8% for the same period last year. Good margin performance, attributable to favorable weather conditions, combined with the stability of the Company's on-going contracts, has allowed the Company to realize productivity efficiencies throughout the year. This margin is an indication that pricing appears to have now stabilized, in part as a result of the Company's discipline on pricing.

General and administrative costs were down 4% from last year at $10.8 million for the quarter, despite an increase due to foreign exchange translation, as the Company continues to manage its costs across the operations.

The provision for income tax for the quarter was flat at $2.4 million compared to the same quarter last year. The tax expense remains relatively high as we pay income taxes on our profitable operations but have ceased to record tax recoveries on tax losses in certain other jurisdictions.

Net loss was $5.3 million or $0.07 per share ($0.07 per share diluted) for the quarter, compared to a net loss of $10.1 million or $0.13 per share ($0.13 per share diluted) for the prior year quarter.

Non-GAAP Financial Measures

In this news release, the Company uses the non-GAAP financial measure, EBITDA, excluding restructuring charges. The Company believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance of the Company. These measures do not have a standardized meaning prescribed by GAAP and therefore they 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, 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 17 to 21 of the 2015 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.

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, and Africa. 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, December 4, 2015 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 Second Quarter 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 December 18, 2015. To access the rebroadcast, dial 905-694-9451 and enter the passcode 2432166. The webcast will also be archived for one year and can be accessed on the Major Drilling website at www.majordrilling.com.

-- 30 --

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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 October 31		Six months ended October 31	
	2015	2014	**2015**	2014
TOTAL REVENUE	**$ 84,667**	$ 87,192	**$ 168,601**	$ 154,743
DIRECT COSTS	**61,356**	66,456	**123,673**	117,340
GROSS PROFIT	**23,311**	20,736	**44,928**	37,403
OPERATING EXPENSES				
General and administrative	**10,805**	11,261	**21,445**	22,240
Other expenses	**813**	1,673	**1,881**	2,544
Loss (gain) on disposal of property, plant and equipment	**285**	(2,015)	**(2,339)**	(2,030)
Foreign exchange loss	**558**	1,445	**1,726**	1,518
Finance costs	**81**	190	**151**	394
Depreciation of property, plant and equipment	**12,670**	12,609	**24,928**	25,962
Amortization of intangible assets	**976**	527	**1,934**	848
Restructuring charge (note 11)	**59**	2,830	**6,491**	3,421
	26,247	28,520	**56,217**	54,897
LOSS BEFORE INCOME TAX	**(2,936)**	(7,784)	**(11,289)**	(17,494)
INCOME TAX - PROVISION (RECOVERY) (note 7)				
Current	**3,588**	4,187	**6,472**	4,515
Deferred	**(1,175)**	(1,823)	**(1,232)**	(4,530)
	2,413	2,364	**5,240**	(15)
NET LOSS	**$ (5,349)**	$ (10,148)	**$ (16,529)**	$ (17,479)
LOSS PER SHARE (note 8)				
Basic	**$ (0.07)**	$ (0.13)	**$ (0.21)**	$ (0.22)
Diluted	**$ (0.07)**	$ (0.13)	**$ (0.21)**	$ (0.22)

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

(in thousands of Canadian dollars)

(unaudited)

	Three months ended October 31		Six months ended October 31	
	2015	2014	**2015**	2014
NET LOSS	**$ (5,349)**	$ (10,148)	**$ (16,529)**	$ (17,479)
OTHER COMPREHENSIVE EARNINGS				
Items that may be reclassified subsequently to profit or loss				
Unrealized (losses) gains on foreign currency translations (net of tax)	**(664)**	8,846	**20,301**	6,346
COMPREHENSIVE (LOSS) EARNINGS	**$ (6,013)**	$ (1,302)	**$ 3,772**	$ (11,133)

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity
For the six months ended October 31, 2014 and 2015
(in thousands of Canadian dollars)
(unaudited)

	Share capital	Share-based payments reserve	Retained earnings	Foreign currency translation reserve	Total
BALANCE AS AT MAY 1, 2014	$ 230,985	$ 15,937	$211,945	$ 25,480	$484,347
Exercise of stock options	46	(12)	-	-	34
Share issue	8,689	-	-	-	8,689
Share-based payments reserve	-	702	-	-	702
Dividends	-	-	(8,014)	-	(8,014)
	239,720	16,627	203,931	25,480	485,758
Comprehensive loss:					
Net loss	-	-	(17,479)	-	(17,479)
Unrealized gains on foreign currency translations	-	-	-	6,346	6,346
Total comprehensive loss	-	-	(17,479)	6,346	(11,133)
BALANCE AS AT OCTOBER 31, 2014	$ 239,720	$ 16,627	$186,452	$ 31,826	$474,625
BALANCE AS AT MAY 1, 2015	**$ 239,726**	**$ 17,234**	**$152,764**	**$ 50,668**	**$460,392**
Share-based payments reserve	**-**	**528**	**-**	**-**	**528**
Dividends	**-**	**-**	**(1,603)**	**-**	**(1,603)**
	239,726	**17,762**	**151,161**	**50,668**	**459,317**
Comprehensive earnings:					
Net loss	**-**	**-**	**(16,529)**	**-**	**(16,529)**
Unrealized gains on foreign currency translations	**-**	**-**	**-**	**20,301**	**20,301**
Total comprehensive earnings	**-**	**-**	**(16,529)**	**20,301**	**3,772**
BALANCE AS AT OCTOBER 31, 2015	**$ 239,726**	**$ 17,762**	**$134,632**	**$ 70,969**	**$463,089**

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

(in thousands of Canadian dollars)

(unaudited)

	Three months ended October 31		Six months ended October 31	
	2015	2014	**2015**	2014
OPERATING ACTIVITIES				
Loss before income tax	**$ (2,936)**	$ (7,784)	**$ (11,289)**	$ (17,494)
Operating items not involving cash				
Depreciation and amortization	**13,646**	13,136	**26,862**	26,810
Loss (gain) on disposal of property, plant and equipment	**285**	(2,015)	**(2,339)**	(2,030)
Share-based payments reserve	**265**	347	**528**	702
Restructuring charge	**-**	1,953	**5,045**	1,953
Finance costs recognized in loss before income tax	**81**	190	**151**	394
	11,341	5,827	**18,958**	10,335
Changes in non-cash operating working capital items	**(1,774)**	3,596	**(2,870)**	2,401
Finance costs paid	**(79)**	(187)	**(151)**	(388)
Income taxes paid	**(1,414)**	(2,009)	**(5,532)**	(4,209)
Cash flow from operating activities	**8,074**	7,227	**10,405**	8,139
FINANCING ACTIVITIES				
Increase (decrease) in demand loan	**-**	658	**-**	(2,696)
Repayment of long-term debt	**(1,897)**	(4,760)	**(3,681)**	(6,499)
Issuance of common shares	**-**	25	**-**	34
Dividends paid	**-**	-	**(1,603)**	(7,916)
Cash flow used in financing activities	**(1,897)**	(4,077)	**(5,284)**	(17,077)
INVESTING ACTIVITIES				
Business acquisition (note 10)	**(1,783)**	(20,891)	**(1,783)**	(20,891)
Acquisition of property, plant and equipment (net of direct financing) (note 6)	**(3,830)**	(2,912)	**(7,095)**	(10,057)
Proceeds from disposal of property, plant and equipment	**151**	5,246	**6,020**	15,880
Cash flow used in investing activities	**(5,462)**	(18,557)	**(2,858)**	(15,068)
Effect of exchange rate changes	**287**	985	**2,418**	815
INCREASE (DECREASE) IN CASH	**1,002**	(14,422)	**4,681**	(23,191)
CASH, BEGINNING OF THE PERIOD	**48,576**	65,475	**44,897**	74,244
CASH, END OF THE PERIOD	**$ 49,578**	$ 51,053	**$ 49,578**	$ 51,053

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets
As at October 31, 2015 and April 30, 2015
(in thousands of Canadian dollars)
(unaudited)

	October 31, 2015	April 30, 2015
ASSETS		
CURRENT ASSETS		
Cash	$ 49,578	$ 44,897
Trade and other receivables	67,582	58,559
Note receivable	450	-
Income tax receivable	10,749	12,182
Inventories	79,618	79,248
Prepaid expenses	4,565	2,968
	212,542	197,854
NOTE RECEIVABLE	1,723	-
PROPERTY, PLANT AND EQUIPMENT	267,798	276,594
DEFERRED INCOME TAX ASSETS	6,079	4,722
GOODWILL	58,018	57,274
INTANGIBLE ASSETS	4,573	6,260
	$ 550,733	$ 542,704
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	$ 39,636	$ 33,820
Income tax payable	1,208	2,388
Current portion of contigent consideration	3,000	2,735
Current portion of long-term debt	7,884	6,776
	51,728	45,719
CONTINGENT CONSIDERATION	5,347	7,395
LONG-TERM DEBT	8,578	8,569
DEFERRED INCOME TAX LIABILITIES	21,991	20,629
	87,644	82,312
SHAREHOLDERS' EQUITY		
Share capital	239,726	239,726
Share-based payments reserve	17,762	17,234
Retained earnings	134,632	152,764
Foreign currency translation reserve	70,969	50,668
	463,089	460,392
	$ 550,733	$ 542,704

1. NATURE OF ACTIVITIES

Major Drilling Group International Inc. (the "Company" or "Major Drilling") 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 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, 2015.

On December 3, 2015, 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, 2015.

3. APPLICATION OF NEW AND REVISED IFRS

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

- IFRS 9 *(as amended in 2014) Financial Instruments - effective date January 1, 2018*
- IFRS 10 *(amended) Consolidated Financial Statements - effective date January 1, 2016*
- IFRS 11 *(amended) Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations - effective date January 1, 2016*
- IFRS 15 *Revenue from Contracts with Customers - effective date January 1, 2018*
- IAS 1 *(amended) Presentation of Financial Statements - effective date January 1, 2016*
- IAS 16 *(amended) Property, Plant and Equipment - effective date January 1, 2016*
- IAS 28 *(amended) Investments in Associates and Joint Ventures - effective date January 1, 2016*
- IAS 38 *(amended) Intangible Assets - effective date January 1, 2016*

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 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 and contingent considerations, 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.

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

6. PROPERTY, PLANT AND EQUIPMENT

Capital expenditures for the three months ended October 31, 2015 were $6,523 (2014 - $3,124) and for the six months ended October 31, 2015 were $11,759 (2014 - $10,269). The Company obtained direct financing of $2,693 and $4,664 for the three and six months ended October 31, 2015, respectively, and $212 for the three and six months ended October 31, 2014.

7. INCOME TAXES

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

	Q2 2016	Q2 2015	**YTD 2016**	YTD 2015
Loss before income tax	**$ (2,936)**	$ (7,784)	**$ (11,289)**	$ (17,494)
Statutory Canadian corporate income tax rate	**27%**	27%	**27%**	27%
Expected income tax recovery based on statutory rate	**(793)**	(2,102)	**(3,048)**	(4,723)
Non-recognition of tax benefits related to losses	**1,412**	2,814	**4,673**	3,564
Other foreign taxes paid	**179**	77	**632**	171
Rate variances in foreign jurisdictions	**372**	(19)	**79**	(276)
Permanent differences	**1,009**	95	**2,555**	434
Other	**234**	1,499	**349**	815
Income tax expense (recovery) recognized in net loss	**$ 2,413**	$ 2,364	**$ 5,240**	$ (15)

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.

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

8. LOSS PER SHARE

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

	Q2 2016	Q2 2015	**YTD 2016**	YTD 2015
Net loss	**$ (5,349)**	$ (10,148)	**$ (16,529)**	$ (17,479)
Weighted average number of shares – basic and diluted (000's)	**80,137**	80,124	**80,137**	79,643
Loss per share:				
Basic	**$ (0.07)**	$ (0.13)	**$ (0.21)**	$ (0.22)
Diluted	**$ (0.07)**	$ (0.13)	**$ (0.21)**	$ (0.22)

There were no anti-dilutive options for the three and six months ended October 31, 2015 or 2014.

The total number of shares outstanding on October 31, 2015 was 80,136,884 (2014 - 80,135,883).

9. 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 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, 2015. 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)

9. SEGMENTED INFORMATION (Continued)

	Q2 2016	Q2 2015	**YTD 2016**	YTD 2015
Revenue				
Canada - U.S.	**$ 56,056**	$ 49,813	**$ 107,087**	$ 86,232
South and Central America	**16,924**	23,331	**37,405**	37,436
Asia and Africa	**11,687**	14,048	**24,109**	31,075
	$ 84,667	$ 87,192	**$ 168,601**	$ 154,743
Earnings (loss) from operations				
Canada - U.S.*	**$ 3,511**	$ 2,580	**$ 4,337**	$ 1,967
South and Central America	**(1,212)**	(794)	**(7)**	(5,512)
Asia and Africa	**(2,369)**	(6,528)	**(10,874)**	(8,810)
	(70)	(4,742)	**(6,544)**	(12,355)
Finance costs	**81**	190	**151**	394
General corporate expenses**	**2,785**	2,852	**4,594**	4,745
Income tax	**2,413**	2,364	**5,240**	(15)
Net loss	**$ (5,349)**	$ (10,148)	**$ (16,529)**	$ (17,479)

*Canada - U.S. includes revenue of $30,548 and $29,187 for Canadian operations for the three months ended October 31, 2015 and 2014, respectively, and $62,220 and $51,637 for the six months ended October 31, 2015 and 2014, respectively.

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

	Q2 2016	Q2 2015	**YTD 2016**	YTD 2015
Capital expenditures				
Canada - U.S.	**$ 5,632**	$ 1,938	**$ 9,669**	$ 5,403
South and Central America	**726**	563	**1,412**	3,590
Asia and Africa	**165**	548	**678**	1,187
Unallocated and corporate assets	**-**	75	**-**	89
Total capital expenditures	**$ 6,523**	$ 3,124	**$ 11,759**	$ 10,269

	Q2 2016	Q2 2015	**YTD 2016**	YTD 2015
Depreciation and amortization				
Canada - U.S.	**$ 6,925**	$ 6,440	**$ 13,649**	$ 12,484
South and Central America	**2,924**	2,930	**6,439**	6,584
Asia and Africa	**3,422**	3,390	**6,026**	6,995
Unallocated and corporate assets	**375**	376	**748**	747
Total depreciation and amortization	**$ 13,646**	$ 13,136	**$ 26,862**	$ 26,810

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

9. SEGMENTED INFORMATION (Continued)

	October 31, 2015	April 30, 2015
Identifiable assets		
Canada - U.S.*	**$ 243,327**	$ 226,919
South and Central America	**147,314**	163,539
Asia and Africa	**105,208**	109,791
Unallocated and corporate assets	**54,884**	42,455
Total identifiable assets	**$ 550,733**	$ 542,704

*Canada - U.S. includes property, plant and equipment at October 31, 2015 of $77,279 (April 30, 2015 - $84,115) for Canadian operations.

10. BUSINESS ACQUISITION

The Company has finalized the valuation of assets for Taurus Drilling Services, acquired August 1, 2014. There were no material adjustments required to values allocated to net tangible and intangible assets presented in the annual consolidated financial statements for the year ended April 30, 2015. During the current quarter, the Company made the first payment on the contingent consideration of $1,783.

11. RESTRUCTURING CHARGE

During the year, the Company continued to rationalize certain operations, and 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 restructuring charge was $59 and $6,491 for the three and six months ended October 31, 2015, respectively. For the three months ended October 31, 2015, the amount consists of employee severance charges for $59. For the six months ended October 31, 2015, the amount includes an impairment charge of $3,479 relating to property, plant and equipment; a write-down of $1,304 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. The unpaid portion of these charges, totaling $751, is recorded in trade and other payables.

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

11. RESTRUCTURING CHARGE (Continued)

During the previous year, the Company continued to rationalize certain operations and due to ongoing administrative difficulties to operate in the Democratic Republic of Congo ("DRC"), the Company decided to close down its operation in that country. The restructuring charge was $2,830 and $3,421 for the three and six months ended October 31, 2014, respectively. For the three months ended October 31, 2014, the amount consists of a reduction of $2,092 in the previously recorded provision for the Australian restructure; an impairment charge of $1,953 relating to property, plant and equipment from the DRC close down; a write-down of $1,628 to reduce inventory in the DRC to net realizable value; employee severance charges of $84 incurred to rationalize the workforce in several operations; and a further charge of $1,257 relates to the cost of winding down operations in the DRC. For the six months ended October 31, 2014, the amount includes further employee severance charges of $591.

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 following table shows carrying values of contingent consideration and long-term debt, which approximates their 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.

	October 31, 2015	April 30, 2015
Contingent consideration	**$ 8,347**	$ 10,130
Long-term debt	**16,462**	15,345

The Company is in compliance with all covenants and other conditions imposed by its debt agreements.

Credit risk

As at October 31, 2015, 79.4% (April 30, 2015 - 89.0%) of the Company's trade receivables were aged as current and 7.5% (April 30, 2015 - 8.2%) of the trade receivables were impaired.

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

	October 31, 2015	October 31, 2014
Opening balance	**$ 4,204**	$ 3,016
Increase in impairment allowance	**801**	1,258
Recovery of amounts previously impaired	**(191)**	(186)
Write-off charged against allowance	**(206)**	(814)
Foreign exchange translation differences	**113**	(52)
Ending balance	**$ 4,721**	$ 3,222

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

12. FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk
As at October 31, 2015, 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	ARP/USD	CFA/USD	COP/USD	USD/CLP	USD/CAD
Exposure		$ 2,791	$ 2,485	$ 2,478	$ 958	$ (51)
EBIT impact	+10%	310	276	275	106	(6)

	Rate Variance	IDR/USD	USD/AUD	USD/ZAR	Other
Exposure		$ (1,687)	$ (2,081)	$ (5,748)	$ 273
EBIT impact	+10%	(187)	(231)	(639)	39

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	$ 39,636	$ -	$ -	$ -	$ 39,636
Contingent consideration	3,000	5,347	-	-	8,347
Long-term debt	8,307	5,983	3,005	883	18,178
	$ 50,943	**$ 11,330**	**$ 3,005**	**$ 883**	**$ 66,161**