TUCKAMORE CAPITAL MANAGEMENT INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTER ENDED SEPTEMBER 30, 2014

DEAR SHAREHOLDERS

The financial performance of Tuckamore in the third quarter of 2014 was solid although not as strong as the same quarter of last year. Last year's third quarter benefited from higher margins in the Wear and Fabrication divisions of ClearStream, and from the completion of profitable Remediation projects at Quantum Murray.

ClearStream's results in the third quarter of 2014 reflect revenues up from a year ago with increases in the Wear technology, Fabrication and Conventional and Oilsands maintenance divisions. ClearStream continues to see demand and backlog for its pipe-coating wear product, and is operating at close to capacity in its Fabrication division. Oilsands maintenance revenues were back to seasonal levels following lower revenues in the previous quarter due to certain clients' temporarily reduced production capacity.

Quantum Murray's results in the third quarter reflect similar revenue levels to a year ago, but at lower gross margins. The project backlog has more than doubled from a year ago, but the activity from newer projects was less than expected in the third quarter due to delayed starts. Projects that did commence in the quarter were lower margin Remediation projects. The Demolition division continues to win and execute well on smaller projects, yet lower scrap metal volumes continue to negatively impact the Metals division.

In the balance of the portfolio, Gusgo's results are improved from a year ago due to increased client activity and better contract pricing. Reductions in call centre revenues from several clients continue to impact Gemma this year. This quarter was also impacted by organizational change costs. Gemma has enjoyed some recent successes from its business development efforts which will benefit future quarters. IC Group has continued to experience revenue reduction as clients marketing programs have been delayed or internalized. Titan is continuing its transition, and is re-aligning its sales force to better address customer needs.

During the second quarter, the Company announced that it had entered into an arrangement agreement (the "Arrangement Agreement") pursuant to which certain members of Tuckamore's senior management, along with the support of certain funds managed by Birch Hill Equity Partners, had agreed to indirectly acquire all of the issued and outstanding common shares of the Company (not already owned by senior management) for cash consideration at a price of $0.75 per share (the "Arrangement"). On July 11, 2014, the Company announced that it had adjourned the special meeting of shareholders called to consider the Arrangement to allow the Company additional time to consult with shareholders. On July 25, 2014, the Company announced that the Arrangement Agreement had been terminated and that the special meeting of shareholders had been cancelled.

On August 1, 2014 the Company announced that it had closed a transaction with Orange Capital Master l, Ltd. ("Orange Capital"), to sell $13,333 of common shares of the Company to Orange Capital for a price of $0.80 per share resulting in the issuance of 16,666,667 shares (the "Private Placement"). The Company used the net proceeds from the Private Placement to reduce outstanding indebtedness under its senior credit agreement. In conjunction with the Private Placement and repayment of debt from net proceeds, the Company obtained approval from the lenders under its senior credit facilities to extend the maturity date thereunder from March 9, 2015 to December 31, 2015.

Also, options were exercised by management resulting in the issue of 13,150,000 common shares. Proceeds of $4,986 were used to reduce indebtedness under its senior credit agreement.

During July and early August, Access Holdings Management Company LLC ("Access") made repeated submissions to the TSX and OSC to consider a temporary cease trade order in respect of the Private Placement. On August 11, 2014 the Company announced that it had reached an agreement with Access and First Series of Halcyon Trading Fund LLC (collectively, the "Consortium") whereby Access agreed to withdraw all proceedings. As part of the agreement, the Consortium agreed to certain restrictions on participating in dissident proxy solicitation or take-over bids until May 31, 2016 and to limit its acquisitions of Tuckamore shares until September 30, 2015. Tuckamore agreed to reimburse certain legal and professional expenses incurred by the Consortium.

Tuckamore is in full compliance with all debt covenants. The improved financial ratios at the end of the second quarter resulted in a reduction of a half per cent on the senior facility for the third quarter. Financial constraints in our credit facilities and access to working capital remain challenging as we look to grow our businesses. This will continue and will become more pronounced if increased work volumes at Quantum Murray coincide with peak volumes at ClearStream. Additional borrowing is not possible, and cash management to allow growth continues to be a very high priority for Tuckamore. The Company is focused on refinancing its debt in order to gain greater operational flexibility, and an internal task force is active in this process.

At the Annual General Meeting held on September 16, 2014 three new directors were nominated to the Board. I would like to welcome Ms. Peggy Mulligan, Mr. Sean McMaster and Mr. Jason Cho to the Board. I would also like to take this opportunity to express my thanks and gratitude to both Mr. Mark Kinney and Dr. Cal Bricker for their considerable contributions to Tuckamore.

Thank you for your continued support.

Dean T. MacDonald

MANAGEMENT’S DISCUSSION AND ANALYSIS

NOVEMBER 12, 2014

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, 2014 and 2013. This MD&A should be read in conjunction with Tuckamore’s audited consolidated annual financial statements for the years ended December 31, 2013 and 2012.

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 12, 2014 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 33**,** and references to "we", "us", "our" or similar terms, refer to Tuckamore Capital Management Inc., 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 "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 (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, income taxes and distributions. Tuckamore has provided a reconciliation of net income (loss) to EBITDA in its MD&A.

Adjusted EBITDA refers to EBITDA excluding interest, taxes, depreciation and amortization of long-term investments, write-down of goodwill and intangibles and transaction costs. 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 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 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%

CORPORATE DEVELOPMENTS

On May 5, 2014 the Company announced that it had entered into an arrangement agreement (the "Arrangement Agreement") pursuant to which certain members of Tuckamore's senior management, along with the support of certain funds managed by Birch Hill Equity Partners, had agreed to indirectly acquire all of the issued and outstanding common shares of the Company (not already owned by senior management) for cash consideration of $0.75 per share. On July 11, 2014 the Company announced that it had adjourned the special meeting of shareholders called to consider the Arrangement Agreement, to allow the Company additional time to consult with shareholders. On July 25, 2014, the Company announced that the Arrangement Agreement had been terminated and that the special meeting of shareholders had been cancelled.

The Company also announced on July 25, 2014 that it had entered into a subscription agreement with Orange Capital Master l, Ltd. ("Orange Capital"), to sell $12,500 of common shares of the Company to Orange Capital for a price not lower than $0.75 per share resulting in the issuance of no more than 16,666,667 shares (the "Private Placement").

The Private Placement was the result of a process implemented by the board of directors (the "Board") with a view to refinancing its capital structure. On July 10, 2014 the Board formed a special committee of independent directors tasked with considering and providing the Board with advice and recommendations relating to certain strategic matters, including any potential financing or refinancing or restructuring of the Company's outstanding debt. Following a review of the financing alternatives available and the Company's need to obtain an extension of the maturity date of its Senior indebtedness, the Special Committee recommended that the Board proceed with the Private Placement with Orange Capital. In making this decision, the Special Committee carefully considered feedback received from the Company's shareholders that the Company: (a) remain independent, (b) raise equity capital to stabilize Tuckamore's capital structure while minimizing shareholder dilution, and (c) add a strategic capital partner that brings industry, financial and governance expertise. The Board concluded that the Private Placement was in the best interests of the Company and that raising $12,500 of additional equity with pricing of not lower than $0.75 per share strengthened Tuckamore's capital structure and enabled the Company to seek and receive an extension of the maturity of the senior secured credit facility from March 9, 2015 to December 31, 2015.

On August 1, 2014, following repeated submissions by Access Holdings Management Company LLC ("Access") opposing the Private Placement transaction, the Toronto Stock Exchange ("TSX") confirmed its conditional approval of the Private Placement. Access indicated its intention to appeal the decision of the TSX, and on August 1, 2014 commenced an application before the Ontario Securities Commission (the "OSC") to consider a temporary cease trade order in respect of the Private Placement. The OSC dismissed this application on the basis that Tuckamore's counsel undertook that the company would effect an unwind of the Private Placement in the circumstance where Access actually appealed the TSX decision and was successful on such appeal.

On August 1, 2014, and in accordance with the decision of the OSC, Tuckamore completed the Private Placement at a price of $0.80 per share for total gross proceeds of $13,333. The Company used the net proceeds from the Private Placement to reduce outstanding senior indebtedness under its senior credit agreement.

In conjunction with the completion of the Private Placement and the repayment of indebtedness with the net proceeds, Tuckamore obtained approval from the lenders under its senior secured credit facilities to extend the maturity date thereunder from March 9, 2015 to December 31, 2015.

During the nine months ended September 30, 2014 options were exercised by management resulting in the issue of 13,150,000 common shares. Proceeds of $4,986 were used to reduce outstanding senior indebtedness under its senior credit agreement.

On August 11, 2014 the Company announced that it had reached an agreement with Access and First Series of Halcyon Trading Fund LLC (collectively, the "Consortium") whereby Access agreed to withdraw all proceedings before the Ontario Securities Commission and the Ontario Superior Court clearing the way for Tuckamore to proceed with its annual general meeting on September 16, 2014 (the "AGM"). As part of the agreement, the Consortium agreed to certain restrictions on participating in dissident proxy solicitation or take-over bids until May 31, 2016 and to limit its acquisitions of Tuckamore shares until September 30, 2015. Tuckamore agreed to reimburse certain legal and professional expenses incurred by the Consortium.

The Company also undertook a Board-initiated governance renewal process and retained the services of Tom Long Consulting Inc., to assist the Compensation and Corporate Governance Committee in identifying new independent director candidates who could bring complementary skills and experience to the Board. The Consortium expressed its support for Board renewal at Tuckamore and believed the addition of new independent board members would create an opportunity to realize the Company's underlying value for the benefit of all shareholders. The resolution between the Consortium and the Company has allowed the Company to refocus its energies on running its businesses and enhancing shareholder value.

The result of retaining the services of an independent consulting firm was the selection and nomination as directors of Ms. Peggy Mulligan and Mr. Sean McMaster. Orange Capital, as part of its rights under the recently completed private placement with Tuckamore also nominated Mr. Jason Cho as a director. Each of Ms. Mulligan, Mr. McMaster and Mr. Cho were elected as directors of Tuckamore's Board at the Company’s AGM on September 16, 2014. At the AGM, incumbent directors Mr. Mark Kinney and Dr. Cal Bricker did not stand for re-election.

THIRD QUARTER PERFORMANCE

SUMMARY RESULTS ($000s)

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013 Restated[1]	2014	2013 Restated[1]
Revenues	$ 195,921	$ 185,893	$ 540,976	$ 506,086
Cost of revenues	(157,474)	(143,756)	(427,186)	(400,099)
Gross profit	38,447	42,137	113,790	105,987
Selling, general and administrative expenses	(24,924)	(26,010)	(74,297)	(73,250)
Amortization expense	(1,769)	(1,646)	(5,208)	(7,050)
Depreciation expense	(3,517)	(4,126)	(10,199)	(11,887)
Income from long-term investments	586	1,338	2,732	4,066
Interest expense	(6,501)	(8,693)	(21,363)	(25,292)
Transaction costs	(6,351)	-	(9,057)	-
Write-down of goodwill and intangibles	-	(5,713)	-	(5,713)
Income tax recovery (expense) - current	65	7	63	(101)
Income tax recovery - deferred	989	134	3,361	2,716
Net loss	$ (2,975)	$ (2,572)	$ (178)	$ (10,524)
Add:				
Amortization	1,769	1,646	5,208	7,050
Depreciation	3,517	4,126	10,199	11,887
Interest expense	6,501	8,693	21,363	25,292
Income tax (recovery) expense - current	(65)	(7)	(63)	101
Income tax recovery - deferred	(989)	(134)	(3,361)	(2,716)
EBITDA	$ 7,758	$ 11,752	$ 33,168	$ 31,090
Interest, taxes, depreciation and amortization of long-term invesments	$ 230	172	612	615
Write-down of goodwill and intangibles	$ -	5,713	-	5,713
Transaction costs	6,351	-	9,057	-
Adjusted EBITDA	$ 14,339	$ 17,637	$ 42,837	$ 37,418

Selected Balance Sheet Accounts	September 30, 2014	December 31, 2013
Total assets	$ 426,154	$ 402,524
Senior credit facility	67,234	89,835
Secured debentures	165,030	159,700
Unsecured debentures	-	24,819
Shareholders' equity	76,900	36,040

[1] Please refer to Note 11 – "Comparative figures" in Tuckamore's September 30, 2014 consolidated financial statements for more information.

THIRD QUARTER 2014 RESULTS

Tuckamore's operations from its portfolio investments are reported in its three operating segments: Marketing, Industrial Services and Other.

Revenues for the three and nine months ended September 30, 2014 were $195,921 and $540,976 compared to $185,893 and $506,086 during the same periods in the prior year. This represents increases of 5.4% and 6.9%, respectively. The increase in revenues was primarily at ClearStream. Revenues were up from the same periods in the prior year at the Wear, Fabrication and Conventional and Oilsands maintenance divisions. Oilsands maintenance revenues were back to seasonal levels following temporarily reduced production capacity at a major client in the second quarter of 2014.

Gross profit for the three and nine months ended September 30, 2014 was $38,447 and $113,790 compared to $42,137 and $105,987 during the same periods in the prior year. This represents a decrease of 8.8% and an increase of 7.4%, respectively. Gross margins were 19.6% and 21.0% for the three and nine months ended September 30, 2014 compared to 22.7% and 20.9% during the same periods in the prior year. The decreases in gross margin and gross margin percentage for the three months ended September 30, 2014 are reflective of a return to more typical margins in the Wear and Fabrication divisions at ClearStream. In recent quarters, the Wear and Fabrication divisions have benefitted from above average margins. The Wear and Fabrication divisions have been operating close to their capacity thus far in 2014.

For the three and nine months ended September 30, 2014, Tuckamore's three operating segments produced $15,476 and $45,928 of Adjusted EBITDA for Tuckamore compared to $20,208 and $42,470 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, 2014 were $1,137 and $3,091 compared to $2,571 and $5,052 during the same periods in the prior year. Additionally, transaction costs of $6,351 and $9,057 were incurred for the three and nine months ended September 30, 2014, respectively. A majority of the transaction costs are associated with the previously proposed, but unsuccessful, acquisition of all of the shares of the Company.

Non-cash items that impacted the results were depreciation and amortization and deferred income taxes. Depreciation and amortization was $5,286 and $15,407 for three and nine months ended September 30, 2014, compared to $5,772 and $18,937 during the same periods in the prior year.

For the three and nine months ended September 30, 2014, interest costs were $6,501 and $21,363, compared to $8,693 and $25,292 in the prior year. Non-cash interest expense was $7,063 for the nine months ended September 30, 2014 compared to $9,469 in the prior year period. Non-cash interest is 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. The decrease in non-cash interest is a direct result of the settlement of the Unsecured Debentures on March 24, 2014. During the nine months ended September 30, 2014, the operating segments had capital expenditures and finance lease payments of $11,099 compared to $8,773 during the nine months ended September 30, 2013. The majority of these expenditures were incurred in the Industrial Services segment.

Net loss for the three and nine months ended September 30, 2014 was $2,975 and $178 compared to a net loss of $2,572 and $10,524 during the same periods of the prior year.

Adjusted EBITDA $000s	Q3 2014	Q3 2013	2014 vs. 2013
Marketing			
Gemma	(653)	164	(817)
IC Group	117	196	(79)
	$ (536)	$ 360	$ (896)
Industrial Services			
ClearStream	14,373	15,481	(1,108)
Quantum Murray	995	3,260	(2,265)
	$ 15,368	$ 18,741	$ (3,373)
Other			
Gusgo	909	542	367
Titan	(265)	565	(830)
	$ 644	$ 1,107	$ (463)
Adjusted EBITDA from portfolio operations	$ 15,476	$ 20,208	$ (4,732)
Corporate	(1,137)	(2,571)	1,434
Adjusted EBITDA from operations	$ 14,339	$ 17,637	$ (3,298)

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 a reduction in business volumes and program delays with certain clients.

IC Group results in the current quarter were lower when compared to the same period in the prior year. Clients continue to postpone projects and internalize some of their marketing functions, resulting in decreased business volumes for IC Group.

INDUSTRIAL SERVICES

ClearStream's results for the quarter ended September 30, 2014 were lower in comparison to the same period in the prior year. The results are reflective of changes in market conditions, where margins from the Wear and Fabrication divisions have returned to normalized levels after experiencing a period of above average margins for their products and services in late 2013 and early 2014.

Quantum Murray's results in 2014 reflect similar revenue levels to the same quarter in the prior year, albeit with reduced margins. Lower margin remediation projects accounted for a larger portion of the revenues in the third quarter of 2014 in comparison to the same period in the prior year.

OTHER

Gusgo's results in the third quarter of 2014 were higher than the same period a year ago. Improved results are primarily due to increased client activity and improvement in cost recovery from clients.

Titan's results in the third quarter of 2014 were lower than the same quarter in the prior year. This is due to increased competition in the market place as well as costs associated with transitional changes within the organization. Titan is continuing its transition, and is re-aligning its sales force to better address customer needs.

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 ventures 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,	
	2014	2013	2014	2013
Revenues	$ 5,625	$ 7,370	$ 18,988	$ 23,583
Cost of revenues	(3,738)	(4,707)	(12,108)	(15,077)
Gross profit	1,887	2,663	6,880	8,506
Selling, general and administrative expenses	(2,423)	(2,303)	(8,545)	(7,403)
Amortization expense	-	274	-	(1,290)
Depreciation expense	(162)	(145)	(383)	(384)
Interest expense	(30)	(17)	(57)	(41)
Write-down of goodwill and intangible assets	-	(5,713)	-	(5,713)
Income tax (expense) recovery - deferred	(3)	797	(2)	1,226
Loss for the period	$ (731)	$ (4,444)	$ (2,107)	$ (5,099)
Add:				
Amortization	-	(274)	-	1,290
Depreciation	162	145	383	384
Interest expense	30	17	57	41
Income tax expense (recovery) - deferred	3	(797)	2	(1,226)
EBITDA	$ (536)	$ (5,353)	$ (1,665)	$ (4,610)
Write-down of goodwill and intangible assets	$ -	$ 5,713	$ -	$ 5,713
Adjusted EBITDA	$ (536)	$ 360	$ (1,665)	$ 1,103

(I) REVENUES

Revenues for the Marketing segment were $5,625 and $18,988 for the three and nine month period ended September 30, 2014, a decrease of 23.7% and 19.5% decrease over comparative 2013 revenues of $7,370 and $23,583.

Gemma's revenue decreased due to the reduction in business volumes from a significant customer. Management is continuing to place a significant emphasis on business development while carefully managing relationships with existing clients.

At IC Group clients in the financial services and food and beverage industry have postponed some projects and internalized other projects, resulting in decreased business volumes for the company.

(II) GROSS PROFIT

Gross profit for the Marketing segment was $1,887 and $6,880 and gross margin percentages were 33.5% and 36.2% for the three and nine months ended September 30, 2014. For the comparative periods ended September 30, 2013, gross profit was $2,663 and $8,506 and the gross profit margins was 36.1% for both comparative periods. While Gemma's gross margin has been negatively impacted, IC Group's margins have improved over last year as management has focused on operational efficiencies and cost reductions as business volumes have declined.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $2,423 and $8,545 for the three and nine month period ended September 30, 2014 compared to $2,303 and $7,403 in 2013. These expenses as a percentage of revenues were 43.1% and 45.0% in 2014 compared to 31.2% and 31.4% during the same periods in 2013. The increase in SG&A is directly attributed to one-time, non-recurring costs of approximately $1,900 incurred at Gemma during 2014. These costs were incurred to reduce overhead and make improvements to the sales and business development teams.

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 ventures 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)

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Revenues	$ 193,708	$ 183,256	$ 534,717	$ 497,702
Cost of revenues	(155,982)	(142,389)	(423,945)	(395,382)
Gross profit	37,726	40,867	110,772	102,320
Selling, general and administrative expenses	(22,358)	(22,126)	(65,958)	(64,361)
Amortization expense	(1,745)	(1,908)	(5,192)	(5,725)
Depreciation expense	(3,426)	(4,056)	(10,080)	(11,425)
Interest expense	(2,723)	(2,998)	(7,985)	(8,973)
Income tax recovery (expense) - current	57	8	29	(91)
Income tax (expense) recovery - deferred	(514)	43	945	989
Income for the period	$ 7,017	$ 9,830	$ 22,531	$ 12,734
Add:	-	-	-	-
Amortization	1,745	1,908	5,192	5,725
Depreciation	3,426	4,056	10,080	11,425
Interest expense	2,723	2,998	7,985	8,973
Income tax (recovery) expense - current	(57)	(8)	(29)	91
Income tax expense (recovery) - deferred	514	(43)	(945)	(989)
EBITDA	$ 15,368	$ 18,741	$ 44,814	$ 37,959

	Three months ended September 30,				Nine months ended September 30,			
	ClearStream		Quantum Murray		ClearStream		Quantum Murray	
	2014	2013	2014	2013	2014	2013	2014	2013
Revenues	$ 145,999	$ 136,054	$ 47,709	$ 47,202	$ 418,371	$ 391,051	$ 116,346	$106,651
Cost of revenues	(116,819)	(105,419)	(39,163)	(36,970)	(332,284)	(309,930)	(91,661)	(85,452)
Gross profit	29,180	30,635	8,546	10,232	86,087	81,121	24,685	21,199
Selling, general and administrative expenses	(14,807)	(15,154)	(7,551)	(6,972)	(43,860)	(44,009)	(22,098)	(20,352)
Amortization expense	(1,426)	(1,462)	(319)	(446)	(4,263)	(4,387)	(929)	(1,338)
Depreciation expense	(2,288)	(2,562)	(1,138)	(1,494)	(6,689)	(6,918)	(3,391)	(4,507)
Interest expense	(2,537)	(2,894)	(186)	(104)	(7,572)	(8,743)	(413)	(230)
Income tax recovery (expense) - current	57	8	-	-	29	(91)	-	-
Income tax recovery (expense) - deferred	157	395	(671)	(352)	199	1,306	746	(317)
Income (loss) for the period	$ 8,336	$ 8,966	$ (1,319)	$ 864	$ 23,931	$ 18,279	$ (1,400)	$ (5,545)
Add:								
Amortization	1,426	1,462	319	446	4,263	4,387	929	1,338
Depreciation	2,288	2,562	1,138	1,494	6,689	6,918	3,391	4,507
Interest expense	2,537	2,894	186	104	7,572	8,743	413	230
Income tax (recovery) expense - current	(57)	(8)	-	-	(29)	91	-	-
Income tax (recovery) expense - deferred	(157)	(395)	671	352	(199)	(1,306)	(746)	317
EBITDA	$ 14,373	$ 15,481	$ 995	$ 3,260	$ 42,227	$ 37,112	$ 2,587	$ 847

(I) REVENUES

At ClearStream, revenues for the three and nine months ended September 30, 2014 increased by $9,945 and $27,320 compared to the same periods in the prior year. Revenues were higher in the quarter due to increased business volumes from the Conventional and Oilsands maintenance divisions. The Conventional maintenance division benefitted from a new large client in North East British Columbia and two major ongoing projects. The Oilsands division experienced an increase in business volume from an existing customer in comparison to the same period in the prior year. In addition to the factors identified above, revenues for the nine months ended September 30, 2014 increased due increased business volumes from the Wear and Fabrication divisions in the first two quarters of 2014 in comparison to the same periods in the prior year.

At Quantum Murray, revenues for the three and nine months ended September 30, 2014 increased by $507 and $9,695, respectively. Revenues at Quantum Murray for the three and nine months ended September 30, 2014 have improved as a result of higher revenue backlog. Management is continuing its focus on growing the backlog to ensure that revenue growth at Quantum Murray continues to be positive.

(II) GROSS PROFIT

Gross profit was $37,726 and $110,772 for the three and nine months ended September 30, 2014 compared with $40,867 and $102,320 for the same periods in 2013. Gross profit margins for the three and nine months ended September 30, 2014 were 19.5% and 20.7%, compared to 22.3% and 20.6% for the same periods in 2013.

ClearStream's gross profit for the three and nine months ended September 30, 2014 decreased by $1,455 and increased by $4,966, respectively. The decrease in gross profit at ClearStream during the quarter ended September 30, 2014 is primarily related to a return to more typical margins for the products and services offered by the Wear and Fabrication divisions. During late 2013 and early 2014, these divisions benefitted from above-average margins. Gross margins for the nine months ended September 30, 2014 primarily improved on increased business volumes from the Wear, Fabrication and Conventional and Oilsands maintenance divisions in comparison to the same period in the prior year.

Quantum Murray's gross profit for the three and nine months ended September 30, 2014 decreased by $1,686 and increased $3,486, respectively. Quantum Murray's gross profit for the quarter ended September 30, 2014 decreased in comparison to the same period during the prior period due to the fact that Quantum Murray had an increase in lower margin remediation work. The third quarter of 2013 benefitted from the completion of higher margin projects. Gross margin for the nine months ended September 30, 2014 were higher than the same period in the prior year due to the fact that Quantum Murray's results in 2013 were impacted by high completion costs on a number of legacy projects in the Demolition division.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $22,358 and $65,958 for the three and nine months ended September 30, 2014 compared to $22,126 and $64,361 during the comparative periods of 2013. Selling, general and administrative expenses as a percentage of revenues were 11.5% and 12.3% for the three and nine month periods ended September 30, 2014 compared to 12.1% and 12.9% for the same periods in the prior year.

ClearStream's selling, general and administrative expenses for the three and nine months ended September 30, 2014 decreased by $347 and $149, respectively. ClearStream's selling, general and administrative expenses for

the nine months ended September 30, 2014 are largely in-line with the selling, general and administrative expenses recorded for the same period in the prior year. ClearStream experienced a slight increase in the selling, general and administrative expenses, reflecting the cost of servicing increased business volumes. These increases were netted out by a one-time, non-recurring refund of workmen's compensation board ("WCB") premiums under WCB Alberta's Surplus Distribution Program.

Quantum Murray's selling, general and administrative expenses for the three and nine months ended September 30, 2014 increased by $579 and $1,746. The increase in the selling, general and administrative expenses for both the three and nine months ended September 30, are primarily related to planned investments which have been required in the rebuilding of Quantum Murray's business. Quantum Murray now has a vastly improved organizational structure and information systems which will help support business growth.

(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 ventures 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,	
	2014	2013	2014	2013
Revenues	$ 10,118	$ 11,665	$ 33,203	$ 36,826
Cost of revenues	(6,487)	(7,917)	(21,554)	(25,130)
Gross profit	$ 3,631	$ 3,748	$ 11,649	$ 11,696
Selling, general and administrative expenses	(2,987)	(2,641)	(8,870)	(8,288)
Depreciation expense	(137)	(115)	(375)	(353)
Interest expense	(178)	(180)	(534)	(531)
Income tax expense - deferred	(21)	11	(29)	(20)
Income for the period	$ 308	$ 823	$ 1,841	$ 2,504
Add:				
Depreciation	137	115	375	353
Interest expense	178	180	534	531
Income tax expense - deferred	21	(11)	29	20
EBITDA	$ 644	$ 1,107	$ 2,779	$ 3,408

(I) REVENUES

Revenues for the other segment were $10,118 and $33,203 for the three and nine months ended September 30, 2014, compared to $11,665 and $36,826 for the same periods in the prior year. This reflects a decrease of 13.3% and 9.8%, respectively.

Gusgo's increased business volumes with two larger clients and improved contract pricing have resulted in increased revenues over the previous year.

Titan's revenues for the three and nine month's ended September 30, 2014 were lower than in the same periods of the prior year due to a decline in the sale of wear and rigging products resulting from lower drilling activity and the temporary impact of a restructuring in Titan's sales group.

(II) GROSS PROFIT

Gross profit was $3,631 and $11,649 for the three and nine months ended September 30, 2014, compared with $3,748 and $11,696 for the same periods in 2013. Gross profit margins were 35.9% and 35.1% the three and nine months ended September 30, 2014, compared to 32.1% and 31.8% for the same periods in the prior year.

Gusgo's gross profit the third quarter of 2014 was consistent with the same periods in the prior year.

Gross margins for Titan were slightly higher than in the same quarter of 2013. All product categories contributed to the gross margin increase, which was facilitated by improvements in operational efficiencies and procurement.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $2,987 and $8,870 for the three and nine months ended September 30, 2014, compared with $2,641 and $8,288 for the same periods in 2013. These expenses as a percentage of revenues were 29.5% and 26.7% for the three and nine month periods ended September 30, 2014, compared to 22.6% and 22.5% for the same periods in the prior year. Increased staff levels and a rebranding exercise at Titan are the main factors for the increase in selling, general and administrative expenses. The revised company rebranding is expected to assist Titan in growing its market share and improved the company's brand recognition. Gusgo's selling, general and administrative costs were in line with the same period 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,		Nine months ended September 30,	
	2014	2013	2014	2013
General and administrative expenses	$ (1,137)	$ (2,571)	$ (3,091)	(5,052)
Amortization expense	(5)	(12)	(16)	(35)
Depreciation expense	(3)	(3)	128	(245)
Interest expense	(3,601)	(5,529)	(12,855)	(15,807)
Transaction costs	(6,351)	-	(9,057)	-
Income tax expense - current	-	(1)	-	(10)
Income tax recovery (expense) - deferred	1,527	(665)	2,447	486
Loss for the period	$ (9,570)	$ (8,781)	$ (22,444)	$ (20,663)
Add:				
Amortization expense	5	12	16	35
Depreciation expense	3	3	(128)	245
Interest expense	3,601	5,529	12,855	15,807
Income tax expense - current	-	1	-	10
Income tax (recovery) expense - deferred	(1,527)	665	(2,447)	(486)
EBITDA	$ (7,488)	$ (2,571)	$ (12,148)	$ (5,052)
Transaction costs	6,351	-	9,057	-
Adjusted EBITDA	$ (1,137)	$ (2,571)	$ (3,091)	$ (5,052)

(I) GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses were $1,137 and $3,091 for the three and nine months ended September 30, 2014, compared to $2,571 and $5,052 for comparative periods in 2013. The break-down of general and administrative expenses is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
Salaries and benefits	$ 971	$ 2,241	$ 2,892	$ 4,357
Stock-based compensation expense	-	-	-	170
Audit, accounting and tax	140	178	505	653
Other costs, net	26	152	(306)	(128)
General and administrative expenses	$ 1,137	$ 2,571	$ 3,091	$ 5,052

The overall decrease in expenses year over year for both the current quarter and year to date is attributed to a reduced head count at corporate head office, the run-off in costs related to the stock based compensation expense and a reduction in the audit and tax fees. The 2013 selling, general and administrative expenses reflects severance costs related to head office staff reductions.

(II) INTEREST EXPENSE

Interest expense for the three and nine months ended September 30, 2014 was $3,601 and $12,855, compared to $5,529 and $15,807 for the comparative periods in the prior year. Interest expense relates to the Senior Credit Facility and the Secured and Unsecured Debentures. On March 23, 2014 the Unsecured

Debentures matured and this resulted in the overall decrease in interest expense for both the three and nine months ended September 30, 2014.

(III) TRANSACTION COSTS

Since the first quarter of 2014, the Company has incurred transaction costs of $9,057. The costs were incurred on legal fees, financial advisory fees, proxy solicitation fees, public relation fees and expense reimbursement costs related to both the proposed, but unsuccessful, acquisition of all the shares of the Company, and to certain activities undertaken by a minority group of dissident shareholders.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW

The following table summarizes the major consolidated cash flow components:

Nine months ended September 30,		2014		2013
Cash (used in) provided by operating activities	$	(6,977)	$	9,557
Cash used in investing activities		(4,974)		(3,222)
Cash used in financing activities		(10,446)		(4,891)
Consolidated cash	$	6,486	$	11,993

CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES

The following table provides a break-down of cash from operating activities by cash used in operations and changes in non-cash balances:

Nine months ended September 30,		2014		2013
Cash provided by continuing operations	$	19,208	$	20,787
Changes in non-cash balances				
Accounts receivable		(45,464)		(5,475)
Inventories		(6,151)		(702)
Prepaids and other current assets		1,531		(1,329)
Accounts payable, accrued liabilities and deferred revenue		23,899		(3,724)
Decrease in cash due to changes in non-cash balances		(26,185)		(11,230)
Cash (used in) provided by operating activities	$	(6,977)	$	9,557

CASH USED IN INVESTING ACTIVITIES

For the nine months ended September 30, 2014, cash used in investing activities totaled $4,974 compared to $3,222 for the comparative period in 2013. See table below for further details.

Nine months ended September 30,		2014		2013
Purchase of property, plant and equipment, net of disposals		(5,040)		(3,613)
Net proceeds on disposal of properly, plant & equipment		447		729
Purchase of software		(381)		(283)
Increase in other assets		-		(55)
Cash used in investing activities	$	(4,974)	$	(3,222)

CASH USED IN FINANCING ACTIVITIES

For the nine months ended September 30, 2014, cash used in financing activities was $10,446 compared to $4,891 in the comparative period in the prior year.

Nine months ended September 30,		2014		2013
Repayment of long-term debt	$	(22,968)	$	(118)
Proceeds from issuance of common shares, net (note 3)		12,500		-
Proceeds from the exercise of options for common shares (note 3)		4,986		-
Increase in cash held in trust		-		(25)
Repayment of capital lease obligations		(4,964)		(4,748)
Cash used in financing activities	$	(10,446)	$	(4,891)

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 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. The maturity date of the senior credit facility is March 9, 2015. The 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.

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 were 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 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.

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. In March 2014, Tuckamore repaid $5,481 representing 75% of excess cash flow for the fourth quarter of 2013.

Advances outstanding under the Amended Senior Credit Facility at September 30, 2014 total $67,234 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, 2014

On August 1, 2014 Tuckamore issued 16,666,667 shares to Orange Capital Master l Ltd. ("Orange Capital") for $0.80 per share (the "Private Placement") received gross proceeds of $13,333. Net proceeds of $12,500 were used to reduce outstanding senior indebtedness under the Senior Credit Agreement. In conjunction with the Private Placement and repayment of debt from net proceeds, the Company obtained approval from the lenders under its Senior Secured Credit Facilities to extend the maturity date of the Senior Credit Facility from March 9, 2015 to December 31, 2015. The total cost of the amendment was 0.175% or $149.

During the nine months ended September 30, 2014, options were exercised by management, resulting in the issuance of 13,150,000 common shares. Proceeds of $4,986 were used to reduce outstanding senior indebtedness under the Company's Senior Credit Agreement.

At September 30, 2014 Tuckamore was in compliance with its debt covenants. The improved financial ratios at the end of the second quarter resulted in a reduction of a half percent on the Senior Credit Facility for the third quarter. 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.

DEBENTURES

On February 28, 2011, Tuckamore issued a management information circular to debenture holders which provided details of the proposed exchange of the existing convertible debentures (the "Exchange"). Under the proposed Exchange, the existing Debentures were to be mandatorily exchanged for second lien notes (the "Secured Debentures") and the unpaid accrued interest on the Debentures were to be exchanged for unsecured subordinated notes (the "Unsecured Debentures"). On March 18, 2011, the serial meetings of the debenture holders were held and at each meeting the debenture holders voted in favour of the Exchange transaction. As a result, the Secured Debentures and the Unsecured Debentures (the "New Debentures") were issued on March 23, 2011 pursuant to a new indenture agreement.

The Unsecured Debentures matured on March 23, 2014 (the "Unsecured Debenture Maturity Date"). Interest accrued on the principal amount of the Unsecured Debentures at a non-compounding rate of 3.624% per annum, and was paid in cash in the amount of $2,887 at the Unsecured Debenture Maturity Date.

On March 24, 2014, pursuant to a mandatory conversion upon maturity, the Company satisfied the total principal owing under the Unsecured Debentures in the amount of $26,552. The principal was settled by the issuance of 8,493,143 common shares of the Company.

The aggregate principal amount of the Secured Debentures is $176,228 which satisfied the principal amount of the Debentures and principal amount and interest outstanding on the Subordinated Revolving Credit Facility 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 option to repurchase any or all of the 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 Secured Debentures were listed on the Toronto Stock Exchange ("TSX") on the date of closing of March 23, 2011.

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 apart from ClearStream and Quantum Murray, and as required Tuckamore will continue to provide working capital advances.

WORKING CAPITAL

	September 30, 2014	December 31, 2013
Current assets	$ 227,586	$ 199,898
Current liabilities	99,462	105,196
Total working capital	$ 128,124	$ 94,702

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, 2014	Marketing	ClearStream	Quantum	Other	Eliminations	Total
Capital expenditures	$ 649	$ 2,338	$ 2,152	$ 758	$ (857)	$ 5,040
Finance lease repayments	22	3,900	1,042	238	(238)	$ 4,964
Total capital expenditures	$ 671	$ 6,238	$ 3,194	$ 996	$ (1,095)	$ 10,004

Nine months ended September 30, 2013	Marketing	ClearStream	Quantum	Other	Eliminations	Total
Capital expenditures	$ 206	$ 2,692	$ 802	$ 63	$ (150)	$ 3,613
Finance lease repayments	72	3,302	1,374	263	(263)	$ 4,748
Total capital expenditures	$ 278	$ 5,994	$ 2,176	$ 326	$ (413)	$ 8,361

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 September 30, 2014 (December 31, 2013 - $61,128).

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 $45,069 at September 30, 2014 (December 31, 2013 - $49,896).

DEFERRED TAXES

Tuckamore has computed deferred income taxes based on temporary differences that are expected to reverse after September 30, 2014. 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, 2014 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 26.1%.

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 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, 2013, except for the adoption of new standards and interpretations effective as of January 1, 2014.

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

Investment Entities (Amendments to IRFRS 10, IFRS 12 and IAS 27)

These amendments provide an exception to the consolidation requirement for the entities that meet the definition of an investment entity under IFRS 10 Consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact to the company, since none of the entities in the Company qualifies to be an investment entity under IFRS 10.

Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off" and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Company.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Company as the Company has not novated its derivatives during the current or prior periods.

International Financials Reporting Interpretations Committee 21, Levies – IFRIC 21

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact on the Company. IFRIC 21, Levies, is applicable to all levies imposed by governments under legislation, other than outflows that are within the scope of other standards (e.g. IAS 12, Income Taxes) and fines or other penalties for breach of legislation. The interpretation clarifies that an entity recognizes a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognized before the specified minimum threshold is reached. The interpretation requires these same principles to be applied in interim financial statements. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014 and is applied retrospectively. The adoption of this new interpretation did not result in any changes to the unaudited consolidated interim financial statements of the Company.

NEW STANDARDS AND INTERPRETATIONS THAT HAVE BEEN ADOPTED

A number of new standards, amendments to standards and interpretations were not yet effective as at January 1, 2014 and have not been applied in preparing these interim financial statements. Tuckamore's intention is to adopt the standards when they become effective.

The following is a brief summary of the new standards:

International Financial Reporting Standard 9, Financial Instruments – IFRS 9

IFRS 9, Financial Instruments, as issued in 2014, introduces new requirements for the classification and measurement of financial instruments, a new expected-loss impairment model that will require more timely recognition of expected credit losses and a substantially reformed model for hedge accounting, with enhanced disclosures about risk management activity. IFRS 9 also removes the volatility in profit or loss that was caused by changes in an entity's own credit risk for liabilities elected to be measured at fair value. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted. The Company has not yet begun the process of evaluating the impact of this standard on its unaudited consolidated interim financial statements.

International Financial Reporting Standard 15, Revenue from Contracts with Customers - IFRS 15

IFRS 15, Revenue from Contracts with Customers was issued in May 2014, which will replace IAS 11, Construction Contracts, IAS 18 Revenue Recognition, IFRIC 13, Customer Loyalty Programmes, IFRIC 15, Agreements for the Construction of Real Estate, IFRIC 18, Transfers of Assets from Customers, and Standard Interpretations Committee ("SIC") – 31, Revenue – Barter Transactions Involving Advertising Services. IFRS 15 provides a single, principles-based five-step model that will apply to all contracts with customers with limited exceptions. In addition to the five-step model, the standard specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The incremental costs of obtaining a contract must be recognized as an asset if the entity expects to recover these costs. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. IFRS 15 is required for annual periods beginning on or after January 1, 2017. Earlier adoption is permitted. The Company has not yet begun the process of evaluating the impact of this standard on its unaudited consolidated interim financial statements.

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

	2014 Q3	2014 Q2	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
Revenues	$ 195,921	$172,517	$172,538	$ 185,280	$ 174,250	$ 176,829	$ 157,103	$ 171,106
Net (loss) income	(2,975)	655	2,144	(6,857)	(2,572)	(2,050)	(5,903)	(10,502)
Net (loss) income per share - basic	(0.03)	0.01	0.03	(0.09)	(0.04)	(0.03)	(0.08)	(0.15)

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.

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. The company has also made a counterclaim.

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 attributable to a period prior to sale. The claim is being defended and management feels the claim is without merit.

The company has been advised by Brompton Corp. ("Brompton") that Brompton has received a letter (the "Proposal Letter") from Canada Revenue Agency (the "CRA") wherein the CRA proposes to deny the deduction to Brompton of certain non-capital losses and other tax attributes in respect to Brompton's 2009 to 2013 taxation years. Tuckamore Holdings LP, a wholly-owned subsidiary of the Company, held approximately 40% of the outstanding shares of Brompton during certain of these periods. Tuckamore Holdings LP sold its interest in Brompton in 2011.

The Company has been notified by Brompton that in the event Brompton is subject to taxes assessed by CRA or incurs losses or costs associated with the CRA's review, it will be seeking indemnification for approximately 40% of these taxes, losses or costs pursuant to agreements entered into by Tuckamore Holdings LP.

Brompton has not received any notice of reassessment from CRA to date and based on the Proposal Letter it estimates its total additional tax liability could be approximately $10,400 exclusive of penalties, interest, legal costs and other costs. Brompton notes in its announcement that it remains of the view that its tax filing position is appropriate and does not believe any additional assessment of income tax by CRA is warranted, that it intends to vigorously defend its position, and that legal proceedings through the relevant courts could take considerable time to resolve.

The Company is reviewing its agreements with Brompton and is considering its alternatives in respect of any potential claim for indemnification. The Company intends to follow and participate in the conduct of any negotiations, objections, appeals or other tax-related proceedings relating to the periods during which it was, /

indirectly, a shareholder of Brompton and to exercise all rights and remedies that it may have in respect of any claims brought by Brompton against Tuckamore Holdings LP for indemnification

TRANSACTIONS WITH RELATED PARTIES

OWNERSHIP

As of September 30, 2014 directors and officers of Tuckamore beneficially hold an aggregate of 16,574,437 shares and options or 15.06% 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 $1,418 (December 31, 2013 - $1,467) made to the Operating Partnerships, based on the percentage not owned by the Company.

Income from long-term investments includes $209 and $627 of rent expense paid to related parties of Gusgo for the three and nine months ended September 30, 2014 (2013 - $230 and $690). 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 one of the directors of Tuckamore, and paid $69 and $208 for three and nine months ended September 30, 2014 (2013 - $189 and $565).

Interest charged to joint venture Operating Partners on advances was $174 and $519 for the three and nine months ended September 30, 2014 (2013 - $189 and $556).

Two operating leases for property, with quarterly rents of $99 and $75 are with a landlord in which certain executives of Tuckamore hold an indirect minority interest (2013 - nil).

Loans made in prior years to current and former employees of Tuckamore were outstanding in the amount of $1,059 as at September 30, 2014. (December 31, 2013 - $1,309). 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.

FOURTH QUARTER OUTLOOK

At ClearStream there continues to be revenue softness particularly in its conventional oil and gas maintenance services division. ClearStream is closely monitoring its costs to limit the impact of lower revenues. ClearStream remains committed to its business development strategy and has recently added to its business development team. Business volumes remain high in both the Fabrication and Wear divisions. 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 the fourth quarter outlook will see further work on larger lower margin remediation projects, weather permitting and completion of more small and medium sized demolition projects. There is a healthy bid pipeline and Quantum Murray should be able to continue to grow its backlog. Management continues to fine tune its organizational infrastructure to improve margins.

In the Marketing segment, the fourth quarter outlook calls for mixed results. At Gemma, the new management team has been successful in some recent bids and remains active in bidding on new business. At IC Group, the core client base has reduced its project spending. Management is continuing its efforts to stabilize business volumes from its core client base while placing an increased focus on identifying and securing new clients.

In the Other segment, Titan expects an improved fourth quarter as it enters its busier season when typically winter ground engaging equipment sales are strong. Titan recently rebranded in an effort to improve the company's market recognition. Management has strengthened Titan's business development and sales team which should benefit future quarters. Gusgo is continuing to expect stable business volumes from its existing customer base and will continue to operate efficiently in order to maximize 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

There are no updates to Tuckamore's Risk Factors. For further discussion, refer to Tuckamore's MD&A or the AIF dated March 6, 2014 for the year ended December 31, 2013.

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, 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 quarter ended September 30, 2014 with securities regulators, including this MD&A and the accompanying unaudited consolidated interim 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, 2014 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;

"TH" – means Tuckamore Holdings LP, a limited partnership formed under the laws of Ontario;

"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.