Interim Condensed
Consolidated Financial Statements

NOBLE IRON INC.

For the three months ended March 31, 2016 and 2015
(Unaudited)

MANAGEMENT'S COMMENTS ON
UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements; they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of Noble Iron Inc. (the "Company"), have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

NOBLE IRON INC.

Interim Condensed Consolidated Statements of Financial Position
(Unaudited)
As at March 31, 2016 and December 31, 2015
In Canadian Dollars

	March 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash	$ 739,323	$ 502,078
Accounts receivable	3,218,518	4,328,846
Inventories	810,815	790,308
Prepaid expenses and other assets	700,248	686,351
Short term loan receivable (note 12)	60,000	102,000
	5,528,904	6,409,583
Long term assets:		
Property and equipment	26,358,652	30,602,033
Intangible assets	745,710	558,020
Other long term assets	99,322	105,976
Deferred tax asset	450,000	507,000
	27,653,684	31,773,029
Total assets	$ 33,182,588	$ 38,182,612
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 3,668,861	$ 3,267,169
Deferred revenue	271,543	207,442
Current portion of license obligation	166,549	144,275
Short term debt (note 13)	787,524	216,755
Current portion of long-term debt	332,799	323,842
	5,227,276	4,159,483
Long term liabilities:		
License obligation	149,648	-
Long-term debt	30,813,454	34,253,851
	30,963,102	34,253,851
Total liabilities	$ 36,190,378	$ 38,413,334
Shareholders' equity:		
Share capital (note 3)	36,471,467	36,471,467
Contributed surplus	3,671,002	3,557,866
Accumulated other comprehensive income	2,265,789	2,076,235
Deficit	(45,416,048)	(42,336,290)
	(3,007,790)	(230,722)
Total liabilities and shareholders' equity	$ 33,182,588	$ 38,182,612

See accompanying notes to interim unaudited condensed consolidated financial statements

On behalf of the Board:

/s/ Nabil Kassam Director

/s/ Ron Schwarz Director

NOBLE IRON INC.

Interim Condensed Consolidated Statements of Comprehensive Loss
(Unaudited)
For the three months ended March 31, 2016 and 2015
In Canadian Dollars

	March 31, 2016	March 31, 2015
Revenue:		
Rental and distribution (note 6)	$ 5,345,931	$ 4,474,718
Software and services	1,141,063	1,175,884
	6,486,994	5,650,602
Cost of revenue:		
Rental and distribution	2,926,635	2,470,592
Software and services	174,694	148,878
	3,101,329	2,619,470
Gross profit	3,385,665	3,031,132
Operating expenses:		
Support, maintenance and delivery	2,475,272	2,358,204
Research and development	228,878	237,463
Sales and marketing	609,781	492,798
General and administration	2,697,227	2,259,575
	6,011,158	5,348,040
Loss from operations	(2,625,493)	(2,316,908)
Other Income / Expense:		
Interest expense	406,935	230,881
Foreign exchange (gain)/loss	(19,616)	145,243
	387,319	376,124
Loss before income taxes	(3,012,812)	(2,693,032)
Income tax expense (recovery)	66,946	20,522
Net loss	(3,079,758)	(2,713,554)
Other comprehensive income:		
Items that will not be reclassified to net loss:		
Foreign currency translation adjustment	189,554	744,060
Total comprehensive loss	$ (2,890,204)	$ (1,969,494)
Net loss per share (note 4) :		
Basic and diluted	$ (0.11)	$ (0.10)

See accompanying notes to interim unaudited condensed consolidated financial statements

NOBLE IRON INC.

Interim Condensed Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)
For the three months ended March 31, 2016 and 2015
In Canadian Dollars

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
Balance at January 1, 2015	$ 36,471,467	$ 3,099,886	$ 1,263,675	$ (32,104,010)	$ 8,731,018
Stock-based compensation	-	81,612	-	-	81,612
Other comprehensive income - foreign currency translation adjustment	-	-	744,060	-	744,060
Net loss	-	-	-	(2,713,554)	(2,713,554)
Balance, March 31, 2015	$ 36,471,467	$ 3,181,498	$ 2,007,735	$ (34,817,564)	$ 6,843,136
Balance, January 1, 2016	$ 36,471,467	$ 3,557,866	$ 2,076,235	$ (42,336,290)	$ (230,722)
Stock-based compensation	-	113,136	-	-	113,136
Other comprehensive income (loss) - foreign currency translation adjustment	-	-	189,554	-	189,554
Net loss	-	-	-	(3,079,758)	(3,079,758)
Balance March 31, 2016	$ 36,471,467	$ 3,671,002	$ 2,265,789	$ (45,416,048)	$ (3,007,790)

See accompanying notes to interim unaudited condensed consolidated financial statements

NOBLE IRON INC.

Interim Condensed Consolidated Statements of Cash Flows
(Unaudited)
For the three months ended March 31, 2016 and 2015
In Canadian Dollars

		March 31, 2016		March 31, 2015
Cash provided by (used in):				
Operating activities:				
Net loss	$	(3,079,758)	$	(2,713,554)
Items not involving cash:				
Depreciation and amortization		2,364,507		2,135,192
Stock-based compensation		113,136		81,612
Interest expense		406,935		230,881
Gain on disposal of property and equipment		(107,300)		(32,661)
Unrealized foreign exchange (gain) loss		(98,736)		183,829
Income tax recovery		66,946		20,522
Change in non-cash operating working capital (note 5)		1,494,883		90,106
Net cash from (used in) operating activities		1,202,613		(4,073)
Investing activities:				
Purchase of property and equipment		(174,680)		(188,641)
Proceeds on disposal of rental equipment		415,036		334,785
Purchase of intangibles		(199,386)		-
Proceeds on disposal of property and equipment		-		13,921
Net cash (used in) investing activities		40,971		160,065
Financing activities:				
Proceeds from long-term debt		6,721,164		4,679,912
Repayment of other current liabilities		-		(469,075)
Repayment of long-term debt		(7,378,915)		(5,233,445)
Repayment of license obligation		(33,894)		(69,392)
Interest paid		(266,907)		(199,058)
Net cash (used in) from financing activities		(958,552)		(1,291,058)
Increase (decrease) in cash		285,032		(1,135,066)
Cash, beginning of period		502,078		2,065,127
Effect of exchange rate changes on cash		(47,787)		163,884
Cash, end of period	$	739,323	$	1,093,945

See accompanying notes to interim unaudited condensed consolidated financial statements

1. Corporate information:

Noble Iron Inc. (the "Company") was incorporated under the *Company Act* (British Columbia) and was continued under the *Business Corporations Act* (Ontario) on November 5, 2008. The address of the Company's registered office is 7B-291 Woodlawn Road West, Guelph, Ontario, N1H 7L6. The interim condensed consolidated financial statements of the Company, as at and for the three months ended, March 31, 2016 and 2015, comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

Noble Iron Inc. is listed on the TSX-Venture Exchange under the symbol NIR. The Company operates in equipment rental, equipment distribution, and enterprise asset management software for the construction and industrial equipment industry. For segment reporting purposes, the Company has combined the equipment rental and distribution businesses.

Noble Iron Inc.'s equipment rental and distribution business operates under the name "Noble Iron" and currently serves customers in California and Texas. Noble Iron offers construction and industrial equipment and accessories for rent and for sale, and is the exclusive distributor of LiuGong Construction Machinery earth moving equipment in Southeast Texas.

Noble Iron Inc.'s software division operates under the name "Texada Software". Texada Software develops software applications to manage the complete equipment ownership lifecycle: from equipment purchasing, rental and sales transactions, inventory management, maintenance and depreciation tracking, through to used equipment sales, disposal, and inventory replenishment. Texada Software offers in the cloud or client-based software, and is scalable to meet the needs of any equipment rental company, dealership, construction company, contractor, and any customer who owns or uses construction or industrial equipment.

2. Basis of preparation:

(a) Statement of compliance:

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"). The notes presented in these interim condensed consolidated financial statements include only significant changes and transactions occurring since the Company's last year end, and are not fully inclusive of all disclosure required by International Financial Reporting Standards ("IFRS") for annual financial statements.

These interim condensed consolidated financial statements should be read in conjunction with the Company's annual audited financial statements for the years ended December 31, 2015 and 2014, (the "2015 Annual Financial Statements") which are available on SEDAR. These interim condensed consolidated financial statements were approved by the Board of Directors on May 26, 2016.

These interim condensed consolidated financial statements follow the same accounting policies and methods of application as the 2015 Annual Financial Statements. These interim condensed consolidated financial statements are presented in Canadian dollars.

2. Basis of preparation (continued):

(b) Use of judgments and estimates:

Use of estimates:

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expense. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management periodically reviews its estimates and underlying assumptions relating to the following items:

i. Taxes

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

ii. Depreciation

Management estimates future residual values and the rate at which the useful lives of property and equipment are consumed to determine appropriate depreciation charges. Estimates of residual value and useful lives are based on data and information from various sources, including vendors, industry practice and company specific history. These estimates are evaluated annually and adjusted prospectively, where necessary, to reflect actual experience.

iii. Amortization

Management estimates the expected useful life of intangible assets for use in calculating amortization expense. The estimates are evaluated annually and adjusted prospectively, where necessary, to reflect actual experience.

iv. Impairment of long-lived assets

When circumstances require the performance of an impairment test, Management utilizes estimates in assessing the recoverable amount of the asset or cash generating unit. In so doing, management utilizes independent, third party sources of information; specifically observable market prices for similar assets with similar characteristics.

2. Basis of preparation (continued):

(b) Use of judgments and estimates (continued):

v. Provision for doubtful accounts

The Company makes an assessment of whether accounts receivable are collectable for each customer based on payment history and financial condition. These estimates are continuously evaluated and updated.

Use of judgments:

The preparation of financial statements in conformity with IFRS requires management to make judgments that affect the application of accounting policies and the interpretation of accounting standards.

Management periodically reviews its judgments and underlying assumptions relating to the following items:

i. Going Concern

The Company is subject to a number of risks and uncertainties associated with the achievement of sustainable profitability and with the financing requirements of its operations. Management exercises judgement relating to the above factors in its determination of the Company's ability to continue as a going concern and its analysis covers the Company's prospects for at least 12 months from the end of the reporting period.

ii. Business Combinations

Management exercises judgment in its decision to classify acquisitions as business combinations or as asset acquisitions. This requires management's assessment of whether the assets acquired and liabilities assumed constitute a business. If net assets acquired are not considered to be a business, they will be classified as an asset acquisition.

iii. Impairment

Management exercises judgment to determine whether there are factors that would indicate that an asset or a Cash Generating Unit ("CGU") is impaired. This determination of CGUs is also based on management's judgment and is an assessment of the smallest group of assets that generate cash inflows independently of other assets. Factors considered include whether an active market exists for the output produced by the asset or group of assets as well as how management monitors and makes decisions about the operations.

iv. Intercompany transactions

Management exercises judgment to determine which amounts receivable from a foreign operation are not expected to be settled and accordingly forms part of the Company's net investment in the foreign operation. Factors considered include the nature of the source of the amounts advanced and the ability of the foreign operation to repay the advance.

2. Basis of preparation (continued):

(b) Use of judgments and estimates (continued):

v. Classification of long-term debt

Management exercises judgment in determining the classification of the long-term debt as a current liability or long-term liability. Factors considered include whether the company expects to settle the liability within its normal business cycle within its equipment rental business and whether the liability is due to be settled within twelve months after the reporting period.

(c) New standards and interpretations not yet adopted:

The International Accounting Standards Board ("IASB") has issued the following amendments, revisions, and new International Financial Reporting Standards ("IFRS") that are not yet effective and while considered relevant to the Group, they have not yet been adopted by the Group.

i. In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments ("IFRS 9"), which brings together the classification and measurement and impairment phases of the IASB's project to replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39").

Classification and measurement – Financial assets are classified and measured based on the business model under which they are managed and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified in a similar manner as under IAS 39, except that financial liabilities measured at fair value will have fair value changes resulting from changes in the Group's own credit risk, recognized in Other Comprehensive Income instead of net income, unless this would create an accounting mismatch.

Impairment – the measurement of impairment of financial assets is based on an expected credit loss model. It is no longer necessary for a triggering event to have occurred before credit losses are recognized. IFRS 9 also includes new disclosure requirements about expected credit losses and credit risk.

IFRS 9 will be applied retrospectively for annual periods beginning on or after January 1, 2018. The Group is assessing the potential impact of this standard.

ii. In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers ("IFRS 15") which replaces IAS 11, Construction Contracts, IAS 18 - Revenue, and IFRIC 13, Customer Loyalty Programmes, as well as various other interpretations regarding revenue. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts, and financial instruments. IFRS 15 also contains enhanced disclosure requirements. IFRS 15 will be applied for annual periods beginning on or after January 1, 2018. The Group is assessing the potential impact of this standard.

2. Basis of preparation (continued):

(c) New standards and interpretations not yet adopted (continued):

iii. In January 2016, the IASB issued IFRS 16 – Leases ("IFRS 16"), which replaces IAS 17 – Leases "IAS 17") and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12-months or less or the underlying asset has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating leases and finance leases being retained. IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. The Group is assessing the potential impact of this standard.

3. Share capital:

(a) Authorized:

The Company has authorized 100,000,000 preferred shares without par value, issuable in one or more series as well as an unlimited number of common shares without par value. There are no preferred shares outstanding as of March 31, 2016 or December 31, 2015.

The Board of Directors ratified, confirmed, and approved a Restricted Share Plan which was adopted by the Board of Directors effective June 10, 2014. A maximum of 1,000,000 shares, or 4.67% of the Company's common shares issued and outstanding as of the date of approval of the Restricted Share Plan, are available for grant under the Restricted Share Plan. As at March 31, 2016 and December 31, 2015 Noble Iron had no restricted shares issued.

(b) Issued:

Issued and outstanding common shares were 27,417,479 as of March 31, 2016 and 27,417,479 as of December 31, 2015. During the three months ended March 31, 2016, the Company issued no common shares and had no exercise of options. There are no preferred shares outstanding as of March 31, 2016 or December 31, 2015. As at March 31, 2016 and December 31, 2015, the Company had no restricted shares issued.

In Canadian Dollars

4. Net loss per share:

The computations for basic and diluted earnings per share for the three months ended March 31, 2016 and 2015 are as follows:

	2016	2015
Net loss	$ (3,079,758)	$ (2,713,554)
Weighted average number of common shares outstanding:		
Basic and diluted	27,417,479	27,417,479
Net loss per share:		
Basic and diluted	$(0.11)	$(0.10)

The average market value of the Group's common shares, for the purpose of calculating the dilutive impact of outstanding share options, was based on quoted market prices for the period during which the options were outstanding.

Share options to purchase 2,115,700 (March 31, 2015 – 602,967) common shares are excluded from the weighted average common shares in the calculation of diluted loss per share as they are not dilutive.

In Canadian Dollars

5. Changes in non-cash operating working capital:

	March 31, 2016	March 31, 2015
Accounts receivable	$ 981,935	$ (107,415)
Inventories	(55,121)	(108,252)
Prepaid expenses and other assets	(73,122)	89,418
Accounts payable and accrued liabilities	576,269	195,012
Deferred revenue	64,922	20,818
	$ 1,494,883	$ 90,106

6. Rental and distribution revenue:

Distribution revenue includes proceeds from the sale of new and used equipment, disposal of rental fleet in the ordinary course, parts sales, and asset sales related to conversions of rental purchase options.

The revenues for the three months ended March 31, 2016 and 2015 are as follows:

	March 31, 2016	March 31, 2015
Rental revenue	$ 4,517,081	$ 3,877,898
Distribution revenue	828,850	596,820
	$ 5,345,931	$ 4,474,718

The cost of rental equipment sold during the three months ended March 31, 2016 recognized as cost of rental and distribution revenue was $307,736 (March 31, 2015 - $279,606).

7. Financial risk management:

The Group is exposed to foreign exchange risk, interest rate risk, credit risk, and liquidity risk related to its underlying financial assets and liabilities. Risk management strategies are designed to ensure that the Company's risks and related exposures are consistent with its business objectives and overall risk tolerance. There have been no significant changes to the Company's risk management strategies since December 31, 2015, and no assurance can be provided that these strategies will continue to be effective.

(a) Foreign exchange risk:

Foreign exchange risk is the risk that the fair value, or the future value cash flow of a financial instrument, will fluctuate due to changes in foreign exchange rates.

(b) Interest rate risk:

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments.

(c) Credit risk:

Credit risk is the financial risk of non-performance by a contracted counter party.

(d) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Group believes that it has access to sufficient cash to cover the expected short-term and long-term cash requirements.

A significant portion of the Company's debt is financed through revolving loan and security agreements, with the available borrowing base determined largely by the appraised value of the rental equipment. As a result, the Company's ability to access funds under the revolving loan and security agreement is subject to change based on rental equipment appraisal values provided by a third party. If the market value of used equipment were to decline faster or further than management expectations, the Company would be at risk of having an insufficient borrowing base to support its outstanding debt. If the debt outstanding was in excess of the borrowing base, this could result in a default under the facility if the Company were not in a position to cure the default.

The Company has incurred net losses and used significant cash in its operating activities since incorporation. It has relied upon financing to fund its operations and to establish its infrastructure, primarily through debt and private equity placements. The Company continues to anticipate raising additional funds to finance its objectives. If the Company is unable to obtain sufficient additional financing, planned operations could be delayed or scaled-back, which could affect the Company's financial condition and results of operations and/or its ability to meet the debt covenants under its credit facilities.

8. Determination of fair values:

(a) Financial Assets:

Management has determined that the carrying amount of its short-term financial assets, including cash, accounts receivable and loan receivable approximate fair value at the reporting date due to the short-term maturity of these assets.

(b) Financial liabilities:

Management has determined that the carrying amount of its short-term financial liabilities, including accounts payable and accrued liabilities and short-term debt approximate fair value at the reporting date due to the short-term maturity of these obligations. Management has determined that the carrying amount of the Company's long-term debt and license obligation approximate fair market value using the present value of future principal and interest payments discounted at market based interest rates available to the Group for similar debt instruments with similar maturities.

(c) Fair value:

As of March 31, 2016, the Company did not have any financial instruments which are measured at fair value. This is consistent with 2015.

In Canadian Dollars

8. Determination of fair values (continued):

Financial assets and liabilities

	Carrying Amount				Fair Value
	Non-current assets	Current Assets			
	Trade and other receivables	Trade and other receivables	Cash and cash equivalents	Total	Total
March 31, 2016					
Financial assets not measured at fair value					
Trade and other receivables	$ -	3,218,518	$ -	$ 3,218,518	$ 3,218,518
Cash	-	-	739,323	739,323	739,323
Loan receivable	-	60,000	-	60,000	60,000
	$ -	$ 3,278,518	$ 739,323	$ 4,017,841	$ 4,017,841
December 31, 2015					
Financial assets not measured at fair value					
Trade and other receivables	$ -	$ 4,328,846	$ -	$ 4,328,846	$ 4,328,846
Cash	-	-	502,078	502,078	502,078
Loan receivable	-	102,000	-	102,000	102,000
	$ -	$ 4,430,846	$ 502,078	$ 4,932,924	$ 4,932,924

In Canadian Dollars

8. Determination of fair values (continued):

Financial assets and liabilities

	Carrying Amount				Fair Value
	Non-current liabilities	Current Liabilities			
	Loans and borrowings	Trade and other payables	Loans and borrowings	Total	Total
March 31, 2016					
Financial liabilities not measured at fair value					
Accounts payable and accrued liabilities	$ -	$ (3,668,861)	$ -	$ (3,668,861)	$ (3,668,861)
License obligation	(149,648)	-	(166,549)	(316,197)	(316,197)
Short term debt	-	-	(787,524)	(787,524)	(787,524)
Long-term debt	(30,813,454)	-	(332,799)	(31,146,253)	(31,146,253)
	$ (30,963,102)	$ (3,668,861)	$ (1,286,872)	$ (35,918,835)	$ (35,918,835)
December 31, 2015					
Financial liabilities not measured at fair value					
Accounts payable and accrued liabilities	$ -	$ (3,267,169)	$ -	$ (3,267,169)	$ (3,267,169)
License obligation	-	-	(144,275)	(144,275)	(144,275)
Short term debt	-	-	(216,755)	(216,755)	(216,755)
Long-term debt	(34,253,851)	-	(323,842)	(34,577,693)	(34,577,693)
	$ (34,253,851)	$ (3,267,169)	$ (684,872)	$ (38,205,892)	$ (38,205,892)

9. Capital Risk Management

The Company's objective is to maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future business development. The Company defines capital as total debt and equity. The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy since December 31, 2015.

In February 2016, the Company temporarily fell below its 7.5% minimum excess availability threshold on its credit facility and returned above its threshold after a 4 day extension without triggering a debt covenant breach notice.

10. Segmented information:

The Group operates in two reportable segments being, i) Construction and Industrial Equipment Rental and Distribution and, ii) Enterprise Asset Management Software. Each segment has its own management that is accountable and responsible for the segment's operations, results and financial performance. These segments are principally organized by the major industries in which they operate. The following summary describes the operations of each of the Group's operating Segments:

Enterprise Asset Management Software: The Asset Management Software segment, headquartered in Canada, markets and sells its software platform to customers who manage large quantities of construction and industrial heavy equipment inventory in Canada, Australia and the United States.

Construction and Industrial Equipment Rental and Distribution: The Rental and Distribution segment, headquartered in Houston, Texas operates two rental and distribution units of construction and industrial equipment in the Southern California region and Houston, Texas.

The chief operating decision-maker assess segment performance based on segment revenue, segment operating income (loss), total assets, and total liabilities for the Enterprise Asset Management Software segment, and for the Construction and Industrial Equipment Rental and Distribution segment, and for the Construction and Industrial Equipment Rental and Distribution segment. In addition to operating income, the chief operating decision-maker also monitors key items including asset additions and disposals, depreciation and amortization, when reviewing the performance of the Construction and Industrial Equipment Rental and Distribution segment.

Other includes corporate head office and shared expenses.

For the three months ended March 31, 2016 and 2015, no single customer, in either reportable segment, accounted for 10% or more of the total Company's revenue or accounts receivable.

In Canadian Dollars

10. Segmented information (continued):

	The three months ended March 31, 2016	2015
Segment revenue		
Construction and industrial equipment rental and distribution	$ 5,345,931	$ 4,474,718
Enterprise asset management software	1,141,063	1,175,884
Total segment revenue	$ 6,486,994	$ 5,650,602
Segment operating income (loss)		
Construction and industrial equipment rental and distribution	$ (1,267,380)	$ (1,336,837)
Enterprise asset management software	172,592	278,498
Total segment operating income (loss)	$ (1,094,788)	$ (1,058,339)
Reconciliation to consolidated loss before income taxes:		
Total segment operating income	$ (1,094,788)	$ (1,058,339)
Other expenses	(1,530,705)	(1,258,569)
Interest costs	(406,935)	(230,881)
Foreign exchange	19,616	(145,243)
Loss before income taxes	$ (3,012,812)	$ (2,693,032)

	March 31, 2016	December 31, 2015
Additions to property and equipment and intangible assets		
Construction and industrial equipment rental and distribution	$ 105,348	$ 306,618
Enterprise asset management software	268,718	2,444
Other	-	33,873
	$ 374,066	$ 342,935
Disposals from property and equipment and intangible assets		
Construction and industrial equipment rental and distribution	$ (673,775)	$ (2,968,358)
Enterprise asset management software	-	-
Other	-	-
	$ (673,775)	$ (2,968,358)

	The three months ended March 31, 2016	2015
Depreciation and amortization		
Construction and industrial equipment rental and distribution	$ 2,287,362	$ 2,082,205
Enterprise asset management software	29,938	33,384
Other	47,207	19,603
	$ 2,364,507	$ 2,135,192

In Canadian Dollars

10. Segmented information (continued):

		March 31, 2016		December 31, 2015
Total reportable assets				
Construction and industrial equipment rental and distribution	$	31,013,214	$	36,028,471
Enterprise asset management software		1,979,878		1,751,950
Other		189,496		402,191
	$	33,182,588	$	38,182,612
Total reportable liabilities				
Construction and industrial equipment rental and distribution	$	35,015,503	$	36,555,664
Enterprise asset management software		1,043,153		986,640
Other		131,721		871,030
	$	36,190,378	$	38,413,334

		The three months ended March 31,		
Revenue by Geographic Segment		2016		2015
US	$	5,345,931	$	4,474,718
Canada		965,832		967,513
Australia & New Zealand		175,231		208,371
	$	6,486,994	$	5,650,602

Property and Equipment and Intangible Assets by Reportable Segment		March 31, 2016		December 31, 2015
US	$	26,390,665	$	30,667,847
Canada		706,133		485,607
Australia		7,565		6,598
	$	27,104,362	$	31,160,053

11. Seasonality:

Revenues within the Group’s construction and industrial equipment rental and distribution segment will generally be lower from December through March as winter weather and seasonal migration of workers hinders construction activity. Demand for construction and rental equipment generally increases in April with warmer weather and typically remains strong through the month of November. The Group’s enterprise asset management software segment revenue is largely generated from recurring fees, which accrue and are earned equally throughout the year; as such, seasonality is not a material factor within this segment.

12. Loan receivable:

On January 8, 2013, the Group provided a loan advance of $150,000 to a senior officer with a carrying amount of $60,000 as of March 31, 2016. The advance was non-interest bearing, with the principal due on January 8, 2017. The loan is secured by 150,000 common shares acquired by the senior officer at the time the loan was advanced. On January 19, 2015, the Chief Financial Officer (CFO) of Noble Iron tendered his resignation. The loan receivable outstanding to the Company became due on demand based on the terms of the loan agreement as a result of the resignation, and accordingly the loan receivable was reclassified as a current asset in 2015.

13. Short-term debt:

At March 31, 2016, the Company had Short-term debt of $787,524 (December 31, 2015 - $216,755. The Short-term debt consists of insurance payable and related party loans.

At March 31, 2016, the Company had outstanding promissory notes to related parties in the amount of $659,359 with the balance due on February 17, 2017. The notes may be extended one time for six months at the Company's discretion and bears an interest rate of 10 percent per annum. There is no prepayment penalty.