Management's Discussion and Analysis

For the three and nine months ended September 30, 2012 and 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2012 and 2011

This Management Discussion and Analysis (MD&A) should be read in conjunction with the unaudited condensed interim consolidated financial statements (the "Financial Statements") and the notes contained therein of Enterprise Group, Inc. ("Enterprise" or the "Company") for the three and nine months ended September 30, 2012.

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"). The 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 2011 Consolidated Financial Statements and the notes thereto, the 2011 MD&A and the 2011 AIF filed with Canadian regulatory agencies. The documents are available at www.sedar.com and at www.enterprisegrp.ca.

This MD&A was prepared effective November 13, 2012.

FORWARD-LOOKING INFORMATION

Certain information in the MD&A, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties. Forward-looking statements may contain words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue", and similar expressions and statements relating to matters that are not historical facts. These may include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to pipeline and facilities construction and maintenance services associated with the oil and gas and industries and utility services and the domestic and worldwide supplies and commodity prices of oil and gas.

These risks and uncertainties include, but are not limited to, seasonal weather patterns, maintaining and increasing market share, government regulation of energy and resource companies, terrorist activity, the price and availability of alternative fuels, the availability of pipeline capacity, potential instability or armed conflict in oil producing regions, overall economic environment, the success of integrating and realizing the potential of acquisitions, ability to attract and retain key personnel, technological change, demand for services provided by Enterprise, and fluctuations in the value of the Canadian dollar relative to the US dollar.

These risks and uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such forward-looking information will prove to be accurate. Actual results and future events could differ materially from those anticipated in such forward-looking information. The forward-looking information is based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change as a result of new information or future events. Readers should not place undue reliance on forward-looking information.

QUARTERLY HIGHLIGHTS

- Effective September 1, 2012, the Company acquired all of the issued and outstanding common shares of Artic Therm International Ltd. ("ATI"), a privately held specialized equipment rental company. ATI is an industry leader in providing flameless heat technology to the broad based construction and oil & gas industries in Western Canada.

- On September 11, 2012, the Company closed a senior secured credit facility with PNC Bank Canada Branch for up to a maximum of $12,500,000. Proceeds were used to partially finance the recent acquisition of Artic Therm International Ltd. ("ATI") and restructure the Company's existing debt.

- Revenue for the quarter decreased by $478,000 to $4,300,000 compared to the same period last year. For the nine months ended September 30, 2012, revenue grew by $198,000 to $11,900,000 over to the same period in the prior year.

- EBITDAS for the quarter decreased by $765,000 to $631,000 compared to the same period last year. For the nine months ended September 30, 2012, EBITDAS grew by $640,000 to $2,000,000 over the same period in the prior year.

- Income for the quarter decreased by $673,000 compared to the same period last year. For the nine months ended September 30, 2012, income grew by $1,500,000 to $656,000 over the same period in the prior year. Costs associated with the acquisition of ATI and PNC refinancing amounted to approximately $400,000 in the quarter.

- For the trailing twelve months the Company recorded a net income of $1,500,000 and EBITDAS of $3,300,000.

- During the current quarter, the Company changed its name to Enterprise Group, Inc.

NON-GAAP MEASURES

In addition to using financial measures prescribed by IFRS, a certain non-GAAP measure is also used in this MD&A. This non-GAAP measure is “EBITDAS”. References in this MD&A to EBITDAS are to earnings before interest, taxes, depreciation, amortization, impairment losses and share-based payments. EBITDAS is not an earnings measure recognized by IFRS and does not have a standardized meaning prescribed by IFRS.

Management believes that EBITDAS is an appropriate measure in evaluating the Company’s performance. EBITDAS should not be construed as an alternative to net income or cash flow from operating activity (as determined under IFRS) as an indicator of financial performance or to cash flow from operating activities (as determined under IFRS) as a measure of liquidity and cash flow. The Company’s method of calculating EBITDAS may differ from the methods used by other issuers and, accordingly, the Company’s EBITDAS may not be comparable to similar measures used by other issuers. This non-GAAP performance measure, EBITDAS, does not have any standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other companies. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. This measure has been described and presented in the same manner in which the chief operating decision-maker makes operating decisions and assesses performance.

COMPANY PROFILE

Enterprise Group, Inc. (TSX Exchange: Symbol "E") is a construction services company operating in the energy, utility and transportation infrastructure industry. The Company's focus is primarily underground construction and maintenance and above ground plants and facilities. With corporate headquarters in St. Albert, Alberta, Canada, a sales office in Calgary, Alberta, construction offices in Slave Lake, Sherwood Park, Morinville and Innisfail, Alberta, and field offices in Wabasca and Fox Creek, Alberta, Enterprise is strategically located near its customers. The Company's strategy is to acquire complementary service companies in Western Canada, consolidating capital, management and human resources to support continued growth.

Industry and Markets

Enterprise provides construction services including installation of underground utility infrastructure and directional drilling, pipeline construction, repairs and maintenance and transportation infrastructure. Enterprise's customers include some of Canada's largest telecommunication providers, utility service providers, energy producers, as well as the federal and provincial governments of Canada.

In the underground utility infrastructure industry, a large portion of the existing utility infrastructure is rapidly aging in the Province of Alberta, and in some areas, the utility infrastructure is beyond its intended useful life and beginning to fail. In response to this, the major stakeholders in the industry are implementing large scale, ongoing repair and replacement programs that are essential for continued growth in Alberta. Enterprise's largest customers in the utilities and infrastructure sector have such programs in place.

In addition to the repair and maintenance programs, the continuing development of new industrial, commercial and residential properties in the province requires the installation of new infrastructure, such as full underground services. A large portion of Enterprise's customers are property developers and contribute significantly to the bottom line of the Company.

Enterprise's fleet of directional drills is ideal for services required in underground utility construction. Combined with our industry expertise and experienced field personnel, Enterprise has become the supplier of choice in this sector, which has enabled the Company to secure ongoing contracts with its largest customers.

Enterprise also constructs pipelines in the energy services industry throughout Western Canada utilizing a fleet of over 200 trucks and heavy construction equipment. The Company has the equipment and expertise to undertake a project from start to finish. Major projects in this industry relate to the construction of pipelines, including up to 12" diameter steel pipe. Enterprise will increase its collective customer base and overall revenues by developing a skilled labour force, supported by a complete fleet of vehicles and equipment, thereby providing wide geographic coverage of energy services in Western Canada.

In addition to these two markets, the Company officially launched its new heavy equipment rental division, E One Limited, in the first quarter of 2012. Construction contractors typically operate a core fleet and will rent when activity surpasses full utilization of their fleet. With presence in Central and Northern Alberta, E One is positioned well to take advantage of a broad based construction boom, certainly highlighted in the energy sector.

In September of 2012, Enterprise acquired Artic Therm International Ltd. Founded in 1998, ATI is an industry leader in providing flameless heat technology to the broad based construction and oil & gas industries in Western Canada. Artic Therm International rents flameless heaters ranging in heat output from 375,000 British Thermal Units ("BTU's") to 3,000,000 BTU's.

Seasonality of Operations

A significant portion of Enterprise's operations relate to services provided to underground utility and directional drilling customers in Alberta. The demand for these types of services typically peak during the summer and fall months due to increased subdivision activity and then gradually decline in the winter months due to frozen ground.

This is followed by wet soil conditions in the spring due to spring thaw and rain. Although this industry is less affected by seasonality than the oilfield services industry, the spring quarter is typically its slowest quarter of the year.

The Company's earnings in the energy sector follow the seasonal activity pattern of Alberta's oil and gas exploration industry whereby activity peaks in the winter months and declines during the spring thaw. During spring thaw, roads become incapable of supporting the heavy equipment needed to drill and tie-in oil and gas wells and other types of construction. As a result, demand for these types of services generally is the highest in the fall and winter quarters and the lowest in the spring quarter.

OUTLOOK

The economy continues to gain momentum in Canada and expectations are that it will continue to grow through 2013. Economists at several Canadian banks are predicting that Western Canada will lead the nation in economic growth, and the Province of Alberta will lead all provinces in real GDP growth and employment growth in 2012 and 2013 due to robust activity in the energy and construction sectors.

The underground utility and infrastructure division is currently operating at or near capacity. The multi-year contract Enterprise signed in March of 2010, with one of Canada's premier power suppliers is well underway and revenues are increasing as we continue to increase production to meet the customer's growing demands. In addition to the contract, Enterprise's largest customers in the underground utility and infrastructure division have a significant backlog of work that will carry through 2012 and 2013.

The number of new subdivision developments is also expected to increase in 2012 and 2013 due to low interest rates and the demand for new housing. The October issue of BMO Capital Markets "Provincial Monitor" reports that the Province of Alberta is experiencing "net in-migration" which hit the highest level since the 2006 boom. The influx of people into the province has lead to housing starts surging by 46% in the first quarter of 2012 compared to 2011. As such, Enterprise's largest customers in the subdivision industry are forecasting significant growth over the next two years. The Company's underground utility division specializes in the type of infrastructure that new subdivisions require. Therefore, management expects subdivision projects to remain strong through 2013.

Recognizing the opportunity at hand, management is continuing to execute its plan to increase this division's production capacity by adding key personnel and equipment to this operation. In addition to organic growth, management has identified several potential acquisition targets that if acquired, will contribute significantly to the growth of this division.

The energy sector is expected to continue its rapid growth in activity. The price of crude oil has remained in the range of $80 to $100 per barrel and capital expenditure budgets for conventional oil based assets are increasing. Many of the oil and gas service and completion companies are reporting increases in activity, revenue and profitability. As such, several at the nations largest banks are continuing to predict the Province of Alberta will lead the nation in economic growth in 2012 and 2013.

The increased access to capital for many of the oil and gas companies has resulted in an increase in the number of wells of drilled in the Western Canadian Sedimentary Basin in 2011. This trend is continuing in 2012. On May 29, 2012, The Canadian Association of Oilwell Drilling Contractors (CAODC) forecasted that the drilling rig fleet in the WCSB will expand by 24 units in 2012, adding that the industry has not seen this kind of growth since 2007. They also forecasted drilling rig utilization to be 49% in 2012, versus a forecast of 51% in 2011. In comparison, actual drilling rig utilization in 2010 was only 43%. The decrease in the forecasted drilling rig utilization is directly related to the expected increase in drilling rig capacity, as their forecasted number of wells to be drilled in 2012 increased marginally over 2011. These are clear indicators that the construction services provided by the Company will continue to increase in demand in the near future and management is highly optimistic about the upcoming opportunities.

As a result of the increased activity, many companies in the road lease building, drilling and completion sectors of the industry are continuing to report significant increases in revenue and profitability and Enterprise is beginning to realize these benefits of the activity as well.

Margins on awarded bid projects are increasing, however many of them were still below the Company's comfort zone. As such, the Company will continue to bid projects at margins that it feels are competitive. However, the Company is being awarded projects based on forced account/hourly rates, which have significantly higher margins than bid work, but are typically smaller and generate less revenue.

With many of these projects being located in Northern Alberta, Enterprise is geographically well positioned in relation to these projects. Our flagship operation for the energy sector is located in Slave Lake, Alberta which is surrounded by the conventional oil activity in Northern Alberta.

In addition to these two industries, the Company officially launched its new heavy equipment rental division, E One Limited, in the first quarter of 2012. The overall construction industry is operating at a fast pace and heavy equipment is in full demand. Construction contractors typically operate a core fleet and will rent when activity surpasses full utilization of their fleet. With presence in Central and Northern Alberta, E One is positioned well to take advantage of a broad based construction boom, certainly highlighted in the energy sector.

The acquisition of Artic Therm International Ltd. will also benefit from the increased activity in the energy sector. Artic Therm International is heading into their busy season, the fourth and first quarters of the year and shortly after the acquisition, Enterprise committed to $1,400,000 of capital expenditures to increase the fleet size of Artic Therm International by 28 units. The cap-ex was targeted at the ATI's most sought after flameless heating units. These units are being used to expand Artic Therm's operations to Slave Lake, Alberta where the Company will be able to tap into the existing customer base in the energy sector, increase the presence of Artic Therm International and maximize the economies of scale as a result of synergies that exist between ATI and E One.

Management believes the growth potential of this division is very strong. BMO analysts noted in the February 2012 edition of the BMO Blue Book that, "companies that have contracts for rented equipment are keeping that equipment, even if they aren't using it; in short, they anticipate more work very soon." To fuel the growth of this division, management is contemplating significant capital expenditures to increase the rental fleet, and has also identified several potential acquisition targets that when completed will also contribute to the growth of this division. The growth will be funded through a combination of working capital from operations, new lease and term debt facilities as well as raising capital through private placements.

As the Company returns to profitability, it will be utilizing its $9,500,000 of non capital losses to offset any income taxes payable. As a result, the Company’s profits are effectively tax free until the non capital losses are fully utilized.

To date, activity continues to be robust and 2012 is setting up to be a profitable year. Management expects substantial organic growth from its operations due to ongoing demand for the Company’s services and the expansion of its new rental division. Additionally, the potential acquisition targets identified by the Company, if acquired, will also contribute significantly to the overall growth of the Company.

ENTERPRISE GROUP, INC.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

	Three months September 30, 2012	Three months September 30, 2011	**Nine months September 30, 2012**	Nine months September 30, 2011
Revenue	$4,333,529	$4,811,670	**$11,856,398**	$11,658,412
EBITDAS	631,290	1,395,522	**$2,036,464**	$1,251,542
Income (loss) for the period	70,351	743,483	**$655,838**	$(807,532)
Basic and diluted earnings (loss) per share	$nil	$0.01	**$0.01**	$(0.02)
Weighted average common shares outstanding - basic	55,114,523	53,840,719	**54,883,485**	50,420,271
Weighted average common shares outstanding - diluted	58,465,952	53,840,719	**58,374,496**	50,420,271
Total common shares outstanding	56,766,697	54,766,697	**56,766,697**	54,766,697
Total assets	$24,499,951	$15,691,631	**$24,499,951**	$15,691,631
Total liabilities	$14,347,777	$7,655,181	**$14,347,777**	$7,655,181
Total equity	$10,152,174	$8,036,450	**$10,152,174**	$8,036,450

Reconciliation of EBITDAS to Historical Results

Statement of Income (Loss)	**Three months September 30, 2012**	Three months September 30, 2011	**Nine months September 30, 2012**	Nine months September 30, 2011
Income (loss) for the period	$70,351	$743,483	**$655,838**	$(807,532)
Add:				
Income taxes (recovery)	nil	nil	**nil**	nil
Interest *	109,243	197,837	**269,342**	810,313
Depreciation and amortization **	451,696	410,587	**1,019,804**	1,066,743
Share-based payments	nil	43,615	**91,480**	182,018
EBITDAS	$631,290	$1,395,522	**$2,036,464**	$1,251,542

* Interest includes short term interest and interest on long-term debt
** Depreciation and amortization include (gain)/loss on sale of equipment and fair value adjustment

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Enterprise Group, Inc. is pleased to announce the Company's third quarter results, and its fifth consecutive quarter of profitability. The Company recorded a consolidated income from operations of $70,000 for the three months ended September 30, 2012, which resulted in a year to date income from operations of $656,000. This amounted to a decrease of $673,000 or 90.5% for the quarter and an increase of $1,500,000 or 181.2% year to date compared to the same periods in the prior year. Revenue for the Company was $4,300,000, for the three months ended September 30, 2012, a decrease of $478,000 or 9.9%. For the nine months ended September 30, 2012, revenue grew to $11,900,000, an increase of $198,000 or 1.7%. EBITDAS was $631,000, a decrease of 54.8% for the third quarter of 2012. However, for the nine months ended September 30, 2012, EBITDAS grew to $2,000,000, an increase of $785,000 or 62.7% compared to the same period last year. For the trailing twelve months ended September 30, 2012, the Company recorded income from operations of $1,500,000 and EBITDAS of $3,300,000.

Revenue in the underground utility and infrastructure division grew to $4,000,000 in the quarter, an increase of $466,000 compared to the same period last year. Gross profit for the quarter was $1,600,000 an increase of $313,000 or 23.5% and EBITDAS grew to $1,400,000, an increase of $91,000 or 6.7% over the same period last year. For the the nine months ended September 30, 2012, revenue in this division was $10,600,000, compared to $8,500,000 in the prior year, an increase of $2,100,000 or 25.3%. Gross profit grew to $4,100,000, an increase of $1,800,000 or 79.3% and EBITDAS grew to $3,600,000 from $1,900,000, an increase of $1,700,000 or 88.5% from the prior year. The growth in this division is largely due to an increase in projects from major customers and more seasonal soil conditions. Together, these two elements have allowed this division to operate at near full capacity for most of the year, and its operations are expected to remain at this level for the remainder of 2012 and into 2013.

Revenue in the energy services/rental division was $380,000 for the quarter ended September 30, 2012, a decrease of $944,000 or 71.3% from the prior year. Gross loss was $57,000, compared to gross profit of $426,000, a decrease of $484,000 or 113.5% and EBITDAS was negative $230,000, a decrease of $772,000 or 142.4% compared to the same period last year. For the nine months ended September 30, 2012, revenue was $1,200,000 compared to $3,200,000 for the same period in the prior year, a decreased of $1,900,000 or 61.2%. Gross profit was $164,000, a decrease of $551,000 or 77.1% compared to nine months ended September 30, 2012, while EBITDAS, for the nine months ended September 30, 2012, was negative $282,000, a decrease of $1,200,000 or 131.3% over the same period last year. The decrease revenue is mainly due to the Company continuing its strategy of focusing on smaller, cost plus projects in the oilfield services industry which results in higher field margins but at revenue levels lower than historical amounts. Additionally, due to spring breakup, most of E One Limited's rental fleet was returned during the second quarter and began to return to the field during the third quarter. The gross profit of this division was also negatively impacted as the Company incurred higher than normal advertising and promotional costs related to the launch of E One Limited. However, management expects this division to return to making a positive contribution to the Company in the fourth quarter, as E One has several rental contracts for its equipment.

Effective September 1, 2012, the Company acquired Artic Therm International Ltd. ("ATI"), a private rental company specializing in flameless technology. The purpose of the acquisition was to expand the Company's equipment rental business, while increasing the overall profitability of the Company. Costs associated with the acquisition and financing of ATI recorded in the quarter amounted to approximately $400,000. Management expects this acquisition to contribute significantly to the earnings of the Company for the remainder of 2012 and through 2013.

The Company continued to improve its statement of financial position, by entering into new financing facilities that better serve the growth needs of the Company. In September 2012, the Company secured a new credit facility for up to $12,500,000 at a rate of prime plus 2% through PNC Bank Canada Branch. Proceeds of this bank loan facility were used to partially finance the Company's recent acquisition of Artic Therm International Ltd. In addition to the acquisition, the loan was also used to payout several other loans and credit facilities. The remainder of the proceeds will be used to finance new capital expenditures, and provide for on-going working capital needs for the growth of the Company.

In July 2012, the Company entered into a new mortgage facility for $390,000 with zero percent (0%) during the first 24 months of the loan followed by an interest rate will be 6.010% for the remaining portion of the five year term. This facility replaces the old mortgage which was a 9.5%, interest payments only facility with a one year term. This will save the Company approximately $80,000 of interest expense over the first two years of the loan.

The Company continues to monitor its overheads and reduce costs where necessary while maintaining the effectiveness of the operations. Equipment costs, operational costs and G&A costs are continually under review. For the nine months ended September 30, 2012, general and administration costs, including depreciation and amortization decreased by $607,000 compared to the same period in 2011. For further information see the section titled "Selected Consolidated Expenses" in this MD&A.

Gross margin

The gross margin of the Company was 36.3% for the three months ended September 30, 2012, which is the same as the gross margin for the three months ended September 30, 2011. For the nine months ended September 30, 2012, the gross margin was 36.0% compared to 25.7% for the same period last year.

In the underground utilities and directional drilling division, the gross margin increased to 41.5% for the three months ended September 30, 2012, compared to 38.1% for the same period in 2011. For the nine months ended September 30, 2012, was 39.0% compared to 25.7% in the prior year. The increase in the gross margin is largely due to the more seasonal soil conditions compared to the prior year, which allows the division to operate at a higher level of efficiency. The Company expects this division to remain at higher margins through 2012 and 2013, as this division is currently operating at or near full capacity.

Gross margin in the energy services/rental division for the three months ended September 30, 2012, was negative 15.1% compared to positive gross margin of 32.2% for the same period last year. For the nine months ended September 30, 2012, the gross margin was 13.3% compared to gross margin of 22.5% in the prior year. This division was impacted by the spring breakup quarter. During this period the division experiences lower revenues combined with an increase in maintenance and repair costs due to the large volume of equipment rental returns. The demand for heavy equipment began to increase in the latter part of the third quarter and is continuing in the fourth quarter. Together, with increased activity in the heavy equipment rentals and the acquisition of Artic Therm, management expects this division to contribute to significantly higher gross margins beginning in the fourth quarter of 2012.

Selected Consolidated Expenses

A summary of selected financial information pertaining to consolidated expenses is set out below:

Selected Consolidated Expenses	**Three months September 30, 2012**	Three months September 30, 2011	**Nine months September 30, 2012**	Nine months September 30, 2011
Depreciation, amortization and impairment losses	$366,049	$371,196	**$976,238**	$1,031,633
Management and administrative salaries and fees *	$327,238	$368,754	**$970,274**	$877,914
Professional and consulting fees	$321,042	$108,588	**$506,943**	$499,030
Interest and bank charges	$109,243	$197,840	**$269,342**	$810,314
Advertising and promotion	$80,030	$40,089	**$174,231**	$89,177

* Management and administrative salaries and fees include those expenses associated with the operations of the Company's head office.

Management and administrative salaries and fees amounted to $327,000 or 7.6% of revenue for the three months ended September 30, 2012, compared to $369,000 or 7.7% of revenue for the same period last year. For the nine

months ended September 30, 2012, management and administrative salaries and fees were $970,000 or 8.2% of revenue compared to $878,000 or 7.5% of revenue for the nine months ended September 30, 2011. The increase was due to management fees charged to the Company related to additional refinancings and the addition of personnel to the Company.

Professional and consulting fees amounted to $321,000 or 7.4% of revenue for three months ended September 30, 2012, compared to $109,000 or 2.3% of revenue for the same period last year. For the nine months ended September 30, 2012, professional and consulting fees were $507,000 or 4.3% of revenue compared to $499,000 or 4.3% of revenue for the nine months ended September 30, 2011. This increase is largely due to engaging the expertise of consultants relating to legal, accounting and other matters related to the acquisitions and refinancings in 2012.

Interest and bank charges amounted to $109,000 or 2.5% of revenue for the three months ended September 30, 2012, compared to $198,000 or 4.1% for the same period in the previous year. For the nine months ended September 30, 2012 interest on loans and borrowings amounted $269,000 or 2.3% of revenue compared to $810,000 or 7.0% of revenue for the nine months ended September 30, 2011. The decrease in interest expense reflects the reduced interest costs as a result of refinancing the high interest loans that the Company was carrying in the prior year.

Advertising and promotions amounted to $80,000 or 1.8% of revenue for three months ended September 30, 2012, compared to $40,000 or 0.8% of revenue for the same period last year. For the nine months ended September 30, 2012, advertising and promotions amounted to $174,000 or 1.5% of revenue compared to $89,000 or 0.8% of revenue for the nine months ended September 30, 2011. The increase is due to increased activities in investor relations and costs associated with the launch and advertising and promotion of E One Limited, the Company's new heavy equipment rental division as well as Artic Therm International, the Company's flameless heating rental division.

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Cash Flow Information

A summary of cash flow information for the periods ended September 30, 2012, and 2011, is set out below:

($000's except per share amounts) **Cash Flow Information**	**Three months September 30, 2012**	Three months September 30, 2011	**Nine months September 30, 2012**	Nine months September 30, 2011
Net cash provided by (used in) operating activities	**$302,583**	$(436,700)	**$2,165,908**	$(548,436)
Net cash provided by financing activities	**1,828,582**	185,433	**1,234,469**	117,217
Net cash (used in) provided by investing activities	**(784,817)**	21,914	**(1,869,493)**	45,397
Change in cash and cash equivalents	**1,346,348**	(229,353)	**1,530,884**	(385,822)
Cash and cash equivalents, beginning of period	**541,739**	235,563	**357,203**	392,032
Cash and cash equivalents, end of period	**$1,888,087**	**$6,210**	**$1,888,087**	$6,210

Financial Statistics and Ratios	**Three months September 30, 2012**	Three months September 30, 2011	**Nine months September 30, 2012**	Nine months September 30, 2011
Gross margin	36.3%	36.3%	**36.0%**	25.7%
Income (loss) for the period as a percentage of revenue	1.6%	15.5%	**5.5%**	(6.9)%
EBITDAS as a percentage of revenue	14.6%	29.0%	**17.2%**	10.7%

ENTERPRISE GROUP, INC.

Segmented Information

The Company operates in two main business segments in Western Canada, installation and maintenance of underground utilities and directional drilling in the utility and transportation infrastructure industry sector, along with pipeline/facilities construction and maintenance and equipment rental in the energy sector. The business segments presented reflect the management structure of the Company and the way the Company's management reviews business performance. The accounting policies and practices of the reportable segments are the same as those described in notes 2, 3 and 4 to the Company's 2011 Consolidated Financial Statements for the fiscal year ended December 31, 2011.

	Underground utilities and directional drilling		Pipeline/ facilities construction & maintenance and equipment rentals		Corporate		Consolidated	
Three months ended September 30	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Revenue	**$3,953,583**	$3,487,477	**$379,946**	$1,324,193	**$nil**	$nil	**$4,333,529**	$4,811,670
EBITDAS	**$1,437,192**	$1,346,693	**$(229,910)**	$541,843	**$(575,992)**	$(493,014)	**$631,290**	$1,395,522
Depreciation, amortization and impairment losses	**$157,842**	$208,510	**$198,417**	$155,801	**$9,790**	$6,885	**$366,049**	$371,196
Fair value adjustment	**$512**	$nil	**$29,035**	$nil	**$169**	$nil	**$29,716**	$nil
Interest and bank charges	**$34,193**	$73,132	**$27,293**	$48,403	**$47,757**	$76,302	**$109,243**	$197,837
Loss (gain) on sale of equipment	**$30,346**	$51,749	**$25,585**	$(3,310)	**$nil**	$(9,048)	**$55,931**	$39,391
Share-based payments	**$nil**	$nil	**$nil**	$nil	**$nil**	$43,615	**$nil**	$43,615
Income (loss) before taxes	**$1,214,299**	$1,013,302	**$(510,240)**	$340,949	**$(633,708)**	$(610,768)	**$70,351**	$743,483
Total identifiable assets	**$9,999,530**	$8,206,061	**$12,503,549**	$6,854,940	**$1,996,872**	$630,630	**$24,499,951**	$15,691,631

	Underground utilities and directional drilling		Pipeline/ facilities construction and equipment rental		Corporate		Consolidated	
Nine months ended September 30	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
Revenue	**$10,625,567**	$8,482,902	**$1,230,831**	$3,175,510	**$nil**	$nil	**$11,856,398**	$11,658,412
EBITDAS	**$3,647,857**	$1,935,062	**$(282,249)**	$901,715	**$(1,329,144)**	$(1,585,235)	**$2,036,464**	$1,251,542
Depreciation, amortization and impairment losses	**$437,299**	$491,261	**$512,306**	$518,063	**$26,633**	$22,309	**$976,238**	$1,031,633
Fair value adjustment	**$(29,441)**	$nil	**$29,035**	$nil	**$(6,959)**	$nil	**$(7,365)**	$nil
Interest and bank charges	**$104,106**	$260,823	**$83,762**	$392,312	**$81,474**	$157,178	**$269,342**	$810,313
Loss (gain) on sale of equipment	**$30,346**	$48,067	**$20,585**	$(9,600)	**$nil**	$(3,357)	**$50,931**	$35,110
Share-based payments	**$nil**	$nil	**$nil**	$nil	**$91,480**	$182,018	**$91,480**	$182,018
Income (loss) before taxes	**$3,105,547**	$1,134,911	**$(927,937)**	$940	**$(1,521,772)**	$(1,943,383)	**$655,838**	$(807,532)
Total identifiable assets	**$9,999,530**	$8,206,061	**$12,503,549**	$6,854,940	**$1,996,872**	$630,630	**$24,499,951**	$15,691,631

SUMMARY OF QUARTERLY RESULTS

	2012			2011				2010
	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Revenue	$4,333,529	$3,891,514	$3,631,355	$6,225,300	$4,811,670	$2,615,763	$4,230,979	$4,005,521
Income (loss) for the period	$70,351	$416,780	$168,707	$886,406	$743,483	$(1,164,925)	$(386,090)	$(3,636,197)
Earnings (loss) per share - Basic and Diluted	$0.00	$0.01	$0.00	$0.02	$0.01	$(0.02)	$(0.01)	$(0.07)

Quarterly information is discussed in the "Overall Performance and Results of Operations" section of this MD&A.

OUTSTANDING SHARE DATA

	November 13, 2012	September 30, 2012	December 31, 2011
Common shares outstanding	56,766,697	56,766,697	54,766,697
Stock options outstanding	4,950,000	4,300,000	4,320,000
Warrants outstanding	7,284,997	7,284,997	7,284,997
Total	69,001,694	68,351,694	66,371,694

OFF-BALANCE SHEET ARRANGEMENTS

Enterprise enters into short term and long term operating leases with various vendors to provide office space and equipment in our normal course of operations. Our commitments under operating leases are disclosed in the table labeled "contractual obligations." Enterprise does not have any other off-balance sheet arrangements as at September 30, 2012.

RELATED PARTY TRANSACTIONS

The Company has entered into various transactions with corporations that are controlled by officers and directors of the Company and corporations that either control the Company or have common ownership. Related party transactions not otherwise disclosed in this MD&A are as follows:

The Company paid $36,000 for premises rented for the Company's office in Slave Lake during the nine months ended September 30, 2012 to a company controlled by a director.

The Company paid $227,250 for the rental of equipment during the nine months ended September 30, 2012 to companies controlled by a director.

The Company paid $35,000 for the rental of yard premises in Innisfail, Alberta, during the nine months ended September 30, 2012 to a company controlled by a director.

The above related party amounts outstanding as at September 30, 2012 are $nil.

At September 30, 2012, the Company has the following related party loan payable:

• $185,088 unsecured demand loan, bearing interest at 12% per annum due to a related company which is controlled by a director and an officer of the Company (December 31, 2011 - $255,009). Subsequently, on October 9, 2012, October 31, 2012, and November 5, 2012, $18,166, $98,793 and $68,129 respectively, of additional principal was repaid. As at November 5, 2012, the remaining loan balance was $nil.

These transactions were recorded at the exchange amount established and agreed to by the parties. All transactions were rendered in the normal course of business during the period.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected. The significant areas of estimation and critical judgements and their potential effects as described in the Company's 2011 MD&A have not changed during the current period. The emergence of new information and changed circumstances may result in actual results or changes to estimated amounts that differ materially from current estimates.

RISKS AND UNCERTAINTIES

The Company’s activities expose it to a variety of financial risks that arise as a result of certain financial instruments held 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. Management has implemented and monitors compliance with risk management policies. The Company’s risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company’s activities.

The Company's exposure to the above risks remains largely unchanged since December 31, 2011. For a detailed discussion of these risks, see the Company's 2011 AIF and MD&A filed on the Canadian Securities Administrator's website www.sedar.com. The following presents updated information about the Company's exposure to the above risks.

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 from customers. This risk is elevated in the current year similar to the prior year due to the impact of the current credit market and economy on its customers. The Company's maximum exposure is the value of its accounts receivable. However, to mitigate this risk the Company regularly reviews customer credit limits.

The Company has accounts receivable from customers in the oil and gas industry, as well as the utilities and infrastructure industries. 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 accounts receivable monthly to identify any amounts which are past due and considers if they are impaired. This assessment is done on an invoice by invoice basis.

Eligible receivables for the purpose of the "new" bank loan facility are those are less than 90 days past due and 50% or more of all the receivables from a specific customer are not deemed eligible receivables.

Included in accounts receivable at September 30, 2012, was $2,467,137 or 63% of total accounts receivable owing from four customers due to the significant contracts in progress at September 30, 2012.

As at September 30, 2012, the Company's maximum exposure to credit risk in this area was as follows:

	Total	1 – 90 days	91 – 120 days	121+ days
Accounts Receivable - 2012	**$3,932,278**	$3,367,817	$195,503	$368,958

Cash and cash equivalents consist of cash bank balances held in both interest and non-interest bearing accounts. The Company manages credit exposure of cash by selecting financial institutions with high credit ratings.

Liquidity Risk and Capital Resources

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the principal repayment requirements of the Corporation's financial obligations for the next five years and thereafter based on the Company's current repayment schedules as at September 30, 2012:

Contractual Obligations	Total	2013	2014	2015	2016	2017	After 5 years
Trade and other payables	$ 1,670,304	$ 1,670,304	$ nil	$ nil	$ nil	$ nil	$ nil
Loans and borrowings	$12,677,473	$ 1,013,870	$ 688,952	$10,584,081	$ 134,739	$ 255,831	$ nil
Operating lease commitments	$ 588,915	$ 133,998	$ 116,989	$ 116,989	$ 116,989	$ 103,950	$ nil
Total contractual obligations	$ 14,936,692	$ 2,818,172	$ 805,941	$10,701,070	$ 251,728	$ 359,781	$ nil

The Company may be exposed to liquidity risk if it is unable to collect its trade and other receivables balances on a timely basis, which in turn could impact the Company's long-term ability to meet commitments under its credit facility, or if the credit facility is not renewed requiring the Company to make unscheduled principal repayments. The Company's customers are subject to an internal credit review along with ongoing monitoring of the amount and age of balances in order to minimize the risk of non-payment. Long and short term cash flow forecasts are prepared and monitored to ensure adequate liquidity. See note 4 of the accompanying financial statements for further information in relation to liquidity.

The Company has no significant commitments to capital resources other than those disclosed in this MD&A.

Capital Management

Market risk is the risk that changes in market prices, such as interest rates, will affect the Company's income or the

value of the financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing returns. Management has assessed the effect of a 1% interest rate increase or decrease in the prime lending at September 30, 2012, rate to impact the Company's annual interest expense by approximately $104,000. 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 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 net debt and adjusted capital of the Company.

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to provide an adequate return to shareholders; and,
- to finance its operations and growth strategies.

In order to maintain or adjust the capital structure, the Company may issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of the net debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (as shown in the balance sheet less trade and other payables, and less cash and cash equivalents). Adjusted capital comprises all components of equity (share capital, contributed surplus, warrants and deficit), other than amounts in accumulated other comprehensive income relating to the marketable securities.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management's Annual Report on Internal Control Over Financial Reporting
The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, and has designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with *IFRS*.

Management has used the Internal Control – Integrated Framework to evaluate the effectiveness of internal control over financial reporting which is a recognized and suitable framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has evaluated the design and operation of the Company's internal control over financial reporting as of September 30, 2012, and has concluded that such internal controls over financial reporting were effective. There are no material weaknesses that have been identified by management in this regard.

Material Changes to Disclosure Controls and Procedures and Remediation Plans
The Chief Executive Officer and Chief Financial Officers evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in the rules of the Canadian Securities Administrators) and concluded that the

Company's disclosure controls and procedures were effective as of September 30, 2012, and in respect of the September 30, 2012 interim reporting period.

Our disclosure controls and procedures have been designed to provide reasonable assurance that material information related to the Company is made known to the CEO and CFOs by others and that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed by the Company under securities legislation is recorded, processed, summarized and reported within the time periods specified by securities legislation. Management has also designed internal controls over financial reporting and has conducted an evaluation of those controls.

For the nine months ended September 30, 2012, the Chief Executive Officer and Chief Financial Officers evaluated the effectiveness of the Company's internal disclosure controls and procedures and have concluded that the Company's disclosure controls and procedures were effective.

The material weaknesses in internal controls that were initially identified for the year ended December 31, 2011, are outlined below. The weaknesses in internal control over financial reporting included those controls over policies and procedures for period end closings within a specific operating division of the Company.

In the first three quarters of 2012, a management team was formed with the objective to address these weaknesses and implement controls to improve the financial reporting process. The management team implemented additional managerial and oversight controls to review key transactions. Additionally, the Company hired a divisional controller with the appropriate experience and technical skills within the specific operating division to prevent a reoccurrence of these issues. Management believes the necessary steps have been taken to remediate the above weaknesses, however management will continue to monitor the effectiveness of the changes throughout the year.

ADDITIONAL INFORMATION

Additional information, including the Company's Annual Information Form, can be found on SEDAR at www.sedar.com or the Company web site at www.enterprisegrp.ca.

MANAGEMENT TEAM / BOARD OF DIRECTORS

Leonard D. Jaroszuk, President, Chief Executive Officer and Director

Desmond O'Kell, Vice President, Director and Corporate Secretary

John Pinsent, CA, ICD.D., Director

Keir Reynolds, Director

Fredy Ramsoondar, CGA, Director

OPERATIONS TEAM

Trent Keus, Branch Manager – Slave Lake, Alberta

Darryl Northrup, General Manager – Underground Utilities and Infrastructure Operations

Troy Simoneau– Artic Therm International Ltd.

ADMINISTRATION TEAM

Colette Dziwenka-Fortin, Corporate Controller

Doug Moak, General Manager

Francine Coleman, Divisional Controller

Colleen Cramer-Manning, Divisional Controller

Tracy Strand, Divisional Controller

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