Aveda Transportation and Energy Services Inc.

Marketed Public Offering of Common Shares

Summary of Terms — January 17, 2017

A preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in the provinces of British Columbia, Alberta, Manitoba and Ontario. A copy of the preliminary short form prospectus, and any amendment, is required to be delivered with this document.

The preliminary short form prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued. Copies of the preliminary prospectus may be obtained from Beacon Securities Limited, Attention: Filitsa Spanogiannis, ECM, Beacon Securities Limited., 66 Wellington Street West, Suite 4050, TD Tower, Toronto, ON, M5H 1H1, fspanogiannis@beaconsecurities.ca, telephone (416) 507-3954..

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision

Issuer:	Aveda Transportation and Energy Services Inc. (the "**Company**")
Offering:	● common shares (the "**Offered Shares**") in the capital of the Company on a commercial best-efforts agency basis (the "**Offering**").
Offering Price:	$● per Offered Share (the "**Issue Price**").
Offering Size:	$10,000,000
Over-Allotment Option:	The Company shall grant the Agents (as defined below) an option (the "**Over-Allotment Option**") exercisable, at the sole discretion of the Agents, in whole or in part, by Beacon (as defined below), on its own behalf and on behalf of the Agents, giving notice to the Company at any time and from time to time up to 30 days following the Closing Date (as defined below), to sell up to an additional number of Offered Shares (the "**Additional Shares**") equal to 15% of the Offered Shares sold pursuant to the Offering at a price per Additional Share equal to the Issue Price to cover over-allotments, if any, and for market stabilization purposes. All references herein to the "Offering" shall be deemed to include the Over-Allotment Option and all references herein to the "Offered Shares" shall be deemed to include the Additional Shares.
Exempt Commission Participants:	Werklund Capital Corporation and Werklund Ventures Ltd. (collectively "**WCC**"), have committed to subscribe for up to $5 million under the Offering. Senior executives of the Company (together with WCC, "**Exempt Commission Participants**") are also anticipated to participate in the Offering.
Use of Proceeds:	The net proceeds from the Offering will be used for debt reduction, enhanced working capital and general corporate purposes.

BEACON Securities Limited

CANACCORD Genuity

Aveda Transportation and Energy Services Inc.

Marketed Public Offering of Common Shares

Summary of Terms — January 17, 2017

Form of Offering:	Fully marketed short form prospectus offering in the Provinces of British Columbia, Alberta, Manitoba and Ontario and/or by private placement to eligible purchasers resident in other jurisdictions that are mutually agreed to by the Company and Beacon, each acting reasonably, provided that no prospectus filing or comparable obligation arises and the Company does not thereafter become subject to continuous disclosure obligations in such jurisdictions. The Offered Shares may be offered and sold in the United States to a limited number of (i) institutional "accredited investors" (that satisfy one or more of the criteria set forth in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the United States Securities Act of 1933, as amended (the "**1933 Act**") ("**Institutional Accredited Investors**") that are also "qualified institutional buyers", as defined in Rule 144A under the 1933 Act ("**Qualified Institutional Buyers**"), and (ii) Institutional Accredited Investors that are not also Qualified Institutional Buyers, by way of a private placement pursuant to the exemption from the registration requirements of the 1933 Act provided by Rule 506(b) of Regulation D under the 1933 Act and pursuant to similar exemptions under applicable securities laws of any state of the United States. Any Offered Shares offered and sold in the United States shall be issued as "restricted securities" (as defined in Rule 144(a)(3) under the 1933 Act).
Eligibility:	The Offered Shares will be eligible for investment under certain statutes as well as for RRSPs, RRIFs, RESPs, TFSAs and DPSPs.
Listing:	The Company shall use commercially reasonable efforts to obtain the necessary approvals to list the Offered Shares under the Company's trading symbol "AVE" on the TSX Venture Exchange.
Agents:	Beacon Securities Limited ("**Beacon**") and Canaccord Genuity Corp., as co-lead agents, together with a syndicate of agents (the "**Agents**").
Closing Date:	On or about February 8, 2017, or such other date to be mutually agreed to by the Company and Beacon, each acting reasonably (the "**Closing Date**").

30174631v2

The information contained herein is believed to be accurate however it is subject to change without notice.