TUCKAMORE CAPITAL MANAGEMENT INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTER ENDED SEPTEMBER 30, 2013

DEAR SHAREHOLDERS

Our operating results in the third quarter of 2013 were improved from a year ago. Results at ClearStream were in line with expectations and improved over last year. Results at Quantum Murray were below expectations but improved over last year, while the remainder of the portfolio performed at levels lower than expectations and lower than last year.

ClearStream is seeing continued demand for its services particularly in its wear, fabrication and maintenance services divisions. While the previous quarter saw higher revenues as major clients performed plant shutdown maintenance programs, strong activity in its higher margin wear and fabrication businesses contributed significantly to the results this quarter. ClearStream’s business development activities continue to be focused on our operational and maintenance services divisions which generate recurring revenues. While much of ClearStream’s business is maintenance services related, the outlook on the near term growth prospects of the Canadian oil industry remains mixed with several macroeconomic factors such as commodity pricing and pipeline access impacting current views. We continue to monitor industry commentary and analysis closely as it directly impacts the spending patterns of our largest clients.

Quantum Murray's results are improved since the second quarter and largely reflect a seasonal increase in activity in its remediation division, as well as an active period for industrial clean-up work in its emergency response division. The demolition division continues to execute well on new small to medium sized projects, and is working diligently to contain costs on longer term projects which are approaching completion. Quantum Murray is active in the marketplace and is continuing to bid on several larger demolition and remediation projects.

Gemma, our call centre operation, is having a challenging year. It has been impacted negatively by changes in client strategic direction, as well as by delays in the commencement of some client programs. Gemma is attempting to mitigate this by both careful cost management and alignment, as well as by increasing its business development activities.

The losses incurred by the demolition division of Quantum Murray in the spring of 2012 resulted in Tuckamore seeking and receiving last October an amendment to the financial covenants of its senior credit facility. Although we are encouraged by improvements at Quantum Murray, they have taken longer than originally anticipated. As a result, prior to the current quarter end, Tuckamore reached an agreement with its senior facility lenders to further amend its financial covenants through to the end of 2014.

We will continue on our strategy of measured organic growth. A significant challenge at Tuckamore is managing the working capital needs of the businesses, in particular at ClearStream and Quantum Murray. These needs can increase significantly in periods of high growth or activity. Cash management is a critical and time consuming process given the restrictive terms in our debt agreements.

The Right Honourable Brian Mulroney, Phil Lind and Francesco Aquilini have recently resigned as directors of the Board of Tuckamore. I would like to thank them for their valued contributions during their tenure. I would like to welcome Fraser Clarke, Cal Bricker and Jordan Bitove to the Board.

Thank you for your continued support.

Dean T. MacDonald

President and CEO

MANAGEMENT'S DISCUSSION AND ANALYSIS
NOVEMBER 13, 2013

The following is management's discussion and analysis ("MD&A") of the consolidated interim results of operations, balance sheets and cash flows of Tuckamore Capital Management Inc. ("Tuckamore") for the three and nine months ended September 30, 2013 and 2012. This MD&A should be read in conjunction with Tuckamore's audited consolidated annual financial statements for the years ended December 31, 2012 and 2011.

All amounts in this MD&A are in Canadian dollars and expressed in '000's of dollars unless otherwise noted. The accompanying unaudited consolidated interim 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 November 13, 2013 and is current to that date unless otherwise indicated.

The unaudited consolidated interim 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 28, and references to "we", "us", "our" or similar terms, refer to Tuckamore Capital Management Inc., unless the context otherwise requires.

INDEX

5 Industry Segments

6 Third Quarter 2013 Performance

9 Segment Operating Results

17 Liquidity and Capital Resources

21 Critical Accounting Policies and Estimates

22 Additional Information

25 Fourth Quarter 2013 Outlook

26 Risk Factors

26 Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

28 Definitions

29 Financial Statements

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 "Fourth Quarter 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 International Financial Reporting Standards (''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. EBITDA is used by management and 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, income taxes and distributions. Tuckamore has provided a reconciliation of net income 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. 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-standard 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-standard 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 operating segments. A majority of Tuckamore's operations, assets and employees are located in Canada. In addition to the segments listed below, the corporate segment represents head office administrative and financing costs incurred by Tuckamore. Tuckamore utilizes EBITDA and Adjusted EBITDA as performance measures 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 closeout, discount and refurbished consumer electronic 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%

THIRD QUARTER PERFORMANCE

SUMMARY RESULTS FROM CONTINUING OPERATIONS ($000s)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues	$ 188,230	$ 174,218	$ 513,103	$ 508,150
Cost of revenues	(145,604)	(139,834)	(405,609)	(416,653)
Gross profit	42,626	34,384	107,494	91,497
Selling, general and administrative expenses	(26,294)	(23,504)	(74,195)	(69,895)
Amortization expense	(1,646)	(2,910)	(7,050)	(7,868)
Depreciation expense	(4,145)	(4,086)	(11,943)	(10,782)
Income from long-term investments	1,129	1,725	3,574	4,509
Interest expense	(8,709)	(7,772)	(25,285)	(23,894)
Loss on de-recognition of debt	-	-	-	(1,534)
Restructuring costs	-	(926)	-	(926)
Income tax recovery (expense) - current	7	(632)	(101)	(645)
Income tax recovery (expense) - deferred	173	(610)	2,695	2,515
Write-down of goodwill and intangible assets	(5,713)	-	(5,713)	-
Loss from continuing operations	$ (2,572)	$ (4,331)	$ (10,524)	$ (17,023)
Add:				
Amortization	1,646	2,910	7,050	7,868
Depreciation	4,145	4,086	11,943	10,782
Interest expense	8,709	7,772	25,285	23,894
Income tax (recovery) expense - current	(7)	632	101	645
Income tax (recovery) expense - deferred	(173)	610	(2,695)	(2,515)
EBITDA	$ 11,748	$ 11,679	$ 31,160	$ 23,651
Interest, taxes, depreciation and amortization of long-term invesments	$ 176	(37)	545	588
Restructuring costs		926		926
Loss on de-recognition of debt	-	-	-	1,534
Write-down of goodwill and intangible assets	5,713	-	5,713	-
Adjusted EBITDA	$ 17,637	$ 12,568	$ 37,418	$ 26,699

Selected Balance Sheet Accounts	September 30, 2013	December 31, 2012
Total assets	$ 409,981	$ 415,389
Senior credit facility	89,671	89,300
Secured debentures	157,962	152,860
Unsecured debentures	23,148	18,781
Shareholders' equity	42,897	53,251

THIRD QUARTER 2013 RESULTS

Tuckamore's continuing operations from its portfolio investments are reported in its three operating segments: Marketing, Industrial Services and Other. Effective January 1, 2013, Tuckamore is 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. Joint ventures are accounted for as long-term investments on the unaudited consolidated interim balance sheets and the income from joint ventures are recognized in the unaudited consolidated interim statement of income and comprehensive income as income from long-term investments. Please refer to note 1 and note 6 of Tuckamore's unaudited consolidated interim financial statements for the three and nine months ended September 30, 2013 and 2012 for more information.

Revenues for the three and nine months ended September 30, 2013 were $188,230 and $513,103 compared to $174,218 and $508,150 during the same periods in the prior year. This represents an increase of 8.0% and 1.0%, respectively. The increase for the three months ended September 30, 2013 was largely driven by an increase in revenues at ClearStream. The Wear and Oil Sands divisions of ClearStream have experienced significant increase in demand and business volumes in comparison to the same periods in the prior year.

Gross profit for the three and nine months ended September 30, 2013 was $42,626 and $107,494 compared to $34,384 and $91,497 during the same periods in the prior year. This represents an increase of 24.0% and 17.5%, respectively. Gross margins were 22.6% and 20.9% for the three and nine months ended September 30, 2013 compared to 19.7% and 18.0% during the same periods in the prior year. The margin increase was primarily related to operational efficiencies achieved across all divisions of ClearStream, as well as the containment of costs in the demolition division of Quantum Murray, which experienced significant cost-overruns in the prior year.

For the three and nine months ended September 30, 2013, Tuckamore's three operating segments produced $20,208 and $42,470 of Adjusted EBITDA for Tuckamore compared to $14,575 and $32,503 during the same periods in the prior year. Refer to the chart on the following page for Adjusted EBITDA by operating partner.

Corporate administrative costs for three and nine months ended September 30, 2013 were $2,571 and $5,052 compared to $2,007 and $5,804 during the same periods in the prior year. The increased compensation expense in the current quarter relate to costs associated with the elimination of an executive position. The decrease in corporate expenses for the nine months ended September 30, 2013 compared to the same period in the prior year are primarily attributed to the run-off in costs on the stock-based compensation.

Non-cash items that impacted the results were depreciation and amortization and deferred income taxes. Depreciation and amortization was $5,791 and $18,993 for three and nine months ended September 30, 2013, compared to $6,996 and $18,650 during the same periods in the prior year.

At Gemma, goodwill of $2,712 and brand intangibles of $3,001 were written off as a result of business volume declines.

For the three and nine months ended September 30, 2013, interest costs were $8,709 and $25,285, compared to $7,772 and $23,894 in the prior year. Non-cash interest expense was $9,469 for the nine months ended September 30, 2013 compared to $8,304 in the prior period. The increase in non-cash interest is due to the accretion expense related to the secured debentures 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. During the nine months ended September 30, 2013, the operating segments had capital expenditures and capital lease payments of $8,361 compared to $7,099 during the nine months ended September 30, 2012. The majority of these expenditures were incurred in the Industrial Services segment.

Net loss for the three and nine months ended September 30, 2013 from continuing operations was $2,572 and $10,524 compared to a net loss of $4,331 and $17,023 during the same periods of the prior year.

Adjusted EBITDA $000s	**Q3 2013**	**Q3 2012**	**2013 vs. 2012**
Marketing			
Gemma	164	304	(140)
IC Group	196	354	(158)
	$ 360	$ 658	$ (298)
Industrial Services			
ClearStream	15,481	10,466	5,015
Quantum Murray	3,260	2,118	1,142
	$ 18,741	$ 12,584	$ 6,157
Other			
Gusgo	542	744	(202)
Titan	565	589	(24)
Rlogistics	-	-	-
	$ 1,107	$ 1,333	$ (226)
Adjusted EBITDA from portfolio operations	$ 20,208	$ 14,575	$ 5,633
Corporate	(2,571)	(2,007)	(564)
Adjusted EBITDA from operations	$ 17,637	$ 12,568	$ 5,069

MARKETING

Gemma had a challenging quarter with lower revenues compared to the same quarter in the prior year. The decrease in revenues was primarily a result of unbudgeted reductions in hours from a key client. As a result of continuing lower revenue levels, goodwill and brand values associated with the Gemma investment were written off. In addition to this, the IC Group experienced a temporary decline in business volumes from a few clients.

INDUSTRIAL SERVICES

ClearStream has experienced results in the third quarter of 2013, which are in line with expectations and improved over the same period in the prior year. On a divisional basis increased demand for Wear and Oil Sands services were driving the improved results. In addition to this, ClearStream has also experienced improvements in gross margins across all of its divisions. ClearStream has started to realize the benefits and synergies of operating under the one company strategy. The one company strategy was implemented approximately two years ago and aimed at centralizing certain business functions and marketing all of ClearStream's subsidiaries under a single brand.

Quantum Murray's results have improved over the same quarter in the prior year and largely reflect increased activity in the Environmental division, with higher business volumes from the remediation and emergency response groups. The Demolition division has continued to perform well on the small to medium sized contracts that have been sourced to date. Management is also working diligently to minimize and recover costs on longer term projects which are approaching completion. Quantum Murray is active in the marketplace and is continuing to bid on several larger projects.

OTHER

Gusgo's results in the third quarter of 2013 were lower than the same period a year ago, due to lower volumes from a key client who experienced production issues and additional delivery costs related to another client.

Titan's results in the third quarter of 2013 were slightly higher than the same quarter in the prior year due to a gain in market share for their rigging products and services. Abnormally wet weather conditions continued to affect the construction market that Titan serves.

SEGMENT OPERATING RESULTS

MARKETING

The Marketing segment includes 100% of the results of Gemma and Tuckamore's 80% proportionate share of the results of IC Group. 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	-	Integrated direct marketing company
IC Group	-	Provider of on-line promotional and loyalty programs and a provider of select insurance products

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues	$ 7,370	$ 8,861	$ 23,583	$ 27,605
Cost of revenues	(4,707)	(5,906)	(15,077)	(18,168)
Gross profit	2,663	2,955	8,506	9,437
Selling, general and administrative expenses	(2,303)	(2,297)	(7,403)	(7,360)
Amortization expense	274	(782)	(1,290)	(2,347)
Depreciation expense	(145)	(159)	(384)	(494)
Interest expense	(17)	(9)	(41)	(32)
Income tax expense - current	-	-	-	(12)
Income tax recovery (expense) - deferred	797	218	1,226	(161)
Write-down of goodwill and intangible assets	(5,713)	-	(5,713)	-
Loss for the period	$ (4,444)	$ (74)	$ (5,099)	$ (969)
Add:				
Amortization	(274)	782	1,290	2,347
Depreciation	145	159	384	494
Interest expense	17	9	41	32
Income tax expense - current	-	-	-	12
Income tax (recovery) expense - deferred	(797)	(218)	(1,226)	161
EBITDA	(5,353)	658	(4,610)	2,077
Write-down of goodwill and intangible assets	5,713	-	5,713	-
Adjusted EBITDA	$ 360	$ 658	$ 1,103	$ 2,077

(I) REVENUES

Revenues for the Marketing segment were $7,370 and $23,583 for the three and nine month period ended September 30, 2013, a 16.8% and 14.6% decrease over comparative 2012 revenues of $8,861 and $27,605.

The decrease in revenues at Gemma is primarily related to a key client who has decreased spending over the same period in the prior year.

Revenues at the IC Group for the three and nine months ended September 30, 2013 were lower than the same period in the prior year primarily due to a temporary reduction in business volumes from a few clients, combined with a permanent reduction in program spending from a large client in 2013. Management expects the temporary reduction in business volumes to return to normal levels in the fourth quarter of 2013 and early 2014.

(II) GROSS PROFIT

Gross profit for the marketing segment was $2,663 and $8,506, with a gross margin percentage of 36.1% for the three and nine months ended September 30, 2013. For the comparative periods ended September 30, 2012, gross profit was $2,955 and $9,437, with gross margin percentages of 33.3% and 34.2%. The lower gross profit amounts reflect the decreased business volumes discussed in the revenues sections.

Gemma has experienced a decline in gross profit primarily as a result of lower revenues, however a significant effort has been made to reduce fixed costs and improve operational efficiencies. As a result, the gross margin percentage at Gemma increased significantly due in part to a reduction in training and recruitment costs over the same period in the prior year.

The gross margin percentage at IC Group decreased slightly reflecting increased training costs over the same period in the prior year.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $2,303 and $7,403 for the three and nine month periods ended September 30, 2013 compared to $2,297 and $7,360 in 2012. These expenses as a percentage of revenues were 31.2% and 31.4% for the three and nine months ended September 30, 2013 compared to 25.9% and 26.7% for the same periods in the prior year. The increase in SG&A percentage is directly related to fixed costs, which cannot immediately be reduced in line with the reductions in business volumes.

(IV) IMPAIRMENT

At Gemma, goodwill of $2,712 and brand intangibles of $3,001 were written off as a result of business volume declines.

INDUSTRIAL SERVICES

The Industrial Services segment includes 100% of the results of ClearStream and Quantum Murray

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)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues	$ 183,256	$ 168,535	$ 497,702	$ 490,150
Cost of revenues	(142,389)	(135,778)	(395,382)	(404,165)
Gross profit	40,867	32,757	102,320	85,985
Selling, general and administrative expenses	(22,126)	(20,173)	(64,361)	(59,713)
Amortization expense	(1,908)	(2,115)	(5,725)	(4,978)
Depreciation expense	(4,056)	(2,536)	(11,425)	(6,796)
Interest expense	(2,998)	(3,041)	(8,973)	(8,868)
Restructuring costs	-	(926)	-	(926)
Income tax recovery (expense) - current	8	(632)	(91)	(632)
Income tax recovery (expense) - deferred	43	1,149	989	1,207
Income for the period	$ 9,830	$ 4,483	$ 12,734	$ 5,279
Add:				
Amortization	1,908	2,115	5,725	4,978
Depreciation	4,056	2,536	11,425	6,796
Interest expense	2,998	3,041	8,973	8,868
Income tax (recovery) expense - current	(8)	632	91	632
Income tax (recovery) expense - deferred	(43)	(1,149)	(989)	(1,207)
EBITDA	$ 18,741	$ 11,658	$ 37,959	$ 25,346
Restructuring costs	-	926	-	926
Adjusted EBITDA	$ 18,741	$ 12,584	$ 37,959	$ 26,272

	Three months ended September 30,				Nine months ended September 30,			
	ClearStream		Quantum Murray		ClearStream		Quantum Murray	
	2013	2012	2013	2012	2013	2012	2013	2012
Revenues	$ 136,054	$ 120,019	$ 47,202	$ 48,516	$ 391,051	$ 361,870	$ 106,651	$ 128,280
Cost of revenues	(105,419)	(97,368)	(36,970)	(38,410)	(309,930)	(299,283)	(85,452)	(104,882)
Gross profit	30,635	22,651	10,232	10,106	81,121	62,587	21,199	23,398
Selling, general and administrative expense	(15,154)	(12,185)	(6,972)	(7,988)	(44,009)	(35,966)	(20,352)	(23,747)
Amortization expense	(1,462)	(1,659)	(446)	(456)	(4,387)	(4,110)	(1,338)	(868)
Depreciation expense	(2,562)	(1,911)	(1,494)	(625)	(6,918)	(4,965)	(4,507)	(1,831)
Interest expense	(2,894)	(2,929)	(104)	(112)	(8,743)	(8,618)	(230)	(250)
Restructuring costs	-	-	-	(926)	-	-	-	(926)
Income tax recovery (expense) - current	8	(632)	-	-	(91)	(632)	-	-
Income tax recovery (expense) - deferred	395	967	(352)	182	1,306	272	(317)	935
Income (loss) for the period	$ 8,966	$ 4,302	$ 864	$ 181	$ 18,279	$ 8,568	$ (5,545)	$ (3,289)
Add:								
Amortization	1,462	1,659	446	456	4,387	4,110	1,338	868
Depreciation	2,562	1,911	1,494	625	6,918	4,965	4,507	1,831
Interest expense	2,894	2,929	104	112	8,743	8,618	230	250
Income tax (recovery) expense - current	(8)	632	-	-	91	632	-	-
Income tax (recovery) expense - deferred	(395)	(967)	352	(182)	(1,306)	(272)	317	(935)
EBITDA	$ 15,481	$ 10,466	$ 3,260	$ 1,192	$ 37,112	$ 26,621	$ 847	$ (1,275)
Restructuring costs	-	-	-	926	-	-	-	926
Adjusted EBITDA	$ 15,481	$ 10,466	$ 3,260	$ 2,118	$ 37,112	$ 26,621	$ 847	$ (349)

(I) REVENUES

Revenues for the Industrial Services segment were $183,256 and $497,702 for the three and nine months ended September 30, 2013 compared with $168,535 and $490,150 during the same periods in the prior year. This amounts to an increase of 8.7% and 1.5% over the same periods in the prior year, respectively.

At ClearStream, revenues for the three and nine months ended September 30, 2013 increased by $16,035 and $29,181 compared to the same periods in the prior year. The Wear division continued to benefit from robust demand for its product, resulting in a full order book coming forward from the previous quarter and continued success securing additional purchase orders. The Oilsands division has benefitted from consistent field activity from its largest client, in addition to securing and completing work on a major shutdown for another large client. The Transportation division has started to realize the benefits of a larger pipe yard as it has experienced increased business volumes for the nine months ended September 30, 2013, in comparison to the same period in the prior year. Business volumes at the Fabrication division are also increasing and it now has a significant work backlog.

At Quantum Murray, revenues for the three and nine months ended September 30, 2013 decreased by $1,314 and $21,629 over the same periods in the prior year. Demolition and Metals revenues in the third quarter of 2013 were well behind the same period in 2012, reflecting the trailing impact of the temporary suspension on bidding new projects in 2012. Management continues to remain focused on building up the Demolition backlog to return to business volumes experienced prior to the suspension of bidding. Revenues in the Environmental division continued to exceed prior year results largely on the strength of increased seasonal remediation activity with several sizeable projects being completed at full schedule in 2013. The Emergency Response group also had a positive quarter as they successfully sourced and completed two large cleanup projects.

(II) GROSS PROFIT

Gross profit was $40,867 and $102,320 for the three and nine month period ended September 30, 2013 compared with $32,757 and $85,985 during the same periods of 2012. Gross profit margins for the three and nine months ended September 30, 2013 were 22.3% and 20.6%, compared to 19.4% and 17.5% during the same periods of 2012.

ClearStream's gross profit for the three and nine months ended September 30, 2013 increased by $7,984 and $18,534 over the same periods in the prior year. This favourable variance is directly attributable to an increase in revenues and a gross margin improvement of 3.6%. The improvement in gross margin is reflective of better contract negotiation strategies and the realization of operational efficiencies and synergies gained through the implementation of ClearStream's one company strategy over the past two years. In addition to this, there has been a general increase in demand for the products and services from the Wear and Oil Sands divisions leading to increased flexibility in pricing and margins.

Quantum Murray's gross profit for the three and nine months ended September 30, 2013 has increased by $126 and decreased by $2,199 over the same periods in the prior year. In the third quarter of 2012, management continued to assess the costs to complete a number of demolition projects and further negative adjustments were required. Similar negative adjustments were not required in the third quarter of 2013. Year to date 2013 gross margins are lower than the same period in the prior year due to the fact that Quantum Murray successfully completed several large, profitable projects in the first quarter of 2012. Similar projects were not in place through 2013.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $22,126 and $64,361 for the three and nine months ended September 30, 2013 compared to $20,173 and $59,713. Selling, general and administrative expenses as a percentage of revenues were 12.1% and 12.9% for the three and nine month period ended September 30, 2013 compared to 12.0% and 12.2% for the same periods in the prior year.

ClearStream's selling, general and administrative expenses for the three and nine months ended September 30, 2013 increased by $2,969 and $8,043 over the same periods in the prior year. The increases in costs are primarily related to ongoing expenditures with respect to robust marketing and business development campaigns, spending on enhanced resourcing and infrastructure focused towards ongoing growth and lastly costs associated with developing a larger footprint as the business expands its presence in North East British Columbia.

Quantum Murray's selling, general and administrative expenses for the three and nine months ended September 30, 2013 decreased by $1,016 and $3,395 over the same periods in the prior year. This decrease is primarily related to lower operating activity during the first nine months of 2013, compared to the prior year. In addition to this, the Demolition group was right sized in the third quarter of 2012 and as such, they have benefitted from lower selling, general and administrative expenses in 2013.

(V) 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. 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
Rlogistics	-	Reseller of close-out, discount and refurbished consumer electronic and household goods
Titan	-	Manufacturer and distributor of rigging products, rigging services and ground engaging tools

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Revenues	$ 11,665	$ 12,140	$ 36,826	$ 36,438
Cost of revenues	(7,917)	(8,190)	(25,130)	(24,335)
Gross profit	$ 3,748	$ 3,950	$ 11,696	$ 12,103
Selling, general and administrative expenses	(2,641)	(2,617)	(8,288)	(7,949)
Depreciation expense	(115)	(137)	(353)	(402)
Interest expense	(180)	(178)	(531)	(540)
Income tax recovery (expense) - current	-	-	-	-
Income tax expense - deferred	11	220	(20)	(67)
Income for the period	$ 823	$ 1,238	$ 2,504	$ 3,145
Add:				
Depreciation	115	137	353	402
Interest expense	180	178	531	540
Income tax (recovery) expense- current	-	-	-	-
Income tax expense - deferred	(11)	(220)	20	67
EBITDA	$ 1,107	$ 1,333	$ 3,408	$ 4,154

(I) REVENUES

Revenues for the other segment were $11,665 and $36,826 for the three and nine months ended September 30, 2013, compared to $12,140 and $36,438 for the same periods in the prior year. This reflects a decrease of 3.9% and an increase 1.1%, respectively.

Gusgo's business volumes with key clients were lower than the same periods in the prior year. Ongoing production issues at one key client continue to have a negative effect on revenues in comparison to the same period in the prior year.

Titan's revenues for the three month's ended September 30, 2013 were slightly higher than in the same period of the prior year due to an increase in market share for the rigging products and services. Titan's positive third quarter and strong results from the first quarter resulted in the company being ahead in year-to-date revenues in comparison to the same period in the prior year.

(II) GROSS PROFIT

Gross profit was $3,748 and $11,696 for the three and nine months ended September 30, 2013, compared with $3,950 and $12,103 for the same periods in 2012. Gross profit margins were 32.1% and 31.8% the three and nine months ended September 30, 2013, compared to 32.5% and 33.2% for the same periods in the prior year.

Gusgo's gross profit the third quarter of 2013 was lower than the same period a year ago, due to lower volumes from a significant client who experienced production issues and unplanned delivery and storage costs for another key client that had fewer drop shipments than in the prior year.

Gross margins for Titan were slightly below third quarter 2012. A decrease in activity as a result of wet weather and projects being put on hold has put pressure on margins. Gross margins continue to be challenged by competitive pressures in most product categories. For the nine months ended September 30, 2013 Titan has experienced a higher demand for lower margin wear products and a lower demand for higher margin rigging products in comparison to the prior year.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $2,641 and $8,288 for the three and nine months ended September 30, 2013, compared with $2,617 and $7,949 for the same periods in 2012. These expenses as a percentage of revenues were 22.6% and 22.5% for the three and nine month periods ended September 30, 2013, compared to 21.6% and 21.8% for the same periods in the prior year. Increased staff levels at Titan and labour related costs remain the main factors for the increase in selling, general and administrative expenses compared to the same periods in the prior year.

CORPORATE

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

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
General and administrative expenses	$ (2,571)	$ (2,007)	$ (5,052)	$ (5,804)
Amortization expense	(12)	(13)	(35)	(545)
Depreciation expense	(3)	(1,415)	(245)	(3,563)
Interest expense	(5,529)	(4,553)	(15,807)	(14,485)
Loss on de-recognition of debt	-	-	-	(1,534)
Income tax expense - current	(1)	-	(10)	-
Income tax (expense) recovery - deferred	(665)	(1,990)	486	1,453
Loss for the period	$ (8,781)	$ (9,978)	$ (20,663)	$ (24,478)
Add:				
Amortization expense	12	13	35	545
Depreciation expense	3	1,415	245	3,563
Interest expense	5,529	4,553	15,807	14,485
Income tax expense - current	1	-	10	-
Income tax expense (recovery) - deferred	665	1,990	(486)	(1,453)
EBITDA	$ (2,571)	$ (2,007)	$ (5,052)	$ (7,338)
Loss on de-recognition of debt	-			1,534
Adjusted EBITDA	$ (2,571)	$ (2,007)	$ (5,052)	$ (5,804)

(I) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were $2,571 and $5,052 for the three and nine months ended September 30, 2013, compared to $2,007 and $5,804 for comparative periods in 2012. The break-down of general and administrative expenses is as follows:

	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Salaries and Benefits	$ 2,241	$ 1,299	$ 4,357	$ 3,596
Stock-based compensation expense	-	217	170	959
Audit, accounting and tax	178	185	653	760
Other costs, net	152	306	(128)	489
General and administrative expenses	$ 2,571	$ 2,007	$ 5,052	$ 5,804

The overall decrease in expenses year over year is attributed to the run-off in costs related to the stock based compensation expense. Salaries and benefits for the three and nine months ended September 30, 2013 have increased compared to the same period in the prior year due to the one-time costs associated with the elimination of an executive position.

(II) INTEREST EXPENSE

Interest expense for the three and nine months ended September 30, 2013 were $5,529 and $15,807, compared to $4,553 and $14,485 for the comparative periods in the prior year. Interest expense relates to the senior credit facility and the Secured and Unsecured Debentures. The increase in the interest expense is primarily related to the accretion of interest on the Secured and Unsecured Debentures. The accreted interest expense gradually increases as these debt instruments move closer towards their maturity dates. During the quarter, an amendment to the senior credit facility was negotiated at a cost of $204 and is included in the expense above.

(III) LOSS ON DE-RECOGNITION OF DEBT

On March 9, 2012 Tuckamore completed an assignment (the "Assignment") to Bank of Montreal ("BMO") of its senior credit facility from Marret. In connection with the Assignment, BMO received an assignment of all of the rights and obligations of the Marret Lenders under the Senior Credit Facility. 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.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW

The following table summarizes the major consolidated cash flow components:

Nine months ended September 30,		2013		2012
Cash provided by (used in) operating activities	$	9,557	$	(11,514)
Cash (used in) provided by investing activities		(3,222)		3,898
Cash used in financing activities		(4,891)		(6,871)
Consolidated cash (continuing and discontinued operations)	$	11,993	$	12,169

CASH FROM OPERATING ACTIVITIES

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

Nine months ended September 30,		2013		2012
Cash provided by continuing operations	$	20,864	$	9,877
Changes in non-cash balances				
Accounts receivable		(5,475)		(32,526)
Inventories		(702)		9,927
Prepaids and other current assets		(1,329)		(1,352)
Accounts payable, accrued liabilities and deferred revenue		(3,801)		2,454
Increase (decrease) in cash due to changes in non-cash balances		(11,307)		(21,497)
Cash and distributions provided by discontinued operations		-		106
Cash provided by (used in) operating activities	$	9,557	$	(11,514)

CASH FROM INVESTING ACTIVITIES

For the nine months ended September 30, 2013, cash used in investing activities totaled $3,222 compared to cash provided by investing activities of $3,898 for the comparative period in 2012. See table below for further details.

Nine months ended September 30,		2013		2012
Purchase of property, plant and equipment, net of disposals		(3,613)		(2,906)
Net proceeds on disposal of properly, plant & equipment		729		321
Purchase of software		(283)		(29)
Proceeds on disposal of investment		-		7,866
Increase in other assets		(55)		(1,347)
Cash used in discontinued operations		-		(7)
Cash (used in) provided by investing activities	$	(3,222)	$	3,898

CASH USED IN FINANCING ACTIVITIES

For the nine months ended September 30, 2013, cash used in financing activities was $4,891 compared to $6,871 in the comparative period of the prior year.

Nine months ended September 30,		2013		2012
Repayment of long-term debt	$	(118)	$	(6,200)
(Increase) decrease in cash held in trust		(25)		3,907
Repayment of capital lease obligations		(4,748)		(4,193)
Cash used in discontinued operations		-		(385)
Cash used in financing activities	$	(4,891)	$	(6,871)

FINANCING

THIRD AMENDED & RESTATED SENIOR CREDIT AGREEMENT

On March 9, 2012 Tuckamore completed an assignment (the "Assignment") to Bank of Montreal ("BMO") of its senior credit facility from the Marret Lenders. In connection with the Assignment, BMO received an assignment of all of the rights and obligations of the Marret Lenders under the Senior Credit Facility. 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. The maturity date of the senior credit facility is March 9, 2015. 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 in 2012 representing transaction costs and the write-off of deferred financing costs related to the de-recognized credit facility.

On November 13, 2012 Tuckamore reached an agreement to amend the financial covenants related to the Senior Credit facility. The amended covenants include the interest coverage ratio, priority senior debt ratio and the minimum EBITDA ("Earnings Before Interest, Taxes, Depreciation & Amortization") amount. The amended covenants were in effect for the three quarters commencing the quarter ended September 30, 2012. As part of this amendment, the interest rate on the Senior Credit Facility was adjusted to prime plus 1.625%. The total cost of the amendment was 0.125% or $113 and this amount was expensed during the year ended December 31, 2012. On September 25, 2013 Tuckamore reached an agreement to amend the financial covenants ('the Second Amendment") related to the 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 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 and this amount was expensed during the quarter ended September 30, 2013.

At September 30, 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 senior credit facility and debentures would be due on demand and classified as current.

Tuckamore is obligated to repay a portion of the senior credit facility prior to the maturity date of the senior credit facility based on proceeds from specified dispositions, proceeds from the issuance of equity instruments or based on excess operating cash flows as defined. During 2013, excess cash flows of $118 were used to repay a portion of the term facility.

Advances outstanding under the Amended Senior Credit Facility at September 30, 2013 total $90,637 with $60,000 of this amount as a revolving facility and the balance as a term facility. The full amount of the revolving facility was drawn at September 30, 2013.

DEBENTURES

The aggregate principal amount of the Secured Debentures is $176,228 and 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. The Secured Debentures are listed on the Toronto Stock Exchange ("TSX"). Tuckamore has the option to repurchase any or all Secured Debentures outstanding at any time and Tuckamore also 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, assuming Tuckamore has cash available and subject to any restrictions in the senior credit facility. 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. 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 Senior Credit Facility or certain debt incurred in the future by Tuckamore's subsidiaries.

The aggregate principal amount of the Unsecured Debentures is $26,552 and the maturity date is March 23, 2014 (the "Unsecured Debenture Maturity Date"). Interest will accrue 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. The Unsecured Debentures are listed on the TSX.

Tuckamore will repay the principal amount of the Unsecured Debentures on the Unsecured Debenture Maturity Date either in cash or by delivering common shares of Tuckamore 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 fully diluted common shares of Tuckamore on the repayment date. In certain circumstances Tuckamore's ability to settle the obligation through the issuance of shares will not be available. The Unsecured Debentures mature on March 23, 2014 and as such they have been reclassified as a current liability on the consolidated interim balance sheet.

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 available cash flow.

The Operating Partnerships will primarily continue to be self-funding, and as required Tuckamore will continue to provide working capital advances, largely to its industrial services investments. Increasing working capital needs at ClearStream reflect the significant growth of the business.

WORKING CAPITAL

	September 30, 2013	December 31, 2012
Current assets	$ 208,910	$ 199,934
Current liabilities	100,848	80,928
Working capital - excluding discontinued operations	108,062	119,006
Total working capital	$ 108,062	$ 119,006

CAPITAL EXPENDITURES

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

Nine months ended September 30, 2013	Marketing	ClearStream	Quantum	Other	Total
Capital expenditures	$ 119	$ 2,692	$ 802	$ -	$ 3,613
Finance lease repayments	72	3,302	1,374	-	$ 4,748
Total capital expenditures	$ 191	$ 5,994	$ 2,176	$ -	$ 8,361

Nine months ended September 30, 2012	Marketing	ClearStream	Quantum	Other	Total
Capital expenditures	$ 114	$ 2,031	$ 761	$ -	$ 2,906
Finance lease repayments	124	2,232	1,837	-	$ 4,193
Total capital expenditures	$ 238	$ 4,263	$ 2,598	$ -	$ 7,099

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, 2012 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 $61,127 at September 30, 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 $51,735 at September 30, 2013 (December 31, 2012 - $61,464).

Deferred Taxes

Tuckamore has computed deferred income taxes based on temporary differences that are expected to reverse after September 30, 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 September 30, 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 25.7%.

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

ADDITIONAL INFORMATION

NEW STANDARDS AND INTERPRETATIONS THAT HAVE BEEN ADOPTED

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2012, except for the adoption of new standards and interpretations effective as of January 1, 2013.

The Company applies, for the first time, certain standards and amendments that require restatement of previous financial statements. These include IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 13 *Fair Value Measurement*. As required by IAS 34, the nature and effect of these changes are disclosed below. In addition, the application of IFRS 12 *Disclosures of Interest in Other Entities* would result in additional disclosures in the annual consolidated financial statements.

Several other new standards and amendments apply for the first time in 2013. However, they do not impact the annual or interim consolidated financial statements of the Company.

The nature and the impact of each new standard/amendment is described below:

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, all 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 and IC Group with the equity method of accounting. The effect of IFRS 11 is described in more detail in notes 1 and 6 to the consolidated interim financial statements, which includes a quantification of the effect on the financial statements.

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 require 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.

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

	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4
Revenues	$ 188,230	$179,508	$145,365	$ 185,280	$ 174,250	$ 176,829	$ 157,103	$ 171,106
Net loss from continuing operations	(2,572)	(2,050)	(5,902)	(9,758)	(4,331)	(5,552)	(7,140)	(8,745)
Net loss	(2,572)	(2,050)	(5,902)	(9,758)	(4,331)	(3,614)	(7,116)	(9,625)
Loss per unit from continuing operations	(0.04)	(0.03)	(0.08)	(0.13)	(0.06)	(0.08)	(0.10)	(0.12)
Loss per unit	(0.04)	(0.03)	(0.08)	(0.13)	(0.06)	(0.05)	(0.10)	(0.13)

CONTINGENCIES

LAWSUITS

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 the ultimate resolution of these matters will not have a material effect on Tuckamore’s consolidated financial statements.

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.

TRANSACTIONS WITH RELATED PARTIES

OWNERSHIP

As of September 30, 2013 directors, officers and employees, and operating partners related to Tuckamore beneficially hold an aggregate of 18,599,812 units or 21.67% on a fully diluted basis.

TRANSACTIONS

Income from long-term investments is net of $230 and $690 of rent expense paid to a company owned by the minority shareholder of Gusgo for the three and nine months ended September 30, 2013 (2012 - $230 and $690). Tuckamore shares space and services with a business which employs two of its directors, and paid $66 and $227 for the three and nine months ended September 30, 2013 (2012 - $87 and $261) for such services. Interest charged to joint venture Operating Partners on advances was $189 and $556 for the three and nine months ended September 30, 2013 (2012 - $185 and $557). One of Tuckamore's former board members is a member of the executive team for a client of Gemma. Revenues in the amount of $2,428 and $7,375 were realized from this client during the period in which this particular board member served on Tuckamore's board for the three and nine months ended September 30, 2013 (2012 - $2,806 and $8,344). 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 the period in which this particular board member served Tuckamore's board for the three and nine months ended September 30, 2013 amounted to approximately $319 and $796 (2012 - $975 and $1,962), respectively.

FOURTH QUARTER OUTLOOK

ClearStream is anticipating a better outlook for its higher margin wear and fabrications divisions, both of which have healthy work backlogs. It is expected that conventional oil and gas maintenance services will perform a little better with new client revenues being somewhat offset by lower than forecast volumes at other client sites. Oilsands maintenance services will be mixed with core maintenance programs continuing but with a lower number of special projects. The transportation division has had a transitional year with the development of a much expanded pipe logistics yard and it is looking to capitalize on new business opportunities with its expanded capacity. The outlook on the near term growth prospects of the Canadian oil industry remains mixed with several macroeconomic factors such as commodity pricing and pipeline access impacting current views.

Quantum Murray's outlook is less favourable as it reflects the start of the slower season for the business. There is a seasonal aspect to Quantum Murray's business as winter weather becomes a factor in scheduling demolition and remediation work. While both the demolition and remediation backlogs are improving, the larger projects in both divisions do not commence until 2014. Focus continues on business development and margin improvement, and management continues to implement strategic and tactical changes to reduce general and administrative expenses

In the Marketing segment, the outlook continues to be mixed. At Gemma, unplanned hour reductions from a key client and the timing of a client's expansion will impact the final quarter revenues. The loss of a large customer from IC Group will continue to negatively impact IC Group's results, however much of the shortfall will be made up by a new client that has been secured. Management has also increased its sales efforts at the insurance division of IC Group.

In the Other segment, results are expected to be improved at Titan as the fourth quarter is typically busy with weather related sales including ground engaging tools. In addition, Titan is leveraging its relationship with ClearStream to ensure it is well placed to assist that business. Gusgo's results in fourth quarter will depend on its clients' ability to manage production issues and return to more drop shipments, which will result in lower costs.

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

There are no updates to Tuckamore's Risk Factors. For further discussion, refer to Tuckamore's MD&A or the AIF dated March 22, 2013 for the year ended December 31, 2012.

DISCLOSURE CONTROLS & PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

DISCLOSURE CONTROLS AND PROCEDURES

Multilateral Instrument 52-109, "Certification of Disclosure in Issuers' Annual and Interim Filings", 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, 2012 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 quarter ended September 30, 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

Multi-lateral Instrument 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 quarter ended September 30, 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;

"BMO" – means Bank of Montreal;

"CEO" – means Chief Executive Officer;

"CFO" – means Chief Financial Officer;

"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;

"TSX" – means Toronto Stock Exchange

"Tuckamore" – means Tuckamore Capital Management Inc.