Horizon North Logistics Inc.
Short Form Prospectus Offering of Common Shares

Terms and Conditions

June 17, 2015

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in each of the provinces of Canada, other than Quebec. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities.

There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, 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:	Horizon North Logistics Inc. ("**Horizon North**" or the "**Corporation**").
Brokered Offering:	13,350,000 common shares ("**Common Shares**") of the Corporation to be issued from treasury pursuant to the short form prospectus provisions and requirements under National Instrument 44-101 (the "**Brokered Offering**").
Issue Price:	$3.75 per Common Share.
Brokered Offering Amount:	A total of $50,062,500.00
Over-Allotment Option:	The Underwriters will have an option to purchase up to an additional 15% of the Common Shares issued under the Brokered Offering (2,002,500 Common Shares) at the Common Share Issue Price to cover overallotments, exercisable in whole or in part at any time until 30 days after the Closing Date.
Issue Type:	Bought treasury offering of Common Shares to be completed by way of short form prospectus, qualifying the Common Shares for distribution in all provinces of Canada, except Quebec. The Common Shares may also be placed privately in the United States with certain qualified institutional buyers pursuant to Rule 144A of the Securities Act of 1933 and with certain accredited institutional investors under Regulation D.
Eligibility for Investment:	The Common Shares will be eligible under the usual Canadian statutes and for Canadian RRSPs, RRIFs, DPSPs, RDSPs, TFSAs and RESPs.
Listing:	Horizon North will apply to list the Common Shares on the Toronto Stock Exchange ("**TSX**"). Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX.
Closing Date:	Payment for and delivery of the Common Shares pursuant to the Brokered Offering is to occur on July 8, 2015, or such date as may be agreed upon by the Corporation and Peters & Co. Limited.
Use of Proceeds:	The net proceeds received by Horizon North from the Brokered Offering will be used to initially reduce indebtedness and thereafter to partially fund Horizon North's ongoing capital expenditure program and for general corporate purposes.
Sole Bookrunner and Lead Underwriter:	Peters & Co. Limited