ENTERPRISE GROUP, INC.

Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three and six months ended June 30, 2021 and 2020

National Instrument 51-102
Continuous Disclosure Obligations
Notice

Pursuant to Part 4.3 (3) of National Instrument 51-102, these unaudited condensed interim consolidated financial statements of Enterprise Group, Inc. for the three and six months ended June 30, 2021, have not been reviewed by the Company's external auditors.

Condensed Interim Consolidated Statements of Financial Position

		June 30, 2021 (unaudited)		December 31, 2020 (audited)
Assets				
Cash and cash equivalents (note 3)	$	**671,664**	$	783,617
Trade and other receivables (note 3)		**2,548,866**		3,944,592
Unbilled revenue		**319,444**		229,603
Inventories		**240,027**		211,856
Deposits and prepaid expenses		**329,613**		160,806
		4,109,614		5,330,474
Property, plant and equipment (note 4)		**41,689,235**		44,015,112
Goodwill		**351,910**		351,910
Intangible assets		**231,148**		261,640
Deferred tax assets		**2,219,766**		2,292,026
		44,492,059		46,920,688
Total assets	$	**48,601,673**	$	52,251,162
Liabilities				
Trade and other payables (note 3)	$	**1,132,534**	$	1,258,833
Current portion of loans and borrowings (note 6)		**1,171,840**		1,322,637
		2,304,374		2,581,470
Long term portion of loans and borrowings (note 6)				
Bank loan facility		**7,649,747**		8,861,872
Leases		**523,294**		806,835
Mortgages		**2,222,738**		2,295,353
Vendor take-back loans		**293,976**		272,627
Term loan facilities		**-**		134,251
Deferred tax liabilities		**2,219,766**		2,292,026
Total liabilities		**15,213,895**		17,244,434
Equity				
Share capital (note 7)		**69,974,989**		70,990,991
Contributed surplus		**15,698,470**		14,768,508
Deficit		**(52,285,681)**		(50,752,771)
Total equity		**33,387,778**		35,006,728
Total equity and liabilities	$	**48,601,673**	$	52,251,162

Approved on behalf of the Board:

(Signed) "Leonard D. Jaroszuk" Leonard D. Jaroszuk Director

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

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

	Three months June 30, 2021	Three months June 30, 2020	**Six months June 30, 2021**	Six months June 30, 2020
Revenue	**$ 3,225,543**	$ 2,144,570	**$ 9,084,830**	$ 9,131,120
Direct expenses	**(2,645,231)**	(1,938,516)	**(5,778,131)**	(6,075,767)
Gross margin	**580,312**	206,054	**3,306,699**	3,055,353
General and administrative expenses	**(443,220)**	(222,208)	**(776,809)**	(765,060)
Income (loss) from operations	**137,092**	(16,154)	**2,529,890**	2,290,293
Depreciation of property, plant and equipment (note 4)	**(1,356,869)**	(1,185,554)	**(2,692,612)**	(2,366,951)
Depreciation of right-of-use assets (note 4)	**(239,012)**	(160,096)	**(425,250)**	(257,098)
Share-based payments	**-**	(11,613)	**-**	(11,613)
Amortization of intangible assets	**(15,014)**	(23,483)	**(30,492)**	(46,787)
Gain (loss) on sale of property, plant and equipment (note 4)	**76,669**	(16,534)	**(464,024)**	(44,102)
Loss before financing and taxes	**(1,397,134)**	(1,413,434)	**(1,082,488)**	(436,258)
Finance expense	**(229,413)**	(286,639)	**(450,422)**	(557,953)
Loss before income tax	**(1,626,547)**	(1,700,073)	**(1,532,910)**	(994,211)
Income tax expense (note 5)	**-**	(144,890)	**-**	(346,054)
Net loss and comprehensive loss	**$ (1,626,547)**	$ (1,844,963)	**$ (1,532,910)**	$ (1,340,265)
Loss per share (note 9)				
Basic and diluted loss per share	**$ (0.03)**	$ (0.04)	**$ (0.03)**	$ (0.03)

Condensed Interim Consolidated Statements of Cash Flows

	Six months June 30, 2021	Six months June 30, 2020
Cash flows from operating activities:		
Net loss	**$ (1,532,910)**	$ (1,340,265)
Adjustments for:		
Depreciation of property, plant and equipment	**2,692,612**	2,366,951
Depreciation of right-of-use assets	**425,250**	257,098
Amortization of intangible assets	**30,492**	46,787
Loss on sale of property, plant and equipment	**400,146**	40,051
Share based payments	**-**	11,613
Finance expense	**450,422**	557,953
Change in non-cash working capital (note 11)	**982,608**	1,395,529
Net cash provided by operating activities	**3,448,620**	3,335,717
Cash flows from financing activities:		
Net repayment from bank loan facility	**(1,210,571)**	(1,728,987)
Interest and borrowing costs paid on loans and borrowings	**(412,598)**	(430,359)
Repayment of lease liabilities	**(431,361)**	(578,501)
Repayment of mortgage facilities	**(72,720)**	(72,356)
Repayment of term loans	**(270,457)**	-
Share buyback and cancellation	**(159,539)**	(125,744)
Stock options exercised	**73,499**	-
Net cash used in financing activities	**(2,483,747)**	(2,935,947)
Cash flows from investing activities:		
Purchase of property, plant and equipment	**(2,049,290)**	(868,697)
Proceeds on sale of property, plant and equipment	**972,464**	502,106
Purchase of intangible assets	**-**	(2,150)
Net cash used in investing activities	**(1,076,826)**	(368,741)
Change in cash and cash equivalents	**(111,953)**	31,029
Cash and cash equivalents, beginning of period	**783,617**	969,051
Cash and cash equivalents, end of period	**$ 671,664**	$ 1,000,080

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

	Number of common shares	Share capital	Contributed surplus	Deficit	Total
Balance as at December 31, 2019	50,975,874	$73,213,572	$12,769,729	$(45,719,061)	$40,264,240
Common shares repurchased and cancelled (note 7)	(884,000)	(1,269,636)	1,143,892	-	(125,744)
Share-based payments	-	-	11,613	-	11,613
Net loss	-	-	-	(1,340,265)	(1,340,265)
Balance as at June 30, 2020	50,091,874	$71,943,936	$13,925,234	$(47,059,326)	$38,809,844
Balance as at December 31, 2020	49,428,374	$70,990,991	$14,768,508	$(50,752,771)	$35,006,728
Common shares repurchased and cancelled (note 7)	(768,000)	(1,101,114)	941,575	-	(159,539)
Share options exercised	490,000	85,112	(11,613)	-	73,499
Net loss	-	-	-	(1,532,910)	(1,532,910)
Balance as at June 30, 2021	**49,150,374**	**$69,974,989**	**$15,698,470**	**$(52,285,681)**	**$33,387,778**

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

1. Reporting entity

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

The consolidated financial statements of the Company as at June 30, 2021, and December 31, 2020, are comprised of the Company and its wholly owned subsidiaries. These consolidated financial statements were authorized for issue by the Board of Directors on August 11, 2021.

2. Significant accounting policies

The unaudited condensed interim consolidated financial statements are prepared by management and reported in Canadian dollars, in accordance with International Accounting Standard "IAS" 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's 2020 Audited Consolidated Financial Statements and the notes thereto.

The unaudited condensed interim consolidated financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in the Company's Audited Consolidated Financial Statements for the fiscal year ended December 31, 2020.

3. Financial instruments and risk management

(a) Pandemics and health risks

The Company is exposed to risks relating to public health emergencies and infectious diseases, including the COVID-19 pandemic, and related government responses, which has had a negative impact on global financial conditions and could have a material and adverse effect on the Company's business, financial condition and results of operations. The Company cannot accurately predict the impact COVID-19 will have on its ability to execute its business plans in response to government public health efforts to contain COVID-19 and to obtain financing or third parties' ability to meet their contractual obligations with the Company. To mitigate these risks, the Company has utilized certain Canadian Government assistance programs designed to assist businesses during COVID-19 including the Canadian Emergency Wage Subsidy program, the Canadian Emergency Rent Subsidy program and the Canadian Emergency Business Account program. In the event that the prevalence of COVID-19 continues to increase (or fears in respect of COVID-19 continue to increase), governments may increase regulations and restrictions regarding the flow of labour, products and travel bans which could impact the Company's ability to carry out its ongoing business plan.

(b) Fair value of financial instruments

The carrying value of trade and other receivables, deposits and trade and other payables approximate fair value because of the near term to maturity of these instruments. The fair value of loans and borrowings is a level 2 measurement and are based on discounted future cash flows using the rates that reflect observable current market rates for similar instruments with similar terms and conditions. The estimated fair value approximates the carrying value at June 30, 2021.

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

	June 30, 2021	December 31, 2020
Financial assets		
Cash and cash equivalents	**$ 671,664**	$ 783,617
Trade and other receivables	**$ 2,548,866**	$ 3,944,592
Deposits	**$ 73,288**	$ 78,388
Financial liabilities		
Trade and other payables	**$ 1,132,534**	$ 1,258,833
Loans and borrowings	**$ 11,861,595**	$ 13,693,575

Financial risk management

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

(c) Credit risk

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

The Company has trade receivables from customers in the oil and gas industry, as well as customers in the utilities/infrastructure construction industry. Credit risk is mitigated due to significant customers being large industry leaders, following a program of credit evaluation and limiting the amount of customer credit where deemed necessary. The Company monitors trade receivables against an expected credit loss model to assess reasonability of impairment over accounts receivable. Individual invoices within trade receivables are written off when there is no reasonable expectation of collecting payment. The Company has recorded a provision for doubtful accounts at June 30, 2021, of $62,293 (December 31, 2020 - $16,025).

At June 30, 2021, $634,000 or 25% of trade receivables was from two customers compared to $866,000 or 22% from two customers as at December 31, 2020. As at June 30, 2021, an accrual of $123,186 ($629,720 as of December 31, 2020) and $27,981 ($150,316 as of December 31, 2020) is included in total receivables for the Canadian Emergency Wage Subsidy program and for the Canadian Emergency Rent Subsidy program respectively. The subsidies are accrued when the Company is reasonably assured the grant conditions are met and recorded to offset the related salary and wage expenses.

	June 30, 2021	December 31, 2020
Current (less than 90 days)	**$ 2,356,591**	$ 3,589,869
Past due (more than 90 days)	**192,275**	354,723
Total	**$ 2,548,866**	$ 3,944,592

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations. On an ongoing basis the Company manages liquidity risk by maintaining adequate cash and cash equivalents balances and appropriately utilizing available lines of credit. For the three months ended June 30, 2021, the Company generated 39% of revenue from two customers (2020 - 59% from four customers). For the six months ended June 30, 2021, the Company generated 31% of revenue from two customers (2020 - 24% from two customers). No other customers comprise more than 10% of revenues.

The outbreak of COVID-19 pandemic has negatively impacted economic conditions around the world. The decrease in oil demand, combined with other macro-economic factors, has resulted in significantly lower oil and liquids prices further driving economic uncertainty. Natural gas prices have also been volatile but in recent months the forward pricing curve has been strengthening. The Company's site infrastructure customers are substantially all natural gas and liquid producers.

During this period of uncertainty, the Company is committed to maintain its strong balance sheet and financial liquidity. The Company believes it has enough liquidity through cash flow and borrowing capacity on its credit facility to execute its business plan. The Company's priority is to continue to spend sufficient maintenance capital to keep its equipment fleet modern and meet specific customer demands.

The following are undiscounted contractual maturities of financial liabilities, including estimated interest at June 30, 2021, and December 31, 2020:

June 30, 2021	**Carrying amount**	**Contractual cash flows**	**Due within one year**	**Two-five years**	**More than five years**
Trade and other payables	$ 1,132,534	$ 1,132,534	$ 1,132,534	$ -	$ -
Loans and borrowings	11,861,595	13,355,561	1,255,901	10,149,948	1,949,712
	$ 12,994,129	**$ 14,488,095**	**$ 2,388,435**	**$ 10,149,948**	**$ 1,949,712**

December 31, 2020	Carrying amount	Contractual cash flows	Due within one year	Two-five years	More than five years
Trade and other payables	$ 1,258,833	$ 1,258,833	$ 1,258,833	$ -	$ -
Loans and borrowings	13,693,575	15,850,435	1,504,545	12,280,105	2,065,785
	$ 14,952,408	$ 17,109,268	$ 2,763,378	$ 12,280,105	$ 2,065,785

(e) Market risk

Market risk is the risk of changes in market prices, such as interest rates, which will affect the Company's income or the value of its financial instruments. Management has assessed the effect of a 1% interest rate increase or decrease in the prime lending rate at June 30, 2021, to impact the Company's annual interest expense by approximately $100,000 (December 31, 2020 - $113,000). The Company has not entered into any derivative agreements to mitigate this risk.

Capital management

The primary objective of capital management is to ensure the Company has sufficient capital to support its business and maximize shareholder value. The Company manages its capital in proportion to the risk of the underlying assets and makes adjustments in light of changes in economic conditions and risks. The Company's strategy remains unchanged from prior periods. Management considers its capital structure to include funded debt and adjusted capital of the Company. Adjusted capital comprises all components of equity (share capital, contributed surplus, and deficit). Included in funded debt is the bank loan facility which requires the Company to maintain certain financial covenants as defined below. The Company's objectives when managing capital are to finance its operations and growth strategies and to provide an adequate return to its shareholders. In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt. As at June 30, 2021, the Company has met these objectives.

	June 30, 2021	December 31, 2020
Bank loan facility	**$ 7,649,747**	$ 8,861,872
Current portion of loans and borrowings	**1,171,840**	1,322,637
Long term loans and borrowings	**3,040,008**	3,509,066
Net funded debt	**11,861,595**	13,693,575
Shareholders' equity	**33,387,778**	35,006,728
Total capital	**$ 45,249,373**	$ 48,700,303

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

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

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

The Company's covenants are as follows:

	June 30, 2021	**Required**	December 31, 2020	Required
Fixed charge coverage ratio	**2.51**	> 1.25	2.20	> 1.25
Senior leverage ratio	**3.15**	< 3.50	3.53	< 4.00
Annual net capital expenditure	**N/A**	< $1,750,000	393,001	< $1,750,000

The minimum covenants are noted in the table above. The Company monitors these requirements on an ongoing basis and reports on its compliance to its lender on a monthly basis. As at June 30, 2021, the Company is in compliance with all covenants.

4. Property, plant and equipment

Cost	Balance at December 31, 2020	Additions	Disposals	Reclassified	Balance at June 30, 2021
Land	$ 4,679,210	$ -	$ -	$ -	**$ 4,679,210**
Buildings	1,507,493	-	-	9,419	**1,516,912**
Leasehold improvements	238,926	-	-	950	**239,876**
Computers and communication equipment	382,136	4,395	(166,233)	13,691	**233,989**
Small equipment	672,820	212,893	(1,373)	21,601	**905,941**
Light automotive equipment	1,010,529	-	(126,869)	-	**883,660**
Heavy automotive, construction and portable rental equipment	64,267,718	1,384,701	(3,053,478)	12,332	**62,611,273**
Right-of-use assets	2,408,248	115,306	(33,466)	-	**2,490,088**
Property, plant and equipment under construction	541,195	447,300	-	(57,993)	**930,502**
	$ 75,708,275	**$ 2,164,595**	**$ (3,381,419)**	**$ -**	**$ 74,491,451**

	Accumulated depreciation					Carrying amounts	
	Balance at December 31, 2020	Depreciation for the year	Disposals	Reclass	Balance at June 30, 2021	Balance at December 31, 2020	Balance at June 30, 2021
Land	$ -	$ -	$ -	$ -	**$ -**	$ 4,679,210	**$ 4,679,210**
Buildings	71,724	10,813	-	-	**82,537**	1,435,769	**1,434,375**
Leasehold improvements	210,319	3,514	-	-	**213,833**	28,607	**26,043**
Computers and communication equipment	371,744	5,390	(166,233)	-	**210,901**	10,392	**23,088**
Small equipment	445,292	52,948	(1,236)	(3,146)	**493,858**	227,528	**412,083**
Light automotive equipment	693,375	17,878	(63,740)	-	**647,513**	317,154	**236,147**
Heavy automotive, construction and portable rental equipment	29,125,604	2,602,071	(1,769,113)	3,146	**29,961,708**	35,142,114	**32,649,565**
Right-of-use assets	775,105	425,250	(8,489)	-	**1,191,866**	1,633,143	**1,298,222**
Property, plant and equipment under construction	-	-	-	-	**-**	541,195	**930,502**
	$ 31,693,163	**$ 3,117,864**	**$ (2,008,811)**	**$ -**	**$ 32,802,216**	**$ 44,015,112**	**$ 41,689,235**

Included in the carrying amount of $41,689,235 is $930,502 (2020 - $540,006) of heavy automotive, construction and portable rental equipment under construction and $nil (2020 - $1,189) of computers and equipment, which is not being depreciated as they are not yet available for use.

The carrying amounts of right-of-use assets as at June 30, 2021, were as follows:

Right-of-use assets	**June 30, 2021**	December 31, 2020,
Buildings and premises	**$ 741,578**	$ 1,038,344
Small equipment	**17,165**	20,419
Light automotive equipment	**539,479**	574,380
	$ 1,298,222	$ 1,633,143

For the three months ended June 30, 2021, rent expense for short-term leases and leases of low-value assets was $145,710 (2020 - $122,153). For the six months ended June 30, 2021, rent expense for short-term leases and leases of low-value assets was $286,318 (2020 - $339,619). At June 30, 2021, the Company was committed to short term leases and the total commitment at that date was $529,508 (2020 - $8,838).

For the six months ended June 30, 2021, the Company sold property, plant and equipment with a net book value of $1,372,724 and received proceeds of $972,464 (2020 - net book value of $542,156 and proceeds of $502,106). The loss on sale of equipment of $464,024 included sales related costs of $51,604 (2020 - $711).

5. Income tax

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined provincial and federal income tax rates to income before tax. These differences result from the following:

Six months ended June 30,	**2021**	2020
Income before income tax	**$ (1,532,910)**	$ (994,211)
Expected tax rate	**24.29 %**	22.29 %
Current income tax expense	**(372,384)**	(221,610)
Non-deductible items	**4,400**	2,295
Change in tax rates and rate differences	**25,967**	46,695
Change in unrecognized temporary differences	**341,938**	518,674
Other	**79**	-
Income tax expense	**$ -**	$ 346,054

6. Loans and borrowings

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

	June 30, 2021	December 31, 2020
Current portion of loans and borrowings		
Current portion of vendor take-back loans	**$ 303,155**	$ 287,968
Current portion of term loan facilities	**-**	136,207
Current portion of lease liabilities	**719,154**	751,667
Current portion of mortgage facilities	**149,531**	146,795
Total current portion of loans and borrowings	**1,171,840**	1,322,637
Non-current portion of loans and borrowings		
Bank loan facility	**7,649,747**	8,861,872
Vendor take-back loans	**293,976**	272,627
Term loan facilities	**-**	134,251
Lease liabilities	**523,294**	806,835
Mortgage facilities	**2,222,738**	2,295,353
Total non-current portion loans and borrowings	**10,689,755**	12,370,938
Total loans and borrowings	**$ 11,861,595**	$ 13,693,575

7. Share capital

Authorized:

Unlimited Common shares
Unlimited Preferred shares, issuable in series, terms to be set at issuance

Normal course issuer bid

During the six months ended June 30, 2021, the Company repurchased and cancelled a total of 768,000 shares at a cost of $159,539 (2020 - 884,000 shares at a cost of $125,744). The shares were purchased in the open market in accordance with the normal course issuer bid approved by the TSX. The Company renewed its bid on August 24, 2020, with a termination date of August 23, 2021, or such earlier time as the bid is completed or terminated at the option of the Company.

8. Share-based payments

The Company has a stock option plan to purchase common shares over a period ranging from one to five years from the date the option is granted at prices approximating market prices on the day prior to the date of grant.

Outstanding stock options June 30, 2021	**Number**	**Weighted average exercise price**	**Weighted average remaining contractual life (months)**
Stock options, beginning of year	5,025,000	$ 0.18	17
Exercised	(490,000)	$ 0.15	-
Expired	-	$ -	-
Issued	-	$ -	-
Stock options, June 30, 2021	**4,535,000**	**$ 0.18**	**12**
Exercisable stock options, June 30, 2021	**4,535,000**	**$ 0.18**	**12**

During the quarter ended June 30, 2021, 490,000 options were exercised at a price of $0.15.

9. Earnings per share

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

	Three months June 30, 2021	Three months June 30, 2020	**Six months June 30, 2021**	Six months June 30, 2020
Weighted average common shares outstanding - basic	**49,012,253**	50,266,874	**49,007,630**	50,604,028
Net income and comprehensive income	**$(1,626,547)**	$(1,844,963)	**$(1,532,910)**	$(1,340,265)
Basic and diluted earnings per share from comprehensive income	**$(0.03)**	$(0.04)	**$(0.03)**	$(0.03)

As at June 30, 2021, all outstanding stock options were in the money. The effect of the potential incremental options was anti-dilutive to earnings per share and the options were not included in the calculation.

10. Related party transactions

The Company has entered into various transactions in the normal course of business with a corporation controlled by an officer and director of the Company. These transactions were recorded at the exchange amount established and agreed to by the parties. Management and consulting fees were paid to a company controlled by Leonard Jaroszuk, President and Chief Executive Officer, as compensation for serving his role as officer for the Company.

Six months ended June 30,	**2021**	2020
Management and consulting fees	**$ 308,622**	$ 370,364

11. Supplemental cash flow information

Six months June 30,		2021		2020
(a) Changes in non-cash working capital:				
Trade and other receivables	**$**	**1,395,726**	$	1,911,091
Unbilled revenue		**(89,841)**		306,933
Inventories		**(28,171)**		11,447
Deposits and prepaid expenses		**(168,807)**		(113,568)
Trade and other payables		**(126,299)**		(953,162)
Income taxes payable		**-**		232,788
	$	**982,608**	$	1,395,529
(b) Other non-cash transactions:				
Purchases under lease liabilities	**$**	**115,306**	$	350,589
Amortization of prepaid borrowing costs	**$**	**37,431**	$	67,594

(c) Cash taxes paid

Cash taxes paid for the period ended June 30, 2021, was $nil (2020 - $113,265).

12. COVID-19 impact

The Company is utilizing the Canadian Emergency Wage Subsidy Program (CEWS), the Canadian Emergency Rent Subsidy (CERS), and the Canadian Emergency Business Account Program (CEBA). Under these programs the Company is eligible for/or has received: CEWS of $1,211,976 (June 2020 - $526,837), CERS of $247,366 (June 2020 - $nil) and CEBA loans of $120,000.

The Company is utilizing the Canadian Emergency Wage Subsidy Program as in tended, keeping employees working and on payroll during the COVID-19 pandemic. The Company continues to monitor changes to all government programs and will alter its cost structure accordingly if required. Utilizing the CEWS and CERS programs, the Company recorded $459,362 ($593,486 – June 2020) against direct costs for the three months ended June 30, 2021 and $531,927 ($140,570 – June 2020) against EBITDA for the three months ended June 30, 2021. Utilizing the CEWS and CERS programs, the Company recorded $1,259,878 ($661,981 – June 2020) against direct costs for the six months ended June 30, 2021, and $1,459,343 ($749,553 – June 2020) against EBITDA for the six months ended June 30, 2021.