This document is important and requires your immediate attention. If you are in any doubt as to how to deal with it, you should consult your investment dealer, stockbroker, bank manager, lawyer or other professional adviser.

LAIDLAW INC.

NOTICE OF EXTENSION OF THE OFFER TO PURCHASE

all of the outstanding common shares and options to acquire common shares of

GREYHOUND CANADA TRANSPORTATION CORP.

on the basis of $5.50 (Cdn.) cash per common share

The Offer has been extended and is now open for acceptance until 6:00 p.m. (Calgary time) on October 14, 1997, unless extended or withdrawn.

Shareholders who wish to accept the Offer must properly complete and execute the Letter of Transmittal (printed on blue paper) which accompanied the Offer or a manually executed facsimile thereof and deposit it, together with certificates representing their Greyhound Shares, in accordance with the instructions in the Letter of Transmittal. Alternatively, holders of Greyhound Shares for which certificates are not immediately available may use the procedures for guaranteed delivery set forth in the Notice of Guaranteed Delivery (printed on green paper) which accompanied the Offer and in accordance with Section 3 of the Offer — "Manner of Acceptance — Procedure for Guaranteed Delivery".

Shareholders whose Greyhound Shares are registered in the name of an investment dealer, stockbroker, bank, trust company or other nominee should contact such nominee for assistance if they wish to accept the Offer.

Questions and requests for assistance may be directed to the Dealer Manager and additional copies of this Offer and additional copies of this Notice of Extension, the Offer and Offering Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained without charge on request from Montreal Trust Company of Canada at any of its offices shown on the last page of this Notice of Extension.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of Shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction. However, the Offeror or its agents may, in their sole discretion, take such action as they deem necessary to extend the Offer to Shareholders in such jurisdiction.

The Dealer Manager for the Offer is:

Nesbitt Burns Inc.
1 First Canadian Place
4th Floor, P.O. Box 150
Toronto, Ontario M5X 1H3

October 3, 1997

NOTICE OF EXTENSION

TO: Holders of Greyhound Shares

Reference is made to the Offer dated September 9, 1997 made by Laidlaw Inc. ("Laidlaw" or the "Offeror") to purchase all the issued and outstanding Greyhound Shares (other than the Greyhound Shares then owned by the Offeror), including Greyhound Shares which may become outstanding on the exercise of options ("Options"), on the basis of $5.50 cash for each Greyhound Share.

The Offer continues to be governed by the terms set forth in the Offer and Offering Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, all as amended and supplemented by this Notice of Extension. This Notice of Extension should be read carefully and in conjunction with the Offer. All references to the "Offer" in the Offer and Offering Circular, the Letters of Transmittal, the Notices of Guaranteed Delivery and this Notice of Extension mean the Offer as amended by this Notice of Extension.

Unless otherwise indicated, capitalized terms used in the Notice of Extension shall have the meanings ascribed thereto in the Offer. Reference is made to the Offer for details of its terms and conditions.

The Letter of Transmittal (printed on blue paper) and Notice of Guaranteed Delivery (printed on green paper) previously circulated with the Offer should be used to effect a valid deposit of Greyhound Shares. Additional copies of this Notice of Extension, the Offer and Offering Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained without charge on request from Montreal Trust Company of Canada at any of its offices shown on the last page of this Notice of Extension.

Extension of Offer

The Offer is hereby varied by extending the time for acceptance until 6:00 p.m. (Calgary time) on October 14, 1997. Accordingly, the definition of "Expiry Time" and "Termination Date" are amended to read as follows:

> "Expiry Time" means 6:00 p.m. (Calgary time) on the Termination Date;
>
> "Termination Date" means Tuesday, October 14, 1997, or such later time and date or times and dates as may be fixed by the Offeror from time to time pursuant to Section 5 of the Offer — "Extension, Variation or Change in the Offer"; and"

The Offer and Offering Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery are also hereby amended to give effect to the foregoing.

The information under the following headings amends or supplements the information under the corresponding headings in the Offer and Offering Circular.

Right to Withdraw

Shareholders have the right to withdraw deposited Greyhound Shares under the circumstances and in the manner described under Section 7 of the Offer — "Right to Withdraw Deposited Greyhound Shares and Options", as amended hereby.

Except as otherwise stated in Section 7 of the Offer — "Right to Withdraw Deposit Greyhound Shares and Options", deposits of Greyhound Shares pursuant to the Offer are irrevocable. Any Greyhound Shares deposited in acceptance of the Offer may be withdrawn by or on behalf of the depositing holder at any time prior to 12:01 (local time) on October 13, 1997 and, unless theretofore taken up and paid for by the Offeror, at any time after October 24, 1997.

Payment for Deposited Shares and Options

On October 1, 1997, all of the conditions described under Section 4 of the Offer — "Conditions of the Offer" were satisfied or waived by the Offeror and the Offeror took up and accepted for payment the 8,774,228 Greyhound Shares and all of the Options that had been tendered under the Offer and not withdrawn at that time. The Offeror has taken up all Greyhound Shares and Options validly deposited under the Offer since

October 1, 1997 and has or will pay for all such securities within the time limits prescribed by applicable securities legislation.

Until the Expiry Time, the Offeror will continue to take up Greyhound Shares validly tendered to the Offer and not withdrawn and will pay for them within the time limits prescribed by applicable securities legislation. The Offeror will pay for Greyhound Shares taken up under the Offer in accordance with the terms thereof on or prior to the date on which the Offeror is required by law to make such payment. Under no circumstances will interest accrue or be paid by the Offeror or the Depositary on the purchase price of the Greyhound Shares purchased by the Offeror, regardless of any delay in making such payment.

Miscellaneous

Except as otherwise expressly set forth in this Notice of Extension, the terms and conditions set forth in the Offer remain applicable in all respects to the Offer.

Offerees' Statutory Rights

Securities legislation in certain of the provinces and territories of Canada provides holders of Greyhound Shares and Options with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, if there is a misrepresentation in a circular or notice that is required to be delivered to the holders of Greyhound Shares and Options. However, such rights must be exercised within prescribed time limits. Holders of Greyhound Shares or Options should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

CERTIFICATE OF LAIDLAW INC.

The contents of this Notice of Extension have been approved, and the sending, communication or delivery thereof to the holders of common shares of Greyhound Canada Transportation Corp. has been authorized, by the board of directors of Laidlaw Inc. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it is made. In addition, the foregoing does not contain any misrepresentation likely to affect the value or market price of the common shares of Greyhound Canada Transportation Corp. subject to the Offer.

DATED: October 3, 1997

(Signed) JAMES R. BULLOCK
Chief Executive Officer

(Signed) LESLIE W. HAWORTH
Senior Vice-President and Chief Financial Officer

On behalf of the Board of Directors

(Signed) WILLIAM P. COOPER
Director

(Signed) DONALD M. GREEN
Director

The Depositary for the Offer is:

Montreal Trust Company of Canada

By Mail:

Stock Transfer Services
600, 530 - 8th Avenue S.W.
Calgary, Alberta
T2P 3S8

By Hand, Courier or Facsimile Transmission:

Calgary
Stock Transfer Services
600, 530 - 8th Avenue S.W.
Calgary, Alberta
T2P 3S8
Tel: (403) 267-6555
Fax: (403) 266-1490

Toronto
Stock Transfer Services
151 Front Street West, 8th Floor
Toronto, Ontario
M5J 2N1
Tel: (416) 981-9596
Fax: (416) 981-9600

Montreal
Stock Transfer Services
Place Montreal Trust
1800 McGill College Avenue
6th Floor
Montreal, Quebec
H3A 3K9
Tel: (514) 982-7555
Fax: (514) 982-7347

Vancouver
Stock Transfer Services
510 Burrard Street
2nd Floor
Vancouver, British Columbia
V6C 3B9
Tel: (604) 661-0283
Fax: (604) 661-9480

The Dealer Manager for the Offer is:

Nesbitt Burns Inc.
1 First Canadian Place 4th Floor
P.O. Box 150
Toronto, Ontario
M5X 1H3

Attn: Jim Tower
Tel: (416) 359-6553
Fax: (416) 359-5685

or

Attn: Clay Bittner
Tel: (416) 359-7148
Fax: (416) 359-6584

Any questions and requests for assistance may be directed by holders of Greyhound Shares or Options to the Dealer Manager or the Depositary at their respective telephone numbers and locations set out above.