TUCKAMORE CAPITAL MANAGEMENT INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTER ENDED JUNE 30, 2015

DEAR SHAREHOLDERS

The financial performance of Tuckamore in the second quarter of 2015 was weaker than the second quarter of last year. Low oil prices and the resulting economic conditions in Alberta have affected ClearStream's performance. New capital projects have been deferred or cancelled. Maintenance work volumes are improved from the first quarter, although revenues and margins have been affected by market conditions. The majority of client contracts were extended through price negotiations which took place during the first and second quarters. Gross margin reductions have been mitigated partially through overhead restructuring initiatives. These initiatives, which have resulted in some one-time costs, have included workforce reductions, branch office closures and rationalizations, and elimination of all discretionary expenditures.

Quantum Murray had a disappointing quarter. Although revenues were higher than last year's second quarter, the increase was driven by some larger remediation projects with lower gross margins. As previously reported, we recognize that this business should be more profitable given its revenue levels. With the assistance of external operational advisors, increased focus has been placed on the group's service delivery platform and cost structure, and management is working diligently to analyse the business, and to implement the necessary changes.

In the balance of the portfolio, Gusgo had another good quarter. Our transportation business is a top performer with excellent operational metrics. While progress on business development activities is encouraging at Gemma, the second half of the year will be impacted by the recent loss of a key client that has made the strategic decision to internalize all of its client touch functions. Titan is also being impacted by delays and deferrals in the Alberta marketplace, and continues to make cost rationalization progress.

Subsequent to the quarter end, Tuckamore disposed of its interest in IC Group. This promotional marketing business has struggled over the last year or more as clients took some marketing programs in-house. Net proceeds of $2.5 million were used to repay senior debt. At quarter end, Tuckamore was in compliance with all its debt covenants. During the quarter, management negotiated an amendment to the covenants in its senior facility, recognizing the impact of lower oil prices on ClearStream's business.

Management and its advisors are working diligently on refinancing options for its debt. Focus is on optimizing our capital structure so that we can provide our core businesses the best growth prospects through appropriate access to working capital.

Thank you for your continued support.

Dean T. MacDonald

Executive Chairman

Management's Discussion and Analysis

August 11, 2015

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" or the "Company") for the three and six months ended June 30, 2015 and 2014. This MD&A should be read in conjunction with Tuckamore's audited consolidated financial statements for the years ended December 31, 2014 and 2013.

All amounts in this MD&A are in Canadian dollars and expressed in thousands 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 August 11, 2015 and is current to that date unless otherwise indicated.

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

This MD&A makes reference to certain measures that are not defined in IFRS and contains forward-looking information. These measures do not have any standard meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. See "Non-Standard Measures" on page 4.

Capitalized terms are defined terms, their meaning is explained in the "Definitions" section located on page 35, and references to "we", "us", "our" or similar terms, refer to Tuckamore, unless the context otherwise requires.

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Forward-looking information

This MD&A contains certain forward-looking information. Certain information included in this MD&A may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. Forward-looking information may relate to management's future outlook and anticipated events or results and may include statements or information regarding the future plans or prospects of Tuckamore or the Operating Partnerships and reflects management's expectations and assumptions regarding the growth, results of operations, performance and business prospects and opportunities of Tuckamore and the Operating Partnerships. Without limitation, information regarding the future operating results and economic performance of Tuckamore and the Operating Partnerships constitute forward-looking information. Such forward-looking information reflects management's current beliefs and is based on information currently available to management of Tuckamore and the Operating Partnerships. Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information including risks related to investments, conditions of capital markets, economic conditions, commodity prices, 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 "Third Quarter 2015 Outlook" presented. Readers are cautioned that this information may not be appropriate for any other purpose.

Non-standard measures

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

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

Adjusted EBITDA refers to EBITDA excluding, gain on sale of investment, restructuring costs, transaction 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. Tuckamore has provided a reconciliation of income (loss) from continuing operations to Adjusted EBITDA in its MD&A.

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

INDUSTRY SEGMENTS

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

Operating Partner by Industry Segment	Business Description	Ownership Interest
Marketing		
Gemma	Integrated direct marketing company.	100%
IC Group[1]	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 and remediation services.	100%
Other		
Gusgo	Transportation and storage services provider.	80%
Titan	Manufacturer and distributor of rigging products and services, and ground engaging tools to the oil and gas, and construction sectors.	92%

[1] Sold on July 30, 2015 – Please refer to the subsequent event section for more details.

SECOND QUARTER 2015 PERFORMANCE

SUMMARY RESULTS ($000S)

	Three months ended June 30, 2015	Three months ended June 30, 2014 Restated[1]	Six months ended June 30, 2015	Six months ended June 30, 2014 Restated[1]
Revenues	$ 154,760	$ 166,503	$ 286,346	$ 335,795
Cost of revenues	(128,757)	(127,730)	(233,547)	(261,643)
Gross profit	26,003	38,773	52,799	74,152
Selling, general and administrative expenses	(19,704)	(23,785)	(41,962)	(47,502)
Amortization expense	(1,571)	(1,732)	(3,142)	(3,451)
Depreciation expense	(3,625)	(3,000)	(6,237)	(5,976)
Income from long-term investments	910	877	639	2,362
Interest expense	(6,168)	(6,498)	(12,358)	(14,861)
Transaction costs	-	(2,706)	-	(2,706)
Restructuring costs	(3,914)		(3,914)	
Income tax expense - current	(20)	-	(20)	-
Income tax recovery (expense) - deferred	1,816	(643)	3,370	2,372
Net (loss) income from continuing operations	$ (6,273)	$ 1,286	$ (10,825)	$ 4,390
Add:				
Amortization	1,571	1,732	3,142	3,451
Depreciation	3,625	3,000	6,237	5,976
Interest expense	6,168	6,498	12,358	14,861
Income tax expense - current	20	-	20	-
Income tax (recovery) expense - deferred	(1,816)	643	(3,370)	(2,372)
EBITDA	$ 3,295	$ 13,159	$ 7,562	$ 26,306
Interest, taxes, depreciation and amortization of long-term invesments	210	168	411	327
Transaction costs	-	2,706	-	2,706
Restructuring costs	3,914	-	3,914	-
Gain on sale of investment	(595)	-	(595)	-
Adjusted EBITDA	$ 6,824	$ 16,033	$ 11,292	$ 29,339

Selected Balance Sheet Accounts	June 30, 2015	December 31, 2014
Total assets	$ 357,433	$ 391,732
Senior credit facility	63,129	67,253
Secured debentures	170,537	166,845
Shareholders' equity	49,141	59,831

[1]Adjusted for discontinued operations

SECOND QUARTER 2015 RESULTS

Revenues for the three and six months ended June 30, 2015 were $154,760 and $286,346 compared to $166,503 and $335,795 during the same periods in the prior year. This represents a decrease of 7.1% and 14.7%, respectively. Due to lower oil prices, ClearStream continued to experience lower revenues at most of its divisions while Quantum Murray was able to generate increased revenues in comparison to the same periods in the prior year.

Gross profit for the three and six months ended June 30, 2015 was $26,003 and $52,799 compared to $38,773 and $74,152 during the same periods in the prior year. Gross margins for the three and six month periods ended June 30, 2015 were 16.8% and 18.4% compared to 23.3% and 22.1% in 2014. Margins at ClearStream were lower than in the same periods in the prior year primarily as a result of market conditions. Margins at Quantum Murray were lower than in the same periods in the prior year primarily as a result of a large remediation project being awarded to Quantum Murray at lower margins, with the expectation of increased volumes in future periods.

Tuckamore's continuing operations from its portfolio investments are reported in its three operating segments: Marketing, Industrial Services and Other. For the three and six months ended June 30, 2015, these three operating segments, before corporate costs, produced $7,666 and $12,881 of Adjusted EBITDA for Tuckamore compared to $17,005 and $31,292 a year ago. Refer to the chart on the following page for Adjusted EBITDA by operating partner.

During the three and six month period ended June 30, 2015 both ClearStream and Quantum Murray incurred restructuring costs of $2,607 and $1,307, respectively. These are one-time non-recurring costs that were required in response to the potential impact of reduced oil prices on ClearStream's business and costs associated changing the scope of business and processes at Quantum Murray. A majority of these costs are related to severance as a result of headcount reductions at both entities.

Corporate costs for the three and six months ended June 30, 2015 were $842 and $1,589 compared to $972 and $1,953 during the same periods in the prior year. The decrease reflects lower compensation costs.

Non-cash items that impacted the results were depreciation and amortization and deferred income taxes. Depreciation and amortization for the three and six months ended June 30, 2015 were $5,196 and $9,379 compared to $4,732 and $9,427 in 2014.

For the three and six months ended June 30, 2015, interest costs were $6,168 and $12,358 compared to $6,498 and $14,861 during the same periods in the prior year. Non-cash accretion expense for the three and six month periods ended June 30, 2015 were $1,856 and $3,692 compared to $1,777 and $5,267 during the same periods of the prior year. Accretion expense relates to the secured and unsecured debentures, which were originally recorded at their fair values, and accrete up to their face value using the effective interest method over the term of the Debentures. The year to date reduction in accretion expense in 2015 reflects the settlement of the unsecured debentures in March 2014.

During the six months ended June 30, 2015, the consolidated operating segments had capital expenditures and capital lease payments of $6,110 compared to $6,333 in 2014. The majority of these expenditures were incurred in the Industrial Services segment.

The net (loss) income from continuing operations for the three and six month periods ending June 30, 2015 were ($8,088) and ($12,639) compared to $1,286 and $4,390 during the same periods in 2014.

The secured debentures mature on March 23, 2016. Given that the maturity is within twelve months, the secured debentures are classified on the June 30, 2015 consolidated balance sheet as a current liability.

Adjusted EBITDA **$000s**		**Q2 2015**		**Q2 2014** Restated[1]		**2015 vs. 2014**
Marketing						
Gemma		(647)		(938)		291
IC Group		279		145		134
	$	(368)	$	(793)	$	425
Industrial Services						
ClearStream		11,962		15,675		(3,713)
Quantum Murray		(3,952)		1,374		(5,326)
	$	8,010	$	17,049	$	(9,039)
Other						
Gusgo		750		831		(81)
Titan		(726)		(82)		(644)
	$	24	$	749	$	(725)
Adjusted EBITDA from portfolio operations	$	7,666	$	17,005	$	(9,339)
Corporate		(842)		(972)		130
Adjusted EBITDA from operations	$	6,824	$	16,033	$	(9,209)

[1]Adjusted for discontinued operations

MARKETING

Gemma is continuing to diversify and rebuild its recurring revenue base. Business development progress has been very good and there is good momentum in the business. However, long sales lead times, followed by detailed implementation and training schedules have resulted in a slower return to profitability. Furthermore, the second half of the year will be impacted by the recent loss of a key client that has made the strategic decision to internalize all of its client touch functions.

IC Group results have improved slightly, primarily a result of two new customers which have helped minimize the impact of reductions in several core accounts, where loyalty programs that were outsourced to IC Group were taken in-house. Subsequent to the quarter end, Tuckamore disposed of its investment in IC Group. Please refer to the subsequent event section for more information.

INDUSTRIAL SERVICES

Within the Industrial Services division, both ClearStream and Quantum Murray reported lower results than a year ago.

At ClearStream, maintenance work volumes are improved from the first quarter, although revenues and margins have been impacted by market conditions. ClearStream was successful in re-negotiating a majority of its customer contracts and in doing so did not lose any of its existing customers. Management has partially mitigated the impact of market conditions through corporate overhead initiatives and efficiencies.

At Quantum Murray, revenues were slightly higher than a year ago, driven by some larger remediation projects albeit with lower gross margins. Management continues to place an increased focus on the group’s service delivery

platform and cost structure. Management is well into the process of performing a thorough analysis of the business and has commenced the implementation of necessary business and process changes.

OTHER

Gusgo had a strong performance with revenues increased from the prior year due to increased business volumes from its major customers.

Titan had another difficult quarter. Revenues were further impacted by the slowdown in the Alberta economy. Significant cost measures are being taken to match operating and overhead costs with the lower revenue base.

SEGMENT OPERATING RESULTS

MARKETING

The Marketing segment includes 100% of the results of Gemma and Tuckamore's proportionate share of the results of IC Group. Subsequent to June 30, 2015, Tuckamore sold its 80% interest in IC Group. Please refer to the subsequent event section for more details. 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	-	Outsourced contact centre operator providing outbound revenue generation and inbound customer care services
IC Group	-	Provider of on-line promotional and loyalty programs and a provider of select insurance products

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Revenues	$ 4,937	$ 6,718	$ 9,944	$ 13,363
Cost of revenues	(3,353)	(4,249)	(6,753)	(8,370)
Gross profit	1,584	2,469	3,191	4,993
Selling, general and administrative expenses	(1,952)	(3,262)	(4,409)	(6,122)
Depreciation expense	(122)	(112)	(41)	(221)
Interest expense	(56)	(17)	(104)	(27)
Income tax expense - deferred	(16)	(7)	(64)	(7)
Loss for the period	$ (562)	$ (929)	$ (1,427)	$ (1,384)
Add:				
Depreciation	122	112	41	221
Interest expense	56	17	104	27
Income tax expense - deferred	16	7	64	7
EBITDA	$ (368)	$ (793)	$ (1,218)	$ (1,129)

(I) REVENUES

Revenues for the Marketing segment were $4,937 and $9,944 for the three and six month period ended June 30, 2015, which represents a 26.5% and 25.6% decrease compared to the same periods in the prior year. Decreases at Gemma are reflective of client program reductions and a non-recurring one time campaign for a large customer in 2014. A similar campaign was not secured in 2015.

At IC Group, revenue reduction was primarily related to core accounts continuing to take some programs in-house. This reduction has been partially mitigated with the addition of two new customers.

(II) GROSS PROFIT

Gross profit for the Marketing segment during the three and six month periods ended June 30, 2015 was $1,584, and $3,191 with gross margin percentages of 32.1% for both periods. For the comparative periods ended June 30, 2014, gross profit was $2,469 and $4,993, with gross margins of 36.8% and 37.4%, respectively. The decreased gross margin percentage at Gemma reflected an increase in non-recoverable training costs. At IC Group, lower margin projects and certain fixed costs continued to impact gross margin percentages.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses for the three and six months ended June 30, 2015 were $1,952 and $4,409 compared to $3,262 and $6,122 for the same periods in 2014. These expenses as a percentage of revenues were 39.5% and 44.3% in 2015 compared to 48.6% and 45.8% during the same periods in 2014. The lower expenses are reflective of cost cutting initiatives that management has undertaken to offset lower revenues and improve operational efficiencies at Gemma and IC Group.

INDUSTRIAL SERVICES

The Industrial Services segment includes 100% of the results of ClearStream and Quantum Murray. A decision was made in late 2014 to dispose of the Metals division of Quantum Murray, and that sale was completed at the end of the first quarter of 2015. The results of this division have been categorized as Discontinued Operations for both the current and comparative year. Although the Company is required to report interests in joint venture's using the equity method of accounting under IFRS 11 *Joint Arrangements*, management views the business as if the assets, liabilities, revenues and expenses of joint ventures (joint ventures at ClearStream) were proportionately consolidated. Proportionately consolidated results are used by management to make major strategic and operating decisions. As such, segment results include joint ventures as if they were proportionately consolidated.

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

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014 Restated[1]	2015	2014 Restated[1]
Revenues	$ 152,542	$ 162,636	$ 281,308	$ 327,863
Cost of revenues	(127,124)	(125,229)	(229,903)	(256,452)
Gross profit	25,418	37,407	51,405	71,411
Selling, general and administrative expenses	(17,408)	(20,358)	(37,469)	(41,126)
Amortization expense	(1,566)	(1,726)	(3,133)	(3,440)
Depreciation expense	(3,518)	(2,910)	(6,231)	(5,797)
Interest expense	(2,397)	(2,643)	(4,810)	(5,235)
Restructuring costs	(3,914)	-	(3,914)	-
Income tax expense - current	(38)	(21)	(64)	(27)
Income tax recovery - deferred	79	1,260	394	1,459
Income for the period	$ (3,344)	$ 11,009	$ (3,822)	$ 17,245
Add:	-	-	-	-
Amortization	1,566	1,726	3,133	3,440
Depreciation	3,518	2,910	6,231	5,797
Interest expense	2,397	2,643	4,810	5,235
Income tax expense - current	38	21	64	27
Income tax recovery - deferred	(79)	(1,260)	(394)	(1,459)
EBITDA	$ 4,096	$ 17,049	$ 10,022	$ 30,285
Restructuring costs	3,914	-	3,914	-
Adjusted EBITDA	$ 8,010	$ 17,049	$ 13,936	$ 30,285

[1]Adjusted for discontinued operations

INDUSTRIAL SERVICES

	Three months ended June 30,				Six months ended June 30,			
	ClearStream		Quantum Murray		ClearStream		Quantum Murray	
	2015	2014	2015	2014 Restated[1]	2015	2014	2015	2014 Restated[1]
Revenues	$ 119,560	$ 133,714	$ 32,982	$ 28,922	$ 212,140	$ 272,372	$ 69,168	$55,491
Cost of revenues	(96,985)	(103,975)	(30,139)	(21,254)	(169,400)	(215,465)	(60,503)	(40,987)
Gross profit	22,575	29,739	2,843	7,668	42,740	56,907	8,665	14,504
Selling, general and administrative expenses	(10,613)	(14,064)	(6,795)	(6,294)	(23,762)	(29,051)	(13,707)	(12,075)
Amortization expense	(1,404)	(1,418)	(162)	(308)	(2,809)	(2,837)	(324)	(603)
Depreciation expense	(2,022)	(2,165)	(1,496)	(745)	(4,010)	(4,263)	(2,221)	(1,534)
Interest expense	(2,077)	(2,500)	(320)	(143)	(4,302)	(5,035)	(508)	(200)
Restructuring costs	(2,607)	-	(1,307)	-	(2,607)	-	(1,307)	-
Income tax expense - current	(38)	(21)	-	-	(64)	(27)	-	-
Income tax recovery (expense) - deferred	66	234	13	1,026	516	42	(122)	1,417
Income (loss) for the period	$ 3,880	$ 9,805	$ (7,224)	$ 1,204	$ 5,702	$ 15,736	$ (9,524)	$ 1,509
Add:								
Amortization	1,404	1,418	162	308	2,809	2,837	324	603
Depreciation	2,022	2,165	1,496	745	4,010	4,263	2,221	1,534
Interest expense	2,077	2,500	320	143	4,302	5,035	508	200
Income tax expense - current	38	21	-	-	64	27	-	-
Income tax (recovery) expense - deferred	(66)	(234)	(13)	(1,026)	(516)	(42)	122	(1,417)
EBITDA	$ 9,355	$ 15,675	$ (5,259)	$ 1,374	$ 16,371	$ 27,856	$ (6,349)	$ 2,429
Restructuring costs	2,607	-	1,307	-	2,607	-	1,307	-
Adjusted EBITDA	$ 11,962	$ 15,675	$ (3,952)	$ 1,374	$ 18,978	$ 27,856	$ (5,042)	$ 2,429

[1]Adjusted for discontinued operations

(I) REVENUES

Revenues from the Industrial Services segment were $152,542 and $281,308 for the three and six months ended June 30, 2015 compared with $162,636 and $327,863 for the same periods in the prior year, which reflects a decrease of 6.2% and 14.2%, respectively.

At ClearStream, revenues for the three and six months ended June 30, 2015 decreased by $14,154 and $60,232 compared to the same periods in the prior year. This reflects decreases of 10.6% and 22.1%, respectively.

Low oil prices have adversely affected Alberta's economy. At ClearStream, maintenance work volumes are improved from the first quarter, although revenues and margins have been impacted by market conditions. Results in the Fabrication division have improved since the first quarter of 2015, however the improvement has happened at a slower pace than originally anticipated. The continued uncertainty surrounding the oil prices has resulted in the delay or deferral of new and existing projects.

At Quantum Murray, revenues for the three and six month periods ended June 30, 2015 increased by $4,060 and $13,677 compared to the same periods in the prior year. This reflects increases of 14.0% and 24.6%, respectively.

The increase in revenues compared to a year ago was largely driven by several larger remediation projects, particularly in the Pacific region. The Eastern region demolition division also has several larger ongoing projects in comparison to the same periods in the prior year.

(II) GROSS PROFIT

Gross profit was $25,418 and $51,405 for the three and six months ended June 30, 2015 compared with $37,407 and $71,411 for the same periods in the prior year. Gross profit margin for the three and six months ended June 30, 2015 were 16.7% and 18.3% compared to 23.0% and 21.8% for the same periods in the prior year.

At ClearStream, gross profit was $22,575 and $42,740 for the three and six months ended June 30, 2015 compared to $29,739 and $56,907 for the same periods in the prior year. Gross profit margins decreased to 18.9% and 20.1% for the three and six months ended June 30, 2015 compared to 22.2% and 20.9% for the same periods in the prior year. The decrease in margins was reflective of the market conditions for the industry.

At Quantum Murray, gross profit was $2,843 and $8,665 for the three and six months ended June 30, 2015 compared to $7,668 and $14,504 for the same periods in the prior year. Gross profit margin for the three and six months ended June 30, 2015 were 8.6% and 12.5% compared to 26.5% and 26.1% for the same periods in the prior year. Margins decreased primarily due to a shift in demand for the quarter to lower margin remediation work and revenue shortfalls on a large demolition project in the East. Management continues to place an increased focus on the group's service delivery platform and cost structure. We are in the process of performing a thorough analysis of the business and have commenced the implementation of necessary business and process changes.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $17,408 and $37,469 for the three and six months ended June 30, 2015 compared to $20,358 and $41,126 during the comparative periods of 2014. Selling, general and administrative expenses as a percentage of revenues were 11.4% and 13.3% for the three and six month periods ended June 30, 2015 compared to 12.5% for the same periods in the prior year.

ClearStream's selling, general and administrative expenses were $10,613 and $23,762 for the three and six months ended June 30, 2015 compared to $14,064 and $29,051 for the same periods in the prior year. Selling, general and administrative expenses as a percentage of revenues were 8.9% and 11.2% for the three and six month periods ended June 30, 2015 compared to 10.5% and 10.7% for the same periods in the prior year. The reduction in SG&A is reflective of management's efforts to reduce corporate overhead in an effort to mitigate the impact of the price reductions granted to ClearStream's customers. These initiatives have included workforce reductions, branch office closures and the elimination of all discretionary expenditures.

Quantum Murray's selling, general and administrative expenses were $6,795 and $13,707 for the three and six months ended June 30, 2015 compared to $6,294 and $12,075 during the comparative periods of 2014. Selling, general and administrative expenses as a percentage of revenues were 20.6% and 19.8% for the three and six month periods ended June 30, 2015 compared to 21.8% for the same periods in the prior year. The slight decrease in selling, general and administrative expenses as a percentage of revenue reflects the impact of initiatives management has undertaken to reduce corporate overhead.

(IV) RESTRUCTURING COSTS

During the three month period ended June 30, 2015 both ClearStream and Quantum Murray incurred restructuring costs of $2,607 and $1,307, respectively. These are one-time non-recurring costs that were required in response to the potential impact of reduced oil prices on ClearStream's business and costs associated changing the scope of business and processes at Quantum Murray. A majority of these costs are related to severance as a result of headcount reductions at both entities.

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

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

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Revenues	$ 8,027	$ 9,800	$ 18,043	$ 23,086
Cost of revenues	(5,258)	(6,212)	(12,012)	(15,067)
Gross profit	$ 2,769	$ 3,588	$ 6,031	$ 8,019
Selling, general and administrative expenses	(2,745)	(2,839)	(5,868)	(5,883)
Depreciation expense	(150)	(116)	(291)	(238)
Gain on sale of investment	595		595	
Interest expense	(172)	(178)	(341)	(358)
Income tax recovery - deferred	(9)	-	(20)	-
Income for the period	$ 288	$ 455	$ 106	$ 1,540
Add:				
Depreciation	150	116	291	238
Interest expense	172	178	341	358
Income tax recovery - deferred	9	-	20	-
Gain on sale of investment	(595)	-	(595)	-
Adjusted EBITDA	$ 24	$ 749	$ 163	$ 2,136

(I) REVENUES

Revenues for the Other segment were $8,027 and $18,043 for the three and six months ended June 30, 2015 compared to $9,800 and $23,086 for the same periods in the prior year. This reflects a decrease of 18.1% and 21.8% respectively. Gusgo experienced an increase in revenues compared to the same period in the prior year due to increased business volumes from an existing customer. Titan's revenues decreased from the same period in the prior year. Revenues were impacted by the general slowdown in Alberta's economy as well as unseasonably warm weather creating challenging conditions for the sale of weather related products.

(II) GROSS PROFIT

Gross profit was $2,769 and $6,031 for the three and six months ended June 30, 2015 compared with $3,588 and $8,019 for the same periods in the prior year. Gross profit margin for the three and six months ended June 30, 2015 were 34.5% and 33.4% compared to 36.6% and 34.7% for the same periods in the prior year. At Gusgo, margins were consistent with the prior year. Titan's gross margin and gross margin percentage decreased as a result of the decline in revenues, sale of surplus inventory at reduced prices and the unfavourable impact of the stronger US dollar.

(III) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $2,745 and $5,868 for the three and six months ended June 30, 2015 compared to $2,839 and $5,883 during the comparative periods of 2014. Selling, general and administrative expenses as a percentage of revenues were 34.2% and 32.5% for the three and six month periods ended June 30, 2015 compared to 29.0% and 25.5% for the same periods in the prior year. Gusgo and Titan's costs have remained consistent with the prior year. The increase in selling, general and administrative expenses as a percentage have increased primarily as a result of the decline in revenues at Titan. Management is continuing to monitor the impact of the slowdown in Alberta's economy and continues to mitigate reductions in business volumes through corporate overhead reduction initiatives.

(IV) GAIN ON SALE OF INVESTMENT

The gain on sale of investment is related to RGC Canada LP's ("RGC") disposition of its interest in RLogistics. On April 23, 2015 RGC entered into an agreement to sell its 45% interest in RLogistics. The proceeds were used to first settle $1,350 in advances owing to RGC, with the balance being used to purchase RGC's partnership interest in RLogstics of approximately ($194).

CORPORATE

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

SUMMARY FINANCIAL TABLE ($000S)

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
General and administrative expenses	$ (842)	$ (972)	$ (1,589)	(1,953)
Amortization expense	(5)	(6)	(9)	(12)
Depreciation expense	(6)	(3)	(11)	(6)
Interest expense	(3,543)	(3,666)	(7,103)	(9,254)
Transaction costs	-	(2,706)	-	(2,706)
Income tax expense - current	(19)	-	(19)	-
Income tax recovery (expense) - deferred	1,760	(1,896)	3,049	920
Loss for the period	$ (2,655)	$ (9,249)	$ (5,682)	$ (13,011)
Add:				
Amortization expense	5	6	9	12
Depreciation expense	6	3	11	6
Interest expense	3,543	3,666	7,103	9,254
Income tax expense - current	19	-	19	-
Income tax (recovery) expense - deferred	(1,760)	1,896	(3,049)	(920)
EBITDA	$ (842)	$ (3,678)	$ (1,589)	$ (4,659)
Transaction costs	-	2,706	-	2,706
Adjusted EBITDA	$ (842)	$ (972)	$ (1,589)	$ (1,953)

(I) SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses were $842 and $1,589 for the three and six months ended June 30, 2015 compared to $972 and $1,953 during the comparative periods of 2014. The break-down of selling, general and administrative expenses is as follows:

	Three months ended June 30, 2015	Three months ended June 30, 2014	Six months ended June 30, 2015	Six months ended June 30, 2014
Salaries and benefits	$ 465	$ 1,080	$ 1,092	$ 1,920
Audit, accounting and tax	355	263	517	365
Other costs, net	22	(371)	(20)	(332)
General and administrative expenses	$ 842	$ 972	$ 1,589	$ 1,953

The decrease in corporate selling, general and administrative expenses is primarily related to lower compensation costs.

(II) INTEREST EXPENSE

Interest expense for the three and six months ended June 30, 2015 was $3,543 and $7,106, compared to $3,666 and $9,254 for the comparative periods in the prior year. Non-cash accretion expense was $1,856 and $3,692 for the three and six month periods ending June 30, 2015 compared to $1,777 and $5,267 for the same periods in 2014. Accretion expense relates to the secured and unsecured debentures, which were recorded at their fair values, and accrete up to their face value using the effective interest method over the term of the Debentures. The decrease in accretion expense relates to the settlement of the unsecured debentures in March 2014.

DISCONTINUED OPERATIONS

During the fourth quarter of 2014, Tuckamore concluded on the long-term strategic direction of Quantum Murray. The Metals business was generating losses and required a significant amount of management time. The planned disposition of Metals was approved by Tuckamore's board of directors and management commenced an active program to locate a buyer. By December 31, 2014 Tuckamore was in advanced negotiations to sell the business to a prospective buyer. Given the factors identified above, it was concluded the Metals division of Quantum Murray qualified as disposal group that was held for sale and was accounted for as a discontinued operation. From this point onward, the Metals division was no longer presented in the Segment note under Industrial Services and Quantum Murray.

On March 31, 2015, Tuckamore sold a majority of the net assets of Thomson Metals and Disposal LP for cash proceeds of $300. This resulted in an accounting loss of approximately $373. The net assets of the Waste business were retained by Quantum Murray and as such the impairment loss originally recognized on these assets at December 31, 2014 was reversed. The amount of the write-up did not exceed the impairment loss previously recognized.

The following table shows the revenue and net income (loss) from discontinued operations for the Metals business for the six month periods ended June 30, 2015 and 2014:

Thomson Metals - Quantum Murray - Industrial Services	June 30, 2015	June 30, 2014
Revenue	3,480	13,146
Expenses	(5,617)	(14,737)
Loss before taxes	(2,137)	(1,591)
Reversal of Impairment loss previously recognized on the remeasurement of the Waste business net assets to FVLCS	2,645	-
Loss on sale of discontinued operations	(373)	-
Income tax recovery - deferred	-	-
Net income (loss) from discontinued operations	$ 135	$ (1,591)
Net loss per share - basic	$ (0.00)	$ (0.02)
Net loss per share - diluted	$ (0.00)	$ (0.02)

The major classes of assets and liabilities of Thomson Metals classified as held for sale at December 31, 2014 were as follows:

For the period ending,	December 31, 2014
Assets	
Accounts receivable	1,939
Inventory	1,354
	3,293
Liabilities	
Accounts payable & accrued liabilities	2,290
Capital lease obligation	543
Other liabilities	460
	3,293
Net assets directly associated with the disposal group	-

The net cash flows incurred by Thomson Metals were as follows:

For the period ending,	June 30, 2015	June 30, 2015
Operating	173	15
Investing	-	41
Financing	(40)	(125)
Net cash (outflow) / inflow	133	(69)

SUBSEQUENT EVENT

On July 30, 2015, the Company sold its 80% interest in IC Group LP for cash proceeds of $2,500. Approximately $2,450 of the proceeds have been used to repay the Senior Credit Facility.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW

The following table summarizes the major consolidated cash flow components:

Six months ended June 30,		2015		2014
Cash used in operating activities	$	(2,113)	$	(4,236)
Cash used in investing activities		(1,346)		(3,171)
Cash used in financing activities		(7,633)		(8,513)
Consolidated cash	$	11,489	$	12,963

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

CASH PROVIDED BY OPERATING ACTIVITIES

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

Six months ended June 30,		2015		2014
Cash provided by continuing operations	$	(663)	$	16,972
Changes in non-cash balances				
Accounts receivable		17,549		(13,610)
Inventories		(713)		(3,918)
Prepaids and other current assets		(481)		3,121
Accounts payable, accrued liabilities and deferred revenue		(17,978)		(6,816)
Decrease in cash due to changes in non-cash balances		(1,623)		(21,223)
Cash provided by discontinued operations		173		15
Cash used in operating activities	$	(2,113)	$	(4,236)

CASH USED IN INVESTING ACTIVITIES

Cash used in investing activities totaled $1,346 compared to $3,171 for the same period in the prior year. See table below for further details.

Six months ended June 30,		2015		2014
Purchase of property, plant and equipment, net of disposals		(2,701)		(3,426)
Net proceeds on disposal of properly, plant & equipment		1,055		448
Purchase of software		-		(234)
Proceeds on disposition of business		300		-
Cash provided by discontinued operations		-		41
Cash used in investing activities	$	(1,346)	$	(3,171)

CASH USED IN FINANCING ACTIVITIES

Cash used in financing activities was $7,633 for the six month period ended June 30, 2015 and cash used in financing activities was $8,513 for the same period in the prior year.

Six months ended June 30,		2015		2014
Repayment of long-term debt	$	(4,184)	$	(5,481)
Increase in cash held in trust		-		-
Repayment of capital lease obligations		(3,409)		(2,907)
Cash used in discontinued operations		(40)		(125)
Cash used in financing activities	$	(7,633)	$	(8,513)

FINANCING

AMENDED SENIOR CREDIT FACILITY

On March 9, 2012 Tuckamore completed an assignment (the "Assignment") to Bank of Montreal ("BMO") of its senior credit facility. The Senior Credit Facility has 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.

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. 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"). Tuckamore received gross proceeds of $13,333 of which 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 year ended December 31, 2014 options were exercised by management, resulting in the issuance of 13,150,000 common shares. Proceeds of $4,986, from all options exercised during the year, were used to reduce outstanding senior indebtedness under the Company's Senior Credit Agreement.

During the second quarter of 2015, Tuckamore repaid $4,184 of the Senior Credit Facility. On May 22, 2015 a payment of $2,184 was made on account of 75% of the excess cash flow from the first quarter of 2015. The second payment of $2,000 was made on June 26, 2015 and was a voluntary permanent repayment.

On June 26, 2015 Tuckamore reached an agreement to amend the financial covenants ("the Fourth Amending Agreement") 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 June 30, 2015 through to December 31, 2015. The total cost of the amendment was $148.

At June 30, 2015 Tuckamore was in compliance with its financial 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.

Advances outstanding under the Amended Senior Credit Facility at June 30, 2015 total $63,485 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 June 30, 2015.

DEBENTURES

Secured Debentures

The Company issued secured debentures (the "Secured Debentures") in the aggregate principal amount of $176,228 pursuant to a secured trust indenture dated as of March 23, 2011 (as amended by a first supplemental indenture dated March 31, 2011 and a second supplemental indenture dated June 29, 2011 between the Company, as issuer, and BNY Trust Company of Canada, as debenture trustee (as the same may be further amended, modified, supplemented, replaced or restated from time to time, the "Secured Trust Indenture"). The Secured Debentures were listed on the Toronto Stock Exchange ("TSX") on the date of closing of March 23, 2011.

The maturity date of the Secured Debentures is March 23, 2016 (the "Secured Debenture Maturity Date"). The interest rate is 8.0% 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 Amended 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 Amended Senior Credit Facility or certain debt incurred in the future by Tuckamore's subsidiaries. For the period ended June 30, 2015, the secured debentures were classified as a current liability on Tuckamore's balance sheet.

Unsecured Debentures

The Company issued unsecured debentures (the "Unsecured Debentures") in the aggregate principal amount of $26,552 pursuant to an unsecured trust indenture dated as of March 23, 2011. 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.

SOURCES OF FUNDING

Tuckamore will continue to look to reduce its debt leverage. The financing arrangements are designed to ensure that debt balances are reduced as quickly as possible. Consequently, proceeds of all asset sales are required to retire debt, as well as 75% of excess cash flow. In March 2014 Tuckamore repaid $5,481, representing 75% of excess cash flow for the fourth quarter of 2013. On May 22, 2015 Tuckamore repaid $2,184, representing 75% of the excess cash flow for the first quarter of 2015. Furthermore, on June 26, 2015 Tuckamore made a voluntary permanent repayment of $2,000 on the Senior Credit Facility. Subsequent to the period end Tuckamore sold its 80% interest in IC Group and $2,450 of the proceeds were used to repay the Senior Credit Facility in the third quarter. Please refer to the subsequent event section for more information.

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

The services provided by both ClearStream and Quantum Murray are labour intensive. Employees are remunerated every two weeks and clients typically pay invoices in 60 to 90 days. This funding gap is filled by working capital advances from Tuckamore to these businesses. During peak business activity, for example the spring and fall shutdown maintenance programs at ClearStream, a higher number of employees are at customer sites, and this increases the need for working capital advances. Working Capital advances provided to ClearStream and Quantum Murray are typically short term in nature, have no fixed repayment terms and bear interest at the rate of prime plus 1%.

WORKING CAPITAL

	June 30, 2015	December 31, 2014
Current assets	$ 184,772	$ 213,007
Current liabilities	298,871	153,257
Working capital - excluding discontinued operations	(114,099)	59,750
Total working capital	$ (114,099)	$ 59,750

The significant reduction in working capital from the prior year is primarily related to the fact that the secured debentures ($170,537) are now classified as a current liability.

CAPITAL EXPENDITURES

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

Six months ended June 30, 2015	Marketing	ClearStream	Quantum	Other	Eliminations	Total
Capital expenditures	$ 542	$ 1,377	$ 793	$ 321	$ (332)	$ 2,701
Finance lease repayments	26	2,869	514	61	(61)	$ 3,409
Total capital expenditures	$ 568	$ 4,246	$ 1,307	$ 382	$ (393)	$ 6,110

Six months ended June 30, 2014	Marketing	ClearStream	Quantum	Other	Eliminations	Total
Capital expenditures	$ 369	$ 1,844	$ 1,290	$ 258	$ (335)	$ 3,426
Finance lease repayments	22	2,338	547	35	(35)	$ 2,907
Total capital expenditures	$ 391	$ 4,182	$ 1,837	$ 293	$ (370)	$ 6,333

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, 2014 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 June 30, 2015 (December 31, 2014 - $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 $35,424 at June 30, 2015 (December 31, 2014 - $38,506).

LONG-TERM INVESTMENTS

Investments in joint ventures and associates over which Tuckamore is able to exercise significant influence are accounted for using the equity method. Under the equity method, the original cost of the investment is adjusted for Tuckamore's share of post-acquisition earnings or losses, less distributions in the case of investments in partnerships and dividends in the case of investments in companies. Investments are written down when there is evidence that a decline in value has occurred. Tuckamore reviews all of its investments for possible impairment on an annual basis, or more frequently if there is an event which in the view of management would trigger an earlier review. Long term investments at June 30, 2015 include Tuckamore's investments in Titan, IC Group and Gusgo.

DEFERRED TAXES

Tuckamore has computed deferred income taxes based on temporary differences that are expected to reverse after June 30, 2015. 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 June 30, 2015 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 26.0%.

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

ADDITIONAL INFORMATION

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations were not yet effective as at January 1, 2015 and have not been applied in preparing the consolidated 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 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 interim consolidated 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 was originally required for annual periods beginning on or after January 1, 2017. On April 28, 2015, the IASB agreed to publish an exposure draft proposing a one-year deferral of the effective date of the revenue standard to January 1, 2018. Earlier adoption is permitted. The Company has not yet begun the process of evaluating the impact of this standard on its audited consolidated financial statements.

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

	2015 Q2	2015 Q1	2014 Q4	2014 Q3	2014 Q2	2014 Q1	2013 Q4	2013 Q3
			Restated[1]	Restated[1]	Restated[1]	Restated[1]	Restated[1]	Restated[1]
Revenues	$ 154,760	$ 131,586	$ 176,800	$ 190,508	$ 166,503	$ 169,291	$ 160,279	$ 179,444
Gross Margin	26,003	26,796	36,863	37,443	38,269	35,130	33,965	40,919
Gross Margin %	16.8%	20.4%	20.9%	19.7%	23.0%	20.8%	21.2%	22.8%
operations	(6,273)	(4,551)	(9,531)	(2,478)	1,212	2,961	(6,112)	(1,857)
Net (loss) income	(6,273)	(4,416)	(17,247)	(2,583)	582	2,001	(6,857)	(2,572)
Income (loss) per unit from continuing operations	(0.07)	(0.04)	(0.09)	(0.03)	0.02	0.04	(0.09)	(0.03)
Income (loss) per unit	(0.07)	(0.04)	(0.16)	(0.03)	0.01	0.02	(0.10)	(0.04)

[1]Please note that some of the figures above have been restated from those published in previous periods to reflect discontinued operations.

Revenues at ClearStream and Quantum Murray are somewhat seasonal. At ClearStream, typically there are scheduled shutdown turnaround projects in the spring and fall which increases revenues over and above the standard maintenance and operational support services. Similarly at Quantum Murray, the winter quarters tend to have lower revenues if there are soil remediation projects ongoing.

Gross margin percentage fluctuations by quarter are usually a function of revenue mix. Notwithstanding this, the first quarter of each year will usually show lower gross margin percentages as the employer portion of payroll benefit costs will not be maximized until later in the year. The gross margin for the second quarter of 2015 is lower than the second quarter of 2014 due to market conditions at ClearStream, the impact of a large lower margin remediation project at Quantum Murray and revenue shortfalls on a large demolition project in the East.

CONTINGENCIES

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

A statement of claim has been filed by a former employee of Tuckamore alleging breach of contract, wrongful dismissal, defamation, and intentional interference with economic relations. The claim is for an amount of $6,500. The claim is being defended and management is of the opinion that the claim is without merit. 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 as related to a promissory note forming part of the transaction. The claim is being defended and management feels the claim is without merit. The Company has also made a counterclaim.

In March 2015, the Company was advised by Brompton Corp. ("Brompton") that Brompton has received notices of reassessment from the Canada Revenue Agency (the "CRA") in which the CRA has denied the deduction to Brompton of certain non-capital losses and other tax attributes in computing Brompton's income for the 2010 to 2014 taxation years. Tuckamore has been notified by Brompton that, in view of its interest in mitigating any potential penalties or interest amounts associated with these taxes, Brompton proposes to pay some or all of the taxes assessed while continuing to challenge these assessments, and that Brompton is seeking indemnification in the amount of $4,044 from Tuckamore Holdings LP, representing approximately 40% of its taxes, losses or costs, pursuant to certain agreements entered into by Tuckamore Holdings LP prior to the sale of its interest in Brompton.

Tuckamore previously announced, in September 2014, that it had been notified by Brompton that in the event that Brompton is subject to taxes assessed by CRA or incurs losses or costs associated with the CRA's review, it would be seeking indemnification for approximately 40% of these taxes, losses or costs pursuant to agreements entered into by Tuckamore Holdings LP. Tuckamore Holdings LP, a wholly-owned subsidiary of Tuckamore, previously held approximately 40% of the outstanding equity of Brompton. Tuckamore Holdings LP sold its Class A shares in Brompton in September 2011.

On June 12, 2015, Brompton served Tuckamore and certain of its affiliates with a Statement of Claim claiming, among other things, indemnification in the amount of 40% of the CRA's notices of reassessment. On July 13, 2015, Tuckamore and its affiliates served their Statement of Defence denying Brompton's allegations and relying on, among other things, a corresponding warranty and indemnity provided by Brompton to Tuckamore. The Company has not provided for any amount with respect to this matter in its consolidated interim financial statements for the period ending June 30, 2015. In the meantime, the Company intends to follow and participate in the conduct of any negotiations, objections, appeals or other tax-related proceedings with the CRA relating to the periods during which it was, indirectly, a shareholder of Brompton.

TRANSACTIONS WITH RELATED PARTIES

OWNERSHIP

As of June 30, 2015, directors, officers and employees, and operating partners related to Tuckamore beneficially hold an aggregate of 14,883,915 common shares or 13.52% 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 $1,459 (December 31, 2014 – $1,418) made to the Operating Partnerships, based on the percentage not owned by the Company.

Income from long-term investments include $209 and $418 of rent expense paid to related parties of Gusgo for the three and six month period ended June 30, 2015 (2014-$209 and $418).

Tuckamore shared space and services with a business which employs one of its former directors, and paid $nil for the three and six months ended June 30, 2015 (June 30, 2014 - $67 and $135) for such services.

Interest charged to joint venture Operating Partners on advances was $64 and $129 for the three and six month periods ended June 30, 2015 (June 30, 2014 - $172 and $345).

Three operating leases for property, with quarterly rents of $183 are with a landlord in which certain executives of Tuckamore hold an indirect minority interest (2014 - $183).

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.

Loans made to current and former employees of Tuckamore in 2006 and 2007 were outstanding. These loans amounted to $981 at June 30, 2015 (December 31, 2014 – $1,059). 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.

SHARE CAPITAL

The authorized share capital of the Company consists of: (i) an unlimited number of common shares, and (ii) preferred shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding common shares at the time of issuance of such preferred shares. As of the date hereof, there were 109,941,241 common shares issued and outstanding and nil preferred shares issued and outstanding.

THIRD QUARTER 2015 OUTLOOK

This outlook is management's current view for the third quarter of 2015 as compared to the second quarter of 2015.

While continuing lower oil prices are causing concern in the Alberta oil sector, there is confidence at ClearStream that demand for its maintenance services will continue although with lower revenues due to recent pricing negotiations with clients. Demand for wear products remains strong and the outlook is improved for the fabrication division with two significant projects coming on stream. ClearStream will continue to be pro-active with a variety of cost savings measures and streamlining initiatives, which management believes will help to mitigate the financial impact of current market conditions.

Quantum Murray will continue to work on larger lower margin remediation projects, as well as several projects for the emergency response business. The Demolition division will work through a healthy backlog of medium size projects. Management is analyzing its organizational infrastructure, and will continue to implement changes to improve margins.

At Gemma, implementation and training for new clients will continue, and management remains active in bidding on new business.

In the Other segment, Titan is experiencing delays and deferrals by clients impacted by a slowdown in the Alberta economy. Overhead reductions are required to align to a lower revenue base.

Gusgo expects 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 AIF dated March 27, 2015 for the year ended December 31, 2014.

DISCLOSURE CONTROLS & PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

DISCLOSURE CONTROLS AND PROCEDURES

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

Tuckamore's management, including its CEO and CFO, have evaluated the effectiveness of Tuckamore's disclosure controls and procedures as at December 31, 2014 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 June 30, 2015 with securities regulators, including this MD&A and the accompanying audited consolidated financial statements and that they are responsible for the design of the disclosure controls and procedures.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

There have been no changes in internal controls over financial reporting during the quarter ended June 30, 2015 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 of Tuckamore;

"CFO" – means Chief Financial Officer of Tuckamore;

"CICA" – means Canadian Institute of Chartered Accountants;

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

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

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

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

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

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

"IFRS" – means International Financial Reporting Standards;

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

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

"Marret" – means Marret Asset Management;

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

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

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

"Secured Debentures" – means the Secured Debentures of Tuckamore, due March 23, 2016.

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

"TH"- means Tuckamore Holdings LP;

"TSX" – means Toronto Stock Exchange; and

"Tuckamore" – means Tuckamore Capital Management Inc.