



HORIZON NORTH

HORIZON NORTH LOGISTICS INC.

NOTICE OF ANNUAL AND SPECIAL MEETING

AND

**MANAGEMENT INFORMATION CIRCULAR
AND PROXY STATEMENT DATED JUNE 5, 2020**

**WITH RESPECT TO THE
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE CONDUCTED VIA LIVE AUDIO WEBCAST
<https://web.lumiagm.com/155537169>**

**ON FRIDAY, JULY 10, 2020
at 11:00 a.m. EST**



HORIZON NORTH

HORIZON NORTH LOGISTICS INC.

5915 Airport Road, Suite 425, Mississauga, Ontario, L4V 1T1

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Annual and Special Meeting ("**Meeting**") of holders ("**Shareholders**") of common shares ("**Common Shares**") of Horizon North Logistics Inc. ("**Horizon North**") will be held on the **Friday, July 10, 2020 at 11:00 a.m. EST** for the following purposes:

1. to receive the consolidated audited financial statements of Horizon North for the financial year ended December 31, 2019 and the Auditor's report on those statements;
2. to approve an ordinary resolution to fix the number of directors of Horizon North to be elected at the Meeting for the ensuing year at eight (8);
3. to elect the nominees to the board of directors of Horizon North for the ensuing year, as set out in the Management Information Circular accompanying this Notice of Meeting;
4. to appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, of Toronto, Ontario, as Auditor of Horizon North for the ensuing year and to authorize the board of directors of Horizon North to fix their remuneration;
5. to consider and, if deemed advisable, approve an ordinary resolution to ratify and confirm the amended and restated by-laws of Horizon North, which were adopted by Horizon North's board of directors on June 1, 2020;
6. to consider and, if deemed advisable, to pass a special resolution authorizing and approving the filing of Articles of Amendment to consolidate the issued and outstanding Common Shares of Horizon North on the basis of one (1) new Common Share for every five (5) old Common Shares, as more fully described in the Management Information Circular accompanying this Notice; and
7. to transact such other business as may be properly brought before the Meeting or any adjournment or postponement thereof.

The details of all matters proposed to be put before Shareholders at the Meeting are set forth in the Management Information Circular and instrument of proxy accompanying this Notice of Meeting. At the Meeting, Shareholders will be asked to approve each of the foregoing items.

The Meeting will be held in a virtual only format, which will be conducted via live audio webcast at <https://web.lumiagm.com/155537169>. Details on how to access the Meeting can be found in the Management Information Circular. **As always, the Corporation encourages Shareholders to vote their Common Shares prior to the Meeting following the instructions set out in the instrument of proxy or voting instruction form received by such Shareholders.**

Only Shareholders of record at the close of business on June 5, 2020 are entitled to notice of and to attend the Meeting or any adjournment or postponement thereof and to vote thereat. **A Shareholder may attend the Meeting or may be represented by proxy at the live audio webcast. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to date, sign and return the accompanying instrument of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed instrument of proxy must be mailed so as to reach or be deposited with the office of AST Trust Company (Canada), Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for the Meeting or any adjournment or postponement thereof or with the Chair of the Meeting prior to commencement thereof.**

BY ORDER OF THE BOARD OF DIRECTORS,

"signed" Jan M. Campbell

Jan M. Campbell, Corporate Secretary



HORIZON NORTH LOGISTICS INC.
MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT
FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JULY 10, 2020

GENERAL

Words importing the singular number, where the context requires, include the plural and vice versa and words importing any gender include all genders. In this Management Information Circular and Proxy Statement (“**Information Circular**”), unless otherwise noted, all dollar amounts are expressed in Canadian dollars. Information contained in this Information Circular is given as of June 5, 2020, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Information Circular constitute forward-looking statements or information (collectively “forward-looking statements”) relating to future events. Actual results may differ materially from those expressed or implied by forward-looking statements. The forward-looking statements contained in this Information Circular are expressly qualified by this cautionary statement. Forward-looking statements speak only as of the date of this Information Circular, unless otherwise indicated, and the Corporation does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by Applicable Laws.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, forecasts, guidance, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expect”, “anticipate”, “continue”, “will”, “potential”, “intend”, “could” and similar expressions) are not statements of historical fact and may be “forward-looking statements”.

In particular, this Information Circular contains forward-looking statements pertaining to, without limitation, matters relating to the completion of the Share Consolidation (as this term is defined herein), including its timing, potential benefits and effects, the expected number of issued and outstanding Common Shares following the Share Consolidation, the expected impact of the Share Consolidation on the market price of the Common Shares and expectations around future payments of dividends and future grants of RSUs, in addition to the anticipated benefits of the Transaction, including the ability of the combined company to create long-term value, better service customers and expectations around growth potential, operational synergies, cash flows, cost savings and capital requirements.

The forward-looking statements are based on certain key expectations and assumptions made by the Corporation, including expectations and assumptions concerning the benefits of the Transaction and combined company; the state of the economy and the support services industry generally; and the availability and cost of financing and labour.

Although the Corporation believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Corporation cannot give assurances that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to the demand for the Corporation's services; competition; the impact of COVID-19 global health pandemic and the associated risks on the Corporation's people, property, plans, operations, and results and the communities in which it operates; volatility in the price and demand for oil, natural gas and minerals; availability of qualified personnel; changes in regulation by governmental agencies, including environmental regulation; general economic conditions including the capital and credit markets; and the ability to access sufficient capital from internal and external sources. Readers are cautioned that the foregoing list of factors is not exhaustive. For a full discussion of the Corporation's material risk factors, see the Corporation's annual information form for the year ended December 31, 2019 and the risk factors in other documents filed from time to time with securities regulatory authorities, accessible through the SEDAR website (www.sedar.com).

Any financial outlook provided in this Information Circular has been included for the purpose of providing information relating to management's current expectations and plans for the future, is based on a number of significant assumptions and may not be appropriate, and should not be used, for any other purpose.

NON-GAAP MEASURES

References are made in this Information Circular to adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") and earnings before interest, taxes, depreciation and amortization, impairment, gain/loss on disposal of property, plant and equipment, and share based compensation ("EBITDAS") that are not defined and do not have any standardized meaning prescribed by Canadian Generally Accepted Accounting Principles ("GAAP") and, therefore, may not be comparable with definitions of EBITDA or EBITDAS that may be used by other public companies. Non-GAAP measures should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP. Management believes that EBITDA and EBITDAS are useful supplemental measures that may assist Shareholders and investors in assessing the financial performance and position of Horizon North. Management also uses non-GAAP measures internally in order to facilitate operating performance comparisons from period to period and assess the Corporation's ability to meet its future capital expenditure and working capital requirements. Management believes this non-GAAP measure is an important supplemental measure of operating performance because it highlights trends in the core business that may not otherwise be apparent when relying solely on GAAP financial measures.

Management believes these measures allow for assessment of the Corporation's operating performance and financial condition on a basis that is more consistent and comparable between reporting periods.

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of Horizon North Logistics Inc. (the "Corporation" or "Horizon North") for use at the Annual and Special Meeting (the "Meeting") of holders ("Shareholders") of common shares (the "Common Shares") of the Corporation to be held on Friday July 10, 2020 at 11:00 a.m. EST at <https://web.lumiagm.com/155537169> and at any adjournment(s) or postponement(s) thereof, for the purposes set forth in the accompanying Notice of Meeting.

Accompanying this Information Circular (and filed with applicable securities regulatory authorities) is the form of proxy (the "**Instrument of Proxy**") for use at the Meeting, by registered holders of Common Shares ("**Registered Shareholders**").

Proxies will be solicited by mail and may also be solicited personally or by telephone or facsimile by the directors or officers of Horizon North, who will not be specifically remunerated therefore. The cost of solicitation by management of Horizon North will be borne by Horizon North. Horizon North may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of voting securities of Horizon North (such as

brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of this Information Circular, the Notice of Meeting and voting instruction form to the beneficial owners of such securities. Horizon North will provide, without cost to such persons, upon request to Horizon North, additional copies of the foregoing documents required for this purpose.

The Corporation will be delivering proxy-related materials through intermediaries to both non-objecting non-registered Shareholders ("**Beneficial Shareholders**") and objecting Beneficial Shareholders, and the Corporation intends to pay intermediaries for the delivery of such material.

VIRTUAL ONLY MEETING

The health and safety of Shareholders and other stakeholders remains a top priority of Horizon North, therefore, the Meeting will be held in a virtual only format via live audio webcast. Instructions on voting at the Meeting can be found below under the heading "*Instructions on Voting at the Virtual Meeting*". Registered Shareholders and duly appointed proxyholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

Registered Shareholders and duly appointed proxyholders (including Beneficial Shareholders who have duly appointed themselves as proxyholders) will be able to attend, submit questions and vote at the Meeting online at <https://web.lumiagm.com/155537169>. Registered Shareholders and duly appointed proxyholders (including Beneficial Shareholders who have duly appointed themselves as proxyholders) may enter the Meeting by clicking "I have a control number" and entering a valid control number and the password "horizon2020" (case sensitive) before the start of the Meeting. Guests, including Beneficial Shareholders who have not duly appointed themselves as a proxyholder, can log in to the Meeting by clicking "I am a guest" and completing the online form. Guests will be able to listen to the Meeting, but will not be able to ask questions or vote. See "*Instructions on Voting at the Virtual Meeting*" for additional information on voting at the Meeting and "*Instructions on Voting at the Virtual Meeting – Appointing a Proxy*" for additional information on appointing yourself or a third party as a proxyholder and registering with AST Trust Company (Canada).

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. You should ensure you have a strong, preferably high-speed, internet connection wherever you intend to participate in the Meeting. The Meeting will begin promptly at **11:00 a.m. EST** on July 10, 2020, unless otherwise adjourned or postponed. Online check-in will begin one hour prior to the Meeting, at **10:00 a.m. EST**. It is recommended that you log in online at least 15 minutes before the Meeting starts to allow ample time for online check-in procedures.

INSTRUCTIONS ON VOTING AT THE VIRTUAL MEETING

How to vote depends on whether you are a Registered Shareholder or Beneficial Shareholder. You are a Registered Shareholder if the Common Shares you own are registered directly in your name. You are a Beneficial Shareholder if the Common Shares you own are registered for you in the name of an intermediary such as a bank, trust company, securities broker or other nominee (each, an "**Intermediary**").

Registered Shareholders

Registered Shareholders may vote their Common Shares in the following ways: (1) in advance of the Meeting by submitting the Instrument of Proxy provided herewith by mail, internet, telephone or fax, as outlined below under "*Voting in Advance of the Meeting*" or (2) during the Meeting by voting online through the live audio webcast platform.

Registered Shareholders who wish to be represented at the Meeting by proxy must complete and deliver the Instrument of Proxy or other proper form of proxy to AST Trust Company (Canada) in the manner set out in the Instrument of Proxy. Shareholders are entitled to vote on all matters as described in the Instrument of Proxy. R. William McFarland and Rod Graham (the management designees named in the accompanying Instrument of Proxy) are officers and/or directors of Horizon North. **A Shareholder has the right to appoint a person (who need not be a Shareholder), other than R. William McFarland and Rod Graham, to represent such Shareholder at the**

Meeting. To exercise this right, a Shareholder should insert the name of the person being appointed as proxyholder in the blank space provided on the Instrument of Proxy. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the Shareholder's Common Shares are to be voted. An Instrument of Proxy will not be valid unless it is deposited at the offices of AST Trust Company (Canada), Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, by **11:00 a.m. EST** on Wednesday, July 8, 2020 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time and date of the adjourned or postponed Meeting. Registered Shareholders may also submit their Instrument of Proxy by internet, telephone or fax, as described below under *"Voting in Advance of the Meeting"*. Registered Shareholders who wish to appoint a proxy different than the management designees **MUST** submit an Instrument of Proxy appointing a proxyholder **AND** register that proxyholder by contacting AST Trust Company (Canada) at 1-866-751-6315 (in North America) by **11:00 a.m. EST** on Wednesday, July 8, 2020 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time and date of the adjourned or postponed Meeting. Registering your proxyholder is an additional step to be completed AFTER you have submitted your Instrument of Proxy. Failure to register the proxyholder will result in the proxyholder not receiving a control number that will act as their online sign-in credentials and that is required for them to vote at the Meeting. In light of the current and continually evolving COVID-19 pandemic, Registered Shareholders are encouraged to submit their Instrument of Proxy as soon as practicable. See *"Instructions on Voting at the Virtual Meeting – Appointing a Proxy"* below.

Registered Shareholders who want to attend the Meeting and vote online during the Meeting should not complete the Instrument of Proxy and should instead follow the instructions below:

Step 1: Log in online at <https://web.lumiagm.com/155537169> at least 15 minutes before the Meeting starts.

Step 2: Click "I have a control number" and then enter your control number and password **"horizon2020"** (case sensitive) and complete an online ballot during the Meeting. The control number is located on the Instrument of Proxy or in the email notification you received from AST Trust Company (Canada).

If you use your control number to log in to the Meeting and you have previously completed and submitted a proxy, there is no need to vote again as your vote has already been recorded. Any vote you cast at the Meeting will revoke any proxy you previously submitted.

Beneficial Shareholders

Beneficial Shareholders are Shareholders whose Common Shares are not held in their own name but in the name of a "nominee" such as a bank, trust company, securities dealer or broker, or other intermediary. As such, the Intermediary will be the entity legally entitled to vote the Common Shares held by such Beneficial Shareholders and must seek such Beneficial Shareholders' instructions as to how to vote such Beneficial Shareholders' Common Shares.

A Beneficial Shareholder may vote their Common Shares in two ways: (1) in advance of the Meeting by submitting the voting instruction form to the Intermediary, or (2) during the Meeting by voting online through the live audio webcast platform, **BUT** only if such Beneficial Shareholder has duly appointed themselves as proxyholder **AND** has registered as proxyholder with AST Trust Company (Canada) in order to receive a control number, as described further below.

Beneficial Shareholders, except those that have previously informed their Intermediary that they do not wish to receive material relating to shareholders' meetings will have received the Information Circular from such Intermediary, together with a voting instruction form. The voting instruction form contains instructions on how to complete the form, where to return it to and the deadline for returning it, which may be earlier than the deadline for Registered Shareholders. It is important that you read and follow the instructions on the voting instruction form in order to have your vote count. If you are unsure about anything in such voting instructions, contact your bank, trust company, securities dealer or broker, or other intermediary through which you hold your Common Shares.

Beneficial Shareholders who wish to vote at the Meeting through the live audio webcast platform, must insert their own name in the space provided on the voting instruction form received from the Intermediary. In so doing, such Beneficial Shareholder will be instructing its Intermediary to appoint such Beneficial Shareholder as proxyholder. Beneficial Shareholders must adhere strictly to the signature and return instructions provided by the Intermediary. It is not necessary to complete the form in any other respect, since such Beneficial Shareholder will be voting at the Meeting by voting online through the live audio webcast platform. Beneficial Shareholders who wish to vote at the Meeting must register as proxyholder by contacting AST Trust Company (Canada) at 1-866-751-6315 (in North America). AST Trust Company (Canada) will then provide the Beneficial Shareholder with a control number by email after the proxy voting deadline has passed. The control number is the Beneficial Shareholder's username for the purposes of logging into the Meeting.

Beneficial Shareholders who do not plan to attend the Meeting can either mark their voting instructions on the voting instruction form or appoint another person (a proxyholder) to attend the Meeting and vote their Common Shares for them. Beneficial Shareholders who appoint a proxyholder other than R. William McFarland and Rod Graham (the management designees on the voting instruction form) must submit their voting instruction form appointing that proxyholder AND register that proxyholder by contacting AST Trust Company (Canada) at 1-866-751-6315 (in North America). AST Trust Company (Canada) will then provide the proxyholder with a control number by email after the proxy voting deadline has passed. The control number is the proxyholder's username for the purposes of logging into the Meeting. See *"Instructions on Voting at the Virtual Meeting – Appointing a Proxy"* below for additional information on appointing and registering a proxyholder with AST Trust Company (Canada).

Only Registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. **If you are a Beneficial Shareholder and wish to vote at the Meeting, you must insert your own name in the space provided on the voting instruction form sent to you by your Intermediary, follow all of the applicable instructions provided by your Intermediary AND register yourself as your proxyholder by contacting AST Trust Company (Canada) at 1-866-751-6315 (in North America), as further described below under *"Instructions on Voting at the Virtual Meeting – Appointing a Proxy"*.** By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary. AST Trust Company (Canada) will then provide a control number that will act as your online sign-in credentials by email after the proxy voting deadline has passed and you have been duly appointed.

Beneficial Shareholders who have duly appointed themselves as a proxyholder that attend the Meeting online will be able to vote by completing a ballot online during the Meeting through the live audio webcast platform as follows:

Step 1: Log in online at <https://web.lumiagm.com/155537169> at least 15 minutes before the Meeting starts.

Step 2: Click "I have a control number" and then enter your control number and password **"horizon2020"** (case sensitive). Proxyholders (including Beneficial Shareholders who have appointed themselves as proxyholder) who have been duly appointed and registered with AST Trust Company (Canada) will receive a control number by email from AST Trust Company (Canada) after the proxy voting deadline has passed.

Failing to register your proxyholder with AST Trust Company (Canada) will result in the proxyholder not receiving a control number, which is required to vote at the Meeting. Beneficial Shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to participate as a guest.

Beneficial Shareholders who have provided voting instructions to their Intermediary and change their mind about how they want to vote, or who decide to attend the Meeting and vote online, must contact their Intermediary to find out what to do.

If you are a Beneficial Shareholder and you have previously appointed yourself as proxyholder, completed and submitted a proxy, there is no need to vote again as your vote has already been recorded. Any vote you cast at the Meeting as a duly appointed proxyholder will revoke any proxy you previously submitted.

Appointing a Proxy

Shareholders who wish to appoint a person other than R. William McFarland and Rod Graham, the management designees identified in the Instrument of Proxy or voting instruction form (including a Beneficial Shareholder who wishes to appoint themselves as proxyholder), to represent them at the Meeting **MUST** submit their Instrument of Proxy or voting instruction form (as applicable), appointing such proxyholder **AND** register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed **AFTER** you have submitted your Instrument of Proxy or voting instruction form. Failure to register the proxyholder with AST Trust Company (Canada) will result in the proxyholder not receiving a control number to participate in the Meeting and only being able to attend as a guest. Guests will be able to listen to the Meeting but will not be able to vote.

Step 1: Submit your Instrument of Proxy or voting instruction form: To appoint a proxyholder, insert such person's name in the blank space provided in the Instrument of Proxy or voting instruction form and follow the instructions for submitting such Instrument of Proxy or voting instruction form. This must be completed prior to registering such proxyholder.

Step 2: Register your proxyholder: To register a proxyholder, Shareholders must contact AST Trust Company (Canada) at 1-866-751-6315 (in North America) by **11:00 a.m. EST** on Wednesday, July 8, 2020, or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time and date of the adjourned or postponed Meeting, and provide AST Trust Company (Canada) with the required proxyholder contact information so that AST Trust Company (Canada) may provide the proxyholder with a control number via email. Without a control number, proxyholders will not be able to vote or ask questions at the Meeting but will be able to participate as a guest.

Validly appointed proxyholders will be able to vote by completing a ballot online during the Meeting through the live audio webcast platform as follows:

Step 1: Log in online at <https://web.lumiagm.com/155537169> at least 15 minutes before the Meeting starts.

Step 2: Click "I have a control number" and then enter your control number and password "**horizon2020**" (case sensitive). Proxyholders who have been duly appointed and registered with AST Trust Company (Canada) will receive a control number by email from AST Trust Company (Canada) after the proxy voting deadline has passed.

REVOCATION OF PROXIES

A Registered Shareholder who has submitted an Instrument of Proxy may revoke it by an instrument in writing signed by the Shareholder or by an authorized attorney or, if the Shareholder is a corporation, by a duly authorized officer, and deposited at the offices of AST Trust Company (Canada), Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, at any time up to and including the last Business Day preceding the day of the Meeting or any adjournment or postponement thereof. Registered Shareholders who log in to the Meeting using their control number and vote during the Meeting will revoke any and all previously submitted proxies by voting on the online ballot.

Only Registered Shareholders have the right to revoke an Instrument of Proxy at the Meeting. Beneficial Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, contact their respective Intermediaries to find out what to do to change their vote.

EXERCISE OF DISCRETION BY PROXYHOLDERS

The persons named in the enclosed Instrument of Proxy will vote the Common Shares of Horizon North in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. In the absence of such direction, such Common Shares will be voted **FOR** the approval of setting the number of directors at eight (8), **FOR** the approval of the election of each of the nominees hereinafter set forth as directors of Horizon North,

FOR the appointment of PricewaterhouseCoopers LLP as Auditor of the Corporation, **FOR** the ratification and confirmation of the amended and restated by-laws of the Corporation and **FOR** the approval of the filing of Articles of Amendment to consolidate the Common Shares on the basis of one (1) new Common Share for every five (5) old Common Shares. The enclosed Instrument of Proxy confers discretionary authority upon the persons named therein with respect to any amendments or variations in the matters outlined in the accompanying Notice of Meeting or any other business which may properly come before the Meeting. The management of the Corporation knows of no such amendments, variations or other business to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are not known to management of Horizon North should properly come before the Meeting, the Instrument of Proxy given pursuant to the solicitation by management of Horizon North will be voted on such matters in accordance with the best judgment of the persons voting the Instrument of Proxy.

VOTING IN ADVANCE OF THE MEETING

Voting by Internet

Shareholders may use the internet site at www.astvotemyproxy.com to transmit their voting instructions. Shareholders should have the Instrument of Proxy in hand when they access the web site. Shareholders will be prompted to enter their Control Number, which is located on the Instrument of Proxy. If Shareholders wish to vote by internet, your vote must be received not later than 48 hours **(excluding Saturdays, Sundays and statutory holidays)** prior to the time set for the Meeting or any adjournment or postponement thereof. **The web site may be used to appoint a proxyholder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxyholder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their Instrument of Proxy and/or voting direction, prior to the deadline noted above. When resubmitting an Instrument of Proxy, the most recently submitted Instrument of Proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last Instrument of Proxy is submitted by the deadline noted above.**

Vote by Telephone

In order to vote by telephone, use any touch-tone telephone to transmit your voting instructions not less than 48 hours before the Meeting (excluding Saturdays, Sundays and statutory holidays) prior to the time set for the Meeting and any adjournment or postponement thereof. Telephone toll-free 1-888-489-5760 and follow the instructions the "Vote Voice" provides you. Have the Instrument of Proxy in hand when you call. You will be prompted to enter your Control Number, which is located on the Instrument of Proxy. The control number is your personal security code and will be used to authenticate your voting instructions. **If you vote by telephone, you cannot appoint anyone other than the person or persons named on the Instrument of Proxy as your proxy holder.**

SIGNING OF THE INSTRUMENT OF PROXY

The Instrument of Proxy must be signed by the Shareholder or his duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer. An Instrument of Proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity (following his signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with Horizon North).

VOTING SHARES AND PRINCIPAL HOLDERS OF SHARES

Voting of Common Shares – General

As at June 5, 2020 (the "**Record Date**"), the Corporation had 324,346,871 Common Shares issued and outstanding each of which carries the right to one vote at meetings of Shareholders. Only Registered Shareholders as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting, except to the

extent that: (a) the holder has transferred the ownership of any of the holder's Common Shares after the Record Date; and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that the transferee owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that the transferee's name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote its Common Shares at the Meeting.

On June 1, 2020, the board of directors of Horizon North (the "**Board**" or "**Board of Directors**") approved the amended and restated by-laws of the Corporation (the "**Amended and Restated By-Laws**") that will be placed before Shareholders at the Meeting for ratification and confirmation. Under provisions of the *Business Corporations Act* (Alberta) ("**ABCA**"), the Amended and Restated By-Laws became effective upon approval by the Board and are effective until they are confirmed by Shareholders, confirmed as amended or rejected by Shareholders at the Meeting, or until they otherwise cease to be effective.

Under the Amended and Restated By-Laws, a quorum of Shareholders is present at a meeting of Shareholders if at least two (2) persons are present, together holding or representing not less than twenty-five (25%) percent of the Common Shares entitled to be voted at the Meeting.

Principal Shareholders

As of the date of this Information Circular, the directors and officers of Horizon North are not aware of anyone who beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of Horizon North entitled to be voted at the Meeting except as set forth in the following table, which is based on publicly available information:

Name of Shareholder and Municipality of Residence	Common Shares Owned, Controlled or Directed	Percentage of Common Shares
9477179 Canada Inc. ⁽¹⁾ Toronto, Ontario	158,929,967	49% ⁽²⁾

Note:

(1) 9477179 Canada Inc. is a wholly-owned subsidiary of Fairfax Financial Holdings Limited.

(2) Based on 324,346,871 issued and outstanding Common Shares as at June 5, 2020.

FINANCIAL STATEMENTS

At the Meeting, the Corporation will present to the Shareholders the audited consolidated financial statements of Horizon North for the financial years ended December 31, 2019, and December 31, 2018 and the Auditor's Report thereon. No vote by the Shareholders with respect to these matters is required. National Instrument 51-102 *Continuous Disclosure Obligations*, ("**NI 51-102**") provides that Horizon North is not required to send annual or interim financial statements or the management's discussion and analysis relating thereto to its Registered and Beneficial Shareholders, unless they request copies of same. However, the ABCA requires that annual financial statements be sent to each Registered Shareholder, unless waived in writing by the Registered Shareholder. NI 51-102 also provides that Horizon North must send annually a request form to its Registered Shareholders and Beneficial Shareholders that may be used by such Shareholders to request any or all of the annual and interim financial statements and the management's discussion and analysis relating thereto. Shareholders are encouraged to review and, if action is desired, send the enclosed return cards to AST Trust Company (Canada), Proxy Department, P.O. Box 700, Station B, Montreal, QC, H3B 3K3.

MATTERS TO BE ACTED UPON AT THE MEETING

1. Number of Directors

Shareholders will be asked to approve an ordinary resolution fixing the number of directors of Horizon North to be elected at the Meeting for the ensuing year, at eight (8).

It is the intention of the persons named in the Instrument of Proxy, if not expressly directed otherwise in such Instrument of Proxy, to vote such proxies FOR the ordinary resolution fixing the number of directors to be elected at the Meeting at eight (8).

2. Election of Directors

On May 29, 2020 Horizon North completed the previously announced transaction (the “**Transaction**”) with 10647802 Canada Limited, operating as Dexterra Integrated Facilities Management (“**Dexterra**”), an indirect wholly-owned subsidiary of Fairfax Financial Holdings Limited (TSX: FFH and FFH.U) (“**Fairfax Financial**”). Pursuant to the Transaction, Horizon North acquired all of the issued and outstanding shares of Dexterra in exchange for 158,929,967 Common Shares such that, upon completion of the Transaction, 9477179 Canada Inc. (the parent company of Dexterra (“**Dexterra Parent**”), a wholly-owned subsidiary of Fairfax Financial) now controls 49% of Horizon North and existing Shareholders control 51% of the combined company.

Pursuant to the Transaction, and the terms of the investor rights agreement effective May 29, 2020 among Horizon North, Dexterra Parent and any affiliate thereof that, from time to time becomes an a shareholder of the Corporation, in respect of, among other things, certain governance matters related to the Corporation (the “**Investor Rights Agreement**”), four directors of Horizon North (Richard Ballantyne, Brad Fedora, Ann Rooney and Dale E. Tremblay) resigned from the Board effective upon closing, and four nominees of Dexterra Parent (R. William McFarland, David Johnston, Simon Landy and John MacCuish, collectively, the “**Dexterra Nominees**”) were appointed to fill those vacancies.

The following persons, including the Dexterra Nominees, are proposed to be nominated for election as directors of Horizon North at the Meeting. The Board of Directors has concluded that each nominee is well qualified to serve on the Board. The nominees have the relevant expertise essential to ensure appropriate strategic direction and oversight. Each director nominee has confirmed his or her eligibility and willingness to serve as a director if elected. All of the directors who are elected will have their terms of office expire at the next annual meeting of Shareholders, or until successors are elected or such directors resign.

Majority Voting for Directors

The Board has adopted a majority voting policy for the election of directors (“**Majority Voting Policy**”). The Board believes that each director of Horizon North should carry the confidence and support of its Shareholders. To this end, the Board has unanimously adopted and agreed to comply with the following policy regarding the election of directors.

The form of Instrument of Proxy for use at any meeting of Shareholders where directors are to be elected will enable Shareholders to either: (a) vote in favour; or (b) withhold their Common Shares from being voted in respect of each nominee separately. At the Meeting, the Chair will call for a vote by ballot and the scrutineer of the Shareholders’ meeting will record, with respect to each nominee, the total number of Common Shares voted in favour and the total number of Common Shares withheld from voting. If, with respect to any nominee, the total number of Common Shares withheld exceeds the total number of Common Shares voted in favour of the nominee, then for purposes of the Majority Voting Policy such nominee shall be considered not to have received the support of Shareholders even though duly elected as a matter of corporate law.

Any nominee who is considered under the above test not to have the support of the Shareholders shall, forthwith, submit his or her resignation to the Board to take effect immediately upon acceptance by the Board.

The Board shall decide whether or not to accept the tendered resignation and is expected to accept the resignation absent exceptional circumstances. Further, the Board shall, not later than 90 days after the Shareholders’ meeting, issue a news release, a copy of which will also be provided to the Toronto Stock Exchange (“**TSX**”), which either confirms that they have accepted the resignation or provides an explanation for why they have refused to accept such resignation. The director tendering his or her resignation will not participate in any meeting of the Board or any sub-committee of the Board at which the resignation is considered.

Subject to any restrictions or requirements contained in applicable corporate law or Horizon North’s constating documents, the Board may: (a) leave a resulting vacancy unfilled until the next annual meeting; (b) appoint a replacement director whom the Board considers merits the confidence of the Shareholders; or (c) call a special meeting of Shareholders to elect a replacement director nominated by management.

The Majority Voting Policy does not apply in respect of any contested Shareholders' meeting. For purposes hereof, a contested meeting is any meeting of Shareholders at which the number of directors nominated for election is greater than the number of seats available on the Board.

The proposed directors are:

Mary Garden	Simon Landy	Kevin D. Nabholz
Rod W. Graham	John MacCuish	Russell Newmark
David Johnston	R. William McFarland	

The following table sets forth for each proposed director: their name, age, municipality, province and country of residence; their committee memberships; all positions and offices with Horizon North now held by them, the month and year in which they were first elected or appointed as a director; other public company board memberships; their principal occupation for at least the last 5 years along with a brief biography; and the number and percentage of Common Shares that they have advised are beneficially owned, controlled or directed by them, directly or indirectly, as of June 5, 2020. Pursuant to the Amended and Restated By-laws of the Corporation, Horizon North has adopted advance notice requirements for the nomination of directors by Shareholders, see "Confirmation of Amended and Restated By-Laws of the Corporation" below for further details.

Mary Garden⁽¹⁾⁽²⁾

Age: 61

Victoria, British Columbia,
Canada

Director since May 2016

Independent⁽³⁾



Skills and Experience

Board & Governance
Canadian Business
Corporate Finance
Financial Literacy
Human Resources
Mergers & Acquisitions
Operational Finance
Real Estate & Construction
Sales and Marketing
Strategic Planning

Ms. Garden has over 30 years of executive leadership experience in business including operations and marketing management, advisory consulting, coaching and university teaching. Over the course of her career, Ms. Garden has worked in executive level positions with PwC, Delta Hotels, PKF, Holiday Inn, Radisson Hotels and Keg Restaurants. From 2008 to 2015, Ms. Garden led investment teams at the British Columbia Investment Management Corporation managing Canadian and international multi-billion dollar, private equity real estate portfolios for institutional pension plan clients. Ms. Garden has served on the boards of Bentall Kennedy, Parkbridge Lifestyle Communities, Delta Hotels, bclMC Realty Corporation and SilverBirch Hotels & Resort. Ms. Garden is the principal at Mary Garden & Associates, an advisory firm working with select global clients and C-Suite leaders in strategic consulting, executive coaching and workplace well-being. Ms. Garden has a BA and MBA from the University of British Columbia and holds the ICD.D designation.

2019 Board/Committee Membership			Attendance at Meetings during 2019 ⁽⁴⁾			Fees Earned in 2019 ⁽⁵⁾	
Board			12 of 12 (100%)			\$74,000	
Audit			4 of 4 (100%)				
Corporate Governance and Compensation			4 of 4 (100%)				
Other Public Company Board Memberships			Public Board Interlocks				
None			None				
Securities Held							
Common Shares		Percentage ⁽⁶⁾		Total Market Value of Common Shares ⁽⁷⁾			
189,500		0.06%		\$32,650			
Stock Options Held							
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised		Value of In-the-Money Unexercised Stock Options ⁽⁸⁾	
June 1, 2020	May 31, 2025	125,000	\$0.61	125,000		\$11,250	
Voting Results of 2019 Annual Meeting ⁽⁹⁾		Votes For		Votes Withheld		Total Votes Cast	
		86,295,200	95.13%	4,419,019	4.87%	90,714,219	

Rod W. Graham

Age: 53

Calgary, Alberta,
Canada

Director since November 2014

Not independent⁽¹⁰⁾**Skills and Experience**

Board & Governance
Canadian Business
Corporate Finance
Financial Literacy
Health & Safety
Mergers & Acquisitions
Operational Finance
Real Estate & Construction
Risk Management
Sales and Marketing
Strategic Planning

Mr. Graham is the Co-Chief Executive Officer and President, Modular Solutions of Horizon North, appointed on May 29, 2020 and has been a director of Horizon North since November 4, 2014. Prior to his appointment as the Co-Chief Executive Officer and President, Modular Solutions of Horizon North, Mr. Graham was the President and Chief Executive Officer of Horizon North since November 4, 2014. Prior thereto, Mr. Graham was the Senior Vice President Corporate Development and Planning of Horizon North since January 21, 2014. Prior thereto, Mr. Graham served as a director of Horizon North since January 2007 and Chair of the Board of Horizon North from May 3, 2012 to January 21, 2014. Mr. Graham was the President and Chief Executive Officer of ZCL Composites Inc. from October 1, 2010 to August 7, 2012. Prior to his role at ZCL, Mr. Graham co-founded and acted as Managing Director of Northern Plains Capital Corporation from September 2005 to September 2010.

2019 Board/Committee Membership			Attendance at Meetings during 2019 ⁽⁴⁾		Fees Earned in 2019 ⁽⁵⁾
Board			12 of 12 (100%)		Nil
Other Public Company Board Memberships			Public Board Interlocks		
None			None		
Securities Held					
Common Shares		Percentage ⁽⁶⁾		Total Market Value of Common Shares ⁽⁷⁾	
766,094		0.24%		\$536,266	
Stock Options Held					
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾
June 1, 2020	May 31, 2025	1,000,000	\$0.61	1,000,000	\$90,000
Voting Results of 2019 Annual Meeting ⁽⁹⁾			Votes For	Votes Withheld	Total Votes Cast
90,612,054			99.89%	102,165 0.11%	90,714,219

David Johnston⁽²⁾⁽¹¹⁾

Age: 79

Ottawa, Ontario
Canada

Director Since May 2020

Independent⁽³⁾**Skills and Experience**

Board & Governance
Canadian Business
Financial Literacy
Government Relations
Operational Finance
Risk Management
Strategic Planning

Mr. Johnston has been a director of Horizon North since May 29, 2020 and was appointed to the Board of Directors of Horizon North as a Dexterra Nominee upon completion of the Transaction. Mr. Johnston has been a director of Dexterra since March 2018. Mr. Johnston has held a number of distinguished management and leadership positions in academia and government, including acting as the 28th Governor General of Canada from 2010 to 2017. Mr. Johnston has held a number of academic positions, including as principal and vice-chancellor of McGill University for fifteen years and as the president and vice-chancellor of the University of Waterloo. Mr. Johnston has also served on numerous provincial and federal task forces and committees, acted as president of the Association of Universities and Colleges of Canada (now Universities Canada) and of the Conférence des recteurs et des principaux des universités du Québec. Mr. Johnston is a member of the Order of Canada and was promoted to companion, the Order's highest level, in 1997. Mr. Johnston was also the first non-U.S. citizen to be elected chair of Harvard University's board of overseers.

2019 Board/Committee Membership			Attendance at Meetings during 2019		Fees Earned in 2019
Mr. Johnston was not a member of the Board of Directors in 2019					
Other Public Company Board Memberships			Public Board Interlocks		
None			None		
Securities Held					
Common Shares		Percentage ⁽⁶⁾		Total Market Value of Common Shares ⁽⁷⁾	
Nil		Nil		Nil	
Stock Options Held					
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾
June 1, 2020	May 31, 2025	125,000	\$0.61	125,000	\$11,250

Simon Landy⁽¹⁾⁽¹¹⁾

Age: 59

Toronto, Ontario

Canada

Director Since May 2020

Independent⁽³⁾**Skills and Experience**

Board & Governance
Environmental
Financial Literacy
Health & Safety
Risk Management
Strategic Planning

Mr. Landy has been a director of Horizon North since May 29, 2020 and was appointed to the Board of Directors of Horizon North as a Dexterra Nominee upon completion of the Transaction. Mr. Landy has been a director of Dexterra since 2018. Mr. Landy co-founded the Outland Group in 1985, a major remote camp provider to government and industry in Canada's north. Outland Group remains one of the largest reforestation companies in Canada as part of Dexterra with well over one billion trees planted during the past 35 years. Mr. Landy led Outland Group's successful partnerships with First Nations communities across Canada in both business and education. Mr. Landy served as a director of Tangmaarvik Inland Camps Inc. and 9198-4468 Quebec Inc. (2016 to 2018) and was managing director of a partnership with the Fédération des coopératives du Nouveau-Québec in Quebec's Nunavik region. After a long career with Outland, Mr. Landy retired from the company and joined the Dexterra board of directors in 2018. Mr. Landy holds a Bachelor of Science, Honours, from McGill University and graduated from the University of Toronto as a medical doctor in 1986.

2019 Board/Committee Membership			Attendance at Meetings during 2019		Fees Earned in 2019
Mr. Landy was not a member of the Board of Directors of the Corporation in 2019					
Other Public Company Board Memberships			Public Board Interlocks		
None			None		
Securities Held					
Common Shares		Percentage ⁽⁶⁾	Total Market Value of Common Shares ⁽⁷⁾		
50,000		0.02%	\$35,000		
Stock Options Held					
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾
June 1, 2020	May 31, 2025	125,000	\$0.61	125,000	\$11.250

John MacCuish

Age: 64

Burlington, Ontario

Canada

Director Since May 2020

Not Independent⁽¹²⁾**Skills and Experience**

Board & Governance
Canadian Business
Corporate Finance
Financial Literacy
Health & Safety
Mergers & Acquisitions
Operational Finance
Real Estate & Construction
Risk Management
Sales and Marketing
Strategic Planning

Mr. MacCuish is the Co-Chief Executive Officer and President, Facilities Management of Horizon North and was appointed to the Board of Directors of the Corporation on May 29, 2020 as a Dexterra Nominee upon completion of the Transaction. He is a director of Dexterra and has served as Chief Executive Officer since 2018. Mr. MacCuish was formerly a director and officer of Carillion Canada from 2011 to March 2018. Prior to joining Carillion Canada, Mr. MacCuish held executive roles with Compass Group Canada and Sodexo Canada. Mr. MacCuish has over 30 years of experience in outsourced support services management including providing facility and food services to clients in various sectors including defense, aviation, healthcare, education, natural resources and industry. He is a leader in providing custom solutions for infrastructure and solutions for organizations. Mr. MacCuish is also a director and Chief Executive Officer of each of Rising Two Sons Limited, P&D Holdings Inc., Shaughnessy & Associates Ltd. and Powerful Group of Companies Inc. and a director of each of 9198-4468 Quebec Inc. and Tangmaarvik Inland Camp Services Inc.

2019 Board/Committee Membership			Attendance at Meetings during 2019		Fees Earned in 2019
Mr. MacCuish was not a member of the Board of Directors of the Corporation in 2019					
Other Public Company Board Memberships			Public Board Interlocks		
None			None		
Securities Held					
Common Shares		Percentage ⁽⁶⁾	Total Market Value of Common Shares ⁽⁷⁾		
Nil		Nil	Nil		
Stock Options Held					
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾
June 1, 2020	May 31, 2025	1,000,000	\$0.61	1,000,000	\$90,000

R. William**McFarland**⁽¹⁾⁽²⁾

Age: 62

Toronto, Ontario

Canada

Director Since May 2020

Independent⁽³⁾**Skills and Experience**

Board & Governance
Canadian Business
Environmental
Financial Literacy
Government Relations
Health & Safety
Operational Finance
Real Estate & Construction
Risk Management
Strategic Planning

Mr. McFarland is the Chair of the Board of Horizon North and was appointed to the Board of Directors of the Corporation on May 29, 2020 as a Dexterra Nominee upon completion of the Transaction. Mr. McFarland is also a member of the Board, Lead Director and Chair of the Audit Committee of Fairfax Financial Holdings Limited. Mr. McFarland brings significant financial and management experience to Horizon North. Mr. McFarland was formerly the Chief Executive Officer of PricewaterhouseCoopers Canada (2011 to June 2018). Prior to that, Mr. McFarland was a member of the executive team at PricewaterhouseCoopers Canada from 2005 to 2011 and led the Greater Toronto Area audit practice from 2002 to 2005. Mr. McFarland is a Chartered Professional Accountant and a fellow of the Chartered Professional Accountants of Ontario. Mr. McFarland is also chair of the board of directors of The Conference Board of Canada and a director and chairman of each of AGT Food & Ingredients Inc. and Farmers Edge Inc.

2019 Board/Committee Membership		Attendance at Meetings during 2019		Fees Earned in 2019	
Mr. McFarland was not a member of the Board of Directors of the Corporation in 2019					
Other Public Company Board Memberships			Public Board Interlocks		
Fairfax Financial Holdings Limited			None		
Securities Held					
Common Shares		Percentage ⁽⁶⁾		Total Market Value of Common Shares ⁽⁷⁾	
460,000		0.14%		\$322,000	
Stock Options Held					
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾
June 1, 2020	May 31, 2025	250,000	\$0.61	250,000	\$22,500

Kevin D. Nabholz⁽²⁾⁽¹¹⁾

Age: 63

Calgary, Alberta

Canada

Director since May 2012

Independent⁽³⁾**Skills and Experience**

Board & Governance
Canadian Business
Environmental
Financial Literacy
Government Relations
Health & Safety
Operational Finance
Real Estate & Construction
Risk Management
Strategic Planning

Mr. Nabholz is an independent businessman. Mr. Nabholz was the Chair of the Board of Horizon North from March 2017 until May 2020 and a director of the Corporation since May 2012. Mr. Nabholz has over 30 years of experience in the oil sands industry. Mr. Nabholz retired as Executive Vice President, Major Projects at Suncor Energy Inc. ("Suncor") on March 1, 2012, having been at Suncor for 25 years. Mr. Nabholz was involved in all facets of the business at Suncor, including Operations, Maintenance and Projects and in his latest role led the execution of over \$30 billion of major projects. Mr. Nabholz has served on a number of private company boards, as well as not-for-profit entities including the Northern Alberta Institute of Technology, Construction Owners Association of Alberta, Keyano College Foundation, the United Way of Fort McMurray and several others.

2019 Board/Committee Membership			Attendance at Meetings during 2019 ⁽⁵⁾		Fees Earned in 2019 ⁽⁶⁾	
Board			12 of 12 (100%)		\$66,500	
Audit			4 of 4 (100%)			
Corporate Governance and Compensation			4 of 4 (100%)			
Other Public Company Board Memberships			Public Board Interlocks			
None			None			
Securities Held						
Common Shares		Percentage ⁽⁶⁾		Total Market Value of Common Shares ⁽⁷⁾		
1,482,000		0.46%		\$1,037,400		
Stock Options Held						
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾	
June 1, 2020	May 31, 2025	125,000	\$0.61	125,000	\$11,250	
Voting Results of 2019 Annual Meeting ⁽⁹⁾		Votes For		Votes Withheld		Total Votes Cast
		90,611,785	99.89%	102,434	0.11%	90,714,219

Russell A. Newmark⁽¹⁾⁽¹¹⁾
Age: 63
Inuvik, Northwest Territories,
Canada
Director since June 2006
Independent⁽³⁾



Skills and Experience

Board & Governance
Canadian Business
Environmental
Financial Literacy
Government Relations
Health & Safety
Operational Finance
Real Estate & Construction
Risk Management
Strategic Planning

Mr. Newmark has extensive and diverse business knowledge and experience throughout northern Canada and has been Chief Executive Officer of E. Gruben's Transport Ltd. since 1990, a successful contracting firm based in the Northwest Territories. Since 1976, he has been recognized as a leader within the Mackenzie Delta and Beaufort Sea regions and has served on numerous corporate and government boards including the Inuvialuit Development Corporation, Norterra Inc. and the GNWT Business Loan Fund Board.

2019 Board/Committee Membership			Attendance at Meetings during 2019 ⁽⁴⁾		Fees Earned in 2019 ⁽⁵⁾
Board			11 of 12 (92%)		\$69,999
Corporate Governance and Compensation			4 of 4 (100%)		
Health, Safety, Quality and Environment			4 of 4 (100%)		
Other Public Company Board Memberships			Public Board Interlocks		
None			None		
Securities Held					
Common Shares		Percentage ⁽⁶⁾	Total Market Value of Common Shares ⁽⁷⁾		
1,207,853		0.37%	\$845,497		
Stock Options Held					
Date Granted	Expiry Date	Number Granted	Grant Price	Total Unexercised	Value of In-the-Money Unexercised Stock Options ⁽⁸⁾
June 1, 2020	May 31, 2025	125,000	\$0.61	125,000	\$11,250
Voting Results of 2019 Annual Meeting ⁽⁹⁾		Votes For	Votes Withheld		Total Votes Cast
		89,641,592	98.82%	1,072,627	1.18%
					90,714,219

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance and Compensation Committee.
- (3) "Independent" refers to the standards of independence set forth within section 1.4 of National Instrument 52-110 - *Audit Committees*.
- (4) Attendance in person or by telephone.
- (5) Full detail can be found under the heading "Summary of Board Meeting Attendance January 1 to December 31, 2019".
- (6) Percentage of Common Shares beneficially owned is calculated based on an aggregate of **324,346,871** Common Shares outstanding as of June 5, 2020.
- (7) Total market value of Common Shares was determined by multiplying the number of Common Shares held by each director nominee as of June 5, 2020 by \$0.70, which was the closing price of the Common Shares on the TSX on that date.
- (8) Based the difference between the June 5, 2020 closing price on the TSX of the Common Shares of \$0.70 per share and the exercise price of the Stock Option.
- (9) Annual General Meeting of Shareholders of Horizon North held on May 3, 2019.
- (10) Mr. Graham is a Co-CEO of Horizon North and a member of management, and is therefore not an independent director.
- (11) Member of the Enterprise Risk Management Committee (formerly the Health, Safety, Quality and Environment Committee).
- (12) Mr. MacCuish is a Co-CEO of Horizon North and a member of management, and is therefore not an independent director.

The Board has determined that each nominee for election to the Board of Horizon North is independent pursuant to the standards of independence set forth within section 1.4 of National Instrument 52-110 - *Audit Committees* ("NI 52-110") with the exception of each of Rod W. Graham and John MacCuish who are Co-Chief Executive Officers ("Co-CEOs") of Horizon North.

It is the intention of the persons named in the Instrument of Proxy, if not expressly directed otherwise in such Instrument of Proxy, to vote such proxies FOR the election of the nominees described above as directors of Horizon North. It is not contemplated that nominees will be unable to serve as directors, but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of Instrument of Proxy reserve the right to vote for other nominees at their discretion.

As at June 5, 2020, the directors and officers of Horizon North, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 4,482,547 Common Shares, or approximately 1.38% of the issued and outstanding Common Shares, based on 324,346,871 issued and outstanding Common Shares. In addition, as at June 5, 2020, the directors and officers of Horizon North, as a group, have outstanding Options to purchase 3,375,000 Common Shares.

Additional Disclosure Relating to Proposed Directors

None of the proposed directors is, or has been in the last 10 years: (a) a director, chief executive officer or chief financial officer of any company that: (i) was subject to a cease trade order or similar order or an order that denied the company access to any exemptions under securities legislation, for a period of more than 30 consecutive days, that was issued while the proposed director was acting in that capacity; or (ii) was subject to a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (b) a director or executive officer of any company that, while that proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, with the exception of John MacCuish and Simon Landy. John MacCuish was an officer of Carillion Canada Inc., which was subject to proceedings under the Companies' Creditors Arrangement Act (Canada) in connection with the global insolvency proceedings of U.K.-based parent corporation Carillion plc (the "**CCAA Proceedings**") in January 2018. Simon Landy was the President and a director of Outland Group, which formed part of Carillion Canada Inc. and was subject to the CCAA Proceedings.

None of the proposed directors has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver, manager or trustee appointed to hold the assets of the proposed director.

No proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body.

3. Appointment of the Auditor

At the Meeting, the Shareholders will consider an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP ("**PwC**"), Chartered Professional Accountants, of Toronto, Ontario, to serve as auditor of Horizon North until the next annual meeting of the Shareholders and to authorize the directors of Horizon North to fix their remuneration. Effective June 1, 2020 following completion of the Transaction, the Board appointed PwC as Horizon North's auditor for the remainder of the 2020 fiscal year following the requested resignation of Horizon North's previous auditor, KPMG LLP ("**KPMG**"). Additional documents related to the change of auditor, including the notice of change of auditor and the acknowledgements of that notice by PwC and KPMG, are set out in Schedule "C" to this Information Circular and are available under the Corporation's profile on SEDAR at www.sedar.com. In connection with the change in auditor, there were no "reportable events" within the meaning of NI 51-102.

It is the intention of the persons named in the Instrument of Proxy, if not expressly directed otherwise in such Instrument of Proxy, to vote such proxies FOR the appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of Horizon North.

4. Confirmation of Amended and Restated By-Laws of the Corporation

By-law No. 1, relating generally to the conduct of the affairs of the Corporation (the "**Original By-Laws**") was enacted by the Board on October 11, 2005 prior to the Corporation becoming a public company. The Board recently reviewed the Original By-Laws to consider whether changes were warranted to more closely align with governing rules and best practices appropriate for a public corporation. The Board unanimously approved amendments reflected in the Amended and Restated By-Laws on June 1, 2020 in order to reflect recent developments and shareholder expectations as to good corporate governance. Among other things, the

amendments require a higher percentage of Common Shares be represented in person or by proxy at a meeting of Shareholders before business can be conducted, ensuring a meaningful number of Shareholders consider and approve matters at such meetings.

In accordance with the ABCA, the Amended and Restated By-Laws became effective upon approval by the Board on June 1, 2020 and are in effect until they are confirmed, confirmed as amended, or rejected by Shareholders at the Meeting (or until they otherwise cease to be effective). If confirmed by Shareholders at the Meeting, the Amended and Restated By-Laws will continue in effect. If the Amended and Restated By-Laws are not confirmed by Shareholders at the Meeting, they will cease to be effective. Accordingly, Shareholders are being asked to confirm the Amended and Restated By-Laws at the Meeting so that they can continue to be effective.

The following is a summary of the substantive amendments reflected in the Amended and Restated By-Laws and is qualified in its entirety by reference to the full text of the Amended and Restated By-Laws, which are attached as Schedule “D” to this Information Circular and available on the Corporation’s website at www.horizonnorth.ca and on SEDAR at www.sedar.com.

The amendments include:

- (a) adoption of an advance notice provision (the “**Advance Notice Provisions**”) relating to the nomination of directors (i.e., the requirement that advance notice be provided to the Corporate Secretary of the Corporation if a Shareholder proposes to nominate directors for election at a meeting of Shareholders). The Advance Notice Provisions were included to prevent stealth proxy contests and facilitate an orderly and efficient director nomination process by ensuring that all Shareholders receive adequate notice of director nominations and sufficient information in respect of all nominees so that the proposed nominees’ qualifications and suitability as directors can be evaluated and an informed vote cast for the election of directors. The Advance Notice Provisions fix deadlines for submitting director nominations to the Corporation prior to any annual or special meeting of Shareholders where directors are to be elected, and sets forth the information that a Shareholder must include in their nomination in order for it to be valid. In the case of an annual Shareholders’ meeting, the deadlines for notice of a Shareholders’ director nominations are not less than 30 days prior to the meeting; provided, however, if the first public notice of an annual Shareholders’ meeting is given less than 50 days prior to the meeting date, Shareholders must provide notice of their nominations by close of business on the 10th day following the announcement of the meeting. In the case of a special meeting (which is not also an annual meeting) called for the purpose of electing directors, Shareholders must provide notice of their nominations by close of business on the 15th day following first public announcement of the special Shareholders’ meeting. In the event of an adjournment or postponement of an annual meeting or special meeting of shareholders or any announcement thereof, a new time period shall commence for the giving of timely notice.

This year, notices of nomination from Shareholders will be deemed timely if received on or prior to June 4, 2020. The Corporation received no such notices from Shareholders on or prior to June 4, 2020.

- (b) an increase the quorum for Shareholders’ meetings from at least two (2) persons present together holding or representing not less than five percent (5%) of the Common Shares present at each meeting of Shareholders to at least two (2) persons present, together holding or representing not less than twenty-five percent (25%) of the Common Shares present at each meeting of Shareholders, which more closely aligns with quorum requirements for public companies, including the Corporation’s peer group.
- (c) incorporation of certain changes to reflect recent developments and changes in best practices appropriate for a public corporation, including:
 - (i) payment of dividends by electronic funds transfer;
 - (ii) confirming Registered Shareholders choosing to have his or her holdings evidenced by an electronic, book-based, direct registration services or other non-certificated entry or position on the register of Shareholders in place of a physical share certificate shall be entitled to all the

same benefits, rights and entitlements and shall incur the same duties and obligations as a registered holder of Common Shares evidenced by a physical share certificate; and

- (iii) providing for holding of Board and Shareholder meetings by electronic means (including video conference and webcast), as well voting by electronic means.
- (d) providing the Chair with a casting vote in the event of an equality of votes on any matters to be decided by the Board.

Shareholders are being asked to approve the Amended and Restated By-Laws by passing the following ordinary resolution:

“BE IT RESOLVED as an ordinary resolution of the Corporation that:

1. the amended and restated by-laws of the Corporation, approved by the Board of Directors and attached as Schedule “D” to this Information Circular, be and are hereby approved, ratified and confirmed as the amended and restated by-laws of the Corporation; and
2. any one director or officer of the Corporation is authorized, for and on behalf of the Corporation, to execute and deliver any document and take any action the director or officer determines is necessary or advisable to implement this resolution and the matters authorized hereby, and the execution and delivery of the documents or taking of the actions will conclusively evidence the officer’s or director’s determination.”

It is the intention of the persons named in the Instrument of Proxy, if not expressly directed otherwise in such Instrument of Proxy, to vote such proxies FOR the ordinary resolution approving the Amended and Restated By-laws.

If Shareholders do not approve the Amended and Restated By-Laws, the Amended and Restated By-Laws will cease to be effective as of the date of the Shareholder vote and the Original By-Laws will automatically be reinstated as of such date.

5. Approval of Share Consolidation

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve a special resolution (the **“Share Consolidation Resolution”**) authorizing the Board to elect, in its discretion, to file Articles of Amendment to amend the Corporation’s Articles of Amalgamation (the **“Articles”**) in order to consolidate the Corporation’s issued Common Shares into a lesser number of issued Common Shares on the basis of one (1) new Common Share for every five (5) old Common Shares (the **“Share Consolidation”**), pursuant to Section 173(1)(f) of the ABCA.

The Share Consolidation Resolution is a special resolution and, as such, requires approval by not less than two-thirds (66 2/3%) of the votes cast by the Shareholders present in person, or represented by proxy, at the Meeting. The full text of the Share Consolidation Resolution is set out below under “Recommendation of the Board of Directors”.

Background to and Reasons for the Share Consolidation

- **Post-Transaction Consolidation.** As a result of the Transaction, the Corporation issued 158,929,967 new Common Shares to Dexterra Parent, in exchange for all of the issued and outstanding shares of Dexterra, the result of which is an aggregate of 324,346,871 Common Shares outstanding. Following completion of the Transaction, the Board has determined it is in the best interests of the Corporation to consolidate the Common Shares to better reflect the value of the Common Shares of the combined company in accordance with the consolidation ratio and to support the Corporation’s future business plans.

- **Potential for increased and more attractive Common Share price.** The Corporation believes that there are many factors following the recent Transaction, which will result in maintaining the anticipated increase in per share market price of the Common Shares following the Share Consolidation. These factors include the ability to operate under a more broad based, Pan-Canadian support services platform that will provide increased scale, capability and access to talent to deliver on significant future growth opportunities across multiple paths through better regional representation for sales and operations, an objective to grow to over \$1 billion of revenue and \$100 million of EBITDA. In addition, the Transaction is expected to result in highly complementary stable facilities management and modular solutions businesses with excellent growth prospects through the pursuit of larger contracts and expansion opportunities as a result of combined business relationships. The Transaction is also intended to result in a leading national workforce accommodations service provider with thousands of employees across Canada and significant cost savings and cross selling opportunities. The Transaction is also expected to lead to significant cost-savings for the combined company through the consolidation of overhead costs, including anticipated supply chain efficiencies and a reduction in financial expenses, including but not limited to general and administrative costs. In addition, the Transaction will result in a significant reduction in leverage due to Dexterra's minimal net debt profile. Dexterra also has minimal long-term annual capital requirements and is expected to contribute significant free cash flow. The Share Consolidation may also help the Common Shares remain attractive to institutional investors who have internal investment policies that either prohibit them from purchasing stocks below a certain minimum price or tend to discourage individual brokers from recommending such stocks to their customers. In addition, the Corporation believes that without the Share Consolidation, the large number of Common Shares outstanding may impact the Corporation's ability to raise equity capital to fund future activities and acquisitions.
- **Reduced Shareholder Transaction Costs.** Certain investors pay commissions on a per share basis on a purchase or sale of the Common Shares. The Share Consolidation will raise the price per Common Share and as a result, certain investors may pay lower trading commissions when trading a fixed dollar amount (for a lower number of Common Shares).
- **Improved Trading Liquidity.** Interest from institutional investors and investment funds and potentially lower transaction costs are important to help support the trading liquidity of the Common Shares.

Effects of the Share Consolidation

If the Share Consolidation is implemented, its principal effect will be to proportionately decrease the number of issued and outstanding Common Shares by a factor equal to the consolidation ratio of one (1) Common Share held post-Share Consolidation (each a "**Post-Consolidation Share**") for every five (5) Common Shares held on a pre-Share Consolidation basis (each a "**Pre-Consolidation Share**"). At the close of business on June 5, 2020, the closing price of the Common Shares on the TSX was \$0.70 per Common Share and there were 324,346,871 Common Shares issued and outstanding. Based on the number of Common Shares issued and outstanding on June 5, 2020, immediately following the completion of the Share Consolidation, the number of Post-Consolidation Shares issued and outstanding (disregarding any resulting rounding in respect of fractional Common Shares) will be 64,869,374 Common Shares.

The Corporation does not expect the Share Consolidation itself to have any economic effect on holders of Common Shares or securities convertible into or exercisable to acquire Common Shares, except to the extent the Share Consolidation will result in fractional Common Shares. See "*No Fractional Shares*" below. Currently, dividends of the Corporation are suspended. While the Corporation expects to resume declaring dividends in the future, once the Board has greater visibility on the impact of COVID-19 on the Corporation, dividends are not expected to be re-instituted by the Board prior to the Share Consolidation being implemented.

The Share Consolidation will not affect the listing of the Common Shares on the TSX and, following the Share Consolidation, the Common Shares will continue to be listed on the TSX under the symbol "HNL".

Voting rights and other rights of the holders of Common Shares prior to the implementation of the Share Consolidation will not be affected by the Share Consolidation, other than as a result of the creation and disposition

of fractional Common Shares as described below. See “No Fractional Shares” below. The number of Registered Shareholders will not be affected by the Share Consolidation.

The Share Consolidation may result in some Shareholders owning “odd lots” of fewer than 100 Common Shares. Odd lot Common Shares may be more difficult to sell, and brokerage commissions and other costs of transactions in odd lots may be higher than the costs of transactions in “round lots” of even multiples of 100 Common Shares. The Board believes, however, that these potential effects are outweighed by the anticipated benefits of the Share Consolidation.

Effect on Beneficial Shareholders

Beneficial Shareholders (i.e. non-Registered Shareholders) holding Common Shares through an Intermediary should be aware that the Intermediary may have different procedures for processing the Share Consolidation than those that will be put in place by the Corporation for Registered Shareholders. If you hold your Common Shares through an intermediary and have questions in this regard, you are encouraged to contact your Intermediaries to confirm their process in respect of the proposed Share Consolidation.

Effect on Options

As of the date of this Information Circular, there were 4,900,000 Options issued and outstanding under the Corporation’s Stock Option Plan (the “**Option Plan**”) to acquire Common Shares. The Option Plan provides, subject to the Board’s discretion, for adjustments to any outstanding Options in the event of any change in the Common Shares through a consolidation of the Common Shares. Upon the implementation of the Share Consolidation, each then outstanding Option will be adjusted as follows:

- the number of Common Shares deliverable by the Corporation on any exercise of Options thereafter will be reduced to such number of Common Shares as would have resulted from the Share Consolidation if the exercise of the Options into Common Shares had been made prior to the date of the Share Consolidation;
- the exercise price for which a Common Share may be purchased pursuant to the exercise of an Option will be increased in the same proportion to the decrease in the number of outstanding Common Shares resulting from the Share Consolidation such that it results in the same value to the holder thereof; and
- upon the surrender of any Options for exercise into Common Shares, the number of whole Common Shares issuable upon conversion will be computed on the basis of the aggregate number of such Options to be converted and, in any case where a fraction of a Common Share is involved, the Corporation will adjust such fractional interest rounded to the nearest whole number of Common Shares (on the basis of fractional interests of 0.5 or more being rounded up to the nearest whole Common Share and interests less than 0.5 being rounded down to the nearest whole Common Share).

Risks Associated with the Share Consolidation

Reducing the number of issued and outstanding Common Shares through the Share Consolidation is intended, absent other factors, to increase the per share market price of the Common Shares. However, the market price of the Common Shares will also be affected by the Corporation’s financial and operational results, its financial position, including its liquidity and capital resources, industry conditions, the market’s perception of the Corporation’s business and other factors, which are unrelated to the number of Common Shares outstanding.

The market price of the Common Shares immediately following the implementation of the Share Consolidation is expected to be approximately equal to the market price of the Common Shares prior to the implementation of the Share Consolidation multiplied by five but there is no assurance that the anticipated market price immediately following the implementation of the Share Consolidation will be realized or, if realized, will be sustained or will increase. There is a risk that the total market capitalization of the Common Shares (the market price of the Common Shares multiplied by the number of Common Shares outstanding) after the implementation of the Share

Consolidation may be lower than the total market capitalization of the Common Shares prior to the implementation of the Share Consolidation.

Although the Corporation believes that establishing a higher market price for the Common Shares could increase investment interest for the Common Shares in equity capital markets by potentially broadening the pool of investors that may consider investing in the Corporation, including investors whose internal investment policies prohibit or discourage them from purchasing stocks trading below a certain minimum price, there is no assurance that implementing the Share Consolidation will achieve this result.

If the Share Consolidation is implemented and the market price of the Common Shares (adjusted to reflect the Share Consolidation ratio) declines, the percentage decline as an absolute number and as a percentage of the Corporation's overall market capitalization may be greater than would have occurred if the Share Consolidation had not been implemented. Both the total market capitalization of a company and the adjusted market price of such company's shares following a consolidation or reverse split may be lower than they were before the consolidation took effect. The reduced number of Common Shares that would be outstanding after the Share Consolidation is implemented could adversely affect the liquidity of the Common Shares.

The Share Consolidation may result in some Shareholders owning "odd lots" of fewer than 100 Common Shares on a post-Share Consolidation basis. Odd lot Common Shares may be more difficult to sell, or may attract greater transaction costs per Share to sell, and brokerage commissions and other costs of transactions in odd lots may be higher than the costs of transactions in "round lots" of even multiples of 100 Common Shares.

Procedure for Implementing the Share Consolidation

Assuming that Shareholder approval for the Share Consolidation is received at the Meeting, and regulatory approval from the TSX is obtained, if the Board decides to proceed with the Share Consolidation it will only become effective upon the filing by the Corporation of Articles of Amendment giving effect to the Share Consolidation, pursuant to Section 173(1)(f) of the ABCA. Under the ABCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

The Corporation will issue a press release announcing the filing of the Articles of Amendment giving effect to the Share Consolidation, and, in accordance with the rules of the TSX, the Post-Consolidation Shares will be assigned a new CUSIP number.

Regulatory Approval

The Share Consolidation is subject to regulatory approval by the TSX. As a condition to the approval of a consolidation of shares listed for trading on the TSX, the TSX requires, among other things, that the Corporation must meet, post-Share Consolidation, the continued listing requirements contained in Part VII of the TSX Company Manual. Specifically, the Corporation's securities may be delisted if: (a) the market value of listed issued securities is less than \$3,000,000 over any period of 30 consecutive trading days; or (b) the market value of the Corporation's listed issuer's freely-tradable, publicly held securities is less than \$2,000,000 over any period of 30 consecutive trading days; or (c) the number of freely-tradable, publicly held securities is less than 500,000; or (d) the number of public security holders, each holding a board lot or more, is less than 150. The Common Shares will commence trading on the TSX on a post-consolidated basis as determined by the TSX, in accordance with the rules thereof. The effective date of the Share Consolidation and the date that the Common Shares will resume trading on the TSX will be announced by the Corporation as soon as reasonably practicable following the approval of the Share Consolidation Resolution at the Horizon North Meeting and subsequent confirmation of TSX approval. The Corporation anticipates it will be able to meet the continued listing requirements of the TSX following the Share Consolidation.

Effect on Share Certificates

If the Share Consolidation is approved by Shareholders and subsequently implemented, those Registered Shareholders who will hold at least one (1) Post-Consolidation Share will be required to exchange their share

certificates representing Pre-Consolidation Shares for new share certificates representing Post-Consolidation Shares, following the Share Consolidation.

IF THE SHARE CONSOLIDATION IS IMPLEMENTED, THE CORPORATION (OR ITS TRANSFER AGENT) WILL MAIL TO EACH REGISTERED SHAREHOLDER A LETTER OF TRANSMITTAL. EACH REGISTERED SHAREHOLDER MUST COMPLETE AND SIGN A LETTER OF TRANSMITTAL AFTER THE SHARE CONSOLIDATION TAKES EFFECT. The letter of transmittal will contain instructions on how to surrender to the transfer agent the certificate(s) representing the Registered Shareholder's Pre-Consolidation Shares. The transfer agent will send to each Registered Shareholder who follows the instructions provided in the letter of transmittal a new share certificate or a Direct Registration Statement representing the number of Post-Consolidation Shares to which the Registered Shareholder is entitled rounded up or down to the nearest whole number. Beneficial Shareholders (i.e. non-Registered Shareholders) who hold their Common Shares through Intermediaries and who have questions regarding how the Share Consolidation will be processed should contact their Intermediaries with respect to the Share Consolidation. See "*Effect on Beneficial Shareholders*" above.

Until surrendered to the transfer agent, each share certificate representing pre-Consolidation Shares will be deemed for all purposes to represent the number of Post-Consolidation Shares to which the Registered Shareholder is entitled as a result of the Share Consolidation. Until Registered Shareholders have returned their properly completed and duly executed letter of transmittal and surrendered their old share certificate(s) for exchange, Registered Shareholders will not be entitled to receive any distributions, if any, that may be declared and payable to holders of record following the Share Consolidation.

Any Registered Shareholder whose old certificate(s) have been lost, destroyed or stolen will be entitled to a replacement share certificate only after complying with the requirements that the Corporation and the transfer agent customarily apply in connection with lost, stolen or destroyed certificates.

The method chosen for delivery of share certificates and letters of transmittal to the Corporation's transfer agent is the responsibility of the Registered Shareholder and neither the transfer agent nor the Corporation will have any liability in respect of share certificates and/or letters of transmittal which are not actually received by the transfer agent.

REGISTERED SHAREHOLDERS SHOULD NEITHER DESTROY NOR SUBMIT ANY SHARE CERTIFICATE UNTIL HAVING RECEIVED A LETTER OF TRANSMITTAL.

No Fractional Shares

No fractional Common Shares will be issued pursuant to the Share Consolidation. In lieu of any such fractional Common Shares, each Registered Shareholder of the Corporation otherwise entitled to a fractional Common Share following the implementation of the Share Consolidation will receive the nearest whole number of Post-Consolidation Shares. For example, any fractional interest representing less than 0.5 of a Post-Consolidation Share will not entitle the holder thereof to receive a Post-Consolidation Share and any fractional interest representing 0.5 or more of a Post-Consolidation Share will entitle the holder thereof to receive one whole Post-Consolidation Share. In calculating such fractional interests, all Common Shares registered in the name of each Registered Shareholder will be aggregated.

No Dissent Rights

Shareholders are not entitled to exercise any statutory dissent rights under the ABCA with respect to the proposed Share Consolidation.

Accounting Consequences

If the Share Consolidation is implemented, net income or loss per Common Share, and other per Common Share amounts, will be increased as there will be fewer Common Shares issued and outstanding. In the Corporation's future financial statements, net income or loss per Common Share and other per Common Share amounts for

periods ending before the Share Consolidation took effect would be restated to give retroactive effect to the Share Consolidation.

Tax Effect

The Share Consolidation should not give rise to a capital gain or loss under the *Income Tax Act* (Canada) for a Shareholder who holds such Common Shares as capital property. The aggregate adjusted cost base to the Shareholder of the new Post-Consolidation Shares will be equal to the aggregate adjusted cost base to the Shareholder of the Pre-Consolidation Shares immediately before the Share Consolidation. **EACH SHAREHOLDER SHOULD CONSULT ITS TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES OF THE SHARE CONSOLIDATION TO SUCH SHAREHOLDER, INCLUDING THE EFFECTS OF ANY CANADIAN OR U.S. FEDERAL, STATE AND LOCAL, FOREIGN AND OTHER TAX LAWS.**

Recommendation of the Board of Directors

The Board unanimously recommends that the Shareholders vote **FOR** the Share Consolidation Resolution.

Shareholders are being asked to approve the Share Consolidation by passing the following special resolution:

“BE IT RESOLVED, as a special resolution of the Corporation’s shareholders, that:

1. The Corporation is hereby authorized to amend its Articles pursuant to Section 173(1)(f) of the *Business Corporations Act* (Alberta) (the “**ABCA**”) to change the number of issued and outstanding common shares (the “**Common Shares**”) in the capital of the Corporation by consolidating the issued and outstanding Common Shares on the basis of one (1) new Common Share for every five (5) old Common Shares (the “**Share Consolidation**”) on a date to be determined by the directors of the Corporation, subject to the approval of the Toronto Stock Exchange, provided that no fractional Common Shares shall be issued in connection with the Share Consolidation and the number of post-consolidation Common Shares to be received by a holder will be rounded up or down to the nearest whole number of Common Shares, as applicable, that such holder would otherwise be entitled to receive in connection with the Share Consolidation;
2. any fractional interest arising from the Share Consolidation representing less than 0.5 of a post-consolidation Common Share shall be deemed to have been tendered by its registered owner to the Corporation for cancellation and will be returned to the authorized but unissued share capital of the Corporation;
3. any director or officer of the Corporation is hereby authorized and directed to execute and deliver (or cause to be executed and delivered), on behalf of the Corporation, Articles of Amendment to the Registrar of Corporations appointed under the ABCA;
4. notwithstanding that this special resolution has been approved by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered, at their sole discretion, to revoke this special resolution prior filing of the Articles of Amendment without any further notice to or approval of the shareholders of the Corporation; and
5. any director or officer of the Corporation is hereby authorized and directed to execute and deliver (or cause to be executed and delivered), on behalf of the Corporation, all such further deeds, agreements, documents or writings, to pay all such expenses and to take such further and other actions or steps as, in the sole discretion of such director or officer, are necessary or desirable in order to carry out fully the foregoing resolutions upon such terms and conditions as may be approved from time to time by the directors of the Corporation, such approval to be conclusively evidenced by the signing of such deeds, agreements, documents and writings or taking of such actions or steps by such director or officer.”

It is the intention of the persons named in the Instrument of Proxy, if not expressly directed otherwise in such Instrument of Proxy, to vote such proxies FOR the Share Consolidation Resolution.

In order to be effective, the Share Consolidation Resolution must be passed by not less than two-thirds (66 2/3%) of the votes cast by the Shareholders present in person, or represented by proxy, at the Meeting.

Other Business

Management is not aware of any other matters to come before the Meeting other than those set out in the Notice of Meeting. If other matters come before the Meeting, it is the intention of the individuals named in the form of Instrument of Proxy to vote the same in accordance with their best judgment in such matters.

STATEMENT OF EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Governance

The Corporate Governance and Compensation Committee is responsible for making recommendations to the Board of Horizon North relating to the compensation of members of the Board, the Co-CEOs and going forward, the Chief Financial Officer (“**CFO**”) and other executive officers. The Corporate Governance and Compensation Committee regularly reviews the compensation practices of comparable companies with a view to aligning Horizon North’s officers and directors with a comparable group median. Directors who are officers of Horizon North receive no additional remuneration for their services as directors.

In particular, the Corporate Governance and Compensation Committee: (i) will review and approve, at least annually, Horizon North’s goals and objectives relevant to the compensation of the Co-CEOs and the Co-CEO’s compensation is based on that review; (ii) will review, at least annually, and recommend to the Board compensation, incentive plans and equity based plans for non-CEO officers and directors, and for other key employees as identified by the Co-CEOs and approved by the Corporate Governance and Compensation Committee, and in particular, review and recommend to the Board the annual bonus payments for the Co-CEO and executive officers; and (iii) will review executive compensation disclosure before Horizon North publicly discloses such information.

The objective of Horizon North’s executive compensation program is to attract and retain experienced personnel who are incentivized to continually focus on generating profitable growth of the Corporation’s business. The compensation program is comprised of three elements: (i) annual salary plus benefits; (ii) annual performance bonus; and (iii) equity based compensation. The appropriateness and competitiveness of the Corporation’s executive compensation program is monitored by comparison to a peer group of companies. Prior to completion of the Transaction, the peer group included the companies listed below. The Corporate Governance and Compensation Committee intend to evaluate the composition of the peer group in light of the expanded service offerings of Horizon North as a result of the Transaction.

Badger Daylighting Ltd.	Mobile Mini Inc.
Bird Construction Inc.	North American Construction Group Ltd.
Black Diamond Group Ltd.	Strad Inc.
Civeo Corp.	Stuart Olson Inc.
GDI Integrated Facility Services Inc.	Temple Hotels Inc.
Holloway Lodging Corp	TerraVest Industries Inc.
McGrath Rent Corp.	Wall Financial Corp.
Melcor Developments Ltd.	

In choosing the peer companies against which the Corporate Governance and Compensation Committee completes its comparative analysis, the Corporate Governance and Compensation Committee selects companies with asset and market values similar to the Corporation. The Corporate Governance and Compensation Committee also consider revenue levels and enterprise values of such companies. The Corporate Governance and

Compensation Committee believes these metrics are appropriate for determining peers because they provide a reasonable point of reference for comparing executives with similar positions and responsibilities.

The Corporation retained the services of a compensation consultant, Lane Caputo Compensation Inc. effective September 2018 to review the compensation philosophy for Horizon North, given its current stage of development, with the final report delivered January 2019. The competitiveness of the current compensation arrangements for the executive team and independent directors were evaluated, relative to both the external market and the Corporation's compensation philosophy. This review encompassed salary, bonus and other types of cash incentives, prevalence and value of equity-based compensation, and executive contracts including severance and change in control provisions. No significant changes were made to the executive compensation structure for 2019.

Executive Compensation Services	2019	2018
Executive Compensation-Related Fees	---	\$45,000
All Other Fees	---	---

Horizon North's executive compensation program is designed to provide financial rewards to executive officers based on measurable financial and operational parameters associated with overall corporate performance. The program also balances annual rewards for achieving financial success year over year with rewards tied to long-term share price performance. As part of its review and discussion of the compensation program, the Corporate Governance and Compensation Committee considers the risks associated with Horizon North's compensation program and noted the following elements of the Corporation's business model and its governance and control system that mitigates the risk that the Corporation's executives will take unnecessary or excessive risk for the sake of enhanced rewards:

- The basic tenet of the Corporation's business model is that funds are spent to build or buy assets that are used, in conjunction with the Corporation's labor force, to provide services to customers. The primary risk in this model is that assets are underutilized. All significant investments are reviewed and approved by the Board prior to being undertaken. In addition, growth metrics are balanced with return on investment parameters in the annual bonus program.
- The nature of the Corporation's business is such that there are very few asset or liability valuation judgments that management has to make. The annual bonus program is based on financial parameters that are cash flow dependent as opposed to being driven by asset or liability valuation judgments.
- The Corporation's ultimate long-term goal is to generate sustainable share price appreciation. The compensation program recognizes that developing sustainable share price appreciation takes time and thus provides rewards for long-term success to mitigate the risk that short-term, less sustainable actions are taken to enhance immediate share price performance.
- The annual bonus program does not pay out rewards until financial results are confirmed through independently audited financial statements.
- Named Executive Officers (as defined herein) and directors are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

Named Executive Officers

Securities legislation requires the disclosure of compensation received by each "Named Executive Officer" of the Corporation for the three most recently completed financial years. "Named Executive Officer" is defined by the legislation to mean: (i) each of the CEO and CFO of the Corporation, regardless of the amount of compensation of that individual; (ii) each of the Corporation's three most highly compensated executive officers or individuals acting in a similar capacity, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation and bonus exceeds \$150,000; and (iii) any

additional individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an executive officer of the Corporation at the end of the most recently completed financial year end of the Corporation.

An “**executive officer**” is defined by the legislation to mean: (i) the chair of the Corporation; (ii) a vice-chair of the Corporation; (iii) the President of the Corporation; (iv) a vice-president of the Corporation in charge of a principal business unit, division or function, such as sales, finance or production; or (v) an officer of the Corporation or any of its subsidiaries or any other person who performed a policy-making function in respect of the Corporation.

At the financial year ended December 31, 2019, there were five (5) Named Executive Officers (“**NEOs**”) of Horizon North consisting of Rod Graham, President and CEO; Scott Matson, Senior Vice President and CFO; Mark Becker, President Industrial Services; Joseph Kiss, President Modular Solutions and Warren Murray, Executive Vice President Strategic Partnerships.

Annual Salaries

Executive salaries are established after giving consideration to individual responsibilities and experience, size and complexity of operations or functions for which they are responsible, and competitive market information. This element provides a fixed level of cash compensation for performing these responsibilities. Salary adjustments consider the individual’s success in their role and competitive market information.

Annual Performance Bonus

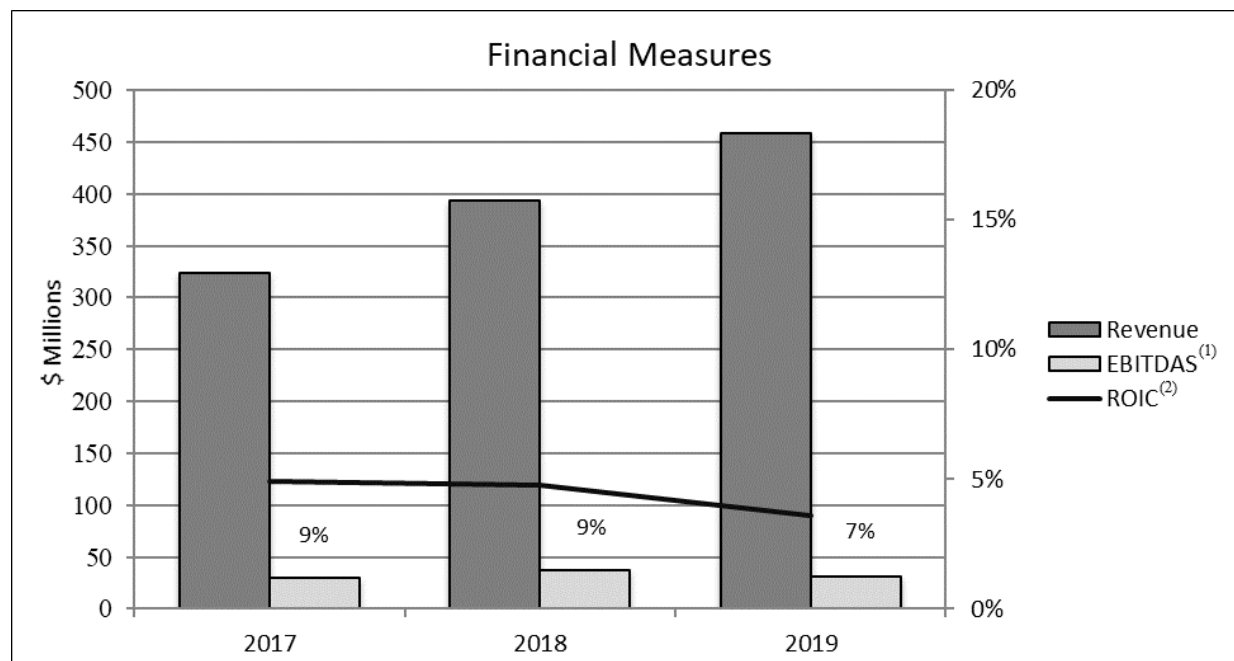
Horizon North’s financial performance for 2019 reflects the continued growth of the Modular Solution activity as a result of increased manufacturing capacity to execute the existing backlog of projects. Industrial Services experienced a modest revenue growth as a result of increased catering-only and camp rental and catering activity offset by the sharp decline in Q2 2019 activity in the Montney, Duvernay and oil sands regions in the Camp & Catering operations and higher amount of low margin installation and transportation revenues partially offset by the decrease in the mat rental activity in the Rentals & Logistics operations. Modular Solutions revenues were comprised mainly of commercial projects consisting of several affordable housing projects for BC Housing Management Commission, a hostel project in Jasper, Alberta, and hotel and industrial projects, combined with the addition of NRB revenue for the manufacturing of primarily classrooms and custom steel structures. The Modular Solutions continues to focus on securing the growth and development of backlog and the execution of these projects. Ongoing pricing pressure in the Industrial Services operations and the decreased activity in Modular Solutions Western Canada operation, decreased EBITDAS as a percentage of revenue. These limited improvements in the Corporation’s revenue, and declining EBITDAS, operating earnings, and decrease in share price were reflected in the decision not to distribute annual incentive bonuses to the NEOs.

The annual bonus for all NEOs is designed to pay out awards based on the Corporation’s performance for the year. Financial performance is measured by reference to year over year revenue growth, EBITDAS margins, and return on invested capital. Financial success is supported by strong operations, for which a sound measurement is thought to be the Corporation’s safety record.

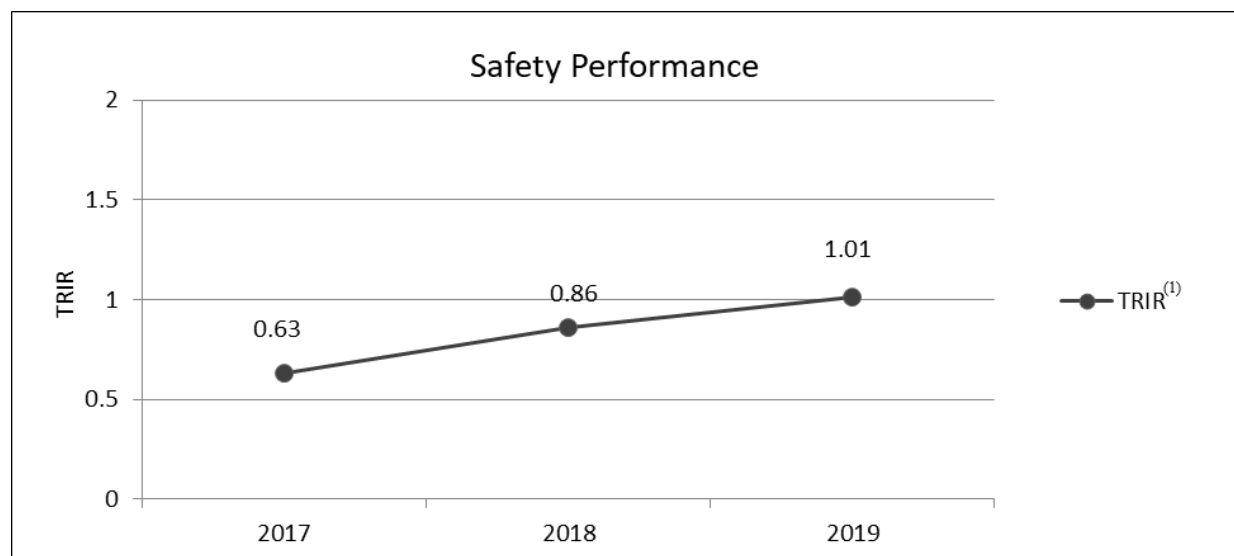
Revenue growth is measured on a year over year basis, while EBITDAS margins, return on investment and safety performance metrics are compared to specific target ranges. The Board takes these factors into consideration and ultimately applies a level of subjectivity in determining the bonus calculation for the CEO, which is in turn cascaded down to the NEOs.

Horizon North’s long-term goal is to provide returns to Shareholders through share price appreciation and quarterly dividend payments. In the Board’s view, continued focus on achieving improved annual financial and operational measures should lead to success in consistently achieving the long-term goal.

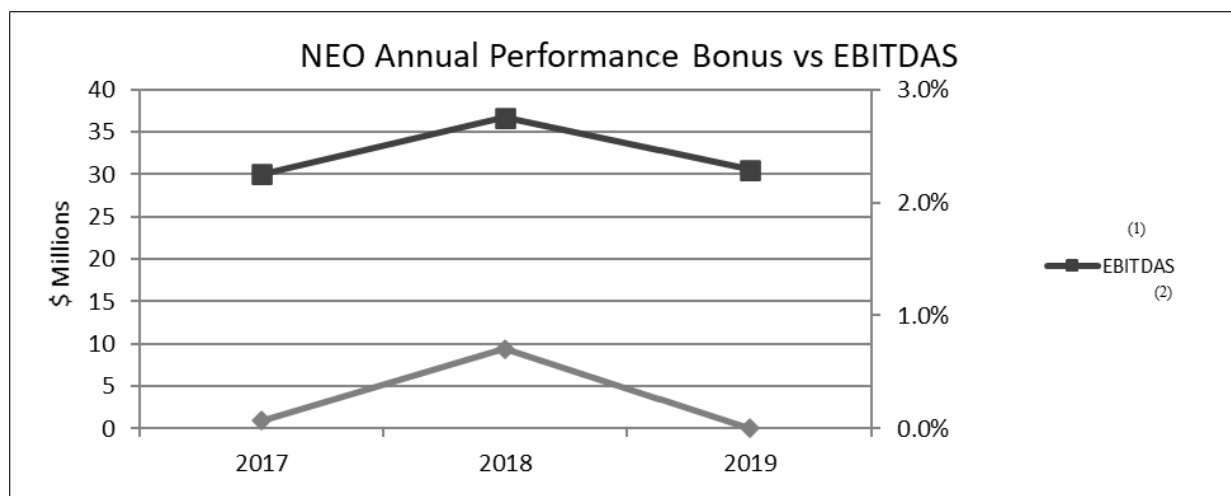
The following charts illustrate the Corporation's performance with respect to these financial and operational measures as well as the annual performance bonus received by the NEOs.



- (1) EBITDAS: Earnings before interest, taxes, depreciation, amortization, impairment, gain/loss on disposal of property, plant and equipment, and share based compensation. EBITDAS is not a recognized measure under International Financial Reporting Standards (IFRS). Management believes that in addition to total profit and total comprehensive income, EBITDAS is a useful supplemental earnings measure as it provides an indication of the Corporation's operating performance and it is regularly provided to and reviewed by Horizon North's Chief Operating Decision Maker. Horizon North's method of calculating EBITDAS may differ from other entities and accordingly, EBITDAS may not be comparable to measures used by other entities. EBITDAS is reconciled to its most direct comparable measure in Horizon North's management's discussion and analysis for the years ended December 31, 2019, 2018 and 2017.
- (2) Return on Invested Capital represents after tax cash flow divided by average Invested Capital for the year; Invested Capital is defined as average of gross property, plant and equipment, other long-term assets, intangibles, and goodwill before any impairment write-downs.



- (1) Total Recordable Incident Rate ("TRIR") is a standard industry measure with respect to safety performance.



- (1) EBITDAS: Earnings before interest, taxes, depreciation, amortization, impairment, gain/loss on disposal of property, plant and equipment, and share based compensation. EBITDAS is not a recognized measure under International Financial Reporting Standards (IFRS). Management believes that in addition to total profit and total comprehensive income, EBITDAS is a useful supplemental earnings measure as it provides an indication of the Corporation's operating performance and it is regularly provided to and reviewed by Horizon North's Chief Operating Decision Maker. Horizon North's method of calculating EBITDAS may differ from other entities and accordingly, EBITDAS may not be comparable to measures used by other entities. EBITDAS is reconciled to its most direct comparable measure in Horizon North's management's discussion and analysis for the years ended December 31, 2019, 2018 and 2017.
- (2) NEO Annual Performance Bonus paid to the identified NEOs with respect to each financial year. The NEOs eligible to be compensated by Annual Performance bonus for 2019 included Rod Graham, President and CEO; Scott Matson, Senior Vice President Finance and CFO; Joseph Kiss, President Modular Solutions; Mark Becker, President Industrial Services; and Warren Murray, Executive Vice President Strategic Partnerships. The NEOs for 2018 were Rod Graham, President and CEO; Scott Matson, Senior Vice President Finance and CFO; Joseph Kiss, President Modular Solutions; Mark Becker, President Industrial Services; and Warren Murray, Executive Vice President Strategic Partnerships. The NEOs for 2017 were Rod Graham, President and CEO; Scott Matson, Senior Vice President Finance and CFO; Warren Murray, Senior Vice President Camps & Catering; Joseph Kiss, Senior Vice President Modular Solutions; and Mike Hammerschmidt, Vice President Rentals & Logistics.

Due to ongoing challenging economic conditions in the Industrial Services operations and the Western Canada Modular Solutions operations, financial measures were not satisfactorily improved by reference to year over year revenue growth, EBITDAS margins, or return on invested capital. Safety performance year over year increased slightly to a TRIR measure >1. As a result of these factors, no bonuses were paid to NEOs for 2019.

Equity Based Compensation

Horizon North continues to employ a "pay-for-performance philosophy" whereby fixed elements of pay are positioned at market median levels and short and longer-term incentives are structured to provide above-market total compensation for high levels of performance. Horizon North has taken a portfolio approach to long-term incentives by mixing restricted share units ("RSUs") in with options ("Options") to purchase Common Shares. At Horizon North, a combination of RSUs and Options will be used to attain a market-competitive total direct compensation program.

In connection with the Transaction, the Board approved the accelerated vesting of all previously outstanding Options and RSUs, immediately prior to completion of the Transaction, pursuant to their terms, in accordance with the Option Plan or the Corporation's RSU Plan (the "RSU Plan"), as applicable, subject to each holder of Options entering into an Option Cancellation Agreement with the Corporation. All such holders entered into an Option Cancellation Agreement with the Corporation prior to completion of the Transaction pursuant to which they agreed to surrender such Options (all of which were out-of-the-money) for cancellation in exchange for a nominal payment of \$0.01 per Option. Concurrently, all RSUs were vested immediately prior to Closing and holders thereof received \$0.63 per RSU (the closing price of the Common Shares on the TSX on May 28, 2020, the day before completion of the Transaction). Following completion of the Transaction, on June 1, 2020, the Board approved the grant of 4,900,000 new Options. The Board may grant RSUs in due course, upon the recommendation of the Corporate Governance and Compensation Committee. Accordingly, as of the date hereof, there are 4,900,000 Options outstanding and no RSUs outstanding.

Option Plan

The Option Plan permits the granting of Options to the directors, officers, employees and other eligible service providers of the Corporation and its subsidiaries for the purpose of providing directors, officers, employees and other eligible service providers with an incentive to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

The Board views Options as an effective incentive to balance senior management's focus between short-term operating performance and profitable, long-term growth, which should translate into share price appreciation for the benefit of Shareholders. With Option grants vesting over time, they also serve as an effective employee retention tool. Despite the dilutive aspect of Options, they do directly align the interests of management and Shareholders as the benefits derived from Options parallel the benefits realized by Shareholders through share price appreciation. Options provide the potential for long-term rewards and above-average total compensation, provided Horizon North's financial and operating results lead to the enhancement of shareholder value.

Awards of Options are made from time to time to participants at varying levels consistent with the individual's position and responsibility. The process that the Corporation uses to grant Options to executive officers, including the NEOs, and the factors that are taken into account when considering new grants under the Option Plan, is based upon a number of criteria, including the performance of the executive officers, the number of Options available for grant under the Option Plan, the number of Options anticipated to be required to meet the future needs of the Corporation, as well as the number of Options previously granted to each of the NEOs. It is the full Board, as opposed to the Corporate Governance and Compensation Committee, which determines the need for any amendments to the Option Plan and it is the full Board which determines the number of Option grants to be made under the Option Plan. The Co-CEOs will provide input and recommendations to the Board regarding the granting of Options, from time to time. The Co-CEOs in turn, and where appropriate, also obtain input from other executive officers of the Corporation when providing his input and recommendations. Other than as set out immediately above, the grant of option-based awards is not determined based on benchmarks, performance goals or a specific formula. The term and other provisions of the Options are subject to the terms of the Option Plan.

Since the inception of the Option Plan there has been no financial assistance provided by Horizon North to any participant under the Option Plan to facilitate the purchase of Common Shares under the Option Plan.

As of June 5, 2020 pursuant to grants that took place on June 1, 2020: (i) the Corporation has issued under the Option Plan, Options pursuant to which 4,900,000 Common Shares are issuable which represents 1.51% of the currently outstanding Common Shares; and (ii) there remains for issuance under the Option Plan, Options pursuant to which 27,534,687 Common Shares, which represents 8.49% of the issued and outstanding Common Shares, may be issued which represent, together with the outstanding Options, 10.0% of the currently outstanding Common Shares.

The Option Plan provides that the aggregate number of Common Shares issuable pursuant to Options granted under the Option Plan and under any other security based compensation arrangement, if any, and issued to insiders within any one year period and, issuable to insiders, shall in either case, not exceed 10% of the issued and outstanding Common Shares at the time of the grant of any stock option. In addition, the Option Plan provides that the maximum number of Common Shares issuable pursuant to Options granted shall not exceed 10% of the aggregate number of issued and outstanding Common Shares. No Options shall be granted to any director of the Corporation who is not also an officer of the Corporation if such grant could result, at any time, in the total number of Common Shares issuable to all directors of the Corporation who are not also officers of the Corporation pursuant to Options exceeding 0.50% of the issued and outstanding Common Shares of the Corporation. In addition, the Option Plan contains (i) a limit on the number of Common Shares issuable pursuant to Options to any non-employee director, within any calendar year of \$100,000; and (ii) a limit on the number of Common Shares reserved for issuance under all security based compensation arrangements of the Corporation issued to any non-employee director, within any calendar year, of \$150,000; in each case calculated on the date of grant. There are additional limits imposed on the transferability of Options granted under the Option Plan such that Options will

not be transferable or assignable and may not be made subject to execution, attachment or similar process, other than for normal estate settlement purposes or by operation of law and such that during the lifetime of an optionee, an Option will be exercisable only by the optionee and any elections with respect to an Option may be made only by the optionee.

The Option Plan provides for the exercise price to be determined by the Board provided that the exercise price of the Options may not be less than the closing price of the Common Shares on the TSX on the last business day preceding the date of grant. Options granted under the Option Plan will be for a term of no longer than ten years after granting of an Option. The currently outstanding Options have been granted so as to vest in equal one-third amounts over the first three years of the five year term thereof. Participation in the Option Plan is voluntary. In order to constitute a valid Option under the Option Plan, the participant and the Corporation must enter into a valid Option agreement in a form acceptable to the Board. With respect to the termination of options, unless specifically amended or otherwise dealt with in a stock option agreement: (a) in the case of death of an optionee, the right to exercise an Option shall extend to the earlier of (i) one year after the date of death or (ii) the expiry date of the Option set forth in the stock option agreement, to the extent such Option was exercisable by the optionee on the date of death of the optionee; and (b) in the case of termination or cessation of employment of an optionee (who is not a consultant) for any reason (other than death) or, in the case of a consultant, upon cessation of the services agreement the right to exercise an Option shall be limited to and shall expire on the earlier of 60 days after the date of termination or cessation (in the case of an optionee who is not a consultant) and from the final service date (in the case of an optionee who is a consultant), or the expiry date of the Option set forth in the stock option agreement, to the extent such Option was exercisable by optionee on the date of termination of such employment or final service date, as the case may be.

In the event of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, and merger or otherwise or in the event of any other change in the Common Shares, the Board may proportionately adjust the number of Common Shares that may be issued under existing Option agreements. If the Share Consolidation is approved by Shareholders and implemented by the Corporation, the result on the currently outstanding Options will be a reduction in the number of Common Shares issuable thereunder with a corresponding increase in the exercise price thereof, in the same proportion to the decrease in the number of outstanding Common Shares resulting from the Share Consolidation such that it results in the same value to the holder of such Option.

The Option Plan also provides for the extension of the expiry date of any Option which would otherwise expire during a "black-out period" until the fifth business day following the expiry of the blackout period, provided that such extended expiration date shall not in any event be beyond the later of (i) December 31 of the calendar year in which the option was otherwise due to expire; and (ii) the 15th day of the third month following the month in which the Option was otherwise due to expire. The Option Plan also provides that the Board may, in its sole discretion and without further approval of the Shareholders, amend, suspend, terminate or discontinue the Option Plan and may amend the terms and conditions of Options granted under the Option Plan, subject to any required approval of any regulatory authority or the TSX. Subject to any required regulatory approval of any regulatory authority or stock exchange, the Board may at any time alter, amend or vary the Option Plan without the approval of the Shareholders if the alteration, amendment or variance does not: (a) increase the number of shares that can be issued under the Option Plan; (b) reduce the exercise price of an outstanding option except for the normal anti-dilution provisions whereby option values are maintained in connection with a subdivision, consolidation, conversion, reclassification, re-division or re-designation of Common Shares or a reorganization, amalgamation, consolidation, merger, takeover bid or similar transaction involving Horizon North; (c) extend the expiry date of an outstanding Option or amend the Option Plan to permit the grant of an Option with an expiry date of more than 10 years from the grant date (except where an expiry date would have fallen within a blackout period of the Corporation); (d) allow for the transfer of Options, except if the transfer is to an entity controlled by the Option holder, a charity or for estate planning or estate settlement purposes; (e) expand the categories of individuals eligible to participate in the Option Plan; or (f) amend the Option Plan to provide for other types of compensation through equity issuance.

In addition, the Option Plan contains a "clawback" provision which permits the Board to seek reimbursement of Options awarded to an officer of the Corporation pursuant to the Option Plan and any Common Shares issued upon exercise thereon, where: (i) the payment of such compensation was predicated on achieving certain financial

results that were subsequently the subject of a substantial restatement of the Corporation's financial statements filed with any securities regulatory authority; and (ii) the Board, in its discretion, determines that the officer engaged in gross negligence, intentional misconduct or fraud that caused or partially caused the need for the restatement.

The Option Plan requires approval from Shareholders for amendments to the Option Plan which result in: (i) any increase in the number of Common Shares issuable under the Option Plan or the number of unissued Common Shares that may be subject to Options granted to optionees under the Option Plan; (ii) any amendments which reduce the exercise price of an Option or any cancellation and reissuance of an Option; (iii) any amendment that extends the term of an Option beyond its original Option Period; (iv) any amendments to eligible participants that may permit the introduction or reintroduction of non-employee directors on a discretionary basis or amendments that increase limits previously imposed on non-employee director participation; (v) any amendment with would permit Options granted under the Option Plan to be transferable or assignable other than for normal estate settlement purposes; (vi) any amendments to the amendment and termination provisions of the Option Plan; and (vii) amendments required to be approved by Shareholders under applicable law (including, without limitation, the rules, regulations and policies required by any relevant stock exchange).

The Option Plan burn rate is expressed as a percentage and is calculated in accordance with Section 613(p) of the TSX Company Manual, by dividing: (i) the number of securities granted under the Option Plan during the applicable fiscal year; by (ii) the weighted average number of securities outstanding for the applicable fiscal year. The Option Plan is not subject to a multiplier that may increase the number of shares to be issued on settlement based on performance or any other measure.

Burn Rate	2019	2018	2017
% calculated	1.83%	1.36%	1.82%

Restricted Share Units

The Board approved a cash-based restricted share unit plan (the “**RSU Plan**”) on May 5, 2016 which governs the issuance of non-assignable and non-transferrable RSUs of the Corporation. Directors, officers and employees of the Corporation and its subsidiaries are eligible to participate in the RSU Plan. In connection with the Transaction, there are currently no RSUs outstanding, however the Board may grant RSUs in due course.

RSUs are notional shares that have the same value at any given time as the Common Shares, but do not entitle the participant to any shareholder rights, including without limitation, voting rights, dividend entitlement or rights on liquidation and are non-dilutive to Shareholders. The RSUs vest no later than the date that is the third anniversary of the end of the calendar year in which the services were performed in which the grant of RSUs relates. Vesting provisions for RSUs shall be fixed by the Board and the Board may at any time shorten the vesting period of all or part of any RSU award. In the event of a change of control, the Board may amend the terms of the issued RSUs to permit vesting prior to the completion of the change of control.

Each RSU has a payout value equal to the closing price of the Common Shares as of the date immediately preceding the applicable payout date, less any applicable withholding taxes. The payout date for issued RSUs is as soon as reasonably practicable after the vesting date.

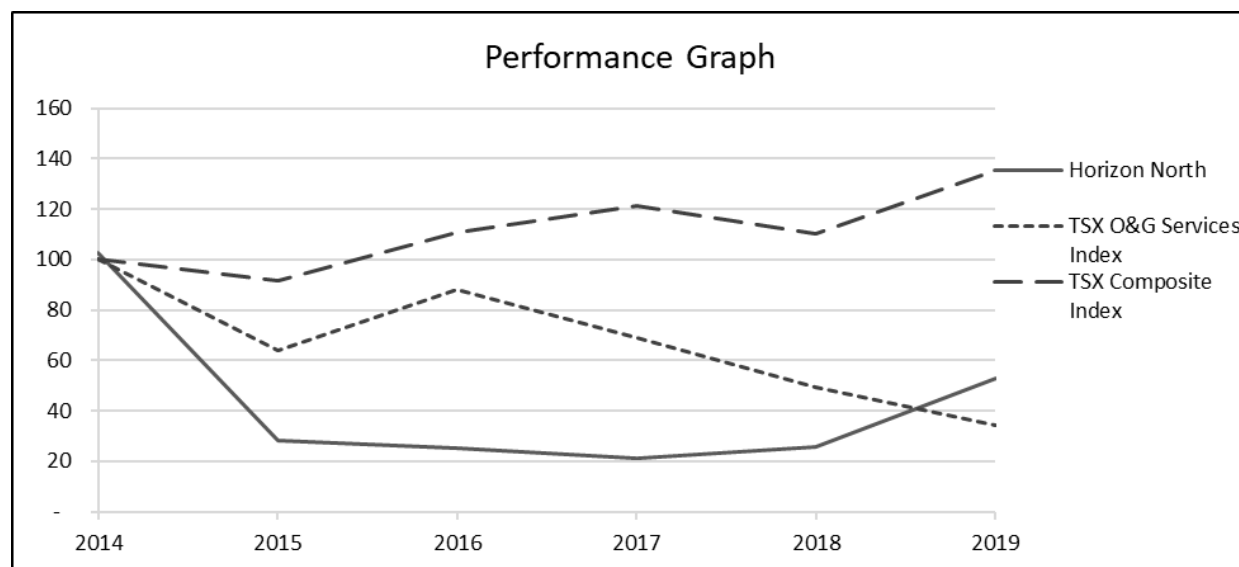
The maximum value of RSUs granted to any one non-employee director within any one year period, when aggregated with the securities granted under all security based compensation arrangements of the Corporation to the non-employee director during such period, shall not exceed \$150,000, as calculated based on a fair value basis of the RSUs on the date of grant.

The RSU Plan burn rate is expressed as a percentage and is calculated by dividing: (i) the number of securities granted under the RSU Plan during the applicable fiscal year; by (ii) the weighted average number of securities outstanding for the applicable fiscal year. The RSU Plan is not subject to a multiplier that may increase the number of shares to be valued on settlement based on performance or any other measure.

Burn Rate	2019	2018	2017
% calculated	0.75%	0.71%	0.86%

Performance Analysis

The following graph illustrates changes from December 31, 2014 to December 31, 2019, in cumulative shareholder return, assuming an initial investment of \$100 with all dividends reinvested, compared to the TSX O&G Services Index and TSX Composite Index, with all dividends and distributions reinvested.



	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
Horizon North	100	28	25	21	26	53
TSX O&G Services Index	100	49	68	53	38	34
TSX Composite Index	100	101	123	134	122	136

Share Price Performance Graph in Relation to Executive Compensation

Horizon North compensates its NEOs through annual salary, annual performance bonus and equity based compensation. As outlined in the *"Compensation Discussion and Analysis"*, executive salaries are established after giving consideration to individual responsibilities and experience, providing a fixed level of compensation for performing these responsibilities. Compensation derived from the annual performance bonus and equity based compensation for NEOs are generally consistent with the trend illustrated in the above Performance Graph.

Composition of the Corporate Governance and Compensation Committee

The current members of the Corporate Governance and Compensation Committee are Kevin Nabholz (Chair); Mary Garden, David Johnston, and R. William McFarland. In addition to their experience as members of the Corporate Governance and Compensation Committee of Horizon North, all such members have significant experience in dealing with executive compensation matters as directors and/or senior leaders. The Corporate Governance and Compensation Committee is a standing committee appointed by the Board. Each member of the Corporate Governance and Compensation Committee is independent as defined under section 1.4 of National Instrument 52-110 – *Audit Committees*.

Relevant Education and Experience of Members of the Corporate Governance and Compensation Committee

All of the members of the Corporate Governance and Compensation Committee have experience in executive compensation by virtue of their experience as current or former chief executive officers and as current or former

senior executives. The Board of Directors believes the Corporate Governance and Compensation Committee collectively have the knowledge, experience and background required to fulfill its mandate.

Kevin D. Nabholz - Chair

Mr. Nabholz has been a director of Horizon North since May 2012. Mr. Nabholz is an independent businessman. Mr. Nabholz has over 30 years of experience in the oil sands industry. Mr. Nabholz retired as Executive Vice President, Major Projects at Suncor on March 1, 2012, having been at Suncor for 25 years. Mr. Nabholz was involved in all facets of the business at Suncor, including Operations, Maintenance and Projects and in his latest role led the execution of over \$30 billion of major projects. Mr. Nabholz has served on a number of private company boards, as well as not for profit entities including the Northern Alberta Institute of Technology, Construction Owners Association of Alberta, Keyano College Foundation, the United Way of Fort McMurray and several others.

Mary Garden

Ms. Garden has been a director of Horizon North since May 2016. Ms. Garden has over 30 years of executive leadership experience in business including operations and marketing management, advisory consulting, coaching and university teaching. Over the course of her career, Ms. Garden has worked in executive level positions with PwC, Delta Hotels, PKF, Holiday Inn, Radisson Hotels and Keg Restaurants. From 2008 to 2015, Ms. Garden led investment teams at the British Columbia Investment Management Corporation managing Canadian and international multi-billion dollar, private equity real estate portfolios for institutional pension plan clients. Ms. Garden has served on the boards of Bentall Kennedy, Parkbridge Lifestyle Communities, Delta Hotels, bclMC Realty Corporation and SilverBirch Hotels & Resort. Ms. Garden is the principal at Mary Garden & Associates, an advisory firm working with select global clients and C-Suite leaders in strategic consulting, executive coaching and workplace well-being. Ms. Garden has a BA and MBA from the University of British Columbia and holds the ICD.D designation.

David Johnston

Mr. Johnston has been a director of Horizon North since May 2020. Mr. Johnston has been as a director of Dexterra since March 2018. Mr. Johnston has held a number of distinguished management and leadership positions in academia and government, including as acting as the 28th Governor General of Canada from 2010 to 2017. Mr. Johnston has held a number of academic positions, including as principal and vice-chancellor of McGill University for fifteen years and as the president and vice-chancellor of the University of Waterloo. Mr. Johnston has also served on numerous provincial and federal task forces and committees, acted as president of the Association of Universities and Colleges of Canada (now Universities Canada) and of the Conférence des recteurs et des principaux des universités du Québec. Mr. Johnston is a member of the Order of Canada and was promoted to companion, the Order's highest level, in 1997. Mr. Johnston was also the first non-U.S. citizen to be elected chair of Harvard University's board of overseers.

R. William McFarland

Mr. McFarland has been a director and Chair of the Board of Horizon North since May 2020. Mr. McFarland has been a director of Dexterra since July 2019. Mr. McFarland brings significant financial and management experience to Horizon North. Mr. McFarland was formerly the Chief Executive Officer of PricewaterhouseCoopers Canada (July 2011 to July 2018). Prior to that, Mr. McFarland was a member of the executive team at PricewaterhouseCoopers Canada from 2005 to 2011 and led the Greater Toronto Area audit practice from 2002 to 2005. Mr. McFarland is a Chartered Professional Accountant and a fellow of the Chartered Professional Accountants of Ontario. Mr. McFarland is a member of the Board, Lead Director and Chair of the Audit Committee of Fairfax Financial Holdings Limited, chair of the board of directors of The Conference Board of Canada and a director and chairman of each of AGT Food & Ingredients Inc. and Farmers Edge Inc.

COMPENSATION OF NAMED EXECUTIVE OFFICERS

Compensation was paid to the NEOs during the most recently completed fiscal year as disclosed below.

Summary Compensation Table

The following table sets forth the annual and long-term compensation provided for the individuals serving as the Corporation's CEO and CFO during the year, and the next three most highly compensated executive officers (each a NEO) for the 2019 fiscal year. For a listing of amounts actually realized on vesting of share-based awards and on exercise of option-based awards during 2019, please see the section entitled "Incentive Plan Awards".

Name and Principal Position	Year	Salary (\$)	Share-Based Awards ⁽¹⁾ (\$)	Option-Based Awards ⁽²⁾ (\$)	Non-equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation ⁽⁵⁾ (\$)	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾	Long-term Incentive Plans ⁽⁴⁾			
Rod Graham President and CEO	2019	600,000	314,512	293,939	---	---	---	8,340	1,216,791
	2018	600,000	245,659	300,000	132,000	---	---	8,152	1,285,812
	2017	400,000	367,500	313,517	---	---	---	7,954	1,088,971
Scott Matson Sr. Vice President and CFO	2019	280,000	58,709	54,869	---	---	---	23,876	417,455
	2018	280,000	158,234	149,000	39,950	---	---	24,152	651,336
	2017	280,000	73,500	104,506	5,000	---	---	22,954	485,960
Mark Becker ⁽⁶⁾ President Industrial Services	2019	350,000	102,216	95,529	---	---	---	13,749	561,495
	2018	99,615	195,487	122,000	23,942	---	---	3,270	444,314
Joseph Kiss President Modular Solutions	2019	275,000	62,902	58,788	---	---	---	14,784	411,474
	2018	262,692	98,896	74,500	49,140	---	---	15,061	500,289
	2017	255,000	36,750	56,433	5,000	---	---	8,738	361,921
Warren Murray ⁽⁷⁾ Executive Vice President Strategic Partnerships	2019	280,000	32,225	32,922	---	---	---	15,214	363,362
	2018	280,000	59,338	44,700	14,280	---	---	14,794	413,112
	2017	280,000	44,100	62,703	5,000	---	---	9,344	401,147

Notes:

- RSUs are granted from time to time in accordance with the Corporation's RSU Plan. The fair market value for the RSU grant to the NEOs in 2019 is based on \$1.94, in 2018 is based on \$2.98 (and \$1.97 for Mr. Graham and \$2.44 for Mr. Becker), in 2017 is based on \$1.47, which was the closing price of the Common Shares on the TSX on the date of the respective RSU grants. RSUs vest equally over three years, the actual value realized upon the future vesting and payment of such awards may be greater or less than the grant date fair value indicated.
- The value to the recipient of any Option grant is Nil on the grant date as the exercise price of the Option is equal or greater than the market value of the underlying Common Share. The value, if any, ultimately received by an Option holder as compensation is equal to the difference between the fair value of the underlying Common Share on the date the Option is exercised and the exercise price of the Option. This amount is also equal to the value forgone by the Corporation when it issues a Common Share on exercise of an Option at a price that is less than the prevailing market price.
The fair value of the Options granted annually is obtained by multiplying the number of Options granted by their value established according to the Black Scholes model. In 2019, this value was determined using the following assumptions: dividend yields of 4.0% to 7.9%; expected average volatilities of 43.19% to 57.36%; average risk-free rates of interest of 1.33% to 1.68%; average forfeiture rate of 8.35% to 9.21%; and average expected life of option of three years. In 2018, this value was determined using the following assumptions: dividend yields of 2.7% to 5.2%; expected average volatilities of 40.40% to 61.11%; average risk-free rates of interest of 1.72% to 2.39%; average forfeiture rate of 8.83% to 9.35%; and average expected life of option of three years. In 2017, this value was determined using the following assumptions: dividend yields of 4.0% to 14.0%; expected average volatilities of 46.39% to 64.69%; average risk-free rates of interest of 0.50% to 0.81%; average forfeiture rate of 7.41% to 8.51%; and average expected life of option of three years. The fair value of option grants have been determined using the same methodology and values used in determining the option value for our financial statements as we believe it represents the best estimate of fair value of the options at the time of the grant.
- See "Annual Performance Bonus".
- Refers to all non-equity incentive plan compensation related to a period longer than one year. No non-equity long-term incentives were earned by NEOs during the 2017, 2018 or 2019 financial years.
- Unless otherwise noted, the value of perquisites and benefits for each NEO is less than \$50,000 and less than 10% of each NEO's total salary for the financial year ended December 31, 2019.
- Mr. Becker joined Horizon North on August 22, 2018, with an annual salary of \$350,000.
- Mr. Murray ceased his role as Executive Vice President Strategic Partnerships effective March 31, 2020.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all option-based and share-based awards outstanding at December 31, 2019 made to the Named Executive Officers:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options ⁽¹⁾ (#)	Option Exercise Price ⁽²⁾ (\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽³⁾ (\$)	Number of shares or units of shares that have not vested (#) ⁽⁴⁾	Market or payout value of share-based awards that have not vested (\$) ⁽⁵⁾	Market or payout value of vested share-based awards not paid out or distributed (\$)
Rod Graham	400,000	2.30	February 26, 2020	Nil	---	---	---
	100,000	1.16	February 28, 2021	7,000	33,334	60,001	---
	750,000	1.47	May 14, 2022	Nil	83,334	102,501	---
	474,707	1.88	March 14, 2023	Nil	76,142	93,655	---
	725,806	1.90	May 31, 2024	Nil	151,515	186,364	---
Scott Matson	150,000	2.30	February 26, 2020	Nil	---	---	---
	250,000	1.47	May 14, 2022	Nil	16,667	20,500	---
	200,000	2.82	May 31, 2023	Nil	33,334	41,000	---
	135,484	1.90	May 31, 2024	Nil	28,283	34,789	---
Mark Becker	300,000	2.50	September 3, 2023	Nil	33,334	41,001	---
	235,887	1.90	May 31, 2024	Nil	49,242	60,568	---
Joseph Kiss	150,000	1.82	December 4, 2021	Nil	---	---	---
	90,000	1.47	May 14, 2022	Nil	8,334	10,251	---
	125,000	2.82	May 31, 2023	Nil	16,667	20,500	---
	145,161	1.90	May 31, 2024	Nil	30,303	37,273	---
Warren Murray	150,000	2.30	February 26, 2020	Nil	---	---	---
	125,000	1.16	February 28, 2021	8,750	---	---	---
	150,000	1.47	May 14, 2022	Nil	10,000	12,30	---
	75,000	2.82	May 31, 2023	Nil	10,000	12,300	---
	81,290	1.90	May 31, 2024	Nil	16,970	20,873	---

Notes:

- (1) Options to purchase Common Shares.
- (2) Based on the market price defined in the Option Plan which is the closing share price on the TSX of the Common Shares on the trading day prior to the date of grant.
- (3) Based on the December 31, 2019 closing share price on the TSX of \$1.23 per Common Share.
- (4) RSUs.
- (5) Market or payout value calculated by multiplying the number of RSUs held at December 31, 2019 by the closing share price on the TSX of \$1.23 per Common Share. In connection with the Transaction, all Options and RSUs outstanding prior to May 29, 2020 were accelerated for vesting immediately prior thereto. The pre-Transaction Options (all of which were out-of-the-money), were surrendered for cancellation in exchange pursuant to Option Cancellation Agreements between the holder thereof and the Corporation, for a nominal payment to such holders of \$0.01 per Option and the pre-Transaction RSUs, were vested and paid out in exchange for a payment of \$[●] per RSU (the closing price of the Common Shares on the TSX on May 28, 2020, the day before completion of the Transaction).

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during the Horizon North's financial year ended December 31, 2019 in respect of option-based awards and share-based awards for NEOs.

Name	Option-Based Awards – Value Vested During the Year (\$)⁽¹⁾	Share-Based Awards – Value Vested During the Year (\$)⁽²⁾	Non-equity Incentive Plan Compensation – Value Earned During the Year (\$)
Rod Graham	314,500	399,670	Nil
Scott Matson	64,166	92,167	Nil
Mark Becker	Nil	Nil	Nil
Joseph Kiss	40,950	42,199	Nil
Warren Murray	74,750	56,250	Nil

Notes:

- (1) Represents the aggregate dollar value that would have been realized if the vested-in-the-money Options under the option-based award had been exercised on the vesting date in 2019 based on the difference between the closing market price of the TSX of the Common Shares on the vesting date and the exercise price of the Options held.
- (2) Represents the aggregated dollar value paid on RSUs that vested in 2019.

Minimum Share Ownership for Executives Policy

The Board believes that the economic interests of the Co- CEOs, CFO, President(s) and Executive Vice President(s) of Horizon North (“**Executive Employees**”) should be aligned with those of Shareholders. To achieve this, on June 1, 2020, the Board approved minimum executive share ownership guidelines for the Executive Employees such that, beginning the later of: a) June 1, 2025; and b) five years from the date of their appointment as an Executive Employee, each Executive Employee is required to own stock in the Corporation as set forth below:

Title	Share Ownership Required
Co-Chief Executive Officer	1.5 times base salary
Chief Financial Officer	.75 times base salary
President	.75 times base salary

The current share ownership of the Executive Employees is as set forth below:

Name	Date Of Appointment	Common Shares Beneficially Owned June 5, 2020	Total Market Value of Common Shares Owned⁽¹⁾ (\$)	Minimum Shareholding Requirements (\$)	Date to Meet Minimum Shareholding Requirements	Meets Requirements⁽²⁾
Rod Graham Co-CEO	May 29, 2020	766,094	536,266	900,000	June 1, 2025	---
John MacCuish Co-CEO	May 29, 2020	Nil	Nil	900,000	June 1, 2025	---
Scott Matson CFO	June 1, 2020	4,200	2,940	210,000	June 1, 2025	---
Mark Becker President, Industrial Services	June 1, 2020	319,300	223,510	262,500	June 1, 2025	---

Notes:

- (1) Based on June 5, 2020 closing share price on the TSX of \$0.70 per Common Share.
- (2) The minimum share ownership requirement is met if the requisite value of the Common Shares to be owned by the Executive Employee is reached during the applicable period notwithstanding that the value of such Common Shares owned may subsequently fall below the minimum share ownership requirements due to a decrease in the market price of the Common Shares during the applicable period.

Termination and Change of Control Benefits

Prior to the Transaction, the Corporation had executive employment agreements or arrangements with Messrs. Rod Graham, Scott Matson and Mark Becker. Under the terms of those executive employment agreements, the Transaction did not result in or trigger a “change of control” as defined therein. Concurrent with closing of the

Transaction, the Corporation has entered into executive employment agreements with each of the Co-CEOs, Rod Graham and John MacCuish, Scott Matson, Senior Vice President and CFO, and Mark Becker, President Industrial Services, the terms of which continue until terminated in accordance with the provisions of the agreements. The executive employment agreements for Messrs. Graham, MacCuish and Becker came into effect upon closing of the Transaction on May 29, 2020, while Mr. Matson's executive employment agreement is unchanged from prior to the Transaction. Each of the executive employment agreements include non-competition and non-solicit restrictions for a period of twelve (12) months following termination, whether or not for cause. The current termination and change of control provisions in each agreement are as follows:

Co-CEO	Mr. Matson and Mr. Becker
<i>Termination by Resignation</i> – The Co-CEO shall provide the Corporation with 90 days' notice of resignation and all salary and benefit programs cease at the end of the notice period.	<i>Termination by Resignation</i> – The officer shall provide the Corporation with 90 days' notice of resignation and all salary and benefit programs cease at the end of the notice period.
<i>Termination Without Cause</i> – if the Co-CEO's employment is terminated without cause, the Corporation will make a lump sum payment to the Co-CEO equal to the sum of his then current annual salary plus an amount equal to the average of the bonuses paid to the Corporation's Co-CEO for the previous two complete fiscal years plus an amount equal to 10% of his then current annual salary in lieu of lost benefits. Such a payment due to termination without cause, as calculated at December 31, 2019, would amount to \$726,000 in the case of Rod Graham and \$660,000 in the case of John MacCuish.	<i>Termination Without Cause</i> – if the officer's employment is terminated without cause, the Corporation will make a lump sum payment to the officer equal to the sum of his then current annual salary plus an amount equal to the average of the bonuses paid to such officer for the previous two complete fiscal years plus an amount equal to 10% of his then current annual salary in lieu of lost benefits. Such a payment due to termination without cause, as calculated at December 31, 2019, would amount to \$327,975 for Mr. Matson and \$396,971 for Mr. Becker.
<i>Termination due to Death</i> – The Co-CEO's employment with the Corporation shall be deemed to have terminated upon his death. In this event, the Corporation would make a payment to his spouse equal to the remuneration earned, but not yet paid, up to the date of his death.	<i>Termination due to Death</i> – The officer's employment with the Corporation shall be deemed to have terminated upon his death. In this event, the Corporation would make a payment to his spouse equal to the remuneration earned, but not yet paid, up to the date of his death.
<i>Termination upon Permanent Disability</i> – In the event that the Co-CEO should suffer a permanent disability, his employment with the Corporation may be terminated upon providing him 60 days notice.	<i>Termination upon Permanent Disability</i> – In the event that the officer should suffer a permanent disability, his employment with the Corporation may be terminated upon providing him 60 days notice.
<i>Termination for Just Cause</i> – the Corporation may terminate the Co-CEO's employment without notice for reasons of just cause. In this event, the Corporation would make a payment to the Co-CEO equal to the remuneration earned, but not paid, up to the date of the termination of employment.	<i>Termination for Just Cause</i> – the Corporation may terminate the officer's employment without notice for reasons of just cause. In this event, the Corporation would make a payment to Mr. Matson equal to the remuneration earned, but not paid, up to the date of the termination of employment.
<i>Termination due to Change of Control</i> – the Co-CEO has the right, for a period of 90 days following any event causing a change of control, to elect to terminate his employment with the Corporation. In such an event, the Co-CEO is entitled to receive a lump sum payment equal to the sum of his then current annual salary plus an amount equal to the average of the bonuses paid to the Corporation's Co-CEO for the previous two complete fiscal years plus an amount equal to 10% of his then current annual salary in lieu of lost benefits. Such a payment due to termination without cause, as calculated at December 31, 2019, would amount to \$726,000 in the case of Rod Graham and \$660,000 in the case of John MacCuish.	<i>Termination due to Change of Control</i> – The officer has the right, for a period of 90 days following any event causing a change of control, to elect to terminate his employment with the Corporation. In such an event, the officer is entitled to receive a lump sum payment equal to the sum of his then current annual salary plus an amount equal to the average of the bonuses paid to the officer the previous two complete fiscal years plus an amount equal to 10% of his then current annual salary in lieu of lost benefits. Such a payment due to Change of Control, as calculated at December 31, 2019, would amount to \$327,975 in the case of Mr. Matson and \$396,971 in the case of Mr. Becker.

COMPENSATION OF DIRECTORS

Director compensation is intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of their roles.

For the period January 1 to March 31, 2020, Effective January 1, 2017, the annual retainers for each director of Horizon North who was not an employee of Horizon North was set at \$25,000 per year, with the independent

Chair of the Board to receive an additional annual retainer of \$10,000. The Chair of the Audit Committee received an additional annual retainer of \$7,500 and the Chair of each of the Health, Safety and Environment Committee ("HS&E") and the Corporate Governance and Compensation Committee received an additional annual retainer of \$5,000. In addition, the non-management directors of Horizon North received a meeting fee of \$2,100 per meeting for attendance at meetings of the Board or committees, whether in person or by telephone. A travel allowance of \$1,000 per day, with a two day maximum, to attend board or committee meetings in person is available if required. Miscellaneous out-of-pocket expenses incurred by the directors in carrying out their duties are reimbursed by Horizon North. In 2019, each non-management director received a grant of 20,000 cash based RSUs with the independent Chair of the Board receiving an additional grant of 5,000 cash based RSUs. In 2019, each non-management director received a grant of 20,000 Options, with the independent Chair of the Board receiving an additional grant of 5,000 Options. Effective April 1, 2020 the meeting fees and annual retainers paid to non-management members of the Board of Directors of the Corporation were reduced by 25%. Effective June 1, 2020 the annual retainers for each director of Horizon North who was not an employee of Horizon North was set at \$75,000, with the independent Chair of the Board to receive a retainer of \$150,000, to be inclusive of meeting fees, whether in attendance in person or by telephone. The Chair of the Audit Committee received an additional annual retainer of \$12,000 and the Chair of each of the Enterprise Risk Management Committee and the Corporate Governance and Compensation Committee received an additional annual retainer of \$6,000. A travel allowance of \$1,000 per day, with a two day maximum, to attend board or committee meetings in person is available if required. Miscellaneous out-of-pocket expenses incurred by the directors in carrying out their duties are reimbursed by Horizon North. On June 1, 2020, each non-management director received a grant of 125,000 Options, with the independent Chair of the Board receiving a grant of 250,000 Options.

Director Compensation Table

The following table sets forth particulars concerning all amounts of compensation provided to individual directors for the year ended December 31, 2019. For the period ended December 31, 2019, Mr. Graham was the President and Chief Executive Officer of Horizon North and did not receive compensation for serving as a director of the Corporation. For a listing of amounts actually realized on vesting of share-based awards and on exercise of option-based awards during 2019, please see the section entitled "Incentive Plan Awards".

Name ⁽¹⁾	Fees Earned (\$) ⁽²⁾	Share-Based Awards (\$) ⁽³⁾	Option-Based Awards (\$) ⁽⁴⁾	Non-equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Richard T. Ballantyne	67,000	38,000	15,824	---	---	---	120,824
Bradley P.D. Fedora	62,800	38,000	15,824	---	---	---	116,624
Mary Garden	74,000	38,000	15,824	---	---	---	127,824
Kevin D. Nabholz	77,000	47,500	19,779	---	---	---	144,279
Russell Newmark	69,999	38,000	15,824	---	---	---	123,823
Ann I. Rooney	72,400	38,000	15,824	---	---	---	126,224
Dale E. Tremblay	67,000	38,000	15,824	---	---	---	120,824

Notes:

- (1) Messrs. Ballantyne, Fedora, Tremblay and Ms. Rooney are not standing for re-election at the July 10, 2020 Annual and Special Meeting of Shareholders.
- (2) Includes retainers, which are inclusive of meeting fees, and travel allowance, if requested.
- (3) RSUs are granted from time to time in accordance with the Corporation's RSU Plan. The fair market value for the RSU grant to the non-management directors in 2019 is based on \$1.90, which was the closing price of the Common Shares on the TSX on the date of the RSU grant. RSUs vest equally over three years, the actual value realized upon the future vesting and payment of such awards may be greater or less than the grant date fair value indicated.
- (4) The value to the recipient of any Option grant is Nil on the grant date as the exercise price of the Option is equal to or greater than the market value of the underlying Common Share. The value, if any, ultimately received by an Option holder as compensation is equal to the difference between the fair value of the underlying Common Share on the date the Option is exercised and the exercise price of the Option. This amount is also equal to the value forgone by the Corporation when it issues a Common Share on exercise of an Option at a price that is less than the prevailing market price.

The fair value of the Options granted annually is obtained by multiplying the number of Options granted by their value established according to the Black Scholes model. In 2019, this value was determined using the following assumptions: dividend yields of 4.0% to 7.9%; expected average volatilities of 43.19% to 57.36%; average risk-free rates of interest of 1.33% to 1.68%; average forfeiture rate of 8.35% to 9.21%; and average expected life of option of three years. In 2018, this value was determined using the following assumptions: dividend yields of 2.7% to 5.2%; expected average volatilities of 40.40% to 61.11%; average risk-free rates of interest of 1.72% to 2.39%; average forfeiture rate of 8.83% to 9.35%; and average expected life of option of three years. In 2017, this value was determined using the following assumptions: dividend yields of 4.0% to 14.0%; expected average volatilities of 46.39% to 64.69%; average risk-free rates of

interest of 0.50% to 0.81%; average forfeiture rate of 7.41% to 8.51%; and average expected life of option of three years. The fair value of option grants have been determined using the same methodology and values used in determining the option value for our financial statements as we believe it represents the best estimate of fair value of the options at the time of the grant.

Summary of Board Meeting Attendance January 1 to December 31, 2019

The table below does not reflect attendance by directors at meetings of committees of which they are not members. Directors are encouraged to, and do, attend various committee meetings, even though they were not members of such committee.

Director ⁽¹⁾	Board Meetings Attended ⁽²⁾	Board Meeting Fees \$	Committee Meetings Attended ⁽²⁾	Committee Meeting Fees \$	Travel Allowance \$	Committee and/or Board Retainer \$	Total Fees Paid \$
Richard T. Ballantyne	12 of 12	25,200	4 of 4 Audit	8,400	---	25,000	67,000
	---	---	4 of 4 HS&E	8,400	---	---	---
Bradley P.D. Fedora	10 of 12	21,000	4 of 4 Governance/Comp	8,400	---	25,000	62,800
	---	---	4 of 4 HS&E	8,400	---	---	---
Mary Garden	12 of 12	25,200	4 of 4 Audit	8,400	2,000	30,000	74,000
	---	---	4 of 4 Governance/Comp	8,400	---	---	---
Rod W. Graham ⁽³⁾	12 of 12	Nil	---	---	---	Nil	Nil
Kevin D. Nabholz	12 of 12	25,200	4 of 4 Audit	8,400	---	35,000	77,000
	---	---	4 of 4 Governance/Comp	8,400	---	---	---
Russell A. Newmark	11 of 12	23,199	4 of 4 Governance/Comp	8,400	---	30,000	69,999
	---	---	4 of 4 HS&E	8,400	---	---	---
Ann I. Rooney	11 of 12	23,100	4 of 4 Audit	8,400	---	32,500	72,400
	---	---	4 of 4 HS&E	8,400	---	---	---
Dale E. Tremblay	12 of 12	25,200	4 of 4 Governance/Comp	8,400	---	25,000	67,000
	---	---	4 of 4 HS&E	8,400	---	---	---
Total		168,099		117,600	2,000	202,500	490,199

Notes:

- (1) Messrs. Ballantyne, Fedora, Tremblay and Ms. Rooney are not standing for re-election at the July 10, 2020 Annual and Special Meeting of Shareholders.
- (2) Attendance in person or by telephone.
- (3) For the period ended December 31, 2019, Mr. Graham was the CEO of Horizon North and did not receive compensation for serving as a director.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards outstanding at December 31, 2019 made to the non-management directors. Information on options granted to Mr. Graham who serves as a director and officer of the Corporation can be found under the heading “Outstanding Share-Based Awards and Option-Based Awards” for the NEOs:

Name ⁽¹⁾	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options ⁽²⁾ (#)	Option Exercise Price ⁽³⁾ (\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽⁴⁾ (\$)	Number of shares or units of shares that have not vested ⁽⁵⁾ (#)	Market or payout value of share-based awards that have not vested ⁽⁶⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Richard T. Ballantyne	15,500	3.35	April 30, 2020	Nil	---	---	---
	30,000	1.16	February 28, 2021	2,100	---	---	---
	30,000	1.47	May 14, 2022	Nil	10,000	12,300	---
	20,000	2.82	May 31, 2023	Nil	13,334	16,401	---
	20,000	1.95	June 5, 2024	Nil	20,000	24,600	---
Bradley P.D. Fedora	15,500	3.35	April 30, 2020	Nil	---	---	---
	30,000	1.16	February 28, 2021	2,100	---	---	---
	30,000	1.47	May 14, 2022	Nil	10,000	12,300	---
	20,000	2.82	May 31, 2023	Nil	13,334	16,401	---
	20,000	1.95	June 5, 2024	Nil	20,000	24,600	---
Mary Garden	30,000	1.75	May 5, 2021	Nil	---	---	---
	30,000	1.47	May 14, 2022	Nil	10,000	12,300	---
	20,000	2.82	May 31, 2023	Nil	13,334	16,401	---
	20,000	1.95	June 5, 2024	Nil	20,000	24,600	---
Kevin D. Nabholz	15,500	3.35	April 30, 2020	Nil	---	---	---
	30,000	1.16	February 28, 2021	2,100	---	---	---
	40,000	1.47	May 15, 2022	Nil	13,334	16,401	---
	25,000	2.82	May 31, 2023	Nil	16,667	20,500	---
	25,000	1.95	June 5, 2024	Nil	25,000	30,750	---
Russell A. Newmark	15,500	3.35	April 30, 2020	Nil	---	---	---
	30,000	1.16	February 28, 2021	2,100	---	---	---
	30,000	1.47	May 15, 2022	Nil	10,000	12,300	---
	20,000	2.82	May 31, 2023	Nil	13,334	16,401	---
	20,000	1.95	June 5, 2024	Nil	20,000	24,600	---
Ann I. Rooney	15,500	3.35	April 30, 2020	Nil	---	---	---
	30,000	1.16	February 28, 2021	2,100	---	---	---
	30,000	1.47	May 14, 2022	Nil	10,000	12,300	---
	20,000	2.82	May 31, 2023	Nil	13,334	16,401	---
	20,000	1.95	June 5, 2024	Nil	20,000	24,600	---
Dale E. Tremblay	15,500	3.35	April 30, 2020	Nil	---	---	---
	30,000	1.16	February 28, 2021	2,100	---	---	---
	30,000	1.47	May 14, 2022	Nil	10,000	12,300	---
	20,000	2.82	May 31, 2023	Nil	13,334	16,401	---
	20,000	1.95	June 5, 2024	Nil	20,000	24,600	---

Notes:

- (1) Messrs. Ballantyne, Fedora, Tremblay and Ms. Rooney are not standing for re-election at the July 10, 2020 Annual and Special Meeting of Shareholders.
- (2) Options to purchase Common Shares.
- (3) Based on the market price defined in the Option Plan which is the closing price on the TSX of the Common Shares on the trading day prior to the date of grant.
- (4) Based on the December 31, 2019 closing share price on the TSX of \$1.23 per Common Share.

- (5) RSUs.
- (6) Market or payout value calculated by multiplying the number of RSUs held at December 31, 2019 by the closing share price on the TSX of \$1.23 per Common Share. In connection with the Transaction, all Options and RSUs outstanding prior to May 29, 2020 were accelerated for vesting immediately prior thereto. The pre-Transaction Options (all of which were out-of-the-money), were surrendered for cancellation in exchange pursuant to Option Cancellation Agreements between the holder thereof and the Corporation, for a nominal payment to such holders of \$0.01 per Option and the pre-Transaction RSUs, were vested and paid out in exchange for a payment of \$[●] per RSU (the closing price of the Common Shares on the TSX on May 28, 2020, the day before completion of the Transaction).

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during Horizon North's financial year ended December 31, 2019 in respect of option-based awards for non-management directors if the Options under the option-based award had been exercised on the vesting date.

Name ⁽¹⁾	Option-Based Awards – Value Vested During the Year (\$) ⁽²⁾	Share-Based Awards – Value Vested During the Year (\$) ⁽³⁾	Non-equity Incentive Plan Compensation – Value Earned During the Year (\$)
Richard T. Ballantyne	16,400	54,665	---
Bradley P.D. Fedora	16,400	54,665	---
Mary Garden	14,000	54,665	---
Kevin D. Nabholz	18,966	65,499	---
Russell A. Newmark	16,400	54,665	---
Ann I. Rooney	16,400	54,665	---
Dale E. Tremblay	16,400	54,665	---

Notes:

- (1) Messrs. Ballantyne, Fedora, Tremblay and Ms. Rooney are not standing for re-election at the July 10, 2020 Annual and Special Meeting of Shareholders.
- (2) Represents the aggregate dollar value that would have been realized if the vested-in-the-money Options under the option-based award had been exercised on the vesting date in 2019 based on the difference between the closing market price of the TSX of the Common Shares on the vesting date and the exercise price of the Options held.
- (3) Represents the aggregated dollar value paid on RSUs that vested in 2019.

Minimum Share Ownership for Non-Management Directors

The Board believes that the economic interests of non-management directors of the Corporation should be aligned with those of Shareholders. On June 1, 2020, the board approved minimum share ownership guidelines for the non-management directors be set so that each non-management director be required to own shares in the Corporation equivalent to three times the base annual retainer paid to such director within a three year period from the date that such director was elected or appointed. For clarity, effective June 1, 2020, the base annual retainer for non-management directors, other than the independent Chair of the Board was set at \$75,000, therefore the current non-management directors will have until June 1, 2023 to own shares in the Corporation with a value of \$225,000 of market value or cost of purchase to meet the minimum shareholding requirement. The base annual retainer for the independent Chair of the Board was set at \$150,000, therefore the therefore the current independent Chair of the Board will have until June 1, 2023 to own shares in the Corporation with a value of \$450,000 of market value or cost of purchase to meet the minimum shareholding requirement.

Name	Date Elected or Appointed to the Board	Common Shares Beneficially Owned at June 5, 2020	Total Market Value of Common Shares Owned ⁽¹⁾ (\$)	Minimum Shareholding Requirements (\$)	Meets Requirements ⁽²⁾
Mary Garden	May 5, 2016	189,500	132,650	225,000	---
David Johnston	May 29, 2020	Nil	Nil	225,000	---
Simon Landy	May 29, 2020	50,000	35,000	225,000	---
R. William McFarland	May 29, 2020	460,000	322,000	450,000	---
Kevin D. Nabholz	May 3, 2012	1,482,000	1,037,400	225,000	Yes
Russell A. Newmark	June 1, 2006	1,207,853	845,497	225,000	Yes

Notes:

- (1) Based on June 5, 2020 closing share price on the TSX of \$0.70 per Common Share.
- (2) The minimum share ownership requirement is met if the requisite value of the Common Shares to be owned by the non-management director is reached before or during the applicable period notwithstanding that the value of such Common Shares owned may subsequently fall below the minimum share ownership requirements due to a decrease in the market price of the Common Shares during the applicable period..

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information as of December 31, 2019

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	9,701,273	\$1.94	6,840,417
Equity compensation plans not approved by security holders	---	---	---
Total	9,701,273	\$1.94	6,840,417

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, no director or executive officer of Horizon North was indebted to Horizon North or its subsidiaries. Further, at no time since the beginning of the financial year ended December 31, 2019 did any director or executive officer, or any associate of any such director or executive officer of Horizon North, owe any indebtedness to Horizon North or owe any indebtedness to any other entity which is, or at any time has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Horizon North or any of its subsidiaries.

MANAGEMENT CONTRACTS

Horizon North has no management contracts or other arrangements in place where management functions are performed by a person other than the directors or officers of Horizon North.

CORPORATE GOVERNANCE

National Policy 58-201-*Corporate Governance Guidelines* ("NP 58-201") establish corporate governance guidelines which apply to all reporting issuers. Corporate Governance is the process and structure used to direct and manage the business and affairs of the Corporation to achieve the Shareholders' objectives. The Shareholders elect the directors who in turn are responsible for overseeing all aspects of the operations of the Corporation, appointing management and ensuring that the business is managed properly taking into account the interests of the Shareholders and other stakeholders such as employees, customers, suppliers, and the community at large. The Corporation is required to disclose certain specified corporate governance information with reference to NP 58-201 and National Instrument 58-101-*Disclosure of Corporate Governance Practices* ("NI 58-101"), addressing such items as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness of education of boards. The Board, through the Corporate Governance and Compensation Committee monitors changes with respect to corporate governance practices and regulatory requirements. The report which discloses the corporate governance practices of the Corporation as required by NI 58-101 is set out in Schedule "A" hereto.

Risk Oversight

The Board, shared by each of its Committees, has the responsibility to take reasonable steps to ensure that management identifies, understands and evaluates the principal risks of and to the Corporation's business; implements appropriate systems to manage these risks; and achieves a proper balance between risk and reward. A comprehensive list of material risks applicable to Horizon North are provided in the 2019 Annual Information Form and Management's Discussion and Analysis for the year ended December 31, 2019 which are available on the Corporation's website at www.horizonnorth.ca or on SEDAR at www.sedar.com.

Mandate of the Board

The Board has adopted a formal mandate, a copy of which is attached as Schedule “B” to this Information Circular and is available online at www.horizonnorth.ca.

Board Composition

The Board is currently composed of eight (8) members. The Board has established three committees, the Audit Committee, the Corporate Governance and Compensation Committee and the Enterprise Risk Committee (formerly the Health, Safety, Quality and Environment Committee). All members of the committees of the Board are independent of the Corporation. “Independent” refers to the standards of independence set forth within section 1.4 of NI 52-110.

Audit Committee

The current members of the Audit Committee are Mary Garden (Chair), Simon Landy, R. William McFarland and Russell Newmark. The Audit Committee is a standing committee appointed by the Board to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting by Horizon North. Each member of the Audit Committee is independent as defined under section 1.4 of NI 52-110 and none received directly or indirectly, any compensation from Horizon North other than for services as a member of the Board and its committees. All members of the Audit Committee are financially literate as defined under NI 52-110. Further information regarding Horizon North’s Audit Committee is contained under the heading “Audit Committee” in Horizon North’s Annual Information Form dated March 11, 2020.

Corporate Governance and Compensation Committee

The directors who are currently members of the Corporate Governance and Compensation Committee are Kevin D. Nabholz (Chair), Mary Garden, David Johnston, and R. William McFarland, each of whom are independent as defined within section 1.4 of NI 52-110. The Corporate Governance and Compensation Committee has the general responsibility for developing and monitoring Horizon North’s approach to corporate governance matters and is responsible for recommending to the Board its size, composition and membership, succession planning for directors and Board committee structure. In addition, the composition of the Board and certain governance matters in respect of the Corporation, are subject to the terms of the Investor Rights Agreement for so long as it is in force and effect. Under the terms of the Investor Rights Agreement, Dexterra Parent will have certain rights, including the right to nominate directors to the Board, based on its associated ownership of Common Shares. For so long as Dexterra Parent (or its affiliates) own, control or direct, directly or indirectly, at least 10% of the outstanding Common Shares (on a non-diluted basis), the Board will consist of eight directors or such other number as the Corporation and Dexterra Parent may agree. Particulars of the nomination rights of Dexterra Parent are set out in the Investor Rights Agreement, which is available on the Corporation’s SEDAR profile at www.sedar.com. The Corporate Governance and Compensation Committee are also responsible for reviewing and approving the co-CEO’s annual compensation and reviewing senior officers’ compensation.

Enterprise Risk Management Committee (formerly the Health, Safety, Quality and Environment Committee)

The directors who are currently members of the Enterprise Risk Management Committee are David Johnston (Chair), Simon Landy, Kevin Nabholz and Russell Newmark. All members of the Enterprise Risk Management Committee are independent as defined within section 1.4 of NI 52-110. The Enterprise Risk Management Committee assists the Board in its oversight of the health, safety, quality and environmental issues, including the evaluation of Horizon North’s programs, controls and reporting systems, and compliance with applicable laws, rules and regulations and enterprise risk management.

Communicating with the Board

Shareholders may write to the Board or any member or members of the Board in care of the Corporate Secretary at the registered office of the Corporation, at the following address:

Horizon North Logistics Inc.
5915 Airport Rd., Suite 425, Mississauga, ON L4V 1T1

Letters addressed to the Board, or any individual independent director, are reviewed as a group to determine if a response from the Board is appropriate. While the Board oversees management, it does not participate in the day-to-day functions and operations of Horizon North and is not normally in the best position to respond to inquiries on those matters. Inquiries on operations or day-to-day management of Horizon North will be directed to the appropriate personnel within Horizon North for a response. The Board has instructed the Corporate Secretary to review all correspondence and, in her discretion, not to forward any items if they:

- are not relevant to Horizon North's operations, policies and philosophies;
- are commercial in nature; or
- are not appropriate for consideration by the Board.

All inquiries will receive a written response from either the Board or management, as appropriate. The Corporate Secretary maintains a log of all correspondence addressed to members of the Board. Directors may review the log at any time and request copies of any correspondence received.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any informed person (as defined in NI 51-102) of the Corporation, director or executive officer, proposed nominee for election as a director or any associate or affiliate of any of the foregoing in any transaction that took place since the beginning of the most recently completed financial year in any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors.

NORMAL COURSE ISSUER BID

On December 20, 2018, Horizon North implemented a normal course issuer bid ("**NCIB**") through the facilities of the TSX, following acceptance of the Corporation's notice (the "**Notice**") to the TSX to conduct the NCIB. The Corporation was permitted to acquire up to 16,185,634 Common Shares under the NCIB ("**Bid Shares**") which expired on December 19, 2019. No Bid Shares were purchased pursuant to the NCIB.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for the most recently completed fiscal period ended December 31, 2019, contained in the Corporation's Annual Report for the year ended December 31, 2019. The Corporation will provide to any person upon request, the Corporation's audited consolidated financial statements and related management's discussion and analysis contained in the Annual Report for the financial year ended December 31, 2019, together with the report of the auditors thereon, and one copy of the Corporation's interim consolidated financial statements subsequent to such audited consolidated financial statements and a copy of this Information Circular. These documents can be obtained free of charge by contacting the Corporate Secretary of the Corporation at 5915 Airport Rd., Suite 425, Mississauga, ON L4V 1T1, or by accessing the Corporation's website at www.horizonnorth.ca or on SEDAR at www.sedar.com.

DIRECTORS APPROVAL

The contents and the sending of this Information Circular have been approved by the directors of Horizon North.

June 5, 2020

"signed" Jan M. Campbell

Jan M. Campbell
Corporate Secretary

SCHEDULE "A"
HORIZON NORTH LOGISTICS INC.
CORPORATE GOVERNANCE PRACTICES

The Corporation believes that effective corporate governance practices are fundamental to the overall success of a company. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") and the associated National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") requires issuers to disclose their corporate governance practices. In addition, the Corporation complies with section 1.4 of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Under the Amended and Restated By-Laws, in the event of an equality of votes on any matter to be decided by the Board, the Chair of the Board has a second or casting vote.

Corporate Governance Disclosure Requirement NI 58-101	Comments
1. Board of Directors (a) Disclose the identity of directors who are independent.	The Corporate Governance and Compensation Committee have reviewed the independence of each current and proposed director of the Corporation on the basis of the definition within section 1.4 of NI 52-110. A director is "independent" if he or she has no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment subject to certain circumstances where such material relationship is deemed by such definition. The Corporate Governance and Compensation Committee has determined, after reviewing such definition and the roles and relationships of each of the directors, six of the eight nominees proposed by management for election to the Board are independent in accordance with above definition. The present and proposed directors who are independent are: <div style="text-align: center;"> Mary Garden David Johnston Simon Landy R. William McFarland Kevin D. Nabholz Russell A. Newmark </div>
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	The Corporate Governance and Compensation Committee has determined, after reviewing the above definition of "independent" and the roles and relationships of each of the directors that two of the eight existing directors and nominees proposed by management for election to the Board are not independent from the Corporation. The present and proposed directors who are not independent are: <div style="text-align: center;"> John MacCuish Rod W. Graham </div> Mr. Graham and Mr. MacCuish are not considered "independent" because they are Co-CEOs of Horizon North.
(c) Disclose whether or not a majority of the directors are independent.	A majority of the current and proposed directors for election to the Board of Directors are independent.
(d) If a director is presently a director of any other issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Mr. McFarland is a director of Fairfax Financial Holdings Limited, which controls, indirectly, approximately 49% of the Common Shares of the Corporation.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held during the preceding 12 months. If the independent directors do not hold such meetings, describe	The independent directors hold meetings at the end of each regularly scheduled directors' meeting without the presence of management or the non-independent directors. There were 12 meetings of the Board during the period January 1 to December 31, 2019. A quorum for meetings of the Board consists of a majority of the directors or such greater number of directors as the Board may from time to time determine. The independent directors held an in-camera session without management present at 12 of the 12 meetings.

Corporate Governance Disclosure Requirement NI 58-101	Comments
what the Board does to facilitate open and candid discussion among its independent directors.	
(f) Disclose whether or not the chair of the Board is an independent director, disclose the identity of the independent chair, and describe his or her role and responsibilities.	<p>Mr. R. William McFarland, the Chair of the Board, is an independent director.</p> <p>The position description of the Chair of the Board provides for the Chair to provide leadership to the Board of Directors and to serve as chair at Shareholders' annual meetings. The Chair sets the agenda of all Board meetings, and ensures the provision of accurate, timely and clear information to the directors. In addition, the Chair supervises the Committee Chairs.</p>
(g) Disclose the attendance record of each director for all Board meetings held since the beginning of the most recently completed financial year.	<p>The Board held 12 meetings in 2019. Five of the then directors attended all 12 of the meetings of the Board either in person or by telephone; two of the then directors attended 11 of the 12 meeting of the Board either in person or by telephone and one director attended 10 of the 12 meetings of the Board either in person or by telephone. Please see under the heading “<i>Summary of Board Attendance</i>” in this Information Circular for detailed information of attendance.</p>
2. Board Mandate Disclose the text of the Board’s written mandate.	<p>The Board has adopted a formal mandate for itself, a copy of which is attached to the Information Circular as Schedule “B”. On an annual basis, the Board assesses the adequacy of the Board Mandate. Additionally, the Board has established a Board workplan. The mandate of the Board is available on the Corporation’s website at www.horizonnorth.ca. A copy may also be obtained upon request to the Corporate Secretary of the Corporation at the Corporation’s registered office located at 900, 240 – 4th Avenue SW, Calgary, Alberta T2P 4H4.</p>
3. Position Descriptions (a) Disclose whether or not the Board has developed written position descriptions for the Chair and the Chair of each Board committee.	<p>The position descriptions of the Chair of the Board and each chair of each Board committee are available on the Corporation’s website at www.horizonnorth.ca. A copy may also be obtained upon request to the Corporate Secretary of the Corporation at the Corporation’s registered office located at 900, 240 – 4th Avenue SW, Calgary, Alberta T2P 4H4.</p> <p>The position description of the Chair of the Board provides for the Chair to provide leadership to the Board and to serve as chair at Shareholders' annual meetings. The Chair also sets the agenda of all Board meetings, and ensures the provision of accurate, timely and clear information to the directors. In addition, the Chair supervises the Committee Chairs.</p> <p>The position description of the Committee Chairs provides for their participation in the development of committee meeting calendars and agenda. Committee Chairs preside over all Committee meetings and ensure the orderly and efficient use of time in Committee meetings. Committee Chairs provide reports to the Board on a regular basis.</p>
(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO.	<p>The position descriptions of the Co-CEOs are available on the Corporation’s website at www.horizonnorth.ca. Copies may also be obtained upon request to the Corporate Secretary of the Corporation at the Corporation’s registered office located at 900, 240 – 4th Avenue SW, Calgary, Alberta T2P 4H4.</p> <p>Each position description of the Co-CEOs includes the following duties and responsibilities: providing executive leadership, business plans and operational management for areas of responsibility, including developing succession plans and establishing responsibilities for key people under the individual’s span of control; providing updates to the Board on corporate activities and reporting to the Chair of the Board. In addition, to his role as President, Modular Solutions, Mr. Graham is responsible for overseeing the overall strategy of the company, including business plans and capital allocation and is the principal spokesperson overseeing interactions with investors and media. In addition to his role as President of Facilities Management, Mr. MacCuish is responsible for overseeing the President of Industrial Services, Chief Financial Officer and human resources senior leaders. In general, the management of the Corporation is empowered to operate the business on a day-to-day basis. However, any responsibility which is not delegated to either management</p>

Corporate Governance Disclosure Requirement NI 58-101	Comments
	or a Committee of the Board of Directors remains with the Board. In general, all matters of policy and all actions proposed to be taken which are not in the ordinary course of business require the prior approval of the Board or of a Board Committee to which approval authority has been delegated. The corporate objectives are developed by the management and approved by the Board.
<p>4. Orientation and Continuing Education</p> <p>(a) Briefly describe what measures the Board takes to orient new members regarding:</p> <p>(i) the role of the Board, its committees and its directors; and</p> <p>(ii) the nature and operation of the issuer's business.</p>	<p>The Corporate Governance and Compensation Committee is responsible for ensuring that new directors are provided with an orientation and education program which includes written information about the duties and obligations of directors, the business and operations of the Corporation, documents from recent Board meetings and discussion with senior management and other directors. The members of the Board also attend an off-site tour of operating facilities. The directors are provided with information covering a wide range of topics including board and committee governance documents; various corporate policies; strategic plans; and regular reports from the Co-CEOs. In addition, directors are provided with guidance concerning trading in the Corporation's securities, blackout periods and the Corporation's disclosure practices. Directors are expected to attend all scheduled Board and committee meetings in person, although attendance by telephone is permissible in appropriate circumstances. Directors are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.</p>
<p>(b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors.</p>	<p>The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. Each director is expected to participate in continuing education programs to maintain any professional designation that they may have and to stay current on relevant issues such as corporate governance, financial and accounting practices. In addition, each director is expected to participate in programs that would be necessary to maintain a level of expertise in order to perform his or her responsibilities as a director and to provide on-going guidance and direction to management. To facilitate ongoing education of the Corporation's directors, the Corporate Governance and Compensation Committee will arrange the funding for the attendance of directors at seminars or conferences of interest and relevance to their position as a director of the Corporation, if required. The Board received presentations in 2019 from key management focused on deepening the Board's knowledge of the business of the Corporation. In addition, the Board held the Q2 2019 meeting at the Crossroads Lodge located in Kitimat, BC, and toured the location and facilities.</p>
<p>5. Ethical Business Conduct</p> <p>(a) Disclose whether or not the Board has adopted a written code for its directors, officers and employees. If the Board has adopted a written code:</p> <p>(i) disclose how an interested party may obtain a copy of the written code;</p> <p>(ii) describe how the Board monitors compliance with its code;</p> <p>(iii) provide a cross-reference to any material change report(s) filed within the preceding 12 months that pertains to any conduct of a director or executive officer that constitutes a departure from the code;</p> <p>(iv) describe any steps the Board takes to ensure directors exercise independent judgment in considering</p>	<p>The Board of Directors has adopted a Code of Business Conduct and Ethics ("Code of Ethics"), a copy of which has been filed on SEDAR and is available on the Corporation's website at www.horizonnorth.ca. A copy may also be obtained upon request to the Corporate Secretary of the Corporation at the Corporation's registered office located at 900, 240 – 4th Avenue SW, Calgary, Alberta T2P 4H4.</p> <p>The Corporate Governance and Compensation Committee has the responsibility for monitoring compliance with the Code of Ethics and also ensures that management encourages and promotes a culture of ethical business conduct.</p> <p>The Board, through the Audit Committee Chair, also receives reports of all financial or accounting and other appropriate issues raised through Horizon North's anonymous toll-free whistleblower hotline.</p> <p>The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.</p> <p>The Board has also a Communications and Social Media Policy which regulates the manner in which material information is determined and disseminated.</p>

Corporate Governance Disclosure Requirement NI 58-101	Comments
<p>transactions and agreements in respect of which a director or executive officer has a material interest; and</p> <p>(v) describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board has not granted any waiver of the Code of Ethics in favour of a director or executive officer. Accordingly, no material change report has been required or filed.</p> <p>The Corporate Governance and Compensation Committee monitors the disclosure of conflicts of interest by directors and ensures that no director will vote or participate in a discussion on a matter, in respect of which, such director has a material interest. As a standing agenda item at each meeting of the Board and at each committee meeting, directors are required to advise of any conflicts of interest or duty regarding agenda items that will appear on Board or committee agendas at the beginning of each meeting and before discussion of any substantive agenda items.</p>
<p>6. Nomination of Directors</p> <p>(a) Describe the process by which the Board identifies new candidates for Board nomination.</p>	<p>A core responsibility of the Corporate Governance and Compensation Committee is to identify prospective Board members, consistent with Board-approved criteria, and to recommend such individuals as nominees for election to the Board at each annual meeting of Shareholders or to fill vacancies on the Board. For the Corporate Governance and Compensation Committee to recommend an individual for Board membership, candidates are assessed on their individual qualifications, experience and expertise and must exhibit the highest degree of integrity, professionalism, values and independent judgement. The Corporate Governance and Compensation Committee and the Board do not adhere to any quotas in determining Board membership. The Corporate Governance and Compensation Committee believes that the Board should be comprised of directors with a broad range of experience and expertise and utilizes a skills matrix to identify those areas which are necessary for the Board to carry out its mandate effectively, allowing the Corporate Governance and Compensation Committee to identify criteria that a new candidate for the Board should possess. Before making a recommendation on a new director candidate to the Board, the Chair of the Corporate Governance and Compensation Committee meets with the candidate to discuss the candidate's interest and ability to devote the time and commitment required to serve on the Corporation's Board. In addition, the composition of the Board and certain governance matters in respect of the Corporation, are subject to the terms of the Investor Rights Agreement for so long as it is in force and effect. Under the terms of the Investor Rights Agreement, Dexterra Parent will have certain rights, including the right to nominate directors to the Board, based on its associated ownership of Common Shares. For so long as Dexterra Parent (or its affiliates) own, control or direct, directly or indirectly, at least 10% of the outstanding Common Shares (on a non-diluted basis), the Board will consist of eight directors or such other number as the Corporation and Dexterra Parent may agree. Particulars of the nomination rights of Dexterra Parent are set out in the Investor Rights Agreement, which is available on the Corporation's SEDAR profile at www.sedar.com.</p>
<p>(b) Disclose whether or not the Board has a nominating committee composed entirely of independent directors.</p>	<p>The Corporation's Corporate Governance and Compensation Committee is currently comprised of four independent directors, being Kevin D. Nabholz (Chair), Mary Garden, David Johnston and R. William McFarland. The Corporation's corporate governance practice requires that all members of its Corporate Governance and Compensation Committee shall be independent. "Independent" refers to the standards of independence set forth within section 1.4 of NI 52-110.</p>
<p>(c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>The Charter of the Corporate Governance and Compensation Committee contains the responsibilities, powers and operation terms of the Corporate Governance and Compensation Committee which are incorporated herein by reference. This charter is available on the Corporation's website at www.horizonnorth.ca. A copy may also be obtained upon request to the Corporate Secretary of the Corporation at the Corporation's registered office located at 900, 240 – 4th Avenue SW, Calgary, Alberta T2P 4H4. The Charter of the Corporate Governance and Compensation Committee, amongst other items (i) evaluates potential nominees to the Board by reviewing qualifications of prospective members and determines their relevance taking into consideration current Board composition and the anticipated skills required to round out the capabilities of the Board; (ii) annually recommends to the Board the nominees for election or re-election to the Board; and (iii) annually reviews and</p>

Corporate Governance Disclosure Requirement NI 58-101	Comments
	<p>assesses the adequacy of its charter. Additionally, the Corporate Governance and Compensation Committee has established a committee workplan. If vacancies occur on the Board, the Corporate Governance and Compensation Committee may recommend nominees to the Board. In addition, the composition of the Board and certain governance matters in respect of the Corporation are subject to the terms of the Investor Rights Agreement for so long as it is in force and effect. Under the terms of the Investor Rights Agreement, Dexterra Parent will have certain rights, including the right to nominate directors to the Board, based on its associated ownership of Common Shares. For so long as Dexterra Parent (or its affiliates) own, control or direct, directly or indirectly, at least 10% of the outstanding Common Shares (on a non-diluted basis), the Board will consist of eight directors or such other number as the Corporation and Dexterra Parent may agree. Particulars of the nomination rights of Dexterra Parent are set out in the Investor Rights Agreement, which is available on the Corporation's SEDAR profile at www.sedar.com.</p>
<p>7. Compensation (a) Describe the process by which the Board determines the compensation for your company's directors or officers.</p>	<p>The Board established the Corporate Governance and Compensation Committee which is responsible to review and make recommendations to the Board regarding the adequacy and form of the compensation for Horizon North's officers and directors. The Corporate Governance and Compensation Committee regularly reviews the compensation practices of comparable companies with a view to align Horizon North's officers and directors with comparator group median. Directors who are officers of Horizon North receive no additional remuneration for their services as directors.</p> <p>In particular, the Corporate Governance and Compensation Committee: (a) will review and approve, at least annually, Horizon North's goals and objectives relevant to the compensation of the Co-CEOs and the co-CEOs' compensation is based on that review; (b) will review, at least annually, and recommend to the Board compensation, incentive plans and equity based plans for non-CEO officers and directors, and for other key employees as identified by the co-CEOs and approved by the Corporate Governance and Compensation Committee, and in particular, reviews and recommends to the Board the annual bonus payments for the co-CEOs and executive officers; (c) will review executive compensation disclosure before Horizon North publicly discloses such information.</p> <p>For more information, please see under the heading "<i>Compensation Discussion and Analysis</i>" in this Information Circular.</p> <p>For the period January 1, 2019 to March 31, 2020, the annual retainers for each director of Horizon North who was not an employee of Horizon North was set at \$25,000 per year, with the independent Chair of the Board receiving an additional annual retainer of \$10,000. The Chair of the Audit Committee received an additional annual retainer of \$7,500 and the Chair of each of the Health, Safety and Environment Committee ("HS&E") and the Corporate Governance and Compensation Committee received an additional annual retainer of \$5,000. In addition, the non-management directors of Horizon North received a meeting fee of \$2,100 per meeting for attendance at meetings of the Board or committees, whether in person or by telephone. A travel allowance of \$1,000 per day, with a two day maximum, to attend board or committee meetings in person was available if required. Miscellaneous out-of-pocket expenses incurred by the directors in carrying out their duties were reimbursed by Horizon North. In 2019, each non-management director received a grant of 20,000 cash based RSUs with the independent Chair of the Board receiving an additional grant of 5,000 cash based RSUs. In 2019, each non-management director received a grant of 20,000 Options, with the independent Chair of the Board receiving an additional grant of 5,000 Options. Effective April 1, 2020 the meeting fees and annual retainers paid to non-management members of the Board of Directors of the Corporation were reduced by 25%. Effective June 1, 2020 the annual retainers for each director of Horizon North who was not an employee of Horizon North was set at \$75,000, with the independent Chair of the</p>

Corporate Governance Disclosure Requirement NI 58-101	Comments
	<p>Board to receive a retainer of \$150,000, to be inclusive of meeting fees, whether in attendance in person or by telephone. The Chair of the Audit Committee will receive an additional annual retainer of \$12,000 and the Chair of each of the Enterprise Risk Management Committee and the Corporate Governance and Compensation Committee will receive an additional annual retainer of \$6,000. A travel allowance of \$1,000 per day, with a two day maximum, to attend board or committee meetings in person is available if required. Miscellaneous out-of-pocket expenses incurred by the directors in carrying out their duties are reimbursed by Horizon North. On June 1, 2020, each non-management director received a grant of 125,000 Options, with the independent Chair of the Board receiving a grant of 250,000 Options.</p>
(b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors.	<p>The Corporation's corporate governance practices require that all members of its Corporate Governance and Compensation Committee shall be independent. "Independent" refers to the standards of independence set forth within section 1.4 of NI 52-110. The Corporate Governance and Compensation Committee is currently comprised of Kevin Nabholz (Chair), Mary Garden, David Johnston and R. William McFarland. None of the members of the Corporate Governance and Compensation Committee is an officer, employee or former officer of the Corporation or any of its affiliates or is eligible to participate in the Corporation's executive compensation programs. All of the members have experience in executive compensation by virtue of their experience as current or former chief executive officers and as current or former senior executives. The Board of Directors believes the Corporate Governance and Compensation Committee collectively have the knowledge, experience and background required to fulfill its mandate.</p>
(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	<p>The Corporate Governance and Compensation Committee's Charter contains the responsibilities, powers and operation terms of the Corporate Governance and Compensation Committee which are incorporated herein by reference. The Charter is available on the Corporation's website at www.horizonnorth.ca. A copy may also be obtained upon request to the Corporate Secretary of Horizon North at the Corporations' registered office located at 900, 240 – 4th Avenue SW, Calgary, Alberta T2P 4H4.</p> <p>Briefly, the duties and responsibilities of the Corporate Governance and Compensation Committee include the development of a compensation policy, reviewing executive succession planning, evaluating the Co-CEOs, reviewing and recommending to the Board the Co-CEOs', executive officers' and directors' compensation, and monitoring incentive arrangements.</p> <p>In particular, the Corporate Governance and Compensation Committee: (a) will review and approve, at least annually, Horizon North's goals and objectives relevant to the compensation of the Co-CEO and the co-CEO compensation is based on that review; (b) will review, at least annually, and recommend to the Board compensation, incentive plans and equity based plans for non-CEO officers and directors, and for other key employees as identified by the Co-CEO and approved by the Corporate Governance and Compensation Committee, and in particular, reviews and recommends to the Board the annual bonus payments for the Co-CEO and executive officers; (c) will review executive compensation disclosure before Horizon North publicly discloses such information.</p>
<p>8. Other Board Committees</p> <p>If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Enterprise Risk Management Committee (formerly the Health, Safety, Quality and Environment Committee) currently consists of four members of the Board of Directors, namely David Johnston (Chair), Simon Landy, Kevin D. Nabholz and Russell Newmark. The Board has determined that all of the members of the Health, Safety and Environment Committee are independent. "Independent" refers to the standards of independence set forth within section 1.4 of NI 52-110. The Enterprise Risk Committee assists the Board in its oversight of the health, safety and environmental issues, including the evaluation of Horizon North's programs, controls and reporting systems, and compliance with applicable laws, rules and regulations and enterprise risk management.</p>

Corporate Governance Disclosure Requirement NI 58-101	Comments
<p>9. Assessments</p> <p>Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for assessments.</p>	<p>The Corporate Governance and Compensation Committee has the mandate and responsibility to ensure that a process is in place for the annual review of the performance of individual directors, the Board as a whole and the Board committees. Typically, annual board evaluations are conducted at the start of each year which require directors to complete a questionnaire rating items such as structure and size of the Board and each committee, the knowledge and diversity of membership as well as the quality and timeliness of information received for discussion and the overall effectiveness in decision making. The completed questionnaires are forwarded to the Corporate Secretary who compiles the results into a single document that includes any comments that may have been forwarded, for presentation to the Chair of the Corporate Governance and Compensation Committee. The anonymity of any particular submitter is maintained with the aggregate results presented to the Chair of the Corporate Governance and Compensation Committee. The results are then communicated to the full Board for discussion and recommendations as necessary.</p> <p>In January 2020, the Board deferred its usual assessment process in light of the possible transaction with Dexterra following which it was anticipated the structure of the Board and its committees would change. The newly reconstituted Board plans to continue conducting Board assessments, consistent with past practice.</p>
<p>10. Director Term Limits and Other Mechanisms of Board Renewal</p> <p>Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.</p>	<p>The Board has not adopted term limits for the directors on the Board or other mechanisms of Board renewal. Instead, the Corporate Governance and Compensation Committee have the mandate and responsibility to ensure that a process is in place for the annual review of the performance of individual directors, the Board as a whole and the Board Committees. Through this annual review process, such committee determines whether an individual director is able to continue to make an effective contribution. The Board is of the view that such annual review process is more effective than terms limits or other mechanisms of Board renewal such as a mandatory retirement age.</p>
<p>11. Policies Regarding the Representation of Women on the Board</p> <p>(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.</p>	<p>The Board has not adopted a written policy relating to the identification and nomination of women directors. The Board annually evaluates potential nominees to the Board by reviewing the qualifications of prospective members and determines their relevance taking into consideration current Board composition and the anticipated skills required to round out the capabilities of the Board, including knowledge and diversity of membership.</p>
<p>12. Consideration of the Representation of Women in the Director Identification and Selection Process</p> <p>Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.</p>	<p>The Corporate Governance and Compensation Committee does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. The Board annually evaluates potential nominees to the Board by reviewing the qualifications of prospective members and determines their relevance taking into consideration current Board composition and the anticipated skills required to round out the capabilities of the Board, including knowledge and diversity of membership.</p>

Corporate Governance Disclosure Requirement NI 58-101	Comments
<p>13. Consideration Given to the Representation of Women in Executive Officer Appointments</p> <p>Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.</p>	<p>The Board does not consider the level of representation of women in executive officer positions when making executive officer appointments. However, Horizon North is committed to the fundamental principles of equal employment opportunities which are prescribed in its employment policies which further provide for Horizon North's commitment to treating people fairly, with respect and dignity, and to offering equal employment opportunities based upon an individual's qualifications and performance. Furthermore, Horizon North's employment policies and procedures provide that candidates are selected based on the primary considerations of experience, skill and ability.</p>
<p>14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions</p> <p>(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.</p> <p>(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>Horizon North has not adopted a target regarding women on its Board. In its annual review and evaluation of potential nominees to the Board, the Corporate Governance and Compensation Committee focuses on the current Board composition and the anticipated skills required to round out the capabilities of the Board, including knowledge and diversity of its membership.</p>
<p>(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>Horizon North has not adopted a target regarding women in executive officer positions as it is an equal employment opportunity employer whereby candidates are selected based on the primary considerations of experience, skill and ability.</p>
<p>15. Number of Women on the Board and in Executive Officer Positions</p> <p>(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.</p>	<p>As at the date hereof, Horizon North has one woman on its Board (12.5%), who is being proposed to be re-elected as a director at the Meeting. Should Ms. Garden be elected to the Board, Horizon North would then have one woman on its Board (12.5%).</p>
<p>(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p>	<p>As at the date hereof, 3 of the executive officers of Horizon North are women (37.5%).</p>

SCHEDULE “B”
MANDATE OF THE BOARD OF DIRECTORS OF
HORIZON NORTH LOGISTICS INC. (the “Corporation”)

Stewardship of the Corporation

1. The Board of Directors of the Corporation (the “Board”) is responsible for:
 - (a) the stewardship of the business and affairs of the Corporation;
 - (b) supervising the management of the business and affairs of the Corporation;
 - (c) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making;
 - (d) ensuring that all major issues affecting the Corporation are given proper consideration; and
 - (e) directing management to ensure legal, regulatory and stock exchange requirements applicable to the Corporation have been met.

Director Obligations

2. Each Director has the responsibility to:
 - (a) attend all regularly scheduled meetings of the Board and all of the Committees on which he or she serves and to be prepared for such meetings by reviewing materials provided in advance of meetings;
 - (b) act honestly and in good faith with a view to the best interests of the Corporation; and
 - (c) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Board Composition

3. A majority of the Board will, at all times, be independent directors as defined in the current laws applicable to the Corporation.
4. To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings, their personal affairs and in the discharge of their duties to and on behalf of the Corporation.

Board Meetings

5. The Board is responsible to:
 - (a) meet in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board;
 - (b) hold meetings of the independent directors without management and non-independent directors present; and
 - (c) comply with the position description applicable to individual directors.

Board Chair

6. The Board is responsible to annually select an independent member of the Board to serve as Board chair, (or if a Co- CEO is also the Board Chair, a Lead Director) to:
 - (a) provide leadership to all directors;
 - (b) manage the affairs of the Board; and
 - (c) ensure that the Board functions effectively in fulfillment of its duties to the Corporation.

Committees of the Board

7. The Board discharges its responsibilities directly and through its Committees. As such the Board shall:
- (a) establish such Committees of the Board as are required by applicable law and as are necessary to effectively discharge the duties of the Board which Committees shall include:
 - (i) an Audit Committee;
 - (ii) a Corporate Governance and Compensation Committee; and
 - (iii) an Enterprise Risk Management Committee.
 - (b) appoint directors to serve as members of each Committee;
 - (c) appoint a chair of each Committee to:
 - (i) provide leadership to the Committee;
 - (ii) manage the affairs of the Committee;
 - (iii) ensure that the Committee functions effectively in fulfilling its duties to the Board and the Corporation; and
 - (iv) to develop position descriptions for each Chair and Board Chair.
 - (d) regularly receive and consider reports and recommendations of each Committee, in particular:
 - (i) Audit Committee reports and recommendations, particularly with respect to the Corporation's annual audit and quarterly reports;
 - (ii) Corporate Governance and Compensation Committee reports regarding governance issues and the nomination process and recommendations regarding nominees and candidates for election to the Board and reports regarding recommendations with respect to corporate goals and objectives, CEO compensation and Board assessments and compensation;
 - (iii) Enterprise Risk Management Committee reports regarding health, safety and environmental issues, including the evaluation of Horizon North's programs, controls and reporting systems, and compliance with applicable laws, rules and regulations and enterprise risk management.

Supervision of Management

8. The Board is responsible to:
- (a) select and appoint the Co-CEO, and with the assistance of the Corporate Governance and Compensation Committee, establish Co-CEO goals and objectives and evaluate Co-CEO performance and develop a position description for the Co-CEO which includes delineating management's responsibilities; and
 - (b) assist the Co-CEO to select and appoint executive officers, establish executive officers' goals and objectives and monitor their performance; and
 - (c) with the assistance of the Corporate Governance and Compensation Committee, maintain a succession plan for the replacement of the Co-CEO and executive officers.

Governance

9. The Board is responsible to:
- (a) annually review and on the advice of the Corporate Governance and Compensation Committee either approve or require revisions to the mandates of the Board and each Committee, position descriptions, the code of business conduct and ethics (the "**Code**") and all other policies of the Corporation (collectively the "**Governance Documents**");
 - (b) together with the Corporate Governance and Compensation Committee, take reasonable steps to satisfy itself that each director, the Co-CEO and the executive officers are:
 - (i) performing their duties ethically;
 - (ii) conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Documents;
 - (iii) fostering a culture of integrity throughout the Corporation; and
 - (iv) arrange, on the advice of the Corporate Governance and Compensation Committee, for the Governance Documents to be publicly disclosed.
 - (c) ensure that all new directors receive a comprehensive orientation and that all new directors should fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that

- the Corporation expects from its directors) and that all new directors should also understand the nature and operation of the Corporation's business; and
- (d) provide continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Corporation's business remains current.

Communications

10. The Board is responsible to:
- (a) approve and implement a communications policy which provides for disclosure and communications practices governing the Corporation; and
 - (b) approve and maintain a process for the Corporation's stakeholders to contact the independent directors directly with concerns and questions regarding the Corporation.

Waivers and Conflicts

11. The Board is responsible, with the assistance of the Corporate Governance and Compensation Committee, for:
- (a) reviewing departures from the Code;
 - (b) providing or denying waivers from the Code; and
 - (c) disclosing departures from the Code including by filing required material change reports for material departures from the Code containing:
 - (i) the date of the departure;
 - (ii) the parties involved;
 - (iii) the reason why the Board has or has not sanctioned the departure; and
 - (iv) any measures taken to address or remedy the departure.

Strategic Planning

12. The Board has the duty to:
- (a) adopt a strategic planning process, annually approve a strategic plan for increasing shareholder value taking into account, among other things, the opportunities and risks of the Corporation's business, and regularly monitor the Corporation's performance against its strategic plan;
 - (b) approve capital and operating budgets to implement the strategic plan;
 - (c) conduct periodic reviews of the Corporation's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan; and
 - (d) evaluate management's analysis of the strategies of existing and potential competitors and their impact, if any, on the Corporation's strategic plan.

Risk Management

13. The Board has the duty to:
- (a) adopt a process to identify business risks and ensure appropriate systems to manage risks; and
 - (b) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation's:
 - (i) disclosure controls and procedures;
 - (ii) internal controls over financial reporting; and
 - (iii) management information systems.

Financial Management

14. The Board has the duty to:

- (a) review and on the advice of the Audit Committee, approve, prior to their public dissemination:
 - (i) interim and annual consolidated financial statements and notes thereto;
 - (ii) management's discussion and analysis of financial condition and results of operations;
 - (iii) relevant sections of the annual report, annual information form and management information circular containing financial information;
 - (iv) forecasted financial information and forward looking statements; and
 - (v) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed; and
- (b) approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.

Materials

15. The Board shall have access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

Advisors

16. The Board has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.

NOTICE OF CHANGE OF AUDITOR

TO: Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Consumer, Corporate and Insurance Services
Division, Office of the Attorney General, Prince Edward Island
Office of the Superintendent of Securities Service Newfoundland and Labrador

CC: PricewaterhouseCoopers LLP
KPMG LLP

Pursuant to Section 4.11 of National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**"), Horizon North Logistics Inc. (the "**Corporation**") gives the following notice that:

- a. On June 1, 2020, KPMG LLP (the "**Former Auditor**") resigned as the auditor of the Corporation at the Corporation's request;
- b. The Board of Directors has accepted the resignation of the Former Auditor;
- c. The Corporation has appointed PricewaterhouseCoopers LLP (the "**Successor Auditor**") as the auditor of the Corporation. The Board of Directors has considered and approved the appointment of the Successor Auditor subject to all applicable regulatory requirements;
- d. There were no modifications of opinion by the Former Auditor in the Former Auditor's reports on the consolidated financial statements of the Corporation and its subsidiaries for the years ended December 31, 2019 and December 31, 2018; and
- e. In connection with the audits for the years ended December 31, 2019 and December 31, 2018 and with any subsequent period to date, there have been no reportable events including disagreements, consultations or unresolved issues, as defined in Section 4.11 of NI 51-102.

DATED this 1st day of June, 2020

HORIZON NORTH LOGISTICS INC.

signed "Scott Matson"

Scott Matson
Senior Vice President and Chief Financial Officer



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Suite 3100
Calgary AB T2P 4B9
Tel (403) 691-8000
Fax (403) 691-8008
www.kpmg.ca

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Consumer, Corporate and Insurance Services
Division, Office of the Attorney General, Prince Edward Island Securities Office
Office of the Superintendent of Securities Service Newfoundland and Labrador

June 1, 2020

Dear Sir/Madam

Re: Notice of Change of Auditors of Horizon North Logistics Inc.

We have read the Notice of Horizon North Logistics Inc. dated June 1, 2020 and are in agreement with the statements contained in such Notice.

Yours very truly,

KPMG LLP

Chartered Professional Accountants
Calgary, Canada



June 1, 2020

To:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Consumer, Corporate and Insurance Services
Division, Office of the Attorney General, Prince Edward Island Securities Office
Office of the Superintendent of Securities Service Newfoundland and Labrador

We have read the statements made by Horizon North Logistics Inc. (the “company”) in the attached copy of change of auditor notice dated June 1, 2020, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice dated June 1, 2020.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215, www.pwc.com/ca

“PwC” refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

SCHEDULE “D”
AMENDED AND RESTATED BY-LAWS OF
HORIZON NORTH LOGISTICS INC. (the “Corporation”)

AMENDED AND RESTATED BY-LAW NO. 1

A by-law relating generally to the
transaction of the business and
affairs of

HORIZON NORTH LOGISTICS INC.

BE IT ENACTED as a by-law of the Corporation as follows:

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SECTION ONE INTERPRETATION

1.1 Definitions. - In these by-laws of the Corporation, unless the context otherwise requires:

“Act” means the *Business Corporations Act* (Alberta), or any statute that may be substituted therefor, as from time to time amended;

“appoint” includes “elect” and vice versa;

“articles” means the articles attached to the Certificate of Amalgamation of the Corporation as from time to time amended or restated;

“board” means the board of directors of the Corporation;

“by-laws” means this by-law and all other by-laws of the Corporation from time to time in force and effect;

“cheque” includes a draft;

“Corporation” means the corporation amalgamated under the Act by the said certificate to which the articles are attached and named “Horizon North Logistics Inc.”;

“Investor Rights Agreement” means the agreement dated effective May 29, 2020, among the Corporation, 9477179 Canada Inc. and any affiliate thereof, from time to time who becomes a shareholder of the Corporation, in respect of, among other things, certain governance matters related to the Corporation;

“meeting of shareholders” includes an annual meeting of shareholders and a special meeting of shareholders;

“recorded address” means in the case of a shareholder his or her address as recorded in the securities register; and in the case of joint shareholders means the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and in the case of a director, officer, auditor or member of a committee of the board, his or her latest address as recorded in the records of the Corporation;

“Regulations” means the Regulations under the Act as published or from time to time amended and every regulation that may be substituted therefor and, in the case of such substitution, any references in the by-laws of the Corporation to provisions of the Regulations shall be read as references to the substituted provisions therefor in the new regulations;

“Representatives” of a person means the affiliates and associates of such person, all persons acting jointly or in concert with any of the foregoing, and the affiliates and associates of any of such persons acting jointly or in concert, and “**Representative**” means any one of them; and

“special meeting of shareholders” includes a meeting of any class or classes of shareholders at which special business is transacted and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders.

Except as defined above, words and expressions defined in the Act and the Regulations, including “resident Canadian” have the same meanings when used herein. Words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neutral genders; and words importing a person include an individual, partnership, association, body corporate, trustee, executor, administrator and legal representative.

- 1.2 Investor Rights Agreement. - All of the provisions of these by-laws shall be subject to the terms and provisions of the Investor Rights Agreement for so long as such agreement remains in force and effect.

SECTION TWO BUSINESS OF THE CORPORATION

- 2.1 Offices. - The registered office of the Corporation shall be at the place within the Province of Alberta as is specified in the notice thereof filed with the articles and thereafter as the board may from time to time determine. The principal executive office of the Corporation shall be in Toronto, Ontario or in such other place in Canada as the directors may from time to time determine.
- 2.2 Corporate Seal. - The Corporation may have one or more different corporate seals, which seals may be adopted or changed from time to time by the board.
- 2.3 Financial Year. - The financial year of the Corporation shall end on such date as may be determined by the directors from time to time.
- 2.4 Execution of Instruments. - Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by any two persons who are an officer or director. In addition, the board or the said two persons may from time to time authorize or direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any board-appointed officer may affix the corporate seal to any instrument requiring the same. Notwithstanding the foregoing, the corporate secretary of the Corporation, acting alone, may certify the accuracy and subsisting nature of minutes (or extracts thereof) of any meetings of shareholders, other security holders, directors and committees of the board, or any written resolutions adopted in lieu of any such meeting.
- 2.5 Banking Arrangements. - The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe.
- 2.6 Voting Rights in Other Bodies Corporate. - Persons authorized to execute instruments on behalf of the Corporation under section 2.4 may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments shall be in favour of such persons as may be

determined by the officers executing or arranging for them. In addition, the board may from time to time direct the manner in which and the persons by whom any particular voting rights or class of voting rights may or shall be exercised.

SECTION THREE BORROWING AND SECURITY

3.1 Borrowing Power. - Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may from time to time on behalf of the Corporation, without authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidences of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) to the extent permitted by the Act, give a guarantee on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired real or personal, movable or immovable, property of the Corporation including book debts, rights, powers, franchises and undertakings, to secure any such bonds, debentures, notes or other evidences of indebtedness or guarantee or any other present or future indebtedness, liability or obligation of the Corporation.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.2 Delegation. - The board may from time to time delegate to a committee of the board, a director or an officer of the Corporation or any other person as may be designated by the board all or any of the powers conferred on the board by section 3.1 or by the Act to such extent and in such manner as the board may determine at the time of such delegation.

SECTION FOUR DIRECTORS

4.1 Number of Directors. - Until changed in accordance with the Act, the board shall consist of the number of directors provided in the articles and specified by the directors.

4.2 Qualification. - No person shall be qualified for election as a director if such person is less than 18 years of age; is a dependent adult as defined in the *Dependent Adults Act* (Alberta) or is the subject of a certificate of incapacity under that Act, is a formal patient as defined in *The Mental Health Act* (Alberta), is the subject of an order under *The Mentally Incapacitated Persons Act* (Alberta) appointing a committee of his or her person or estate or both, or has been found to be a person of unsound mind by a court in Alberta or elsewhere; if such person is not an individual; or if such individual has the status of a bankrupt. A director need not be a shareholder. At least one-quarter of the directors shall be resident Canadians, or if the number of directors is fewer than four, at least one director shall be a resident Canadian.

4.3 Election and Term. - The election of directors shall take place at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors otherwise determine. Where the shareholders adopt an amendment to the articles to increase the number or minimum number of directors, the shareholders may, at the meeting at which they adopt the amendment, elect the additional number of directors authorized by the amendment. The election shall be by resolution. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.3A Advance Notice of Nominations of Directors.

- (a) Nomination procedures. - Subject only to the Act, Applicable Securities Law and the articles, only persons who are nominated in accordance with the following procedures in this Section 4.3A shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if the election of directors is a matter specified in the notice of meeting called,
 - (i) by or at the direction of the board, including pursuant to a notice of meeting;
 - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of a shareholders meeting by one or more of the shareholders made in accordance with the provisions of the Act; or
 - (iii) by any person (a “Nominating Shareholder”) who: (A) at the close of business on the date of the giving of the notice provided for below in this Section 4.3A and on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation, and (B) complies with the notice procedures set forth below in this Section 4.3A.
- (b) Nominations for election. - For the avoidance of doubt, the procedures set forth in this Section 4.3A shall be the exclusive means for any person to bring nominations for election to the board before any annual or special meeting of shareholders of the Corporation.
- (c) Timely notice. - In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the corporate secretary of the Corporation in accordance with this By-law in accordance with this Section 4.3A.
- (d) Manner of timely notice. - To be timely, a Nominating Shareholder’s notice must be given:
 - (i) in the case of an annual meeting (including an annual and special meeting) of shareholders, not less than 30 days prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than

50 days after the date (the “Notice Date”) on which the first public announcement of the date of the meeting was made, notice by the Nominating Shareholder shall be made not later than the close of business on the 10th day following the Notice Date;

- (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the 15th day following the Notice Date; and
- (iii) in the case of an annual meeting (including an annual and special meeting) of shareholders or a special meeting of shareholders called for the purpose of electing directors (whether or not also called for other purposes) where notice-and-access is used for delivery of proxy-related materials, not less than forty (40) days prior to the date of the meeting (but, in any event, not prior to the Notice Date); provided, however, that in the event that the meeting is to be held on a date that is less than fifty (50) days after the Notice Date, notice by the Nominating Shareholder shall be made, in the case of an annual meeting of shareholders, not later than the close of business on the tenth (10th) day following the Notice Date and, in the case of a special meeting of shareholders, not later than the close of business on the fifteenth (15th) day following the Notice Date;

provided that in the event of an adjournment or postponement of any such meeting or announcement thereof, a new time period shall commence for the giving of timely notice in accordance with this Section 4.3(d).

- (e) Proper form of notice. - To be in proper written form, a Nominating Shareholder’s notice must set forth or be accompanied by, as applicable:
 - (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a “Proposed Nominee”):
 - (A) the name, age and business and residential address of the Proposed Nominee;
 - (B) the principal occupation, business or employment of the Proposed Nominee, both at present and within the five years preceding the notice;
 - (C) whether the Proposed Nominee is a resident Canadian within the meaning of the Act;
 - (D) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (E) a description of any relationship, agreement, arrangement or understanding (financial, compensation or indemnity related or

otherwise) between the Nominating Shareholder and the Proposed Nominee, or any affiliates or associates (within the meaning attributed to such terms under the Applicable Securities Laws) of, or any person or entity acting jointly or in concert with the Nominating Shareholder or the Proposed Nominee, in connection with the Proposed Nominee's nomination and election as a director;

- (F) whether the Proposed Nominee is party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor, supplier, officer, employee or other person having or involved in any contractual or fiduciary relationship with the Corporation or any other third party which may give rise to a real or perceived conflict of interest between the interests of the Corporation and the interests of the Proposed Nominee; and
- (G) any other information relating to the Proposed Nominee that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors or required by the Act or Applicable Securities Laws to determine the independence of the proposed nominee or his or her eligibility to serve as a director of the Corporation or a member of any committee of the board;

(ii) as to the Nominating Shareholder:

- (A) the name, business and residential address of the Nominating Shareholder;
- (B) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
- (C) full particulars regarding any (i) proxy or other arrangement pursuant to which such Nominating Shareholder or any of its Representatives has a right to vote or direct the voting of voting securities of the Corporation, and (ii) any other arrangement of such person or any of its Representatives relating to the voting of any shares of the Corporation or the nomination of any person(s) to the board; and
- (D) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act or any Applicable Securities Laws; and

(iii) a written consent duly signed by each Proposed Nominee to being named as a nominee for election to the board.

References to “Nominating Shareholder” in this paragraph (e) shall be deemed to refer to each shareholder that nominates or seeks to nominate a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making such nomination proposal.

- (f) Notice to be updated. - In addition, to be considered timely and in proper written form, a Nominating Shareholder’s notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting of shareholders.
- (g) Power of the chair. - The chair of the meeting of shareholders shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (h) Delivery of notice. - Notwithstanding any other provision of these by-laws, notice given to the corporate secretary of the Corporation pursuant to this Section 4.3A may only be given by personal delivery, facsimile transmission or by e-mail (provided that the corporate secretary of the Corporation has stipulated an e-mail address for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, e-mail (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of the confirmation of such transmission has been received) to the corporate secretary of the Corporation at the address of the registered office of the Corporation; provided that, if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (i) Increase in number of directors to be elected. - Notwithstanding any provisions in this Section 4.3A to the contrary, in the event that the number of directors to be elected at a meeting is increased effective after the time period for which the Nominating Shareholder’s notice would otherwise be due under this section, a notice with respect to nominees for the additional directorships required by this section shall be considered timely if it shall be given not later than the close of business on the 10th day following the day on which the first public announcement of such increase was made by the Corporation.
- (j) Discussion of matters. - Nothing in this Section 4.3A shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act.
- (k) Board discretion. - Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Section 4.3A.
- (l) Definitions. - For purposes of this Section 4.3A,
 - (i) “Applicable Securities Laws” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the written rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies,

bulletins and notices of the securities commissions and similar regulatory authorities of each province and territory of Canada;

(ii) “close of business” means 5:00 p.m. (Calgary time) on a business day in Alberta, Canada;

(iii) “public announcement” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its corporate profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

4.4 Removal of Directors. - Subject to the Act, the shareholders may by resolution passed at a meeting of shareholders, specially called for such purpose, remove any director from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the board.

4.5 Vacation of Office. - A director ceases to hold office when he or she dies, he or she is removed from office by the shareholders, he or she ceases to be qualified for election as a director, or his or her written resignation is sent or delivered to the Corporation, or, if a time is specified in such resignation, at the time so specified, whichever is later.

4.6 Vacancies. - Subject to the Act, a quorum of the board may appoint a qualified individual to fill a vacancy in the board.

4.7 Action by the Board. - The board shall manage the business and affairs of the Corporation. The powers of the board may be exercised at a meeting (subject to sections 4.8 and 4.9) at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office.

4.8 Canadian Directors Present at Meetings. - Subject to the Act, the board shall not transact business at a meeting, other than filling a vacancy in the board, unless at least one-quarter of the directors present are resident Canadians, or, if the Corporation has fewer than four directors, at least one of the directors present is a resident Canadian, except where:

(a) a resident Canadian director who is unable to be present approves in writing or by electronic, telephone or other communications facilities the business transacted at the meeting; and

(b) the number of resident Canadian directors present at the meeting, together with any resident Canadian director who gives his or her approval under clause (a), totals at least one quarter of the directors present at the meeting.

4.9 Meeting by Electronic Means. - A director may participate in a meeting of the board or of a committee of the board by means of electronic means (including video conference and webcast), telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.

4.10 Place of Meetings. - Meetings of the board may be held at any place in or outside Ontario.

- 4.11 Calling of Meetings. - Meetings of the board shall be held from time to time at such time and at such place as the board, the chair of the board or any two directors may determine.
- 4.12 Notice of Meeting. - Notice of the time and place of each meeting of the board shall be given in the manner provided in Section Eleven to each director not less than 24 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.
- 4.13 First Meeting of New Board. - Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.
- 4.14 Adjourned Meeting. - Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.
- 4.15 Regular Meetings. - The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.
- 4.16 Chair and Secretary. - The chair of the board shall be chair of any meeting of the board. If the chair is absent, the directors present shall choose one of their number to be chair of the meeting. The corporate secretary of the Corporation shall act as secretary at any meeting of the board, and if the corporate secretary of the Corporation is absent, the chair of the meeting shall appoint a person, who need not be a director, to act as secretary of the meeting.
- 4.17 Quorum. - Subject to section 4.8, the quorum for the transaction of business at any meeting of the board shall be a majority of directors or such greater number of directors as the board may from time to time determine. Where the Corporation has a board consisting of only one director, that director may constitute a meeting.
- 4.18 Votes to Govern. - At all meetings of the board every resolution shall be decided by a majority of the votes cast on the resolution. In case of an equality of votes, the chair of the board shall be entitled to a second or casting vote.
- 4.19 Conflict of Interest. - A director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his or her interest at the time and in the manner provided by the Act. Such a director shall not vote on any resolution to approve any such contract or proposed contract except as permitted by the Act.
- 4.20 Remuneration and Expenses. - The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for reasonable travelling and other reasonable expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION FIVE COMMITTEES

- 5.1 Committees of the Board. - The board may appoint one or more committees of the board, however designated, and delegate to any such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of the board has no authority to exercise. At least one quarter of the members of any such committee shall be resident Canadians.
- 5.2 Transaction of Business. - The powers of a committee of the board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.
- 5.3 Advisory Bodies. - The board may from time to time appoint such advisory bodies as it may deem advisable.
- 5.4 Procedure. - Unless otherwise determined by the board, each committee and advisory body shall have power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

SECTION SIX OFFICERS

- 6.1 Appointment. - The board may from time to time appoint one or more individuals to the roles of chief executive officer, president, chief financial officer, corporate secretary and one or more vice presidents and such other officers as the board may determine, including one or more assistants to any of the officers so appointed and may appoint multiple individuals with the same title, including co-chief executive officers. One person may hold more than one office. The board may specify the duties of and, in accordance with this by-law and subject to the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to section 6.2, an officer may but need not be a director.
- 6.2 Chair of the Board. - The board may from time to time also appoint a chair of the board who shall be a director. If appointed, the board may assign to him or her any powers and duties as the board may specify.
- 6.3 Corporate Secretary. - The corporate secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, records and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and shall have such other powers and duties as otherwise may be specified.
- 6.4 Powers and Duties of Officers. - The powers and duties of all officers shall be such as the terms of their engagement call for or as the board or (except for those whose powers and duties are to be specified only by the board) the chief executive officer may specify. The board and (except as aforesaid) the chief executive officer may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer. Any of the powers and duties of

an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer otherwise directs.

- 6.5 Term of Office. - The board, in its discretion, may remove any officer of the Corporation at any time. Otherwise, each officer appointed by the board shall hold office until his or her successor is appointed or until his or her earlier resignation.
- 6.6 Agents and Attorneys. - The Corporation, by or under the authority of the board, shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the power to subdelegate) of management, administration or otherwise as may be thought fit.
- 6.7 Conflict of Interest. - An officer shall disclose his or her interest in any material contract or proposed material contract with the Corporation in accordance with section 4.19.

SECTION SEVEN PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

- 7.1 Limitation of Liability. - Every director and officer of the Corporation in exercising his or her powers and discharging his or her duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, neglects or defaults of any other director, officer or employee, or for joining in any act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his or her part, or for any other loss, damage or misfortune which shall happen in the execution of the duties of his or her office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.
- 7.2 Indemnity. - The Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his or her heirs and legal representatives, to the extent permitted by the Act. Nothing in this by-law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this by-law.
- 7.3 Insurance. - Subject to the Act, the Corporation shall purchase and maintain such insurance for the benefit of its directors and officers as the board may from time to time determine.

SECTION EIGHT SHARES

- 8.1 Allotment of Shares. - Subject to the Act and the articles, the board may from time to time authorize the issuance of shares of the Corporation, and may allot or grant options or other rights or instruments to purchase the whole or any part of the authorized and unissued shares of the Corporation, at such times and to such persons and for such consideration as the board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.

- 8.2 Commissions. - The board may from time to time authorize the Corporation to pay a reasonable commission to any person in consideration of his or her purchasing or agreeing to purchase shares of the Corporation, whether from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.
- 8.3 Registration of Transfers. - Subject to the Act, no transfer of a share shall be registered in a securities register except: (a) upon presentation of the certificate (or, where applicable, other evidence of electronic, book-based, direct registration service or other non-certificated entry or position on the register of shareholders) representing such share with an endorsement or completed stock power of attorney which complies with the Act made thereon or delivered therewith duly executed by an appropriate person as provided by the Act, together with such reasonable assurance that the endorsement is genuine and effective as the board or the Corporation's transfer agent may from time to time prescribe, (b) upon payment of all applicable taxes and any reasonable fees prescribed by the board, (c) upon compliance with such restrictions on transfer as are authorized by the articles, (d) upon satisfaction of any lien referred to in section 8.9, and (e) upon compliance with and satisfaction of such other requirements as the Corporation or its transfer agent may reasonably impose.
- 8.4 Non-recognition of Trusts. - Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.
- 8.5 Share Certificates. - Every holder of one or more shares of the Corporation shall be entitled, at his or her option, to a share certificate, or to a non-transferable written certificate of acknowledgement of his or her right to obtain a share certificate, stating the number and class or series of shares held by him or her as shown on the securities register. Any share certificates shall be in such form as the board may from time to time approve. Any such certificate shall be signed in accordance with section 2.4 and need not be under the corporate seal.
- 8.6 Replacement of Share Certificates. - The board or any officer or agent designated by the board may in its, his or her discretion direct the issue of a new share or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, destroyed or wrongfully taken on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.
- 8.7 Joint Shareholders. - If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate or other evidence of ownership in respect thereof, and delivery of such certificate or other evidence of ownership to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate or other evidence of ownership issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.
- 8.8 Deceased Shareholders. - In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make any dividend or other payments in respect thereof except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

- 8.9 Lien for Indebtedness. - If the articles provide that the Corporation shall have a lien on shares registered in the name of a shareholder indebted to the Corporation, such lien may be enforced, subject to the articles, by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending such enforcement, the Corporation may refuse to register a transfer of the whole or any part of such shares.
- 8.10 Electronic, Book-Based or Other Non-Certificated Registered Positions. – For greater certainty but subject to section 8.5, a registered shareholder may have his or her holdings of shares of the Corporation evidenced by an electronic, book-based, direct registration service or other non-certificated entry or position on the register of shareholders to be kept by the Corporation in place of a physical share certificate pursuant to a registration system that may be adopted by the Corporation, in conjunction with its transfer agent. This by-law shall be read such that a registered holder of shares of the Corporation pursuant to any such electronic, book-based, direct registration service or other non-certificated entry or position shall be entitled to all of the same benefits, rights, entitlements and shall incur the same duties and obligations as a registered holder of shares evidenced by a physical share certificate. The Corporation and its transfer agent may adopt such policies and procedures and require such documents and evidence as they may determine necessary or desirable in order to facilitate the adoption and maintenance of a share registration system by electronic, book-based, direct registration system or other non-certificated means.
- 8.11 Securities Registrars, Transfer Agents and Dividend Disbursing Agents. – The board may from time to time appoint a registrar to maintain the securities register and a transfer agent to maintain the register of transfers and may also appoint one or more branch registrars to maintain branch securities registers and one or more branch transfer agents to maintain branch registers of transfers. The board may also from time to time appoint a dividend disbursing agent to disburse dividends. One person may be appointed to any number of the aforesaid positions. The board may at any time terminate any such appointment.

SECTION NINE DIVIDENDS AND RIGHTS

- 9.1 Dividends. - Subject to the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation. Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.
- 9.2 Dividend Payments. - A dividend payable in money shall be paid by electronic funds transfer to the bank account designated by the registered holder, unless such holder otherwise directs, or by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his or her recorded address. In the case of joint holders, the cheque or payment shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, or the electronic funds transfer as aforesaid, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold. In the event of non-receipt of any dividend cheque or payment by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque or payment for a like amount on such terms as to

indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

- 9.3 Record Date for Dividends and Rights. - The board may fix in advance a date, preceding by not more than 50 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of the right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, and notice of any such record date shall be given not less than seven days before such record date in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

SECTION TEN MEETINGS OF SHAREHOLDERS

- 10.1 Annual Meetings. - The annual meeting of shareholders shall be held at such time in each year and, subject to section 10.3, at such place as the board or the chair of the board, may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.
- 10.2 Special Meetings. - The board or the chair of the board shall have power to call a special meeting of shareholders at any time.
- 10.3 Place of Meetings. - Subject to the Act and the articles of the Corporation, the board or the chair of the board shall determine the place of the meetings of the shareholders.
- 10.4 Meeting by Electronic Means. - If the directors or the shareholders of a Corporation call a meeting of shareholders pursuant to the Act, the directors or shareholders, as the case may be, may determine that the meeting shall be held, in accordance with the Act, entirely by electronic means (including videoconference or webcast), telephone, or other communication facility that permits all participants to communicate adequately with each other during the meeting.
- 10.5 Participation in Meeting by Electronic Means. - Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the Act, by electronic means, telephone, or other communication facility that permits all participants to hear or otherwise communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility. A person participating in a meeting by such means is deemed for the purposes of the Act to be present at the meeting.
- 10.6 Notice of Meetings. - Notice of the time and place of each meeting of shareholders shall be given in the manner provided in Section Eleven not less than 21 nor more than 50 days before the date of the meeting to each director, to the auditor, and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

- 10.7 List of Shareholders Entitled to Notice. - If the Corporation has more than 15 shareholders entitled to vote at a meeting of shareholders, it shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to section 10.8, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given or, where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the records office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared. Where a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders.
- 10.8 Record Date for Notice. - If no such record date is so fixed, the record date for the determination of the shareholders entitled to receive notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, shall be the day on which the meeting is held.
- 10.9 Meetings Without Notice. - A meeting of shareholders may be held without notice at any time and place permitted by the Act: (a) if all the shareholders entitled to vote thereat are present in person or duly represented or if those not present or represented waive notice of or otherwise consent to such meeting being held, and (b) if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held, so long as such shareholders, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Alberta, shareholders not present or duly represented, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.
- 10.10 Chair, Secretary and Scrutineers. - The chair of any meeting of shareholders shall be the chair of the board, or if he or she is not present shall be the first-mentioned of such of the following officers as have been appointed and who is present at the meeting: the chief executive officer designated by the chair to fill such role, the president, a vice-president or other officer who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the secretary of the Corporation is absent, the chair shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.
- 10.11 Persons Entitled to be Present. - The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditor of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.
- 10.12 Quorum. - Subject to the Act in respect of a sole shareholder, a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxyholder or representative for a shareholder so entitled, and together holding or representing by proxy not less than twenty-five

percent (25%) of the outstanding shares of the Corporation entitled to vote at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present at the opening of any meeting of shareholders, the shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

- 10.13 Right to Vote. - Every person named in the list referred to in section 10.7 shall be entitled to vote the shares shown thereon opposite his or her name at the meeting to which such list relates, except to the extent that: (a) where the Corporation has fixed a record date in respect of such meeting, such person has transferred any of his or her shares after such record date or, where the Corporation has not fixed a record date in respect of such meeting, such person has transferred any of his or her shares after the date on which such list is prepared, and (b) the transferee, having produced properly endorsed certificates or other evidence of registered ownership evidencing such shares or having otherwise established that he or she owns such shares, has demanded not later than two days before the meeting or any shorter period that the chair of the meeting may permit that his or her name be included in such list. In any such excepted case the transferee shall be entitled to vote the transferred shares at such meeting.
- 10.14 Proxyholders and Representatives. - Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder and one or more alternate proxyholders, to attend and act as his or her representative at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his or her attorney and shall conform with the requirements of the Act. Alternatively, every such shareholder which is a body corporate or association may authorize by resolution of its directors or governing body an individual to represent it at a meeting of shareholders and such individual may exercise on the shareholder's behalf all the powers it could exercise if it were an individual shareholder. The authority of such an individual shall be established by depositing with the Corporation a certified copy of such resolution, or in such other manner as may be satisfactory to the secretary of the Corporation or the chair of the meeting. Any such proxyholder or representative need not be a shareholder.
- 10.15 Time for Deposit of Proxies. - The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours, excluding Saturdays, Sundays and holidays, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time having been specified in such notice, it has been received by the secretary of the Corporation or by the chair of the meeting or any adjournment thereof prior to the time of voting. Notwithstanding the foregoing, the chair of a meeting of shareholders may, in his or her sole discretion, determine to accept all but not less than all proxies which have been deposited following the time so specified.
- 10.16 Joint Shareholders. - If two or more persons hold shares jointly, any one of them present in person or duly represented at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.
- 10.17 Votes to Govern. - At any meeting of shareholders every question shall, unless otherwise required by the articles or by-laws or by law, be determined by a majority of the votes cast on the

question. In case of an equality of votes either upon a show of hands or upon a poll, the chair of the meeting shall not be entitled to a second or casting vote.

- 10.18 Show of Hands. - Subject to the Act, any question at a meeting of shareholders shall be decided by a show of hands, unless a ballot thereon is required or demanded as hereinafter provided, and upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question. Any vote referred to in this section 10.18 may be held, in accordance with the Act, partly or entirely by electronic means, telephone or other communication facility, if the Corporation makes available such a communication facility. Any person participating in a meeting of shareholders under sections 10.4 or 10.5 and entitled to vote at that meeting may vote by electronic means, telephone or other communication facility that the Corporation has made available for that purpose.
- 10.19 Ballots. - On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chair may require a ballot or any person who is present and entitled to vote on such question at the meeting may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he or she is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.
- 10.20 Adjournment. - The chair at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the time of adjournment. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.
- 10.21 Action in Writing by Shareholders. - A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders.
- 10.22 Only One Shareholder. - Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or duly represented constitutes a meeting.

SECTION ELEVEN NOTICES

- 11.1 Method of Giving Notices. - Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or

member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his or her recorded address or if mailed to him or her at his or her recorded address by prepaid ordinary or air mail or if sent to him or her at his or her recorded address by any means of prepaid transmitted or recorded communication or if sent to him or her by electronic means in accordance with the provisions of applicable laws relating to the sending of such documents by electronic means. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

- 11.2 Notice to Joint Shareholders. - If two or more persons are registered as joint holders of any share, any notice may be addressed to all such joint holders, but notice addressed to one of such persons shall be sufficient notice to all of them.
- 11.3 Computation of Time. - In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the day of giving the notice shall be excluded and the day of the meeting or other event shall be included, unless the computation of time is required by law to be performed differently.
- 11.4 Undelivered Notices. - If any notice given to a shareholder pursuant to section 11.1 is returned on three consecutive occasions because he or she cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he or she informs the Corporation in writing of his or her new address.
- 11.5 Omissions and Errors. - The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.
- 11.6 Persons Entitled by Death or Operation of Law. - Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he or she derives his or her title to such share prior to his or her name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he or she became so entitled) and prior to his or her furnishing to the Corporation the proof of authority or evidence of his or her entitlement prescribed by the Act.
- 11.7 Waiver of Notice. - Any shareholder, proxyholder or other person entitled to attend a meeting of shareholders, director, officer, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under the Act, the regulations thereunder, the articles, the by-laws or otherwise, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board or a committee of the board which may be given in any manner.

**SECTION TWELVE
EFFECTIVE DATE**

- 12.1 Effective Date. - This by-law shall come into force when amended and restated by the board in accordance with the Act.
- 12.2 Repeal. – All previous by-laws of the Corporation are repealed as of the coming into force of this by-law provided that such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of any contract or agreement made pursuant to any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointment under the provisions of this by-law and all resolutions of the shareholders or the board with continuing effect passed under any repealed by-law shall continue to be valid except to the extent inconsistent with this by-law and until amended or repealed.

The foregoing by-law was made by the directors of the Corporation on the 1st day of June, 2020, and was confirmed without variation by the shareholders of the Corporation on the [●] day of [●], 2020.

INC.

HORIZON NORTH LOGISTICS

By: _____
Name: Jan M. Campbell
Title: Corporate Secretary

