MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

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EXPLANATORY NOTES

The following Management's Discussion and Analysis of Financial Results ("MD&A"), dated August 11, 2017, should be read in conjunction with the cautionary statement regarding forward-looking information and statements below, as well as the audited consolidated financial statements and notes thereto, for the years ended December 31, 2016 and 2015. The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts in the following MD&A are in Canadian dollars unless otherwise stated. References to "McCoy," "McCoy Global," "the Corporation," "we," "us" or "our" mean McCoy Global Inc. and its subsidiaries, unless the context otherwise requires. Additional information relating to McCoy Global, including periodic quarterly and annual reports and Annual Information Forms ("AIF"), filed with Canadian securities regulatory authorities, is available on SEDAR at sedar.com and our website at mccoyglobal.com.

FORWARD-LOOKING INFORMATION AND STATEMENTS

This MD&A contains certain forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "objective", "ongoing", "believe", "will", "may", "projected", "plan", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well-positioned" or similar words suggesting future outcomes. In particular, this MD&A contains:

Forward-looking statements relating to McCoy Global's:

- future development and organic growth prospects;
- merger and acquisition strategy;
- business strategy; and
- competitive advantages.

Forward-looking statements respecting:

- the business opportunities for the Corporation that are based on the views of management of the Corporation and current and anticipated market conditions; and
- the perceived benefits of the growth and operating strategies of the Corporation; which are based upon the financial and operating attributes of the Corporation as at the date hereof, as well as the anticipated operating and financial results.

Other forward-looking statements regarding the Corporation are located in the documents incorporated by reference in this MD&A and are based on certain key expectations and assumptions of the Corporation concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, which are subject to change based on market conditions and potential timing delays. Although management of the Corporation considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. Undue reliance should not be placed on forward-looking statements, as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in the forward-looking statements, including those set out below and those detailed elsewhere in this MD&A:

- oil and natural gas price fluctuations;
- domestic and foreign competition;
- disruptive technologies;
- replacement or reduced use of products and services;
- international operations;
- business mergers and acquisitions;
- supply chain;
- reliance on key persons and labour shortages;
- legal compliance;
- litigation;
- breach of confidentiality;
- safety performance;
- foreign exchange;
- restrictive covenants on credit facility;
- availability of financing;
- selling additional common shares;
- customer inability to obtain credit/financing;
- receivables impairment;
- insurance sufficiency, availability and rate risk;
- information security;
- challenges by taxation authorities; and
- the risk factors set forth under "Risk Factors".

Readers are cautioned that the foregoing list is not exhaustive.

The reader is further cautioned that the preparation of financial statements in accordance with IFRS requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. These judgments and estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.

The information contained in this MD&A, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Corporation. We urge you to carefully consider those factors.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A and the Corporation does not undertake and is not obligated to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

DESCRIPTION OF GAAP MEASURES AND NON-GAAP MEASURES

Throughout this MD&A, management uses measures which do not have a standardized meaning as prescribed by IFRS and therefore are considered to be additional or non-GAAP measures presented under IFRS.

EBITDA is calculated under IFRS and is reported as an additional subtotal in the Corporation's consolidated statements of cash flows. EBITDA is defined as net (loss) earnings, before:

- finance charges, net;
- income tax expense (recovery);
- depreciation; and
- amortization.

Adjusted EBITDA is a non-GAAP measure defined as net (loss) earnings, before:

- finance charges, net;
- income tax expense (recovery);
- depreciation;
- amortization;
- impairment losses;
- restructuring charges;
- other (gains) losses, net;
- inventory excess and obsolete charges; and
- share-based compensation.

The Corporation reports on EBITDA and adjusted EBITDA because they are key measures used by management to evaluate performance. The Corporation believes adjusted EBITDA assists investors in assessing McCoy Global's current operating performance on a consistent basis without regard to non-cash or non-recurring items that can vary significantly depending on accounting methods or non-operating factors.

Adjusted EBITDA is not considered an alternative to net (loss) earnings in measuring McCoy Global's performance. Adjusted EBITDA does not have a standardized meaning and is therefore not likely to be comparable to similar measures used by other issuers. For comparative purposes, in previous financial disclosures 'adjusted EBITDA' was defined as "net (loss) earnings before finance charges, net, income tax expense (recovery), depreciation, amortization, impairment losses, restructuring charges, non-cash changes in fair value related to derivative financial instruments and share-based compensation." The Corporation revised its definition of adjusted EBITDA in the fourth quarter of 2016, as management believes the revised metric provides a better measure for assessing McCoy Global's current operating performance without regard to inventory excess and obsolete charges and other gains or losses, net; which are non-cash or non-recurring in nature. Adjusted EBITDA should not be used as an exclusive measure of cash flow since it does not account for the impact of working capital changes, capital expenditures, debt changes and other sources and uses of cash, which are disclosed in the consolidated statements of cash flows.

OUTLOOK AND FORWARD-LOOKING INFORMATION

Customer activity generally remained stable in the quarter which resulted in some positive signs in several areas. In most regions, quoting activity continued to increase, most notably in the United States land market, and aftermarket revenue opportunities have improved. However, market uncertainty continues to create a challenging environment for customers, who deferred purchasing decisions during the quarter and remain hesitant to commit to capital equipment orders. Given the overall level of service activity increase in the oil and gas industry, and a shift towards more technical product requirements for many applications, these low levels of capital investment have persisted, but are unlikely to be sustainable over the longer term. Although this quarter's financial results were challenging, we moved forward on several strategic activities that will be valuable to our future success.

Enhanced strategic vision for McCoy Global

For the past several years, we have focused McCoy on being the global leader in tubular make-up and handling equipment solutions. We experienced success on many fronts with this strategy, including the transformation of the organization with a refined focus and a strong platform which we will continue to build upon.

The oil and gas industry has been experiencing a fundamental shift towards mechanized and automated technologies that will result in improved efficiency, reliability and safety performance. Critical to this technology shift is accessibility to reliable data, preferably in real-time. McCoy has been participating in this area of the market for some time with products such as the weCATT™, WINCATT®, and weVERIFY™. The acquisition of the assets and business of 3PS Inc. (3PS) on January 1, 2017, advanced our market position in data collection technologies.

Consistent with key customer trends, during the quarter we enhanced our focus and investments in data acquisition products and technologies. Our existing suite of products are well positioned to take advantage of the industry's shift toward data acquisition and our team has been working together to further enhance our product offerings in this emerging growth area to take advantage of several short to medium term opportunities.

In addition to data acquisition products and technologies, we will also be focusing on a broader wellbore integrity solutions market. This will allow our team to leverage the current expertise, global brand and infrastructure within the organization to broaden the scope of products and services we add to our portfolio. Tubular make-up and handling solutions will continue to play a prominent role within wellbore integrity solutions as we move forward.

New product development initiatives

McCoy has maintained its commitment to developing and commercializing new products over the past several years, despite challenging market conditions.

During the quarter, we completed field trials with a customer on a next-generation hydraulic power tong. This technologically advanced product was specifically developed for the US land market and provides customers with superior performance and safety features while reducing the weight and footprint of the equipment on the rig. We consider projects that target the US land market a priority. Additionally, as other regions in the world require more technically advanced equipment to develop unconventional wells, this product is positioned to take advantage of those markets as well.

We also progressed on the development of several other new products in our technology development pipeline, which are at various stages of development. It is anticipated that we will be in a position to bring these to market before the end of the year.

Operating model changes will deliver long-term cost reductions and an agile production cost structure

As announced last quarter, we advanced our plan to shift from in-house manufacturing of production components at our Edmonton production facility to outsourcing all production components to external vendors. This project is near completion and is anticipated to reduce the Corporation's fixed cost structure and provide more agility to respond to market fluctuations.

Looking forward

We anticipate that revenue instability and competitive pricing will persist throughout the remainder of 2017. Market visibility continues to be a challenge and although we are experiencing strong quoting activity, market fundamentals and timing have proven to be difficult to predict.

Revenue generation and growth are top priorities and we are actively reviewing wellbore integrity and data acquisition growth opportunities in the short-term and exploring strategic opportunities that will enhance or accelerate our market position over the longer-term.

As technologically advanced solutions continue to drive down the cost per barrel of oil, we are strategically positioning ourselves to provide data-based solutions, as well as advanced designs for critical well-bore integrity products and services. These technologies are quickly changing the requirements of our customers in key active markets.

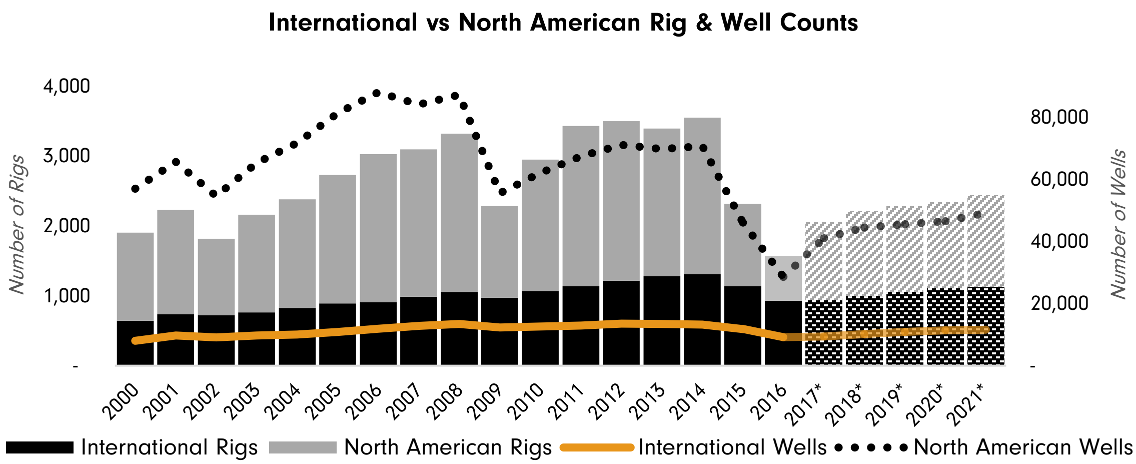
McCoy will continue to expand its customer base as a direct result of introducing data-driven technologies. Our historical service company customer base has expanded to include exploration and production companies, as well as increased exposure to drilling contractors, particularly in the US land market.

MARKET CONDITIONS

The demand for McCoy Global's products and services is ultimately driven by oil and natural gas prices. Oil and natural gas prices typically drive exploration and production companies to increase or decrease capital spending which in turn leads to a corresponding increase or decrease in drilling and completions activity. The Corporation has higher leverage to drilling activity and as this activity increases or decreases, customers adjust purchasing of capital equipment and aftermarket products and services to meet demand of exploration and production companies. 3PS has historically also been primarily leveraged to oil and gas activity.

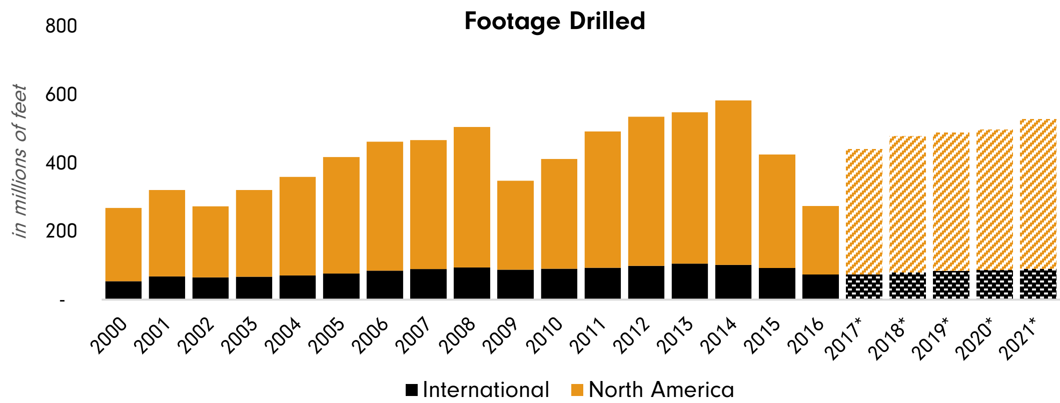
Management uses active rig counts as well as number and length of wells being drilled as data points to monitor and set expectations of the future performance of the Corporation. Generally, these metrics are leading indicators of demand for McCoy Global's products and services, although there are many factors that may impact any correlation.

A summary of historical and forecasted rig and well counts, which includes both land and offshore, obtained from Spears & Associates Drilling and Production Outlook, June 2017, is as follows:



*Forecasted

A summary of historical and forecasted footage drilled, which includes both land and offshore, obtained from Spears & Associates Drilling and Production Outlook, June 2017, is as follows:



Market conditions have improved in 2017 but remain subject to instability. Customers continue to be cash-constrained, and there has been a shift to just-in-time purchasing and growing demand for rental options. McCoy has positioned itself to take advantage of these opportunities through the investments it has made in its rental fleet and finished goods inventories.

Well construction continues to become more complex and there is greater emphasis within the industry on data collection and automation technologies. The strategic acquisition of 3PS contributes valuable design and engineering expertise for ongoing development of data collection technologies and better positions McCoy Global as a solutions provider to future technological challenges faced by customers in respect of this.

As McCoy Global's customers work to achieve profitability in a moderate oil price environment, they have been required to quickly shift investment from one geographic region to another to take advantage of all areas of activity. McCoy is well-positioned to support customers with the investments made in regional service and distribution centers in both the Eastern and Western Hemispheres. McCoy Global has the infrastructure to be agile in response to quickly changing market demands around the world.

Backlog

Backlog is a measure of the amount of customer orders the Corporation has received and is therefore an indicator of a base level of future revenue potential. Backlog is not a GAAP measure and, as a result, the definition and determination of backlog will vary among other issuers reporting a backlog figure.

The Corporation defines backlog as orders that have a high certainty of being delivered and is measured on the basis of a firm customer commitment, such as the receipt of a purchase order. Customers may default on or cancel such commitments, but may be secured by a deposit and/or require reimbursement by the customer upon default or cancellation. Backlog reflects likely future revenues; however, cancellations or reductions may occur and there can be no assurance that backlog amounts will ultimately be realized as revenue, or that the Corporation will earn a profit on backlog once fulfilled.

Expected delivery dates for orders recorded in backlog historically spanned from one to six months. Under current market conditions, many customers have shifted their purchasing habits towards just-in-time buying, with a preference to standard products purchased out of finished goods inventory.

McCoy Global's backlog as at June 30, 2017 totaled $7.7 million (Q1 2017 - $8.1 million), a decrease of $0.4 million or 5% from March 31, 2017.

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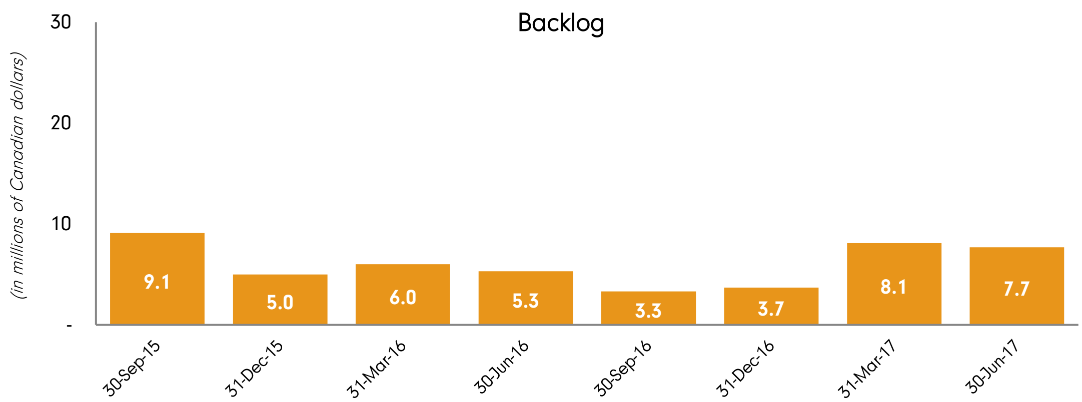
*Forecasted

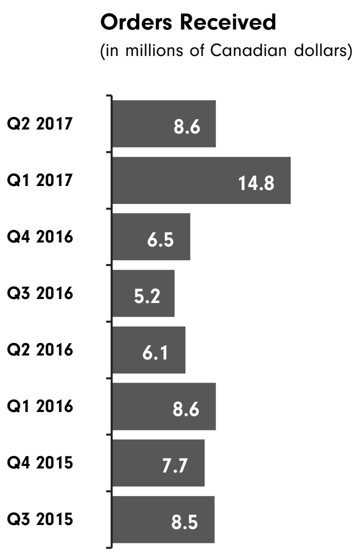
For the quarter, McCoy Global received net sales orders of $8.6 million (Q1 2017 - $14.8 million) and recorded revenue of $9.2 million (Q1 2017 - $10.2 million).

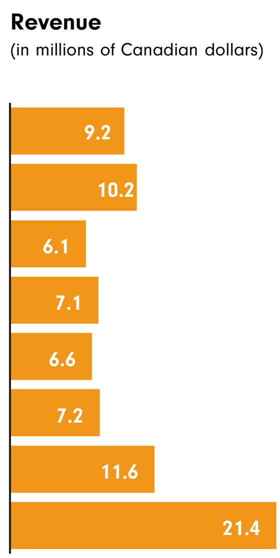


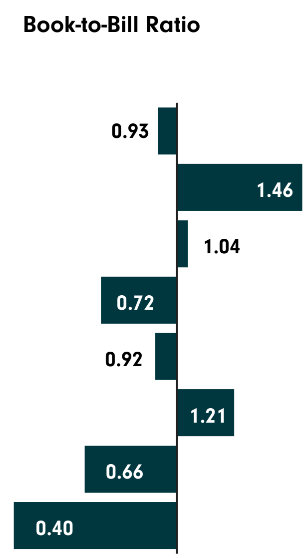
Book-to-Bill Ratio

The book-to-bill ratio is a measure of the amount of net sales orders received to revenues recognized and billed in a set period of time. The ratio is an indicator of customer demand and sales order processing times. The book-to-bill ratio is not a GAAP measure and therefore the definition and calculation of the ratio will vary among other issuers reporting the book-to-bill ratio. McCoy Global calculates the book-to-bill ratio as net sales orders taken in the reporting period divided by the revenues reported for the same reporting period.

Set out below are orders received, revenue and the book-to-bill ratio:







STRATEGY AND CORE BUSINESS VISION

McCoy Global's vision is to be the Leading Provider of Critical Data Acquisition and Wellbore Integrity Solutions for the Global Energy Industry

McCoy Global is a leading provider of equipment and technologies designed to support wellbore integrity and assist with collecting critical data for the global energy industry. McCoy Global's core products are used predominantly during the well construction phase for both land and offshore wells during both oil and gas exploration and development.

The Corporation is engaged in the following:

- design, production and distribution of capital equipment to support wellbore integrity and to support capital equipment sales through aftermarket products and services such as technical support, consumables, and replacement parts;
- design, production and distribution of data collection technologies used in rugged applications for the global energy industry as well as in construction, marine and aerospace;
- repair, maintenance, and calibration of the Corporation's capital equipment and similar competitor products; and
- rental of the Corporation's capital equipment.

Set out below are McCoy Global's principal operations:

Operating Name	Country of Incorporation	Operating Region	Ownership Interest
McCoy Global Canada Corp.	Canada	Canada & Russia	100%
McCoy Global S.à r.l.	Luxembourg	Middle East & Africa	100%
McCoy Global Singapore Pte. Ltd.	Singapore	Asia Pacific	100%
McCoy Global UK Ltd.	United Kingdom	Europe	100%
McCoy Global USA, Inc.	United States	United States & Latin America	100%

FINANCIAL RESULTS

Summary of Consolidated Financial Results

For the three months ended June 30 ($000 except per share amounts)	**2017**	2016
Revenue	**9,214**	6,583
Net loss	**(3,097)**	(19,096)
Per common share – basic	**(0.11)**	(0.69)
Per common share – diluted	**(0.11)**	(0.69)
Adjusted EBITDA	**(919)**	(5,068)
Per common share – basic	**(0.03)**	(0.18)
Per common share – diluted	**(0.03)**	(0.18)

As at and for the six months ended June 30 ($000 except per share amounts)	**2017**	2016
Revenue	**19,428**	13,742
Net loss	**(6,673)**	(28,473)
Per common share – basic	**(0.24)**	(1.03)
Per common share – diluted	**(0.24)**	(1.03)
Adjusted EBITDA	**(904)**	(9,205)
Per common share – basic	**(0.03)**	(0.33)
Per common share – diluted	**(0.03)**	(0.33)
Dividends per common share	**-**	-
Total assets	**68,255**	79,814
Total liabilities	**16,422**	14,357
Total non-current liabilities	**3,428**	3,594

EBITDA and adjusted EBITDA are calculated as follows:

	Three months ended June 30		Six months ended June 30	
($000)	**2017**	2016	**2017**	2016
Net loss	**(3,097)**	(19,096)	**(6,673)**	(28,473)
Income tax recovery	**(214)**	(421)	**(474)**	(2,624)
Finance charges, net	**51**	66	**76**	84
Depreciation	**597**	1,042	**1,259**	2,113
Amortization	**210**	263	**426**	596
EBITDA	**(2,453)**	(18,146)	**(5,386)**	(28,304)
Provisions for excess and obsolete inventory	**648**	689	**1,717**	868
Other losses (gains), net	**407**	131	**875**	1,439
Restructuring charges	**365**	9,517	**1,361**	9,659
Share-based compensation	**114**	14	**181**	121
Impairment charges	**-**	2,727	**348**	7,012
Adjusted EBITDA	**(919)**	(5,068)	**(904)**	(9,205)

REVENUE

($000 except percentages)	For the 3 months ended June 30				For the 6 months ended June 30			
	2017	2016	Change	% Change	**2017**	**2016**	Change	% Change
Revenue	**9,214**	6,583	2,631	40%	**19,428**	**13,742**	5,686	41%

Industry fundamentals have improved from 2016, which has resulted in a notable increase in revenue in both the three and six month periods ended June 30, 2017.

The majority of this increase was driven by aftermarket opportunities, strength in the western hemisphere and increased revenues from the acquisition of 3PS. However, market instability continues to create a challenging environment for customers, who deferred purchasing decisions during the quarter and remain hesitant to commit to capital equipment orders.

GROSS PROFIT (LOSS)

($000 except percentages)	For the 3 months ended June 30				For the 6 months ended June 30			
	2017	2016	Change	% Change	**2017**	2016	Change	% Change
Gross profit (loss)	**1,648**	(2,512)	4,160	(166%)	**3,493**	(3,941)	7,434	(189%)
Gross profit %	***18%***	*(38%)*	*56%*		***18%***	*(29%)*	*47%*	

Gross profit was positively impacted by an increase in revenues and a reduction in production costs in both the three and six months ended June 30, 2017.

Restructuring initiatives have reduced production facility overheads period over period and higher throughput has reduced under absorption of production facility costs. In addition, increased aftermarket and data acquisition revenues have improved gross profit given their higher margin profile.

GENERAL AND ADMINISTRATION EXPENSE (G&A)

($000 except percentages)	For the 3 months ended June 30				For the 6 months ended June 30			
	2017	2016	Change	% Change	**2017**	2016	Change	% Change
G&A	**2,474**	3,202	(728)	(23%)	**4,577**	6,265	(1,688)	(27%)
G&A as a % of revenue	***27%***	*49%*	*(22%)*		***24%***	*46%*	*(22%)*	

G&A reductions in both the three and six months ended June 30, 2017 are a result of the successful implementation of restructuring initiatives and continued discipline around overhead spend.

SALES AND MARKETING EXPENSE

	For the 3 months ended June 30				For the 6 months ended June 30			
($000 except percentages)	2017	2016	Change	% Change	2017	2016	Change	% Change
Sales and marketing expense	**958**	921	37	(4%)	**1,866**	1,851	15	1%
Sales and marketing expense as a % of revenue	***10%***	*14%*	*(4%)*		***10%***	*13%*	*(3%)*	

Sales and marketing expense was consistent with the comparative periods for both the three and six months ended June 30, 2017. Although restructuring efforts in 2016 reduced sales and marketing expenses, this was offset by additional sales and marketing expenses taken on with the 3PS acquisition.

Customer responsiveness continues to be a key priority for McCoy Global. While the restructuring changes have reduced the workforce and contained discretionary spend, a strong technical sales team remains in place. As the organization's top priority moves from cash preservation in 2016 to revenue generation in 2017, additional investments in sales and marketing will be made in 2017 to take advantage of market opportunities.

RESEARCH AND DEVELOPMENT (R&D)

	For the three months ended June 30				For the six months ended June 30			
($000 except percentages)	2017	2016	Change	% Change	2017	2016	Change	% Change
R&D expense	**704**	441	263	60%	**1,537**	846	691	82%
Capitalized development expenditures	**399**	-	399	100%	**433**	10	423	4230%
R&D expenditures	**1,103**	441	662	150%	**1,970**	856	1,114	130%
R&D expenditures as a % of revenue	***12%***	*7%*	*5%*		***10%***	*6%*	*4%*	

In both the three and six months ended June 30, 2017, R&D expenditures increased as a result of the 3PS acquisition, completed in January 2017, adding a strong engineering team to McCoy Global and will continue to contribute valuable design and engineering expertise, supporting the development of data collection technologies. In addition, development and prototype costs were incurred in 2017 as several technology projects progressed and reached critical milestones.

OTHER ITEMS

($000 except percentages)	For the 3 months ended June 30				For the 6 months ended June 30			
	2017	2016	Change	% Change	**2017**	2016	Change	% Change
Other losses, net	**407**	131	276	211%	**875**	1,439	(564)	(39%)
Restructuring charges	**365**	9,517	(9,152)	(96%)	**1,361**	9,659	(8,298)	(86%)
Finance charges, net	**51**	66	(15)	(23%)	**76**	84	(8)	(10%)
Impairment charges	**-**	2,727	(2,727)	(100%)	**348**	7,012	(6,664)	(95%)

Other losses, net, for the three months ended June 30, 2017 include foreign exchange losses recognized on the Corporation's United States denominated financial instruments held by Canadian entities; due diligence and closing expenditures associated with the acquisition of 3PS; and provisions made for legal costs. For the six months ended June 30, 2017, other losses, net, also includes the bargain purchase gain recognized on the acquisition of 3PS. In the comparative periods, other losses, net, primarily include net foreign exchange losses recognized on the Corporation's United States denominated financial instruments held by Canadian entities.

Restructuring charges for the three and six months ended June 30, 2017 and 2016, include costs associated with McCoy's restructuring initiatives.

Finance charges, net, are comprised of interest charges on the Corporation's borrowings and costs associated with establishing and maintaining credit facilities, offset by interest income.

In the first quarter of 2017, an impairment charge was recognized against certain assets affected by changes to McCoy's production operating model. Impairment charges recognized in 2016 relate to property, plant and equipment associated with restructuring initiatives and corresponding facility closures as well as the impairment of certain internally generated intellectual property.

Summary of quarterly results

($000 except per share amounts)	2017		2016				2015	
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
Revenue	**9,214**	10,214	6,120	7,137	6,583	7,159	11,648	21,376
Impairment and restructuring charges (reversals)	**365**	1,344	(54)	(415)	12,244	4,427	4,779	2,170
Net loss	**(3,097)**	(3,576)	(4,359)	(3,094)	(19,096)	(9,377)	(10,792)	(1,963)
Basic loss per share	**(0.11)**	(0.13)	(0.16)	(0.11)	(0.69)	(0.34)	(0.39)	(0.07)
Diluted loss per share	**(0.11)**	(0.13)	(0.16)	(0.11)	(0.69)	(0.34)	(0.39)	(0.07)
EBITDA	**(2,452)**	(2,933)	(3,656)	(2,894)	(18,146)	(10,158)	(8,609)	(973)
Adjusted EBITDA	**(919)**	15	(1,620)	(2,367)	(5,068)	(4,137)	(4,029)	24

Over the past eight quarters McCoy has implemented cost containment and restructuring initiatives to lower the Corporation's cost structure and create a more agile and efficient organization. This has significantly reduced the amount of revenue required to record positive adjusted EBITDA.

LIQUIDITY AND CASH FLOW

At June 30, 2017, the Corporation had $17.1 million in cash and cash equivalents, of which $2.5 million is restricted as per the conditions of the Corporation's credit facility.

During the six months ended June 30, 2017 the Corporation cancelled its operating line of credit and entered into a new credit facility (the "Facility") to finance the acquisition of 3PS. The Facility is comprised of: (i) USD $3.8 million non-revolving term loan with a one year term and USD $0.2 million quarterly principal repayments; and (ii) a CAD $2.0 million operating line that is due on demand.

At June 30, 2017 the Corporation's borrowings under this credit facility are $5.6 million and the Corporation has access to $0.3 million of the operating line.

Selected cash flow information is as follows:

($000)	For the 3 months ended June 30		For the 6 months ended June 30	
	2017	2016	**2017**	2016
Cash (used in) operating activities	**(2,805)**	(1,664)	**(1,182)**	(6,998)
Cash (used in) investing activities	**(612)**	(58)	**(9,236)**	(204)
Cash (used in) generated from financing activities	**(319)**	-	**3,076**	-
Debt to equity ratio	**0.32 to 1**	0.22 to 1	**0.32 to 1**	0.22 to 1

For the three and six months ended June 30, 2017 and 2016, cash used in operating activities was primarily impacted by EBITDA losses and restructuring initiatives, offset by reductions to working capital

Cash used in investing activities for the three months ended June 30, 2017 was primarily comprised of PPE additions and prototype costs related to new products under development. For the six months ended June 30, 2017 the asset purchase of 3PS was also completed. Cash used in investing activities for the three and six months June 30, 2016 for PPE purchases, were partially offset by proceeds from the sale of PPE.

For the six months ended June 30, 2017, cash generated from financing activities includes $5.9 million of proceeds from borrowings under the Facility in the first quarter of 2017, offset by $2.5 million in restricted cash required by the terms of the Facility. During the three months ended June 30, 2017 the Corporation made $0.3 million in principal repayments under the Facility and repurchased common shares pursuant to a normal course issuer bid for a total cost of $0.1 million.

OUTSTANDING SHARE DATA

As at August 11, 2017 the following class of shares and equity securities potentially convertible into common shares were outstanding:

Common shares	27,684,239
Convertible equity securities:	
Stock options	2,532,000

The stock options are exercisable into an equal number of common shares.

CONTROLS AND PROCEDURES

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has evaluated whether there were changes in our Internal Controls over Financial Reporting ("ICFR") during the six month period ended June 30, 2017 that have materially affected, or are reasonably likely to materially affect, our ICFR. No such changes have been identified. Please see page 23 of McCoy Global's 2016 Annual Report for a discussion of internal controls over financial reporting and disclosure controls.

ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is responsible for establishing and maintaining adequate ICFR.

OTHER INFORMATION

Additional information relating to the Corporation, including the Corporation's Annual Information Form for the year ending December 31, 2016 is available on SEDAR at www.sedar.com.

OTHER INTERIM MD&A REQUIREMENTS

There have been no significant changes in the following items from those described in our 2016 Annual Report. Please refer to the page numbers listed below from McCoy Global's 2016 Annual Report:

- Financial instruments and financial risk management – pages 59-62;
- Capital management – page 62;
- Contractual obligations and off balance sheet arrangements – page 18;
- Related party transactions – page 19;
- Critical accounting estimates and judgements – pages 20-21; and
- Risks and uncertainties – pages 24-30.