ENTERPRISE GROUP, INC.

Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three and nine months ended September 30, 2017 and 2016

National Instrument 51-102
Continuous Disclosure Obligations
Notice

Pursuant to Part 4.3 (3) of National Instrument 51-102, these unaudited condensed interim consolidated financial statements of Enterprise Group, Inc. for the three and nine months ended September 30, 2017 have not been reviewed by the Company's external auditors.

Condensed Interim Consolidated Statements of Financial Position

		September 30, 2017 (unaudited)		December 31, 2016 (audited)
Assets				
Cash and cash equivalents (note 4)	$	1,032,244	$	691,718
Trade and other receivables (note 4)		10,560,479		9,016,545
Income taxes recoverable		-		374,945
Unbilled revenue		537,489		688,452
Inventories		1,527,935		1,536,784
Deposits and prepaid expenses		529,007		345,076
Assets held for sale (note 3 and 5)		4,229,570		4,229,570
		18,416,724		16,883,090
Property, plant and equipment (note 5)		51,564,660		55,448,447
Investment property (note 6)		3,725,000		3,780,000
Goodwill		2,350,529		2,350,529
Intangible assets		1,910,772		2,134,318
Deferred tax assets		4,421,917		4,004,109
		63,972,878		67,717,403
Total assets	$	82,389,602	$	84,600,493
Liabilities				
Trade and other payables (note 4)	$	3,542,625	$	2,891,142
Current portion of loans and borrowings (note 7)		496,958		1,268,796
		4,039,583		4,159,938
Long term portion of loans and borrowings (note 7)		22,111,978		22,893,516
Deferred tax liabilities		4,576,670		4,576,670
Total liabilities		30,728,231		31,630,124
Equity				
Share capital		79,930,146		79,930,146
Warrants		1,677,170		1,448,381
Contributed surplus		6,587,181		6,815,970
Deficit		(36,533,126)		(35,224,128)
Total equity		51,661,371		52,970,369
Total equity and liabilities	$	82,389,602	$	84,600,493

Approved on behalf of the Board:

(Signed) "Leonard D. Jaroszuk" Director

(Signed) "John Pinsent, FCPA, FCA, ICD.D." Director

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

	Three months September 30, 2017	Three months September 30, 2016 (restated-note 3)	**Nine months September 30, 2017**	Nine months September 30, 2016 (restated-note 3)
Revenue	**$ 11,039,666**	$ 6,551,285	**$ 26,989,358**	$ 20,396,939
Direct expenses	**(7,855,616)**	(5,043,865)	**(20,335,727)**	(15,854,599)
Gross margin	**3,184,050**	1,507,420	**6,653,631**	4,542,340
General and administrative expenses	**(496,980)**	(835,897)	**(2,029,343)**	(2,464,398)
Depreciation of property, plant and equipment	**(1,377,788)**	(1,470,873)	**(4,256,351)**	(4,880,365)
Finance expense	**(407,334)**	(649,715)	**(1,230,981)**	(1,593,838)
Share-based payments	**-**	(731,738)	**-**	(1,253,577)
Amortization of intangible assets	**(76,043)**	(73,751)	**(223,546)**	(220,941)
(Loss) gain on sale of property, plant and equipment	**(276,739)**	14,580	**(423,160)**	(926,257)
Fair value adjustment on investment property	**(55,000)**	(130,000)	**(55,000)**	(130,000)
Gain (loss) on foreign exchange	**9,490**	(13,580)	**16,796**	22,723
Other (expense) income	**(90,613)**	138,556	**(167,145)**	140,469
Income (loss) before income tax	**413,043**	(2,244,998)	**(1,715,099)**	(6,763,844)
Income tax (expense) recovery	**(58,543)**	768,882	**452,188**	1,987,184
Net income (loss) from continuing operations	**354,500**	(1,476,116)	**(1,262,911)**	(4,776,660)
(Loss) income from discontinued operations, net of tax (note 3)	**(25,567)**	2,057,932	**(46,087)**	1,532,084
Net income (loss) and comprehensive income (loss)	**$ 328,933**	$ 581,816	**$ (1,308,998)**	$ (3,244,576)
Earnings (loss) per share (note 8)				
Basic and diluted earnings (loss) per share	**$ 0.01**	$ 0.01	**$ (0.02)**	$ (0.06)

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

	Nine months September 30, 2017	Nine months September 30, 2016
Cash flows from operating activities:		
Net loss	**$ (1,308,998)**	$ (3,244,576)
Adjustments for:		
Depreciation of property, plant and equipment	**4,256,351**	5,815,924
Amortization of intangible assets	**223,546**	293,691
Loss (gain) on sale of property, plant and equipment	**484,609**	(1,789,772)
Share-based payments	**-**	1,253,577
Fair value adjustment	**55,000**	130,000
Deferred income tax recovery	**(417,808)**	(2,260,093)
Finance expense	**1,230,981**	1,862,597
Change in non-cash working capital (note 10)	**(541,625)**	2,130,363
Net cash provided by operating activities	**3,982,056**	4,191,711
Cash flows from financing activities:		
Net repayment of bank loan facility	**(568,198)**	(9,743,758)
Interest and borrowing costs paid on loans and borrowings	**(1,158,660)**	(2,000,240)
Repayment of term loan	**(23,340)**	(201,782)
Repayment of finance lease liabilities	**(998,262)**	(7,790,336)
Repayment of mortgage facility	**(63,314)**	(60,809)
Share issue costs	**-**	(13,670)
Net cash used by financing activities	**(2,811,774)**	(19,810,595)
Cash flows from investing activities:		
Purchase of property, plant and equipment	**(1,331,964)**	(2,175,081)
Proceeds on sale of property, plant and equipment	**502,208**	16,743,468
Net cash (used) provided by investing activities	**(829,756)**	14,568,387
Change in cash and cash equivalents	**340,526**	(1,050,497)
Cash and cash equivalents, beginning of period	**691,718**	1,999,775
Cash and cash equivalents, end of period	**$ 1,032,244**	$ 949,278

Net cashflows attributed to discontinued operations (note 3)

	Number of common shares	Share capital	Warrants	Contributed surplus	Deficit	Total
Balance as at December 31, 2015	55,652,374	$79,930,146	$1,448,381	$5,605,143	$(22,059,088)	$64,924,582
Share-based payments	-	-	-	1,253,577	-	1,253,577
Net loss	-	-	-	-	(3,244,576)	(3,244,576)
Balance as at September 30, 2016	55,652,374	$79,930,146	$1,448,381	$6,858,720	$(25,303,664)	$62,933,583
Balance as at December 31, 2016	55,652,374	$79,930,146	$1,448,381	$6,815,970	$(35,224,128)	$52,970,369
Extension of warrants	-	-	228,789	(228,789)	-	-
Net loss	-	-	-	-	(1,308,998)	(1,308,998)
Balance as at September 30, 2017	**55,652,374**	**$79,930,146**	**$1,677,170**	**$6,587,181**	**$(36,533,126)**	**$51,661,371**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements

1. Reporting entity

Enterprise Group, Inc. (“Enterprise” or the “Company”) is a public company incorporated under the Alberta Business Corporations Act and its shares are listed on the Toronto Stock Exchange under the symbol “E”. Enterprise is a consolidator of businesses providing services to the utility, energy and construction industries. The Company has a fleet of trucks and heavy equipment to provide tunnelling services and rent heavy equipment, flameless heating units and oilfield site service infrastructure throughout Western Canada. Enterprise’s head office is located at #2, 64 Riel Drive, St. Albert, Alberta, T8N 4A4.

The financial statements of the Company as at September 30, 2017, and December 31, 2016, are comprised of the Company and its wholly owned subsidiaries. The consolidated financial statements were authorized for issue by the Board of Directors on November 8, 2017.

2. Significant accounting policies

The unaudited condensed interim consolidated financial statements are prepared by management and reported in Canadian dollars, in accordance with International Accounting Standard "IAS" 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's 2016 Audited Consolidated Financial Statements and the notes thereto.

The unaudited condensed interim consolidated financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in the Company's Audited Consolidated Financial Statements for the fiscal year ended December 31, 2016.

3. Discontinued operations

On July 7, 2016, Enterprise Group, Inc., closed a transaction to divest substantially all of the assets of T.C. Backhoe & Directional Drilling Ltd. (TCB). Gross cash proceeds from the transaction was $16,890,400 plus $2,951,798 of working capital for a total of $19,842,198. Working capital was paid out over time with the final payment of $650,000 holdback amount plus net working capital adjustment of $209,993 recieved on July 14, 2017. The entire amount was applied against the debt of the company. There are no other amounts outstanding.

During the fourth quarter of 2016, Enterprise Group, Inc. decided to cease all operations of its Enterprise Trenchless Crossings business (ETC). ETC's operations included all assets relating to trenchless single pass tunneling. As a result of this decision, assets related to this line of business of $4,229,570 are shown as assets held for sale on the Consolidated Statement of Financial Position and the operations are included in discontinued operations and presented as a single amount in the consolidated financial statements. Enterprise anticipates disposing of these assets in 2017. Assets held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.

Income from discontinued operations, including the prior period figures, are presented as a single amount in the consolidated statements of loss and comprehensive loss and excludes all intercompany transactions. This amount comprises the post-tax income of the discontinued operations and the post-tax gain resulting from the measurement and disposal of the assets. All intercompany transactions have been excluded The disclosure of discontinued operations in the prior period relates to operations that have been discontinued at the reporting date.

For the three months ended September 30	**T.C. Backhoe & Directional Drilling 2017**	**Enterprise Trenchless Crossings 2017**	**Total 2017**	T.C. Backhoe & Directional Drilling 2016	Enterprise Trenchless Crossings 2016	Total 2016
Revenue	**$ -**	**$ -**	**$ -**	$ 562,902	$ -	$ 562,902
Direct expenses	**-**	**-**	**-**	(700,056)	(48,659)	(748,715)
Gross margin (loss)	**-**	**-**	**-**	(137,154)	(48,659)	(185,813)
General and administrative expenses	**-**	**-**	**-**	(8,783)	(21,008)	(29,791)
Depreciation of property, plant and equipment	**-**	**-**	**-**	(24,998)	(86,870)	(111,868)
Finance expense	**-**	-	**-**	(8,710)	-	(8,710)
Other income	**-**	-	**-**	(24,571)	-	(24,571)
Loss before income tax	**-**	**-**	**-**	(204,215)	(156,537)	(360,752)
Income tax recovery	**-**	**-**	**-**	68,404	35,534	103,938
Loss on sale of property, plant and equipment net of tax	**(25,567)**	-	**(25,567)**	2,314,747	-	2,314,747
Loss from discontinued operations	**$ (25,567)**	**$ -**	**$ (25,567)**	$ 2,178,935	$ (121,003)	$ 2,057,932

For the nine months ended September 30	**T.C. Backhoe & Directional Drilling 2017**	**Enterprise Trenchless Crossings 2017**	**Total 2017**	T.C. Backhoe & Directional Drilling 2016	Enterprise Trenchless Crossings 2016	Total 2016
Revenue	**$ -**	**$ -**	**$ -**	$ 6,558,653	$ -	$ 6,558,653
Direct expenses	**-**	**-**	**-**	(6,114,015)	(129,034)	(6,243,049)
Gross margin (loss)	**-**	**-**	**-**	444,638	(129,034)	315,604
General and administrative expenses	**-**	**-**	**-**	(587,331)	(87,965)	(675,296)
Depreciation of property, plant and equipment	**-**	**-**	**-**	(674,949)	(260,611)	(935,560)
Finance expense	**-**	-	**-**	(268,756)	-	(268,756)
Amortization of intangible assets	**-**	-	**-**	(72,750)	-	(72,750)
Other income	**-**	-	**-**	129,509	-	129,509
Loss before income tax	**-**	**-**	**-**	(1,029,639)	(477,610)	(1,507,249)
Income tax recovery	**-**	**-**	**-**	344,887	108,417	453,304
Loss on sale of property, plant and equipment net of tax	**(46,087)**	-	**(46,087)**	2,586,029	-	2,586,029
Loss from discontinued operations	**$ (46,087)**	**$ -**	**$ (46,087)**	$ 1,901,277	$ (369,193)	$ 1,532,084

Cash flows from discontinued operations are as follows:

For the nine months ended September 30	**T.C. Backhoe & Directional Drilling 2017**	**Enterprise Trenchless Crossings 2017**	**Total 2017**	T.C. Backhoe & Directional Drilling 2016	Enterprise Trenchless Crossings 2016	Total 2016
Operating	$ **(46,087)**	$ **-**	$ **(46,087)**	$ 286,499	$ (216,998)	$ 69,501
Financing	$ **-**	$ **-**	$ **-**	$ (7,357,147)	$ -	$ (7,357,147)
Investing	$ **-**	$ **-**	$ **-**	$ 16,273,915	$ -	$ 16,273,915

4. Financial instruments and risk management

(a) Fair value of financial instruments

The estimated fair value of the Company's financial instruments approximates the amount for which the financial instrument could currently be exchanged in an arm's length transaction between willing parties who are under no compulsion to act. The carrying value of trade and other receivables, deposits and trade and other payables, approximate fair value because of the near term to maturity of these instruments. The fair value of loans and borrowings is a level 2 measurement and are based on discounted future cash flows using the rates that reflect observable current market rates for similar instruments with similar terms and conditions. The estimated fair value approximates the carrying value at September 30, 2017.

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities:

	September 30, 2017	December 31, 2016
Financial assets		
Cash and cash equivalents	**$ 1,032,244**	$ 691,718
Trade and other receivables	**$ 10,560,479**	$ 9,016,545
Deposits	**$ 320,250**	$ 115,629
Financial liabilities		
Trade and other payables	**$ 3,542,625**	$ 2,891,142
Loans and borrowings	**$ 22,608,936**	$ 24,162,312

Financial risk management

The Company's activities expose it to a variety of financial risks such as credit risk, liquidity risk and market risk. The Board of Directors oversees management's establishment and execution of the Company's risk management framework.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk through cash and cash equivalents and trade and other receivables. The Company manages the credit risk associated with its cash and cash equivalents by holding its funds in financial institutions with high credit ratings. Credit risk for trade and other receivables are managed through established credit monitoring activities.

The Company has trade receivables from customers in the utilities/infrastructure construction industry, as well as customers in the oil and gas industry. Credit risk is mitigated due to significant customers being large industry leaders, following a program of credit evaluation and limiting the amount of customer credit where deemed necessary. The Company monitors trade receivables monthly to identify any amounts which are past due and considers if they are impaired. This assessment is done on an invoice by invoice basis. Losses from trade accounts receivable have not historically been significant. The Company has recorded a provision of doubtful accounts at September 30, 2017, of $172,000 (December 31, 2016 - $145,300).

At September 30, 2017, $2,162,000 or 24% of trade receivables was from two customers compared to $1,095,000 or 12% from two customers as at December 31, 2016.

	September 30, 2017	December 31, 2016
Current (less than 90 days)	**$ 9,498,449**	$ 7,923,838
Past due (more than 90 days)	**1,062,030**	1,092,707
Total	**$ 10,560,479**	$ 9,016,545

Included in trade receivables past due (more than 90 days) is $nil (December 31, 2016 - $51,264) of holdback receivables.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. On an ongoing basis the Company manages liquidity risk by maintaining adequate cash and cash equivalents balances and appropriately utilizing available lines of credit. Management believes that forecasted cash flows from operating activities, along with available lines of credit, will provide sufficient cash requirements to cover the Company's forecasted normal operating activities, commitments and capital expenditures. For the three months ended September 30, 2017, the Company generated 25% of revenue from one customer (2016 - 60% from two customers). For the nine months ended September 30, 2017, the Company generated 27% of revenue from one customer (2016 - 42% from two customers.) No other customers comprise more than 10% of revenues.

The following are undiscounted contractual maturities of financial liabilities, including estimated interest at September 30, 2017, and December 31, 2016:

September 30, 2017	**Carrying amount**	**Contractual cash flows**	**Due within one year**	**Two-five years**	**More than five years**
Trade and other payables	$ 3,542,625	$ 3,542,625	$ 3,542,625	$ -	$ -
Loans and borrowings	22,608,936	26,759,055	1,770,664	24,222,814	765,577
Operating lease commitments	-	1,678,867	1,017,009	661,858	-
	$ 26,151,561	**$ 31,980,547**	**$ 6,330,298**	**$ 24,884,672**	**$ 765,577**

December 31, 2016	Carrying amount	Contractual cash flows	Due within one year	Two-five years	More than five years
Trade and other payables	$ 2,891,142	$ 2,891,142	$ 2,891,142	$ -	$ -
Loans and borrowings	24,162,312	29,521,119	2,630,528	26,025,156	865,435
Operating lease commitments	-	2,208,544	1,003,942	1,204,602	-
	$ 27,053,454	$ 34,620,805	$ 6,525,612	$ 27,229,758	$ 865,435

(d) Market risk

Market risk is the risk of changes in market prices, such as interest rates, which will affect the Company's income or the value of its financial instruments. Management has assessed the effect of a 1% interest rate increase or decrease in the prime lending rate at September 30, 2017, to impact the Company's annual interest expense by approximately $221,000 (December 31, 2016 - $228,000). The Company has not entered into any derivative agreements to mitigate this risk.

Capital management

The primary objective of capital management is to ensure the Company has sufficient capital to support its business and maximize shareholder value. The Company manages its capital in proportion to the risk of the underlying assets and makes adjustments in light of changes in economic conditions and risks. The Company's strategy remains unchanged from prior periods. Management considers its capital structure to include funded debt and adjusted capital of the Company. Adjusted capital comprises all components of equity (share capital, contributed surplus, warrants and deficit). Included in funded debt is the bank loan facility which requires the Company to maintain certain financial covenants as defined below. The Company's objectives when managing capital are to finance its operations and growth strategies and to provide an adequate return to its shareholders. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt. As at September 30, 2017 the Company has met these objectives.

	September 30, 2017	December 31, 2016
Bank loan	**$ 20,718,573**	$ 21,214,450
Current portion of long-term debt	**496,958**	1,268,796
Long-term debt	**1,393,405**	1,679,066
Net funded debt	**22,608,936**	24,162,312
Shareholders' equity	**51,661,371**	52,970,369
Total capital	**$ 74,270,307**	$ 77,132,681

Included in net debt is the bank loan facility which requires the Company to maintain certain financial covenants.

"Fixed Charge Coverage Ratio" - EBITDA less unfinanced capital expenditures, less taxes paid divided by fixed charges.

"Senior Leverage Ratio" - the result of the amount of Senior Funded Debt of the Company and its subsidiaries on a consolidated basis, to the trailing twelve month EBITDA for the 12 month period ended as of such date.

"EBITDA" - earnings before finance expense, taxes, depreciation and amortization, loss (gain) on disposal of property, plant and equipment, fair value adjustments, impairment losses and share-based payments.

The Company's covenants are as follows:

	September 30, 2017	**Required**	December 31, 2016	Required
Fixed charge coverage ratio	**2.01**	> 1.25	N/A	N/A
Senior leverage ratio	**3.51**	< 6.50	N/A	N/A
Net capital expenditure	**$792,453**	< $1,125,000	$1,098,896	< $1,125,000

The minimum covenants are noted in the table above. The Company monitors these requirements on an ongoing basis and reports on its compliance to its lender on a monthly basis.

As at September 30 2017, the Company is in compliance with all covenants.

Fair value determination

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

5. Property, plant and equipment

Cost or deemed cost	**Balance at December 31, 2016**	**Additions**	**Disposals**	**Balance at September 30, 2017**
Buildings	$ 459,663	$ -	$ (37,532)	**$ 422,131**
Leasehold improvements	752,107	18,540	-	**770,647**
Computers and communication equipment	427,052	1,261	-	**428,313**
Small equipment	2,338,776	46,356	-	**2,385,132**
Light automotive equipment	3,424,219	-	(393,936)	**3,030,283**
Heavy automotive, construction and portable rental equipment	73,448,856	1,101,298	(1,409,317)	**73,140,837**
Property, plant and equipment under construction	1,229,579	191,926	(32,742)	**1,388,763**
Less construction assets held for sale	(5,025,444)	-	-	**(5,025,444)**
	$ 77,054,808	**$ 1,359,381**	**$ (1,873,527)**	**$ 76,540,662**

	Accumulated depreciation				**Carrying amounts**	
	Balance at December 31, 2016	**Depreciation for the period**	**Disposals**	**Balance at September 30, 2017**	**Balance at December 31, 2016**	**Balance at September 30, 2017**
Buildings	$ 19,443	$ 7,815	$ (1,242)	**$ 26,016**	$ 440,220	**$ 396,115**
Leasehold improvements	448,586	102,822	-	**551,408**	303,521	**219,239**
Computers and communication equipment	273,902	66,705	-	**340,607**	153,150	**87,706**
Small equipment	1,488,027	278,306	-	**1,766,333**	850,749	**618,799**
Light automotive equipment	1,649,818	345,455	(226,628)	**1,768,645**	1,774,401	**1,261,638**
Heavy automotive, construction and portable rental equipment	18,522,459	3,455,248	(658,840)	**21,318,867**	54,926,397	**51,821,970**
Property, plant and equipment under construction	-	-	-	**-**	1,229,579	**1,388,763**
Less construction assets held for sale	(795,874)	-	-	**(795,874)**	(4,229,570)	**(4,229,570)**
	$ 21,606,361	**$ 4,256,351**	**$ (886,710)**	**$ 24,976,002**	**$ 55,448,447**	**$ 51,564,660**

Included in the carrying amount of $51,564,660 is $1,181,228 (2016 - $1,131,735) of heavy automotive, construction and portable rental equipment under construction and $207,535 (2016 - $97,844) of computers and equipment, which is not being depreciated as they are not yet available for use.

6. Investment property

On September 30, 2017, the Company obtained an independent appraisal of the investment property. The appraisal valued the investment property at $3,725,000 (2016 - $3,780,000) and as such the carrying value was decreased to agree to the valuation as reported. The Company classified this asset as level 3 on the fair value hierarchy.

The appraisal was carried out using the Direct Comparison Approach which involves comparing similar properties that have sold or are listed for sale, often on a unit basis, applying adjustments for differences between the properties. The significant unobservable input is the adjustment for factors specific to the property. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for the valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

7. Loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortized cost.

	September 30, 2017	December 31, 2016
Current portion of loans and borrowings		
Term loan facility	**$ -**	$ 23,340
Current portion of finance lease liabilities	**409,437**	1,160,571
Current portion of mortgage facilities	**87,521**	84,885
Total current portion of loans and borrowings	**496,958**	1,268,796
Non-current portion of loans and borrowings		
Bank loan facility	**20,718,573**	21,214,450
Finance lease liabilities	**324,030**	543,741
Mortgage facilities	**1,069,375**	1,135,325
Total non-current portion loans and borrowings	**22,111,978**	22,893,516
Total loans and borrowings	**$ 22,608,936**	$ 24,162,312

8. Earnings per share

The earnings (loss) available to common shareholders and weighted average number of common shares outstanding for comparative basic and diluted earning (loss) per share are:

	Three months September 30, 2017	Three months September 30, 2016 (restated-note 3)	**Nine months September 30, 2017**	Nine months September 30, 2016 (restated-note 3)
Weighted average common shares – basic & diluted	**55,652,374**	55,652,374	**55,652,374**	55,652,374
Net income (loss) and comprehensive income (loss)	**$328,933**	$581,816	**$(1,308,998)**	$(3,244,576)
Basic and diluted earnings (loss) per share from continuing operations	**$ 0.01**	$(0.03)	**$(0.02)**	$(0.09)
Basic and diluted earnings (loss) per share from discontinued operations	**$ 0.00**	$ 0.04	**$ 0.00**	$ 0.03
Basic and diluted earnings (loss) per share	**$ 0.01**	$ 0.01	**$(0.02)**	$(0.06)

In calculating diluted earnings (loss) per common share for the nine months ended September 30, 2017, the Company excluded 4,835,000 stock options and 6,183,500 warrants (2016 - 4,835,000 stock options and 7,021,768 warrants respectively), as their impact was anti-dilutive.

9. Related party transactions

The Company has entered into various transactions in the normal course of business with corporations controlled by officers and directors of the Company and corporations that have common ownership. These transactions were recorded at the exchange amount established and agreed to by the parties. Management and consulting fees were paid to companies controlled by Leonard Jaroszuk, President and Chief Executive Officer and Desmond O'Kell, Senior Vice President, as compensation for serving the Company in their roles. Equipment rental fees were paid to a company controlled by Leonard Jaroszuk, President and Chief Executive Officer, and Desmond O'Kell, Senior Vice President and Director, to rent equipment required for operating activities.

Nine months ended September 30,		**2017**		2016
Management and consulting fees	**$**	**431,169**	$	540,345
Equipment rental		**112,500**		112,500
	$	**543,669**	$	652,845

10. Supplemental cash flow information

Nine months September 30,		**2017**		2016
(a) Changes in non-cash working capital:				
Trade and other receivables	**$**	**(1,543,934)**	$	2,258,007
Unbilled revenue		**150,963**		972,191
Inventories		**8,849**		508,254
Deposits and prepaid expenses		**(183,931)**		527,841
Trade and other payables		**651,483**		(791,785)
Income taxes payable		**374,945**		(1,344,145)
	$	**(541,625)**	$	2,130,363
(b) Other non-cash transactions:				
Equipment purchased under finance leases	**$**	**27,417**	$	19,006

(c) Cash taxes paid

Cash taxes received for the period ended September 30, 2017 was $424,687 (2016 - $nil).