

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	
	2019	2018	2019	2018
TOTAL REVENUE	\$ 80,439	\$ 74,970	\$ 284,425	\$ 246,914
DIRECT COSTS	64,814	61,777	216,469	195,777
GROSS PROFIT	15,625	13,193	67,956	51,137
OPERATING EXPENSES				
General and administrative	11,884	12,149	35,526	35,473
Other expenses	1,009	952	3,305	2,215
(Gain) loss on disposal of property, plant and equipment	(89)	90	(375)	(49)
Foreign exchange loss (gain)	17	(55)	961	(995)
Finance costs	142	192	593	557
Depreciation of property, plant and equipment	9,817	12,102	31,092	35,679
Amortization of intangible assets	-	-	-	657
Restructuring charge (note 11)	6,897	-	6,897	-
	29,677	25,430	77,999	73,537
LOSS BEFORE INCOME TAX	(14,052)	(12,237)	(10,043)	(22,400)
INCOME TAX - PROVISION (RECOVERY) (note 8)				
Current	531	337	6,108	5,191
Deferred	1,323	(4,080)	(1,024)	(9,485)
	1,854	(3,743)	5,084	(4,294)
NET LOSS	\$ (15,906)	\$ (8,494)	\$ (15,127)	\$ (18,106)
LOSS PER SHARE (note 9)				
Basic	\$ (0.20)	\$ (0.11)	\$ (0.19)	\$ (0.23)
Diluted	\$ (0.20)	\$ (0.11)	\$ (0.19)	\$ (0.23)

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	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
NET LOSS	\$ (15,906)	\$ (8,494)	\$ (15,127)	\$ (18,106)
OTHER COMPREHENSIVE EARNINGS				
Items that may be reclassified subsequently to profit or loss				
Unrealized gain (loss) on foreign currency translations (net of tax)	2,691	(10,243)	4,995	(26,930)
Unrealized gain (loss) on derivatives (net of tax)	<u>22</u>	<u>74</u>	<u>(319)</u>	<u>(135)</u>
COMPREHENSIVE LOSS	<u>\$ (13,193)</u>	<u>\$ (18,663)</u>	<u>\$ (10,451)</u>	<u>\$ (45,171)</u>

Major Drilling Group International Inc.
Interim Condensed Consolidated Statements of Changes in Equity
For the nine months ended January 31, 2019 and 2018
(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, 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
	<u>241,264</u>	<u>163</u>	<u>19,555</u>	<u>63,812</u>	<u>86,787</u>	<u>411,581</u>
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	<u>-</u>	<u>(135)</u>	<u>-</u>	<u>(18,106)</u>	<u>(26,930)</u>	<u>(45,171)</u>
BALANCE AS AT JANUARY 31, 2018	<u>\$ 241,264</u>	<u>\$ 28</u>	<u>\$ 19,555</u>	<u>\$ 45,706</u>	<u>\$ 59,857</u>	<u>\$ 366,410</u>
BALANCE AS AT MAY 1, 2018	\$ 241,264	\$ 36	\$ 19,721	\$ 41,360	\$ 70,021	\$ 372,402
Share-based compensation	-	-	403	-	-	403
	<u>241,264</u>	<u>36</u>	<u>20,124</u>	<u>41,360</u>	<u>70,021</u>	<u>372,805</u>
Comprehensive earnings:						
Net loss	-	-	-	(15,127)	-	(15,127)
Unrealized gain on foreign currency translations	-	-	-	-	4,995	4,995
Unrealized loss on derivatives	-	(319)	-	-	-	(319)
Total comprehensive loss	<u>-</u>	<u>(319)</u>	<u>-</u>	<u>(15,127)</u>	<u>4,995</u>	<u>(10,451)</u>
BALANCE AS AT JANUARY 31, 2019	<u>\$ 241,264</u>	<u>\$ (283)</u>	<u>\$ 20,124</u>	<u>\$ 26,233</u>	<u>\$ 75,016</u>	<u>\$ 362,354</u>

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	
	2019	2018	2019	2018
OPERATING ACTIVITIES				
Loss before income tax	\$ (14,052)	\$ (12,237)	\$ (10,043)	\$ (22,400)
Operating items not involving cash				
Depreciation and amortization	9,817	12,102	31,092	36,336
(Gain) loss on disposal of property, plant and equipment	(89)	90	(375)	(49)
Share-based compensation	126	187	403	615
Restructuring charge (non-cash portion)	6,047	-	6,047	-
Finance costs recognized in loss before income tax	142	192	593	557
	<u>1,991</u>	<u>334</u>	<u>27,717</u>	<u>15,059</u>
Changes in non-cash operating working capital items	10,730	11,684	7,183	9,616
Finance costs paid	(142)	(192)	(593)	(557)
Income taxes paid	(2,316)	(2,532)	(6,873)	(4,598)
Cash flow from operating activities	<u>10,263</u>	<u>9,294</u>	<u>27,434</u>	<u>19,520</u>
FINANCING ACTIVITIES				
Repayment of long-term debt	(355)	(805)	(1,628)	(2,451)
Proceeds from draw on long-term debt	-	-	-	15,000
Issuance of common shares due to exercise of stock options	-	-	-	1,203
Cash flow (used in) from financing activities	<u>(355)</u>	<u>(805)</u>	<u>(1,628)</u>	<u>13,752</u>
INVESTING ACTIVITIES				
Payment of consideration for previous business acquisition	-	-	-	(5,135)
Acquisition of property, plant and equipment (net of direct financing) (note 7)	(6,315)	(7,560)	(19,166)	(17,753)
Proceeds from disposal of property, plant and equipment	1,877	243	9,643	1,863
Cash flow used in investing activities	<u>(4,438)</u>	<u>(7,317)</u>	<u>(9,523)</u>	<u>(21,025)</u>
Effect of exchange rate changes	(448)	(1,010)	452	(3,743)
INCREASE IN CASH	5,022	162	16,735	8,504
CASH, BEGINNING OF THE PERIOD	<u>32,969</u>	<u>34,317</u>	<u>21,256</u>	<u>25,975</u>
CASH, END OF THE PERIOD	<u>\$ 37,991</u>	<u>\$ 34,479</u>	<u>\$ 37,991</u>	<u>\$ 34,479</u>

Major Drilling Group International Inc.
Interim Condensed Consolidated Balance Sheets

As at January 31, 2019 and April 30, 2018

(in thousands of Canadian dollars)

(unaudited)

	January 31, 2019	April 30, 2018
ASSETS		
CURRENT ASSETS		
Cash	\$ 37,991	\$ 21,256
Trade and other receivables	60,756	88,372
Note receivable	510	495
Income tax receivable	3,592	4,517
Inventories	87,653	82,519
Prepaid expenses	6,976	2,924
	197,478	200,083
NOTE RECEIVABLE	175	559
PROPERTY, PLANT AND EQUIPMENT (note 7)	167,186	185,364
DEFERRED INCOME TAX ASSETS	23,354	23,196
GOODWILL	58,123	57,851
	\$ 446,316	\$ 467,053
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	\$ 49,033	\$ 55,906
Income tax payable	2,081	3,794
Current portion of long-term debt	1,317	1,934
	52,431	61,634
LONG-TERM DEBT	16,491	17,407
DEFERRED INCOME TAX LIABILITIES	15,040	15,610
	83,962	94,651
SHAREHOLDERS' EQUITY		
Share capital	241,264	241,264
Reserves	(283)	36
Share-based payments reserve	20,124	19,721
Retained earnings	26,233	41,360
Foreign currency translation reserve	75,016	70,021
	362,354	372,402
	\$ 446,316	\$ 467,053

MAJOR DRILLING GROUP INTERNATIONAL INC.
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2019 AND 2018 (UNAUDITED)
(in thousands of Canadian dollars, except per share information)

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, 2018, except as noted in note 4.

On February 28, 2019, 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, 2018, except as noted in note 4.

3. APPLICATION OF NEW AND REVISED IFRS

The following IASB standards, adopted as of May 1, 2018, have had no significant impact on the Company’s Interim Condensed Consolidated Financial Statements:

- IFRS 2 Share-based Payment
- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

The Company has not applied the following IASB standard that has been issued, but is not yet effective:

IFRS 16 Leases (“IFRS 16”)

IFRS 16, issued in January 2016, replaces IAS 17, Leases. 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.

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3. APPLICATION OF NEW AND REVISED IFRS (Continued)

The Company has undertaken and completed a detailed review of existing contracts against the IFRS 16 criteria and has completed the calculation of lease liabilities for contracts that have been identified as containing right-of-use assets. It is expected that a lease liability of approximately \$3 million will be recognized on transition at May 1, 2019. The Company has elected to apply the modified transition approach whereby no restatement of comparative periods is required. Right-of-use assets will be recognized at the amount of the liability on transition. Leases with terms that end within 12 months of the mandatory transition date will be accounted for by the Company as short-term leases with payments made under the lease recognized as operating expenses.

It is expected that the transition to IFRS 16 will result in increases to assets and liabilities of approximately \$3 million, as well as increases of approximately \$0.8 million to depreciation expense and \$0.2 million to finance costs and a reduction of operating costs of approximately \$1 million.

4. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

IFRS 9 Financial Instruments ("IFRS 9"), replacing IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"), includes finalized guidance on the classification and measurement of financial assets and liabilities, impairment, and hedge accounting. The Company adopted the new requirements on May 1, 2018 by applying the requirements for classification and measurement, including impairment, retrospectively with no restatement of comparative periods.

Financial instruments

Under IFRS 9, financial assets are classified and measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") and financial liabilities are classified and measured as amortized cost or FVTPL, depending on the business model in which they are held and the characteristics of their contractual cash flows. All of the Company's financial assets and liabilities are measured at amortized cost.

Impairment

IFRS 9 replaces the incurred loss model in IAS 39 with a forward-looking expected credit loss ("ECL") model. Since the Company's trade receivables have a maturity of less than one year, the Company utilized a practical expedient available under the standard and estimated lifetime ECL using historical credit loss experiences, resulting in a minimal impact on the Company's financial statements.

Hedge accounting

As it was under IAS 39, hedge accounting remains optional under IFRS 9. Under IFRS 9, the effectiveness test has been replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. The Company's interest rate swap and share-forward transaction hedges continue to qualify for hedge accounting under IFRS 9 and as a result, the adoption of IFRS 9 did not have a significant impact on its Interim Condensed Consolidated Financial Statements with respect to hedge accounting.

The three types of hedges: cash flow, fair value and net investment, remain the same under IFRS 9. All of the Company's hedges continue to be classified as FVTOCI.

5. 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

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGMENTS (Continued)

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 allowance for doubtful accounts, and impairment testing of goodwill.

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.

6. 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.

7. PROPERTY, PLANT AND EQUIPMENT

Capital expenditures for the three months ended January 31, 2019 were \$6,315 (2018 - \$7,560) and \$19,166 (2018 - \$17,804) for the nine months ended January 31, 2019. The Company did not obtain direct financing for the three and nine months ended January 31, 2019 (2018 - nil and \$51 respectively).

8. INCOME TAXES

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

	<u>Q3 2019</u>	<u>Q3 2018</u>	<u>YTD 2019</u>	<u>YTD 2018</u>
Loss before income tax*	\$ (14,052)	\$ (12,237)	\$ (10,043)	\$ (22,400)
Statutory Canadian corporate income tax rate	27%	27%	27%	27%
Expected income tax recovery based on statutory rate	(3,794)	(3,304)	(2,711)	(6,048)
Non-recognition of tax benefits related to losses	2,729	943	4,245	2,754
Utilization of previously unrecognized losses	56	-	(16)	(811)
Other foreign taxes paid	184	64	478	263
Rate variances in foreign jurisdictions	(84)	(258)	(145)	(5)
Permanent differences	1,569	399	2,117	698
Effect of change in U.S. tax rate	-	(1,587)	-	(1,587)
De-recognition of previously recognized Burkina Faso losses	1,212	-	1,212	-
Other	(18)	-	(96)	442
Income tax provision (recovery) recognized in net loss	<u>\$ 1,854</u>	<u>\$ (3,743)</u>	<u>\$ 5,084</u>	<u>\$ (4,294)</u>

*Loss before income tax includes restructuring charges (as detailed in note 11) in the current quarter and year of \$6,897 (2018 - nil) for which no deferred tax asset has been recognized.

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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 favourable or unfavourable adjustments to these estimated tax liabilities in the period the assessments are made, or resolved, or when the statutes of limitations lapse.

9. LOSS PER SHARE

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

	<u>Q3 2019</u>	<u>Q3 2018</u>	<u>YTD 2019</u>	<u>YTD 2018</u>
Net loss	\$ (15,906)	\$ (8,494)	\$ (15,127)	\$ (18,106)
Weighted average number of shares:				
Basic and diluted (000s)	<u>80,300</u>	<u>80,300</u>	<u>80,300</u>	<u>80,248</u>
Loss per share				
Basic	\$ (0.20)	\$ (0.11)	\$ (0.19)	\$ (0.23)
Diluted	\$ (0.20)	\$ (0.11)	\$ (0.19)	\$ (0.23)

The calculation of diluted loss per share for the three and nine months ended January 31, 2019 excludes the effect of 3,350,159 and 3,462,454 options, respectively (2018 - 3,347,361 and 2,727,342) as they were anti-dilutive.

The total number of shares outstanding on January 31, 2019 was 80,299,984 (2018 - 80,229,984).

10. 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, 2018, except as noted in note 4. 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:

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FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2019 AND 2018 (UNAUDITED)
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10. SEGMENTED INFORMATION (Continued)

	<u>Q3 2019</u>	<u>Q3 2018</u>	<u>YTD 2019</u>	<u>YTD 2018</u>
Revenue				
Canada - U.S.*	\$ 37,317	\$ 35,473	\$ 145,123	\$ 140,343
South and Central America	24,182	22,935	80,095	61,203
Asia and Africa	18,940	16,562	59,207	45,368
	<u>\$ 80,439</u>	<u>\$ 74,970</u>	<u>\$ 284,425</u>	<u>\$ 246,914</u>
(Loss) earnings from operations				
Canada - U.S.	\$ (3,544)	\$ (7,887)	\$ 4,503	\$ (7,087)
South and Central America	(2,192)	(2,296)	(3,550)	(7,826)
Asia and Africa**	(6,641)	(124)	(4,947)	(2,041)
	<u>(12,377)</u>	<u>(10,307)</u>	<u>(3,994)</u>	<u>(16,954)</u>
Finance costs	142	192	593	557
General corporate expenses***	1,533	1,738	5,456	4,889
Income tax	1,854	(3,743)	5,084	(4,294)
	<u>3,529</u>	<u>(1,813)</u>	<u>11,133</u>	<u>1,152</u>
Net loss	<u>\$ (15,906)</u>	<u>\$ (8,494)</u>	<u>\$ (15,127)</u>	<u>\$ (18,106)</u>

*Canada - U.S. includes revenue of \$17,098 and \$17,130 for Canadian operations for the three months ended January 31, 2019 and 2018, respectively and \$68,101 and \$68,470 for the nine months ended January 31, 2019 and 2018, respectively.

**Asia and Africa includes restructuring charges (as detailed in note 11) in the current quarter and year of \$6,897 (2018 - nil).

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

	<u>Q3 2019</u>	<u>Q3 2018</u>	<u>YTD 2019</u>	<u>YTD 2018</u>
Capital expenditures				
Canada - U.S.	\$ 2,908	\$ 4,755	\$ 9,805	\$ 11,857
South and Central America	1,673	2,521	5,124	3,617
Asia and Africa	1,734	284	4,237	2,330
Total capital expenditures	<u>\$ 6,315</u>	<u>\$ 7,560</u>	<u>\$ 19,166</u>	<u>\$ 17,804</u>
Depreciation and amortization				
Canada - U.S.	\$ 4,350	\$ 6,704	\$ 14,520	\$ 18,499
South and Central America	3,309	3,690	9,563	10,051
Asia and Africa	2,071	2,394	6,768	7,544
Unallocated and corporate assets	87	(686)	241	242
Total depreciation and amortization	<u>\$ 9,817</u>	<u>\$ 12,102</u>	<u>\$ 31,092</u>	<u>\$ 36,336</u>

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10. SEGMENTED INFORMATION (Continued)

	<u>January 31, 2019</u>	<u>April 30, 2018</u>
Identifiable assets		
Canada - U.S.*	\$ 192,353	\$ 188,947
South and Central America	146,086	137,153
Asia and Africa	94,594	94,005
Unallocated and corporate assets	13,283	46,948
Total identifiable assets	<u>\$ 446,316</u>	<u>\$ 467,053</u>

*Canada - U.S. includes property, plant and equipment at January 31, 2019 of \$33,172 (April 30, 2018 - \$44,891) for Canadian operations.

11. RESTRUCTURING CHARGE

During the quarter, the Company made the decision to close its operations in Burkina Faso, based on the fact that this branch required significant additional investment to reach an acceptable return on investment, at a time when political and security risks are increasing in that country.

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.

The costs related to these initiatives, and recorded as part of the restructuring charge, total \$6,897. This amount consists of non-cash charges totaling \$6,047, including an impairment charge of \$258 relating to property, plant and equipment; a write-down of \$2,307 to reduce inventory to net realizable value; and other non-cash charges of \$3,482. Cash charges include employee severance costs of \$545 incurred to rationalize the workforce, and \$305 relating to the cost of winding down operations. The unpaid portion of these charges, totaling \$845 at January 31, 2019, is recorded in trade and other payables.

12. FINANCIAL INSTRUMENTS

Fair value

The carrying values of cash, trade and other receivables, demand credit facility and trade and other payables approximate their fair value due to the relatively short period to maturity of the instruments. The carrying value of long-term debt approximates its fair value. The fair value of the interest rate swap included in long-term debt is classified as level 1 in the fair value hierarchy detailed below.

The fair value hierarchy, detailed below, 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.

- 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).

There were no transfers of amounts between level 1, level 2 and level 3 financial instruments for the quarter ended January 31, 2019.

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12. FINANCIAL INSTRUMENTS (Continued)

Credit risk

As at January 31, 2019, 83.0% (April 30, 2018 - 84.3%) of the Company's trade receivables were aged as current and 1.7% (April 30, 2018 - 1.3%) 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:

	<u>January 31, 2019</u>	<u>April 30, 2018</u>
Opening balance	\$ 928	\$ 847
Increase in impairment allowance	469	500
Recovery of amounts previously impaired	(44)	(281)
Write-off charged against allowance	(437)	(69)
Foreign exchange translation differences	(24)	(69)
Ending balance	<u>\$ 892</u>	<u>\$ 928</u>

Foreign currency risk

As at January 31, 2019, the most significant carrying amounts of net monetary assets (which may include intercompany balances with other subsidiaries) that: (i) are denominated in currencies other than the functional currency of the respective Company subsidiary; and (ii) cause foreign exchange rate exposure, including the impact on earnings before income taxes ("EBIT"), if the corresponding rate changes by 10%, are as follows:

	<u>Rate variance</u>	<u>MNT/USD</u>	<u>USD/AUD</u>	<u>IDR/USD</u>	<u>MZN/USD</u>	<u>USD/CAD</u>	<u>Other</u>
Net exposure on monetary assets		\$ 3,813	\$ 2,284	\$ 1,898	\$ 1,696	\$ (3,701)	\$ 1,443
EBIT impact	+/-10%	424	254	211	188	411	160

Liquidity risk

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

	<u>1 year</u>	<u>2-3 years</u>	<u>4-5 years</u>	<u>Total</u>
Trade and other payables	\$ 49,033	\$ -	\$ -	\$ 49,033
Long-term debt (interest included)	1,945	2,837	16,128	20,910
	<u>\$ 50,978</u>	<u>\$ 2,837</u>	<u>\$ 16,128</u>	<u>\$ 69,943</u>