TUCKAMORE CAPITAL MANAGEMENT INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2013

Management's Discussion and Analysis

March 6, 2014

The following is management's discussion and analysis ("MD&A") of the consolidated results of operations, balance sheets and cash flows of Tuckamore Capital Management Inc. ("Tuckamore" or the "Company") for the years ended December 31, 2013, 2012 and 2011. This MD&A should be read in conjunction with Tuckamore's audited consolidated financial statements for the years ended December 31, 2013 and 2012.

All amounts in this MD&A are in Canadian dollars and expressed in thousands of dollars unless otherwise noted. The accompanying audited annual consolidated financial statements of Tuckamore have been prepared by and are the responsibility of management. The contents of this MD&A have been approved by the Board of Directors of Tuckamore on the recommendation of its Audit Committee. This MD&A is dated March 6, 2014 and is current to that date unless otherwise indicated.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

This MD&A makes reference to certain measures that are not defined in IFRS and contains forward-looking information. These measures do not have any standard meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers.

Capitalized terms are defined terms, their meaning is explained in the "Definitions" section located on page 40, and references to "we", "us", "our" or similar terms, refer to Tuckamore, unless the context otherwise requires.

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Forward-looking information

This MD&A contains certain forward-looking information. Certain information included in this MD&A may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results and may include statements or information regarding the future plans or prospects of Tuckamore or the Operating Partnerships and reflects management's expectations and assumptions regarding the growth, results of operations, performance and business prospects and opportunities of Tuckamore and the Operating Partnerships. Without limitation, information regarding the future operating results and economic performance of Tuckamore and the Operating Partnerships constitute forward-looking information. Such forward-looking information reflects management's current beliefs and is based on information currently available to management of Tuckamore and the Operating Partnerships. Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information including risks related to investments, conditions of capital markets, economic conditions, dependence on key personnel, limited customer bases, interest rates, regulatory change, ability to meet working capital requirements and capital expenditures needs of the Operating Partners, factors relating to the weather and availability of labour. These factors should not be considered exhaustive. In addition, in evaluating this information, investors should specifically consider various factors, including the risks outlined under "Risk Factors," which may cause actual events or results to differ materially from any forward-looking statement. In formulating forward-looking information herein, management has assumed that business and economic conditions affecting Tuckamore and the Operating Partnerships will continue substantially in the ordinary course, including without limitation with respect to general levels of economic activity, regulations, taxes and interest rates. Although the forward-looking information is based on what management of Tuckamore and the Operating Partnerships consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect. This forward-looking information is made as of the date of this MD&A, and Tuckamore does not assume any obligation to update or revise it to reflect new events or circumstances except as required by law. Undue reliance should not be placed on forward-looking information. Tuckamore is providing the forward-looking financial information set out in this MD&A for the purpose of providing investors with some context for the "2014 Outlook" presented. Readers are cautioned that this information may not be appropriate for any other purpose.

Non-standard measures

The terms ''EBITDA'' and "Adjusted EBITDA" (collectively the ''Non-GAAP measures'') are financial measures used in this MD&A that are not standard measures under IFRS. Tuckamore's method of calculating Non-GAAP measures may differ from the methods used by other issuers. Therefore, Tuckamore's Non-GAAP measures, as presented may not be comparable to similar measures presented by other issuers.

EBITDA refers to net earnings determined in accordance with IFRS, before depreciation and amortization, interest expense and income tax expense (recovery). EBITDA is used by management and the directors of Tuckamore (the "Directors") as well as many investors to determine the ability of an issuer to generate cash from operations. Management also uses EBITDA to monitor the performance of Tuckamore's reportable segments and believes that in addition to net income or loss and cash provided by operating activities, EBITDA is a useful supplemental measure from which to determine Tuckamore's ability to generate cash available for debt service, working capital, capital expenditures and income taxes. Tuckamore has provided a reconciliation of income (loss) from continuing operations to EBITDA in its MD&A.

Adjusted EBITDA refers to EBITDA excluding the loss on de-recognition of debt, fair value adjustments on stock based compensation expense, the write-down of goodwill and intangible assets, restructuring costs and the interest, taxes, depreciation and amortization of long-term investments, gain on remeasurement of investments and bargain purchase gains. Tuckamore has used Adjusted EBITDA as the basis for the analysis of its past operating financial performance. Adjusted EBITDA is used by Tuckamore and management believes it is a useful supplemental measure from which to determine Tuckamore's ability to generate cash available for debt service, working capital, capital expenditures, and income taxes. Adjusted EBITDA is a measure that management believes facilitates the comparability of the results of historical periods and the analysis of its operating financial performance which may be useful to investors.

Investors are cautioned that the Non-GAAP Measures are not alternatives to measures under IFRS and should not, on their own, be construed as an indicator of performance or cash flows, a measure of liquidity or as a measure of actual return on the shares. These Non-GAAP measures should only be used in conjunction with the financial statements included in the MD&A and Tuckamore's annual audited consolidated financial statements available on SEDAR at www.sedar.com or www.tuckamore.ca.

INDUSTRY SEGMENTS

Tuckamore has three industry segments. A majority of Tuckamore's operations, assets and employees are located in Canada. In addition to the segments listed below, the corporate segment reflects head office administrative and financing costs incurred by Tuckamore. Tuckamore utilizes EBITDA and Adjusted EBITDA as a performance measure for its operating partners and segment results.

Operating Partner by Industry Segment	Business Description	Ownership Interest
Marketing		
Gemma	Integrated direct marketing company.	100%
IC Group	Provider of on-line promotional and loyalty programs and select insurance products.	80%
Industrial Services		
ClearStream	Provider of oil and gas maintenance, construction and wear technology services to both the conventional oil and gas industry and the oilsands.	100%
Quantum Murray	National provider of demolition, remediation and scrap metal services.	100%
Other		
Gusgo	Transportation and storage services provider.	80%
Rlogistics	Re-seller of close-out, discount and refurbished consumer electronics and household goods in Ontario.	36%
Titan	Manufacturer and distributor of rigging products and services, and ground engaging tools to the oil and gas, and construction sectors.	92%

2013 RESULTS

SUMMARY RESULTS FROM CONTINUING OPERATIONS ($000s)

	For Year Ended December 31,		
	2013	2012 Restated[1]	2011 Restated[1]
Revenues	$ 673,111	$ 683,756	$ 554,874
Cost of revenues	(531,894)	(560,323)	(439,128)
Gross profit	141,217	123,433	115,746
Selling, general and administrative expenses	(103,634)	(91,853)	(80,686)
Amortization expense	(8,973)	(10,824)	(14,609)
Depreciation expense	(15,210)	(14,438)	(11,789)
Income from equity investments	5,780	5,891	4,931
Interest expense, net	(33,676)	(32,606)	(32,989)
(Loss) gain on extinguishment / de-recognition of debt	-	(1,534)	37,451
Restructuring costs	-	(861)	-
Fair market value adjustment on stock options	-	-	(883)
Write-down of goodwill and intangible assets	(5,713)	(9,268)	-
Write-down of long term investments	-	-	(6,081)
Gain on remeasurement of investment	-	-	7,281
Transaction costs	-	-	(2,638)
Bargain purchase gain	-	-	709
Income tax expense - current	(3)	(671)	(23)
Income tax recovery (expense)- deferred	2,831	5,206	(2,783)
(Loss) income from continuing operations	$ (17,381)	$ (27,525)	$ 13,637
Add:			
Amortization	8,973	10,824	14,609
Depreciation	15,210	14,438	11,789
Interest expense, net	33,676	32,606	32,989
Income tax expense - current	3	671	23
Income tax (recovery) expense - deferred	(2,831)	(5,206)	2,783
EBITDA	$ 37,650	$ 25,808	$ 75,830
Interest, taxes, depreciation and amortization of long term investments	$ 830	$ 952	$ 1,858
Loss (gain) on extinguishment / de-recognition of debt	-	1,534	(37,451)
Restructuring costs	-	861	-
Fair market value adjustment on stock options	-	-	883
Write-down of long term investments	-	-	6,081
Gain on remeasurement of investment	-	-	(7,281)
Bargain purchase gain	-	-	(709)
Write-down of goodwill and intangible assets	5,713	9,268	-
Adjusted EBITDA	$ 44,193	$ 38,423	$ 39,211
(Loss) income per share:			
Continuing operations - Basic	$ (0.24)	$ (0.38)	$ 0.19
Continuing operations - Diluted	$ (0.24)	$ (0.38)	$ 0.16

	For Year Ended December 31		
	2013	2012 Restated[1]	2011 Restated[1]
Total assets	$ 402,524	$ 414,538	$ 442,866
Senior credit facility	89,835	89,300	95,705
Secured debentures	159,700	152,860	146,314
Unsecured debentures	24,819	18,781	14,215
Shareholders' equity	36,040	53,251	77,638

[1]See first paragraph on page 6 for discussion of restated results for 2012 and 2011.

2013 RESULTS COMMENTARY

Effective January 1, 2013, Tuckamore was required to adopt IFRS 11 *Joint Arrangements*, which requires that joint ventures are accounted for using the equity method of accounting and states that the proportionate consolidation method is no longer acceptable. Tuckamore's investments in Titan, Gusgo and IC Group are now accounted for using the equity method of accounting. These joint ventures are accounted for as long-term investments on the audited consolidated balance sheets and the income from joint ventures is recognized in the consolidated statement of loss and comprehensive loss as income from long-term investments. As a result of the requirement to retrospectively apply IFRS 11, Tuckamore has restated prior year results. Please refer to note 1 and note 2 of Tuckamore's audited consolidated financial statements for the year ended December 31, 2013 and 2012 for more information.

Revenues for the year ended December 31, 2013 were $673,111 compared to $683,756 in 2012 and $554,874 in 2011, a decrease of 1.6% from 2012 and an increase of 21.3% from 2011. Growth at ClearStream, with most divisions reporting increased business volumes in 2013, was offset by lower 2013 revenues at Quantum Murray. Revenues were higher than 2011 because of ClearStream's significant growth over the last two years as well as Tuckamore's smaller ownership position in Quantum Murray prior to October 2011.

Gross profit for the year ended December 31, 2013 was $141,217 compared to $123,433 in 2012 and $115,746 in 2011. Gross margins were 21.0% compared to 18.1% in 2012 and 20.9% in 2011. The increase in gross margin in 2013 over 2012 reflects improved margins in the maintenance and wear technology divisions at ClearStream, as well as improved margins at the demolition division at Quantum Murray. Gross margins are largely consistent with 2011.

Tuckamore's continuing operations from its portfolio investments are reported in its three operating segments: Marketing, Industrial Services and Other. For the year ended December 31, 2013, these three operating segments, before corporate costs, produced $51,059 of Adjusted EBITDA for Tuckamore compared to $45,305 in 2012 and $52,849 in 2011. Refer to the chart on the following page for Adjusted EBITDA by operating partner.

Corporate costs for the year ended December 31, 2013 were $6,866 compared to $6,882 in 2012 and $13,638 in 2011. The decrease in 2013 from 2012 in accounting and legal costs has been offset by one-time costs associated with reductions in the senior executive team. Costs incurred in 2011 included those for the conversion to a corporation and professional fees incurred for the transition to IFRS.

Non-cash items that impacted the results were depreciation and amortization, deferred income taxes, gains on remeasurement of investment, bargain purchase gain and gain / loss on extinguishment / de-recognition of debt. Depreciation and amortization was $24,183 for the year ended December 31, 2013 compared to $25,262 for 2012 and $26,398 for 2011. Gain on re-measurement of investment relates to step acquisition accounting under IFRS for transactions where control of an investment is obtained. In 2011, a re-measurement gain of $7,281 was recorded for the Quantum Murray acquisition. Tuckamore also recognized a bargain purchase gain of $709 on this transaction, as the fair value of the net assets acquired exceeded the cash consideration paid. Tuckamore previously owned 64.3% of Quantum Murray.

During the year ended December 31, 2013 $2,712 of goodwill and $3,001 of brand intangibles related to Gemma were impaired as a result of business volume declines. In 2012, goodwill of $4,201 was impaired as a result of the anticipated impact of declines in the volume of business from a significant customer related to Gemma. In 2012, $5,067 of brand related to various subsidiaries of ClearStream was written down due to the implementation of a

rebranding strategy, which was put into place to improve the market presence and brand strength of the organization.

The refinancing of Tuckamore's convertible debentures and interest owing thereon and the subordinated revolving credit facility resulted in the issue of new secured and unsecured debentures. The new debentures were recorded at their respective fair values, in the first quarter of 2011, which were determined based on the weighted average trading prices over a given period. The difference between the fair value of the new debentures and the carrying value of the convertible debentures and related interest and the subordinated revolving credit facility, less all transaction costs, were recorded in the income statement as a gain on extinguishment of debt of $37,451.

On March 9, 2012 Tuckamore completed an assignment (the "Assignment") to the Bank of Montreal ("BMO") of the senior credit facility from its former lenders. The Assignment and associated amendment and restatement of the senior credit facility was considered a de-recognition of debt. A loss on de-recognition of $1,534 was recorded representing transaction costs and the write-off of deferred financing costs related to the extinguished credit facility.

For the year ended December 31, 2013, interest costs, excluding accretion expense, were $20,798 compared with $21,494 in 2012 and with $24,913 in 2011. Non-cash accretion expense was $12,878 for 2013 compared to $11,112 for 2012 and $8,076 in 2011. Accretion expense relates to the new secured and unsecured debentures, which have been recorded at their fair values, and accrete up to their face value using the effective interest method over the term of the Debentures. During the year ended December 31, 2013, the operating segments had capital expenditures and capital lease payments of $14,377 compared to $10,011 in 2012 and $7,288 in 2011. The majority of these expenditures were incurred in the Industrial Services segment.

The net loss from continuing operations was $17,381 for the year ended December 31, 2013, compared to a net loss from continuing operations of $27,525 for 2012, and net income from continuing operations of $13,637 for 2011.

Adjusted EBITDA $000s	**2013**	**2012**	**2011**	**2013 vs. 2012**	**2013 vs. 2011**
Marketing					
Gemma	(227)	1,661	3,213	(1,888)	(3,440)
IC Group	935	1,208	923	(273)	12
	$ 708	$ 2,869	$ 4,136	$ (2,161)	$ (3,428)
Industrial Services					-
ClearStream	47,646	37,689	29,716	9,957	17,930
Quantum Murray	(2,050)	(1,226)	13,781	(824)	(15,831)
	$ 45,596	$ 36,463	$ 43,497	$ 9,133	$ 2,099
Other					-
Gusgo	2,276	2,866	2,027	(590)	249
Titan	2,479	3,107	2,937	(628)	(458)
Rlogistics	-	-	252	-	(252)
	$ 4,755	$ 5,973	$ 5,216	$ (1,218)	$ (461)
Adjusted EBITDA from portfolio operations	$ 51,059	$ 45,305	$ 52,849	$ 5,754	$ (1,790)
Corporate	(6,866)	(6,882)	(13,638)	16	6,772
Adjusted EBITDA from operations	$ 44,193	$ 38,423	$ 39,211	$ 5,770	$ 4,982

MARKETING

The marketing segment had disappointing results for the year ended December 31, 2013. Gemma had a very challenging year with declining revenues compared to the two prior years. The decrease in revenues was primarily a result of a reduction in the business volumes from a few key clients. The lack of a more diverse client base has negatively affected Gemma's profitability, and generating new revenue and clients is being given the highest priority.

IC Group' results were also down compared to the prior years. The results were impacted by some temporary revenue reductions in several of the core accounts. Margins however are improved and there has been good progress in cost containment within the corporate expense categories.

INDUSTRIAL SERVICES

Within the Industrial Services division, ClearStream reported solid results. While improvements at Quantum Murray were encouraging, progress still needs to be made to return the business to acceptable levels of profitability.

At ClearStream, all divisions except the Fabrication division reported increased revenues as a result of an active oil sector and recognition of ClearStream's service offerings. Revenue gains at the Wear division and the Oilsands' maintenance divisions were the most favorable. Gross margin improvements were significant and reflect higher demand for specialty wear product, improved pricing on certain contracts and better operational efficiencies. Only the Transportation division reported gross margin slippage compared to the prior year as a result of new premises relocation and start-up costs.

ClearStream's EBITDA contribution in 2013 was significantly higher than the previous year largely because of the gross margin improvements seen in the majority of the business.

At Quantum Murray, the Demolition division performed better than the previous year at a gross margin level, however the Demolition division was still operating at an overall loss. New smaller to medium demolition projects contributed well but were offset by additional costs on legacy projects completed during the year. Lower demolition volumes also impacted the throughput to the scrap metals division revenues. Revenues within the environmental divisions were similar to last year although gross margins were impacted by increased competition.

OTHER

Gusgo's revenues were slightly down from the prior year as one client experienced shipping delays due to production issues. Margins were also impacted by higher delivery costs and operational challenges related to another client.

Titan's revenues were at similar levels to the prior year due to continuing strong demand from the oil sands construction industry. Margins were largely consistent with last year. Overhead costs have increased in 2013 as the business has invested in additional sales and marketing staff. These investments should benefit the Company in 2014.

DIVESTITURES

In January 2012, ClearStream sold its 40% interest in Waydex to the majority partner for gross proceeds of $2,500 resulting in a nominal accounting loss. Net proceeds were used to repay senior indebtedness in the amount of $2,400.

On June 29, 2012, Tuckamore sold its 80% interest in Armstrong Partnership LP ("Armstrong") for cash proceeds of $5,366 realizing an accounting gain of $3,186. Net proceeds were used to repay senior indebtedness.

SEGMENT OPERATING RESULTS

MARKETING

The Marketing segment includes 100% of the results of Gemma and Tuckamore's proportionate share of the results of IC Group. The results for Armstrong are no longer included in the marketing segment, as Tuckamore's 80% interest in Armstrong was sold on June 29, 2012. Although the Company is required to report interests in joint venture's using the equity method of accounting under IFRS 11 *Joint Arrangements*, management views the business as if the assets, liabilities, revenues and expenses of joint ventures (IC Group in the Marketing Segment) were proportionately consolidated. Proportionately consolidated results are used by management to make major strategic and operating decisions. As such, segment results include joint ventures as if they were proportionately consolidated.

Gemma	-	Outsourced contact centre operator providing outbound revenue generation and inbound customer care services
IC Group	-	Provider of on-line promotional and loyalty programs and a provider of select insurance products

SUMMARY FINANCIAL TABLE ($000S)

	Year Ended December 31,	
	2013	2012
Revenues	$ 30,461	$ 36,566
Cost of revenues	(19,432)	(23,962)
Gross profit	11,029	12,604
Selling, general and administrative expenses	(10,321)	(9,735)
Amortization expense	(1,471)	(3,129)
Depreciation expense	(500)	(639)
Interest expense	(54)	(46)
Write-down of goodwill	(5,713)	(4,201)
Income tax expense - current	(18)	(90)
Income tax recovery - deferred	1,221	53
Loss for the year	$ (5,827)	$ (5,183)
Add:		
Amortization	1,471	3,129
Depreciation	500	639
Interest expense	54	46
Income tax expense - current	18	90
Income tax recovery - deferred	(1,221)	(53)
EBITDA	$ (5,005)	$ (1,332)
Write-down of goodwill	5,713	4,201
Adjusted EBITDA	$ 708	$ 2,869

(I) REVENUES

Revenues for the Marketing segment were $30,461 during the year ended December 31, 2013, which represents a 16.7% decrease from $36,566 reported for the prior year. The larger decrease during the year was at Gemma where revised sales strategies at key clients resulted in decreased revenues. There were decreases at IC Group too where one account was lost. Decreases at other core clients appear temporary with a return to higher levels in the fourth quarter.

(II) GROSS PROFIT

Gross profit for the Marketing segment was $11,029, and gross margin percentage was 36.2% for the year ended December 31, 2013 compared to a gross profit of $12,604 and gross margin of 34.5% in 2012. The increased gross margin percentage was at both Gemma and IC Group and reflects pro-active cost management to reduce the impact of lower revenues.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses for the year ended December 31, 2013 were $10,321 compared to $9,735 in the prior year. These expenses as a percentage of revenues were 33.9% in 2013 compared to 26.6% in 2012. The increase was primarily due to restructuring costs incurred at Gemma in 2013.

(IV) WRITE-DOWN OF GOODWILL

During the year ended December 31, 2013, $2,712 of goodwill and $3,001 of brand intangibles related to Gemma were impaired as a result of business volume declines. During the year ended December 31, 2012, goodwill of $4,201 related to Gemma was impaired as a result of the anticipated impact of declines in the volume of business from a significant customer.

INDUSTRIAL SERVICES

The Industrial Services segment includes 100% of the results of ClearStream and Quantum Murray. Although the Company is required to report interests in joint venture's using the equity method of accounting under IFRS 11 *Joint Arrangements*, management views the business as if the assets, liabilities, revenues and expenses of joint ventures (joint ventures at ClearStream) were proportionately consolidated. Proportionately consolidated results are used by management to make major strategic and operating decisions. As such, segment results include joint ventures as if they were proportionately consolidated.

ClearStream	-	Provider of oil & gas maintenance, construction and wear technology services to both the conventional oil and gas industry and to the oil sands
Quantum Murray	-	National provider of demolition, remediation and scrap metal services

SUMMARY FINANCIAL TABLE ($000S)

	Year Ended December 31,	
	2013	2012
Revenues	$ 662,522	$ 669,653
Cost of revenues	(525,809)	(552,640)
Gross profit	136,713	117,013
Selling, general and administrative expenses	(91,117)	(80,550)
Amortization expense	(6,800)	(6,973)
Depreciation expense	(14,280)	(14,000)
Interest expense	(11,865)	(12,295)
Restructuring costs	-	(861)
Write-down of intangible assets	-	(5,067)
Income tax recovery (expense) - current	16	(685)
Income tax recovery - deferred	1,827	3,927
Income for the year	$ 14,494	$ 509
Add:		
Amortization expense	6,800	6,973
Depreciation expense	14,280	14,000
Interest expense	11,865	12,295
Income tax (recovery) expense - current	(16)	685
Income tax recovery - deferred	(1,827)	(3,927)
EBITDA	$ 45,596	$ 30,535
Restructuring costs	-	861
Write-down of intangible assets	-	5,067
Adjusted EBITDA	$ 45,596	$ 36,463

INDUSTRIAL SERVICES

	Year Ended December 31,			
	ClearStream		Quantum Murray	
	2013	2012	2013	2012
Revenues	$522,524	$ 500,490	$139,998	$169,163
Cost of revenues	(413,510)	(413,555)	(112,299)	(139,085)
Gross profit	109,014	86,935	27,699	30,078
Selling, general and administrative expenses	(61,368)	(49,246)	(29,749)	(31,304)
Amortization expense	(5,849)	(5,812)	(951)	(1,161)
Depreciation expense	(9,170)	(8,491)	(5,110)	(5,509)
Interest expense	(11,523)	(11,948)	(342)	(347)
Restructuring costs	-	-	-	(861)
Write-down of intangible assets	-	(5,067)	-	-
Income tax expense - current	16	(685)	-	-
Income tax recovery (expense) - deferred	2,324	1,900	(497)	2,027
Income (loss) for the year	$ 23,444	$ 7,586	$ (8,950)	$ (7,077)
Add:				
Amortization expense	5,849	5,812	951	1,161
Depreciation expense	9,170	8,491	5,110	5,509
Interest expense	11,523	11,948	342	347
Income tax expense - current	(16)	685	-	-
Income tax (recovery) expense - deferred	(2,324)	(1,900)	497	(2,027)
EBITDA	$ 47,646	$ 32,622	$ (2,050)	$ (2,087)
Restructuring costs	-	-	-	861
Write-down of intangible assets	-	5,067	-	-
Adjusted EBITDA	$ 47,646	$ 37,689	$ (2,050)	$ (1,226)

(I) REVENUES

Revenues from the Industrial Services segment were $662,522 for the year ended December 31, 2013 compared with $669,653 in the prior year, which reflects a decrease of 1.1%.

Revenues at ClearStream were $522,524 for the year ended December 31, 2013 compared with $500,490 in the prior year, which reflects an increase of 4.4%.

The improvement in revenues at ClearStream reflected increased business volumes across all divisions, except for the Fabrication division. The largest increases were in the oilsands maintenance service divisions with increased business from existing clients, and in the wear technology division where there was considerable demand for the specialty pipe coating product. Revenues from new clients in our conventional oil and gas maintenance services division compensated for some reductions in revenues from other core clients. The Fabrication division was slower in the first and second quarters, but in the fourth quarter benefited from orders for components of new infrastructure projects.

Revenues at Quantum Murray were $139,998 for the year ended December 31, 2013 compared with $169,163 in the prior year, which reflects a decrease of 17.2%.

The major decrease in revenues was at the Demolition division. Following losses on demolition projects in early 2012, a business decision was made to suspend bidding on new demolition projects until an assessment was completed on the estimating and project management processes within the division. Bidding on projects re-commenced in early 2013 and while it has taken some time to re-establish itself, the division has been successful in bidding and executing on small to medium sized projects. The reduced revenues at the Demolition division have also impacted the supply of product to the Metals division and its revenues.

Revenue volumes at the Environmental division were at consistent levels with 2012. Soil remediation and emergency response services have been the drivers this year, with lower revenue contribution from hazmat services

(II) GROSS PROFIT

Gross profit was $136,713 for the year ended December 31, 2013 compared with $117,013 in 2012. Gross profit margin was 20.6% compared to 17.5% in 2012.

At ClearStream, gross profit was $109,014 for the year ended December 31, 2013 compared with $86,935 in 2012. Gross profit margin was 20.9% compared to 17.4% in 2012. The largest improvements came from the specialty wear product division where demand was high, and in the conventional oil and gas maintenance service division. Maintenance services margins in 2013 reflect better contract pricing, more efficient bidding and execution on fixed price contracts, and better equipment and services procurement practices. Margins were reduced at the transportation division which incurred moving costs and new site start-up costs in 2013.

At Quantum Murray, gross profit was $27,699 for the year ended December 31, 2013 compared with $30,078 in 2012. Gross profit margin was 19.8% compared to 17.8% in 2012.

The most significant reason for the margin improvement was the turnaround in the Demolition division gross margins compared to the margin losses incurred in the prior year. In 2012, gross margins were significantly impacted by cost overruns and scrap metal revenue shortfalls on two larger projects within the Demolition division. Margin percentages within the Environmental and Metals divisions were only slightly lower than 2012.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $91,117 for the year ended December 31, 2013 compared to $80,550 in 2012.

ClearStream's selling, general and administrative expenses were $61,368 for the year ended December 31, 2013 compared to $49,246 in 2012. Selling, general and administrative expenses as a percentage of revenues were 11.7% for the year ended December 31, 2013 compared to 9.8% in 2012. Increases in these expenses in 2013 reflected increases in salaried resources in the areas of project management, quality control, safety, and human resources. In addition, costs have been incurred in performance bonuses, site relocation costs and brand awareness marketing campaigns.

Quantum Murray's selling, general and administrative expenses were $29,749 for the year ended December 31, 2013 compared to $31,304 in 2012. Although selling, general and administrative expenses were reduced by 5.0% from 2012, on a percentage of revenue basis were 21.1% for the year ended December 31, 2013 compared to 18.5% in 2012. The percentage increase does reflect both the significant decrease in revenue, primarily at the demolition and metals divisions, as well as the fixed cost nature of many expenses.

(V) RESTRUCTURING COSTS

The losses incurred in the Demolition division of Quantum Murray in the first and second quarters of 2012 resulted in an in-depth review of the division, its processes and its staffing. Until that review was complete, bidding on new work was suspended, and the group was right-sized to handle only the completion of work in place. One-time costs incurred, including severance costs of $861, were recorded during the year ended December 31, 2012.

(VI) WRITE-DOWN OF INTANGIBLE ASSETS

Following the rebranding of the business under the ClearStream brand, management assessed the carrying value of the former divisional brands and as such a write-off of $5,067 was recorded for brands that were no longer being used during the year ended December 31, 2012.

(VII) SEASONALITY

ClearStream's revenues and profits are impacted by seasonality and weather conditions. For example, severe winter conditions and excessively rainy periods can delay equipment moves and thereby adversely affect revenues. Spring break-up typically occurs in March and April leaving many roads temporarily incapable of supporting heavy equipment travel, thereby negatively impacting ClearStream's business.

Quantum Murray's remediation activity can be reduced in the winter months, depending on assignment location and weather. The first quarter is typically the slowest quarter with activity levels picking up in the second and third quarters before tailing off again in November and December. In addition, due to the timing of large contracts, quarterly results can fluctuate.

OTHER

The Other segment includes Tuckamore's proportionate share of the results of Gusgo (80%) and Titan (92%). This segment also includes income from Tuckamore's equity investment in Rlogistics (36%). Although the Company is required to report interests in joint venture's using the equity method of accounting under IFRS 11 *Joint Arrangements*, management views the business as if the assets, liabilities, revenues and expenses of joint ventures (Gusgo and Titan in the Other segment) were proportionately consolidated. Proportionately consolidated results are used by management to make major strategic and operating decisions. As such, segment results include joint ventures as if they were proportionately consolidated.

Gusgo	-	Provider of container transportation and storage services
Titan	-	Manufacturer and distributor of rigging products, rigging services and ground engaging tools
Rlogistics	-	Reseller of close-out, discount and refurbished consumer electronic and household goods

SUMMARY FINANCIAL TABLE ($000S)

	Year Ended December 31,			
		2013		2012
Revenues	$	50,571	$	51,188
Cost of revenues		(34,612)		(34,592)
Gross profit		15,959		16,596
Selling, general and administrative expenses		(11,204)		(10,623)
Amortization expense		(475)		-
Depreciation expense		-		(535)
Interest expense		(715)		(716)
Income tax expense - deferred		(51)		(100)
Income (loss) for the year	$	3,514	$	4,622
Add:				
Amortization expense		475		-
Depreciation expense		-		535
Interest expense		715		716
Income tax expense - deferred		51		100
Adjusted EBITDA	$	4,755	$	5,973

(I) REVENUES

Revenues for the other segment were $50,571 for the year ended December 31, 2013, compared to $51,188 in the prior year, which reflects a small decrease of 1.2%. Titan and Gusgo each had similar percentage decreases. Titan had higher revenues from its wear and ground engaging products but this was offset by lower revenues from rigging products and services. Gusgo's revenues were slightly reduced because of production delays at one larger client.

(II) GROSS PROFIT

Gross profit was $15,959 for the year ended December 31, 2013, compared with $16,596 in the prior year. Gross profit margin was 31.6% for the year ended December 31, 2013 compared to 32.4% for the prior year. The decrease in gross profit margins was primarily at Gusgo where operational changes at some clients have led to higher delivery costs. Titan's gross margin percentage remained comparable to the prior year despite continuing competitive pressures across the product range.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $11,204 for the year ended December 31, 2013, compared with $10,623 for the prior year. These expenses as a percentage of revenues were 22.2% for the year ended December 31, 2013, compared to 20.8% in the prior year. Gusgo's costs have remained consistent with the prior year and the increase at Titan relates to investments in additional sales resources and marketing initiatives.

(IV) INCOME FROM EQUITY INVESTMENTS

There has been no income recorded related to Tuckamore's ownership share of Rlogistics.

CORPORATE

The Corporate segment includes head office management, administrative and legal costs, as well as interest costs.

SUMMARY FINANCIAL TABLE ($000S)

	Year Ended December 31,	
	2013	2012
Selling, general and administrative expenses	$ (6,866)	$ (6,882)
Amortization expense	(702)	(724)
Depreciation expense	(645)	(3)
Interest expense	(21,156)	(19,770)
Loss on de-recognition of debt	-	(1,534)
Income tax expense - current	(27)	-
Income tax (expense) recovery - deferred	(166)	1,440
Loss for the year	$ (29,562)	$ (27,473)
Add:		
Amortization expense	702	724
Depreciation expense	645	3
Interest expense	21,156	19,770
Income tax expense - current	27	-
Income tax expense (recovery) expense - deferred	166	(1,440)
EBITDA	$ (6,866)	$ (8,416)
Loss (gain) on debt extinguishment	-	1,534
Adjusted EBITDA	$ (6,866)	$ (6,882)

(I) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $6,866 for the year ended December 31, 2013, compared to $6,882 for the prior year. The break-down of selling, general and administrative expenses is as follows:

	Year Ended December 31,	
	2013	2012
Salaries and benefits	$ 5,452	$ 4,086
Stock-based compensation expense	170	1,177
Audit, accounting and tax	832	1,168
Other costs, net	412	451
Selling, general and administrative expenses	$ 6,866	$ 6,882

The increase in salaries and benefits reflect one-time executive severance costs as wells as lower bonus payments in 2012. The significant reduction in stock compensation expense reflects the completion of the vesting of options granted in earlier years. The reduction in audit, accounting and tax reflects improved efficiencies in the audit process.

(II) INTEREST EXPENSE

Total interest expense was $21,156 for the year ended December 31, 2013 compared to $19,770 in the prior year. For the year ended December 31, 2013, interest costs, excluding accretion expense, were $8,278 compared with $8,658 in 2012. Non-cash accretion expense was $12,878 for 2013 compared to $11,112 for 2012. Accretion expense relates to the secured and unsecured debentures, which were recorded at their fair values, and accrete up to their face value using the effective interest method over the term of the Debentures. The decrease in interest

expense excluding accretion expense reflects interest savings due to lower senior indebtedness balances from asset sales in 2012 as well as pay downs of the revolving facility with cash on hand. At the corporate division, interest expense is net of interest income received from the other business segments.

(III) LOSS ON DE-RECOGNITION OF DEBT

On March 9, 2012, Tuckamore completed the Assignment to BMO of its senior credit facility from its former lenders. In connection with the Assignment, BMO received an assignment of all the rights and obligations of the former lenders under the senior credit facility. In connection with the assignment, Tuckamore also entered into a third amended and restated credit agreement, providing improved borrowing terms to the Tuckamore group of companies (the "Amended Senior Credit Facility") and appointing BMO as agent.

For accounting purposes, the assignment of the senior credit facility to BMO was a de-recognition of debt. A loss on de-recognition of $1,534 was recorded representing transaction costs and the write-off of deferred financing costs related to the de-recognized facility for the year ended December 31, 2012.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW

The following table summarizes the major consolidated cash flow components:

		2013		2012
Cash provided by (used in) operating activities	$	27,167	$	(19,025)
Cash (used in) provided by investing activities		(2,424)		11,587
Cash used in financing activities		(6,403)		(8,438)
Consolidated cash as at December 31		28,883		10,543

The Company operates under the Amended Senior Credit Facility and debenture agreements which include restrictive financial covenants. Additional borrowings are not allowed, financing through capital leases is limited, and 75% of quarterly excess cash flow repays permanently the Amended Senior Credit Facility. The Company's cash flows are critical to the successful growth of the businesses and there can be no guarantee that the Company will be able to provide the working capital funding to satisfy or optimize business growth. The working capital needs of the Company largely follow the seasonality of ClearStream's business and are the highest in the second and third quarters of the calendar year.

CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

The following table provides a break-down of cash provided by operations, changes in non-cash balances and cash and distributions provided from discontinued operations.

		2013		2012
Cash provided by operations	$	17,605	$	10,355
Changes in non-cash balances				
Accounts receivable		14,932		(28,528)
Inventories		3,205		11,118
Prepaid expenses		(2,267)		(1,590)
Other current assets		209		99
Accounts payable, accrued liabilities and provisions		(6,860)		(10,274)
Deferred revenue		343		(311)
Decrease in cash due to changes in non-cash balances		9,562		(29,486)
Cash and distributions provided by discontinued operations		-		106
Cash provided by (used in) operating activities	$	27,167	$	(19,025)

CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES

Cash (used in) provided by investing activities totaled ($2,424) compared to $11,587 in the prior year period. See table below for further details.

		2013		2012
Distributions from long-term investments		4,614		6,306
Purchase of property, plant and equipment		(8,107)		(4,250)
Proceeds on disposition of property plant and equipment		1,423		737
Proceeds on disposition of businesses		-		7,866
Purchase of intangibles		(406)		(91)
Increase in other assets		52		1,026
Cash used in discontinued operations		-		(7)
Cash (used in) provided by investing activities	$	(2,424)	$	11,587

CASH USED IN FINANCING ACTIVITIES

Cash used in financing activities was $6,403 for the year ended December 31, 2013 and cash used in financing activities was $8,438 in the prior year.

		2013		2012
Repayment of long-term debt	$	(118)	$	(6,200)
Increase (decrease) in cash held in trust		(15)		3,907
Repayment of capital lease obligations		(6,270)		(5,761)
Cash used in discontinued operations		-		(384)
Cash used in financing activities	$	(6,403)	$	(8,438)

FINANCING

THIRD AMENDED & RESTATED SENIOR CREDIT AGREEMENT

As at January 1, 2012, senior debt was $96,955 before deferred financing charges of $1,250.

On January 24, 2012, the sale of Waydex Services LP closed for net proceeds of $2,400, which amount was used to repay senior indebtedness under the Amended Senior Credit Facility.

On March 9, 2012, Tuckamore completed the Assignment to BMO of its senior credit facility from its former lenders. In connection with the Assignment, BMO received an assignment of all of the rights and obligations of the former lenders under the senior credit facility. Tuckamore also entered into the Amended Senior Credit Facility, appointing BMO as agent. The maturity date of the senior credit facility is March 9, 2015. The Amended Senior Credit Facility had an interest rate of prime plus 1.5%, and contained customary covenants which included interest coverage ratio, priority senior debt ratio and minimum EBITDA amount.

For accounting purposes, the assignment of the senior credit facility to BMO was a de-recognition of debt. A loss on de-recognition of $1,534 was recorded representing transaction costs and the write-off of deferred financing costs related to the de-recognized facility.

On June 29, 2012, the sale of Armstrong closed for net proceeds of $3,800 which was used to repay senior indebtedness.

Effective November 13, 2012, Tuckamore reached an agreement to amend the financial covenants related to the Amended Senior Credit facility. The amended covenants include the interest coverage ratio, priority senior debt

ratio and the minimum EBITDA amount. The amended covenants was in effect for three quarters commencing the quarter ended September 30, 2012. As part of the amendment, the interest rate on the Amended Senior Credit Facility was adjusted to prime plus 1.625%. The total cost of the amendment was 0.125% or $113.

On September 25, 2013, Tuckamore reached an agreement to further amend the financial covenants ("the Second Amendment") related to the Amended Senior Credit facility. The amended covenants include the interest coverage ratio, priority senior debt ratio and the minimum EBITDA amount, and are in effect for all quarters, commencing with the quarter ended September 30, 2013 through to December 2014. As part of the Second Amendment, the interest rate on the Amended Senior Credit Facility was adjusted to prime plus 1.75%. This rate can be reduced when certain leverage ratios are achieved. The total cost of the amendment was 0.225% or $204.

Advances outstanding under the Amended Senior Credit Facility as December 31, 2013 total $90,637 with $60,000 of this amount as a revolving facility and the balance as a term facility.

At December 31, 2013, Tuckamore was in compliance with its debt covenants. There is a risk that the Company may not meet certain debt covenants in the future and without an amendment or forbearance from its senior lenders, the amounts owing by the Company under the Amended Senior Credit Facility and Debentures would be due on demand and classified as current.

Tuckamore is obligated to repay a portion of the Amended Senior Credit Facility prior to the maturity date based on proceeds from specified dispositions, proceeds from the issuance of equity instruments or based on excess operating cash flows as defined. In March 2014, Tuckamore expects to repay $5,481, representing 75% of excess cash flow for the fourth quarter of 2013.

DEBENTURES

On February 28, 2011, Tuckamore issued a management information circular which provided details of the exchange of the former Debentures (the "Exchange Transaction"). Under the Exchange Transaction the existing Debentures were mandatorily exchanged for second lien notes (the "Secured Debentures") and the unpaid accrued interest on the Debentures were exchanged for unsecured subordinated notes (the "Unsecured Debentures"). At the exchange meeting held on March 18, 2011 the debenture holders voted in favour of the Exchange Transaction and, the Secured Debentures and the Unsecured Debentures (the "New Debentures") were issued on March 23, 2011 pursuant to new indenture agreements.

The aggregate principal amount of the Secured Debentures is $176,228 which satisfied the principal amounts outstanding under the former Debentures and the subordinated revolving credit facility. The aggregate principal amount of the Unsecured Debentures is $26,552 which satisfied related accrued interest outstanding under the former Debentures on March 23, 2011. The maturity date of the Secured Debentures is March 23, 2016 (the "Secured Debenture Maturity Date"). The interest rate is 8% per annum, payable semi-annually in arrears on June 30 and December 31 in each year until the Secured Debenture Maturity Date. Tuckamore has the right to redeem in cash any or all Secured Debentures outstanding at any time in its sole discretion without bonus or penalty, provided all accrued interest is paid at redemption. Tuckamore is also obligated to redeem a portion of the Secured Debentures prior to the Secured Debenture Maturity Date in certain circumstances based on proceeds from specified dispositions, proceeds from the issuance of equity instruments or based on excess operating cash flow as defined. Tuckamore is unable to estimate amounts repayable in connection with this mandatory redemption provision.

The Secured Debentures have a security interest in substantially all of Tuckamore's assets which is subordinated to similar security interests granted in connection with the Amended and Restated Credit Agreement (the "ARCA") or

certain debt incurred in the future by Tuckamore's subsidiaries. The Secured Debentures are listed on the TSX as of the date of closing of March 23, 2011.

The maturity date of the Unsecured Debentures is March 23, 2014 (the "Unsecured Debenture Maturity Date"). Interest accrues on the principal amount of the Unsecured Debentures at a non-compounding rate of 3.624% per annum, payable in cash at the Unsecured Debenture Maturity Date. Tuckamore will repay the principal amount of the Unsecured Debentures on the Unsecured Debentures Maturity Date either in cash or by delivering common shares of Tuckamore Capital Management Inc. at a conversion price of $0.2254 per common share. The total number of common shares to be issued on the repayment of the Unsecured Debentures is capped at 10% of the outstanding common shares of Tuckamore in accordance with the terms of the Unsecured Debentures on the repayment date. The Unsecured Debentures are listed on the TSX as of the closing date of March 23, 2011. It is expected that Tuckamore will settle the Unsecured Debentures maturing on March 23, 2014 by delivering common shares of Tuckamore equivalent to 10% of the outstanding common shares of Tuckamore in accordance with the terms of the Unsecured Debenture.

SUMMARY OF CONTRACTUAL OBLIGATIONS

Tuckamore's contractual obligations for the years 2014 to 2018 and thereafter are as follows:

	2014	2015	2016	2017	2018	Thereafter	Total
Accounts payable and accrued liabilities	$ 65,807	$ -	$ -	$ -	$ -	$ -	$ 65,807
Senior credit facility	5,481	85,156	-	-	-	-	90,637
Secured debentures	-	-	176,228	-	-	-	176,228
Unsecured debentures[2]	26,552	-	-	-	-	-	26,552
Capital lease obligations	6,940	5,454	4,177	2,230	965	-	19,766
Operating leases	13,790	11,553	9,793	8,036	5,471	29,195	77,838
Contractual undiscounted interest payments[1]	20,815	17,668	3,525	-	-	-	42,008
Total Contractual Obligations	$139,385	$ 119,831	$193,723	$10,266	$ 6,436	$29,195	$498,836

[1] Contractual undiscounted interest payments are calculated using fixed interest rates on the Senior Credit Facility, Secured Debentures and Unsecured Debentures. These calculations are made using the assumption that the debt balances as at December 31, 2012 will not change until they are fully repaid at maturity.

[2] Upon maturity, amounts outstanding for the Unsecured Debentures can be settled in shares of Tuckamore.

SOURCES OF FUNDING

Tuckamore will continue to look to reduce its debt leverage. The financing arrangements are designed to ensure that debt balances are reduced as quickly as possible. Consequently, proceeds of all asset sales are required to retire debt, as well as 75% of excess cash flow. In March 2014 Tuckamore will repay $5,481, representing 75% of excess cash flow for the fourth quarter of 2013.

The Operating Partnerships will primarily continue to be either self-funding, or as required Tuckamore will continue to provide working capital advances, largely to its industrial services investments.

WORKING CAPITAL

	December 31, 2013	December 31, 2012	January 1, 2012
Current assets	$ 199,898	$ 197,618	$ 201,732
Current liabilities	105,196	80,155	101,769
Total w orking capital	$ 94,702	$ 117,463	$ 99,963

CAPITAL EXPENDITURES

The Industrial Services segment contains the only capital intensive entities within Tuckamore. The remaining entities are service based and therefore have much lower capital expenditure requirements. The following table shows capital expenditures and finance lease payments by segment.

Year ended December 31, 2013	Marketing	ClearStream	Quantum	Other	Corporate	Eliminations	Total
Capital expenditures	$ 252	$ 7,007	$ 968	$ 99	$ -	$ (220)	$ 8,107
Finance lease repayments	94	4,471	1,705	348	-	(348)	$ 6,270
Total capital expenditures	$ 346	$ 11,478	$ 2,673	$ 447	$ -	$ (568)	$14,377

Year ended December 31, 2012	Marketing	ClearStream	Quantum	Other	Corporate	Eliminations	Total
Capital expenditures	$ 204	$ 3,120	$ 997	$ 85	$ 17	$ (172)	$ 4,250
Finance lease repayments	156	3,265	2,340	356	-	(356)	$ 5,761
Total capital expenditures	$ 360	$ 6,385	$ 3,337	$ 441	$ 17	$ (528)	$10,011

FOURTH QUARTER 2013 RESULTS

	Quarter Ended December 31,	
	2013	2012 Restated[1]
Revenues	$ 167,025	$ 182,743
Cost of revenues	(131,795)	(150,300)
Gross profit	35,230	32,443
Selling, general and administrative expenses	(30,383)	(23,131)
Amortization expense	(1,924)	(2,956)
Depreciation expense	(3,324)	(3,735)
Income (loss) from equity investments	1,708	2,138
Interest expense	(8,383)	(8,766)
Restructuring costs	-	65
Write-down of goodwill and intangibles	-	(9,268)
Income tax expense - current	89	(131)
Income tax (expense) recovery - deferred	130	2,839
Loss from continuing operations	$ (6,857)	$ (10,502)
Add:		
Amortization expense	1,924	2,956
Depreciation expense	3,324	3,735
Interest expense	8,383	8,766
Income tax expense - current	(89)	131
Income tax expense (recovery) - deferred	(130)	(2,839)
EBITDA	$ 6,555	$ 2,247
Interest, taxes, depreciation and amortization	$ 215	$ 277
Restructuring costs	-	(65)
Write-down of goodwill and intangibles	-	9,268
Adjusted EBITDA	$ 6,770	$ 11,727

[1]See first paragraph below for discussion on the restatement of results for 2012

FOURTH QUARTER RESULTS COMMENTARY

Effective January 1, 2013, Tuckamore was required to adopt IFRS 11 *Joint Arrangements*, which requires that joint ventures are accounted for using the equity method of accounting and states that the proportionate consolidation method is no longer acceptable. Tuckamore's investments in Titan, Gusgo and IC Group are now accounted for using the equity method of accounting. These joint ventures are accounted for as long-term investments on the audited consolidated balance sheets and the income from joint ventures is recognized in the consolidated statement of loss and comprehensive loss as income from long-term investments. As a result of the requirement to retrospectively apply IFRS 11, Tuckamore has restated prior year results. Please refer to note 1 and note 2 of Tuckamore's audited consolidated financial statements for the year ended December 31, 2013 and 2012 for more information.

Revenues for the three months ended December 31, 2013 were $167,025 compared to $182,743 in 2012, a decrease of 8.6%. The decrease was primarily related to ClearStream which had a very active fourth quarter in 2012.

Gross profit for the three months ended December 31, 2013 was $35,230 compared to $32,443 in 2012, an increase of 8.6%. Gross margins were 21.0% for the three months ended December 31, 2013 compared to 17.8% in the 2012 period. The margin improvement reflects improved contract pricing and operational efficiencies at ClearStream as well as better margins on demolition projects at Quantum Murray.

Tuckamore's continuing operations from its portfolio investments are reported in its three industry segments: Marketing, Industrial Services and Other. For the three months ended December 31, 2013, these three industry segments produced $8,584 of Adjusted EBITDA for Tuckamore compared to $12,804 in 2012. Refer to the chart below for Adjusted EBITDA by operating partner. During the final quarter, interest costs, excluding accretion expense, were $ 4,974 compared with $5,839 in 2012. Accretion of the secured and unsecured debentures was $3,409 for the fourth quarter of 2013 compared to $2,927 in prior year period. During the three months ended December 31, 2013, the capital expenditures and capital lease payments were $3,316, as compared to $2,912 in the same period in 2012. The majority of these expenditures were incurred in the Industrial Services segments.

Non-cash items that impacted the results were depreciation and amortization, and deferred income taxes. Depreciation and amortization was $5,248 for the three months ended December 31, 2013, compared to $6,691 for 2012.

Net loss for the three months ended December 31, 2013 from continuing operations was $6,857 compared to $10,502 in 2012.

Adjusted EBITDA $000s	**Q4 2013**	**Q4 2012**	**2013 vs. 2012**
Marketing			
Gemma	(617)	520	(1,137)
IC Group	222	273	(51)
	$ (395)	$ 793	$ (1,188)
Industrial Services			
ClearStream	10,534	11,070	(536)
Quantum Murray	(2,897)	(877)	(2,020)
	$ 7,637	$ 10,193	$ (2,556)
Other			
Gusgo	650	650	-
Titan	692	1,168	(476)
Rlogistics	-	-	-
	1,342	1,818	(476)
Adjusted EBITDA from portfolio operations	$ 8,584	$ 12,804	$ (4,220)
Corporate	(1,814)	(1,077)	(737)
Adjusted EBITDA from operations	$ 6,770	$ 11,727	$ (4,957)

INDUSTRIAL SERVICES

ClearStream's results were a little below last year on slightly reduced revenues. Revenues were similar or better in all divisions except Oilsands maintenance which were lower because contracted work for a major client was completed earlier in 2013 compared to last year. Improved gross margins were offset by certain one-time costs in the fourth quarter.

At Quantum Murray, revenues in the demolition and scrap metals division were well below the prior year quarter which included revenues from the final stages of some larger projects. Margins however were improved this quarter, in the demolition division in particular. The better margins however were offset this quarter by costs associated with changes in the senior management team, as well as additional corporate costs.

MARKETING

Gemma had a disappointing quarter with lower revenues in comparison to the same quarter in the prior year. Reduction in hours from a major client significantly impacted results. Although revenues were lower at IC group from a year ago, improved margins from operational efficiencies and lower selling, general and administrative expenses combined to produce only slightly lower earnings compared to the same period in the prior year.

OTHER

Titan's results for the quarter were impacted by lower revenues due to slower drilling activity, and increased pricing pressures compared to the same quarter in the prior year. While Gusgo had improved revenues, it experienced lower gross margins as a result of more drop shipments by a major client, resulting in similar earnings levels compared to the same quarter in the prior year.

Critical Accounting Policies and Estimates

Tuckamore prepares its consolidated financial statements in accordance with IFRS. The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses for the period of the consolidated financial statements. Significant accounting policies and methods used in the preparation of the consolidated financial statements are described in note 1 in the December 31, 2013 consolidated financial statements. Tuckamore and the Operating Partnerships evaluate their estimates and assumptions on a regular basis, based on historical experience and other relevant factors. Included in the consolidated financial statements are estimates used in determining allowance for doubtful accounts, inventory valuation, the useful lives of property, plant and equipment and intangible assets, revenue recognition and other matters. Actual results could differ from those estimates and assumptions.

The assessment of goodwill and intangible assets for impairment requires the use of judgments, assumptions and estimates. Due to the material nature of these factors, they are discussed here in greater detail.

Goodwill and Intangible Assets

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of the amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. When Tuckamore enters into a business combination, the acquisition method of accounting is used. Goodwill is assigned as of the date of the business combination to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination. Goodwill is not amortized and is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that the asset might be impaired. The book value of goodwill was $61,128 at December 31, 2013 (December 31, 2012 - $63,839).

Intangible assets acquired individually or as part of a group of other assets are recognized and measured at cost. Intangible assets acquired in a transaction, including those acquired in business combinations, are recorded at their fair value. Intangible assets with determinable useful lives, such as customer relationships and contracts, are amortized over their useful lives and are tested for impairment when there is an indicator of impairment. Intangible assets having an indefinite life, such as brands, are not amortized but instead are tested for impairment on an annual or more frequent basis. The net book value of intangible assets was $49,896 at December 31, 2013 (December 31, 2012 - $61,464)

LONG-TERM INVESTMENTS

Investments in joint ventures and associates over which Tuckamore is able to exercise significant influence are accounted for using the equity method. Under the equity method, the original cost of the investment is adjusted for Tuckamore's share of post-acquisition earnings or losses, less distributions in the case of investments in partnerships and dividends in the case of investments in companies. Investments are written down when there is evidence that a decline in value has occurred. Tuckamore reviews all of its investments for possible impairment on an annual basis, or more frequently if there is an event which in the view of management would trigger an earlier review. Long term investments include Tuckamore's investments in Titan, IC Group, Gusgo, NorTech and Rlogistics.

DEFERRED TAXES

Tuckamore has computed deferred income taxes based on temporary differences that are expected to reverse after December 31, 2013. In general, there are no material differences in the values for operating assets and liabilities such as accounts receivable, inventory and trade payables for the Operating Partnerships. There are, however, differences, for example between the carrying values of definite life intangibles (e.g. customer contracts) and indefinite life intangibles (e.g. brands) that arise as part of Tuckamore's accounting for its investments in the underlying Operating Partnerships. As one example, under IFRS, Tuckamore records intangible assets related to acquisitions and these assets typically have a lesser value for tax purposes depending on the manner in which the acquisition was structured. In this case, a deferred tax liability would be recorded for the difference. If Tuckamore was to divest one or more of its Operating Partnerships for an amount that is greater than the tax carrying value this would give rise to a taxable income because the proceeds would be greater than the tax value of the assets.

At December 31, 2013 Tuckamore has calculated a deferred tax liability related to differences that are expected to reverse in the future using the applicable estimated tax rate of approximately 26.50%.

The recognition of a deferred tax expense or recovery has no impact on cash generated by operating activities.

ADDITIONAL INFORMATION

NEW STANDARDS AND INTERPRETATIONS

The Company applies, for the first time, certain standards and amendments that require restatement of previous financial statements. The nature and the impact of each new standard/amendment is described below:

IAS 1 Presentation of Financial Statements

The amendments to IAS 1 require entities to group items presented in other comprehensive income ("OCI") on the basis of whether they will or will not subsequently be reclassified to profit or loss. Amendments to IAS 1 are applicable to annual periods beginning on or after July 1, 2012. These amendments did not result in any impact to the Company's consolidated financial statements.

IAS 19 Employee Benefits

The amendments to IAS 19 include eliminating the option to defer the recognition of gains and losses, streamlining the presentation of changes to assets and liabilities with all changes from re-measurement to be recognized in OCI and enhancing the disclosure of the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans. This amendment did not result in a material impact to the Company's consolidated financial statements.

IFRS 7 Financial Instruments: Disclosures

The amendments require the disclosure of information that will enable users of an entity's financial statements to evaluate the effect or potential effect on the entity's financial position, of offsetting financial assets and financial liabilities. This amendment did not result in a material impact to the Company's consolidated financial statements.

IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replaces the parts of previously existing IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities. IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in IFRS 10, three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns. IFRS 10 had no impact on the consolidation of investments held by the Company.

IFRS 11 Joint Arrangements and IAS 28 Investments in Associates and Joint Ventures

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities – Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture under IFRS 11 must be accounted for using the equity method.

The application of this new standard impacted the financial position of the Company by replacing proportionate consolidation of joint ventures in Titan, Gusgo, IC Group and Armstrong with the equity method of accounting. The

effect of IFRS 11 is described in more detail in the consolidated financial statements for the year ended December 31, 2013, which includes a quantification of the effect on the financial statements.

IFRS 12 Disclosure of interests in other entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structure entities.

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted fair value measurements carried out by the Company.

IAS 36 Impairment of Assets

The amendments to IAS 36 requires the disclosure of information about the recoverable amount of every CGU to which significant goodwill or indefinite-life intangible assets have been allocated. Under the amendments, the recoverable cost of a CGU is required to be disclosed only when an impairment loss has been recognized or reversed. These amendments are effective for annual periods beginning on or after January 1, 2014. The Company has early adopted this section. Please refer to the consolidated financial statements for the year ended December 31, 2013 for more information.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations were not yet effective as at January 1, 2013 and have not been applied in preparing the consolidated financial statements. The following is a brief summary of the new standards:

(i) IFRS 9, Financial Instruments ("IFRS 9")

IFRS 9 as issued reflects the IASB's work to date on the replacement of Financial Instruments: Recognition and Measurement (IAS 39), and applies to the classification and measurement of financial assets and financial liabilities as defined in IAS 39. In November 2013, the IASB issued a new version of IFRS 9 (IFRS 9 (2013)) which includes the new hedge accounting requirements and some related amendments to IAS 39, Financial Instruments: Recognition and Measurement and IFRS 7, Financial Instruments: Disclosures. IFRS 9 (2013) does not have a mandatory effective date. The impact of this ongoing project will be assessed by the Company as remaining phases of the project are completed.The impact of IFRS 9 on Tuckamore's consolidated financial statements is not known at this time.

(ii) The amendments to IAS 32, Financial Instruments: Presentation, clarify the criteria that should be considered in determining whether an entity has a legally enforceable right of set off in respect of its financial instruments. Amendments to IAS 32 are applicable to annual periods beginning on or after January 1, 2014, with retrospective application required. The impact of IAS 32 on Tuckamore's consolidated financial statements is not known at this time.

SUMMARY OF QUARTERLY RESULTS – ($000S EXCEPT UNIT AMOUNTS)

	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1
		Restated[1]	Restated[1]	Restated[1]	Restated[1]	Restated[1]	Restated[1]	Restated[1]
Revenue	167,025	185,893	177,337	142,856	$182,743	$171,077	$175,178	$154,757
Net Income (loss) from continuing operations	(6,857)	(2,572)	(2,050)	(5,902)	(10,502)	(4,331)	(5,552)	(7,140)
Net income (loss)	(6,857)	(2,572)	(2,050)	(5,902)	(10,502)	(4,331)	(3,614)	(7,116)
Income (loss) per share unit - continuing operations[2]	(0.09)	(0.04)	(0.03)	(0.08)	(0.15)	(0.06)	(0.08)	(0.10)
Income (loss) per share unit[2]	(0.09)	(0.04)	(0.03)	(0.08)	(0.15)	(0.06)	(0.05)	(0.10)

[1]Please note that some of the revenue figures above have been restated from those published in the September 30, 2013 MD&A to reflect the impact of adopting IFRS 11 for joint ventures at ClearStream.
[2] The diluted income (loss) per share unit has not been included the table above as the effect of potentially dilutive shares would be anti-dilutive.

CONTINGENCIES

Tuckamore and its Operating Partnerships are subject to claims and litigation proceedings arising in the normal course of operations. These contingencies are provided for when they are likely to occur and can be reasonably estimated. Management believes that these claims are without merit and as such they are being rigorously defended.

A statement of claim has been filed by a former employee of Tuckamore alleging breach of contract, wrongful dismissal, defamation, and intentional interference with economic relations. The claim is for an amount of $6,500. The claim is being defended and management is of the opinion that the claim is without merit.

A statement of claim has been filed by a seller of a minority position in a subsidiary of Tuckamore in connection with the calculation of income as related to a promissory note forming part of the transaction. The claim is being defended and management feels the claim is without merit. The Company has also made a counterclaim.

Quantum has filed a construction lien and statement of claim against a former customer of Quantum in the amount of $4,778. A counterclaim was filed by the defendant in the amount of $736. The counterclaim is being defended and management is of the opinion that the claim is without merit.

TRANSACTIONS WITH RELATED PARTIES

OWNERSHIP

As of December 31, 2013, directors, officers and employees, and operating partners related to Tuckamore beneficially hold an aggregate of 17,049,812 units or 20.5% on a fully diluted basis.

TRANSACTIONS

Tuckamore provides funding to the Operating Partnerships to fund working capital requirements. Advances bear interest at the rate of prime plus one percent, are unsecured and are due on demand.

Included in Other Assets are advances of $1,467 (December 31, 2012 – $1,359) made to the Operating Partnerships, based on the percentage not owned by the Company.

Income from long-term investments include $620 of rent expense paid to related parties of Gusgo for the year ended December 31, 2013 (2012-$638). These transactions occurred in the normal course of business and are recorded at the exchange amount, which is the amount of consideration established and agreed to between the parties.

Tuckamore shares space and services with a business which employs two of the directors of Tuckamore, and paid $151 during the year ended December 31, 2013 (2012-$176).

Interest charged to joint venture Operating Partners on advances was $162 for the year ended December 31, 2013 (2012 - $160).

Two operating leases for property, with annual rents of $312 and $300 are with a landlord in which certain executives of Tuckamore hold an indirect minority interest.

One of Tuckamore's former board members is a member of the executive team for a client of Gemma. Revenues in the amount of $7,375 were realized from this client during 2013 while this particular board member served on Tuckamore's board (2012 - $14,200). Another former member of Tuckamore's board of directors is a senior partner at a vendor from which Tuckamore obtains services. Total expenses and expenditures for services obtained

during 2013 while this particular board member served Tuckamore's board amounted to approximately $796 (2012 - $1,900).

Loans made to current and former employees of Tuckamore were outstanding in the amount of $1,335 (December 31, 2012 – $1,335). In accordance with the terms and conditions of the loans, the loans are interest bearing and used to fund the purchase of shares of Tuckamore or to refinance such purchases and are secured by a pledge of the shares.

2014 OUTLOOK

At ClearStream strong levels of activity are expected to continue in both the oilsands and the conventional oil and gas sectors which should translate into significant levels of maintenance services work. ClearStream will look to carefully increase its project work this year with pricing solutions that reduce risk. The wear and fabrication divisions are currently busy. Margin compression is a risk as clients look to generate optimum value from their service providers. Growth will be carefully planned and monitored, and Tuckamore and ClearStream management will work closely to address the working capital needs of the business.

At Quantum Murray there will be a continued focus on project bidding and cost management at the demolition division. Progress made in 2013 has created a solid foundation which will allow more focus to be placed on medium to larger demolition projects. There are continual large industrial abatement and demolition projects to be won, particularly in Alberta. Revenue backlogs are encouraging. Operational execution will determine the timing of a return to profitability.

In the Marketing segment, the outlook is for improved results. At Gemma, a strategic review has underlined the need for a significant increase in efforts to attract new clients and diversify the existing base. At IC Group, the core client base is strong and IC Group will continue to try to sell internally to these existing clients.

In the Other segment, both Titan and Gusgo are expecting results similar to or improved from 2013. Titan should benefit from continued strong business activity in Alberta in both the construction and oil and gas sectors, and Gusgo is expecting consistent business volumes from its stable customer base, and looking to improve its margins.

Management continues to look to create value through the improvement of the operations of Tuckamore's assets and, in some cases, may look to realize value through the sale of certain of its assets.

RISK FACTORS

An investment in shares of Tuckamore involves a number of risks. In addition to the other information contained in this MD&A and Tuckamore's other publicly filed disclosure documents, investors should give careful consideration to the following factors, which are qualified in their entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this MD&A. Any of the matters highlighted in these risk factors could have a material adverse effect on Tuckamore's results of operations, business prospects or financial condition.

Tuckamore's financial results are impacted by the performance of each of its Operating Partnerships and various external factors influencing their operating environments. While stronger performance by one of the Operating Partnerships may compensate for weaker performance by another of the Operating Partnerships, any negative effects on the financial condition or results of operations of an Operating Partnership have a negative effect on the financial condition or results of operations of Tuckamore.

Please refer to the AIF dated March 6, 2014 for a discussion of Risk Factors particular to the Operating Partnerships and Tuckamore.

Leverage and Restrictive Covenants

The degree to which Tuckamore is leveraged could have important consequences to shareholders, including the following: (i) the ability to obtain additional financing for working capital, capital expenditures or acquisitions in the future may be limited; (ii) a material portion of Tuckamore's cash flow from operations may need to be dedicated to payment of the principal of and interest on indebtedness, thereby reducing funds available for future operations (iii) Tuckamore may be more vulnerable to economic downturns and be limited in its ability to withstand competitive pressures. Tuckamore's ability to make scheduled payments of principal and interest on, or to refinance, its indebtedness will depend on its future operating performance and cash flows, which are subject to prevailing economic conditions, prevailing interest rate levels, and financial, competitive, business and other factors, many of which are beyond its control.

The ARCA contains restrictive covenants customary for credit facilities of this nature, including covenants that limit the discretion of management with respect to certain business matters. These covenants place restrictions on, among other things, the ability to incur additional indebtedness, to pay dividends or make certain other payments, and to make additional acquisitions. In addition, the ARCA contains a number of financial covenants that require Tuckamore to meet certain financial ratios and financial tests. A failure to comply with the obligations in the ARCA could result in an event of default that, if not cured or waived, could permit acceleration of the relevant indebtedness. If the indebtedness under the ARCA were to be accelerated, there can be no assurance that the assets of Tuckamore would be sufficient to repay in full that indebtedness. At December 31, 2013, Tuckamore was in compliance with its debt covenants. There is a risk that the Company may not meet certain debt covenants in the future and without an amendment from its senior lenders, the Amended Senior Credit Facility and Debentures would be due on demand and classified as current.

Failure to Realize Anticipated Benefits of Investments Made

Tuckamore and a number of its Operating Partnerships may partner with additional entrepreneurs in the future. The ability to identify new partnership opportunities and to acquire an ownership interest in new partnerships at attractive prices is not guaranteed. Achieving the benefits of future acquisitions will depend in part on successfully consolidating functions and integrating operations, procedures and personnel of all of the partnerships in a timely and efficient manner. The integration of these future acquisitions will require the dedication of management effort, time and resources, which may divert management's focus and resources from other strategic opportunities and

from operational matters during this process. The integration process may result in the disruption of ongoing business and customer and employee relationships that may adversely affect Tuckamore or an Operating Partnership's ability to achieve the anticipated benefits of future acquisitions.

Condition of Capital Markets

The majority of cash flow, and all asset sale proceeds, will be used to fund internal working capital needs or to pay down debt. Tuckamore may in this process look to source a cheaper service of funding; there can be no assurance that this financing will be available when required or available on terms that are favourable to Tuckamore. This has the potential to slow down the repayment of debt.

Dependence on Key Personnel

The success of Tuckamore and of each of its Operating Partnerships depends on their respective senior management teams and other key employees, including their ability to retain and attract skilled management and employees. The loss of the services of key personnel could have a material adverse effect on the business, financial condition, results of operations or future prospects of Tuckamore and its Operating Partnerships. In addition, growth plans may require additional employees, increase the demand on management and produce risks in both productivity and retention levels. Tuckamore and its Operating Partnerships may not be able to attract and retain additional qualified management and employees as needed in the future. There can be no assurance that Tuckamore will be able to effectively manage its future business plan, and any failure to do so could have a material adverse effect on Tuckamore's business, financial condition, results of operations and future prospects.

General Economic Factors

Tuckamore's business and the business of each of our Operating Partnerships is subject to changes in general economic conditions including but not limited to, recessionary or inflationary trends, equity market levels, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence.

Customer concentration

Some of the Operating Partnerships derive a significant portion of their revenues from a limited customer base. If one or more of the significant customers of an Operating Partnership were to cease doing business with the Operating Partnership, or significantly reduced or delayed its purchase of services, the financial condition and results of operations of such Operating Partnership could be materially adversely affected.

Environmental Legislation

Environmental matters are subject to regulation under a variety of federal, provincial, territorial, state and municipal laws relating to health and safety and the environment. Management believes that the Operating Partnerships are in material compliance with applicable environmental legislation, however regulation is subject to change and, accordingly, it is impossible to predict the cost of compliance with new laws or the effects that such changes would have on the Operating Partnerships or their future operations.

Management believes that the risk of non-compliance with environmental regulation is greatest for the Operating Partnerships in the Industrial and Other Segments.

Dependence on the Operating Partnerships

Tuckamore is entirely dependent on the operations and assets of the Operating Partnerships. The ability of Tuckamore to make interest payments or make other payments or advances is subject to applicable laws and

contractual restrictions contained in the instruments governing any indebtedness (including the Credit Facility). Tuckamore will not be making payments of dividends for the foreseeable future.

Potential Sales of Additional Shares

Tuckamore may issue additional shares or securities exchangeable for or convertible into shares in the future. Such additional shares may be issued without the approval of shareholders. The shareholders will have no pre-emptive rights in connection with such additional issues. Additional issuance of shares will result in the dilution of the interests of shareholders.

Income Tax Matters

Although Tuckamore, Tuckamore Holdings LP "TH", the Operating Partnerships and their subsidiaries are of the view that all expenses to be claimed by them in the determination of their respective incomes under the Tax Act is reasonable and deductible in accordance with the applicable provisions of the Income Tax Act, and that the allocation of partnership income for purposes of the Tax Act to the holders of LP Units is reasonable, there can be no assurance that the Tax Act or the interpretation of the Tax Act will not change, or that Canada Revenue Agency (the "CRA") will agree with the expenses claimed or such allocation of partnership income. If CRA successfully challenges the deductibility of such expenses or the allocation of such income, TH's allocation of taxable income to Tuckamore, and taxable income of the Operating Partnerships and their subsidiaries, may change.

Elections have been made under the Tax Act such that the transactions under which TH acquired its interest in the Operating Partnerships may be effected on a tax-deferred basis. The adjusted cost base of any property transferred to an Operating Partnership pursuant to such agreements may be less than its fair market value, such that a gain may be realized on the future sale of the property.

The acquisitions of Operating Partnerships involved various structuring events to complete the transactions in a tax effective manner. These transactions involved interpretations of the Tax Act which could, if interpreted differently, result in additional tax liabilities.

Shot-Gun Buy-Sell Rights

Certain of the limited partnership agreements of the Operating Partnerships contain shot-gun buy-sell provisions. The purpose of the shot-gun buy-sell provisions is to provide the parties with a recognized mechanism for solving any fundamental disputes which may develop. If one of the limited partners of the applicable Operating Partnership, other than TH, initiates a shot-gun buy-sell, the general partner of TH will have to decide whether to buy at the offered price, in which case monies may have to be raised, or to sell at the offered price, in which case TH will receive the proceeds of sale, and will use such proceeds to pay down debt. There is no assurance that TH will decide to buy at the offered price or that TH will have sufficient funds to buy at the offered price. Any decision of TH not to buy at the offered price or its inability to buy at the offered price may have a negative impact on Tuckamore. Any purchase or sale by TH pursuant to such shot-gun buy-sell provisions will require consent of the lenders under the Amended Senior Credit Facility. No assurance can be given that such consent will be obtained on acceptable terms or at all should TH decide that it wishes to sell under such shot-gun buy-sell provisions.

Unpredictability and Volatility of Share Price

A publicly traded holding company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the shares will trade cannot be predicted. The market price of the shares could be subject to significant fluctuations in response to variations in quarterly operating results, and other factors. The annual yield on the shares as compared to the annual yield on other financial instruments may also influence the price of the shares in the public trading markets. In addition, the securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the shares.

Restrictions on potential growth

The use of operating cash flow to fund working capital needs and to reduce debt will make additional capital and operating expenditures somewhat dependent on increased cash flow. Lack of those funds could limit the future growth of the Operating Partnerships and their cash flow.

Prior Ranking Indebtedness

The Debentures will be subordinate to all senior indebtedness. The payment of the principal premium (if any) and interest on the Debentures will be subordinated to senior indebtedness of Tuckamore.

Market Value Fluctuation

Prevailing interest rates will affect the market value of the Debentures, as they carry a fixed interest rate. Assuming all other factors remain unchanged, the market value of the Debentures, which carry a fixed interest rate, will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

Dilutive Effects on Holders of Shares

Tuckamore may issue shares as repayment of the Unsecured Debentures. Accordingly, holders of shares of Tuckamore may suffer dilution.

Labour

The success of Tuckamore depends on the ability of the Operating Partnerships to maintain their respective productivity and profitability. The productivity and profitability of the Operating Partnerships may be limited by their ability to employ, train and retain the skilled personnel necessary to meet their respective requirements. None of the Operating Partnerships can be certain that they will be able to maintain the adequate skilled labour force necessary to operate efficiently and to support their growth strategies. As well, none of the Operating Partnerships can be certain that their labour expenses will not increase as a result of shortage in the supply of these skilled personnel. Labour shortages or increased labour costs could impair the ability of an Operating Partnership to maintain or grow its respective Operating Partnership.

Regulation

Tuckamore and its Operating Partnerships are subject to a variety of federal, provincial and local laws, regulations, and guidelines and may become subject to additional laws, regulations and guidelines in the future, particularly as a result of acquisitions. The financial and managerial resources necessary to ensure such compliance could escalate significantly in the future which could have a material adverse effect on Tuckamore and its Operating Partnerships' business, financial condition, results of operations and cash flows. Although such expenditures historically have not

been material, such laws and regulations are subject to change. Accordingly, it is impossible for Tuckamore or the Operating Partnerships to predict the cost or impact of such laws and regulations on their respective future operations.

Competition

The businesses in which the Operating Partnerships operate are highly competitive. The Operating Partnerships often compete with companies that are much larger and have greater resources than the Operating Partnerships. There can be no assurance that Tuckamore and the Operating Partnerships will be able to successfully compete against their respective competitors or that such competition will not have a material adverse effect on their businesses, financial condition, results of operations and cash flows.

Potential Unknown Liabilities

In connection with the prior formation of Operating Partnerships completed by TH, there may be unknown liabilities assumed by TH through its interests in the Operating Partnerships for which TH may not be indemnified by the prior owner. The discovery of any material liabilities could have a material adverse effect on the business, financial condition, results of operations and future prospects of Tuckamore.

Potential Future Developments

Management of Tuckamore, in the ordinary course of business, regularly explores potential strategic opportunities and transactions. The public announcement of any of these or similar strategic opportunities or transactions might have a significant effect on the price of Tuckamore's securities. Tuckamore's policy is not to publicly disclose the pursuit of a potential strategic opportunity or transaction unless and until a definitive binding agreement is reached. There can be no assurance that investors who buy or sell securities of Tuckamore are doing so at a time when Tuckamore is not pursuing a particular strategic opportunity or transaction, that when announced, would have a significant effect on the price of Tuckamore's securities.

Disclosure Controls & Procedures and Internal Control over Financial Reporting

DISCLOSURE CONTROLS AND PROCEDURES

National Instrument 51-109, "Certification of Disclosure in Issuers' Annual and Interim Filings" ("NI 51-109"), issued by the CSA requires CEOs and CFOs to certify that they are responsible for establishing and maintaining the disclosure controls and procedures for the issuer, that disclosure controls and procedures have been designed to provide reasonable assurance that material information relating to the issuer is made known to them, that they have evaluated the effectiveness of the issuer's disclosure controls and procedures, and that their conclusions about effectiveness of those disclosure controls and procedures at the end of the period covered by the relevant annual filings have been disclosed by the issuer.

Tuckamore's management, including its CEO and CFO, have evaluated the effectiveness of Tuckamore's disclosure controls and procedures as at December 31, 2013 and have concluded that those disclosure controls and procedures were effective to ensure that information required to be disclosed by Tuckamore in its corporate filings is recorded, processed, summarized and reported within the required time period for the year then ended. The CEO and CFO have certified the appropriateness of the financial disclosures in Tuckamore's filings for the year ended December 31, 2013 with securities regulators, including this MD&A and the accompanying audited consolidated financial statements and that they are responsible for the design of the disclosure controls and procedures.

INTERNAL CONTROL OVER FINANCIAL REPORTING

NI 52-109 also requires CEOs and CFOs to certify that they are responsible for establishing and maintaining internal controls over financial reporting for the issuer, that those internal controls have been designed and are effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS, and that the issuer has disclosed any changes in its internal controls during its most recent year end that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

There have been no changes in internal controls over financial reporting during the year ended December 31, 2013 that have materially affected or are reasonably likely to materially affect internal controls over financial reporting.

Due to the inherent limitations common to all control systems, management acknowledges that disclosure controls and procedures and internal control over financial reporting may not prevent or detect all misstatements. Accordingly, management's evaluation of our disclosure controls and procedures and internal control over financial reporting provide reasonable, not absolute, assurance that misstatements resulting from fraud or error will be detected.

ADDITIONAL INFORMATION

Additional information relating to Tuckamore including Tuckamore's AIF is on SEDAR at www.sedar.com or on our website www.tuckamore.ca

DEFINITIONS

"AIF" – means Annual Information Form;

"Armstrong" – means Armstrong Partnership LP, a limited partnership formed under the laws of Ontario;

"BMO" – means Bank of Montreal;

"CEO" – means Chief Executive Officer of Tuckamore;

"CFO" – means Chief Financial Officer of Tuckamore;

"CICA" – means Canadian Institute of Chartered Accountants;

"ClearStream" – means ClearStream Energy Services (formerly known as "NPC Integrity Energy Services Limited Partnership"), a limited partnership formed under the laws of Alberta;

"Debentures" – means collectively the Secured and Unsecured Debentures of Tuckamore, due March 23, 2016 and March 23, 2014

"GAAP" – means, at any time, Canadian generally accepted accounting principles, including those set out in the Handbook of the CICA, applied on a consistent basis;

"Gemma" – means Gemma Communications LP, a limited partnership formed under the laws of Ontario;

"Gusgo" – means Gusgo Transport LP, a limited partnership formed under the laws of Ontario;

"IC Group" – means IC Group LP, a limited partnership formed under the laws of Ontario;

"IFRS" – means International Financial Reporting Standards;

"Lenders" – means the various persons from time to time acting as lenders under the Senior Credit Agreement;

"MD&A" – means Management's Discussion and Analysis;

"Marret" – means Marret Asset Management

"Operating Partnerships" – means businesses in which Tuckamore holds an ownership interest;

"Quantum Murray" – means Quantum Murray LP (formerly Murray Demolition LP) a limited partnership formed under the laws of Ontario;

"Rlogistics" – means Rlogistics LP, a limited partnership formed under the laws of Ontario;

"Titan" – means Titan Supply LP, a limited partnership formed under the laws of Alberta;

"TH"- means Tuckamore Holdings LP

"TSX" – means Toronto Stock Exchange

"Tuckamore" – means Tuckamore Capital Management Inc.