

Major Drilling Group International Inc.
Condensed Consolidated Statements of Operations

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

	Three months ended April 30 (unaudited)		Twelve months ended April 30	
	2014	2013	2014	2013
TOTAL REVENUE	\$ 82,637	\$ 135,537	\$ 354,946	\$ 695,928
DIRECT COSTS	61,113	92,450	250,519	475,589
GROSS PROFIT	21,524	43,087	104,427	220,339
OPERATING EXPENSES				
General and administrative	12,701	15,318	50,087	63,827
Other expenses	905	411	3,624	10,585
Loss on disposal of property, plant and equipment	358	1,232	1,617	2,452
Loss on short-term investments	61	-	368	-
Foreign exchange (gain) loss	(918)	699	4,377	(1,311)
Finance costs	266	346	1,002	2,316
Depreciation of property, plant and equipment	13,085	12,575	51,947	49,997
Amortization of intangible assets	332	412	1,359	2,840
Impairment of goodwill and intangible assets	2,269	3,324	14,326	3,324
Restructuring charge	17,234	5,440	20,454	5,440
	46,293	39,757	149,161	139,470
(LOSS) EARNINGS BEFORE INCOME TAX	(24,769)	3,330	(44,734)	80,869
INCOME TAX - PROVISION (RECOVERY)				
Current	3,488	3,590	12,849	32,077
Deferred	(3,322)	(2,434)	(2,273)	(3,318)
	166	1,156	10,576	28,759
NET (LOSS) EARNINGS	\$ (24,935)	\$ 2,174	\$ (55,310)	\$ 52,110
<u>(LOSS) EARNINGS PER SHARE</u>				
Basic	\$ (0.31)	\$ 0.03	\$ (0.70)	\$ 0.66
Diluted	\$ (0.31)	\$ 0.03	\$ (0.70)	\$ 0.65

Major Drilling Group International Inc.
Condensed Consolidated Statements of Comprehensive (Loss) Earnings
(in thousands of Canadian dollars)

	Three months ended April 30 (unaudited)		Twelve months ended April 30	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
NET (LOSS) EARNINGS	\$ (24,935)	\$ 2,174	\$ (55,310)	\$ 52,110
OTHER COMPREHENSIVE (LOSS) EARNINGS				
Items that may be reclassified subsequently to profit or loss				
Unrealized (loss) gains on foreign currency translations (net of tax)	<u>(6,230)</u>	<u>4,409</u>	<u>15,428</u>	<u>11,722</u>
COMPREHENSIVE (LOSS) EARNINGS	<u>\$ (31,165)</u>	<u>\$ 6,583</u>	<u>\$ (39,882)</u>	<u>\$ 63,832</u>

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

For the twelve months ended April 30, 2013 and 2014

(in thousands of Canadian dollars)

	<u>Share capital</u>	<u>Share-based payments reserve</u>	<u>Retained earnings</u>	<u>Foreign currency translation reserve</u>	<u>Total</u>
BALANCE AS AT MAY 1, 2012	\$ 230,763	\$ 11,797	\$246,809	\$ (1,670)	\$487,699
Exercise of stock options	222	(114)	-	-	108
Share-based payments reserve	-	2,521	-	-	2,521
Dividends	-	-	(15,831)	-	(15,831)
	<u>230,985</u>	<u>14,204</u>	<u>230,978</u>	<u>(1,670)</u>	<u>474,497</u>
Comprehensive earnings:					
Net earnings	-	-	52,110	-	52,110
Unrealized gains on foreign currency translations	-	-	-	11,722	11,722
Total comprehensive earnings	<u>-</u>	<u>-</u>	<u>52,110</u>	<u>11,722</u>	<u>63,832</u>
BALANCE AS AT APRIL 30, 2013	<u>\$ 230,985</u>	<u>\$ 14,204</u>	<u>\$283,088</u>	<u>\$ 10,052</u>	<u>\$538,329</u>
BALANCE AS AT MAY 1, 2013	\$ 230,985	\$ 14,204	\$283,088	\$ 10,052	\$538,329
Share-based payments reserve	-	1,733	-	-	1,733
Dividends	-	-	(15,833)	-	(15,833)
	<u>230,985</u>	<u>15,937</u>	<u>267,255</u>	<u>10,052</u>	<u>524,229</u>
Comprehensive loss:					
Net loss	-	-	(55,310)	-	(55,310)
Unrealized gains on foreign currency translations	-	-	-	15,428	15,428
Total comprehensive loss	<u>-</u>	<u>-</u>	<u>(55,310)</u>	<u>15,428</u>	<u>(39,882)</u>
BALANCE AS AT APRIL 30, 2014	<u>\$ 230,985</u>	<u>\$ 15,937</u>	<u>\$211,945</u>	<u>\$ 25,480</u>	<u>\$484,347</u>

Major Drilling Group International Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands of Canadian dollars)

	Three months ended April 30 (unaudited)		Twelve months ended April 30	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES				
(Loss) earnings before income tax	\$ (24,769)	\$ 3,330	\$ (44,734)	\$ 80,869
Operating items not involving cash				
Depreciation and amortization	13,417	12,987	53,306	52,837
Loss on disposal of property, plant and equipment	358	1,232	1,617	2,452
Loss on short-term investments	61	-	368	-
Share-based payments reserve	361	444	1,733	2,521
Impairment of goodwill and intangible assets	2,269	3,324	14,326	3,324
Restructuring charge	9,716	1,425	10,381	1,425
Finance costs recognized in (loss) earnings before income tax	266	346	1,002	2,316
	<u>1,679</u>	23,088	<u>37,999</u>	145,744
Changes in non-cash operating working capital items	18,535	5,305	20,532	30,456
Finance costs paid	(261)	(345)	(983)	(2,306)
Income taxes paid	(4,742)	(11,081)	(16,624)	(36,962)
Cash flow from operating activities	<u>15,211</u>	<u>16,967</u>	<u>40,924</u>	<u>136,932</u>
FINANCING ACTIVITIES				
Increase in demand loan	-	-	4,066	-
Repayment of long-term debt	(1,740)	(1,716)	(20,457)	(9,296)
Issuance of common shares	-	108	-	108
Dividends paid	-	-	(15,832)	(15,038)
Cash flow used in financing activities	<u>(1,740)</u>	<u>(1,608)</u>	<u>(32,223)</u>	<u>(24,226)</u>
INVESTING ACTIVITIES				
Payment of consideration for previous business acquisition	-	-	(205)	(1,698)
Acquisition of short-term investments	-	-	(3,587)	-
Proceeds from disposal of short-term investments	3,074	-	3,074	-
Acquisition of property, plant and equipment (net of direct financing)	(5,190)	(9,487)	(22,626)	(69,005)
Proceeds from disposal of property, plant and equipment	1,990	884	5,375	3,409
Cash flow used in investing activities	<u>(126)</u>	<u>(8,603)</u>	<u>(17,969)</u>	<u>(67,294)</u>
Effect of exchange rate changes	<u>(1,512)</u>	72	1,201	(338)
INCREASE (DECREASE) IN CASH	11,833	6,828	(8,067)	45,074
CASH, BEGINNING OF THE PERIOD	<u>62,411</u>	<u>75,483</u>	<u>82,311</u>	<u>37,237</u>
CASH, END OF THE PERIOD	<u>\$ 74,244</u>	<u>\$ 82,311</u>	<u>\$ 74,244</u>	<u>\$ 82,311</u>

Major Drilling Group International Inc. Condensed Consolidated Balance Sheets

As at April 30, 2014 and 2013
(in thousands of Canadian dollars)

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	\$ 74,244	\$ 82,311
Trade and other receivables	66,211	98,079
Income tax receivable	12,179	10,013
Inventories	81,308	88,118
Prepaid expenses	4,690	6,119
	238,632	284,640
PROPERTY, PLANT AND EQUIPMENT	307,288	339,971
DEFERRED INCOME TAX ASSETS	5,825	5,601
GOODWILL	38,056	52,736
INTANGIBLE ASSETS	1,923	3,279
	\$ 591,724	\$ 686,227
 LIABILITIES		
CURRENT LIABILITIES		
Demand loan	\$ 3,909	\$ -
Trade and other payables	52,155	73,546
Income tax payable	3,416	5,020
Current portion of long-term debt	9,655	9,097
	69,135	87,663
LONG-TERM DEBT	14,187	34,497
DEFERRED INCOME TAX LIABILITIES	24,055	25,738
	107,377	147,898
 SHAREHOLDERS' EQUITY		
Share capital	230,985	230,985
Share-based payments reserve	15,937	14,204
Retained earnings	211,945	283,088
Foreign currency translation reserve	25,480	10,052
	484,347	538,329
	\$ 591,724	\$ 686,227

MAJOR DRILLING GROUP INTERNATIONAL INC.
SELECTED FINANCIAL INFORMATION
FOR THE THREE AND TWELVE MONTHS ENDED APRIL 30, 2014 AND 2013
(in thousands of Canadian dollars)

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 Note 4 presented in the Notes to Consolidated Financial Statements for the year ended April 30, 2014. Management evaluates performance based on earnings from operations in these three geographic segments before finance costs and income tax. Data relating to each of the Company's reportable segments is presented as follows:

	<u>Q4 2014</u>	<u>Q4 2013</u>	<u>YTD 2014</u>	<u>YTD 2013</u>
	(unaudited)	(unaudited)		
Revenue				
Canada - U.S.	\$ 46,462	\$ 61,827	\$ 175,882	\$ 317,091
South and Central America	15,688	43,489	73,583	203,233
Australia, Asia and Africa	20,487	30,221	105,481	175,604
	<u>\$ 82,637</u>	<u>\$ 135,537</u>	<u>\$ 354,946</u>	<u>\$ 695,928</u>
(Loss) earnings from operations				
Canada - U.S.*	\$ 2,070	\$ 2,874	\$ 9,315	\$ 47,020
South and Central America**	(2,821)	7,629	(25,125)	36,114
Australia, Asia and Africa***	(21,539)	(5,112)	(19,776)	12,945
	<u>(22,290)</u>	<u>5,391</u>	<u>(35,586)</u>	<u>96,079</u>
Eliminations	<u>(135)</u>	<u>(13)</u>	<u>(554)</u>	<u>(987)</u>
	<u>(22,425)</u>	<u>5,378</u>	<u>(36,140)</u>	<u>95,092</u>
Finance costs	266	346	1,002	2,316
General and corporate expenses ****	2,078	1,702	7,592	11,907
Income tax	166	1,156	10,576	28,759
Net (loss) earnings	<u>\$ (24,935)</u>	<u>\$ 2,174</u>	<u>\$ (55,310)</u>	<u>\$ 52,110</u>
Depreciation and amortization				
Canada - U.S.	\$ 5,730	\$ 5,849	\$ 22,928	\$ 22,713
South and Central America	3,149	2,928	12,072	11,493
Australia, Asia and Africa	4,015	4,003	16,161	15,522
Unallocated and corporate assets	523	207	2,145	3,109
	<u>\$ 13,417</u>	<u>\$ 12,987</u>	<u>\$ 53,306</u>	<u>\$ 52,837</u>

*Canada - U.S. includes goodwill and intangible asset impairment charges for the previous quarter and year of \$3,324 as well as restructuring charges for the current quarter of \$123 (2013 - \$1,860), the current year of \$503 (2013 - \$1,860).

** South and Central America includes goodwill and intangible asset impairment charges in the current year of \$12,057 as well as restructuring charges in the current quarter of \$201 (2013 - \$115), the current year of \$1,665 (2013 - \$115).

*** Australia, Asia and Africa includes goodwill and intangible asset impairment charges in the current quarter and year of \$2,269 (2013 - nil) as well as restructuring charges in the current quarter of \$16,910 (2013 - \$3,465), the current year of \$18,286 (2013 - \$3,465).

**** General and corporate expenses include expenses for corporate offices, stock options and certain unallocated costs.