This document is important and requires your immediate attention. If you are in doubt as to how to respond to the Toromont Offer, you should consult with your investment dealer, stockbroker, lawyer or other professional advisor. Inquiries concerning the information in this document should be directed to Laurel Hill Advisory Group, the Information Agent retained by Enerflex, toll free at 1-888-726-9084 from anywhere in Canada or the United States, collect at 1-416-637-4661 (persons outside North America, banks and brokers) or via email at assistance@laurelhillag.com.

ENERFLEX

ENERFLEX SYSTEMS INCOME FUND

DIRECTORS' CIRCULAR

recommending

REJECTION

**of the Offer by Toromont Industries Ltd. dated November 16, 2009
to purchase all of the issued and outstanding Trust Units
of Enerflex Systems Income Fund and
all of the issued and outstanding Class B limited partnership units
of Enerflex Holdings Limited Partnership**

This Directors' Circular contains a unanimous recommendation by the Board of Directors of Enerflex Holdings General Partner Ltd., the administrator of Enerflex Systems Income Fund, that Unitholders

**REJECT the Toromont Offer and
NOT TENDER their Units to the Toromont Offer**

NOTICE TO UNITED STATES UNITHOLDERS

The tender offer referred to herein is made for securities of a Canadian issuer and, while the issuer and the Toromont Offer are subject to Canadian disclosure requirements, Unitholders should be aware that these requirements are different from those of the United States. The enforcement by United States Unitholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the issuer is established under the laws of, and its business offices are located in, a foreign country and that all of the directors and officers of the Administrator are residents of a foreign country.

November 30, 2009

QUESTIONS AND ANSWERS ABOUT THE INADEQUATE OFFER FROM TOROMONT

Should I accept or reject the Toromont Offer?

The Enerflex Board unanimously recommends that Unitholders **REJECT** the Toromont Offer and **NOT TENDER** their Units. Each of the Directors and officers of the Administrator of Enerflex **ARE NOT** tendering their Units to the Toromont Offer, which the Enerflex Board views as: (1) not offering full value for Unitholders; and (2) containing objectionable terms and conditions that are not in the best interests of Unitholders.

How do I reject the Toromont Offer?

You do not need to do anything. **DO NOT** tender your Units.

Can I withdraw my Units if I have already tendered?

YES. According to the Toromont Circular, you can withdraw your Units:

(a) at any time before your Units have been taken up by Toromont under the Toromont Offer;

(b) if your Units have not been paid for by Toromont within three business days after having been taken up; or

(c) at any time before the expiration of 10 days from the date upon which either:

(i) a notice of change relating to a change which has occurred in the information contained in the Offer or the Toromont Circular, as amended from time to time, that would reasonably be expected to affect the decision of a Unitholder to accept or reject the Offer (other than a change that is not within the control of Toromont or an affiliate of Toromont unless it is a change in a material fact relating to the Toromont Shares), in the event that such change occurs before the Expiry Time or after the Expiry Time but before the expiry of all rights of withdrawal in respect of the Offer; or

(ii) a notice of variation concerning a variation in the terms of the Offer (other than a variation consisting solely of an increase in the consideration offered for the Units where the Expiry Time is not extended for more than 10 days),

is mailed, delivered or otherwise properly communicated (subject to abridgement of that period pursuant to such order or orders as may be granted by applicable governmental entities) and only if such deposited Units have not been taken up by Toromont at the date of the notice.

How do I withdraw my Units?

You may withdraw your Units by contacting your broker. Also, you may contact Laurel Hill Advisory Group, the Information Agent retained by Enerflex, at the phone numbers or email address listed at the bottom of each page of this Q&A for information on how to withdraw your Units.

Why does the Enerflex Board believe that the Toromont Offer should be rejected?

The Enerflex Board believes that the Toromont Offer: (1) does not offer full value for Unitholders; and (2) contains objectionable terms and conditions that are not in the best interests of Unitholders. Set forth below are the relevant factors upon which the Enerflex Board bases its recommendation to Unitholders to **REJECT** the Toromont Offer:

The Toromont Offer does not offer full value for Unitholders

- **Each of Enerflex's Financial Advisors has delivered a written opinion stating that the consideration offered under the Toromont Offer to the holders of Units is inadequate from a financial point of view.**

- **The Toromont Offer does not adequately value the unique strategic opportunity that Enerflex represents, Enerflex's track record of successfully delivering growth, or the future growth prospects of Enerflex, particularly in its international business.** Enerflex has a track record of successfully delivering growth, having achieved an impressive compound annual growth rate in revenue and EBITDA over the past five years of 15.2% and 14.7%, respectively. Given Enerflex's strong and unique international footprint in the natural gas processing and compression business, a strategic combination with Enerflex is an opportunity which is unlikely to be presented in the foreseeable future. Enerflex's international product support network is of particular strategic value. Such a network cannot be replicated easily or cost effectively on a greenfield basis. The investment by Enerflex in the development of this network has been expensed over recent years, impacting historic results; however, this investment is expected to deliver significant future returns for Enerflex. The Toromont Offer does not adequately value the growth opportunities available to Toromont through the acquisition of Enerflex, which may not be as easily, or as cost-effectively, achieved by Toromont through the pursuit of organic growth.

- **The value of the Toromont Offer is lower than premiums typically paid in unsolicited Canadian take-over offers and equity analysts have suggested that the Toromont Offer does not fully value Enerflex.** The premium above the pre-offer trading price of the Trust Units offered by the Toromont Offer falls significantly short of comparable premiums in other unsolicited Canadian offers. Equity analysts at a number of investment firms who cover Enerflex, and who are not advising Enerflex in respect of the Toromont Offer, have suggested the Toromont Offer does not fully value Enerflex.

- **The value of the Toromont Offer is dependent on the trading price of the Toromont Shares and, for certain U.S. Unitholders, is also dependent upon the net proceeds from the forced sale of Toromont Shares.** There is uncertainty related to price given that the value of the Toromont Offer is dependent upon the trading price of the Toromont Shares. Further, Toromont Shares issuable to non-institutional Unitholders in the United States will be sold in the market and therefore such Unitholders will have no certainty as to the net proceeds they will receive under the Toromont Offer.

- **The Toromont Offer attempts to take advantage of the currently depressed market for natural gas processing, compression, power and related services.**

- **Superior proposals delivering greater value for Unitholders may emerge.** There is no need for Unitholders to respond to the Toromont Offer at this time. The Enerflex Board has received expressions of interest from bona fide third parties and is pursuing and evaluating alternatives to the Toromont Offer in order to identify the alternative that is in the best interests of Enerflex and its Unitholders. Enerflex and its Financial Advisors are broadly canvassing other parties, in Canada and internationally, who may be interested in a transaction with Enerflex.

The Toromont Offer contains objectionable terms and conditions that are not in the best interests of Unitholders

- **The Toromont Offer is highly conditional and is not a firm offer.** The Toromont Offer, in its current form, is merely an option to purchase Enerflex. The highly conditional nature of the Toromont Offer effectively provides Toromont with the right, in its sole and subjective determination, not to proceed with the Toromont Offer.

- **The Toromont Offer imposes both unfavourable and unpredictable tax consequences on Unitholders.** Tendering Unitholders may not know whether they will receive a tax-deferred rollover until Toromont has acquired their Units. At that time, tendering Unitholders will no longer be able to revoke their decision to have tendered on what they thought would be a tax-deferred rollover basis or to choose whether to accept the resulting tax consequences of a disposition of their Units on a fully-taxable basis.

- **The Toromont Offer requires Unitholders to give up rights they currently have, prior to being paid for their Units.** Unitholders who tender to the Toromont Offer will grant a broad, irrevocable power of attorney in favour of Toromont which will become effective after the Expiry Time of the Toromont Offer, even if the conditions to the Toromont Offer have not been satisfied at such time and even if Toromont has not taken-up, or taken-up but not yet paid for, Units at such time. The expansive power of attorney claimed by Toromont implies that tendering Unitholders will have granted Toromont the right to, among other things, amend Enerflex's deed of trust and/or cause the Enerflex Board to be replaced notwithstanding that Toromont has not yet paid for, and may not pay for, their Units.

- **The Toromont Offer is not a permitted bid under Enerflex's Unitholder Rights Plan.** Unitholders may not have adequate time to consider the Toromont Offer and potential alternatives. The Toromont Offer does not comply with the mandatory extension provisions of the permitted bid requirements of the Unitholder Rights Plan and creates a pressure to tender to the offer.

The reasons for the unanimous recommendation of the Enerflex Board are described in further detail on pages 5 to 15 of this Directors' Circular.

Each of the Directors and officers of the Administrator of Enerflex, who, together with their associates and affiliates, hold or exercise control or direction over an aggregate of approximately 12.4% of the Trust Units outstanding (on a fully-diluted basis), has indicated to Enerflex his or her intention **NOT TO ACCEPT** the Toromont Offer.

My broker advised me to tender my Units. Should I?

NO. The Enerflex Board has unanimously recommended that Unitholders **REJECT** the Toromont Offer and **NOT TENDER** their Units. You should be aware that Toromont has established a soliciting dealer group and that Toromont has agreed to pay a fee to soliciting dealers for Units tendered to the Toromont Offer.

Do I have to decide now?

NO. You do not have to take any action at this time. Enerflex is pursuing various initiatives with the objective of maximizing value to all Unitholders. **Superior proposals delivering greater value for Unitholders may emerge.** The Toromont Offer is scheduled to expire at 8:00 p.m. (Toronto time) on January 7, 2010, and is subject to a number of conditions that have yet to be satisfied. The Enerflex Board recommends that you not take any action until closer to the expiry date of the Toromont Offer to ensure that you are able to consider all of the options available to you.

If you have already tendered your Units to the Toromont Offer and you decide to withdraw these Units from the Toromont Offer, you must allow sufficient time to complete the withdrawal process prior to the expiry of the Toromont Offer. You can withdraw your Units by contacting your broker.

You should contact Laurel Hill Advisory Group, the Information Agent retained by Enerflex, with any questions or requests for assistance that you might have, at the phone numbers or email address listed below.

Who do I ask if I have more questions?

The Enerflex Board recommends that you read the information contained in this Directors' Circular. You should contact Laurel Hill Advisory Group, the Information Agent retained by Enerflex, with any questions or requests for assistance that you might have.

Enerflex's Information Agent is:

LAUREL HILL ADVISORY GROUP
New York • Toronto • San Francisco • Vancouver

North American Toll-Free Phone: 1-888-726-9084
Persons outside North America, Banks and Brokers Call Collect: 1-416-637-4661
Email: assistance@laurelhillag.com

TO REJECT THE TOROMONT OFFER, YOU SHOULD DO NOTHING. If you have already tendered Units to the Toromont Offer, you can withdraw your Units by contacting your broker or Laurel Hill Advisory Group, toll free at 1-888-726-9084 from anywhere in Canada or the United States and for persons outside of North America, banks and brokers collect at 1-416-637-4661 or via email at assistance@laurelhillag.com. Additional information can be obtained at www.enerflex.com.

TABLE OF CONTENTS

FORWARD-LOOKING INFORMATION

Certain information in this Directors' Circular constitutes "forward-looking information" (within the meaning of applicable Canadian securities laws). Certain statements containing words such as "anticipate", "could", "expect", "seek", "may", "intend", "will", "believe" and similar expressions and statements that are based on current expectations and estimates about the markets in which Enerflex operates and statements of Enerflex's beliefs, intentions and expectations about developments, results and events which will or may occur in the future constitute "forward-looking statements" and are based on certain assumptions and analysis made by Enerflex and the Administrator derived from their experience and perceptions.

All statements, other than statements of historical fact, contained in this Directors' Circular are forward-looking statements, including without limitation, statements with respect to:

- anticipated financial performance;
- future capital expenditures, including the amount and nature thereof;
- oil and gas prices and demand;
- other development trends of the oil and gas industry;
- business prospects and strategy;
- expansion and growth of the business and operations, including market share and position in the oilfield service markets;
- the ability to raise capital;
- non-resident ownership of Enerflex;
- expectations regarding future distributions;
- expectations and implications of changes in government regulation, laws and income taxes; and
- potential alternative transactions involving Enerflex, including those transactions that may produce superior value to the Unitholders.

Assumptions upon which certain of such forward-looking statements are based include assumptions regarding, among other items:

- the impact of general economic conditions;
- industry conditions, including the adoption of new environmental, taxation and other laws and regulations and changes in how they are interpreted and enforced;
- volatility of oil and gas prices;
- oil and gas product supply and demand;
- availability and pricing of capital equipment and other inputs used in connection with Enerflex's business and projects;
- current and future economic, market and business conditions in Canada and internationally;

- Enerflex's ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet Enerflex's requirements;

- Enerflex's ability to raise capital and generate cash flow to fund existing projects and future prospects;

- the regulatory framework representing taxes and environmental matters in which Enerflex conducts its business; and

- that the Toromont Offer will not be successful or that an alternative and superior transaction involving Enerflex can be negotiated and concluded.

These assumptions are based on certain factors and events that are not within the control of Enerflex and there is no assurance they will prove to be correct.

The forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such risks, uncertainties and factors include, among others:

- the ability of Enerflex to raise capital on acceptable terms;

- Enerflex's ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet Enerflex's requirements;

- the need to obtain required approvals and permits from regulatory authorities;

- the impact of competition;

- changes in the foreign exchange rate between the Canadian dollar and the United States dollar and other currencies in which Enerflex conducts business internationally;

- risks that Enerflex's financial counterparties may not fulfill financial obligations to Enerflex;

- risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations, including future distributions to Unitholders;

- general economic conditions in Canada, the United States and other countries in which Enerflex conducts business;

- stock market volatility;

- risks relating to operating in international jurisdictions, including but not limited to political risk, change in governments and international regulatory risks;

- failure to obtain industry partners and other third-party consents and approvals when required;

- changes in or the introduction of new government legislation and regulation; and

- the inability of Enerflex to negotiate and conclude an alternative transaction to the Toromont Offer that provides superior value to Unitholders.

Certain of these items and their possible impact are discussed more fully in the section titled "Risk Factors" in Enerflex's annual information form dated February 19, 2009 for the year ended December 31, 2008, filed with the securities commission or similar regulatory authority in each of the provinces of Canada. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these factors are interdependent, and Enerflex's future course of action would depend on the assessment of all information at that time.

Although Enerflex believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date hereof, no assurances can be given as to future results, levels of activity and achievements. Undue reliance should not be placed on the forward-looking statements contained in this Directors' Circular, and except as required by applicable law, Enerflex undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this Directors' Circular are expressly qualified by this cautionary statement.

NON-GAAP MEASURES

References in this Directors' Circular to "EBITDA" are to earnings before interest, taxes, depreciation and amortization. Enerflex believes that, in addition to net income or loss, EBITDA is a useful measure in evaluating Enerflex's historical performance and in assessing the Toromont Offer. However, EBITDA is not a recognized measure under Canadian Generally Accepted Accounting Measures ("**GAAP**"). Readers are cautioned that EBITDA should not be construed as an alternative to net income or loss determined in accordance with GAAP as an indicator of Enerflex's performance. Enerflex's method of calculating EBITDA may differ from the methods used by other issuers and, accordingly, Enerflex's EBITDA may not be comparable to similarly titled measures used by other issuers. A reconciliation to the EBITDA numbers presented in this Directors' Circular to net income, the nearest measure under GAAP, follows:

Measure	**Year ended December 31, 2003 ($ millions)**	**Year ended December 31, 2004 ($ millions)**	**Year ended December 31, 2005 ($ millions)**	**Year ended December 31, 2006 ($ millions)**	**Year ended December 31, 2007 ($ millions)**	**Year ended December 31, 2008 ($ millions)**
Net Income	20.383	32.059	40.092	40.751	56.795	65.220
Add: Income tax expense (recovery)	10.841	17.164	20.523	18.504	(10.032)	8.031
Add: Interest expense	5.280	3.828	4.641	7.336	7.582	5.044
Add: Depreciation and amortization expense	14.680	15.102	16.139	20.124	21.975	23.315
EBITDA	51.184	68.153	81.395	86.715	76.320	101.610

GLOSSARY OF TERMS

Certain terms used in this Directors' Circular have the meanings set forth in Appendix C hereto, unless such terms are defined elsewhere in this Directors' Circular.

INFORMATION REGARDING TOROMONT

This Directors' Circular also includes information relating to Toromont. This information was derived from publicly available documents, as well as certain other third-party sources such as analyst reports.

Although Enerflex has no knowledge that would indicate that any information contained in such documents filed by Toromont is untrue or incomplete (except as set forth herein), Enerflex does not assume any responsibility for the accuracy or completeness of the information contained in such documents, or for any failure by Toromont to disclose events that may have occurred or that may affect the significance or accuracy of any such information, which are unknown to Enerflex.

ENERFLEX SYSTEMS INCOME FUND DIRECTORS' CIRCULAR

This Directors' Circular is issued by the Enerflex Board in connection with the unsolicited Toromont Offer made by Toromont Industries Ltd., to purchase all of the issued and outstanding Trust Units together with associated URP Rights issued under the Unitholder Rights Plan and all of the issued and outstanding Exchangeable LP Units, together with any ELP Rights, other than any Units owned directly or indirectly by Toromont or its affiliates, including all Units issued after the date of the Toromont Offer but before the expiry thereof upon the exercise, exchange or conversion of any options or any other securities of Enerflex, Enerflex Holdings Limited Partnership or their respective affiliates (other than URP Rights and any ELP Rights) that are exercisable or exchangeable for, or convertible into, Units, on the basis of, at the election of each holder of Units: (a) $13.50 in cash; or (b) 0.5098 of a Toromont Share and $0.05 in cash, for each Unit, subject, in each case, to pro ration, to a maximum aggregate amount of cash payable of $299,541,429 and to a maximum aggregate number of Toromont Shares issuable of 11,269,832. The Toromont Offer is subject to the terms and conditions set forth in the Toromont Circular dated November 16, 2009.

Certain information included herein in respect of Enerflex and its business, operations and future prospects has been provided to the Enerflex Board by the officers of the Administrator.

THE TOROMONT OFFER

The consideration under the Toromont Offer consists of, at the election of each holder of Units: (a) $13.50 in cash; or (b) 0.5098 of a Toromont Share and $0.05 in cash, for each Unit, subject, in each case, to pro ration, to a maximum aggregate amount of cash payable of $299,541,429 and to a maximum aggregate number of Toromont Shares issuable of 11,269,832.

The Toromont Offer is subject to, among other conditions, the condition that there has been validly deposited under the Toromont Offer and not withdrawn at the Expiry Time such number of Trust Units which constitutes: (i) together with the Trust Units owned by Toromont and its affiliates, at least $66^2/_3$% of the Trust Units outstanding (on a fully-diluted basis); and (ii) at least a majority of the Trust Units (on a fully-diluted basis), the votes attached to which would be included in the minority approval of a second step business combination under applicable securities laws. **The Toromont Offer is also subject to a number of other conditions, several of which include numerous sub-conditions, being satisfied.** See "Reasons for Rejection – The Toromont Offer is highly conditional and is not a firm offer."

The Expiry Time of the Toromont Offer is stated to be 8:00 p.m. (Toronto time) on January 7, 2010, unless the Toromont Offer is withdrawn or extended. Reference is made to the Toromont Circular for details of additional terms and conditions of the Toromont Offer. **There is no need for Unitholders to take any action with respect to the Toromont Offer at this time. Unitholders who, notwithstanding the Enerflex Board's recommendation to REJECT the Toromont Offer, decide to tender to the Toromont Offer, should only do so immediately prior to the Expiry Time.**

DIRECTORS' UNANIMOUS RECOMMENDATION

The Enerflex Board believes that the Toromont Offer: (1) fails to provide full value for Unitholders; and (2) contains objectionable terms and conditions that are not in the best interests of Unitholders.

THE ENERFLEX BOARD UNANIMOUSLY RECOMMENDS THAT UNITHOLDERS REJECT THE TOROMONT OFFER AND NOT TENDER THEIR UNITS TO THE TOROMONT OFFER.

Each of the Directors and officers of the Administrator of Enerflex has indicated their intention not to accept the Toromont Offer.

REASONS FOR REJECTION

The Enerflex Board believes that the Toromont Offer: (1) fails to provide full value for Unitholders; and (2) contains objectionable terms and conditions that are not in the best interests of Unitholders. In making its recommendation, the Enerflex Board received the recommendation of the Special Committee of independent directors established by the Enerflex Board, comprised of Douglas J. Haughey (Chair), Patrick D. Daniel, Timothy W. Faithfull and Robert B. Hodgins consulted with its legal advisors and Financial Advisors and carefully considered all aspects of the Toromont Offer. Set forth below are the relevant factors upon which the Enerflex Board bases its recommendation to Unitholders to **REJECT** the Toromont Offer.

TO REJECT THE TOROMONT OFFER, YOU SHOULD DO NOTHING. If you have already tendered Units to the Toromont Offer, you can withdraw your Units by contacting your broker. Additional information can be obtained from Laurel Hill Advisory Group, toll free at 1-888-726-9084 from anywhere in Canada or the United States, collect at 1-416-637-4661 (persons outside North America, banks and brokers) or by email at assistance@laurelhillag.com.

THE TOROMONT OFFER DOES NOT OFFER FULL VALUE FOR UNITHOLDERS

1. EACH OF ENERFLEX'S FINANCIAL ADVISORS HAS DELIVERED A WRITTEN OPINION STATING THAT THE CONSIDERATION OFFERED UNDER THE TOROMONT OFFER TO THE HOLDERS OF UNITS IS INADEQUATE FROM A FINANCIAL POINT OF VIEW.

- Each of Scotia Capital Inc. and BofA Merrill Lynch, the Financial Advisors to Enerflex and the Special Committee, respectively, has delivered a written opinion that the consideration to be offered under the Toromont Offer to holders of Units (excluding Toromont) is inadequate from a financial point of view. The opinions of the Financial Advisors are attached as Appendix A and Appendix B, respectively, to this Directors' Circular and should be reviewed and considered in their entirety in conjunction with the review of this Directors' Circular.

EACH OF SCOTIA CAPITAL INC. AND BofA MERRILL LYNCH HAS DELIVERED AN OPINION THAT THE CONSIDERATION OFFERED UNDER THE TOROMONT OFFER TO THE HOLDERS OF UNITS IS INADEQUATE FROM A FINANCIAL POINT OF VIEW.

2. THE TOROMONT OFFER DOES NOT ADEQUATELY VALUE THE UNIQUE STRATEGIC OPPORTUNITY THAT ENERFLEX REPRESENTS, ENERFLEX'S TRACK RECORD OF SUCCESSFULLY DELIVERING GROWTH, OR THE FUTURE GROWTH PROSPECTS OF ENERFLEX, PARTICULARLY IN ITS INTERNATIONAL BUSINESS.

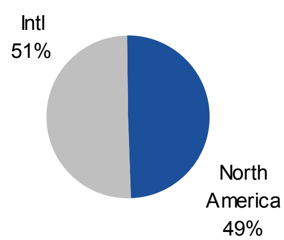
The Toromont Offer does not adequately value the unique strategic opportunity that Enerflex represents.

- While Enerflex has in the past acknowledged the potential strengths of a combination of Enerflex and Toromont, the current Toromont Offer does not value Enerflex's unique strategic position as a world-wide provider of natural gas production and processing, compression and power generation equipment and engineering and mechanical expertise, including expertise in the construction, operation and maintenance of such products and facilities. Enerflex is uniquely positioned in the international natural gas processing and compression business, and has a strong presence in North America. The Toromont Offer does not adequately value the opportunity that the acquisition of Enerflex presents within the context of the natural gas processing, compression, power and related services industry.

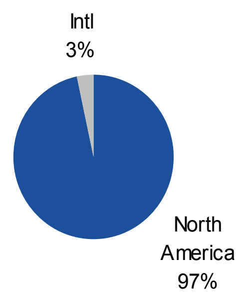
- Given Enerflex's strong and unique international footprint in the natural gas processing and compression business, a strategic combination with Enerflex is an opportunity which is unlikely to be presented in the foreseeable future. Enerflex's international product support network is of particular strategic value. Such a network cannot be replicated easily or cost effectively on a greenfield basis. The investment by Enerflex in the development of this network has been expensed over recent years, impacting historic results; however, this investment is expected to deliver significant future returns for Enerflex. The Toromont Offer does not adequately value the growth opportunities available to Toromont through the acquisition of Enerflex, which may not be as easily, or as cost-effectively, achieved by Toromont through the pursuit of organic growth.

- A comparison of the proportion of annual revenue of each of Enerflex and Toromont derived from international sources in 2008 underscores the relative significance of Enerflex's international business.

Enerflex Revenue
(2008)



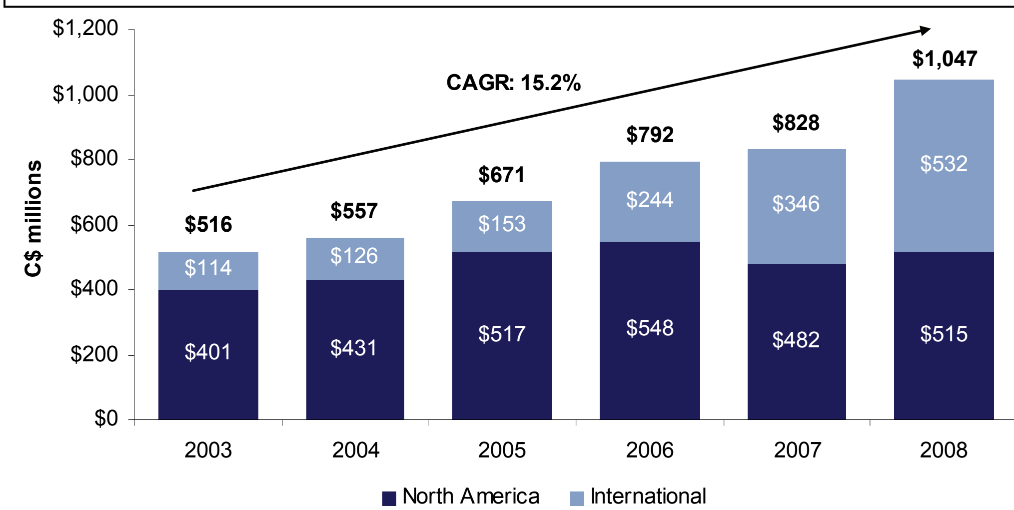
Toromont Revenue
(2008)

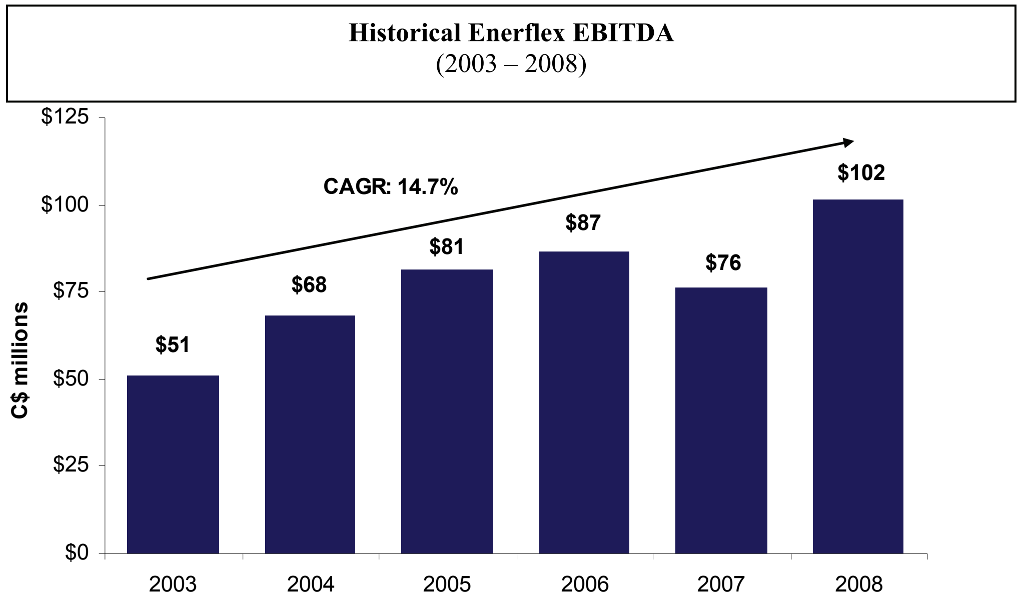


The Toromont Offer does not reflect Enerflex's track record of successfully delivering growth.

- As described below, Enerflex has achieved an impressive compound annual growth rate ("**CAGR**") in revenue and EBITDA over the past five years of 15.2% and 14.7%, respectively. This growth has been achieved in addition to a significant cash flow payout to Unitholders resulting from Enerflex's income trust structure.

Historical Enerflex Revenue
(2003 – 2008)





The Toromont Offer does not adequately value the future growth prospects of Enerflex, particularly in its international business.

- Enerflex believes that a recovery is beginning in the underlying activity levels that drive Enerflex's operating results. During the first two months of the fourth quarter of 2009, Enerflex has secured new contracts from both international and North American customers representing aggregate revenue of approximately $99 million.

- In response to recent economic conditions, Enerflex has rationalized its operations to reduce general and administrative expenses by approximately $21 million (net of severance costs) in 2009, compared to 2008, resulting in annualized savings of approximately $30 million. These cost savings will position Enerflex for even greater bottom-line growth as activity levels rebound.

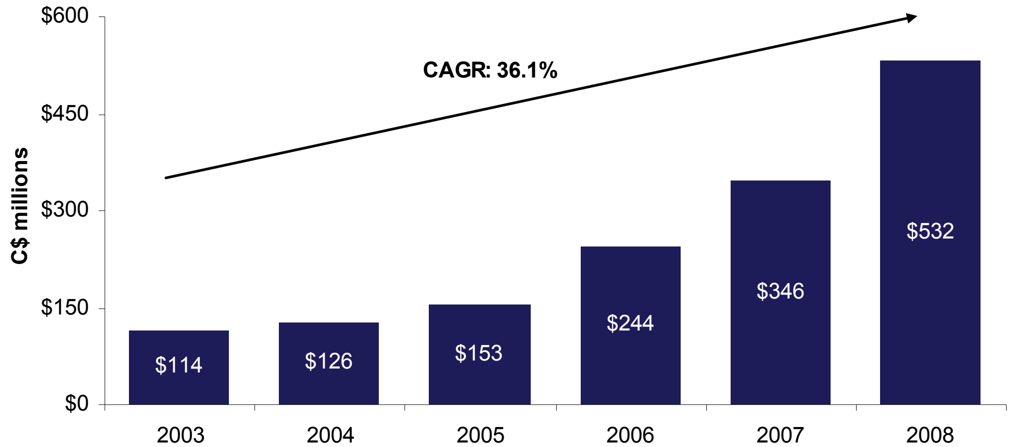
- Equity analyst estimates do not reflect Enerflex's outlook for business opportunities in 2010 and beyond. Enerflex's 2010 outlook reflects an expected resumption in global capital spending for natural gas projects and the realization of benefits from investments made by Enerflex in the Middle East/North Africa and Australasia regions.

    - During 2009, Enerflex completed investments in the Middle East/North Africa region to expand its footprint of operations there. This region is forecasted to experience the largest natural gas production increase globally, according to independent, third-party industry sources. Enerflex's pre-qualification credentials and demonstrated expertise with build-own-operate-maintain contract business positions it well to participate in the upcoming projects in this region.

    - Enerflex's established presence and extensive infrastructure in Australasia positions it to meaningfully participate in the unprecedented natural gas compression and processing infrastructure investment related to planned liquid natural gas ("**LNG**") projects in that region.

- The Toromont Offer does not reflect the value attributable to the growth profile of Enerflex's business in international markets. Over Enerflex's last five most recently completed financial years, revenue attributable to international markets outside North America has increased from $114 million to $532 million, representing a CAGR of approximately 36.1%.

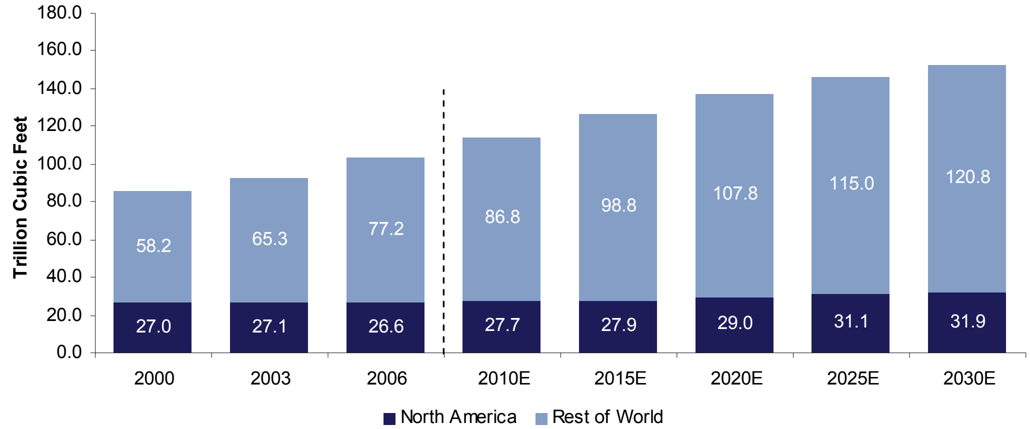
Historical Enerflex International Revenue
(2003 – 2008)



- As an experienced and established operator in international markets and with existing operations in Australia, the Middle East and Europe, Enerflex is positioned well to participate in the growth within these regions. During the five most recently completed financial years, Enerflex has increased international revenue outside North America, as a percentage of total revenue, from approximately 22% to approximately 51%.

- Independent, third-party research indicates that global annual natural gas production is expected to increase by 38.2 trillion cubic feet between 2010 and 2030. The North American market is expected to grow by 4.2 trillion cubic feet in annual production, while the international market, in which Enerflex possesses an established presence, is expected to grow by 34 trillion cubic feet in annual production over the same time period. Enerflex has made strategic investments in recent years to establish a footprint in the high growth regions of Australia, the Middle East and Europe and is positioned to fully realize the growth potential in those markets.

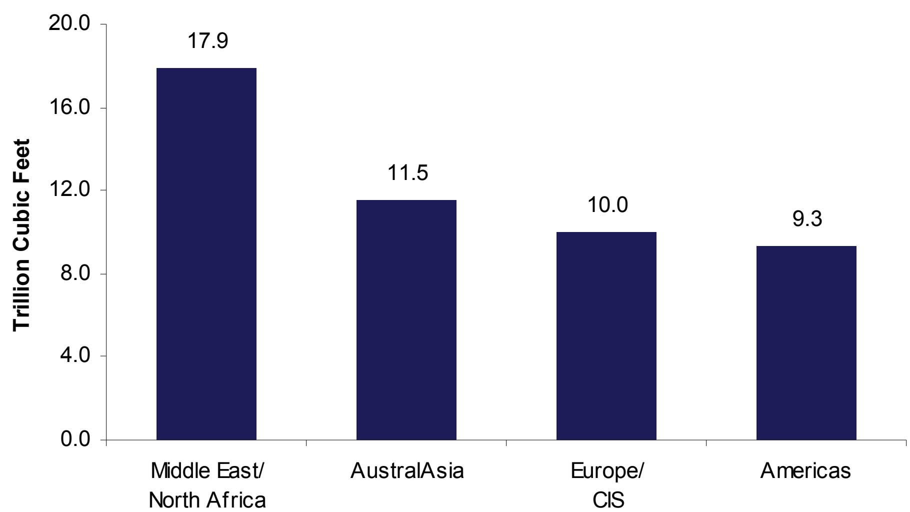
Global Projected Annual Natural Gas Production
(2006 – 2030)



Source: EIA

- Independent, third-party industry sources project the Middle East/North Africa region and the Australasia region will experience the largest annual natural gas production increases. As a result, those regions will require significant capital investment in natural gas compression and processing infrastructure, which directly benefits Enerflex. Enerflex has made strategic investments in recent years to establish a footprint in the high growth regions of Middle East/North Africa and Australasia and is positioned to fully realize the growth potential in those markets.

Global Projected Annual Natural Gas Production Increase by Region
(2006 – 2030)



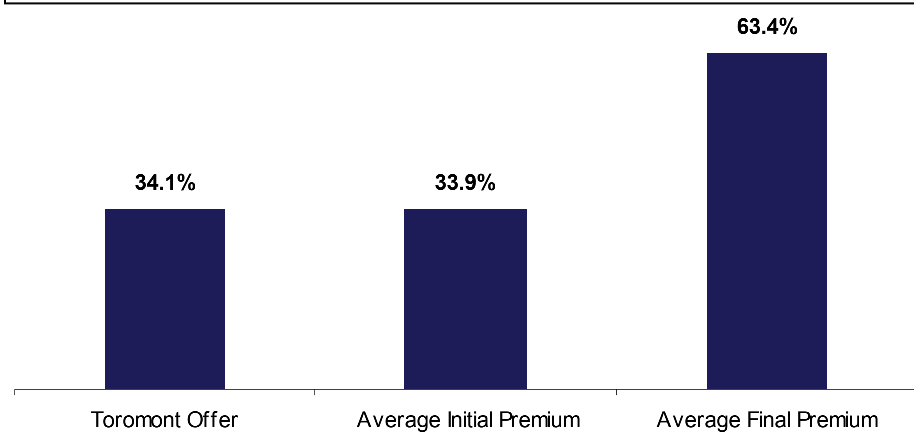
THE TOROMONT OFFER DOES NOT ADEQUATELY VALUE THE UNIQUE STRATEGIC OPPORTUNITY THAT ENERFLEX REPRESENTS, ENERFLEX'S TRACK RECORD OF SUCCESSFULLY DELIVERING GROWTH, OR THE FURTURE GROWTH PROSPECTS OF ENERFLEX, PARTICULARLY IN ITS INTERNATIONAL BUSINESS.

3. THE VALUE OF THE TOROMONT OFFER IS LOWER THAN PREMIUMS TYPICALLY PAID IN UNSOLICITED CANADIAN TAKE-OVER OFFERS AND EQUITY ANALYSTS HAVE SUGGESTED THAT THE TOROMONT OFFER DOES NOT FULLY VALUE ENERFLEX.

The implied premium of the Toromont Offer is lower than premiums typically paid in unsolicited transactions involving Canadian targets.

- The Toromont Offer represents a 34.1% premium to the closing price of the Trust Units on October 16, 2009, the date on which Toromont announced its intention to make the Toromont Offer. Premiums paid in 41 other unsolicited transactions involving Canadian targets since 2000 have averaged approximately 63.4%, calculated on the same basis. The Toromont Offer falls significantly short of this benchmark.

Unsolicited Transaction Premiums(1)



(1) Based on closing price prior to announcement.

Equity analysts have suggested that the Toromont Offer does not fully value Enerflex.

- Equity analysts at a number of investment firms who cover Enerflex, and who are not advising Enerflex in respect of the Toromont Offer, have suggested the Toromont Offer does not fully value Enerflex, in particular the future potential of Enerflex's international business. Since the announcement of the Toromont Offer, a number of analysts have set target prices for the Trust Units that exceed the Toromont Offer price of $13.50 per Trust Unit.

THE IMPLIED PREMIUM OF THE TOROMONT OFFER IS SUBSTANTIALLY LESS THAN PREMIUMS TYPICALLY PAID IN CANADIAN UNSOLICITED TAKE-OVER OFFERS.

EQUITY ANALYSTS HAVE SUGGESTED THAT THE TOROMONT OFFER DOES NOT FULLY VALUE ENERFLEX.

4. THE VALUE OF THE TOROMONT OFFER IS DEPENDENT ON THE TRADING PRICE OF THE TOROMONT SHARES AND, FOR CERTAIN U.S. UNITHOLDERS, IS ALSO DEPENDENT UPON THE NET PROCEEDS FROM THE FORCED SALE OF TOROMONT SHARES.

The value of the consideration offered under the Toromont Offer is dependent upon the trading price of Toromont Shares.

- Based on the volume weighted average trading price of the Toromont Shares since the announcement of the Toromont Offer of $25.47, and assuming the consideration that Unitholders would receive under the Toromont Offer is equally split between cash consideration and Toromont Share consideration as indicated in the Toromont Circular, the actual value of the Toromont Offer is approximately $13.27 per Unit.

The value of the consideration offered under the Toromont Offer for certain U.S. Unitholders is dependent upon the net proceeds from the forced sale of Toromont Shares.

- The Toromont Offer does not permit the issuance of Toromont Shares to non-institutional Unitholders in the United States. Toromont intends to deliver the Toromont Shares issuable to such persons to a trustee who will dispose of the Toromont Shares on the TSX shortly following the Expiry Time of the Toromont Offer, for the purpose of delivering to such Unitholders the net proceeds thereof. As a result, non-institutional Unitholders in the United States electing to receive Toromont Shares will not receive such Toromont Shares and will have no certainty as to the net proceeds they will receive under the Toromont Offer.

THE VALUE OF THE TOROMONT OFFER IS DEPENDENT ON THE TRADING PRICE OF THE TOROMONT SHARES AND, FOR CERTAIN U.S. UNITHOLDERS, IS ALSO DEPENDENT UPON THE NET PROCEEDS FROM THE FORCED SALE OF TOROMONT SHARES.

5. THE TOROMONT OFFER ATTEMPTS TO TAKE ADVANTAGE OF THE CURRENTLY DEPRESSED MARKET FOR NATURAL GAS PROCESSING, COMPRESSION, POWER AND RELATED SERVICES.

The Enerflex Board believes that the timing of the Toromont Offer is opportunistic for the following reasons:

- Toromont has launched the Toromont Offer to coincide with the most significant global economic recession in a generation and a low point in the business cycle. As noted by Enerflex in connection with the recent release of its September 30, 2009 interim financial statements, continued low activity adversely impacted booking levels in the third quarter of 2009. Nevertheless, the industry has begun to show signs of recovery, indicating that the markets for Enerflex's products and services may begin to improve.

- As noted above, during the first two months of the fourth quarter of 2009, Enerflex has secured new contracts from both international and North American customers representing aggregate revenue of approximately $99 million.

- In spite of current weakness in certain markets for its products and services, Enerflex is in a solid financial position, with no need to access the debt or equity markets in any significant way. Enerflex's most significant capital investment program – to expand its Middle East/North Africa and Australasia footprint – has been completed. Further, while Enerflex has successfully completed these investments, it has yet to realize the full economic benefit such investments are expected to generate. The Toromont Offer has been timed to opportunistically capitalize upon current market conditions and the unrealized nature of benefits from significant investment in high growth regions.

THE TIMING OF THE TOROMONT OFFER IS OPPORTUNISTIC.

6. SUPERIOR PROPOSALS DELIVERING GREATER VALUE FOR UNITHOLDERS MAY EMERGE.

- In fulfillment of its duties to Enerflex, the Enerflex Board is pursuing and evaluating alternatives to the Toromont Offer in order to identify the alternative that is in the best interests of Enerflex. Enerflex and its Financial Advisors have received expressions of interest from bona fide third parties and are also broadly canvassing other parties, in Canada and internationally, who may be interested in a transaction with Enerflex.

- Several parties have signed confidentiality agreements and are reviewing selected confidential information and discussing Enerflex's business prospects with management and its Financial Advisors. The confidentiality agreements are in customary form and are designed to create a fair and equal process for all participants.

- As of the date of this Directors' Circular, it is premature to predict whether any transaction will emerge from these efforts and discussions; however, the Enerflex Board believes that Enerflex and its assets are very attractive to other parties in addition to Toromont and tendering Units to the Toromont Offer before Enerflex and its Financial Advisors have had an opportunity to fully explore all available alternatives to the Toromont Offer may preclude the possibility of financially superior alternative transactions emerging.

ENERFLEX AND THE FINANCIAL ADVISORS ARE ACTIVELY SOLICITING SUPERIOR ALTERNATIVES TO THE TOROMONT OFFER.

THE TOROMONT OFFER CONTAINS OBJECTIONABLE TERMS AND CONDITIONS THAT ARE NOT IN THE BEST INTERESTS OF UNITHOLDERS

1. THE TOROMONT OFFER IS HIGHLY CONDITIONAL AND IS NOT A FIRM OFFER.

- The Toromont Offer, in its current form, merely represents an option to purchase Enerflex. The highly conditional nature of the Toromont Offer effectively provides Toromont with the right, in its sole and subjective determination, not to proceed with the Toromont Offer.

- The Toromont Offer contains a number of subjective conditions, several of which include numerous sub-conditions, which must be satisfied or waived before Toromont is obligated to take up and pay for any Units deposited under the Toromont Offer. Certain of the conditions and sub-conditions provide a broad discretion in favour of Toromont and are not subject to any materiality thresholds or other objective criteria, and include language such as "on terms and conditions satisfactory to Toromont in its sole discretion" and similar phrases, in several cases without any requirement for reasonableness in these determinations.

- Notably, several conditions of the Toromont Offer give Toromont the option to terminate the Toromont Offer as a result of any event, action or inaction which Toromont determines, in its sole discretion, may diminish or impair the expected economic value to Toromont of the acquisition of Enerflex.

THE NUMEROUS SUBJECTIVE CONDITIONS OF THE TOROMONT OFFER GIVE TOROMONT THE OPTION NOT TO PROCEED WITH ITS OFFER.

2. THE TOROMONT OFFER IMPOSES BOTH UNFAVOURABLE AND UNPREDICTABLE TAX CONSEQUENCES ON UNITHOLDERS.

Subsequent to the completion of the Toromont Offer, Toromont may deny Unitholders a tax-deferred rollover

- Toromont has offered to provide certain Unitholders the option (defined in the Toromont Circular as a "Rollover Option") of exchanging their Units for Toromont Shares on a tax-deferred rollover basis. The availability of this tax-deferred rollover is dependent upon Toromont making an election with each Unitholder who chooses to take advantage of the Rollover Option. However, Toromont has indicated that the Rollover Option may, in Toromont's sole discretion, be withdrawn if certain conditions are not met. More specifically, Toromont can withdraw the Rollover Option if there is a limitation on, or a challenge to, Toromont's ability to acquire all Trust Units not deposited under the Offer pursuant to either a Compulsory Acquisition or Tax Efficient Subsequent Acquisition (as each such term is defined in the Toromont Circular). While the Toromont Circular indicates that Toromont currently intends to propose a Compulsory Acquisition or Tax Efficient Subsequent Acquisition, Toromont's Offer indicates that Toromont retains the right, in its sole discretion, to not proceed with those avenues. The result is that Unitholders may not know whether Toromont will proceed with a Compulsory Acquisition or Tax Efficient Subsequent Acquisition (or whether the Rollover Option will be withdrawn even if Toromont proceeds with such acquisitions) until after they have tendered their Units to the Toromont Offer and the Toromont Offer has expired, at which time tendering Unitholders will no longer be able to revoke their decision to have tendered on what they thought would be a tax-deferred rollover basis or to choose whether to accept the resulting tax consequences of a disposition of their Units on a fully-taxable basis.

- Rather than give Unitholders the certainty of a tax-deferred rollover, Toromont has retained the ability, in its sole discretion, to deny such a rollover, with the result that Unitholders who tender to the Toromont Offer may be exposed to unpredictable tax results. This unpredictability puts Unitholders who might only tender their Units to the Toromont Offer on the basis of a tax-deferred rollover at a disadvantage in that they are being enticed to tender to the Toromont Offer on the basis that there will be a rollover only to potentially find out later that the rollover has been withdrawn by Toromont.

- A further complicating factor is that whether or not there is a tax-deferred rollover may be one of the variables that Unitholders rely on in choosing between the election to receive cash under the Cash Alternative or Toromont Shares and cash under the Share Alternative. The Rollover Option is only being made available in respect of Units tendered under the Share Alternative. A Unitholder who chooses the Share Alternative to take advantage of the Rollover Option may have instead chosen the Cash Alternative had there been advance certainty that a rollover would not be available, particularly since there is risk that Toromont Shares could drop in value following a tender to the Toromont Offer, whereas the cash consideration would be certain.

- The Toromont Offer is coercive to Unitholders by threatening to deny tax-deferred rollovers where Toromont's completion of a Compulsory Acquisition or Subsequent Acquisition is challenged or limited. The implied threat of adverse tax consequences is a means to coerce Unitholders who otherwise would not want to tender to the Toromont Offer to do so.

The Toromont Circular does not inform Unitholders as to the United States tax consequences of the Toromont Offer or any compulsory acquisition or subsequent acquisition transaction

- The Toromont Circular does not contain any disclosure concerning the United States tax consequences of the Toromont Offer, any compulsory acquisition or any subsequent acquisition transaction. The potential tax consequences to such persons of tendering to the Toromont Offer, or being subject to any compulsory acquisition or subsequent acquisition transaction is material disclosure required for such Unitholders to make an informed decision, and such information would reasonably be expected to affect the decision of such Unitholders to accept or reject the Toromont Offer.

TOROMONT MAY DENY TENDERING UNITHOLDERS A TAX-DEFERRED ROLLOVER.

THE TOROMONT CIRCULAR DOES NOT PROVIDE U.S. UNITHOLDERS WITH SUFFICIENT DISCLOSURE TO MAKE AN INFORMED DECISION.

3. THE TOROMONT OFFER REQUIRES UNITHOLDERS TO GIVE UP RIGHTS THEY CURRENTLY HAVE, PRIOR TO BEING PAID FOR THEIR UNITS.

- Unitholders who tender to the Toromont Offer will grant a broad, irrevocable power of attorney in favour of Toromont which will become effective after the Expiry Time of the Toromont Offer, even if the conditions to the Toromont Offer have not been satisfied at such time and even if Toromont has not taken-up, or taken-up and not yet paid for, Units at such time.

- The expansive power of attorney claimed by Toromont implies that tendering Unitholders will have granted Toromont the right to, among other things, amend Enerflex's deed of trust and/or cause the Enerflex Board to be replaced notwithstanding that Toromont has not yet paid for, and may not pay for, their Units.

- By seeking to acquire a Unitholder's voting authority prior to having acquired such Unitholder's Units, Toromont is seeking to obtain a voting proxy from Unitholders without having complied with the proxy solicitation requirements of applicable securities laws.

THE TOROMONT OFFER REQUIRES UNITHOLDERS TO GIVE UP CONTROL OVER THE AFFAIRS OF ENERFLEX BEFORE THEIR UNITS ARE ACQUIRED OR PAID FOR.

4. THE TOROMONT OFFER IS NOT A PERMITTED BID UNDER ENERFLEX'S UNITHOLDER RIGHTS PLAN.

- A copy of the Unitholder Rights Plan is publicly available at www.enerflex.com. Toromont could have made a "Permitted Bid" (as defined under the Unitholder Rights Plan) but chose not to do so. As a result, Toromont is disregarding the will of Unitholders by seeking to limit the ability of the Enerflex Board to pursue superior transactions in order to maximize value for Unitholders.

- The purpose of the Unitholder Rights Plan is to provide the Enerflex Board and Unitholders with sufficient time to properly consider any take-over bid made for Enerflex and to allow enough time for competing bids and alternative proposals to emerge. The Unitholder Rights Plan also seeks to ensure that all Unitholders are treated fairly in any transaction involving a change of control of Enerflex and have an equal opportunity to participate in the benefits of a take-over bid. The Unitholder Rights Plan encourages potential acquirors to negotiate the terms of offers for Units with the Enerflex Board or to make a Permitted Bid without the approval of the Enerflex Board. Failure to do so creates the potential for substantial dilution of the potential acquiror's position.

- A Permitted Bid has terms and conditions designed to meet the objectives of the Unitholder Rights Plan. To be a Permitted Bid, a take-over bid must, among other things: (i) be made to all holders of record of Trust Units and Exchangeable LP Units, other than the offeror; (ii) contain an irrevocable and unqualified condition that no Trust Units or Exchangeable LP Units shall be taken up or paid for pursuant to the take-over bid prior to close of business on a date that is not less than 60 days following the date of the take-over bid; (iii) contain an irrevocable and unqualified condition that allows Trust Units and Exchangeable LP Units to be deposited pursuant to the take-over bid at any time prior to the close of business on the date of first take-up or payment for Trust Units and Exchangeable LP Units and that all Trust Units and Exchangeable LP Units deposited pursuant to the take-over bid may be withdrawn at any time prior to the close of business on such date; (iv) contain an irrevocable and unqualified condition that more than 50% of the outstanding Trust Units (including those underlying Exchangeable LP Units) held by Independent Unitholders (as defined under the Unitholder Rights Plan) must be deposited to the take-over bid and not withdrawn on the date of first take-up or payment; and (v) contain an irrevocable and unqualified condition that in the event that more than 50% of the then outstanding Trust Units (including those underlying Exchangeable LP Units) held by Independent Unitholders shall have been deposited to the take-over bid and not withdrawn as at the date of first take-up or payment for Trust Units and Exchangeable LP Units under the take-over bid, the offeror will make a public announcement of that fact and the take-over bid will remain open for deposits and tenders of Trust Units and Exchangeable LP Units for not less than 10 business days from the date of such public announcement**.**

- A Permitted Bid would, among other things, provide additional time for the exploration, development and pursuit of alternatives that could maximize Unitholder value. A Permitted Bid would also ensure that holders of Units have sufficient time to consider all appropriate alternatives but not feel compelled to accept a bid for fear that other Unitholders would tender and they would remain as minority Unitholders in an entity with a new controlling Unitholder, and with significantly less liquidity and the absence of any take-over premium.

ALTHOUGH IT COULD HAVE, TOROMONT HAS NOT MADE A PERMITTED BID UNDER THE PROVISIONS OF THE UNITHOLDER RIGHTS PLAN, WHICH IS DESIGNED TO PROTECT UNITHOLDER INTERESTS.

AS A RESULT OF THE FOREGOING REASONS, THE ENERFLEX BOARD UNANIMOUSLY RECOMMENDS THAT HOLDERS OF UNITS <u>REJECT</u> THE TOROMONT OFFER AND <u>NOT TENDER</u> THEIR UNITS TO THE TOROMONT OFFER.

HOW TO WITHDRAW TENDERED UNITS

Unitholders who have already tendered their Units to the Toromont Offer can withdraw them at any time until Toromont takes up and pays for them. Unitholders holding their Units through a brokerage firm can contact their broker to withdraw the Units on their behalf or contact Laurel Hill Advisory Group, toll free at 1-888-726-9084 from anywhere in Canada or the United States, collect at 1-416-637-4661 (persons outside North America, banks and brokers) or by email at assistance@laurelhillag.com.

BACKGROUND

Representatives of Enerflex and Toromont, and their respective financial and legal advisors, have discussed on several occasions over the last several years the potential of combining the natural gas compression and oil and gas processing equipment businesses of Enerflex and Toromont, including at various points discussions exploring a number of potential alternative transaction structures. In each instance, however, the parties were unable to negotiate the economic and other parameters of such potential transactions. Most recently in this sequence of discussions, in June of 2009, Robert M. Ogilvie, the Chairman and Chief Executive Officer of Toromont, proposed to P. John Aldred, the Chairman of Enerflex, that a transaction giving effect to the combination of their respective compression businesses should be pursued. Following this initial conversation, Blair Goertzen, the President and Chief Executive Officer of Enerflex, and James Harbilas, the Vice-President and Chief Financial Officer of Enerflex, and Toromont had several preliminary discussions with respect to the terms upon which the two compression businesses could be combined and summary term sheets with respect to possible transactions were exchanged. The parties were unable to agree to the key terms of such a transaction. On August 14, 2009, Mr. Ogilvie delivered a letter to Mr. Goertzen terminating those discussions.

Late in the afternoon of Friday, October 16, 2009, Mr. Aldred and Mr. Goertzen received a phone call from Mr. Ogilvie indicating that he would be sending a proposal from Toromont to enter into a business combination with Toromont whereby holders of Units would receive cash and Toromont Shares representing an ascribed price of $13.50 per Unit. A letter was received and the proposal was also made public by means of a Toromont press release incorporating the letter to Messrs Aldred and Goertzen and providing web-links to certain lock-up agreements that had been signed (the "**October 16 Proposal**"). The proposed consideration was to be comprised of at least 50% cash, with the balance being paid in Toromont Shares. The October 16 Proposal indicated that Unitholders could elect to receive either $13.50 in cash or a fixed number of Toromont Shares, within the limits of total cash and shares allocated to the transaction.

Mr. Ogilvie, in his letter and telephone conversations with Mr. Aldred, invited Enerflex to negotiate a business combination with Toromont based on the October 16 Proposal, failing which the implication was that Toromont could or would proceed on its own by way of takeover bid or other means to acquire Enerflex.

Enerflex sought advice from its legal counsel, Bennett Jones LLP, with respect to the October 16 Proposal and the fiduciary duties of the Enerflex Board. The Enerflex Board met on October 17, 2009 to begin consideration of the October 16 Proposal and related matters. Consistent with the exercise of their fiduciary duties, the Enerflex Board determined that it would be appropriate to formally evaluate and consider the matters set forth in the October 16 Proposal and other opportunities available to Enerflex and formed the Special Committee, which is comprised of independent directors. At this time the Enerflex Board also determined to continue to retain Scotia Capital Inc. as Enerflex's financial advisor. Scotia Capital Inc. was the financial advisor to Enerflex in connection with the prior discussions with Toromont.

In order to receive further information necessary to properly consider and evaluate Toromont's October 16 Proposal, Mr. Aldred delivered a letter to Mr. Ogilvie on October 19, 2009 notifying Toromont that Enerflex had formed the Special Committee to consider and respond to the October 16 Proposal, among other things, and requesting that Toromont provide further information in respect of its proposal by October 20, 2009, to permit such information to be provided to the Special Committee in advance of its first scheduled meeting. Specifically, Mr. Aldred requested that Toromont provide full information about the terms, conditions, tax treatment or considerations, and timing of its proposal, including any draft documentation necessary for the transaction, by October 20. In response to that request, on October 20, 2009 Toromont delivered to the Special Committee a non-binding preliminary term sheet (the "**October 20 Term Sheet**"), which confirmed the October 16 Proposal with certain added details.

The Special Committee convened its first meeting on October 21, 2009, at which time it assessed potential legal advisors for the Special Committee and decided to retain Stikeman Elliott LLP. It was also decided to canvass various financial advisors to assist the Special Committee in fulfilling its mandate.

On October 22, 2009, Scotia Capital Inc. met with Toromont's financial advisors, TD Securities Inc. and CIBC World Markets Inc., in order to discuss the October 16 Proposal.

The Special Committee met on October 23 and 24, 2009 to interview and select a financial advisor.

On October 29, 2009 Enerflex announced that the Special Committee had engaged BofA Merrill Lynch as the Special Committee's independent financial advisor and Stikeman Elliott LLP as the Special Committee's independent legal advisor.

On November 2, 2009 the Special Committee met and received the initial observations of BofA Merrill Lynch, legal advice from Stikeman Elliott LLP, the advice of Scotia Capital Inc. and a briefing from management on recent developments.

On November 5, 2009, the Enerflex Board again met. The meeting included further advice of Bennett Jones LLP, an update from management of Enerflex and a joint financial presentation by BofA Merrill Lynch and Scotia Capital analyzing the October 16 Proposal. The Enerflex Board discussed other parties that had expressed interest in Enerflex. After receiving the recommendation of the Special Committee, the Enerflex Board determined, among other things, to continue its analysis of Toromont's proposal and its attempts to dialogue with Toromont but, at the same time, fully investigate other opportunities available to Enerflex including a canvass of other potential acquirors and merger candidates. The Enerflex Board also met in camera to consider the information provided to it.

In a further effort to obtain information from Toromont as to certain aspects of its proposal in order to facilitate a meaningful evaluation of the proposal, on November 6, 2009, at Enerflex's request, Mr. Douglas J. Haughey, Chairman of the Special Committee together with Mr. Aldred placed a phone call to Mr. Ogilvie, who was joined by Paul R. Jewer, the Chief Financial Officer and David C. Wetherald, the General Counsel of Toromont. During that call, Messrs. Aldred and Haughey invited Mr. Ogilvie and Mr. Jewer of Toromont to meet with them in Calgary on November 9, 2009 in order to further discuss Toromont's proposal.

On November 9, 2009, Messrs. Aldred and Haughey met with Messrs. Ogilvie and Jewer in Calgary to discuss further the October 16 Proposal. The Enerflex representatives advised the Toromont representatives that the Special Committee had been charged with a mandate to evaluate, in the best interests of Enerflex, not only the October 16 Proposal but also all other alternatives available to Enerflex.

RESPONSE TO THE TOROMONT OFFER AND RECENT DEVELOPMENTS

Following the issuance by Toromont of a news release early in the morning on November 12, 2009 announcing its intention to make the Toromont Offer, the Special Committee had discussions with its Financial Advisors, Bennett Jones LLP and Stikeman Elliott LLP and considered the Toromont announcement.

Enerflex announced on November 12, 2009 that the Special Committee, consistent with its fiduciary duties, would consider and evaluate the Toromont Offer, when mailed, and would make a recommendation to the Enerflex Board at the appropriate time after considering all factors, including alternative transactions and that the Enerflex Board would, in turn and based on similar considerations, make a recommendation to Unitholders at the appropriate time.

On November 15, 2009, the Special Committee met with its Financial Advisor and its legal counsel to review circumstances around the expected Toromont bid and a schedule as to the next steps. At that meeting, among other things, the Special Committee received advice from Stikeman Elliott LLP with respect to its duties and responsibilities in the context of the Toromont Offer and received a presentation from its Financial Advisor with respect to the Toromont Offer and related matters.

On November 16, 2009, the Toromont Offer was formally commenced by advertisement.

At a meeting of the Enerflex Board held on November 18, 2009, the Enerflex Board received an update on the efforts of the Financial Advisors, further legal advice, a report from the Special Committee and deferred the separation time under the Unitholders Rights Plan until a later date to be determined by the Enerflex Board. The Enerflex Board also instructed the Financial Advisors to continue in their efforts in following-up with expressions of interest and contacting bona fide third parties in Canada and internationally for the purpose of determining their interest in pursuing a value-enhancing transaction.

On November 24, 2009, the Chairman of the Special Committee, the Chairman of the Enerflex Board, the Enerflex CEO and CFO met with advisors to review the status of the Toromont bid, the status of discussions with third parties, preliminary Financial Advisor indications as to adequacy of the Toromont Offer, and next steps.

Each of the Special Committee and the Enerflex Board have had several meetings and discussions with the Financial Advisors and legal counsel since November 12, 2009, to review and evaluate the terms of the Toromont Offer and to discuss other strategic alternatives regarding Enerflex, including potential alternative transactions that could provide superior value to Unitholders.

On November 28, 2009, the Special Committee and the Enerflex Board each met with the Financial Advisors and legal counsel to review and evaluate the terms of the Toromont Offer and to discuss related matters, interested third parties, Enerflex's future prospects and the consideration of strategic alternative transactions.

On November 28, 2009, the Special Committee met to receive the formal opinion of BofA Merrill Lynch as to adequacy of the consideration offered under the Toromont Offer and to review the same with legal counsel. Having reviewed and evaluated the Toromont Offer and the Toromont Circular and having received advice from legal counsel and BofA Merrill Lynch in this regard and based on such advice, review and evaluation, the Special Committee recommended to the Enerflex Board that it recommend that Unitholders reject the Toromont Offer and not tender their Units to the Toromont Offer. Based upon such recommendation and the inadequacy opinion of Scotia Capital Inc., and considering the advice of legal counsel, the Enerflex Board unanimously recommended that Unitholders reject the Toromont Offer and approved the contents and delivery of this Directors' Circular.

Interested parties have signed confidentiality agreements and are reviewing selected confidential information and discussing Enerflex's business prospects with management and the Financial Advisors. The confidentiality agreements are in customary form and are designed to create a fair and equal process for all participants. In addition, members of the executive team of Enerflex or the Financial Advisors have met with several interested North American and international parties and expect further meetings to take place in the coming weeks.

DIRECTORS AND OFFICERS OF THE ADMINISTRATOR AND OWNERSHIP OF SECURITIES

The following table sets out the names of each of the Directors and officers of the Administrator and the number of outstanding Units and Options beneficially owned as at November 30, 2009, directly or indirectly, or over which control or direction is exercised by each such person and, where known after reasonable enquiry, by each associate or affiliate of Enerflex, any insider of Enerflex and such insider's associates and affiliates, and any person or company acting jointly or in concert with Enerflex.

Directors

		Securities Beneficially Owned, Directly or Indirectly[1]					
Name	**Position with Enerflex**	**Trust Units**	**% Trust Units Outstanding**	**Exchangeable LP Units**	**% Exchangeable LP Units Outstanding**	**Options**	**% Options Outstanding**
P. John Aldred	Director, Chairman of the Board of Enerflex	1,135,736[2]	2.56	2,508,800[2]	94.19	72,000	6.6
Patrick D. Daniel	Director	8,000	0.02	-	-	-	-
Timothy W. Faithfull	Director	10,000	0.02	-	-	6,400	0.6
J. Blair Goertzen	Director, President and CEO	155,300	0.35	-	-	354,963	32.4
Douglas J. Haughey	Director	8,000	0.02	-	-	20,740	1.9
Robert B. Hodgins	Director	8,000	0.02	-	-	-	-
Geoffrey F. Hyland	Director	8,000	0.02	-	-	-	-
Nancy M. Laird	Director	4,000	0.01	-	-	10,300	0.9
J. Nicholas Ross	Director	23,696[3]	0.05	-	-	37,170	3.4
Robert C. Williams	Director	974,714[4]	2.20	71,844[4]	2.70	22,570	2.1

Officers

Name	Position with Enerflex	Securities Beneficially Owned, Directly or Indirectly[1] Trust Units	% Trust Units Outstanding	Exchangeable LP Units	% Exchangeable LP Units Outstanding	Options	% Options Outstanding
D. James Harbilas	Vice-President, CFO and Secretary	7,670	0.02	-	-	154,576	14.1
Rachel M. Moore	Vice-President, Human Resources and Privacy Officer	4,368	0.01	-	-	62,368	5.7
William A. Moore	Senior Vice-President, Operations	16,434	0.04	-	-	148,834	13.6
Steven Dropulich	Vice-President, Managing Director	24,436[5]	0.06	-	-	-	-
Spencer Fried	Vice-President, Sales and Service Delivery	13,588[6]	0.03	-	-	71,509	6.5
Gregory Stewart	Vice-President, Chief Information Officer	-	-	-	-	20,020	1.8

Notes:

(1) The information as to securities beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of Enerflex, has been furnished by the respective Directors and officers.

(2) Energrowth Holdings Ltd., a private corporation wholly-owned by Mr. Aldred owns 1,118,236 Trust Units and 2,508,800 Exchangeable LP Units. The Trust Units beneficially owned by Mr. Aldred include 17,500 Trust Units held by Mr. Aldred's spouse.

(3) Rover Capital Holdings Limited, a private corporation wholly-owned through Rover Capital Corporation by Mr. Ross and his spouse, owns 12,296 Trust Units and Rover Capital Corporation owns 3,500 Trust Units. Mr. Ross and his spouse hold an additional 5,900 Trust Units in their personal RRSP accounts and 2,000 Trust Units in their charitable foundation.

(4) 3307808 Canada Inc., a private company owned by Mr. Williams, owns 928,400 Trust Units and 645947 Ontario Ltd., a private company owned by Mr. Williams, owns 30,000 Trust Units and 71,844 Exchangeable LP Units. The Trust Units beneficially owned by Mr. Williams include 12,314 Trust Units and 4,000 Trust Units held by the RRSP account of Mr. Williams' spouse.

(5) Jant Nominees Pty Ltd. in trust for Glen Iris Service Trust, a private family trust beneficially held by Mr. Steven Dropulich, owns 24,436 Trust Units.

(6) The Trust Units beneficially owned by Mr. Fried include 4,300 Trust Units held by Mr. Fried's spouse.

INTENTION WITH RESPECT TO TOROMONT OFFER

Each of the Directors and officers of the Administrator, who, together with their associates and affiliates, hold or exercise control or direction over an aggregate of approximately 12.4% of the Trust Units outstanding (on a fully-diluted basis), has indicated that he or she has not tendered and does not currently intend to tender any of his or her Units to the Toromont Offer. Except as set forth below, to the knowledge of the Directors and officers of the Administrator, after reasonable enquiry, no associate or affiliate of Enerflex, no insider of Enerflex nor any of such insider's associates or affiliates, and no person or company acting jointly or in concert with Enerflex, has indicated that they have tendered or currently intend to tender any of their Units to the Toromont Offer.

To the knowledge of the Directors and officers of the Administrator, Bluewater Investment Management Inc., which owns or exercises control or direction over 6,409,810 Trust Units, intends to tender all of the Trust Units which they own or over which they exercise control or direction pursuant to a lock-up agreement with Toromont dated October 16, 2009.

OWNERSHIP OF SECURITIES OF TOROMONT

None of Enerflex, the Directors or officers of the Administrator, and to the knowledge of the Directors and officers of the Administrator, after reasonable enquiry, no associate or affiliate of Enerflex, no insider of Enerflex nor any of such insider's associates or affiliates, and no person or company acting jointly or in concert with Enerflex, owns, or exercises control or direction over, any securities of Toromont.

ARRANGEMENTS AND AGREEMENTS OF DIRECTORS AND OFFICERS OF THE ADMINISTRATOR WITH TOROMONT

There are no agreements, commitments or understandings made or, to the knowledge of the Directors or the officers of the Administrator, proposed to be made between Toromont and any of the Directors or the officers of the Administrator including any agreement, commitment or understanding pursuant to which a payment or other benefit is proposed to be made or given by way of compensation for loss of office or as to any such person remaining in or retiring from office if the Toromont Offer is successful. No Director or officer of the Administrator is a director or officer of Toromont or of any affiliate or subsidiary of Toromont.

ARRANGEMENTS AND AGREEMENTS OF DIRECTORS AND OFFICERS OF THE ADMINISTRATOR WITH ENERFLEX OR THE ADMINISTRATOR

Except as set forth below, there are no material agreements, commitments or understandings made or proposed to be made between Enerflex or the Administrator and any of the Directors or officers of the Administrator including any agreement, commitment or understanding pursuant to which payment or other benefit is proposed to be made or given by way of compensation for loss of office or as to any such person remaining in or retiring from office if the Toromont Offer is successful. In the case of each plan or agreement discussed below in which the term "change of control" or "control change" applies, the consummation of the Toromont Offer would constitute a change of control.

Enerflex has entered into employment contracts that include change of control provisions ("**Employment Agreements**") with each of J. Blair Goertzen, President and Chief Executive Officer, and D. James Harbilas, Vice-President and Chief Financial Officer. Enerflex also maintains the Option Plan, the RTU/PTU Plan and the Phantom Unit Plan for eligible participants. The discussion that follows generally describes the material effects under the Employment Agreements, the Option Plan, the RTU/PTU Plan and the Phantom Unit Plan as they relate to payments and other benefits that would become due to the Directors and officers of the Administrator in the event the Toromont Offer is successful. For the purposes of the following discussion, where a particular Employment Agreement requires that the officer of the Administrator cease to be engaged or employed by the Administrator, Enerflex has assumed that such officer has ceased to act in such capacity concurrently with the completion of the Toromont Offer. Additionally, for the purpose of the following discussion, where the Directors and officers of the Administrator are described as being entitled to receive aggregate cash consideration based upon the receipt of cash consideration and Toromont Share consideration pursuant to the Toromont Offer or any compulsory acquisition or subsequent acquisition transaction, it is assumed that such Directors and officers would receive under the Toromont Offer pro rated consideration of $6.775 in cash and 0.2549 of a Toromont Share per Unit and Toromont Share consideration has been valued on the basis of $25.50 per Toromont Share, being the weighted average trading price of the Toromont Shares on the TSX during the five trading days prior to the date of this Directors' Circular. For the purpose of the following discussion, where Directors and officers of the Administrator are described as being entitled to receive aggregate cash consideration based upon the value of Trust Units, the price of $13.81 per Trust Unit has been used, being the weighted average trading price of the Trust Units on the TSX during the five trading days prior to the date of this Directors' Circular.

If the Directors and officers of the Administrator were to tender any Units they own to the Toromont Offer, they would receive cash and Toromont Share consideration on the same terms and conditions as the other Unitholders (assumed to be pro rated consideration of $6.775 in cash and 0.2549 of a Toromont Share per Unit). As at November 30, 2009, the Directors and officers of Enerflex owned an aggregate of 2,401,942 Trust Units and 2,580,644 Exchangeable LP Units (excluding Trust Units underlying unexercised Options). If the Directors and officers of the Administrator were to tender all of their Units to the Toromont Offer (which they have indicated they will not) and those Units were accepted for purchase and purchased by Toromont (excluding Trust Units underlying unexercised Options), the Directors and officers would receive cash and Toromont Share consideration having an aggregate value of approximately $68,809,513. For a chart detailing the ownership of Trust Units, Exchangeable LP Units and Options held by the Directors and officers of the Administrator see the section of this Directors' Circular entitled "Directors and Officers of the Administrator and Ownership of Securities".

Pursuant to the Employment Agreements, the Option Plan, the RTU/PTU Plan and the Phantom Unit Plan, if the Toromont Offer is successful, based upon the assumptions set out above, and the assumption that all Options, RTUs, PTUs and Phantom Trust Units were exercised, the Directors and officers of the Administrator would be entitled to collectively receive aggregate consideration having a value of approximately $12,102,376. This assumes that each of the Directors and officers of the Administrator tenders to the Toromont Offer: (i) those Units presently owned by them, as described above; and (ii) those Trust Units received pursuant to the exercise of Options granted under the Option Plan, as described below. The above figure includes an aggregate amount in respect of Messrs. Goertzen and Harbilas arising from termination of employment under the Employment Agreements, of $5,962,793, if their employment were to be terminated following the change of control resulting from the completion of the Toromont Offer.

Employment Agreements

The termination payments payable to Messrs. Goertzen and Harbilas pursuant to their respective employment agreements become payable in the event that either Mr. Goertzen's or Mr. Harbilas' employment is: (i) terminated by Enerflex for any other reason except cause, death, normal retirement or permanent incapacity; (ii) terminated by Enerflex in connection with a Control Change (as contemplated in the applicable employment agreement); or (iii) terminated by the respective employee for Good Reason (as contemplated in the applicable employment agreement).

A "Control Change" under such employment agreements generally includes:

(a) the purchase or acquisition of Trust Units and/or securities convertible into or exchangeable for Trust Units or carrying the right to acquire Units as a result of which a person, group of persons or persons acting jointly or in concert beneficially own or exercise control or direction over Trust Units and/or convertible securities such that, assuming only the conversion of convertible securities beneficially owned by such persons, such persons would beneficially own Trust Units which would entitle the holders thereof to cast more than:

  (i) 50% of the votes attaching to all Trust Units which may be cast in connection with the election of directors of the Administrator, or

  (ii) 35% of the votes attaching to all Trust Units which may be cast in connection with the election of directors of the Administrator and incumbent directors cease to constitute a majority of the directors of the Administrator, within the following 24 month period, in which case the Control Change shall be deemed to occur as and when such board change occurs;

(b) approval by the Unitholders of Enerflex of an arrangement, merger, restructuring or other consolidation of Enerflex with another entity pursuant to which the Unitholders of Enerflex immediately prior thereto do not immediately thereafter own units, shares or other securities of the successor or continuing entity which would entitle them to cast more than 50% of the votes attaching to all units, shares or other securities of the successor or continuing entity which may be cast to elect directors of that entity and within the following 12 month period incumbent directors cease to constitute a majority of the directors of the Administrator, in which case the Control Change shall be deemed to occur as and when such board change occurs; or

(c) a liquidation, dissolution or winding up of Enerflex or a sale, lease or other disposition of all or substantially all the assets of Enerflex other than in the course of an arrangement, merger, restructuring or other consolidation of Enerflex as contemplated in subsection (b) above.

Notwithstanding the foregoing, a "Control Change" shall not occur if, in the sole discretion of the Enerflex Board, the transaction in question constitutes a bona fide reorganization of Enerflex or its subsidiaries in circumstances where the business of Enerflex and its subsidiaries is substantially continued and the unitholdings or ultimate ownership remains substantially the same upon completion of the transaction.

For purposes of the employment agreements, "Good Reason" means any fundamental adverse change, by Enerflex and without the agreement of the respective employee, in any of the duties, powers, rights, discretions, salary, earning potential, title, benefit plans, and lines of reporting of the employee, or the requirement that the employee be based anywhere other than Enerflex's principal executive offices in Calgary, on a normal and regular basis, such that immediately after such change or series of changes, the responsibilities and status of the employee, taken as a whole, are not at least substantially equivalent to those assigned to him immediately prior to such change, or any other reason which would be considered to amount to a constructive dismissal by a court of competent jurisdiction; provided that, a reduction in the aggregate value of the remuneration and other prerequisites and benefits payable to the employee which is part of a cost reduction program of Enerflex affecting all or substantially all executives of Enerflex shall not constitute "Good Reason".

Option Plan

Enerflex established the Option Plan for the purpose of allowing Enerflex to grant Options to officers, employees, directors, consultants and other personnel. The granting of Options is intended to focus recipients on increasing Unitholder value over the long-term through unit price appreciation. Options are granted annually and normally become exercisable over a three year period at a rate of 33⅓% per year. The term of all Options is five years. Options awarded to directors vest on the date of grant and expire on the fifth anniversary of the date of grant.

Subject to the terms of the applicable award agreement, the Option Plan provides that in the event of a "Control Change" (as defined in the Option Plan), all Options shall immediately vest and be exercisable by the holder thereof. The award agreements entered into by Enerflex with holders of Options generally provide that upon a Control Change automatic vesting shall not occur unless: (i) the holder's employment with Enerflex is terminated within 18 months from the date of the Control Change or prior to the date on which the Control Change occurs and it is reasonably demonstrated that such termination was at the request of a third party who has taken steps reasonably demonstrated to effect the Control Change or such termination otherwise arose in connection with or in anticipation of the Control Change and such termination was for any reason except cause, death, normal retirement or permanent incapacity; or (ii) the holder's employment with Enerflex is terminated by the holder for good reason (as contemplated in the applicable award agreement) within 18 months from the date of the Control Change. Notwithstanding the foregoing, the Enerflex Board has the discretion to accelerate the vesting of Options at any time.

As of November 30, 2009, the Directors and officers of the Administrator held, in aggregate, 981,450 Options, 630,554 of which were vested and exercisable as of that date and 350,896 of which were unvested and not exercisable as of that date. The outstanding Options held by Directors and officers of the Administrator as of November 30, 2009 had exercise prices ranging from \$8.71 to \$13.66 and an aggregate weighted average exercise price of \$10.54 per Trust Unit.

In the event that vesting were accelerated, Directors and officers of the Administrator would be entitled to collectively receive (assuming the exercise of all in-the-money Options and the purchase of the underlying Trust Units pursuant to the Toromont Offer) consideration having an aggregate value of approximately \$3,211,272 (after deducting the exercise price payable upon exercise of such Options) if the Toromont Offer is completed.

RTU/PTU Plan

An RTU or PTU entitles the holder to receive a payment from Enerflex equal to the implied market value calculated as the number of Trust Units multiplied by the market value of the Trust Units on the payout date. Market value is set as the weighted average trading price of the Trust Units on the TSX during the last five trading days prior to the payout date.

RTUs may be granted to eligible employees on an annual basis and will generally vest 33⅓% annually on each of the three anniversaries of the grant date. RTUs granted to directors vest on the third anniversary of the date of grant. Vested RTUs are to be settled in cash, payable to the participant by the end of the year following the year in which the RTU vests or the year employment is terminated through departure, retirement or death.

PTUs may be granted to eligible participants on an annual basis and will generally vest on the third anniversary date of the grant subject to the achievement of any performance criteria which may, at the discretion of the Enerflex Board, be attached as a condition of vesting at the date of grant. Performance criteria may include performance measures such as earnings per Trust Unit, absolute working capital, or return on capital employed, either for Enerflex as a whole, or a portion thereof. Depending on performance, the amount of PTUs that vest can range from 0% to 200% of the initial award on a predetermined formula basis, and the vesting percentage may also from time to time be subject to Enerflex Board discretion. Vested PTUs are to be settled by the end of the year following the year in which vesting occurs. The Enerflex Board may at its sole discretion, satisfy, in whole or in part, the payment obligation through a cash payment of the participant or by instructing an independent broker to acquire a number of Trust Units in the open market on behalf of the participant.

Subject to the terms of the applicable award agreement, the RTU/PTU Plan provides that in the event of a "Control Change" (as defined in the RTU/PTU Plan), all RTUs and PTUs shall immediately vest and be exercisable by the holder thereof. The award agreements entered into by Enerflex with holders of RTUs/PTUs generally provide that upon a Control Change automatic vesting shall not occur unless: (i) the holder's employment with Enerflex is terminated within 18 months from the date of the Control Change or prior to the date on which the Control Change occurs and it is reasonably demonstrated that such termination was at the request of a third party who has taken steps reasonably demonstrated to effect the Control Change or such termination otherwise arose in connection with or in anticipation of the Control Change and such termination was for any reason except cause, death, normal retirement or permanent incapacity; or (ii) the holder's employment with Enerflex is terminated by the holder for good reason (as contemplated in the applicable award agreement) within 18 months from the date of the Control Change. Notwithstanding the foregoing, the Enerflex Board has the discretion to accelerate the vesting of RTUs or PTUs at any time.

RTU and PTU recipients are entitled to additional RTUs and PTUs over and above those granted based on the number of Units that could have been purchased using the proceeds of distributions that would have been received had the RTUs and PTUs then, subject to vesting, been actual Trust Units of the Fund, following each distribution paid to holders of Trust Units.

As of November 30, 2009, the Directors and officers of the Administrator held, in aggregate, 74,748 RTUs (none of which were vested or exercisable) and 288,042 PTUs (none of which were vested or exercisable).

In the event that the vesting of RTUs and PTUs were accelerated, Directors and officers of the Administrator would be entitled to collectively receive cash consideration of approximately $5,010,130 (based upon the weighted average trading price of the Trust Units on the TSX during the five trading days prior to the date of this Directors' Circular).

Phantom Unit Plan

Enerflex maintains the Phantom Unit Plan for the purpose of providing stock based compensation incentives to senior members of Enerflex's management team located in Australia, the United States, the United Arab Emirates (the "**UAE**") and the Netherlands.

Under the terms of the Phantom Unit Plan, the Enerflex Board is authorized to provide for the granting, exercise and method of exercise of Phantom Trust Units, all on such terms (which may vary) as it shall determine. The number of Phantom Trust Units that may be acquired under a grant is determined by the Enerflex Board at the time the Phantom Trust Units are granted. Phantom Trust Units can be, and normally are, granted for a term of up to five years from the date the grant and are non-transferable and non-assignable. The Phantom Trust Units exercise price shall not be less than, and normally is, the "Fair Market Value" (as such term is defined in the Phantom Unit Plan) of the Trust Units at the time the Phantom Trust Unit is granted. The Phantom Trust Units granted generally vest to the benefit of the holder over a five year term, or such other term as determined by the Enerflex Board. The

Phantom Unit Plan functions in the event of a "Control Change" in the substantially the same manner as the Option Plan, as described above, including with respect to the ability of the Enerflex Board to accelerate vesting of Phantom Trust Units.

If a holder of a Phantom Trust Unit grant ceases to be director or officer of the applicable Australian, UAE or Netherlands subsidiaries or to be employed by Enerflex by reason of death or permanent disability, all unvested Phantom Trust Units shall vest and can be exercised at any time within 120 days of the holder ceasing to be a director, officer or employee. If a Phantom Trust Unit holder retires in the normal course, all Phantom Trust Unit grants will continue to vest in accordance with their terms and may be exercised within 90 days of the holder ceasing to be a director, officer or employee. If a Phantom Trust Unit holder voluntary resigns or retires earlier than the normal course, any vested Phantom Trust Unit grants may be exercised at any time within 30 days of the holder ceasing to be a director, officer or employee. If a Phantom Trust Unit holder ceases to be a director, officer or employee for any reason not previously described, all vested Phantom Trust Unit grants as at the date the holder ceased to be a director, officer or employee shall be exercisable within 90 days of the date the holder ceased to be a director, officer or employee. All adjustments to granted Phantom Trust Unit to give effect to adjustments in the number of Trust Units require the approval of the Enerflex Board. In addition, the Enerflex Board may by resolution amend, extend or discontinue the Phantom Unit Plan.

Upon exercising a vested grant of a Phantom Trust Unit, the holder receives a cash payment from Enerflex's applicable Australian, US or UAE subsidiary equal to the Fair Market Value of a Trust Unit on the exercise date less the exercise price of the Phantom Trust Unit as set by the Enerflex Board on the grant date, less appropriate withholdings for income taxes plus a gross up to afford the participant the same benefit as if he had participated in the Option Plan on an equivalent basis.

As of November 30, 2009, Mr. Dropulich held 94,180 Phantom Trust Units (of which 46,240 were unvested and not exercisable and 47,940 were vested and exercisable) and the remaining Directors and officers of the Administrator did not hold any Phantom Trust Units.

In the event that the vesting of Phantom Trust Units were accelerated, Directors and officers of the Administrator would be entitled to collectively receive cash compensation of approximately $369,969 (based upon the weighted average trading price of the Trust Units on the TSX during the five trading days prior to the date of this Directors' Circular).

INTERESTS OF DIRECTORS AND OFFICERS OF THE ADMINISTRATOR AND INSIDERS OF ENERFLEX IN MATERIAL TRANSACTIONS WITH TOROMONT

Except as set forth below, no Director or officer of the Administrator or any of their associates, and to the knowledge of the Directors and the officers of the Administrator, after reasonable enquiry, no person or company who owns more than 10% of any class of equity securities of Enerflex for the time being outstanding has any interest in any material transaction to which Toromont is a party.

To the knowledge of the Directors and officers of the Administrator, Bluewater Investment Management Inc., which owns or exercises control or direction over 6,409,810 Trust Units, has entered into a lock-up agreement with Toromont dated October 16, 2009 pursuant to which it intends to tender to the Toromont Offer all of the Trust Units which it owns or over which it exercises control or direction, subject to certain exceptions.

TRADING IN UNITS OF ENERFLEX

During the six months preceding the date hereof, none of Enerflex, the Directors or officers of the Administrator or other insiders of Enerflex nor, to the knowledge of the Directors and officers of the Administrator, after reasonable enquiry, any of their respective associates or affiliates, or any person or company acting jointly or in concert with Enerflex, has traded any Units, except as follows:

Name	Nature of Trade	Date of Trade	Number of Trust Units	Price Per Trust Unit ($)
J. Nicholas Ross	Disposition in the public market	October 2, 2009	20,000	$9.92

ISSUANCES OF SECURITIES OF ENERFLEX

Except as disclosed below, no Units or other securities convertible or exchangeable into Units have been issued by Enerflex to the Directors or officers of the Administrator or other insiders of Enerflex during the two-year period preceding the date of this Directors' Circular.

Directors

Name	Nature of Trade	Number of Securities	Issue/Exercise Price Per Security($)	Date Issued
Timothy W. Faithfull	Grant of Options	6,400	9.40	April 7, 2009
J. Blair Goertzen	Grant of Options	156,910	10.14	November 25, 2008
Douglas J. Haughey	Grant of Options	6,000	10.14	November 25, 2008
Nancy M. Laird	Grant of Options	6,000	10.14	November 25, 2008
J. Nicholas Ross	Grant of Options	12,000	10.14	November 25, 2008
Robert C. Williams	Grant of Options	6,000	10.14	November 25, 2008

Officers

Name	Nature of Trade	Number of Securities	Issue/Exercise Price Per Security($)	Date Issued
D. James Harbilas	Grant of Options	65,863	10.14	November 25, 2008
Rachel M. Moore	Grant of Options	26,399	10.14	November 25, 2008
William A. Moore	Grant of Options	62,804	10.14	November 25, 2008
Spencer Fried	Grant of Options	31,396	10.14	November 25, 2008
Gregory Stewart	Grant of Options	20,020	9.40	April 7, 2009

OTHER TRANSACTIONS

Except as disclosed herein, Enerflex is not aware of any negotiations currently being undertaken by Enerflex that relate to or would result in: (i) an extraordinary transaction such as a merger or reorganization involving Enerflex or any of its subsidiaries; (ii) the purchase, sale or transfer of a material portion of assets by Enerflex or any of its subsidiaries; (iii) a competing take-over bid; (iv) a bid by Enerflex for its own securities or for those of another issuer; or (v) any material change in the present capitalization of Enerflex.

Notwithstanding the foregoing, the Enerflex Board and the Special Committee may engage in negotiations in response to the Toromont Offer that could have one or more of the effects specified in the preceding paragraph. The Enerflex Board has determined that disclosure with respect to the parties to, and the possible terms of, any transactions or proposals of the type referred to in the preceding paragraph might jeopardize any discussions or negotiations that Enerflex may conduct. Accordingly, Enerflex does not intend to disclose the possible terms of any such transaction or proposal until an agreement relating thereto has been reached or as otherwise may be required by law.

ENERFLEX SYSTEMS INCOME FUND

Enerflex is a leading supplier of products and services to the global oil and natural gas production industry. Enerflex's core expertise lies in its ability to provide products and services to the industry segment that operates between the wellhead and the pipeline. Enerflex's primary products and services are: hydrocarbon production and processing facilities; natural gas compression and power generation equipment for sale, rental or lease; combined heat and power ("**CHP**") units; electrical, instrumentation and controls services; and a comprehensive package of mechanical field maintenance and contracting capabilities.

Enerflex Systems Ltd., the predecessor to Enerflex, was founded in 1980 by P. John Aldred, Enerflex's Chairman of the Board. Since 1980, Enerflex has benefited from the growing demand for natural gas and is now a significant player serving the global market with the ability to be a fully integrated supplier of products and services used in the production and processing of crude oil and natural gas. Headquartered in Calgary, Canada, Enerflex has interests in affiliates and joint ventures operating in Canada, Australia, the Netherlands, the United States, Germany, Pakistan, Indonesia, Malaysia and a branch location in Egypt.

Enerflex's revenue is derived from offering a complete suite of oil and natural gas related products and services, including:

- design and fabrication of hydrocarbon production and processing facilities;
- design and packaging of gas compression, CHP and power generation equipment;
- design and fabrication of environmental treatment units for odor, noise and dust control;
- oil and gas equipment rental and leasing;
- service, parts and re-engineering of existing compression and power generation equipment;
- electrical, instrumentation and control services; and
- concept to commissioning of integrated turnkey systems for natural gas production, gas compression, power generation and oil processing facilities.

Through its ability to provide these products and services in an integrated manner, or as stand-alone offerings, Enerflex believes it offers customers a unique value proposition well suited to address their changing needs.

MATERIAL CHANGES IN THE AFFAIRS OF ENERFLEX

Except as publicly disclosed or otherwise described in this Directors' Circular, none of the Directors or officers of the Administrator is aware of any information that indicates any material change in the affairs or prospects of Enerflex since the date of its last published financial statements, being its interim unaudited consolidated financial statements as at and for the nine months ended September 30, 2009, and management's discussion and analysis thereon, each of which is available on www.sedar.com.

FINANCIAL ADVISORS

Scotia Capital Inc. and BofA Merrill Lynch were engaged by Enerflex and the Special Committee, respectively, as financial advisors effective October 20, 2009 and October 29, 2009, respectively, to provide the Enerflex Board and the Special Committee with various financial advisory services including, without limitation, financial advice with respect to: (i) the structuring and implementation of potential strategic alternatives regarding Enerflex; (ii) the value maximization process currently being undertaken by Enerflex; (iii) market analysis; and (iv) the development and evaluation of marketing materials, communication strategies and other proposals involving Enerflex.

In consideration of the provision of these services, Enerflex has agreed to pay the Financial Advisors an initial engagement fee plus certain additional fees, including fees payable whether or not the Toromont Offer or another change of control transaction is completed. A significant portion of the additional fees are contingent upon the consummation of a change of control of Enerflex or certain other events. Enerflex has also agreed to indemnify each of the Financial Advisors against certain liabilities, including under applicable securities laws, and to reimburse each of the Financial Advisors for reasonable expenses incurred by the Financial Advisors in performing the financial advisory services, including, without limitation, travel and communication expenses, database service expenses, courier charges and the reasonable fees and disbursements of counsel and other advisors retained by the Financial Advisors.

Each Financial Advisor and other members of their respective corporate groups are also engaged in domestic and international underwriting, syndication, mergers and acquisitions, corporate and investment banking, retail banking, financial advisory, investment management, trading, brokerage and swaps, commodities and derivatives activities. In the ordinary course of these activities, each of the Financial Advisors and their respective affiliates may at any time hold long or short positions in securities or instruments (including bank loans and other obligations) of Enerflex, Toromont or their respective affiliates, or in related derivatives or commodities, for their own account or for the accounts of their customers. Each of the Financial Advisors and their respective affiliates may have in the past provided, and/or may in the future provide, banking, financial advisory and investment banking services to Enerflex and/or Toromont or any of their respective associates or affiliates.

Copies of the inadequacy opinions of each of Scotia Capital Inc. and BofA Merrill Lynch referred to herein are attached as Appendix A and Appendix B, respectively, to this Directors' Circular.

LEGAL MATTERS

Certain Canadian legal matters relating to this Directors' Circular have been reviewed by Bennett Jones LLP, Calgary, Alberta, legal counsel to Enerflex, and Stikeman Elliott LLP, legal counsel to the Special Committee.

OTHER INFORMATION AND MATTERS

There is no information or matter not disclosed in this Directors' Circular but known to the Enerflex Board which would reasonably be expected to affect the decision of Unitholders to accept or reject the Toromont Offer.

STATUTORY RIGHTS

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

APPROVAL OF DIRECTORS' CIRCULAR

The contents of this Directors' Circular have been approved and the sending thereof has been authorized by the Enerflex Board.

CONSENT OF SCOTIA CAPITAL INC.

Dated: November 30, 2009

To the Board of Directors of Enerflex Holdings General Partner Ltd., the Administrator of Enerflex Systems Income Fund (the "**Board of Directors**")

We hereby consent to the inclusion of our opinion letter dated November 30, 2009 to the Board of Directors and the Special Committee of the Board of Directors in the Directors' Circular of Enerflex Systems Income Fund dated November 30, 2009 with respect to the offer dated November 16, 2009 by Toromont Industries Ltd., to purchase all of the issued and outstanding trust units of Enerflex Systems Income Fund and class B limited partnership units of Enerflex Holdings Limited Partnership and to the references to such opinion in the Directors' Circular.

(Signed) "Scotia Capital Inc."

CONSENT OF MERRILL LYNCH CANADA INC.

Dated: November 30, 2009

To the Board of Directors of Enerflex Holdings General Partner Ltd., the Administrator of Enerflex Systems Income Fund (the "**Board of Directors**")

We hereby consent to the inclusion of our opinion letter dated November 30, 2009 to the Board of Directors and the Special Committee of the Board of Directors in the Directors' Circular of Enerflex Systems Income Fund dated November 30, 2009 with respect to the offer dated November 16, 2009 by Toromont Industries Ltd. to purchase all of the issued and outstanding trust units of Enerflex Systems Income Fund and class B limited partnership units of Enerflex Holdings Limited Partnership and to the references to such opinion in the Directors' Circular.

(Signed) "Merrill Lynch Canada Inc."

CERTIFICATE

Dated: November 30, 2009

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 was made.

On behalf of the Board of Directors of Enerflex Holdings General Partner Ltd.,
the Administrator of Enerflex Systems Income Fund

(Signed) "Douglas J. Haughey" (Signed) "P. John Aldred"

APPENDIX A

OPINION OF SCOTIA CAPITAL INC.

Scotia Capital Inc.
Scotia Plaza
40 King Street West
Box 4085, Station "A"
Toronto, Ontario
Canada M5W 2X6

Scotia Capital

November 30, 2009

The Special Committee of the Board of Directors and
The Board of Directors of Enerflex Holdings General Partner Ltd., the administrator of
Enerflex Systems Income Fund
1331 Macleod Trail SE, Suite 904
Calgary, Alberta T2G 0K3

Dear Members of the Special Committee of the Board and Members of the Board:

We understand that Toromont Industries Ltd. ("Toromont" or the "Offeror") has commenced an offer to purchase all of the issued and outstanding trust units of Enerflex Systems Income Fund ("Enerflex") and all of the issued and outstanding class B limited partnership units of Enerflex Holdings Limited Partnership ("Enerflex LP"), on the basis of 0.5098 of a common share of Toromont plus $0.05 cash, or $13.50 in cash, for each trust unit or class B limited partnership unit, as applicable, upon the terms and subject to the conditions set forth in the Offer to Purchase (the "Offer to Purchase") contained in the take-over bid circular (the "Circular") of the Offeror dated November 16, 2009, and the related Letter of Transmittal and Notice of Guaranteed Delivery (together with the Offer to Purchase and the Circular, the "Offer Documents"). The terms and conditions of the Offers are more fully set forth in the Offer Documents.

You have asked for our opinion as to whether the consideration offered pursuant to the Offer is adequate, from a financial point of view, to the holders of the trust units and the holders of class B limited partnership units, other than Toromont.

Scotia Capital Inc. ("Scotia Capital") has acted as financial advisor to Enerflex in connection with the Offer and will receive a fee for its services, including a fee for the delivery of this opinion and fees that are contingent on certain other events. Neither Scotia Capital nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of Enerflex or Toromont or any of their respective associates or affiliates. Subject to the following, there are no understandings, agreements or commitments between Scotia Capital and Enerflex, Toromont or any of their respective associates or affiliates with respect to any future business dealings. Scotia Capital has a current lending position with Enerflex and the Offeror and has in the past provided and may in the future provide, traditional banking, financial advisory and investment banking services to Enerflex and the Offeror. In the ordinary course of business, Scotia Capital, its successors and affiliates may hold or trade, for their own accounts and the accounts of their customers, securities of Enerflex and the Offeror or their respective affiliates and, accordingly, may at any time hold a long or short position in such securities.

In arriving at our opinion, we have, among other things: (i) reviewed certain publicly available business and historical financial information relating to Enerflex and the Offeror; (ii) reviewed certain internal financial information and other data relating to the business and financial prospects of Enerflex that were provided to us by Enerflex and not publicly available, including financial forecasts and estimates prepared by management of Enerflex; (iii) conducted discussions with members of the senior management of Enerflex concerning the business and financial prospects of Enerflex; (iv) reviewed publicly available financial and stock market data with respect to certain other companies we believe to be generally relevant; (v) compared the financial terms of the Offer with the publicly available financial terms of certain other transactions we believe to be generally relevant; (vi) reviewed current and historical market prices of the trust units of Enerflex and common shares of the Offeror; (vii) reviewed the Offer Documents; (viii) reviewed a draft of the Directors' Circular of Enerflex, dated November 30, 2009, relating to the Offer; (x) taken into consideration that Enerflex has been recently solicited by, and has initiated contact with, a number of parties who have expressed an interest in exploring alternative transactions; and (xi) conducted such other financial studies, analyses and investigations, and considered such other information, as we deemed necessary or appropriate.

In connection with our review, with your consent, we have not assumed any responsibility for independent verification of any of the information reviewed by us for the purpose of this opinion and have, with your consent, relied on such information being complete and accurate in all material respects or, in the case of forecasts, projections and estimates of Enerflex, relied on such information having been prepared using the assumptions identified therein, which assumptions were at the time of preparation reasonable in the circumstances. In addition, with your consent, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of Enerflex or its subsidiaries, nor have we been furnished with any such evaluation or appraisal. We have not prepared a formal valuation of Enerflex and have not been engaged to review any legal, tax or accounting aspects of the Offer. With respect to the financial forecasts and estimates, we have assumed, at your direction, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of Enerflex as to the future performance of Enerflex.

Senior officers of Enerflex have represented to us in a certificate dated as of the date hereof, among other things, that (i) the information and data, other than forecasts, projections and estimates (the "Information") provided to us by or on behalf of Enerflex in respect of Enerflex and its subsidiaries or affiliates in connection with the Offers was, at the date such Information was prepared, complete, true and correct in all material respects, and no additional material, data or information would be required to make the Information not misleading in light of the circumstances under which such Information was provided and that (ii) since the dates on which the Information was provided to us, except as disclosed to us, there have been no changes in material facts or new material facts.

Our opinion is necessarily based on financial, monetary, economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this opinion and the assumptions used in preparing it. We do not assume any obligation to update, revise or reaffirm this opinion and we expressly disclaim any such obligation. Additionally, we do not express any opinion as to the prices at which the trust units of Enerflex will trade at any time.

Our opinion is solely for the use and benefit of the Special Committee and the Board of Directors of Enerflex Holdings General Partner Ltd., the administrator of Enerflex, and may not be relied upon by any other person, or for any other purpose or published without the prior written consent of Scotia Capital, provided that this opinion may be included in the Directors' Circular of Enerflex responding to the Offer. Our opinion does not constitute a recommendation as to whether or not any holder of trust units or class B limited partnership units should tender to the Offer.

Based upon and subject to the foregoing and such other matters as we consider relevant, it is our opinion that, as of the date hereof, the consideration offered pursuant to the Offer is inadequate, from a financial point of view, to the holders of trust units and the holders of class B limited partnership units, other than Toromont.

Very truly yours,

Scotia Capital Inc

Scotia Capital Inc.

APPENDIX B

OPINION OF BofA MERRILL LYNCH

Bank of America Merrill Lynch
GLOBAL CORPORATE & INVESTMENT BANKING

November 30, 2009

The Special Committee of the Board of Directors and the Board of Directors of
Enerflex Holdings General Partner Ltd., administrator of
Enerflex Systems Income Fund
Suite 904, 1331 MacLeod Trail SE
Calgary, AB T2G 0K3

Dear Members of the Special Committee of the Board and Members of the Board:

We understand that Toromont Industries Inc. ("Toromont") has made an unsolicited offer (the "Offer"), by way of Takeover Bid Offer and Circular dated November 16, 2009 (the "Circular"), to acquire all of the outstanding trust units (the "Enerflex Units") of Enerflex Systems Income Fund ("Enerflex") (excluding Enerflex Units owned by Toromont) and all of the outstanding class B limited partnership units ("Exchangeable LP Units" and, together with the Enerflex Units, the "Units") of Enerflex Holdings Limited Partnership (together in each case with any associated rights relating to the unitholder rights plan of Enerflex) for, at the option of the holder thereof and subject to certain limitations and proration procedures set forth in the Circular (as to which we express no opinion): (i) C$13.50 in cash (the "Cash Consideration"); or (ii) 0.5098 of a common share of Toromont (the "Toromont Common Shares") plus C$0.05 in cash per Unit (such cash plus such number of Toromont Common Shares, the "Cash and Share Consideration" and, together with the Cash Consideration, the "Consideration"); provided that the maximum aggregate consideration to be paid in cash will be C$299,541,429 and the maximum number of Toromont Common Shares issuable by Toromont in connection with the Offer will be 11,269,832. We understand that the Offer also permits Enerflex to make a distribution to holders of the Units of up to C$0.30 per Unit. The terms and conditions of the Offer are more fully set forth in the Circular.

The Special Committee of the Board of Directors of Enerflex Holdings General Partner Ltd. (the "Administrator"), administrator of Enerflex, has requested our opinion as to the adequacy, from a financial point of view, to the holders of the Units (excluding Toromont, which currently owns approximately 3,902,100 Enerflex Units) of the Consideration which has been offered to such holders under the Offer. We understand, and for purposes of our opinion have assumed with your consent, that each Exchangeable LP Unit is, from a financial point of view, equivalent to one Enerflex Unit.

In connection with this opinion, we have, among other things:

(1) reviewed certain publicly available business and financial information relating to Enerflex and Toromont;

(2) reviewed certain internal financial and operating information with respect to the business, operations and prospects of Enerflex furnished to or discussed with us by the management of the Administrator, including certain financial forecasts relating to Enerflex prepared by the management of the Administrator that are not publicly available ("Enerflex Forecasts");

Tel: 403.231.7300

Merrill Lynch Canada Inc.
Bow Valley Square III, 255-5th Ave S.W., Suite 2620, Calgary, Alberta T2P 3G6
Canada

Bank of America Merrill Lynch
GLOBAL CORPORATE & INVESTMENT BANKING

(3) reviewed certain publicly available third party financial forecasts relating to Enerflex ("Enerflex Public Forecasts");

(4) reviewed certain publicly available third party financial forecasts relating to Toromont ("Toromont Public Forecasts");

(5) reviewed certain estimates as to the amount and timing of cost savings and operational synergies (collectively, the "Synergies") projected by the management of the Administrator to result from the Offer, if successful;

(6) discussed the past and current business, operations, financial condition and prospects of Enerflex with members of senior management of the Administrator;

(7) reviewed the potential pro forma financial impact of the Offer on the future financial performance of Toromont, including the potential effect on Toromont's estimated earnings and cash flow per share;

(8) reviewed the trading histories for Enerflex Units and Toromont Common Shares and a comparison of such trading histories with each other and with the trading histories of other companies we deemed relevant;

(9) compared certain financial and stock market information of Enerflex and Toromont with similar information of other companies we deemed relevant;

(10) compared certain financial terms of the Offer to financial terms, to the extent publicly available, of other transactions we deemed relevant;

(11) taken into consideration that Enerflex has been recently solicited by, and has initiated contact with, a number of parties who have expressed an interest in exploring alternative transactions;

(12) reviewed the Circular and the draft Directors' Circular dated November 30, 2009 prepared in response to the Circular; and

(13) performed such other analyses and studies and considered such other information and factors as we deemed appropriate.

In arriving at our opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of all of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of the Administrator that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the Enerflex Forecasts and the Synergies, we have been advised by the management of the Administrator, and have assumed, that they have been reasonably prepared or estimated, as appropriate, on bases reflecting the best currently available estimates, information and good faith judgments of the management of the

Administrator as to the future financial performance of Enerflex and the amount and timing of the Synergies projected to result from the Offer, if successful. As you are aware, we have not been provided with, and we did not have access to, financial forecasts relating to Toromont prepared by the management of Toromont. Accordingly, we have assumed that the Toromont Public Forecasts are a reasonable basis upon which to evaluate the future financial performance of Toromont and we have used the Toromont Public Forecasts in performing our analyses. We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Enerflex or Toromont, nor have we made any physical inspection of the properties or assets of Enerflex or Toromont. We have not evaluated the solvency or fair value of Enerflex or Toromont under any provincial, federal or other laws relating to bankruptcy, insolvency or similar matters.

We express no view or opinion as to any terms or other aspects of the Offer (other than adequacy of the Consideration to the extent expressly specified herein), including, without limitation, the form or structure of the Offer. We have not been engaged to prepare, and have not prepared, a valuation or appraisal of Enerflex or any of its assets or liabilities and this opinion should not be construed as such. Our opinion is limited to the adequacy, from a financial point of view, of the Consideration which has been offered to the holders of the Units (excluding Toromont) and no opinion or view is expressed with respect to any consideration proposed to be paid in connection with the Offer to the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the adequacy (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Offer, or class of such persons, relative to the Consideration. Furthermore, no opinion or view is expressed as to the relative merits of the Offer in comparison to other strategies or transactions that might be available to Enerflex or in which Enerflex might engage. We are not expressing any opinion as to what the prices at which Enerflex Units, Exchangeable LP Units or Toromont Common Shares will trade at any time, including following announcement, withdrawal or consummation of the Offer. In addition, we express no opinion or recommendation as to whether or not any holder of the Units should tender such holder's Units to the Offer or as to how such holder should otherwise act in connection with the Offer or any related matter.

We have acted as financial advisor to the Special Committee of the Board of Directors of the Administrator of Enerflex in connection with the Offer and will receive fees for our services, including a fee payable upon the rendering of this opinion and fees that are contingent either upon the consummation of the Offer or another business combination transaction in respect of Enerflex or upon Enerflex maintaining its independence. In addition, the Administrator has agreed to reimburse our expenses and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Enerflex, Toromont and certain of their respective affiliates.

Bank of America
Merrill Lynch

GLOBAL CORPORATE &
INVESTMENT BANKING

We and our affiliates currently provide investment banking services, and in the future may provide, investment banking, commercial banking and other financial services to Enerflex and will receive and in the future may receive compensation for the rendering of these services.

In addition, we and our affiliates may, in the future, provide investment banking, commercial banking and other financial services to Toromont and, in the future, may receive compensation for the rendering of these services.

It is understood that this letter is for the benefit and use of the Special Committee and the Board of Directors of the Administrator of Enerflex in connection with and for purposes of their evaluation of the Offer. We are not legal, tax or accounting experts and we express no opinions concerning any legal, tax or accounting matters concerning the Offer or the sufficiency of this opinion for the Special Committee's or the Board of Director's purposes. This opinion may be relied upon by the Special Committee and the Board of Directors for purposes of considering the Offer and their recommendation to holders of the Units with respect to the Offer, but may not be used or relied upon by any other person without our express written consent.

Senior officers of the Administrator have represented to us in a certificate dated as of the date hereof, among other things, that (i) the information and data, other than forecasts, projections and estimates (the "Information") provided to us by or on behalf of Enerflex in respect of Enerflex and its subsidiaries or affiliates in connection with the Offer was, at the date such Information was prepared, complete, true and correct in all materials respects, and no additional material, data or information would be required to make the Information not misleading in light of the circumstances under which such Information was provided and that (ii) since the dates on which the Information was provided to us, except as disclosed to us, there have been no changes in material facts or new material facts.

Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. As you are aware, the credit, financial and stock markets have recently experienced unusual volatility and we express no opinion or view as to any potential effects of such volatility on Enerflex, Toromont or the Offer. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion. The issuance of this opinion was approved by our Fairness Opinion Committee.

Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion on the date hereof that the Consideration which has been offered pursuant to the Offer to holders of the Units (excluding Toromont) is inadequate, from a financial point of view, to such holders.

Very truly yours,

Merrill Lynch Canada Inc.

MERRILL LYNCH CANADA INC.

APPENDIX C

GLOSSARY OF TERMS

In the Directors' Circular, the following terms shall have the meanings set forth below, unless the subject matter or context is inconsistent therewith or such terms are otherwise defined in the Directors' Circular:

"**Administrator**" means Enerflex Holdings General Partner Ltd., the administrator of Enerflex;

"**affiliate**" has the meaning ascribed to that term in MI 62-104;

"**associate**" has the meaning ascribed to that tem in MI 62-104;

"**BofA Merrill Lynch"** means Merrill Lynch Canada Inc.;

"**Cash Alternative**" means the election of a Unitholder to receive $13.50 in cash for each Unit under the Offer;

"**Director**" means a director of the Enerflex Board;

"**Directors' Circular**" means this directors' circular of Enerflex;

"**ELP Rights**" means any rights or other securities that have been, or may be, issued to provide holders of Exchangeable LP Units the economic equivalent of URP Rights;

"**Employment Agreements**" has the meaning ascribed to that term in the Section of this Directors' Circular entitled "Arrangements and Agreements of Directors and Officers of the Administrator with Enerflex or the Administrator";

"**Enerflex**" means Enerflex Systems Income Fund, a trust created pursuant to a deed of trust dated August 22, 2006;

"**Enerflex Board**" means the board of directors of the Administrator;

"**Exchangeable LP Units**" means the Class B limited partnership units of Enerflex Holdings Limited Partnership and, when used in the context of the Toromont Offer, includes any associated ELP Rights;

"**Expiry Time**" means 8:00 p.m. (Toronto time) on January 7, 2010, unless the Toromont Offer is extended or withdrawn;

"**Financial Advisors**" means, collectively, Scotia Capital Inc. and BofA Merrill Lynch;

"**Information Agent**" means Laurel Hill Advisory Group, the information agent retained by Enerflex in connection with the Toromont Offer;

"**MI 62-104**" means Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*, as amended;

"**Option Plan**" means the trust unit option plan of Enerflex, as amended from time to time;

"**Options**" means options to purchase Trust Units granted pursuant to the Option Plan;

"**Phantom Trust Units**" means phantom units granted under the Phantom Unit Plan;

"**Phantom Unit Plan**" means the phantom trust unit plan of Enerflex, as amended from time to time;

"**PTUs**" means performance trust units granted under the RTU/PTU Plan;

"**RTU/PTU Plan**" means the restricted trust unit and performance trust unit plan of Enerflex, as amended from time to time;

"**RTUs**" means restricted trust units granted under the RTU/PTU Plan;

"**Share Alternative**" means the election of a Unitholder to receive 0.5098 of a Toromont Share and $0.05 in cash for each Unit under the Offer;

"**Special Committee**" means the special committee established by the Enerflex Board, comprised of Douglas J. Haughey, Patrick D. Daniel, Timothy W. Faithfull and Robert B. Hodgins;

"**Toromont**" or the "**Offeror**" means Toromont Industries Ltd., as offeror under the Toromont Offer;

"**Toromont Circular**" means the Offer and the accompanying take-over bid circular of Toromont dated November 16, 2009;

"**Toromont Offer**" or "**Offer**" means the take-over bid by Toromont dated November 16, 2009, as set forth in and forming part of the Toromont Circular, to purchase all of the issued and outstanding Trust Units and all of the issued and outstanding Exchangeable LP Units, other than any Units owned directly or indirectly by Toromont or its affiliates, including all Units issued after the date of the Toromont Offer but before the expiry thereof upon the exercise, exchange or conversion of any options or any other securities of Enerflex, Enerflex Holdings Limited Partnership or their respective affiliates (other than URP Rights and ELP Rights) that are exercisable or exchangeable for, or convertible into, Units;

"**Toromont Shares**" means common shares of Toromont;

"**Trust Units**" means trust units of Enerflex and, when used in the context of the Toromont Offer, means all of the issued and outstanding trust units of Enerflex together with the associated URP Rights;

"**TSX**" means the Toronto Stock Exchange;

"**Unitholder**" means a holder of Exchangeable LP Units and/or Trust Units;

"**Unitholder Rights Plan**" means the unitholder rights plan agreement of Enerflex dated as of September 27, 2006, as reconfirmed by Unitholders on April 7, 2009, and as may be amended from time to time;

"**Units**" means, collectively, Trust Units and Exchangeable LP Units; and

"**URP Rights**" means the rights issued pursuant to the Unitholder Rights Plan.

Words importing the singular include the plural and vice versa and words importing any gender include all genders.

QUESTIONS OR REQUESTS FOR ASSISTANCE CONCERNING THE INFORMATION IN THIS DOCUMENT SHOULD BE DIRECTED TO THE INFORMATION AGENT:

LAUREL HILL ADVISORY GROUP
New York • Toronto • San Francisco • Vancouver

North American Toll-Free Phone: 1-888-726-9084
Persons outside North America, Banks and Brokers Call Collect: 1-416-637-4661
Email: assistance@laurelhillag.com