



Horizon North Logistics Inc. Announces Closing of Transaction with Dexterra

CALGARY, ALBERTA (May 29, 2020) – Horizon North Logistics Inc. ("Horizon North" or the "Corporation") (TSX: HNL.TO) is pleased to announce completion of the previously announced transaction (the "Transaction") with 10647802 Canada Limited, operating as Dexterra Integrated Facilities Management ("Dexterra"), a subsidiary of Fairfax Financial Holdings Limited (TSX: FFH and FFH.U) ("Fairfax Financial"). Pursuant to the Transaction, Horizon North acquired all of the outstanding common shares of Dexterra and in exchange issued 158,929,967 common shares of Horizon North ("Common Shares") to Dexterra's sole shareholder, 9477179 Canada Inc. ("Dexterra Parent"), a wholly-owned subsidiary of Fairfax Financial. Accordingly, Fairfax Financial controls a 49% interest in the newly combined company, while existing Horizon North shareholders maintain a 51% interest. Prior to the Transaction, Fairfax Financial had no ownership interest in Horizon North, and the Common Shares were acquired in the normal course of investment activity.

In connection with closing of the Transaction, Horizon North entered into an investor rights agreement (the "Investor Rights Agreement") with Dexterra Parent to provide for certain governance matters and matters related to Dexterra Parent's ability to transfer its Common Shares. In particular, pursuant to the Investor Rights Agreement, Dexterra Parent has agreed not to sell its Common Shares for 24 months. A copy of the Investor Rights Agreement will be filed under Horizon North's profile on SEDAR at www.sedar.com.

In addition, pursuant to the Transaction and terms of the Investor Rights Agreement, the board of directors of Horizon North (the "Board") is now comprised of four members of the previous Horizon North Board (being Kevin Nabholz, Russell Newmark, Mary Garden and Rod Graham) and four new members nominated by Dexterra Parent (being R. William McFarland, David Johnston, Simon Landy and John MacCuish). The Dexterra nominees were appointed to fill the vacancies created by the resignations of Richard T. Ballantyne, Brad Fedora, Ann Rooney and Dale E. Tremblay in connection with the Transaction and effective as of closing. The right of Dexterra Parent to continue to nominate directors (and the number of nominees they are able to put forward) is subject to ongoing ownership requirements as more particularly set out in the Investor Rights Agreement.

R. William McFarland, Chairman of Dexterra, has been appointed Chair of the Board, while the Chief Executive Officer role will be split between John MacCuish as Co-Chief Executive Officer and President, Facilities Management and Rod Graham as Co-Chief Executive Officer and President, Modular Solutions. Each of the Co-CEOs will also sit on the Board.

About Horizon North

Horizon North is a publicly listed corporation (TSX: HNL.TO) operating a pan-Canadian support services platform across eleven provinces and territories and diversified end markets.

Our Modular Solutions business integrates modern design concepts with off-site manufacturing processes to produce high-quality building solutions for commercial, residential and industrial clients. Our Facilities

Management business delivers operation and maintenance solutions for built assets and infrastructure in the public and private sectors, including aviation, defence and security, retail, healthcare, education and government. Our Industrial Services business provides a full range of workforce accommodations solutions, forestry services and access solutions to clients in the energy, mining, forestry and construction sectors among others.

Horizon North has an outstanding record of creating and managing places that play a vital role in the national economy and our local communities. What sets us apart is our expertise in bringing together the right people with the right skills to transform service delivery and improve customers' experiences.

About Fairfax Financial

Fairfax Financial is a holding company incorporated under the laws of Canada which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and the associated investment management. Fairfax Financial was incorporated under the *Canada Corporations Act* on March 13, 1951 and continued under the *Canada Business Corporations Act* in 1976. Fairfax Financial's head office is located at 95 Wellington Street West, Suite 800 Toronto, ON M5J 2N7.

Corporate Information

Additional information related to Horizon North, including the Corporation's annual information form, press releases, financial statements and management's discussion and analysis are available on SEDAR at www.sedar.com.

For further information, please contact one of the following:

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You can also visit our website at www.horizonnorth.ca.

An early warning report will be filed by Fairfax Financial in accordance with applicable securities laws and will be available under Horizon North's profile on SEDAR at www.sedar.com or may be obtained directly from Fairfax Financial by contacting the General Counsel of Fairfax Financial at 416-367-4941.