UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): March 28, 2018

CIVEO CORPORATION
(Exact name of registrant as specified in its charter)

British Columbia, Canada	**1-36246**	**98-1253716**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

Three Allen Center,
333 Clay Street, Suite 4980, Houston, Texas 77002
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (713) 510-2400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

EXPLANATORY NOTE

On April 2, 2018, Civeo Corporation (“Civeo”) filed with the Securities and Exchange Commission a Current Report on Form 8-K (the “Initial 8-K”) to disclose that it had completed its previously announced acquisition (the “Acquisition”) of Noralta Lodge Ltd. (“Noralta”).

This Form 8-K/A amends the Initial 8-K to provide financial statements and pro forma financial information for the Acquisition that are described in parts (a) and (b) of Item 9.01 below. Except as otherwise provided in this Form 8-K/A, the Initial 8-K remains unchanged.

Item 9.01 Financial Statements and Exhibits.

a) Financial Statements of Businesses Acquired.

The audited consolidated financial statements of Noralta as of May 31, 2017 and 2016 and for each of the three years ended May 31, 2017 are incorporated herein by reference as Exhibit 99.1 to this Form 8-K/A.

The unaudited consolidated financial statements of Noralta as of November 30, 2017 and for the six months ended November 30, 2017 and 2016 are attached as Exhibit 99.2 to this Form 8-K/A and incorporated herein by reference.

b) Pro Forma Financial Information.

The unaudited pro forma financial information required by Item 9.01(b) of Form 8-K relating to the completion of the Acquisition is attached as Exhibit 99.3 to this Form 8-K/A and incorporated herein by reference.

d) Exhibits.

Civeo is filing the following exhibits as a part of this Form 8-K/A:

23.1	Consent of PricewaterhouseCoopers LLP.
99.1	Audited Consolidated Financial Statements of Noralta as of May 31, 2017 and 2016 and for each of the three years ended May 31, 2017 (incorporated by reference from Annex F of the Proxy Statement on Schedule 14A of Civeo (File No. 001-36246), filed on February 2, 2018).
99.2	Unaudited Consolidated Financial Statements of Noralta as of November 30, 2017 and for the Six Months Ended November 30, 2017 and 2016.
99.3	Unaudited Pro Forma Financial Information.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CIVEO CORPORATION

By: /s/ Frank C. Steininger
Name: Frank C. Steininger
Title: Executive Vice President, Chief Financial Officer and Treasurer

DATED: April 11, 2018

Exhibit 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the following Registration Statements of Civeo Corporation:

i. the Registration Statement (Form S-8 No. 333-196292, as amended) pertaining to the 2014 Equity Participation Plan of Civeo Corporation,

ii. the Registration Statement (Form S-8 No. 333-211393) pertaining to the Amended and Restated 2014 Equity Participation Plan of Civeo Corporation and

iii. the Registration Statement (Form S-3 No. 333-212754, as amended) pertaining to the registration of common shares, preferred shares, debt securities and warrants

of our report dated December 11, 2017 relating to the consolidated financial statements of Noralta Lodge Ltd., which is included in this Current Report on Form 8-K/A of Civeo Corporation.

/s/ PricewaterhouseCoopers LLP
Edmonton, Alberta, Canada
April 11, 2018

Exhibit 99.2

Noralta Lodge Ltd.

Interim Consolidated Financial Statements

Consolidated balance sheets as at November 30, 2017 and May 31, 2017 and consolidated statements of retained earnings, operations and cash flows for the six-month periods ended November 30, 2017 and 2016

Noralta Lodge Ltd.

Interim Consolidated Balance Sheets

Canadian $ as at	November 30, 2017 Unaudited	May 31, 2017
Assets		
Current assets		
Cash	$ -	$ 16,940,767
Trade and other receivables (Note 11)	31,541,108	26,880,351
Inventory (Note 3)	2,309,506	2,054,040
Prepaid expenses and deposits	1,018,453	1,230,185
Advances to shareholder (Note 11)	6,017,319	5,765,605
Assets held for sale (Note 6)	247,454	1,726,985
Total current assets	41,133,840	54,597,933
Property and equipment (Note 4)	158,491,176	159,279,490
Intangible assets (Note 5)	160,850	170,351
Total assets	$ 199,785,866	$ 214,047,774
Liabilities and shareholders' equity		
Liabilities		
Current liabilities		
Bank indebtedness (Note 8)	$ 9,912,842	$ -
Accounts payable and accrued liabilities (Note 7)	17,090,848	14,774,745
Income taxes payable	1,822,439	7,440,837
Obligations under capital lease (Note 9)	34,106	189,847
Long-term debt (Note 8)	6,000,000	4,686,698
Asset retirement obligations (Note 13)	1,254,000	1,254,000
Total current liabilities	36,114,235	28,346,127
Unearned revenue	4,840,614	-
Obligations under capital lease (Note 9)	1,055	7,311
Long-term debt (Note 8)	56,000,000	94,754,822
Promissory note payable (Note 10)	1,346,414	1,346,414
Asset retirement obligations (Note 13)	7,812,329	7,739,960
Future income taxes (Note 15)	23,946,700	24,310,700
Total liabilities	130,061,347	156,505,334
Commitments and guarantees (Note 12)		
Shareholders' equity		
Share capital (Note 14)		
Common shares	100	100
Preferred shares, redeemable at $478,526,771 (May 31, 2017 - $479,246,126)	9,591,653	9,606,899
Contributed surplus (Note 14)	7,924,214	-
Retained earnings	52,208,552	47,935,441
Total shareholders' equity	69,724,519	57,542,440
Total liabilities and shareholders' equity	$ 199,785,866	$ 214,047,774

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

Noralta Lodge Ltd.

Interim Consolidated Statements of Retained Earnings (Unaudited)

Canadian $ as at		
Balance - May 31, 2016	$	11,332,156
Net earnings for the six-month period ended		23,669,863
Premium on redemption of shares (Note 14)		(617,224)
Balance - November 30, 2016	$	34,384,795
Balance - May 31, 2017	$	47,935,441
Net earnings for the six-month period ended		4,977,153
Premium on redemption of shares (Note 14)		(704,042)
Balance - November 30, 2017	$	52,208,552

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

Noralta Lodge Ltd.

Interim Consolidated Statements of Operations (Unaudited)

Canadian $ for the six-month period ended	November 30, 2017	November 30, 2016
Revenue (Note 19)	$ 90,348,396	$ 89,633,958
Operating expenses		
Wages and benefits	17,940,304	16,481,818
Groceries	15,363,272	9,918,640
Telephone and utilities	6,758,822	4,238,098
Rent (Note 19)	3,736,420	2,058,826
Contracted services	2,714,800	1,295,955
Property taxes	1,408,530	598,617
Repairs and maintenance	1,024,806	862,320
Aircraft and travel	886,171	1,026,091
Insurance	651,759	423,702
Lodge supplies	581,046	879,309
Professional fees	108,938	163,323
	51,174,868	37,946,699
Gross profit	39,173,528	51,687,259
General and administrative expenses (Note 16)	12,565,527	5,138,977
Expenses		
Amortization	8,804,265	10,251,924
Reorganization cost	2,180,592	758,333
Interest	6,741,300	7,236,895
Mobilization costs	-	1,070,214
	17,726,157	19,317,366
Earnings from operations	8,881,844	27,230,916
Other income (expense)		
Wildfire costs (Note 17)	-	(169,068)
Insurance proceeds (Note 18)	388,371	-
Accretion	(72,369)	(71,040)
(Loss) gain on repayment of long-term debt	(93,075)	5,429,602
Gain on disposal of property and equipment	672,123	26,895
Loss on foreign exchange	(626)	(1,409)
	894,424	5,214,980
Earnings before income taxes	9,776,268	32,445,896
Income taxes (Note 15)		
Current	5,163,115	4,174,832
Future	(364,000)	4,601,201
	4,799,115	8,776,033
Net earnings for the period	$ 4,977,153	$ 23,669,863

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

Noralta Lodge Ltd.

Interim Consolidated Statements of Cash Flows (Unaudited)

Canadian $ for the six-month period ended	November 30, 2017	November 30, 2016
Cash provided by (used in)		
Operating activities		
Net earnings for the period	$ 4,977,153	$ 23,669,863
Items not affecting cash		
Share-based compensation	7,924,214	-
Amortization	8,804,265	10,251,924
Accretion	72,369	71,040
Gain on disposal of property and equipment	(672,123)	(26,895)
Amortization of finance fees	3,063,792	656,650
Loss (gain) on repayment of long-term debt	93,075	(5,429,602)
Future income tax (recovery) expense	(364,000)	4,601,201
	23,898,745	33,794,181
Net change in non-cash working capital items		
Trade and other receivables	(4,660,757)	(6,289,554)
Inventory	(255,466)	43,828
Prepaid expenses and deposits	211,732	330,705
Accounts payable and accrued liabilities	2,316,103	(2,093,444)
Income taxes recoverable/payable	(5,618,398)	4,183,460
Unearned revenue	(236,939)	-
Cash provided by operating activities	15,655,020	29,969,176
Investing activities		
Purchase of property and equipment and intangible assets	(3,042,070)	(496,415)
Proceeds from sale of property and equipment	2,264,827	38,568
Advances to shareholder	(251,714)	(37,317)
Cash used in investing activities	(1,028,957)	(495,164)
Financing activities		
Proceeds on long-term debt	54,563,613	40,000,000
Repayment of long-term debt	(95,162,000)	(58,200,000)
Finance fees paid	-	(1,070,398)
Repayment of obligations under capital lease	(161,997)	(180,769)
Repurchase and redemption of shares	(719,288)	(617,720)
Cash used in financing activities	(41,479,672)	(20,068,887)
(Decrease) increase in cash	(26,853,609)	9,405,125
Cash - beginning of period	16,940,767	783,316
(Bank indebtedness) cash - end of period	$ (9,912,842)	$ 10,188,441

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

Noralta Lodge Ltd.

Notes to the Interim Consolidated Financial Statements (Unaudited)

1 Nature of operations

Noralta Lodge Ltd. and its wholly owned subsidiaries (together the “Company” or “Noralta”) supply and operate industrial lodging in Northern Alberta. The majority of the Company’s customers operate in the oil and gas industry.

2 Basis of presentation

These interim consolidated financial statements have been prepared in accordance with Canadian Accounting Standards for Private Enterprises (“ASPE”) except that they do not include all disclosures required for annual financial statements and should be read in conjunction with the audited annual consolidated financial statements as at May 31, 2017 and May 31, 2016 and the consolidated statements of retained earnings, operations and cash flows for each of the years ended May 31, 2017, May 31, 2016 and May 31, 2015. The accounting policies used in the preparation of these interim consolidated financial statements are consistent with those followed in the preparation of the Noralta Lodge Ltd. annual financial statements for May 31, 2017 and May 31, 2016 and the consolidated statements of retained earnings, operations and cash flows for each of the years ended May 31, 2017, May 31, 2016 and May 31, 2015.

All figures in these interim consolidated financial statements are in Canadian dollars unless otherwise noted.

3 Inventory

Canadian $ as at	November 30, 2017	May 31, 2017
Groceries	$ 387,628	$ 291,578
Camp supplies	1,921,878	1,762,462
	$ 2,309,506	$ 2,054,040

4 Property and equipment

Canadian $ as at	November 30, 2017 Cost	November 30, 2017 Accumulated amortization	November 30, 2017 Net	May 31, 2017 Cost	May 31, 2017 Accumulated amortization	May 31, 2017 Net
Land	$ 2,927,920	$ -	$ 2,927,920	$ 2,927,920	$ -	$ 2,927,920
Buildings and bunkhouses	249,044,877	116,990,339	132,054,538	244,423,339	110,165,263	134,258,076
Leasehold improvements	6,703,798	5,463,010	1,240,788	6,413,975	5,309,349	1,104,626
Road, paving and fences	7,631,804	2,404,863	5,226,941	7,631,804	2,058,937	5,572,867
Furniture and equipment	21,156,436	13,410,742	7,745,694	20,092,440	12,658,260	7,434,180
Automotive	3,954,703	3,102,087	852,616	3,837,296	3,070,223	767,073
Assets under construction	1,946,491	-	1,946,491	376,656	-	376,656
Asset retirement obligations	8,851,880	2,355,692	6,496,188	8,851,880	2,013,788	6,838,092
	$ 302,217,909	$ 143,726,733	$ 158,491,176	$ 294,555,310	$ 135,275,820	$ 159,279,490

Amortization relating to property and equipment charged to current operations during the six-month period ended November 30, 2017 was $8,733,752 (November 30, 2016 - $10,127,496). During the period, management entered into an arrangement for the transfer of certain assets in exchange for accommodation services. Management estimated the value of these assets to be $4,400,000 which is recorded in buildings and bunkhouses.

5 Intangible assets

	November 30, 2017			May 31, 2017		
Canadian $ as at	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Software	$ 2,564,711	$ 2,403,861	$ 160,850	$ 2,510,261	$ 2,339,910	$ 170,351

Amortization relating to intangible assets charged to current operations during the six-month period ended November 30, 2017 was $70,513 (November 30, 2016 - $124,428).

6 Assets held for sale

	November 30, 2017			May 31, 2017		
Canadian $ as at	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Assets held for sale	$ 247,454	$ -	$ 247,454	$ 1,726,985	$ -	$ 1,726,985

Assets held for sale relates to an aircraft and related engine owned by the Company. The aircraft's engine was sold subsequent to November 30, 2017. No depreciation was recorded as the asset was held for sale. Refer to note 22.

7 Government remittances

Government remittances consist of amounts such as sales taxes and payroll withholding taxes required to be paid to the government and are recognized when they become due. At November 30, 2017 $1,152,212 (May 31, 2017 - $985,245) was included in accounts payable and accrued liabilities related to such government remittances.

8 Long-term debt and bank indebtedness

Canadian $ as at	November 30, 2017	May 31, 2017
Senior secured notes due September 24, 2019, bearing interest at 7.50% payable semi-annually	$ -	$ 82,162,000
Term loan facility, maturing July 13, 2020	62,000,000	20,343,312
Less: unamortized finance fees	-	(3,063,792)
Less: current portion	(6,000,000)	(4,686,698)
	$ 56,000,000	$ 94,754,822

Senior Secured Notes

On September 24, 2014, the Company issued $150,000,000 of 7.50% senior secured notes due September 24, 2019. These notes were secured equally and rateably by second priority liens, subject to certain permitted liens, in substantially all of the present and future undertakings, property and assets of the Company and guarantors, subject to certain limited exceptions set out in the applicable security documents contained in the debenture. These notes pay interest semi-annually and were redeemable at the Company's option in whole or in part, commencing on September 24, 2016 at the following redemption prices (expressed as a percentage of the principal amount of the notes): 2016 at 105.625%, 2017 at 103.750%, 2018 and thereafter at 100.000%. The outstanding notes were redeemable in accordance with the redemption provisions contained in the indenture governing such notes and were redeemable if the Company was not in compliance with the indenture.

On November 1, 2016 the Company negotiated a repayment of $56,500,000 of its senior secured notes for $50,000,000 resulting in a $5,429,602 gain. The repayment was funded with $10,000,000 in cash on hand and a $40,000,000 bank term loan issued under the amended and restated Credit Agreement dated October 31, 2016. The gain, net of fees, was recorded in the interim consolidated statements of operations.

On August 2, 2017 the Company negotiated a repayment of $79,680,000 of its senior secured notes plus $2,161,184 in accrued interest. No gain or loss was recorded because the bonds were repaid at par. The repayment was funded with $27,246,804 in cash on hand, a $30,000,000 draw on the bank term loan, and a $25,000,000 draw on the revolving credit facility portion of the July 13, 2017 Amended Credit Agreement.

On September 29, 2017 the Company repaid all of its remaining senior notes. The notes were redeemed for cash at a redemption price of 103.75% of the outstanding principal amount of the redeemed notes plus accrued interest. Following completion of the redemption, the indenture was terminated effective September 29, 2017.

Credit Facility

On September 24, 2014, the Company entered into a credit agreement (the "Credit Agreement") which was subsequently amended on July 28, 2015, April 1, 2016, January 9, 2017 and July 13, 2017 (the "Amended Credit Agreement"). The following has been pledged as security for The Amended Credit Agreement:

- a debenture or general security agreement containing a first priority security interest in all present and after-acquired personal property and a first priority floating charge on present and after-acquired real property;
- a mortgage or debenture containing a first priority mortgage and charge over the specified lands;
- a general assignment of rents and leases over the specified lands;
- a securities pledge agreement or charge over shares (or other equivalent security applicable in the relevant jurisdiction);
- supplemental security agreements if requested by the majority lenders;
- any other guarantees and all such other mortgages, debentures, assignments and other security agreements as are provided to the second lien secured parties from time to time; and
- thereafter all such other guarantees and all such other mortgages, debentures, assignments and other security agreements as may be required by the majority lenders, acting reasonably (each in form and substance satisfactory to the majority lenders, acting reasonably) in order to, or to more effectively, charge in favour of the collateral agent on behalf of itself, the administrative agent, lenders, the cash manager and swap lenders on and against all of the undertaking assets and property (real or personal, tangible or intangible, present or future and of whatsoever nature and kind).

The Amended Credit Agreement matures July 13, 2020. It provides a borrowing base determined by the value of receivables and equipment with Senior Adjusted Leverage Ratio and Fixed Charge Cover Ratio financial covenants. Under the terms of the Amended Credit Agreement the Senior Adjusted Leverage Ratio must not be more than 3.00:1.00 and the Fixed Charge Coverage Ratio must not be less than 1.50:1.00. The Amended Credit Agreement allows for borrowing up to $150,000,000 contingent on the value of the borrowing base defined above which includes letters of credit up to $30,000,000. The revolving facility can be drawn in both Canadian and US funds. It also contains a $50,000,000 non-revolving term loan facility. Proceeds from the term loan facility were only to be used to repurchase the senior secured notes. Reporting under the terms of the Amended Credit Agreement the Company is fully compliant with its financial covenants.

As at November 30, 2017, $15,000,000 (May 31, 2017 – $nil) was drawn against the revolving credit facility and there were $279,330 (May 31, 2017 – $279,330) of issued and undrawn letters of credit. As at November 30, 2017, $47,000,000 (May 31, 2017 - $20,343,312) was drawn against the term loan facility. As at November 30, 2017, the Company's unused borrowing availability under the credit facility was $87,720,670 (May 31, 2017 – $79,377,358).

Interest on the revolving facility is paid at variable rates based on the prime rate plus the applicable pricing margin (as defined in the July 13, 2017 Amended Credit Agreement). Stamping fees and interest related to the issuance of bankers' acceptances are paid in advance on the issuance of such bankers' acceptances. As at November 30, 2017, the prime rate was 3.20% (May 31, 2017 – 2.70%) and the stamping fee rate was 1.75% (May 31, 2017 – 1.75%).

Expected long-term debt repayments for each of the 12 months ended November 30 over the next five years are as follows:

Canadian $ for the periods ended		
2018	$	6,000,000
2019		6,000,000
2020		50,000,000
2021		-
2022		-
	$	62,000,000

Bank indebtedness

Bank indebtedness relates to amounts drawn against the swingline portion of the July 13, 2017 Amended Credit Agreement which provides for borrowing up to $15,000,000. Interest on the swingline is paid at variable rates based on the prime rate plus the applicable pricing margin (as defined in the July 13, 2017 Amended Credit Agreement). Collateral for bank indebtedness is as described above under Credit Facility.

9 Obligations under capital lease

Obligations under capital lease for equipment bear annual interest from 3% to 12% payable in monthly payments of principal and interest. Future minimum lease payments for the obligations under capital lease are as follows:

Canadian $ as at		**November 30, 2017**		**May 31, 2017**
Remainder of fiscal 2018	$	28,122		193,040
2019		7,402		7,402
		35,524		200,442
Less: amount representing interest		(363)		(3,284)
		35,161		197,158
Less: current portion		(34,106)		(189,847)
	$	1,055	$	7,311

Obligations under capital lease are collateralized by equipment with a net book value of $38,266 as at November 30, 2017 (May 31, 2017 – $565,859). Assets under capital lease are recorded at a cost of $195,581 as at November 30, 2017 (May 31, 2017 – $1,974,051) and accumulated amortization of $157,315 (May 31, 2017 – $1,408,192). Amortization expense recorded on assets under capital lease was $6,753 for the six-months ended November 30, 2017 (2016 – $209,784).

10 Promissory note payable

Canadian $ as at		November 30, 2017		May 31, 2017
Promissory note payable to Balle Air Ltd., no interest, no terms for repayment	$	1,346,414	$	1,346,414

The promissory note payable is subordinated to the long-term debt described in Note 8 and therefore is presented as long-term.

11 Related party transactions

Related parties include the Company's parent, Torgerson Family Trust, and companies controlled by a trustee of the parent, including Svenco Investments Ltd., 989677 Alberta Ltd., Balle Air Ltd. and Industrial Life Support Inc. Related parties also include a company controlled by an immediate family member of a trustee of the Company's parent, Balle Capital Inc., as well as partnerships over which the Company has joint control, Dene Koe Workforce Lodging and Services Limited Partnership and Willow Lake Facilities Management Limited Partnership. 989677 Alberta Ltd. is also a preferred shareholder of the Company.

Transactions with related parties in the normal course of operations have been recorded in these consolidated financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Transactions with related parties not in the normal course of operations have been recorded in these consolidated financial statements at the carrying amount.

Transactions

Canadian $ for the six-month period ended		November 30, 2017		November 30, 2016
Revenue				
Willow Lake Facilities Management Limited Partnership				
Property Management Services	$	-	$	9,194
Dene Koe Workforce Lodging and Services Limited Partnership				
Lodging Services		68,940,849		27,608,329
		68,940,849		27,617,523
Expenses				
Balle Air Ltd.				
Travel		48,195		48,195
Key management personnel				
Share-based compensation		7,924,214		-
		7,972,409		48,195
Proceeds on sale of property and equipment to 989677 Alberta Ltd.		21,779		-
Purchases of property and equipment from 989677 Alberta Ltd.	$	20,826	$	-

There was no gain or loss on the sale or purchase of equipment with 989677 Alberta Ltd. Share-based compensation expense for key management personnel relates to executives who were awarded Class H shares in an equity participation plan of the Company.

Balances

Canadian $ as at		**November 30, 2017**		**May 31, 2017**
Trade and other receivables				
Balle Air Ltd.	$	2,029,690	$	1,822,669
Dene Koe Workforce Lodging and Services Limited Partnership		17,989,903		10,704,702
		19,828,742		12,527,371
Advances to shareholder				
989677 Alberta Ltd.		6,017,319		5,765,605
Promissory note payable (Note 10)				
Balle Air Ltd.		1,346,414		1,346,414
Senior secured notes (Note 8)				
Svenco Investments Ltd.		-		18,500,000

Trade and other receivables from related parties are non-interest bearing and have no specified repayment terms. Advances to 989677 Alberta Ltd. are non-interest bearing without specified repayment terms. Refer to Note 8 for terms of repayment and interest rate associated with the senior secured notes.

12 Commitments and guarantees

The Company has various land, premises, equipment leases and contracts for telephone, cable and internet services expiring from April 2018 to December 2022. Future minimum contractual obligations in the next five years and thereafter are as follows:

Canadian $ for the years ended		**Land leasing**		**Equipment leasing**		**Utilities**		**Premises leasing**		**Total**
Remainder of fiscal 2018	$	818,700	$	44,355	$	1,431,061	$	18,420	$	2,312,536
2019		1,637,400		53,895		2,005,243		18,420		3,714,958
2020		1,637,400		53,895		1,377,035		-		3,068,330
2021		1,637,400		53,895		1,643,068		-		3,334,363
2022		1,831,100		-		1,541,271		-		3,372,371
Thereafter		-		-		-		-		-
	$	7,562,000	$	206,040	$	7,997,678	$	36,840	$	15,802,558

The Company is liable under two letters of guarantee for $279,330 issued by the lenders to both vendors and customers as per contractual arrangements.

13 Asset retirement obligations

Asset retirement obligations include constructive site restoration obligations to restore lands to their previous condition when lodges are dismantled and removed. The estimated present value of rehabilitating these lands at the end of their useful lives has been estimated using existing technology at inflated prices and discounted using a risk free rate. The future value amount at November 30, 2017 was $12,043,149 and was determined using a risk-free interest rate of 1.87% and an inflation rate of 2.00%. The timing of these payments is dependent on various factors, such as the estimated lives of the equipment and industry activity in the region but is anticipated to occur between 2018 and 2038.

Canadian $ as at		**November 30, 2017**		**May 31, 2017**
Balance, beginning of period	$	8,993,960	$	-
Additions		-		8,851,880
Accretion		72,369		142,080
Balance, end of period		9,066,329		8,993,960
Less: current portion		(1,254,000)		(1,254,000)
	$	7,812,329	$	7,739,960

14 Share capital

Authorized

Unlimited Class A, B and C common shares, voting
Unlimited Class D common shares, non-voting
Unlimited Class E preferred shares, voting
Unlimited Class F preferred shares, non-voting, non-cumulative
Unlimited Class G and H preferred shares, non-voting, non-cumulative, retractable at $1 per share

Issued

Canadian $ as at			November 30, 2017			May 31, 2017
	Number of shares		**Amount**	**Number of shares**		**Amount**
Class A shares issued and outstanding	291	$	97	97	$	97
Class B shares issued and outstanding	9		3	3		3
	300	$	100	100	$	100
Class H shares issued and outstanding						
Balance - beginning of period	55,246,126	$	1,126,800	56,068,244	$	1,144,239
Redeemed in period	(719,355)		(15,266)	(822,118)		(17,439)
Balance - end of period	54,526,771		1,111,534	55,246,126		1,126,800
Class G shares issued and outstanding						
Balance - beginning of period	424,000,000		8,480,099	424,000,000		8,480,099
Issued in period	-		-	-		-
Balance - end of period	424,000,000		8,480,099	424,000,000		8,480,099
Total preferred shares	478,526,771	$	9,591,633	479,246,126	$	9,606,899

For the six-month period ending November 30, 2017 the Company redeemed 719,355 (twelve-month period ended May 31, 2017 – 822,118) Class H shares for $719,355 (May 31, 2017 – 822,118). The discount on redemption of $704,042 (November 30, 2016 - $617,224) was charged to retained earnings. The total redemption amount for the preferred shares is $478,526,771 (May 31, 2017 - $ 479,246,126).

During the period the Company introduced long-term incentive plans to allow for equity participation of certain key executives. As part of the plans, the Company undertook a 3 for 1 share split of its common shares. Compensation expense for the period ended November 30, 2017 was $7,924,214 with a corresponding increase to contributed surplus.

15 Income taxes

The provision for income taxes differs from what would be expected by applying statutory rates. A reconciliation of the difference is as follows:

Canadian $ for the six-month period ended	November 30, 2017	November 30, 2016
Earnings before income taxes	$ 9,776,268	$ 32,445,896
Combined federal and provincial income tax rate	27.00%	27.00%
Expected income tax provision	2,639,592	8,760,392
Non-temporary differences	20,445	13,640
Non-deductible share-based compensation	2,139,538	-
Other	(460)	2,001
Income tax expense	4,799,115	8,776,033
Represented by:		
Current income tax expense	5,163,115	4,174,832
Future income tax (recovery) expense	(364,000)	4,601,201
Income tax expense	$ 4,799,115	$ 8,776,033
Effective tax rate	49.09%	27.05%

The components of net future tax asset (liability) recognized are as follows:

	Assets		Liabilities		Net	
Canadian $ as at	November 30, 2017	May 31, 2017	November 30, 2017	May 31, 2017	November 30, 2017	May 31, 2017
Property and equipment	-	-	$ (26,820,229)	$ (27,111,898)	$ (26,820,229)	$ (27,111,898)
Deferred financing fees	-	-	-	(96,468)	-	(96,468)
Asset retirement obligations	2,447,909	2,428,369	-	-	2,447,909	2,428,369
Capital losses	38,488	38,488	-	-	38,488	38,488
Impairment	375,052	375,052	-	-	375,052	375,052
Capital lease obligations	9,493	53,232	-	-	9,493	53,232
Other	2,587	2,525	-	-	2,587	2,525
Future income tax liability					$ (23,946,700)	$ (24,310,700)

Movements in temporary differences were all recognized within earnings during the six-month period ended November 30, 2017 and November 30, 2016.

An analysis of the future income tax liability between current and non-current is as follows:

Canadian $ as at	November 30, 2017	May 31, 2017
Future income tax assets:		
Future income tax asset to be recovered after more than 12 months	$ 2,870,942	$ 2,895,141
Future income tax asset to be recovered within 12 months	2,587	2,525
	2,873,529	2,897,666
Future income tax liabilities:		
Future income tax liability to be recovered after more than 12 months	(26,820,229)	(27,208,366)
Future income tax liability to be recovered within 12 months	-	-
	(26,820,229)	(27,208,366)
Future income tax liability	$ (23,946,700)	$ (24,310,700)

16 General and administrative expenses

Canadian $ for the six-month period ending		**November 30, 2017**		**November 30, 2016**
Wages and benefits	$	3,190,407	$	3,356,608
Share-based compensation		7,924,214		-
Professional fees		505,603		354,493
Advertising and promotion		206,935		90,793
Office and miscellaneous		202,825		161,837
Repairs and maintenance		178,316		48,974
Travel and automotive		174,363		81,405
Telephone and utilities		143,485		106,761
Insurance		51,923		93,591
Property taxes		23,218		11,495
Rent		14,148		10,764
Bad debt (recovery) expense		(49,910)		822,256
	$	12,565,527	$	5,138,977

17 Wildfire costs

In May 2016 there were major wildfires in the Fort McMurray region of Alberta and the Company incurred costs related to the protection of its assets and in restarting operations after the fires were extinguished.

18 Insurance proceeds

Insurance proceeds are payments received relating to extra expense incurred and business interruption insurance for the May 2016 wildfire.

19 Rent Expense

During the period the Company entered into an arrangement for use of certain assets in exchange for the provision of accommodation services. The impact on revenue and rent expense for the six-months ended November 30, 2017 was $2,886,318 (November 30, 2016 – nil).

20 Financial instruments

Credit risk

The Company is exposed to credit risk through its trade and other receivables. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary. The Company maintains provisions for potential credit losses and any such losses to date have been within management's expectations.

Liquidity risk

Liquidity risk relates to the risk the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's policy in managing liquidity is to ensure it has sufficient resources to meet its liabilities without incurring undue losses or risking damages to the Company's reputation. In the current environment of low commodity prices, specifically oil and natural gas, management does this by monitoring its cash flows and adjusting the Company's scale of operations as needed.

The aggregate amount of principal repayments of financial liabilities estimated to be required in each of the next five years is:

Canadian $ for the years ended		
Remainder of fiscal 2018	$	30,003,690
2019		6,000,000
2020		6,000,000
2021		48,346,414
2022		-
	$	90,350,104

Interest risk

The Company is exposed to interest rate risk due to floating rates on its term loan. The Company manages its exposure to this risk by minimizing its borrowings. Based on period-end balances, a plus or minus 1% change in interest rates would change interest expense by $620,000 (May 31, 2017 – $203,433) on debt subject to floating rates

21 Economic dependence

For the six-month period ended November 30, 2017, 92% of revenues were from 2 customers (November 30, 2016 – 82% from two customers). There are currently two contracts in place with these customers which come due on May 1, 2022 and June 21, 2027.

22 Subsequent events

Sale of aircraft

On February 7, 2018 the Company entered into a sale agreement with a third party for disposal of its aircraft engine for cash consideration.

Civeo Corporation acquisition

On November 27, 2017 Civeo Corporation ("Civeo") and the Company announced they had entered into a definitive agreement for Civeo to acquire Noralta for a total consideration of approximately $367.0 million CAD on a cash-free, debt-free basis, subject to adjustments. Under the terms of the agreement, Civeo acquired 100% of Noralta's equity comprising approximately $210.0 million CAD in cash, 32.8 million Civeo common shares issued to Noralta's equity holders, and non-revolving convertible preferred equity issued to Noralta's equity holders with a 2.0% divided rate initially convertible into 29.3 million Civeo common shares.

On March 15, 2018 Noralta entered into an amendment ("the Amending Agreement") with Civeo to the share purchase agreement. The Amending Agreement amends the Share Purchase Agreement to, among other things, place an additional $30.0 million of the total consideration into an escrow account comprised of $15.0 million cash, 2,340,824 Civeo common shares and 692 Civeo convertible preferred shares (collectively, the "Contingent Consideration") to be released to Civeo and/or the current shareholders of Noralta based on the actual increased employee compensation costs that may be incurred by Noralta as a result of the recent union certification of certain classes of Noralta employees by UNITE HERE Local 47 ("Local 47") as described below.

On March 14, 2018, the Alberta Labour Relations Board approved an application for certification as bargaining agent brought by Local 47 affecting certain classes of employees of the Company. As a result of this approval, Local 47 has been certified as bargaining agent for such Noralta employees and it is expected that a collective bargaining agreement will be entered into between Noralta and Local 47 for the referenced employees of Noralta. When a collective bargaining agreement is reached, it is anticipated that the Company will be subject to increased employee compensation costs and would experience a decrease in earnings from what was previously expected. The actual expected increased employee compensation costs will not be known until a collective bargaining agreement has been reached between Noralta and Local 47. Accordingly, the parties have agreed that the Contingent Consideration will be deposited into escrow upon the closing of the transaction contemplated by the Share Purchase Agreement to potentially adjust the purchase price to compensate Civeo for the expected increase in employee compensation costs resulting from collective bargaining agreement with Local 47.

On April 2, 2018, the Civeo transaction closed. At close, the Company was committed to paying compensation of approximately $8.0 million. In addition, all of the Company's long-term debt was repaid immediately prior to close.

23 ASPE to US GAAP Reconciliation

The reconciliations below illustrate the impact of applying United States Generally Accepted Accounting Principles ("US GAAP") to the Company's interim financial information as at November 30, 2017 and May 31, 2017 and for the six-month periods ended November 30, 2017 and November 30, 2016. The Company prepares its financial information in accordance with Canadian Accounting Standards for Private Enterprises ("ASPE"). An explanation of the adjustments that were made are as follows:

i) U.S. GAAP requires the use of a credit-adjusted risk-free rate for discounting when an expected present-value technique is used for estimating the fair value of asset retirement obligations. Under ASPE, a pre-tax discount is used to reflect current market assessments of the time value of money and the risks specific to the liability.

ii) U.S. GAAP requires consolidation decisions first be made under the Variable Interest Entity ("VIE") model. ASPE focuses on the concept of control in determining whether a parent-subsidiary relationship exists. It was determined that certain limited partnership arrangements required consolidation under the VIE model because Noralta was the primary beneficiary and had the obligation to absorb losses and the right to receive benefits.

iii) U.S. GAAP requires that advances from a shareholder be classified as a reduction in a Company's equity to properly reflect the nature of the advances and attendant circumstances giving rise to the transactions. ASPE does not require such presentation.

iv) The Company's Class G and H preferred shares are redeemable at the option of the holder and have no mandatory redemption feature. Because they were issued as part of a tax planning arrangement they were presented as equity under ASPE. Under US GAAP, the preferred shares are presented as mezzanine equity at redemption values to reflect their debt and equity characteristics. This required a balance sheet reclassification of preferred shares within shareholders' equity of $9,591,653 (May 31, 2017 - $9,606,899) to mezzanine equity at redemption value of $478,526,771 (May 31, 2017 - $479,246,126) with the difference charged to retained earnings.

Interim Consolidated Balance Sheet as at November 30, 2017 (Unaudited)

Canadian $	Note	Previous Canadian ASPE	ASPE to US GAAP adjustments	US GAAP
Assets				
Current assets				
Cash	ii)	$ -	$ 613,254	$ 613,254
Accounts receivable	ii)	31,541,108	1,852,597	33,393,705
Inventory		2,309,506	-	2,309,506
Prepaid expenses and deposits		1,018,453	-	1,018,453
Advances to shareholder	iii)	6,017,319	(6,017,319)	-
Assets held for sale		247,454	-	247,454
Total current assets		41,133,840	(3,551,468)	37,582,372
Property and equipment	i)	158,491,176	(4,900,588)	153,590,588
Intangible assets		160,850	-	160,850
Total assets		$ 199,785,866	$ (8,452,056)	$ 191,333,810
Liabilities and shareholders' equity				
Liabilities				
Current liabilities				
Bank indebtedness		$ 9,912,842	-	$ 9,912,842
Accounts payable and accrued liabilities	ii)	17,090,848	2,465,851	19,556,699
Income taxes payable		1,822,439	-	1,822,439
Obligations under capital lease		34,106	-	34,106
Long-term debt		6,000,000	-	6,000,000
Asset retirement obligations		1,254,000	-	1,254,000
Total current liabilities		36,114,235	2,465,851	38,580,086
Unearned revenue		4,840,614	-	4,840,614
Obligations under capital lease		1,055	-	1,055
Long-term debt		56,000,000	-	56,000,000
Promissory note payable		1,346,414	-	1,346,414
Asset retirement obligations	i)	7,812,329	(5,491,308)	2,321,021
Deferred tax	i)	23,946,700	159,494	24,106,194
Total liabilities		130,061,347	(2,865,963)	127,195,384
Preferred shares	iv)	-	478,526,771	478,526,771
Shareholders' equity				
Share capital				
Common shares		100	-	100
Preferred shares	iv)	9,591,653	(9,591,653)	-
Contributed surplus		7,924,214	-	7,924,214
Retained earnings (accumulated deficit)	i) ii) iii) iv)	52,208,552	(474,521,211)	(422,312,659)
Total shareholders' equity		69,724,519	(484,112,864)	(414,388,345)
Total liabilities and shareholders' equity		$ 199,785,866	$ (8,452,056)	$ 191,333,810

Noralta Lodge Ltd.

Notes to the Interim Consolidated Financial Statements (Unaudited)

Interim Consolidated Balance Sheet as at May 31, 2017

Canadian $	Note	Previous Canadian ASPE	ASPE to US GAAP adjustments	US GAAP
Assets				
Current assets				
Cash	ii)	$ 16,940,767	$ 362,213	$ 17,302,980
Accounts receivable	ii)	26,880,351	382,667	27,263,018
Inventory		2,054,040	-	2,054,040
Prepaid expenses and deposits		1,230,185	-	1,230,185
Advances to shareholder	iii)	5,765,605	(5,765,605)	-
Assets held for sale		1,726,985	-	1,726,985
Total current assets		54,597,933	(5,020,725)	49,577,208
Property and equipment	i)	159,279,490	(4,999,820)	154,279,670
Intangible assets		170,351	-	170,351
Total assets		$ 214,047,774	$ (10,020,545)	$ 204,027,229
Liabilities and shareholders' equity				
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	ii)	$ 14,774,745	$ 744,880	$ 15,519,625
Income taxes payable		7,440,837	-	7,440,837
Obligations under capital lease		189,847	-	189,847
Long-term debt		4,686,698	-	4,686,698
Asset retirement obligations		1,254,000	-	1,254,000
Total current liabilities		28,346,127	744,880	29,091,007
Obligations under capital lease		7,311	-	7,311
Long-term debt		94,754,822	-	94,754,822
Promissory note payable		1,346,414	-	1,346,414
Asset retirement obligations	i)	7,739,960	(5,517,080)	2,222,880
Deferred tax	i)	24,310,700	139,660	24,450,360
Total liabilities		156,505,334	(4,632,540)	151,872,794
Preferred shares	iv)	-	479,246,126	479,246,126
Shareholders' equity				
Share capital				
Common shares		100	-	100
Preferred shares	iv)	9,606,899	(9,606,899)	-
Retained earnings (accumulated deficit)	i) ii) iii) iv)	47,935,441	(475,027,232)	(427,091,791)
Total shareholders' equity		57,542,440	(484,634,131)	(427,091,691)
Total liabilities and shareholders' equity		$ 214,047,774	$ (10,020,545)	$ 204,027,229

Interim Consolidated Statement of Operations for the six-month period ended November 30, 2017 (Unaudited)

Canadian $	Note	Previous Canadian ASPE	ASPE to US GAAP adjustments	US GAAP
Revenue	ii)	$ 90,348,396	$ 2,342,269	$ 92,690,665
Operating expenses				
Wages and benefits		17,940,304	-	17,940,304
Groceries		15,363,272	-	15,363,272
Telephone and utilities		6,758,822	-	6,758,822
Rent		3,736,420	-	3,736,420
Contracted Services	ii)	2,714,800	2,342,269	5,057,069
Aircraft and travel		886,171	-	886,171
Repairs and maintenance		1,024,806	-	1,024,806
Property taxes		1,408,530	-	1,408,530
Lodge supplies		581,046	-	581,046
Insurance		651,759	-	651,759
Professional fees		108,938	-	108,938
		51,174,868	2,342,269	53,517,137
Gross profit		39,173,528	-	39,173,528
General and administrative expenses		12,565,527	-	12,565,527
Expenses				
Amortization	i)	8,804,265	(99,232)	8,705,033
Reorganization cost		2,180,592	-	2,180,592
Interest		6,741,300	-	6,741,300
		17,726,157	(99,232)	17,626,925
Earnings from operations		8,881,844	99,232	8,981,076
Other income (expense)				
Insurance proceeds		388,371	-	388,371
Accretion	i)	(72,369)	25,772	(46,597)
Loss on repayment of long-term debt		(93,075)	-	(93,075)
Gain on disposal of property and equipment		672,123	-	672,123
Loss on foreign exchange		(626)	-	(626)
		894,424	25,772	920,196
Earnings before income taxes		9,776,268	125,004	9,901,272
Income taxes				
Current		5,163,115	-	5,163,115
Deferred	i)	(364,000)	33,751	(330,249)
		4,799,115	33,751	4,832,866
Net income and comprehensive income for the period		$ 4,977,153	$ 91,253	$ 5,068,406

Interim Consolidated Statement of Operations for the six-month period ended November 30, 2016 (Unaudited)

Canadian $	Note	Previous Canadian ASPE	ASPE to US GAAP adjustments	US GAAP
Revenue	ii)	$ 89,633,958	$ 1,188,344	$ 90,822,302
Operating expenses				
Wages and benefits		16,481,818	-	16,481,818
Groceries		9,918,640	-	9,918,640
Telephone and utilities		4,238,098	-	4,238,098
Rent		2,058,826	-	2,058,826
Contracted services	ii)	1,295,955	1,188,344	2,484,299
Aircraft and travel		1,026,091	-	1,026,091
Repairs and maintenance		862,320	-	862,320
Property taxes		598,617	-	598,617
Lodge supplies		879,309	-	879,309
Insurance		423,702	-	423,702
Professional fees		163,323	-	163,323
		37,946,699	1,188,344	39,135,043
Gross profit		51,687,259	-	51,687,259
General and administrative expenses		5,138,977	-	5,138,977
Expenses				
Amortization	i)	10,251,924	(277,768)	9,974,156
Reorganization cost		758,333	-	758,333
Interest		7,236,895	-	7,236,895
Mobilization costs		1,070,214	-	1,070,214
		19,317,366	(277,768)	19,039,598
Earnings from operations		27,230,916	277,768	27,508,684
Other income (expense)				
Wildfire costs		(169,068)	-	(169,068)
Accretion	i)	(71,040)	19,137	(51,903)
Gain on repayment of long-term debt		5,429,602	-	5,429,602
Gain on disposal of property and equipment		26,895	-	26,895
Loss on foreign exchange		(1,409)	-	(1,409)
		5,214,980	19,137	5,234,117
Earnings before income taxes		32,445,896	296,905	32,742,801
Income taxes				
Current		4,174,832	-	4,174,832
Deferred	i)	4,601,201	80,164	4,681,365
		8,776,033	80,164	8,856,197
Net income and comprehensive income for the period		$ 23,669,863	$ 216,741	$ 23,886,604

UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

The following unaudited pro forma combined financial data, which we refer to as the pro forma financial statements, give effect to the acquisition (the “Acquisition”) of Noralta Lodge Ltd. (“Noralta”) to be accounted for under the acquisition method of accounting in accordance with Accounting Standards Codification 805, Business Combinations (“ASC 805”) by Civeo.

The unaudited pro forma combined statement of operations has been prepared to give effect to the Acquisition as if it had been completed on January 1, 2017. The unaudited pro forma combined balance sheet has been prepared to give effect to the Acquisition as if it had been completed on December 31, 2017.

The pro forma financial statements are based on the historical audited and unaudited consolidated financial position and results of operations of Civeo and Noralta. The pro forma financial statements should be read in conjunction with the historical consolidated financial statements and related notes of Noralta included in and incorporated by reference into this Current Report on Form 8-K/A (the “Form 8-K/A”).

On April 2, 2018, Civeo acquired, directly or indirectly, all of the issued and outstanding shares of Noralta pursuant to the previously announced Share Purchase Agreement dated as of November 26, 2017, and as amended on March 15, 2018 (collectively, the “Purchase Agreement”). As a result, Civeo will account for the Acquisition as an acquisition of Noralta. Accordingly, Noralta’s tangible and identifiable intangible assets acquired and liabilities assumed will be recorded at fair value on April 2, 2018, with the excess of the purchase consideration over the fair value of Noralta’s net assets recorded as goodwill. Valuations of property, plant and equipment and intangible and other assets acquired and liabilities assumed are preliminary as management is still reviewing the characteristics and assumptions related to Noralta’s assets acquired and liabilities assumed. Estimates and assumptions are subject to change upon finalization of these preliminary valuations. The completion of the valuation work could result in significantly different depreciation and amortization expenses and balance sheet classifications.

The pro forma financial statements were prepared in accordance with Article 11 of SEC Regulation S-X. The pro forma adjustments reflecting completion of the Acquisition are based upon the acquisition method of accounting in accordance with U.S. GAAP, and upon the assumptions set forth in the notes to the pro forma financial statements.

The historical financial data has been adjusted to give pro forma effect to events that are (1) directly attributable to the Acquisition, (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on the combined results. The pro forma financial statements do not reflect any revenue enhancements, anticipated synergies or dis-synergies, operating efficiencies or cost savings that may be achieved. The fair value adjustments applied to the assets acquired and liabilities assumed reflected in the pro forma financial statements are preliminary and are based on management’s estimates of the fair value and useful lives of the assets acquired and liabilities assumed.

The pro forma adjustments included in this Form 8-K/A are subject to modification as additional information becomes available and as additional analyses are performed depending on changes in interest rates, changes in foreign currency rates, and the final fair value determination of the assets acquired and liabilities assumed. The final allocation of the total purchase accounting will be determined after the completion of thorough analyses to determine the fair value of Noralta’s tangible and identifiable intangible assets acquired and liabilities assumed as of the Acquisition date. Increases or decreases in the fair values of the net assets acquired as compared with the information shown in the pro forma financial statements may change the amount of the total purchase consideration allocated to goodwill and other assets and liabilities, and may impact the combined statement of operations due to adjustments in depreciation and amortization of the adjusted assets or liabilities. Any changes to Noralta’s equity, including results of operations from November 30, 2017 through April 2, 2018, will also change the purchase accounting, which may include the recording of a lower or higher amount of goodwill. The final adjustments may be materially different from the pro forma financial statements presented in this Form 8-K/A.

The pro forma financial statements are not intended to represent or be indicative of the consolidated results of operations or financial position that would have been reported had the Acquisition been completed as of the dates presented, and should not be taken as representative of the future consolidated results of operations or financial position of the combined company following the Acquisition. The actual financial position and results of operations of the combined company following the Acquisition may significantly differ from the pro forma financial statements reflected herein due to a variety of factors.

The pro forma financial statements are based upon available information and certain assumptions that management believes are reasonable.

CIVEO CORPORATION
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
DECEMBER 31, 2017
(U.S. Dollars In Thousands)

	Historical Civeo	Historical Adjusted Noralta (Notes 2 and 6)	Transaction Adjustments	Notes	Pro Forma
ASSETS					
Current assets:					
Cash and cash equivalents	$ 32,647	$ 476	$ 161,162	4(a)	$ 33,123
		-	(161,162)	3	
Accounts receivable, net	66,823	25,911	(15)	4(c)	92,719
Inventories	7,246	1,792	-		9,038
Prepaid expenses	14,481	790	-		15,271
Assets held for sale	9,462	192	-		9,654
Other current assets	1,553	-	11,607	4(b)	13,160
Total current assets	132,212	29,161	11,592		172,965
Property, plant and equipment, net	693,833	119,298	59,783	4(b)	872,914
Goodwill	-	-	95,963	4(b)	95,963
Intangible assets, net	22,753	-	91,325	4(b)	114,078
Other noncurrent assets	5,114	-	-		5,114
Total assets	$ 853,912	$ 148,459	$ 258,663		$ 1,261,034
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Accounts payable	$ 27,812	$ 12,652	$ (15)	4(c)	$ 40,449
Accrued liabilities	22,208	2,522	4,500	4(d)	29,230
Income taxes	1,728	1,414	-		3,142
Current portion of long-term debt	16,596	12,373	(12,347)	4(e)	16,622
Deferred revenue	5,442	-	-		5,442
Other current liabilities	1,843	973	-		2,816
Total current liabilities	75,629	29,934	(7,862)		97,701
Long-term debt, less current maturities	277,990	43,452	161,162	4(a)	439,153
			(43,451)	4(e)	
Deferred income taxes	-	18,704	40,799	4(f)	59,503
Other noncurrent liabilities	23,926	6,602	(1,045)	4(e)	29,483
Total liabilities	377,545	98,692	149,603		625,840
Preferred shares	-	371,296	(371,296)	4(e)	-
Shareholders' Equity:					
Common shares	-	-	-		-
Additional paid-in capital	1,383,934	6,149	123,622	3	1,498,731
			(6,149)	4(e)	
			(8,825)	4(b)	
Preferred equity	-	-	52,267	3	48,530
			(3,737)	4(b)	
Accumulated deficit	(579,113)	(327,678)	434,288	4(e)	(583,613)
			(4,500)	4(d)	
			(106,610)	4(b)	
Common shares held in treasury at cost	(358)	-	-		(358)
Accumulated other comprehensive loss	(328,213)	-	-		(328,213)
Total Civeo Corporation shareholders' equity	476,250	(321,529)	480,356		635,077
Noncontrolling interest	117	-	-		117
Total shareholders' equity	476,367	(321,529)	480,356		635,194
Total liabilities and shareholders' equity	$ 853,912	$ 148,459	$ 258,663		$ 1,261,034

See accompanying Notes to Unaudited Pro Forma Combined Financial Information.

CIVEO CORPORATION
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2017
(U.S. Dollar In Thousands, Except Per Share Amounts)

	Historical Civeo	Historical Adjusted Noralta (Notes 2 and 6)	Transaction Adjustments	Notes	Pro Forma
Revenues:					
Service and other	$ 371,462	$ 124,931	$ (1,305)	5(a)	$ 495,088
Product	10,814	-	-		10,814
	382,276	124,931	(1,305)		505,902
Costs and expenses:					
Service and other costs	244,978	67,270	(1,305)	5(a)	310,943
Product costs	12,280	-	-		12,280
Selling, general and administrative expenses	63,431	13,850	(2,279)	5(b)	75,002
Depreciation and amortization expense	126,443	13,855	(13,855)	5(c)	144,096
			17,653	5(c)	
Impairment expense	31,604	-	-		31,604
Other operating expense	1,511	2,868	-		4,379
	480,247	97,843	214		578,304
Operating income (loss)	(97,971)	27,088	(1,519)		(72,402)
Interest expense to third-parties	(21,439)	(8,998)	8,998	5(d)	(28,489)
			(7,050)	5(e)	
Gain (loss) on extinguishment of debt	(842)	932	(932)	5(d)	(842)
Interest income	200	-	-		200
Other income	1,308	3,219	-		4,527
Income (loss) before income taxes	(118,744)	22,241	(503)		(97,006)
Income tax benefit (provision)	13,490	(7,689)	136	5(f)	5,937
Net income (loss)	(105,254)	14,552	(367)		(91,069)
Less: Net income attributable to noncontrolling interest	459	-	-		459
Net income (loss) attributable to Civeo Corporation	$ (105,713)	$ 14,552	$ (367)		$ (91,528)
Preferred share dividend	-	-	(1,936)	5(h)	(1,936)
Net income (loss) attributable to Civeo Corporation common shareholders	$ (105,713)	$ 14,552	$ (2,303)		$ (93,464)
Per Share Data					
Basic net loss attributable to Civeo Corporation common shareholders	$ (0.82)				$ (0.58)
Diluted net loss attributable to Civeo Corporation common shareholders	$ (0.82)				$ (0.58)
Weighted average number of common shares outstanding					
Basic	128,365		32,791	5(g)	161,156
Diluted	128,365		32,791	5(g)	161,156

See accompanying Notes to Unaudited Pro Forma Combined Financial Information.

NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

1. Description of Acquisition

On April 2, 2018, Civeo completed its previously announced Acquisition of Noralta. In the Acquisition, Civeo acquired all of the outstanding shares of Noralta in exchange for (i) C$207,726,429 in cash, subject to customary post-closing adjustments for working capital, indebtedness and transaction expenses, of which C$43,459,749 will be held in escrow by Alliance Trust Company (the "Escrow Agent") to support the sellers' indemnification obligations and certain obligations of the sellers to compensate Civeo for certain increases to employee compensation costs that may be incurred by Noralta as a result of the recent union certification of certain classes of Noralta employees, (ii) 32,790,868 common shares of Civeo, of which 13,491,100 shares will be held in escrow by the Escrow Agent and released based on certain conditions related to Noralta customer contracts remaining in place and 2,340,824 shares will be held in escrow by the Escrow Agent and released based on Noralta employee compensation cost increases described above, and (iii) 9,679 shares of non-voting Class A Series 1 preferred shares of Civeo with an initial liquidation preference of $96,790,000, of which 692 shares will be held in escrow by the Escrow Agent and released based on Noralta employee compensation cost increases described above.

2. Basis of Presentation

The unaudited pro forma combined financial statements are based on Civeo's and Noralta's historical consolidated financial statements as adjusted to give pro forma effect to the Acquisition. Civeo's fiscal year-end is December 31, 2017, whereas Noralta's fiscal year-end is May 31, 2017. The unaudited pro forma combined financial statements as at December 31, 2017 and for the year ended December 31, 2017 have been prepared using calculated historical results of Noralta (the "historical adjusted results") that end within 93 days or less of the respective pro forma period. In order to calculate the historical adjusted results for Noralta in the unaudited pro forma combined statement of operations for the year ended December 31, 2017, the six months ended November 30, 2016 have been deducted from the twelve months ended May 31, 2017 and this calculated six month period has been added to the six months ended November 30, 2017. Noralta's historical adjusted balance sheet included in the pro forma financial statements is as of November 30, 2017.

In addition, the historical financial information of Noralta is reported pursuant to ASPE and presented in Canadian dollars. The historical financial information of Civeo is reported pursuant to U.S. GAAP and presented in U.S. dollars. The historical adjusted results used in the preparation of the pro forma financial statements includes adjustments and reclassifications to convert the balance sheet and statement of operations of Noralta from ASPE to U.S. GAAP and to translate the financial statements from Canadian dollars to U.S. dollars (see Note 6).

The historical financial data has been adjusted to give pro forma effect to events that are (i) directly attributable to the Acquisition, (ii) factually supportable, and (iii) with respect to the unaudited pro forma combined statement of operations, expected to have a continuing impact on the combined results. The pro forma adjustments are preliminary and based on assumptions and estimates of the fair value and useful lives of the assets acquired and liabilities assumed, and have been prepared by Civeo management to illustrate the estimated effect of the Acquisition and certain other adjustments. The unaudited pro forma combined statement of operations for the year ended December 31, 2017 gives effect to the acquisition of Noralta as if it had occurred on January 1, 2017. The unaudited pro forma combined balance sheet as of December 31, 2017 gives effect to the acquisition of Noralta as if it has occurred on December 31, 2017.

As of April 2, 2018, the combined company owns 100% of Noralta. Subsequent to April 2, 2018, any transactions occurring between Civeo and Noralta are considered intercompany transactions and will be eliminated. Adjustments to reflect the elimination of balances and transactions between Civeo and Noralta as of and for the periods presented have been made in the pro forma financial statements.

Significant Accounting Policies

The pro forma financial statements were prepared in accordance with Article 11 of SEC Regulation S-X. The accounting policies under U.S. GAAP used in the preparation of the pro forma financial statements are those set forth in Civeo's audited financial statements included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

The accounting policies of Noralta under ASPE are as described in Note 2 to its historical consolidated financial statements which have been incorporated by reference in this Form 8-K/A. The conversion of the Noralta historical consolidated financial statements from ASPE to U.S. GAAP and the translation from Canadian dollar amounts into U.S. dollars is discussed further in Note 6 below.

3. Calculation of Purchase Consideration

The total purchase consideration received by Noralta shareholders was based on the fair value of the Common Shares and Preferred Shares issued on April 2, 2018. The estimated purchase consideration below reflects the fair value of Common Shares issued, which is based on the closing price on March 29, 2018 of Civeo Common Shares of $3.77 per share. The estimated purchase consideration below reflects the estimated fair value of Preferred Shares issued, which is valued at 54% of the initial liquidation preference of the Preferred Shares of $96.79 million.

The estimated purchase consideration and estimated fair value of Noralta's net assets acquired as of the Acquisition date is presented as follows:

(In thousands U.S. Dollars, except per share data)

Common Shares issued		32,791		
Common Share price as of March 29, 2018	$	3.77		
Common Share consideration			$	123,622
Cash consideration				161,162
Preferred Share consideration				52,267
Estimated purchase consideration			$	337,051

Preliminary Purchase Price Allocation

Under the acquisition method of accounting, Civeo will record the Noralta assets acquired and liabilities assumed at their respective fair value at the Acquisition date. The pro forma adjustments are preliminary based on estimates of the fair value and useful lives of the assets as of February 28, 2018, and have been prepared by Civeo management to illustrate the estimated effect of the Acquisition. The purchase accounting is dependent upon certain valuation and other studies that have not yet been completed. Accordingly, the preliminary purchase accounting is subject to further adjustments as additional information becomes available and as additional analyses and final valuations are conducted. The final valuations could differ materially from the preliminary valuations presented below and, as such, no assurances can be provided regarding the preliminary purchase accounting.

The following table summarizes the preliminary allocation of the purchase consideration to the identifiable assets acquired and liabilities assumed of Noralta, with the excess of the purchase consideration issued over the fair value of Noralta's net assets recorded as goodwill:

(In thousands U.S. Dollars)		
Calculation of goodwill:		
Estimated purchase consideration	$	337,051
Recognized amounts of identifiable assets acquired and liabilities assumed:		
Historical book value of net assets		49,767
Plus: Liabilities not assumed		
Current maturities of long-term debt		4,655
Long-term debt, net of current maturities		43,451
Bank indebtedness		7,692
Promissory notes payable		1,045
		106,610
Fair value adjustments to assets acquired and liabilities assumed		
Other current assets - fair value of right of return of cash consideration in escrow		11,607
Identifiable intangible assets		91,325
Property, plant and equipment, net		59,783
Deferred tax liability		(40,799)
Preferred equity - fair value of right of return of preferred share consideration in escrow		3,737
Additional paid-in capital - fair value of right of return of common share consideration in escrow		8,825
Goodwill	$	95,963

(In thousands U.S. dollars, except estimated useful lives)	**Estimated Useful Life**		**Amount**
Identifiable intangible assets			
Noralta trade name	1	$	1,707
Customer contracts	20		89,618
		$	91,325

4. Notes to Unaudited Pro Forma Combined Balance Sheet

(a) Simultaneous with the closing of the Acquisition, Civeo drew on its existing revolving credit facility (the "credit facility") to finance the cash component of the purchase consideration. Adjustment represents the additional cash used and debt financing incurred by Civeo to fund the estimated purchase consideration.

(b) Represents the net adjustment to Noralta assets acquired and liabilities assumed based on the estimated preliminary fair value of the assets acquired and liabilities assumed as discussed in Note 3.

(c) Represents the elimination of accounts receivable and accounts payable in connection with historical services provided by Civeo to Noralta.

(d) Represents an estimate of the future transaction related costs directly attributable to the Acquisition, including advisory and legal fees that are recorded as an adjustment to the unaudited pro forma combined balance sheet. These amounts will be expensed as incurred in the future and are not reflected in the unaudited pro forma combined statement of operations.

(e) Represent the elimination of historical share capital and liabilities of Noralta not assumed upon completion of the Acquisition. Based on the terms of the Purchase Agreement, certain liabilities of Noralta were not assumed by Civeo. The pro forma financial statements have been adjusted to remove such liabilities.

(f) Represents the net adjustment to deferred tax liabilities resulting from the preliminary purchase accounting adjustments to assets acquired utilizing the Canadian Federal statutory tax rate of 27%.

5. Notes to Unaudited Pro Forma Combined Statement of Operations

(a) Represents the elimination of revenue and expenses in connection with historical services provided by Civeo to Noralta.

(b) Represents the elimination of transaction related expenses that were directly attributable to the Acquisition, including advisory and legal fees. For pro forma purposes, these expenditures have been removed from the unaudited pro forma combined statement of operations, as they are non-recurring transaction related expenses.

(c) Represents the elimination of Noralta's historical depreciation and amortization expense, and the recognition of depreciation and amortization expense based on the fair value of the assets acquired (see Note 4 (b)) which will be amortized over the remaining useful life of the asset using Civeo's useful life assumption for the respective asset classes.

(d) Represents the elimination of Noralta's historical interest expense and gain on extinguishment of debt. Based on the terms of the asset purchase agreement, none of Noralta's long-term debt was assumed by Civeo in the Acquisition.

(e) Represents the adjustment to record interest expense related to additional financing required to fund the cash component of the purchase consideration. Simultaneous with the closing of the Acquisition, Civeo drew on its credit facility to finance the cash component of the purchase consideration. To reflect this additional financing, there is an adjustment to include additional interest expense calculated using a rate of 5.3% on the additional draw against the credit facility, less a reduction related to the undrawn commitment fee contained within the credit facility calculated using a rate of 0.79%. Each 0.125% change in assumed interest rates for Civeo's credit facility would change pro forma interest expense by approximately $0.2 million for the year ended December 31, 2017.

(f) Represents the tax effect of preliminary purchase accounting adjustments utilizing the Canadian statutory tax rate of 27%.

(g) Represents an adjustment to the weighted average shares outstanding for Civeo to illustrate the number of Common Shares that are expected to be issued to consummate the Acquisition and assumes no conversion of the Preferred Shares as such conversion would be anti-dilutive.

(h) Represents the adjustment to record dividends related to the Preferred Shares calculated using the 2% annual dividend rate and the initial liquidation preference.

6. Adjustments to Noralta Historical Financial Statements to Conform to U.S. GAAP

Noralta's historical financial statements have been prepared in accordance with ASPE, which differs in certain material respects from U.S. GAAP. In order to prepare pro forma financial statements, Noralta's historical financial statements have been adjusted to reflect Noralta's consolidated statements of operations and statement of financial position on a U.S. GAAP basis.

NORALTA LODGE LTD.
UNAUDITED HISTORICAL ADJUSTED BALANCE SHEET
NOVEMBER 30, 2017
(In Thousands U.S. Dollars ("USD") and Canadian Dollars ("CAD"))

	Historical Noralta	Reclassification Adjustments (Note 6(a))	ASPE to US GAAP Conversion Adjustments	Notes	Historical Adjusted Noralta	Historical Adjusted Noralta (Note 6(c))
ASSETS	CAD	CAD	CAD		CAD	USD
Current assets:						
Cash and cash equivalents	$ -	$ -	$ 613	6(b)i	$ 613	$ 476
Accounts receivable	31,541	(31,541)	-		-	-
Trade and other receivables	-	31,541	1,853	6(b)i	33,394	25,911
Assets held for sale	247	-	-		247	192
Inventory	2,310	-	-		2,310	1,792
Prepaid expenses and deposits	1,018	(1,018)	-		-	-
Prepaid expenses	-	1,018	-		1,018	790
Advances to shareholder	6,017	(6,017)	-		-	-
Other current assets	-	6,017	(6,017)	6(b)ii	-	-
Total current assets	41,133	-	(3,551)		37,582	29,161
Property and equipment	158,491	161	(4,901)	6(b)iii	153,751	119,298
Intangible assets	161	(161)	-		-	-
Total assets	$ 199,785	$ -	$ (8,452)		$ 191,333	$ 148,459
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities:						
Bank indebtedness	$ 9,913	$ (9,913)	$ -		$ -	$ -
Accounts payable and accrued liabilities	17,091	(17,091)	-		-	-
Accounts payable	-	13,841	2,466	6(b)i	16,307	12,652
Accrued liabilities	-	3,250	-		3,250	2,522
Income taxes payable	1,822	(1,822)	-		-	-
Income taxes	-	1,822	-		1,822	1,414
Obligations under capital lease	34	(34)	-		-	-
Long-term debt	6,000	(6,000)	-		-	-
Current portion of long-term debt	-	15,947	-		15,947	12,373
Asset retirement obligations	1,254	(1,254)	-		-	-
Other current liabilities	-	1,254	-		1,254	973
Total current liabilities	36,114	-	2,466		38,580	29,934
Obligations under capital lease	1	(1)	-		-	-
Long-term debt	56,000	(56,000)	-		-	-
Long-term debt, less current maturities	-	56,001	-		56,001	43,452
Asset retirement obligations	7,812	(7,812)	-		-	-
Promissory note payable	1,346	(1,346)	-		-	-
Unearned revenue	4,841	(4,841)	-		-	-
Future income taxes	23,947	(23,947)	-		-	-
Deferred income taxes	-	23,947	159	6(b)iii	24,106	18,704
Other noncurrent liabilities	-	13,999	(5,491)	6(b)iii	8,508	6,602
	93,947	-	(5,332)		88,615	68,758
Total liabilities	130,061	-	(2,866)		127,195	98,692
Preferred shares	-	-	478,527	6(b)iv	478,527	371,296
Shareholders' equity:						
Preferred shares	9,591	-	(9,591)	6(b)iv	-	-
Contributed surplus	7,924	(7,924)	-		-	-
Additional paid-in capital	-	7,924	-		7,924	6,149
Retained earnings	52,209	(52,209)	-		-	-
Accumulated deficit	-	52,209	(474,522)	6(b)i, 6(b)ii, 6(b)iii, 6(b)iv	(422,313)	(327,678)
Total shareholders' equity	69,724	-	(484,113)		(414,389)	(321,529)
Total liabilities and shareholders' equity	$ 199,785	$ -	$ (8,452)		$ 191,333	$ 148,459

NORALTA LODGE LTD.
UNAUDITED HISTORICAL ADJUSTED STATEMENT OF OPERATIONS
TWELVE MONTHS ENDED NOVEMBER 30, 2017
(In Thousands U.S. Dollars ("USD") and Canadian Dollars ("CAD"))

	Historical Noralta CAD	Reclassification Adjustments (Note 6(a)) CAD	ASPE to US GAAP Conversion Adjustments CAD	Notes	Historical Adjusted Noralta CAD	Historical Adjusted Noralta (Note 6(c)) USD
Revenue:	$ 159,440	$ (159,440)	$ -		$ -	$ -
Service and other	-	159,440	3,308	6(b)i	162,748	124,931
Costs and expenses:						
Service and other costs	-	84,325	3,308	6(b)i	87,633	67,270
Wages and benefits	31,202	(31,202)	-		-	-
Groceries	25,067	(25,067)	-		-	-
Telephone and utilities	11,439	(11,439)	-		-	-
Rent	4,559	(4,559)	-		-	-
Contracted Services	3,833	(3,833)	-		-	-
Aircraft and travel	1,876	(1,876)	-		-	-
Repairs and maintenance	1,831	(1,831)	-		-	-
Property taxes	2,378	(2,378)	-		-	-
Lodge supplies	1,065	(1,065)	-		-	-
Insurance	1,075	(1,075)	-		-	-
Professional Fees	162	(162)	-		-	-
Selling, general and admin expenses	-	18,043	-		18,043	13,850
	84,487	17,881	3,308		105,676	81,120
	74,953	(17,881)	-		57,072	43,811
General and administrative expenses	17,881	(17,881)	-		-	-
	57,072	-	-		57,072	43,811
Amortization	18,426	(18,426)	-		-	-
Depreciation and amortization expense	-	18,426	(377)	6(b)iii	18,049	13,855
Reorganization cost	3,465	(3,465)	-		-	-
Mobilization and demobilization costs	82	(82)	-		-	-
Other operating expense	-	3,690	45	6(b)iii	3,735	2,868
Accretion	143	(143)	-		-	-
Interest	11,721	(11,721)	-		-	-
	33,837	(11,721)	(332)		21,784	16,723
Operating income	23,235	11,721	332		35,288	27,088
Interest expense to third-parties	-	(11,721)	-		(11,721)	(8,998)
Wildfire costs	388	(388)	-		-	-
Insurance proceeds	2,932	(2,932)	-		-	-
Gain on repayment of long-term debt	1,214	(1,214)	-		-	-
Gain (loss) on extinguishment of debt	-	1,214	-		1,214	932
Gain on disposal of property and equipment	875	(875)	-		-	-
Loss on foreign exchange	(2)	2	-		-	-
Other income	-	4,193	-		4,193	3,219
	5,407	(11,721)	-		(6,314)	(4,847)
Income before income taxes	28,642	-	332		28,974	22,241
Current	8,452	(8,452)	-		-	-
Future	1,474	(1,474)	-		-	-
Income tax benefit (provision)	-	9,926	90	6(b)iii	10,016	7,689
	9,926	-	90		10,016	7,689
Net income attributable to Noralta	$ 18,716	$ -	$ 242		$ 18,958	$ 14,552

(a) Represents reclassifications of historical Noralta financial statement line items to conform to the expected financial statement line items of the combined company following the Acquisition.

(b) Represents adjustments to illustrate the impact of applying U.S. GAAP to Noralta's historical financial information. Previously, Noralta prepared its historical financial information in accordance with ASPE. An explanation of the adjustments that were made are as follows:

i) U.S. GAAP requires consolidation decisions first be made under the Variable Interest Entity ("VIE") model. ASPE focuses on the concept of control in determining whether a parent-subsidiary relationship exists. It was determined that certain limited partnership arrangements required consolidation under the VIE model because Noralta was the primary beneficiary and had the obligation to absorb losses and right to receive benefits. Accordingly, this adjustment reflects the impact of consolidation of these arrangements.

ii) U.S. GAAP requires that advances to a shareholder be classified as a reduction in equity to properly reflect the nature of the advances and attendant circumstances giving rise to the transactions. ASPE does not require such presentation. This adjustment reflects the reclassification of shareholder advances to equity.

iii) U.S. GAAP requires the use of a credit-adjusted risk-free rate for discounting when an expected present-value technique is used for estimating the fair value of asset retirement obligations. Under ASPE, a pre-tax discount is used to reflect current market assessments of the time value of money and the risks specific to the liability. This adjustment reflects the use of the credit-adjusted risk-free rate on Noralta's asset retirement obligations.

iv) Noralta's Class G and H preferred shares are redeemable at the option of the holder and have no mandatory redemption feature. Because they were issued as part of a tax planning arrangement they were presented as equity under ASPE. Under U.S. GAAP, the preferred shares are presented as mezzanine equity at redemption value to reflect their debt and equity characteristics. Accordingly, this adjustment reflects a balance sheet reclassification of preferred shares within shareholders' equity to mezzanine equity at the redemption value, with the difference charged to retained earnings.

(c) The adjusted historical results have been translated from Canadian Dollars to U.S. dollars using the exchange rates derived from the Bank of Canada of 0.78 as of November 30, 2017, and the average exchange rate of 0.76 during the twelve months ended November 30, 2017.