

SHARE PURCHASE AGREEMENT

AMONG

HORIZON NORTH LOGISTICS INC.

– AND –

9477179 CANADA INC.

– AND –

10647802 CANADA LIMITED

March 9, 2020

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SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT dated effective as of March 9, 2020.

AMONG:

HORIZON NORTH LOGISTICS INC., a corporation existing under the laws of the Province of Alberta ("**Horizon**")

AND

9477179 CANADA INC., a corporation existing under the laws of Canada ("**Dexterra Parent**")

AND

10647802 CANADA LIMITED, a corporation existing under the laws of Canada ("**Dexterra**")

WHEREAS:

- A. Dexterra is a direct, wholly-owned subsidiary of Dexterra Parent;
- B. Dexterra Parent wishes to sell, and Horizon wishes to acquire, all of the issued and outstanding Dexterra Shares from Dexterra Parent;
- C. in exchange for the Dexterra Shares, Horizon wishes to issue the Horizon Share Consideration to Dexterra Parent, representing 49% of the Horizon Shares, on a Fully Diluted Basis, immediately after the Closing Time; and
- D. the Parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to such Transaction;

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereby covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals hereto, the following defined terms have the meanings hereinafter set forth:

- (a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B 9, as such may be amended from time to time prior to the Closing Date;
- (b) "**Acquisition Proposal**" means, other than:
 - (i) the Transaction, and
 - (ii) any transaction involving only Horizon and one or more of its wholly-owned subsidiaries or between or among one or more of Horizon's wholly-owned subsidiaries,

any inquiry, request for discussions or negotiations, offer or proposal whether or not in writing to Horizon or Horizon Shareholders from any Person or Persons "acting jointly or in concert" (within the meaning of NI 62-104) relating to, or which constitutes, or which may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions):

- (A) any direct or indirect sale, disposition, issuance or acquisition of shares or other equity interests (or securities convertible into or exercisable for such shares or interests) from Horizon or Horizon Shareholders as the case may be that, when taken together with any securities of Horizon held by the proposed acquiror, and any Person acting jointly or in concert with such acquiror and assuming the conversion of any convertible securities held by the proposed acquiror and any Person acting jointly or in concert with such acquiror, would constitute beneficial ownership representing 20% or more of any class of equity or voting securities of Horizon or any of its subsidiaries or rights or interests therein or thereto;
 - (B) any direct or indirect sale, disposition, acquisition or purchase (or any lease, long-term supply agreement, joint venture or other arrangement having the same economic effect as a sale, disposition, acquisition or purchase) of assets of any member of the Horizon Group (including, without limitation, the shares of any subsidiary) representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of Horizon or any of its subsidiaries;
 - (C) an amalgamation, arrangement, share exchange, merger, business combination, consolidation, recapitalization or other similar transaction involving Horizon or any of its subsidiaries;
 - (D) any take-over bid, tender offer, issuer bid, exchange offer, treasury issuance, recapitalization, liquidation, dissolution, reorganization or winding up or other similar transaction involving Horizon that, if consummated, would result in a Person or group of Persons acting jointly or in concert acquiring beneficial ownership of 20% or more of any class of equity or voting securities of Horizon and assuming the conversion of any convertible securities held by the Person or group of Persons acting jointly or in concert;
 - (E) any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Transaction;
 - (F) any other transaction or series of transactions involving Horizon or any of its subsidiaries that would have a similar effect as the foregoing; or
 - (G) any public announcement of an intention to do any of the foregoing;
- (c) **"affiliate"** has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus and Registration Exemptions*;
- (d) **"Agreement"**, **"herein"**, **"hereof"**, **"hereto"**, **"hereunder"** and similar expressions mean and refer to this share purchase agreement (including the schedules attached hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;
- (e) **"Applicable Canadian Securities Laws"** means, collectively, and as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, blanket orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Closing Date, that is binding upon or applicable to such

Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or persons or its or their business, undertaking, property or securities;

- (f) **"Applicable Laws"**, in the context that refers to one or more Persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by any Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or persons or its or their business, undertaking, property or securities, including for greater certainty, Applicable Canadian Securities Laws;
- (g) **"Business Day"** means any day other than a Saturday, Sunday, statutory holiday or other day when banks in the City of Calgary, Alberta or the City of Toronto, Ontario, are not generally open for business;
- (h) **"Closing"** means the completion of the acquisition of the Dexterra Shares by Horizon in exchange for the issuance of the Horizon Share Consideration to Dexterra Parent in accordance with the terms of this Agreement;
- (i) **"Closing Date"** has the meaning ascribed to such term in Section 2.7(b);
- (j) **"Closing Time"** has the meaning ascribed to such term in Section 2.7(a);
- (k) **"Commissioner"** means the Commissioner of Competition appointed under the Competition Act or any person duly authorized to exercise the powers of the Commissioner of Competition;
- (l) **"Competition Act"** means the *Competition Act*, R.S.C., 1985, c. C-34, as amended;
- (m) **"Competition Act Clearance"** means either of the following:
 - (i) the issuance of an advance ruling certificate by the Commissioner under section 102(1) of the Competition Act in respect of the transactions contemplated by this Agreement; or
 - (ii) (a) the applicable waiting period under subsection 123(1) of the Competition Act, and any extension thereof, shall have expired or shall have been terminated under subsection 123(2) of the Competition Act, or the obligation to submit a notification under Part IX of the Competition Act shall have been waived by the Commissioner pursuant to paragraph 113(c) of the Competition Act; and (b) unless waived by each of Horizon and Dexterra Parent, the Commissioner shall have issued a "no-action" letter confirming that the Commissioner does not, at that time, intend to make an application for an order under section 92 of the Competition Act in respect of the transactions contemplated by this Agreement, and such "no action" letter remains in full force and effect;
- (n) **"Confidential Information"** has the meaning ascribed thereto in Section 6.1(f);
- (o) **"Confidentiality Agreement"** means the confidentiality agreement between Horizon and Hamblin Watsa Investment Counsel Ltd. dated September 10, 2019, as amended and supplemented on December 23, 2019;
- (p) **"Contract"** means, with respect to a Party, a contract, lease, instrument, note, bond, debenture, mortgage, agreement, arrangement or understanding, written or oral, to which such Party, or any of its subsidiaries, is a party or under which such Party or any of its subsidiaries is bound;
- (q) **"Corruption Acts"** has the meaning ascribed thereto in Section (pp)(ii) of Schedule "B";

- (r) **"Dexterra"** has the meaning ascribed thereto in the preamble;
- (s) **"Dexterra Assets"** means all of the assets (tangible and intangible), properties (real or personal) and equipment (including all attachments, accessories and all other items required for the operation thereof) owned, leased or otherwise used or held for use by Dexterra and its subsidiaries;
- (t) **"Dexterra Balance Sheet"** has the meaning ascribed thereto in Section (n)(i) of Schedule "C";
- (u) **"Dexterra Board"** means the board of directors of Dexterra, as it may be comprised from time to time, including any duly constituted and acting committee thereof;
- (v) **"Dexterra Credit Facility"** means the \$32 million revolving credit facility of Dexterra, as borrower with Canadian Imperial Bank of Commerce, as lender due on June 10, 2023;
- (w) **"Dexterra Debt"** means total consolidated indebtedness, including long term debt and bank debt (including, for greater certainty, the Dexterra Credit Facility), but excluding any working capital deficiency;
- (x) **"Dexterra Disclosure Letter"** means the disclosure letter dated the date of this Agreement and delivered by Dexterra to Horizon;
- (y) **"Dexterra Financial Statements"** means, collectively the audited financial statements of Dexterra as at and for the fiscal year ended December 31, 2019 and the period from March 7, 2018 to December 31, 2018, together with the notes thereto and the auditors' report thereon; in each case duly prepared in accordance with IFRS;
- (z) **"Dexterra Group"** has the meaning ascribed thereto in Section (c) of Schedule "C";
- (aa) **"Dexterra Information"** means the information included in the Information Circular describing Dexterra and the business, operations and affairs of the Dexterra Group, including the Dexterra Financial Statements and any required historical financial statements of Dexterra or any predecessor businesses as may be required by Applicable Canadian Securities Laws, subject to the Exemptive Relief;
- (bb) **"Dexterra Material Contract"** means any Material Contract to which any member of the Dexterra Group (other than any third-party members or partners not otherwise under the control of Dexterra) is a party;
- (cc) **"Dexterra Owned IP"** has the meaning ascribed to it in Section (gg) of Schedule "C";
- (dd) **"Dexterra Parent"** has the meaning ascribed thereto in the preamble;
- (ee) **"Dexterra Parent Board"** means the board of directors of Dexterra Parent, as it may be comprised from time to time, including any duly constituted and acting committee thereof;
- (ff) **"Dexterra Parent Information"** means the information included in the Information Circular describing Dexterra Parent;
- (gg) **"Dexterra Parties"** means Dexterra and Dexterra Parent, collectively;
- (hh) **"Dexterra Plans"** has the meaning ascribed thereto in Section (z) of Schedule "C";
- (ii) **"Dexterra Shares"** means all of the issued and outstanding common shares in the capital of Dexterra;
- (jj) **"Disclosed Personal Information"** has the meaning ascribed thereto in Section 4.4(b);

- (kk) **"Encumbrances"** means, in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or assets, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) (whether by Applicable Laws, contract or otherwise) against title to any of the property or assets, or any part thereof or interest therein or capable of becoming any of the foregoing;
- (ll) **"Environmental Approvals"** means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by any Governmental Authorities pursuant to Environmental Laws;
- (mm) **"Environmental Laws"** means, with respect to any Person or its business, activities, property, assets or undertaking, all Applicable Laws, relating to environmental or occupational health and safety matters of the jurisdictions applicable to such Person or its business, activities, property, assets or undertaking, including legislation governing the use, handling and storage of Hazardous Substances;
- (nn) **"Exemptive Relief"** means an exemption sought from the Securities Authorities by Horizon and Dexterra from the requirement to include in the Information Circular financial statements for Dexterra for any period prior to March 7, 2018;
- (oo) **"Expense Reimbursement Payment"** has the meaning ascribed thereto in Section 6.4;
- (pp) **"FFHL Parent Guarantees"** means (a) the service guarantee dated as of March 12, 2018 given by Fairfax Financial Holdings Limited in favour of CSS (FSCC) Partnership, and (b) the guarantee dated as of March 12, 2018 between Fairfax Financial Holdings Limited and Boreal Health Partnership;
- (qq) **"Fully Diluted Basis"** means, immediately after the Closing Time, the number of issued and outstanding Horizon Shares plus the number of Horizon Shares issuable upon the exercise of the then outstanding Horizon Options, if any, which have not been exercised or cancelled (or agreed to be cancelled) pursuant to Option Cancellation Agreements;
- (rr) **"Governmental Authority"** means any:
- (i) national, federal, provincial, state, regional, municipal, local or other government or any governmental regulatory or administrative authority department, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, or official, domestic or foreign including any political subdivision thereof;
 - (ii) any subdivision, agent, commission, board or authority of any of the foregoing;
 - (iii) any quasi-governmental or private body exercising any regulatory, expropriation or Taxing Authority under or for the account of any of the foregoing; and
 - (iv) any stock exchange, including the TSX;
- (ss) **"Governmental Authorizations"** has the meaning ascribed thereto in Section (t) of Schedule "B";
- (tt) **"Hazardous Substances"** means any pollutant, contaminant, waste or other substance of any nature, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, or that is prohibited, listed, defined, designated, regulated, classified judicially interpreted or identified in any applicable Environmental Laws including petroleum and all derivatives thereof and synthetic substitutions therefor;

- (uu) **"Horizon"** has the meaning ascribed thereto in the preamble;
- (vv) **"Horizon Assets"** means all of the assets (tangible and intangible), properties (real or personal) and equipment (including all attachments, accessories and all other items required for the operation thereof) owned, leased or otherwise used or held for use by any member of the Horizon Group;
- (ww) **"Horizon Balance Sheet"** has the meaning ascribed thereto in Section (r)(i) of Schedule "B";
- (xx) **"Horizon Board"** means the board of directors of Horizon as it may be comprised from time to time, including any duly constituted and acting committee thereof;
- (yy) **"Horizon Change in Recommendation"** has the meaning ascribed thereto in Section 6.1(b);
- (zz) **"Horizon Change of Control Payments"** means obligations of Horizon pursuant to any Horizon Incentive Plans, arising out of or in connection with the Transaction;
- (aaa) **"Horizon Credit Facility"** means the \$150 million credit facility of Horizon with Scotiabank, as lead lender due on September 30, 2021;
- (bbb) **"Horizon Debt"** means total consolidated indebtedness, including long term debt and bank debt (including, for greater certainty, the Horizon Credit Facility), but excluding any working capital deficiency;
- (ccc) **"Horizon Disclosure Letter"** means the disclosure letter dated the date of this Agreement and delivered by Horizon to the Dexterra Parties;
- (ddd) **"Horizon Financial Statements"** means, collectively:
- (i) the audited financial statements of Horizon as at and for the fiscal years ended December 31, 2018 and December 31, 2017, together with the notes thereto and the auditors' report thereon; and
 - (ii) the unaudited financial statements of Horizon as at and for the three and nine month periods ended September 30, 2019 and 2018, together with the notes thereto,
- in each case duly prepared in accordance with IFRS;
- (eee) **"Horizon Group"** has the meaning ascribed thereto in Section (c) of Schedule "B";
- (fff) **"Horizon Incentive Plans"** means, collectively, the Horizon Option Plan and the Horizon RSU Plan;
- (ggg) **"Horizon Incentive Units"** means, collectively, the Horizon Options and Horizon RSUs;
- (hhh) **"Horizon Information"** means the information included in the Information Circular (including information incorporated into the Information Circular by reference) describing Horizon and the business, operations and affairs of Horizon Group together with any amendments thereto or supplements thereof in accordance with the terms of this Agreement;
- (iii) **"Horizon Material Contract"** means any Material Contract to which any member of the Horizon Group (other than any third-party members or partners not otherwise under the control of Horizon) is a party;
- (jjj) **"Horizon Meeting"** means the special meeting of Horizon Shareholders to be held to consider the Transaction Resolution and related matters, and any adjournment(s) or postponement(s) thereof;

- (kkk) **"Horizon Option Plan"** means the amended and restated stock option plan of Horizon, dated as of March 1, 2017;
- (lll) **"Horizon Optionholders"** means the holders of the Horizon Options;
- (mmm) **"Horizon Options"** means the outstanding stock options of Horizon granted under the Horizon Option Plan, whether or not vested, entitling the holders thereof to acquire Horizon Shares;
- (nnn) **"Horizon Owned IP"** has the meaning ascribed thereto in Section (mm) of Schedule "B";
- (ooo) **"Horizon Plans"** has the meaning ascribed thereto in Section (dd) of Schedule "B";
- (ppp) **"Horizon Public Record"** means all information filed by or on behalf of Horizon since January 1, 2019 with the Securities Authorities, in accordance with any Applicable Canadian Securities Laws which is available for public viewing on the SEDAR website at www.sedar.com under Horizon's profile;
- (qqq) **"Horizon RSU Plan"** means the restricted share unit plan of Horizon, dated as of May 5, 2016, as amended and restated March 1, 2017;
- (rrr) **"Horizon RSUs"** means the restricted share units issued pursuant to the Horizon RSU Plan;
- (sss) **"Horizon Share Consideration"** has the meaning ascribed thereto in Section 2.2;
- (ttt) **"Horizon Share Shortfall"** has the meaning ascribed thereto in Section 2.2;
- (uuu) **"Horizon Shareholder Rights Plan"** means the amended and restated agreement between Horizon and AST Trust Company, as rights agent dated as of March 15, 2017;
- (vvv) **"Horizon Shareholders"** means holders of Horizon Shares from time to time;
- (www) **"Horizon Shares"** means the common shares in the capital of Horizon;
- (xxx) **"IFRS"** means International Financial Reporting Standards as incorporated in the Handbook of the Chartered Professional Accountants (Canada) at the relevant time applied on a consistent basis;
- (yyy) **"includes"** or **"including"** shall be deemed to mean **"includes, without limitation"** or **"including, without limitation"**;
- (zzz) **"Information Circular"** means the management information circular of Horizon, together with all appendices thereto to be mailed or otherwise distributed by Horizon to Horizon Shareholders in connection with the Horizon Meeting;
- (aaaa) **"Intellectual Property"** has the meaning ascribed thereto in Section (mm) of Schedule "B";
- (bbbb) **"Investment Canada Act"** means the *Investment Canada Act*, R.S.C. 1985, c. 28 (1st Supp.), as amended;
- (cccc) **"Investor Rights Agreement"** means the agreement substantially in the form attached hereto as Schedule "E", with such changes thereto as may be agreed upon by the parties thereto prior to Closing;
- (dddd) **"ITA"** means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5th Supp.);

- (eeee) **"Material Adverse Change" or "Material Adverse Effect"** means, with respect to Horizon or Dexterra, as the case may be, any fact or state of facts, circumstance, change, effect, occurrence or event that:
- (i) individually or in the aggregate is, or would reasonably be expected to be, material and adverse to the condition (financial or otherwise), business, operations, properties, licenses, affairs, assets, liabilities (contingent or otherwise), capitalization, results of operations or cash flows of Horizon or Dexterra and their respective subsidiaries, taken as a whole, as the case may be, other than any such change, effect, occurrence or event directly or indirectly relating to or resulting from:
 - (A) conditions generally affecting the industries in which such Party and its subsidiaries operate in jurisdictions in which such Party and its subsidiaries carry on business;
 - (B) changes to Applicable Laws, Taxes, IFRS or changes in accounting or regulatory requirements generally applicable to the industries in which such Party and its subsidiaries operate as a whole;
 - (C) general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere;
 - (D) global, national or regional political conditions, including the outbreak of war or acts of terrorism;
 - (E) natural disasters or outbreaks of illness;
 - (F) in the case of Horizon, any matter which has been publicly disclosed by Horizon in the Horizon Public Record (which for this purpose shall solely consist of annual information forms, financial statements, management discussion and analysis, news releases generally disclosed and filed on SEDAR, and material change reports) subsequent to January 1, 2019 (other than a matter which has been publicly disclosed as a risk factor or under a forward-looking information cautionary statement) or disclosed in the Horizon Disclosure Letter, in each case, prior to the date of this Agreement, and in the case of Dexterra, any matter which has been disclosed in the Dexterra Disclosure Letter, except in each case to the extent of any fact or state of facts, circumstance, change, effect, occurrence or event that arises after the date hereof;
 - (G) in the case of Horizon, relating to a change in the market trading price or trading volume of Horizon's publicly listed securities (it being understood that, unless otherwise excluded by Sections 1.1(eeee)(i)(A) through 1.1(eeee)(i)(J) inclusively, the causes underlying any such change may be considered to determine whether same constitute a Material Adverse Change or Material Adverse Effect);
 - (H) the failure of such Party to meet any internal or published projections, forecasts or estimates of revenues, earnings or cash flow (it being understood that, unless otherwise excluded by Sections 1.1(eeee)(i)(A) through 1.1(eeee)(i)(J) inclusively, the causes underlying any such change may be considered to determine whether same constitute a Material Adverse Change or Material Adverse Effect);
 - (I) the announcement of this Agreement and the transactions contemplated hereby, including the Transaction; or
 - (J) in the case of Horizon, any matter expressly consented to in writing by Dexterra after the date hereof or permitted or required by this Agreement (excluding Section 3.1(h) for such purpose), and in the case of Dexterra, any matter expressly consented to in

writing by Horizon after the date hereof or permitted or required by this Agreement (excluding Section 3.2(e) for such purpose);

provided however, that where the change or effect referred to in Sections 1.1(eeee)(i)(A) through 1.1(eeee)(i)(E) primarily relates only to (or has the effect of primarily relating only to) Horizon or Dexterra, as the case may be, or disproportionately affects Horizon or Dexterra and its respective subsidiaries, taken as a whole, as the case may be, compared to other entities of similar size operating in the same jurisdictions in the industries in which such Party and its subsidiaries operate, in which case, the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable; and provided that references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretative for purposes of determining whether a Material Adverse Change or Material Adverse Effect has occurred; or

- (ii) either individually or in the aggregate prevents or materially delays, or individually or in the aggregate would reasonably be expected to prevent or materially delay, the consummation of the Transaction or Horizon, Dexterra or Dexterra Parent, as the case may be, from performing its material obligations under this Agreement in any material respect;
- (ffff) "**Material Contracts**" means (i) any Contract providing for the purchase, sale or exchange of or option to purchase, sell or exchange, any property, asset or service where the revenue of such property, asset or service exceeds \$2,000,000 in each calendar year of the Contract, (ii) in the case of Dexterra, the Dexterra Credit Facility, and (iii) in the case of Horizon, the Horizon Credit Facility;
- (gggg) "**Misrepresentation**", "**Material Change**" and "**Material Fact**" have the meanings ascribed thereto under the Securities Act;
- (hhhh) "**NI 62-104**" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;
- (iiii) "**Option Cancellation Agreements**" means the agreements proposed to be entered between Horizon and each of the Horizon Optionholders, prior to the Closing Date and conditional upon Closing, in form and substance satisfactory to the Dexterra Parties, acting reasonably;
- (jjjj) "**Ordinary Course**" means, with respect to an action taken by a Person, that such action is consistent with the past practices of the Person and is taken in the ordinary course of the normal day-to-day operations of the Person;
- (kkkk) "**Outside Date**" means July 10, 2020 or such other date as the Parties may agree in writing; subject to the right of any Party to extend the Outside Date for up to an additional 30 days, if the Required Approvals have not been obtained by such date (or, in the case of the Exemptive Relief, if Closing has not occurred by the Outside Date primarily due to a delay in receiving the Exemptive Relief), by giving written notice to the other Parties to such effect no later than 5:00 pm (Toronto time) on the date that is at least five days prior to the original Outside Date; provided that notwithstanding the foregoing, a Party shall not be permitted to extend the Outside Date if the failure to obtain the Required Approvals is primarily the result of such Party's failure to comply with its covenants herein;
- (llll) "**Parties**" means, collectively, the parties to this Agreement, and "**Party**" means any one of them;
- (mmmm) "**Permitted Dividend**" means, in respect of the Horizon Shares, a dividend not in excess of \$0.02 per Horizon Share per quarter consistent with the current practice of Horizon (including with respect to timing of declaration, record and payment dates);
- (nnnn) "**Permitted Encumbrances**" means: (i) with respect to Horizon, Encumbrances listed in the Horizon Disclosure Letter and with respect to Dexterra, Encumbrances specifically listed in the Dexterra Disclosure Letter; (ii) easements, rights of way, servitudes or other similar rights, including, without

limitation, rights of way for highways, railways, sewers, drains, gas or oil pipelines, gas or water mains, electric light, power, telephone or cable television towers, poles, wires and similar rights in real property or any interest therein, provided the same are registered on title and not of such nature as to materially adversely affect the use of the property subject thereto; (iii) the regulations and any rights reserved to or vested in any Governmental Authority to levy Taxes or to control or regulate any Party's interests in any manner; (iv) undetermined or inchoate liens incurred or created in the Ordinary Course of business as security for a Party's share of the costs and expenses of the development or operation of any of its assets, which costs and expenses are not delinquent as of the Closing Date; (v) undetermined or inchoate mechanics' liens and similar liens for which payment for services rendered or goods supplied is not delinquent as of the Closing Date; (vi) any statutory Encumbrance for Taxes or other governmental charges or assessments not yet due or delinquent or the validity of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with IFRS; (vii) any Encumbrances under a Party's existing credit facilities; and (viii) purchase money security interests and liens securing capital leases, provided that: (A) such liens are limited to the property or assets purchased or leased; or (B) such Encumbrances exist as of the date hereof;

- (oooo) **"Person"** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;
- (pppp) **"Regulatory Approvals"** means any consent, waiver, permit, permission, exemption, review, order, decision or approval of, or any registration and filing with or withdrawal of any objection or successful conclusion of any litigation brought by, any Governmental Authority, or the expiry, waiver or termination of any waiting period imposed by law or a Governmental Authority or pursuant to a written agreement between the Parties and a Governmental Authority to refrain from consummating the Transaction, in each case required or advisable under Applicable Law in connection with the Transaction, including the Competition Act Clearance, the Exemptive Relief and the TSX Conditional Approval;
- (qqqq) **"Representatives"** has the meaning ascribed thereto in Section 6.1(b);
- (rrrr) **"Required Approvals"** means the Competition Act Clearance, the TSX Conditional Approval, the Exemptive Relief and the approval by Horizon Shareholders of the Transaction Resolution at the Horizon Meeting;
- (ssss) **"Securities Act"** means the *Securities Act*, R.S.A. 2000, c. S 4, as such may be amended prior to the Closing Date;
- (tttt) **"Securities Authorities"** means, collectively, the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada;
- (uuuu) **"SEDAR"** means the System for Electronic Document Analysis and Retrieval;
- (vvvv) **"subsidiary"** has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus and Registration Exemptions*;
- (www) **"Superior Proposal"** means an unsolicited written *bona fide* Acquisition Proposal made after the date hereof from a Person (other than Dexterra or Dexterra Parent) that the Horizon Board determines in good faith after consultation with its financial and legal advisors (as reflected in the minutes of the Horizon Board), is a transaction:
- (i) that is not subject to any financing condition and in respect of which adequate arrangements have been made in respect of the funds or other consideration necessary for the consummation

of such Acquisition Proposal, as demonstrated to the satisfaction of the Horizon Board, acting in good faith;

- (ii) that is capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such proposal;
- (iii) that does not or will not require any waiver, modification, or release of, or consent under, any confidentiality, standstill or similar agreement or restriction to which Horizon or any of its subsidiaries is a party, and did not otherwise result from or involve a breach of any agreement between the Person making such proposal or Horizon of Section 6.1;
- (iv) that is not subject to any due diligence or access condition;
- (v) that would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to Horizon Shareholders from a financial point of view than the transactions contemplated by this Agreement (including in each case after taking into account any modifications to this Agreement proposed by Dexterra Parent as contemplated by Section 6.1(d));
- (vi) that complies with Applicable Canadian Securities Laws; and
- (vii) that the failure by the Horizon Board to accept, recommend, approve or enter into a definitive agreement to implement, such Acquisition Proposal would be inconsistent with its fiduciary duties;

provided that, solely for purposes of this definition of "Superior Proposal" and its use throughout this Agreement, all references to "20%" in the definition of "Acquisition Proposal" shall instead be construed to refer to "50%";

(xxxx) "**Tax**" or "**Taxes**" shall mean: (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever however denominated imposed by any Taxing Authority, whether computed on a separate, consolidated, unitary, combined or other basis, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, domestic or foreign federal income taxes and provincial/state income taxes), payroll and employee withholding taxes, employment insurance premiums, unemployment insurance, social insurance taxes, social security taxes, Canada Pension Plan contributions, payroll contributions and taxes, sales and use taxes, value added taxes, goods and services taxes, harmonized sales taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, municipal taxes, environmental taxes, capital taxes, corporate minimum taxes, withholding taxes, employee health taxes, surtaxes, customs, import and export taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which any member of the Horizon Group or the Dexterra Group, as applicable, is required to pay, deduct, withhold, remit or collect; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party;

(yyyy) "**Tax Returns**" shall mean all reports, estimates, elections, notices, filings, designations, forms, declarations of estimated Tax, information statements and returns and other similar documents relating to, or required to be supplied to any Taxing Authority in connection with, any Taxes (including, estimated Tax returns and reports, withholding Tax returns and reports, information returns and reports,

and any schedules, attachments, supplements, appendices and exhibits thereto), whether in tangible, electronic or other form;

- (zzzz) **"Taxing Authority"** shall mean any Governmental Authority responsible for the imposition of any Tax (domestic or foreign);
- (aaaaa) **"Technology"** has the meaning ascribed thereto in Section (oo) of Schedule "B";
- (bbbbb) **"threatened"** when used in relation to legal action or any other matter, means that a written demand has been made or a written notice has been given that such legal action or other matter is to be asserted, commenced, taken or otherwise pursued in the future or that an event has occurred or circumstances exist that would lead a reasonable Person to conclude that such legal action or other matter is likely to be asserted, commenced, taken or otherwise pursued in the future;
- (ccccc) **"Transaction"** means the acquisition by Horizon of all of the issued and outstanding Dexterra Shares in exchange for the issuance of the Horizon Share Consideration to Dexterra Parent, in accordance with the provisions of this Agreement, the entering into of the Investor Rights Agreement by the Parties and the consummation of the other transactions contemplated by this Agreement;
- (ddddd) **"Transaction Resolution"** means the ordinary resolution of Horizon Shareholders in respect of the issuance of Horizon Shares to Dexterra Parent to be considered at the Horizon Meeting substantially in the form attached hereto as Schedule "A";
- (eeeee) **"TSX"** means the Toronto Stock Exchange; and
- (fffff) **"TSX Conditional Approval"** has the meaning ascribed thereto in 3.1(u).

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections, subsections and the insertion of headings is for convenience of reference only and does not affect the construction or interpretation of this Agreement.

1.3 Number and Gender

Words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders. If a word is defined in this Agreement a grammatical derivative of that word shall have a corresponding meaning.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day, such action is required to be taken on the next succeeding day which is a Business Day.

1.5 Entire Agreement

This Agreement, the Confidentiality Agreement, the Investor Rights Agreement and any specific side or disclosure letters entered into between the Parties in furtherance of the terms of this Agreement constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof.

1.6 Statute and Agreement References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to any regulations promulgated thereunder from time to time in effect and such

statute or section (or regulations thereunder) as amended, restated or re-enacted from time to time. References to any agreement or document shall be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time.

1.7 Schedules

The following Schedules annexed to this Agreement, being:

Schedule "A" – Transaction Resolution
Schedule "B" – Representations and Warranties of Horizon
Schedule "C" – Representations and Warranties of Dexterra
Schedule "D" – Representations and Warranties of Dexterra Parent
Schedule "E" – Investor Rights Agreement

are incorporated by reference into this Agreement and form an integral part hereof.

1.8 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

1.9 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under, and all determinations of an accounting nature that are required to be made shall be made in a manner consistent with IFRS.

1.10 Interpretation Not Affected by Party Drafting

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party will not be applicable in the interpretation of this Agreement.

1.11 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge of, in the case of Horizon, Rod Graham, President and Chief Executive Officer and Scott Matson, Chief Financial Officer, in the case of Dexterra, John MacCuish, President and Chief Executive Officer, and Karima Amlani, Chief Financial Officer, in each case after due inquiry, as of the date of this Agreement and does not include any constructive, implied or imputed knowledge.

ARTICLE 2 THE TRANSACTION

2.1 Purchase and Sale of Dexterra Shares

Effective as of the Closing Date, on the terms and subject to the conditions set forth in this Agreement including the receipt of all Required Approvals, Dexterra Parent shall sell to Horizon, and Horizon shall purchase from Dexterra Parent, all of the issued and outstanding Dexterra Shares, free and clear of any Encumbrances.

2.2 Consideration

In consideration for the Dexterra Shares, and subject to receipt of all Required Approvals, Horizon agrees to issue, on the Closing Date, such number of Horizon Shares required to represent 49% of the Horizon Shares calculated on a Fully Diluted Basis immediately after the Closing Time, rounded up to the nearest whole Horizon

Share (the "**Horizon Share Consideration**"). In the event that the Horizon Share Consideration would represent more than 49.99% of the total number of outstanding Horizon Shares (on a non-diluted basis) immediately following the Closing Time, the number of Horizon Shares to be issued to Dexterra Parent at the Closing Time shall be reduced to such number of Horizon Shares required to represent 49.99% of the outstanding Horizon Shares immediately following the Closing Time, rounded down to the nearest whole Horizon Share (any difference between the Horizon Share Consideration and the number of Horizon Shares actually issued to Dexterra Parent at the Closing Time pursuant to such reduction shall be the "**Horizon Share Shortfall**"). If there is a Horizon Share Shortfall, on each subsequent issuance of Horizon Shares by Horizon (including on exercise of any Horizon Options outstanding immediately following the Closing Time), Horizon shall promptly issue additional Horizon Shares to Dexterra Parent until Dexterra Parent has received the full Horizon Share Consideration, provided that at no time will Horizon Shares be issued to Dexterra Parent in an amount whereby Dexterra Parent and its affiliates would, following such issuance, beneficially own or control greater than 49.99% of the outstanding Horizon Shares (on a non-diluted basis). Dexterra Parent shall have the right following the Closing Time to assign its right to receive any or all of the Horizon Share Shortfall to an affiliate of Dexterra Parent.

2.3 Acknowledgement of Dexterra Parent

Dexterra Parent acknowledges that the issuance of the Horizon Share Consideration is being made pursuant to an exemption from prospectus requirements and in compliance with the registration requirements of Applicable Canadian Securities Laws.

2.4 Recommendation of the Horizon Board

Horizon represents and warrants to the Dexterra Parties that the Horizon Board:

- (a) has unanimously determined, after receiving the advice of its financial and legal advisors that:
 - (i) the issuance of the Horizon Share Consideration in exchange for the Dexterra Shares is fair to Horizon;
 - (ii) it will unanimously recommend Horizon Shareholders vote in favour of the Transaction Resolution; and
 - (iii) the Transaction and the entry into this Agreement are in the best interests of Horizon;
- (b) has received an opinion from Scotia Capital Inc. that the issuance of the Horizon Share Consideration to Dexterra Parent in exchange for the Dexterra Shares is, as at the date of such opinion, fair, from a financial point of view to Horizon; and
- (c) has determined that it would be in the best interests of Horizon and has authorized the (i) waiver, subject to the consent of Horizon Shareholders, of the application of Section 3.1 of the Horizon Shareholder Rights Plan to the Flip-In Event (as defined in the Horizon Shareholder Rights Plan) that would result from the Transaction as a result of Dexterra Parent becoming an "Acquiring Person" as defined therein, and (ii) extension of the Separation Time (as defined in the Horizon Shareholder Rights Plan) to the date that is 10 Business Days following approval of the Transaction by Horizon Shareholders.

Subject to the making of a Horizon Change in Recommendation in which case the Parties agree and acknowledge that such determinations and recommendations in clauses (a) and (b) of this Section 2.4 may be modified or withdrawn, notice of such determinations and recommendation shall, subject to the terms hereof, be included, along with the written fairness opinion of Scotia Capital Inc., confirming the aforementioned opinion of such financial advisor, in the Information Circular.

2.5 Information Circular

As promptly as reasonably practicable following the execution of this Agreement, and in compliance with Applicable Laws (including Applicable Canadian Securities Laws):

- (a) Horizon will prepare the Information Circular in accordance with the requirements of Applicable Laws and the Dexterra Parties shall provide all Dexterra Information and Dexterra Parent Information, respectively, for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with all requirements of Applicable Laws (subject to the terms of the Exemptive Relief) on the date of issue thereof and, for greater certainty the Dexterra Parties agree to cooperate to provide and prepare, to the extent required under Applicable Canadian Securities Laws, all prospectus level disclosure and financial information as may be required for the Information Circular, (subject to the terms of the Exemptive Relief and, for greater certainty, Dexterra shall not be considered to be in breach of this Agreement by virtue of the failure to provide financial statements for any period prior to March 7, 2018);
- (b) Horizon shall call, give notice of and convene the Horizon Meeting (having regard to the timing of the Exemptive Relief), at which meeting the Transaction Resolution shall be submitted to Horizon Shareholders entitled to vote upon such resolution for approval and, unless as otherwise agreed in writing between the Parties, shall not adjourn, postpone or cancel (or propose to adjourn, postpone or cancel) or fail to call the Horizon Meeting without prior written consent of the Dexterra Parties except for adjournments or postponements:
 - (i) as required for quorum purposes (in which case the Horizon Meeting shall be adjourned) or by Applicable Law or by any Governmental Authority; or
 - (ii) as required under Section 6.1(g) or Section 5.4;
- (c) Horizon shall ensure that the Information Circular provides Horizon Shareholders (subject to compliance by each of the Dexterra Parties with Section 2.5(a)), with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, in all cases ensuring compliance in all material respects with all Applicable Canadian Securities Laws on the date of issue thereof;
- (d) Horizon shall give the Dexterra Parties and their legal counsel a reasonable opportunity to review and comment on drafts of the Information Circular and other related documents, and shall give reasonable consideration to any comments made by them, and agrees that all information relating solely to either of the Dexterra Parties or any of their affiliates included in the Information Circular must be in form and content satisfactory to the Dexterra Parties, acting reasonably. Horizon shall provide the Dexterra Parties with a final copy of the Information Circular prior to mailing to Horizon Shareholders;
- (e) Horizon shall cause the Information Circular to be mailed to Horizon Shareholders and filed with applicable regulatory authorities and other Governmental Authorities in all jurisdictions where the same is required to be mailed and filed; and
- (f) each of the Dexterra Parties and Horizon shall promptly furnish to the other Party or Parties, as applicable, all information concerning it as may be required to effect the actions described in Section 2.1, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Transaction and the other transactions contemplated by this Agreement will contain any Misrepresentation.

2.6 Treatment of Horizon Incentive Units

- (a) Horizon has disclosed in writing to Dexterra the full particulars of the Horizon Incentive Plans and Horizon Incentive Units outstanding as of the date hereof.

- (b) The Parties acknowledge that the Horizon Board has determined that the Transaction shall be considered to be a "change of control" for purposes of the Horizon Incentive Plans.
- (c) The Horizon Board has approved the vesting of all outstanding Horizon Incentive Units effective before the Closing Date conditional upon the subsequent consummation of the Transaction in order that all such outstanding Horizon Options shall be fully vested and exercisable until the last Business Day before the Closing Date and all such outstanding Horizon RSUs shall be fully vested and payable, conditional upon the holders thereof entering into Option Cancellation Agreements, in accordance with the terms of this Agreement and each of the Horizon Incentive Plans, respectively.
- (d) The Horizon Board will use its reasonable commercial efforts to cause each of the Horizon Optionholders to enter into Option Cancellation Agreements prior to Closing providing for the exercise (or alternatively the surrender in exchange for a cash payment, or a number of Horizon Shares, equal to the in-the-money amount, in all cases subject to applicable withholdings) of in-the-money Horizon Options and the cancellation of out-of-the-money Horizon Options for nominal consideration, immediately prior to the Closing Time, of each unexercised Horizon Option.

2.7 Closing Date

- (a) The Closing of the Transaction will take place at 9:00 a.m. (Calgary time) (the "**Closing Time**") on the Closing Date at the offices of counsel to Horizon, or at such other time or location as may be agreed upon by the Parties.
- (b) As soon as reasonably practicable, but in any event no later than three Business Days following the satisfaction or waiver of the conditions set out in Article 5, (other than those conditions that by their nature are to be satisfied at Closing of the Transaction, but subject to satisfaction or waiver of those conditions) (the "**Closing Date**") each of Dexterra, Dexterra Parent and Horizon, shall execute and deliver such Closing documents and instruments and such other documents as may be required to give effect to the Transaction.
- (c) The Closing Date shall occur as soon as practicable and in any event by no later than the Outside Date.

2.8 Tax Election

- (a) Horizon will, at the request of Dexterra Parent, jointly elect with Dexterra Parent under subsection 85(1) of the ITA with respect to the Transaction. Such election will be prepared by Dexterra Parent and filed by Dexterra Parent and Horizon in the form and manner and within the time prescribed by the ITA and the regulations thereunder. The agreed amount for the purposes of paragraph 85(1)(a) of the ITA in respect of the Transaction will be such amount as is determined by Dexterra Parent within the limits prescribed in the ITA. Dexterra Parent shall prepare the election contemplated by this Section 2.8 and provide a copy of the election to Horizon for review not less than thirty (30) days prior to the time referred to in subsection 85(6) of the ITA, and Dexterra Parent shall consider in good faith such reasonable comments made by Horizon and its counsel.
- (b) Horizon will, at the request of Dexterra Parent, jointly elect with Dexterra Parent under corresponding provisions of applicable provincial income tax legislation with respect to the Transaction. The provisions of Section 2.8(a) will apply to the making of any such provincial elections, with necessary changes.
- (c) The amount to be added to the stated capital account of Horizon will be the lower of the fair market value of the Dexterra Shares or the stated capital of such Dexterra Shares, with such modifications as may be necessary in order to take into account the rights of Dexterra Parent pursuant to Section 2.2.

ARTICLE 3 COVENANTS

3.1 Covenants of Horizon

Horizon covenants and agrees that, from the date of this Agreement until the earlier of the Closing Date or termination of this Agreement, except (i) with the prior written consent of Dexterra (not to be unreasonably withheld, delayed or conditioned), (ii) as otherwise expressly permitted or specifically contemplated by this Agreement, (iii) required by Applicable Laws or (iv) as expressly contemplated in the correspondingly numbered paragraph in the Horizon Disclosure Letter:

- (a) Horizon will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.3 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of Horizon;
- (b) Horizon will continue to maintain its status as a "reporting issuer" (or similarly designated entity) not in default under the Applicable Canadian Securities Laws where it is a reporting issuer at the date hereof;
- (c) Horizon will maintain the listing of the Horizon Shares on the TSX;
- (d) Horizon and the Horizon Board shall take all permissible action necessary prior to Closing, to waive the application of the Horizon Shareholder Rights Plan to the Transaction and to ensure that the Horizon Shareholder Rights Plan does not interfere with or affect the consummation of the Transaction contemplated hereby;
- (e) Horizon will not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Transaction contemplated hereby;
- (f) Horizon will provide the Dexterra Parties with all information and documentation reasonably requested in connection with obtaining the Regulatory Approvals other than with respect to filings submitted pursuant to the Competition Act, which will be governed by Section 3.6;
- (g) subject to Dexterra's compliance with Section 2.5(a), Horizon shall ensure that the Information Circular complies with Applicable Laws and, without limiting the generality of the foregoing, that the Information Circular will not contain a Misrepresentation and the Information Circular provides Horizon Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, and, in that regard, the Information Circular will set out the Dexterra Information in the form approved by Dexterra and the Horizon Information in the form approved by Horizon and shall include, without limitation (but subject to withdrawal or modification in the event Horizon makes a Horizon Change in Recommendation):
 - (i) based upon, among other things, the opinion of Scotia Capital Inc., the unanimous determination of the Horizon Board that the Transaction is in the best interests of Horizon, and the unanimous recommendation that Horizon Shareholders vote in favour of the Transaction; and
 - (ii) the fairness opinion of Scotia Capital Inc. that the Horizon Share Consideration to be issued to Dexterra Parent in exchange for the Dexterra Shares is, as of the date of such opinion, fair, from a financial point of view to Horizon;
- (h) the business of Horizon shall be conducted only in, and Horizon shall not take any action except in, the Ordinary Course of business and it shall use all reasonable commercial efforts to maintain and preserve its business, assets and business relationships;

- (i) Horizon shall not, directly or indirectly do, or permit to occur, any of the following:
 - (i) amend its constating documents or amend in any material respects the constating documents of any of its subsidiaries;
 - (ii) except in relation to any internal transactions solely involving Horizon and its wholly-owned subsidiaries or solely among such subsidiaries, authorize, declare, set aside or pay any cash or non-cash dividend or make any other cash or non-cash payment in respect of its outstanding securities other than a Permitted Dividend on the Horizon Shares;
 - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any new Horizon Shares or other securities of Horizon, including, without limitation, securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, the Horizon Shares;
 - (iv) redeem, purchase or otherwise acquire any of the outstanding Horizon Shares or other securities;
 - (v) amend the terms of any of its securities other than in respect of the Horizon Incentive Units as contemplated by Section 2.6;
 - (vi) split, combine or reclassify any of the Horizon Shares;
 - (vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation, reorganization or arrangement or similar action of Horizon or any of its subsidiaries;
 - (viii) reduce the stated capital of any of the Horizon Shares or any shares of its subsidiaries; or
 - (ix) enter into or modify any Contract, commitment or arrangement with respect to any of the foregoing;
- (j) Horizon will use commercially reasonable efforts to secure all consents of third parties that are required to permit the inclusion of any reference to their names in, or in relation to, any Horizon Information included in the Information Circular, including by reason of their name being included in a document incorporated by reference in the Information Circular, or otherwise, and will provide copies of such consents to Dexterra as soon as reasonably practicable;
- (k) except as contemplated herein, Horizon shall not take any action, refrain from taking any action, or permit any action to be taken by it or any of its subsidiaries that would render, or may reasonably be expected to render, any representation or warranty made by Horizon in this Agreement untrue in any material respect;
- (l) Horizon shall not, directly or indirectly, do or permit to occur any of the following:
 - (i) other than pursuant to obligations or rights under existing Contracts and commitments listed in the Horizon Disclosure Letter sell, pledge, lease, exclusively license, transfer, dispose of or encumber, or permit any of Horizon's subsidiaries to sell, pledge, lease, exclusively license, transfer, dispose of or encumber any property or assets having a fair market value in excess of \$2,000,000 or enter into any agreement or commitment in respect of any of the foregoing;
 - (ii) expend or commit to expend any capital expenditures in excess of the commitments contemplated by the capital spending program of Horizon as disclosed in the Horizon Disclosure Letter and provided that, in the case of capital expenditures expended to address emergencies or other urgent matters involving the potential loss or damage to property or

personal safety, Dexterra's consent shall not be required where it cannot be received in a reasonably expedient manner;

- (iii) acquire or commit to acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof, or make any investment therein either by purchase of shares or securities, contributions of capital or property transfer;
- (iv) acquire any real property or capital assets with the exception of the commitments contemplated by the capital spending plan of Horizon as disclosed in the Horizon Disclosure Letter;
- (v) incur, extend, renew or replace any indebtedness for borrowed money or any other material liability or obligation, or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or Person, or make any loans or advances, other than:
 - (A) amounts otherwise permitted under this Section 3.1(l);
 - (B) related drawdowns on the Horizon Credit Facility with respect to the amounts described in Section 3.1(l)(v)(A) above or amendments to the Horizon Credit Facility and Dexterra Credit Facility, as required in connection with obtaining the consent of the lenders to satisfy the condition in Section 5.1(d) and proposed and previously disclosed to the other Party prior to the date hereof, provided such amendments are made on substantially the same terms as proposed and disclosed;
- (vi) pay, settle, discharge or satisfy any material claims, liabilities, litigation, lawsuits, arbitrations, proceedings or obligations in excess of \$1,000,000 that are not in the Ordinary Course of business other than as reflected or reserved against in the Horizon Financial Statements;
- (vii) knowingly take any action or fail to take any action that would reasonably be expected to result in a breach or violation of the obligations of Horizon or any of its subsidiaries under any collective bargaining agreement which covers any employee of Horizon Group;
- (viii) abandon or fail to diligently pursue any application for any Governmental Authorizations;
- (ix) enter into or terminate any material hedges, swaps or other financial instruments or like transactions;
- (x) enter into any Contract with regards to any lease for real property other than in the Ordinary Course;
- (xi) enter into any non-arm's length Contracts or transactions in excess of \$1,000,000 including with any affiliates, officer, director, employee, consultant or contractor of Horizon or its affiliates;
- (xii) enter into any new strategic alliances, partnerships, joint ventures with Horizon capital commitments of over \$1,000,000 or research studies;
- (xiii) authorize or propose any of the foregoing, or enter into or modify any Contract to do any of the foregoing; or
- (xiv) make any changes to its existing accounting policies other than as required by Applicable Law or IFRS;

- (m) Horizon shall not and shall not cause or permit its subsidiaries to:
- (i) enter into, modify or terminate any employment, consulting, severance, collective bargaining or similar agreement, policy, or arrangement with any employee, consultant, officer or director, other than in the Ordinary Course of business;
 - (ii) grant any employee, consultant, contractor, officer or director an increase in compensation or benefits in any form, other than for Ordinary Course salary or bonuses under its or their existing bonus arrangements and directors' fees in the Ordinary Course, in each case in amounts consistent with historic practices and obligations or liabilities or arising in the Ordinary Course of business;
 - (iii) other than in the Ordinary Course of business, take any action with respect to the amendment or grant of any "change of control", severance, termination pay, pay in lieu of notice of termination or retention policies or arrangements for any directors, officers, employees, consultants or contractors;
 - (iv) make any severance payment, termination payment, payment in lieu of notice of termination, "change of control" payment or other similar payment to any officer or employee of Horizon as a consequence of the Transaction unless such applicable officer or employee has provided an executed release, in a form and substance satisfactory to Dexterra, acting reasonably;
 - (v) advance any loan to any employee, consultant, contractor, officer, director or any other Person;
- (n) Horizon shall not, and shall not cause or permit its subsidiaries to, adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, option, common share, deferred compensation, insurance, incentive compensation, other compensation or other similar plan (or amend any outstanding rights thereunder), agreement, common share incentive or purchase plan, fund or arrangement for the benefit of directors, officers, employees or consultants, except as is necessary to comply with Applicable Laws or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (o) Horizon and its subsidiaries shall withhold from any payment made to any of its present or former employees, officers or directors in respect of any payments contemplated by this Agreement including, without limitation, in connection with the exercise, payment of Horizon Change of Control Payments, all amounts required by Applicable Laws or administrative practice to be withheld by it on account of Taxes and other source deductions and Horizon and its subsidiaries shall remit such withheld amount to the proper Governmental Authority within the time required by such Applicable Laws;
- (p) Horizon shall use its reasonable commercial efforts to cause its and its subsidiaries' current insurance (or re-insurance) policies, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing satisfactory to Dexterra, acting reasonably, providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect, and Horizon will pay all premiums in respect of such insurance policies that become due after the date hereof;
- (q) Horizon shall promptly advise Dexterra in writing of:
- (i) any material breach by Horizon of any covenant, obligation or agreement contained in this Agreement, or any investigation, litigation, claim, proceeding or formal complaint related to any of the representations in paragraphs (h), (pp) or (qq) of Schedule "B";

- (ii) to the extent permitted by Applicable Law, any notice or other communication from any Governmental Authority in connection with this Agreement (and Horizon shall contemporaneously provide a copy of any such written notice or communication to Dexterra); and
 - (iii) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Transaction (and Horizon shall contemporaneously provide a copy of any such written notice or communication to Dexterra);
- (r) Horizon shall use its reasonable commercial efforts to obtain and maintain all material third party approvals (excluding Regulatory Approvals which shall be governed by Section 3.6) required in connection with the transactions contemplated by this Agreement and provide the same to Dexterra on or prior to the Closing Date, including all material third party approvals and confirmations that are:
 - (i) required to be obtained under the Horizon Material Contracts in connection with the Transaction;
 - (ii) required in order to maintain the Horizon Material Contracts in full force and effect following completion of the Transaction; or
 - (iii) required to release Fairfax Financial Holdings Limited from the FFHL Parent Guarantees,in each case, on terms that are satisfactory to Dexterra (acting reasonably), and without paying, and without committing itself or Dexterra to pay, any consideration or incur any liability or obligation without the prior written consent of Dexterra; provided that, for clarity, the foregoing shall not oblige Horizon to pay any such consideration or incur any such liability or obligation, provided further that, notwithstanding the foregoing, Horizon shall agree to assume the obligations of Fairfax Financial Holdings Limited under the FFHL Parent Guarantees effective upon Closing;
- (s) Horizon and its subsidiaries shall not make any Tax filings outside the Ordinary Course of business, including making, amending or rescinding any Tax Return, election, information schedule or designation, without the consent of Dexterra, such consent not to be unreasonably withheld;
- (t) prior to the Closing Time, Horizon shall provide an irrevocable direction authorizing and directing its transfer agent to, conditional upon Closing, deliver the Horizon Share Consideration issuable pursuant to the Transaction to Dexterra Parent in accordance with the terms of this Agreement;
- (u) Horizon shall promptly apply to the TSX for conditional approval of the listing of the Horizon Shares issuable pursuant to the Transaction on the TSX (the "**TSX Conditional Approval**") and shall use all reasonable commercial efforts to obtain such conditional approval or approval, subject only to customary conditions for listing of such Horizon Shares, having regard to the nature of the Transaction (including the changes to the Horizon Board and management and Dexterra Parent acquiring 49% of the Horizon Shares) prior to the mailing of the Information Circular;
- (v) Horizon will cause to be taken all necessary corporate action to allot and reserve for issuance the Horizon Shares to be issued to Dexterra Parent in exchange for Dexterra Shares in connection with the Transaction;
- (w) each member of the Horizon Group shall:
 - (i) duly and on a timely basis file all Tax Returns required to be filed by it on or after the date hereof and all such Tax Returns will be true, complete and correct in all material respects;

- (ii) timely pay in full all Taxes shown on such Tax Returns or on subsequent assessments with respect thereto;
 - (iii) not make, amend or rescind any material express or deemed election, information schedule, return or designation relating to Taxes, or file any amended Tax Returns;
 - (iv) not make a request for a Tax ruling or enter into a settlement agreement with any Governmental Authority with respect to Taxes, except for any settlement that is not material to Horizon;
 - (v) not settle or compromise any claim, assessment, reassessment, liability, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to a material amount of Taxes;
 - (vi) not surrender any right to claim Tax abatement, reduction, deduction, exemption, credit or refund;
 - (vii) not make any changes to methods, principles, policies or practices of reporting income, deductions or accounting for Tax purposes (with respect to those employed prior to the date of this Agreement), except as required by IFRS or under Applicable Laws;
 - (viii) not consent to the extension or waiver of the limitation period applicable to any material Tax matter; and
 - (ix) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with IFRS, for all Taxes accruing which are not due or payable prior to the Closing Date;
- (x) Horizon shall provide notice to the Dexterra Parties of the Horizon Meeting and allow Representatives and legal counsel of each of the Dexterra Parties to attend such Horizon Meeting;
- (y) subject to Sections 3.6(c) and 10.4, except for proxies, other voting instruction forms and other non-substantive communications with securityholders, Horizon will furnish promptly to Dexterra or Dexterra's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Horizon in connection with: (i) the Transaction; (ii) the Horizon Meeting; (iii) any filings under Applicable Laws in connection with the Agreement; and (iv) any dealings with Governmental Authorities in connection with the transactions contemplated hereby;
- (z) except where Horizon has made a Horizon Change in Recommendation, management of Horizon shall solicit proxies:
- (i) in favour of the approval of the Transaction Resolution, and
 - (ii) against any resolution submitted by any Person that is inconsistent with, or which seeks (without consent of the Dexterra Parties) to hinder or delay the Transaction Resolution and the completion of the transactions contemplated by this Agreement,
- including, if so requested by the Dexterra Parties, and at Dexterra Parent's sole expense, engaging the services of a proxy solicitation services firm to solicit proxies in favour of approval of the Transaction Resolution and reasonably cooperate with any other Person engaged by the Dexterra Parties to solicit proxies in favour of the approval of the Transaction Resolution;
- (aa) at the reasonable request of the Dexterra Parties from time to time, Horizon shall provide the Dexterra Parties with a list (in both written and electronic form) of the registered Horizon Shareholders, together with their addresses and respective holdings of the Horizon Shares, with a list of the names and addresses and respective holdings of all Persons having rights issued by Horizon to acquire the Horizon Shares

(including holders of the Horizon Options and Horizon RSUs) and a list of non-objecting beneficial owners of the Horizon Shares, together with their addresses and respective holdings of the Horizon Shares. Horizon shall from time to time require that its registrar and transfer agent furnish the Dexterra Parties with such additional information, including updated or additional lists of Horizon Shareholders and lists of holdings and other assistance as the Dexterra Parties may reasonably request;

- (bb) Horizon will provide the Dexterra Parties with copies of or access to information regarding the Horizon Meeting generated by any Person engaged to solicit proxies, if any, as may be reasonably requested by the Dexterra Parties from time to time;
- (cc) Horizon will not propose or submit for consideration at the Horizon Meeting any business other than the Transaction and related matters set forth in the Transaction Resolution (other than annual general meeting matters which are in form and substance satisfactory to the Dexterra Parties, acting reasonably);
- (dd) Horizon shall advise the Dexterra Parties, as such Parties may request, and on a daily basis on each of the last ten Business Days prior to the proxy cut-off date for the Horizon Meeting, as to the aggregate tally of the proxies received by Horizon in respect of the Transaction Resolution and any other matters to be considered at the Horizon Meeting;
- (ee) Horizon shall convene and conduct the Horizon Meeting in accordance with the by-laws of Horizon, any instrument governing the Horizon Meeting and Applicable Laws; and
- (ff) at Closing, Horizon shall deliver or cause to be delivered to Dexterra Parent:
 - (i) subject to Section 2.2, the Horizon Share Consideration registered in the name of Dexterra Parent;
 - (ii) a certified copy of (i) the resolutions duly passed by the Horizon Board approving this Agreement and the consummation of the transactions contemplated hereby; and (ii) the Transaction Resolution passed by Horizon Shareholders; and
 - (iii) a duly executed Investor Rights Agreement, signed by Horizon.

3.2 Covenants of Dexterra

Dexterra covenants and agrees that, from the date of this Agreement until the earlier of the Closing Date or termination of this Agreement, except (i) with the prior written consent of Horizon (not to be unreasonably withheld, delayed or conditioned), (ii) as otherwise expressly permitted or specifically contemplated by this Agreement, (iii) required by Applicable Laws, or (iv) as expressly contemplated in the correspondingly numbered paragraph in the Dexterra Disclosure Letter:

- (a) Dexterra will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.2 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of Dexterra;
- (b) Dexterra will not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Transaction contemplated hereby;
- (c) Dexterra will provide Horizon with all information and documentation reasonably requested in connection with obtaining the Required Approvals other than with respect to filings submitted pursuant to the Competition Act, which shall be governed by Section 3.6;
- (d) subject to Horizon's compliance with Section 2.5(a), Dexterra shall ensure that the Dexterra Information included in the Information Circular complies with the requirements for prospectus level disclosure

under Applicable Canadian Securities Laws, including the Dexterra Financial Statements (subject to the terms of the Exemptive Relief) and without limiting the generality of the foregoing, that the Dexterra Information will not contain a Misrepresentation and, in that regard, the Information Circular will set out Dexterra Information in the form approved by Dexterra and the Horizon Information in the form approved by Horizon and shall include, without limitation, the pro forma and historical financial statements required by Applicable Canadian Securities Laws (subject to the terms of the Exemptive Relief);

- (e) the business of Dexterra shall be conducted only in, and Dexterra shall not take any action except in, the Ordinary Course of business and Dexterra shall use all reasonable commercial efforts to maintain and preserve its business, assets and business relationships;
- (f) Dexterra shall not, directly or indirectly do, or permit to occur, any of the following:
 - (i) amend its constating documents or amend in any material respects the constating documents of any of its subsidiaries;
 - (ii) except in relation to any internal transactions solely involving Dexterra and its wholly-owned subsidiaries or solely among such subsidiaries, set aside or pay any cash or non-cash dividend or make any other cash or non-cash payment in respect of its outstanding securities;
 - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any Dexterra Shares or other securities of Dexterra, including, without limitation, securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, Dexterra Shares;
 - (iv) redeem, purchase or otherwise acquire any of the outstanding Dexterra Shares or other securities;
 - (v) amend the terms of any of its securities;
 - (vi) split, combine or reclassify any of the Dexterra Shares;
 - (vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation, reorganization or arrangement or similar action of Dexterra or any of its subsidiaries;
 - (viii) reduce the stated capital of any shares of Dexterra or any of its subsidiaries; or
 - (ix) enter into or modify any Contract, commitment or arrangement with respect to any of the foregoing;
- (g) Dexterra will use commercially reasonable efforts to secure all consents of third parties that are required to permit the inclusion of any reference to their names in, or in relation to, any Dexterra Information included in the Information Circular, including by reason of their name being included in a document incorporated by reference in the Information Circular, or otherwise, and will provide copies of such consents to Horizon as soon as reasonably practicable;
- (h) except as contemplated herein, Dexterra shall not take any action, refrain from taking any action, or permit any action to be taken by it or any of its subsidiaries that would render, or may reasonably be expected to render, any representation or warranty made by Dexterra in this Agreement untrue in any material respect;

- (i) Dexterra shall not, directly or indirectly, do or permit to occur any of the following:
- (i) other than pursuant to obligations or rights under existing Contracts and commitments listed in the Dexterra Disclosure Letter, sell, pledge, lease, exclusively license, transfer, dispose of or encumber, or permit any of Dexterra's subsidiaries to sell, pledge, lease, exclusively license, transfer, dispose of or encumber any property or assets having a fair market value in excess of \$2,000,000 or enter into any agreement or commitment in respect of any of the foregoing;
 - (ii) expend or commit to expend any capital expenditures in excess of the commitments contemplated by the capital spending program of Dexterra as disclosed in the Dexterra Disclosure Letter and provided that, in the case of capital expenditures expended to address emergencies or other urgent matters involving the potential loss or damage to property or personal safety, Horizon's consent shall not be required where it cannot be received in a reasonably expedient manner;
 - (iii) acquire or commit to acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof, or make any investment therein either by purchase of shares or securities, contributions of capital or property transfer;
 - (iv) acquire any real property or capital assets with the exception of the commitments contemplated by the capital spending plan of Dexterra as disclosed in the Dexterra Disclosure Letter;
 - (v) incur, extend, renew or replace any indebtedness for borrowed money or any other material liability or obligation, or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or Person, or make any loans or advances, other than:
 - (A) amounts otherwise permitted under this Section 3.2(i); and
 - (B) related drawdowns on the Dexterra Credit Facility with respect to the amounts described in Section 3.2(i)(v)(A) above;
 - (vi) pay, settle, discharge or satisfy any material claims, liabilities, litigation, lawsuits, arbitrations, proceedings or obligations in excess of \$1,000,000 that are not in the Ordinary Course of business other than as reflected or reserved against in the Dexterra Financial Statements;
 - (vii) knowingly take any action or fail to take any action that would reasonably be expected to result in a breach or violation of the obligations of Dexterra or any of its subsidiaries under any collective bargaining agreement which covers any employee of the Dexterra Group;
 - (viii) abandon or fail to diligently pursue any application for any Governmental Authorizations;
 - (ix) enter into or terminate any material hedges, swaps or other financial instruments or like transactions;
 - (x) enter into any Contract with regards to any lease for real property other than in the Ordinary Course;
 - (xi) enter into any non-arm's length Contracts or transactions in excess of \$1,000,000, including with any affiliates, officer, director, employee, consultant or contractor of Dexterra or its affiliates;
 - (xii) enter into any new strategic alliances, partnerships, joint ventures with Dexterra capital commitments of over \$1,000,000 or research studies;

- (xiii) authorize or propose any of the foregoing, or enter into or modify any Contract to do any of the foregoing; or
 - (xiv) make any changes to its existing accounting policies other than as required by Applicable Law or IFRS;
- (j) Dexterra shall not and shall not cause or permit its subsidiaries to:
- (i) enter into, modify or terminate any employment, consulting, severance, collective bargaining or similar agreement, policy, or arrangement with any employee, consultant, officer or director, other than in the Ordinary Course of business;
 - (ii) grant any employee, consultant, contractor, officer or director an increase in compensation or benefits in any form, other than for Ordinary Course salary or bonuses under its or their existing bonus arrangements and directors' fees in the Ordinary Course, in each case in amounts consistent with historic practices and obligations or liabilities or arising in the Ordinary Course of business;
 - (iii) other than in the Ordinary Course of business take any action with respect to the amendment or grant of any "change of control", severance, termination pay, pay in lieu of notice of termination or retention policies or arrangements for any directors, officers, employees, consultants or contractors;
 - (iv) make any severance payment, termination payment, payment in lieu of notice of termination, "change of control" payment or other similar payment to any officer or employee of Dexterra as a consequence of the Transaction unless such applicable officer or employee has provided an executed release, in a form and substance satisfactory to Horizon, acting reasonably; or
 - (v) advance any loan to any employee, consultant, contractor, officer, director or any other Person;
- (k) Dexterra shall not, and shall not cause or permit its subsidiaries to, adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, option, common share, deferred compensation, insurance, incentive compensation, other compensation or other similar plan (or amend any outstanding rights thereunder), agreement, common share incentive or purchase plan, fund or arrangement for the benefit of directors, officers, employees or consultants, except as is necessary to comply with Applicable Laws or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (l) Dexterra and its subsidiaries shall withhold from any payment made to any of its present or former employees, officers or directors in respect of any payments contemplated by this Agreement, all amounts required by Applicable Laws or administrative practice to be withheld by it on account of Taxes and other source deductions and Dexterra and its subsidiaries shall remit such withheld amount to the proper Governmental Authority within the time required by such Applicable Laws;
- (m) Dexterra shall use its reasonable commercial efforts to cause its and its subsidiaries' current insurance (or re-insurance) policies, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing satisfactory to Horizon, acting reasonably, providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect, and Dexterra will pay all premiums in respect of such insurance policies that become due after the date hereof;

- (n) Dexterra shall promptly advise Horizon in writing of:
- (i) any material breach by Dexterra of any covenant, obligation or agreement contained in this Agreement, or of any investigation, litigation, claim, proceeding or formal complaint related to any of the representations in paragraphs (f), (jj) or (kk) of Schedule "C";
 - (ii) to the extent permitted by Applicable Law, any notice or other communication from any Governmental Authority in connection with this Agreement (and Dexterra shall contemporaneously provide a copy of any such written notice or communication to Horizon); and
 - (iii) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Transaction (and Dexterra shall contemporaneously provide a copy of any such written notice or communication to Horizon);
- (o) Dexterra shall use its reasonable commercial efforts to obtain and maintain all material third party approvals (excluding Regulatory Approvals which shall be governed by Section 3.6) required in connection with the transactions contemplated by this Agreement and provide the same to Horizon on or prior to the Closing Date, including all material third party approvals and confirmations that are:
- (i) required to be obtained under the Dexterra Material Contracts in connection with the Transaction; or
 - (ii) required in order to maintain the Dexterra Material Contracts in full force and effect following completion of the Transaction,
- in each case, on terms that are satisfactory to Horizon (acting reasonably), and without paying, and without committing itself or Horizon to pay, any consideration or incur any liability or obligation without the prior written consent of Horizon; provided that, for clarity, the foregoing shall not oblige Dexterra to pay any such consideration or incur any such liability or obligation;
- (p) Dexterra shall:
- (i) duly and on a timely basis file all Tax Returns required to be filed by it on or after the date hereof and all such Tax Returns will be true, complete and correct in all material respects;
 - (ii) timely pay in full all Taxes shown on such Tax Returns or on subsequent assessments with respect thereto;
 - (iii) not make or rescind any material express or deemed election, information schedule, return or designation relating to Taxes, or file any amended Tax Returns;
 - (iv) not make a request for a Tax ruling or enter into a settlement agreement with any Governmental Authority with respect to Taxes, except for any settlement that is not material to Dexterra;
 - (v) not settle or compromise any claim, assessment, reassessment, liability, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to a material amount of Taxes;
 - (vi) not surrender any right to claim Tax abatement, reduction, deduction, exemption, credit or refund;

- (vii) not make any changes to methods, principles, policies or practices of reporting income, deductions or accounting for Tax purposes (with respect to those employed prior to the date of this Agreement), except as required by IFRS or under Applicable Laws;
 - (viii) not consent to the extension or waiver of the limitation period applicable to any material Tax matter; and
 - (ix) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with IFRS, for all Taxes accruing in respect of Dexterra which are not due or payable prior to the Closing Date; and
- (q) Dexterra shall not make any Tax filings outside the Ordinary Course of business, including making, amending or rescinding any Tax Return, election, information schedule or designation, without the consent of Horizon, such consent not to be unreasonably withheld.

3.3 Covenants of Dexterra Parent

Dexterra Parent covenants and agrees that, from the date of this Agreement until the earlier of the Closing Date or termination of this Agreement, except (i) with the prior written consent of Horizon (not to be unreasonably withheld, delayed or conditioned), (ii) as otherwise expressly permitted or specifically contemplated by this Agreement (iii) required by Applicable Laws:

- (a) Dexterra Parent will use its reasonable commercial efforts to satisfy or cause the satisfaction of all conditions set forth in Section 5.1 and Section 5.2 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Dexterra Parent;
- (b) Dexterra Parent will not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Transaction contemplated hereby;
- (c) Dexterra Parent will provide Horizon with all information and documentation reasonably requested in connection with obtaining the Required Approvals other than with respect to filings submitted pursuant to the Competition Act, which shall be governed by Section 3.6, including any required personal information forms (PIFs) or any other documents required by the TSX for listing of the Horizon Share Consideration;
- (d) subject to Horizon's compliance with Section 2.5(a), Dexterra Parent shall ensure that any information pertaining to Dexterra Parent included in the Information Circular complies with Applicable Canadian Securities Laws and, without limiting the generality of the foregoing, that such information will not contain a Misrepresentation and, in that regard, the Information Circular will set out such information in the form approved by Dexterra Parent;
- (e) Dexterra Parent shall indemnify and save harmless Horizon and its directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Horizon, its affiliates or subsidiaries or their respective directors, officers, employees, advisors or agents may be subject or which Horizon or its directors, officers, employees, advisors or agents may suffer or incur, whether under the provisions of any statute or otherwise, and shall reimburse Horizon any costs and expenses (including legal and accounting expenses) reasonably incurred as a result of, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - (i) any claim by any securityholder of Horizon based upon any Misrepresentation or alleged Misrepresentation contained solely in the Dexterra Information or Dexterra Parent Information included in the Information Circular; and

- (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a Material Fact or any Misrepresentation or any alleged Misrepresentation in the Dexterra Information or Dexterra Parent Information included in the Information Circular,

except that Dexterra Parent shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any Misrepresentation or alleged Misrepresentation based on the Horizon Information;

- (f) at Closing, Dexterra Parent shall deliver to Horizon:

- (i) all share certificates representing the Dexterra Shares duly endorsed for transfer;
- (ii) a certified copy of the resolutions duly passed by the Dexterra Board and the Dexterra Parent Board approving this Agreement and the consummation of the transactions contemplated hereby and, in the case of the Dexterra Board, consenting to the transfer of the Dexterra Shares to Horizon; and
- (iii) a duly executed Investor Rights Agreement, signed by Dexterra Parent.

3.4 Mutual Covenants Regarding the Transaction

From the date of this Agreement until the Closing Date or termination of this Agreement, each of the Dexterra Parties and (except for the ability of Horizon to make and communicate a Horizon Change in Recommendation to Horizon Shareholders in respect of the vote to be held at the Horizon Meeting) Horizon, as applicable, will use its reasonable commercial efforts to: (i) satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder; (ii) not take, or cause to be taken, any action or cause anything to be done that would cause such conditions or obligations not to be fulfilled in a timely manner; and (iii) take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Transaction, including:

- (a) to effect all necessary registrations and filings and submissions of information requested by Governmental Authorities or required to be effected by it in connection with the Transaction, including the Required Approvals, and to obtain and maintain all necessary waivers, consents and approvals from third parties required to be obtained by it, including from parties to Contracts, in connection with the Transaction;
- (b) to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Transaction and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby; and
- (c) to cooperate with each other in taking, or causing to be taken, all actions necessary to obtain the TSX Conditional Approval for the issuance of the Horizon Share Consideration; and
- (d) to cooperate with each other in taking, or causing to be taken, all action necessary to obtain the Exemptive Relief prior to the mailing of the Information Circular.

Each of the Dexterra Parties and Horizon will use its reasonable commercial efforts to cooperate with the other in connection with the performance by the other of their obligations under this Section 3.4 and this Agreement including, without limitation, continuing to provide reasonable access to information and to maintain ongoing communications as between officers of Dexterra, Dexterra Parent and Horizon, subject in all cases to the Confidentiality Agreement.

3.5 Provision of Information and Integration of Operations

Until the Closing Date or termination of this Agreement, each of the Parties shall:

- (a) upon reasonable request and upon reasonable notice by the other Party (or Parties) provide to the other Party (or Parties), and its (or their) Representatives, as applicable, reasonable access, during normal business hours to its premises (including field offices and sites), assets, books, Contracts, records, computer systems, properties, employees and management personnel, of such Party and all of its subsidiaries, as applicable; and
- (b) furnish to the other Party (or Parties) all information concerning its (or their) business, properties and personnel as the other Party (or Parties) may reasonably request to permit the Parties to be in a position to expeditiously and efficiently integrate the business and operations of Dexterra with those of Horizon immediately after but not prior to the Closing Date.

Notwithstanding any requirement in this Section 3.5, neither of the Parties is required to provide information hereunder that such Party deems, in its sole discretion, to be competitively sensitive information (provided that, each Party acknowledges and agrees that the other Party's external counsel may have access to such information on a privileged and confidential basis in connection with obtaining the Regulatory Approvals) or is subject to any confidentiality and other contractual provisions.

3.6 Mutual Covenants Regarding Regulatory Approvals

- (a) Each of the Parties will use their reasonable commercial efforts to obtain the Regulatory Approvals, as soon as is practicable.
- (b) In connection with obtaining the Competition Act Clearance and without limiting the foregoing, the following provisions shall apply:
 - (i) as soon as is practicable, but no later than 10 Business Days after the date hereof, (A) the Parties shall submit a request for an advance ruling certificate or a "no-action" letter in respect of the transactions contemplated by this Agreement; and (B) each of the Parties shall submit a pre-merger notification filing under Part IX of the Competition Act;
 - (ii) filing fees payable in connection with obtaining the Competition Act Clearance shall be paid 50% by Horizon and 50% by Dexterra Parent (or otherwise on behalf of Dexterra Parent but for Dexterra Parent's account); and
 - (iii) notwithstanding anything to contrary contained herein, the Parties will not be required to propose, negotiate, agree to or effect, by undertaking, consent agreement or otherwise, any of the following in order to obtain or cause to be obtained the Competition Act Clearance: (A) the sale, divestiture, or holding separate of all or any part of Dexterra or Horizon or their affiliates; (B) the termination or amendment of any existing contractual rights, relationships or obligations, or entry into or amendment of, any licensing arrangements of Dexterra or of Horizon or their affiliates; (C) the taking of any action that, after consummation of the transactions contemplated by this Agreement, would limit the freedom of action of, or impose any other requirement on, Dexterra, or on Horizon or their respective affiliates with respect to the operation of Dexterra or Horizon's businesses or those of their respective affiliates; or (D) any other remedial action whatsoever with respect to Dexterra or Horizon or their respective affiliates.
- (c) Without limiting the generality of the foregoing, each Party shall:
 - (i) promptly furnish to the other(s) such information and assistance as may reasonably be requested by a Party in order to prepare any notification, application, filing or request to, or prepare any

response to a request from, any Governmental Authority in connection with obtaining or concluding the Regulatory Approvals;

- (ii) use reasonable commercial efforts to respond promptly to any request or notice from any Governmental Authority requiring the Parties, or any one of them, to supply additional information that is relevant to the review of the transactions contemplated by this Agreement in respect of obtaining or concluding the Regulatory Approvals;
 - (iii) subject to Section 3.6(d), permit the other Party to review in advance any proposed applications, notices, filings, submissions, undertakings, correspondence and communications of any nature (including responses to requests for information and inquiries from any Governmental Authority) in respect of obtaining or concluding the Regulatory Approvals, and will provide the other Party a reasonable opportunity to comment thereon and agree to give reasonable consideration to those comments when preparing subsequent drafts and final versions;
 - (iv) subject to Section 3.6(d), promptly provide the other Party with any applications, notices, filings, submissions, undertakings, correspondence and communications of any nature (including responses to requests for information and inquiries from any Governmental Authority) that were submitted to a Governmental Authority in respect of obtaining or concluding the Regulatory Approvals;
 - (v) not participate in any substantive meeting or discussion (whether in person, by telephone or otherwise) with any Governmental Authority in respect of obtaining or concluding the Regulatory Approvals unless it consults in advance with the other Party and the other Party or its external legal counsel is provided with an opportunity to attend and participate in such meetings or discussions; and
 - (vi) keep the other Party promptly informed of the status of discussions relating to obtaining or concluding the Regulatory Approvals.
- (d) Notwithstanding any requirement in this Section 3.6 in connection with obtaining the Regulatory Approvals, where a Party (in this Section 3.6 only, a "**Disclosing Party**") is required under this Section 3.6 to provide information to another Party (in this Section 3.6 only, a "**Receiving Party**") that the Disclosing Party deems to be competitively sensitive information or otherwise reasonably determines in respect thereof that disclosure should be restricted, the Disclosing Party may restrict the provision of such competitively sensitive and other information only to external legal counsel of the Receiving Party; provided that, the Disclosing Party also provides the Receiving Party a redacted version of any such application, notice, filing, submissions, undertakings, correspondence or communications (including responses to requests for information and inquiries from any Governmental Authority) which does not contain any such competitively sensitive or other restricted information.

3.7 **Post-Closing Financial Reporting**

- (a) The Dexterra Parties shall assist Horizon in providing and preparing the financial reports required to be filed following the Transaction pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* (the "**Financial Reporting Requirements**"). Such assistance shall include: (i) providing financial and other information reasonably requested by Horizon to satisfy the Financial Reporting Requirements; (ii) making available to Horizon in advance of Closing, on reasonable notice, all books and records related to Dexterra; (iii) providing reasonable access to the financial personnel of Dexterra and, if necessary, Dexterra Parent; (iv) procuring relevant personnel of Dexterra's auditors; (v) providing Dexterra's auditor with customary and required management representation letters; in each case as may be reasonably required by Horizon to comply with its post-Closing Financial Reporting Requirements; and (vi) using commercially reasonable efforts to provide or obtain any other assistance, documentation or consents reasonably requested by Horizon for the purpose of satisfying the post-Closing Financial Reporting Requirements. In connection with the foregoing and to the extent not otherwise delivered prior to the Closing Date the financial statements of Dexterra for the most recently completed fiscal quarter

required in accordance with the foregoing will be provided by the Dexterra Parties to Horizon on Closing Date for filing in accordance with the Financial Reporting Requirements.

- (b) Notwithstanding anything in this Section 3.7 to the contrary, neither of the Dexterra Parties or any of their respective affiliates shall be required to: (i) waive or amend any terms of this Agreement; (ii) take any action that would require any director, officer or employee of the Dexterra Parties to execute any document, agreement, certificate or instrument prior to Closing other than as contemplated herein; (iii) take any action that would unreasonably interfere with the ongoing business or operation of Dexterra Parent; (iv) take any action that would cause any representation or warranty in this Agreement to be breached or inaccurate; (v) take any action that would result in the Dexterra Parties incurring any liability with respect to the matters relating to the Financial Reporting Requirements or cause any director, officer or employee of either of the Dexterra Parties to incur any personal liability; (vi) take any action that conflicts with or violates the constating documents of either of the Dexterra Parties or Applicable Laws; (vii) provide access to or disclose information that Dexterra Parent determines would jeopardize any lawyer-client privilege or which is restricted or prohibited under Applicable Laws.
- (c) Notwithstanding anything in this Agreement to the contrary, no action, liability or obligation (including any obligation to pay any commitment or other fees or reimburse any expenses) relating to the Financial Reporting Requirements shall be effective until the Closing.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Horizon

Except as set forth in the correspondingly numbered section of the Horizon Disclosure Letter (it being expressly understood and agreed that the disclosure of any fact or item in any section of the Horizon Disclosure Letter shall also be deemed to be an exception to (or, as applicable, disclosure for the purposes of) any other representations and warranties of Horizon to the extent that its relevance to such other representation or warranty is reasonably apparent), Horizon hereby makes to the Dexterra Parties the representations and warranties set forth in Schedule "B", and acknowledges that each of the Dexterra Parties is relying on such representations and warranties in connection with the entering into of this Agreement and the carrying out of the Transaction.

4.2 Representations and Warranties of Dexterra

Except as set forth in the correspondingly numbered section of the Dexterra Disclosure Letter (it being expressly understood and agreed that the disclosure of any fact or item in any section of the Dexterra Disclosure Letter shall also be deemed to be an exception to (or, as applicable, disclosure for the purposes of) any other representations and warranties of Dexterra to the extent that its relevance to such other representation or warranty is reasonably apparent), Dexterra hereby makes to Horizon the representations and warranties set forth in Schedule "C", and acknowledges that Horizon is relying on such representations and warranties in connection with the entering into of this Agreement and the carrying out of the Transaction.

4.3 Representations and Warranties of Dexterra Parent

Dexterra Parent hereby makes to Horizon the representations and warranties set forth in Schedule "D", and acknowledges that Horizon is relying upon such representations and warranties in connection with the entering into of this Agreement and the carrying out of the Transaction.

4.4 Privacy Issues

- (a) For the purposes of this Section 4.4, the following definitions shall apply:
 - (i) **"Applicable Privacy Laws"** means any and all Applicable Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including

but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law including the *Personal Information Protection Act* (Alberta);

- (ii) "**Authorized Authority**" means, in relation to any Person, transaction or event, any: (A) federal, provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign; (B) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government; (C) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions; and (D) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event; and
 - (iii) "**Personal Information**" means information (other than business contact information when used or disclosed for the purpose of contacting such individual in that individual's capacity as an employee or an official of an organization and for no other purpose) about an identifiable individual disclosed or transferred in accordance with this Agreement and/or as a condition of the Transaction.
- (b) The Parties hereto acknowledge that they are responsible for compliance at all times with Applicable Privacy Laws which govern the collection, use or disclosure of Personal Information disclosed to either Party pursuant to or in connection with this Agreement (the "**Disclosed Personal Information**").
 - (c) Prior to the completion of the Transaction, no Party shall use or disclose the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Transaction. After the completion of the transactions contemplated herein, a Party may only collect, use and disclose the Disclosed Personal Information for the purposes for which the Disclosed Personal Information was initially collected from or in respect of the individual to which such Disclosed Personal Information relates or for the completion of the transactions contemplated herein, unless: (i) either Party shall have first notified such individual of such additional purpose, and where required by Applicable Laws, obtained the consent of such individual to such additional purpose; or (ii) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual.
 - (d) Each Party acknowledges and confirms that the disclosure of the Disclosed Personal Information is necessary for the purposes of determining if the Parties shall proceed with the Transaction, and that the Disclosed Personal Information relates solely to the carrying on of the business or the completion of the Transaction.
 - (e) Each Party acknowledges and confirms that it has taken and shall continue to take reasonable steps to, in accordance with Applicable Law, prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.
 - (f) Subject to the following provisions, each Party shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties' obligations hereunder. Prior to the completion of the Transaction, each Party shall take reasonable steps to ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective Party who have a *bona fide* need to access to such information in order to complete the Transaction.

- (g) Where authorized by Applicable Law, each Party shall promptly notify the other Party to this Agreement of all inquiries, complaints, requests for access, variations or withdrawals of consent and claims of which the Party is made aware in connection with the Disclosed Personal Information. To the extent permitted by Applicable Law, the Parties shall fully co-operate with one another, with the Persons to whom the Personal Information relates, and any Authorized Authority charged with enforcement of Applicable Privacy Laws, in responding to such inquiries, complaints, requests for access, variations or withdrawals of consent and claims.
- (h) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of the Party with original custody and control of the Disclosed Personal Information, the other Party shall forthwith cease all use of the Disclosed Personal Information acquired by it in connection with this Agreement and will return to the Party with original custody and control of the Disclosed Personal Information, or at such Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies thereof) in its possession.

ARTICLE 5

CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated hereby, are subject to the satisfaction, on or before the Closing Date or such other time specified, of the following conditions, any of which may be waived, in whole or in part, by any Party (with respect to such Party) in its sole discretion at any time and without prejudice to any other rights that such Party may have:

- (a) Transaction Resolution. The Transaction Resolution shall have been passed by Horizon Shareholders.
- (b) Competition Act Clearance. The Competition Act Clearance shall have been obtained and such Competition Act Clearance is in force and has not been modified or rescinded.
- (c) TSX Conditional Approval. Horizon shall have received the TSX Conditional Approval for the Horizon Share Consideration to be issued pursuant to the Transaction no later than the Business Day immediately before the Closing Date.
- (d) Bank Consents. The lenders under the Horizon Credit Facility and the Dexterra Credit Facility shall have consented to, or otherwise provided a waiver with respect to any default or consent requirement relating to, the Transaction pursuant to the terms of such credit facilities, or the Parties shall have made arrangements to have adequate credit facilities in place for Horizon as soon as practicable following Closing.
- (e) No Actions. There shall be no action taken under any existing Applicable Law, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority, that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Transaction; or
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the Transaction.

- (f) Exemptive Relief. The Exemptive Relief shall have been provided by the appropriate Securities Authorities, or the Parties shall be satisfied, acting reasonably, that alternative disclosure can be provided by Dexterra in the Information Circular that is satisfactory under Applicable Canadian Securities Laws.

5.2 Additional Conditions to Obligations of Horizon

The obligation of Horizon to consummate the transactions contemplated hereby is subject to the following conditions:

- (a) Representations and Warranties. The representations and warranties of each of the Dexterra Parties respectively set forth in this Agreement shall be true and correct as of the Closing Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date or except as affected by transactions contemplated or permitted by this Agreement), except, in the case of Dexterra, where the failure of such representations to be true and correct, individually or in the aggregate, would not result or would not reasonably be expected to result in a Material Adverse Change in respect of Dexterra and its subsidiaries, taken as a whole (and for this purpose, any reference to "material" or "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored), except that the representations and warranties in paragraphs (a), (b), (c), (d), (f) and (i) of Schedule "C" shall be, as of the Closing Date as if made on such date, true and correct: (i) to the extent qualified by "Material Adverse Effect", in all respects; and (ii) in all other cases, in all material respects (and for this purpose, any reference to "material" or other concepts of materiality in such representations and warranties shall be ignored), and each of the Dexterra Parties, respectively shall have provided to Horizon a certificate of two senior officers of such Party, certifying the foregoing on the Closing Date.
- (b) Covenants. Each of the Dexterra Parties shall have complied in all material respects with its covenants herein, and each of the Dexterra Parties shall have provided to Horizon a certificate of two senior officers certifying such compliance.
- (c) No Legal Action. There is no action or proceeding pending or threatened by any Governmental Authority in any jurisdiction that is reasonably likely to:
- (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on Horizon's ability to acquire, hold or exercise full rights of ownership over, any Dexterra Shares, including the right to vote Dexterra Shares;
 - (ii) prohibit or restrict the Transaction, or the ownership or operation by Horizon of a material portion of the business or assets of Dexterra or any of Dexterra's subsidiaries, Horizon or any of Horizon's subsidiaries, or compel Horizon to dispose of or hold separate any material portion of the business or assets of Horizon or any of Horizon's subsidiaries, Dexterra or any of Dexterra's subsidiaries as a result of the Transaction; or
 - (iii) prevent or materially delay the consummation of the Transaction, or if the Transaction is consummated, have or be reasonably expected to have a Material Adverse Effect.
- (d) No Material Adverse Change. Between the date hereof and the Closing Time, there shall not have occurred any Material Adverse Change with respect to Dexterra.
- (e) Dexterra Securities. Immediately prior to the Closing Time: (i) there shall be no other shares or other securities in the capital of Dexterra outstanding other than the Dexterra Shares being transferred to Horizon; and (ii) no Person shall have any agreement or option or any right or privilege (whether by law, pre-emptive right, by contract or otherwise) capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any unissued Dexterra Shares or other equity interests in Dexterra.

- (f) Resignations and Releases – Dexterra Directors. Executed resignations and customary mutual releases, in form and substance satisfactory to Horizon, acting reasonably, shall have been received by Horizon from certain mutually agreed to directors of Dexterra and its subsidiaries (effective as of the Closing Date).
- (g) Investor Rights Agreement. Horizon will have received from the Dexterra Parties a copy of the Investor Rights Agreement duly executed by Dexterra Parent.

The conditions in this Section 5.2 are for the exclusive benefit of Horizon and may be asserted by Horizon regardless of the circumstances or may be waived by Horizon in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Horizon may have.

5.3 Additional Conditions to Obligations of the Dexterra Parties

The obligation of the Dexterra Parties to consummate the transactions contemplated hereby, and in particular the Transaction, is subject to the following conditions:

- (a) Representations and Warranties. The representations and warranties of Horizon set forth in this Agreement shall be true and correct as of the Closing Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date or except as affected by transactions contemplated or permitted by this Agreement), except where the failure of such representations to be true and correct, individually or in the aggregate, would not result or would not reasonably be expected to result in a Material Adverse Change in respect of Horizon and its subsidiaries, taken as a whole (and for this purpose, any reference to "material" or "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored), except that the representations and warranties in paragraphs (a), (b), (c), (d), (e), (f), (h) and (k) of Schedule "B" shall be, as of the Closing Date as if made on such date, true and correct: (i) to the extent qualified by "Material Adverse Effect", in all respects; and (ii) in all other cases, in all material respects (and for this purpose, any reference to "material" or other concepts of materiality in such representations and warranties shall be ignored), and Horizon shall have provided to each of the Dexterra Parties a certificate of two senior officers of Horizon certifying the foregoing on the Closing Date.
- (b) Covenants. Horizon shall have complied in all material respects with its covenants herein, and Horizon shall have provided to each of the Dexterra Parties a certificate of two senior officers certifying such compliance.
- (c) No Legal Action. There is no action or proceeding pending or threatened by any Governmental Authority in any jurisdiction that is reasonably likely to:
 - (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on Dexterra's ability to acquire, hold or exercise full rights of ownership over, any Horizon Shares, including the right to vote the Horizon Shares or on Dexterra Parent's ability to acquire, hold or exercise full rights of ownership over, any of Horizon Consideration Shares or to exercise any of its rights under the Investor Rights Agreement;
 - (ii) prohibit or restrict the Transaction, or the ownership or operation by Horizon of a material portion of the business or assets of Dexterra or any of Dexterra's subsidiaries, Horizon or any of Horizon's subsidiaries, or compel Horizon to dispose of or hold separate any material portion of the business or assets of Horizon or any of Horizon's subsidiaries, Dexterra or any of Dexterra's subsidiaries as a result of the Transaction; or
 - (iii) prevent or materially delay the consummation of the Transaction, or if the Transaction is consummated, have or be reasonably expected to have a Material Adverse Effect.

- (d) No Material Adverse Change. Between the date hereof and the Closing Time, there shall not have occurred any Material Adverse Change with respect to Horizon.
- (e) Resignations and Releases – Horizon Directors. Executed resignations and customary mutual releases, in form and substance satisfactory to Dexterra Parent, acting reasonably, shall have been received by the Dexterra Parties from such directors of Horizon as is necessary to give effect to the composition of the Horizon Board contemplated by Section 4.1 of the Investor Rights Agreement (effective as of the Closing Date and conditional upon Closing).
- (f) Appointments – Horizon Directors. Nominees of Dexterra Parent shall have been appointed to the Horizon Board as is necessary to give effect to the composition of the Horizon Board contemplated by Section 4.1 of the Investor Rights Agreement (effective as of the Closing Date and conditional upon Closing),
- (g) Investor Rights Agreement. The Dexterra Parties will have received from Horizon a copy of the Investor Rights Agreement duly executed by Horizon.

The conditions in this Section 5.3 are for the exclusive benefit of the Dexterra Parties and may be asserted by either regardless of the circumstances or may be waived by either in their respective discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Dexterra Parties may have.

5.4 Notice and Effect of Failure to Comply with Conditions

- (a) Each of the Parties shall give prompt notice to the other Parties, as applicable of the occurrence, or failure to occur, at any time from the date hereof to the Closing Date of any event or state of facts which occurrence or failure would, or would be likely to: (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder. Each of the Parties shall in good faith discuss with the other Parties any such event or state of facts which is of such a nature that there may be in reasonable question as to whether notice need be given to the other Parties pursuant to this provision.
- (b) Horizon may not exercise its right to terminate this Agreement pursuant to Section 8.1(a)(iv), and the Dexterra Parties, may not exercise their right to terminate this Agreement pursuant to Section 8.1(a)(v), unless the Party seeking to terminate the Agreement (the "**Terminating Party**") has delivered a written notice (the "**Termination Notice**") to the applicable Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties, failure to satisfy any condition or other matters which the Terminating Party asserts as the basis for the termination right. If any such notice is delivered (i) if such matter is capable of being cured prior to the Outside Date (it being agreed that matters arising out of any wilful breaches are not capable of being cured), the Terminating Party may not exercise such termination until the earlier of: (a) the expiration of a period of ten Business Days following receipt of such Termination Notice by the Breaching Party; and (b) the Outside Date, if such matter has not been cured by such date; provided that, if the Receiving Party is proceeding diligently to cure any such matter, the Terminating Party may not exercise such termination until the Outside Date. If the Terminating Party delivers a Termination Notice prior to the date of the Horizon Meeting, unless the Parties agree otherwise, Horizon shall postpone or adjourn the Horizon Meeting to the earlier of: (A) three Business Days prior to the Outside Date; and (B) the date that is ten Business Days following receipt of such Termination Notice by the Breaching Party.

5.5 Satisfaction of Conditions

The conditions set out in this Article 5 are conclusively deemed to have been satisfied, waived or released when Closing occurs.

ARTICLE 6 NON-SOLICITATION

6.1 Covenants Regarding Non-Solicitation

- (a) Horizon shall immediately cease and cause to be terminated all existing solicitations, discussions and negotiations (including, without limitation, through any of its Representatives), with any parties (other than the Dexterra Parties) initiated or conducted before the date of this Agreement with respect to any proposal that constitutes, or may reasonably be expected to constitute or lead to an Acquisition Proposal. Horizon represents and warrants that neither it nor any of its subsidiaries has waived, amended or failed to enforce any standstill provisions contained in a confidentiality agreement or otherwise for any Person other than the Dexterra Parties. Horizon and its subsidiaries shall: (i) enforce against all third parties, other than the Dexterra Parties, any confidentiality, standstill or similar agreement or restriction to which Horizon or any of its subsidiaries is a party (and shall not provide any consent that would relieve any such third party from any such restriction); and (ii) immediately discontinue, and shall cause its Representatives to discontinue, access to any of their confidential information and not allow or establish access to any of their confidential information, or any data room, virtual or otherwise and shall immediately request, to the extent that it is entitled to do so, and exercise all rights it has to require the return or destruction of all information provided to any third parties who have entered into a confidentiality agreement with Horizon relating to an Acquisition Proposal and shall use all reasonable commercial efforts to ensure that such requests are honoured. Horizon shall promptly notify the Dexterra Parties, at first orally and then in writing, of any non-compliance by any Person with any such request by the Dexterra Parties (of which it is aware without revealing the identity of such Person if not permitted to do so under the applicable confidentiality agreement).
- (b) Except as provided in this Article 6, Horizon shall not, directly or indirectly, do or authorize or permit any of its or its subsidiaries' officers, directors or employees or any financial advisor, expert or other advisor or representative ("**Representatives**") to do, any of the following:
- (i) solicit, assist, initiate, encourage or in any way facilitate (including by way of furnishing information, or entering into any form of written or oral agreement, arrangement or understanding) any Acquisition Proposal or inquiries, proposals or offers regarding an Acquisition Proposal;
 - (ii) enter into or participate in any discussions or negotiations regarding an Acquisition Proposal, or furnish to any other Person any information with respect to its businesses, properties, operations, prospects or conditions (financial or otherwise) in connection with an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing;
 - (iii) withdraw, amend, modify or qualify, or propose publicly to withdraw, amend, modify or qualify, in any manner adverse to the Dexterra Parties, the approval of the Transaction by the Horizon Board or the recommendations or determinations of the Horizon Board referred to in Section 2.4;
 - (iv) waive, modify or release any third party from or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive, modify, release any third party from, or provide any consent to any third party under, or otherwise forbear in respect of, any rights or other benefits under confidential information agreements, including, without limitation, any "standstill provisions" thereunder; or
 - (v) accept, recommend, approve, agree to, endorse, or propose publicly to accept, recommend, approve, agree to, or endorse any Acquisition Proposal or letter of intent, agreement, understanding or arrangement with respect thereto, or otherwise take any action that could reasonably be expected to lead to an Acquisition Proposal,

provided however, that notwithstanding any other provision of this Agreement, Horizon and its Representatives may, prior to obtaining the approval of the Transaction Resolution by Horizon Shareholders at the Horizon Meeting:

- (vi) enter into or participate in any discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of this Agreement, by Horizon or any of its Representatives) seeks to initiate such discussions or negotiations with Horizon that do not or will not require any waiver, modification or release of, or consent under, any confidentiality, standstill or similar agreement or restriction to which Horizon or any of its subsidiaries is a party, or otherwise result from a breach of this Section 6.1 and, subject to execution of a confidentiality and standstill agreement on terms that are no less favourable to Horizon than those contained in the Confidentiality Agreement (provided that, such confidentiality agreement shall provide for disclosure thereof (along with all information provided thereunder) to the Dexterra Parties as set out below and shall not grant such third party the exclusive right to negotiate with Horizon), may furnish to such third party information concerning Horizon and its business, properties and assets, in each case if, and only to the extent that:
 - (A) the third party has first made a written *bona fide* Acquisition Proposal, which did not result from a breach of this Section 6.1, and in respect of which the Horizon Board determines in good faith, after consultation with its outside legal and financial advisors, constitutes or could reasonably be expected to lead to a Superior Proposal;
 - (B) prior to furnishing such information to or entering into or participating in any such discussions or negotiations with such third party, Horizon provides prompt notice to the Dexterra Parties to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such Person together with a copy of the confidentiality and standstill agreement referenced above and, if not previously provided to the Dexterra Parties, copies of all information provided to such third party concurrently with the provision of such information to such third party, and provided further that Horizon shall notify the Dexterra Parties orally and in writing of any inquiries, offers or proposals with respect to an actual or contemplated Superior Proposal (which written notice shall include, without limitation, a copy of any such proposal (and any amendments or supplements thereto), the identity of the Person making it, and, if not previously provided to the Dexterra Parties, copies of all information provided to such party), within 24 hours of the receipt thereof, and shall keep the Dexterra Parties promptly and fully informed of each change in the proposed consideration to be offered pursuant to such Acquisition Proposal and each material change in any of the terms of such Acquisition Proposal; and
 - (C) Horizon shall continue to at all times be in compliance with this Section 6.1; and
- (vii) accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if:
 - (A) the third party making the Acquisition Proposal shall not have been restricted from making, or require consent from the Horizon Board for such Acquisition Proposal pursuant to existing confidentiality, non-disclosure or standstill agreement or similar restriction;
 - (B) Horizon and its Representatives comply, and at all times have complied, with all of their obligations under Section 6.1 and the other provisions of this Article 6; and
 - (C) prior to such acceptance, recommendation, approval or implementation, the Horizon Board shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of this Agreement as contemplated by Section 6.1(d) and after

receiving the advice of outside counsel, that the failure by the Horizon Board to take such action would be inconsistent with its fiduciary duties under Applicable Laws.

Any acceptance, recommendation, approval or entering into an agreement to implement a Superior Proposal from a third party in accordance with this Section 6.1(b)(vii), and any withdrawal, amendment, modification or qualification by the Horizon Board or any committee thereof of the recommendation in Section 2.4 in conjunction with such Superior Proposal and in accordance with this Section 6.1(b)(vii) is referred to as a "**Horizon Change in Recommendation**".

- (c) Horizon shall promptly (and in any event within 24 hours) notify each of the Dexterra Parties (at first orally and then in writing) of any Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to Horizon, its subsidiaries or their assets, or any amendments to the foregoing. Such notice shall include a copy of any written Acquisition Proposal (and any amendment thereto) which has been received or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the Person making any inquiry, proposal, offer or request. In addition, Horizon shall provide each of the Dexterra Parties with copies of any other agreements relating to the Acquisition Proposal to which it has access (for example, lock-up or voting agreements with shareholders of Horizon or agreements to provide financing, financial support or other assistance to the Person making such Acquisition Proposal) and any amendments thereto. Horizon shall keep each of the Dexterra Parties promptly and fully informed of each change in the proposed consideration to be offered pursuant to such Acquisition Proposal and of each material change in any of the terms of such Acquisition Proposal and shall provide to each of the Dexterra Parties copies of all material or substantive correspondence with the Person making such Acquisition Proposal, with respect to such Acquisition Proposal or proposal, inquiry, offer or request if in writing or electronic form, and if not in writing or electronic form, a description of the material terms or such correspondence. Horizon shall provide to each of the Dexterra Parties copies of all material or substantive correspondence with Horizon Shareholders with respect to any Acquisition Proposal or proposal, inquiry, offer or request if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence. For greater certainty, nothing in this section 6.1(c) shall be construed as an exception to the restrictions in Section 6.1(b).
- (d) Horizon shall give each of the Dexterra Parties, orally and in writing, at least five Business Days' advance notice of any decision by the Horizon Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which shall set out the reasonable determination of the Horizon Board, in consultation with its financial advisors, of the financial value of the consideration offered by such third party (including the value ascribed to any non-cash consideration) to Horizon Shareholders under such Superior Proposal, and which notice shall confirm that the Horizon Board has determined that such Acquisition Proposal constitutes a Superior Proposal, shall identify the third party making the Superior Proposal and provide a copy thereof (including all proposed agreements relating thereto) and any amendments thereto. During the five Business Day period commencing on delivery of such notice which complies with the foregoing requirements in all respects, Horizon agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not withdraw, redefine, modify or change the recommendation of its directors regarding the Transaction. During such five Business Day period Horizon shall, and shall cause its financial and legal advisors to, negotiate in good faith with the Dexterra Parties and their financial and legal advisors to enable the Dexterra Parties, at their election, to propose adjustments in the terms and conditions of this Agreement and the Transaction as the Dexterra Parties deem appropriate. The Horizon Board shall review any proposal by the Dexterra Parties to amend the terms of the transactions contemplated in this Agreement and the Transaction in order to determine, in good faith in the exercise of its fiduciary duties, whether the Dexterra Parties' proposal to amend the transactions contemplated by this Agreement and the Transaction would result in the Acquisition Proposal not being a Superior Proposal compared to the proposed amendment to the transactions contemplated by this Agreement and the Transaction. In the event the Dexterra Parties propose to amend this Agreement such that the Superior Proposal ceases to be a Superior Proposal and so advises the Horizon Board in writing prior to the expiry of such five Business Day period, the Horizon Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not withdraw, redefine, modify or change its

recommendation in respect of the Transaction and the Dexterra Parties and Horizon shall enter into an amended version of this Agreement reflecting such proposed amendments, and upon execution thereof, the Horizon Board shall promptly reaffirm its recommendations and determinations referred to in Section 2.4 by press release. For greater certainty, each successive amendment to an Acquisition Proposal shall constitute a new Acquisition Proposal for the purposes of this Section 6.1 and shall initiate a new five Business Day match right period.

- (e) Unless the reaffirmation required under Section 6.1(d) applies or unless Horizon has made a Horizon Change in Recommendation, if requested by the Dexterra Parties, the Horizon Board shall promptly reaffirm its recommendations and determinations referred to in Section 2.4 by press release (and in any event within two Business Days of being requested to do so by the Dexterra Parties (or in the event that the Horizon Meeting to approve the Transaction Resolution is scheduled to occur within such period, as soon as practicable and in any event prior to the scheduled date of the Horizon Meeting)).
- (f) Each of the Dexterra Parties, respectively, agrees that all information that may be provided to it by Horizon with respect to any Acquisition Proposal pursuant to this Section 6.1 shall be treated as if it were "**Confidential Information**" as that term is defined in the Confidentiality Agreement and shall not be disclosed or used except in accordance with the provisions of the Confidentiality Agreement or in order to enforce its rights under this Agreement in legal proceedings.
- (g) In the event that Horizon provides the notice contemplated by Section 6.1(d) on a date which is less than five Business Days prior to the Horizon Meeting, Dexterra Parent shall be entitled to require Horizon to adjourn or postpone the Horizon Meeting to a date acceptable to Dexterra Parent.
- (h) Notwithstanding anything in this Agreement, if Horizon has made a Horizon Change in Recommendation, the Parties agree that Horizon may (i) publicly announce and describe in any public communication or communication to Horizon Shareholders (including the Information Circular), the background, reasons and substance of such Change in Recommendation; (ii) may take all necessary actions relating to the calling of a meeting of Horizon Shareholders to consider approval of the applicable Superior Proposal (including to solicit proxies in connection therewith), provided that such meeting shall not take place prior to the Horizon Meeting; and (iii) may withdraw, qualify, amend or modify the approval or recommendation of the Transaction by the Horizon Board in Section 2.4 in a manner adverse to the Dexterra Parties.
- (i) Horizon shall ensure that its Representatives are aware of the provisions of this Section 6.1 and shall be responsible for any breach of this Section 6.1 by any of them.
- (j) For greater certainty, nothing in this Section 6.1 shall limit in any way the obligation of Horizon to convene and hold the Horizon Meeting, to waive the application of Section 3.1 of the Horizon Shareholder Rights Plan and extend the Separation Time in accordance with Section 2.4(c), to otherwise comply with its covenants herein and to consummate the Transaction while this Agreement remains in force, all subject to the terms and conditions of this Agreement.
- (k) Nothing in this Agreement shall prevent Horizon, the Horizon Board or any committee thereof, directly or indirectly through their respective Representatives, from (i) taking and disclosing to Horizon Shareholders any position required by Applicable Canadian Securities Laws, including complying with section 2.17 of NI 62-104 and similar provisions under Applicable Canadian Securities Laws relating to the provision of directors' circulars in respect of an Acquisition Proposal; or (ii) calling and/or holding a meeting of Horizon Shareholders requisitioned by such Horizon Shareholders in accordance with the ABCA or as required by any order; provided however that this Section 6.1(k) shall not be deemed to permit the Horizon Board to make a change in recommendation except to the extent otherwise permitted by this Agreement.

6.2 Dexterra Damages

If at any time after the execution of this Agreement:

- (a) this Agreement is terminated by either Party pursuant to Section 8.1(a)(ii) and prior to such termination an Acquisition Proposal (other than a Superior Proposal for which a Horizon Change in Recommendation has occurred) is or has been publicly announced, proposed, disclosed, offered or made by any Person other than Dexterra or its affiliates and, within twelve months following the date of such termination:
 - (i) the Horizon Board recommends any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such twelve-month period);
 - (ii) Horizon enters into a binding definitive agreement in respect of any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such twelve-month period); or
 - (iii) any Acquisition Proposal is consummated; or
- (b) this Agreement is terminated by either Party pursuant to Section 8.1(a)(ii) and at any time prior to such termination a Horizon Change in Recommendation has occurred; or
- (c) this Agreement is terminated by a Dexterra Party pursuant to Section 8.1(a)(vi).

(each of the above a "**Dexterra Damages Event**");

Horizon shall pay to Dexterra (or to whom Dexterra may direct in writing) five million dollars (\$5,000,000) (the "**Dexterra Termination Fee**") as liquidated damages in immediately available funds to an account designated by Dexterra. The Dexterra Termination Fee shall be paid as aforesaid:

- (i) at the time of termination by Horizon or within two Business Days of the time of termination by Dexterra, as the case may be, in the case of a Dexterra Damages Event described in Section 6.2(b) or Section 6.2(c); and
- (ii) upon consummation of the Acquisition Proposal referred to therein in the case of the Dexterra Damages Event described in Section 6.2(a).

Following a Dexterra Damages Event, but prior to payment of the Dexterra Termination Fee, Horizon shall and shall be deemed to hold such payment in trust for Dexterra.

6.3 Dexterra Liquidated Damages

The Parties acknowledge and agree that the agreements contained in Section 6.2 are an integral part of the transactions contemplated by this Agreement, and that without these agreements, the Dexterra Parties would not enter into this Agreement, and that the Dexterra Termination Fee set out in Section 6.2 represents liquidated damages, which are a genuine pre-estimate of the damages, including opportunity costs, reputational damage and out-of-pocket expenditures which Dexterra and its respective affiliates will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and are not penalties. Horizon irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, Dexterra agrees that the payment of the amount pursuant to Section 6.2 is the sole monetary remedy of Dexterra in respect of the events contemplated by Section 6.2; provided, however, that this limitation shall not apply in the event of fraud or wilful breach of this Agreement by Horizon. Nothing herein shall preclude Dexterra from seeking injunctive relief, an order for specific performance or other equitable relief in accordance with Section 10.8. In no event shall Horizon be obligated to pay the Dexterra Termination Fee on more than one occasion whether or not such fee may be payable at different times or upon the occurrence of different events.

6.4 Expenses

If (i) this Agreement is terminated due to the failure of a Party to satisfy, in the case of Horizon, the conditions set out in Sections 5.3(a) or 5.3(b) or, in the case of the Dexterra Parties, the conditions set out in Sections 5.2(a) or 5.2(b), (subject at all times to the provisions set out in Section 5.4) the defaulting Party shall pay (or cause to be paid) to the non-defaulting Party all reasonable documented expenses incurred by the non-defaulting Party in connection with the Transaction, up to a maximum of \$1,000,000, (ii) this Agreement is terminated by a Party pursuant to Section 8.1(a)(ii) and no Horizon Change in Recommendation or other event described in Section 8.1(a)(vi) has occurred prior to such termination, Horizon shall pay (or cause to be paid) to Dexterra (or to whom Dexterra may designate in writing) all reasonable documented expenses incurred by the Dexterra Parties in connection with the Transaction, up to a maximum of \$500,000, or (iii) a Dexterra Damages Event as described in Section 6.2(b) or Section 6.2(c) has occurred, Horizon shall pay (or cause to be paid) to Dexterra (or to whom Dexterra may designate in writing) all reasonable documented expenses incurred by the Dexterra Parties in connection with the Transaction, up to a maximum of \$1,000,000, in addition to the Dexterra Termination Fee (any such payment of expenses pursuant to this Section 6.4, an "**Expense Reimbursement Payment**"). All payments to be made under this Section 6.4 shall be made by wire transfer in immediately available funds to an account designated by the non-defaulting Party, or Parties as the case may be, no later than two Business Days after the date of such termination. The Parties agree that, payment of the amount determined pursuant to this Section 6.4 is the sole monetary remedy of either Party in respect of the events contemplated by this Section 6.4, provided, however, that this limitation shall not apply in the event of fraud or willful breach of this Agreement by the defaulting party. The Parties acknowledge and agree that in the circumstances in which the Expense Reimbursement Payment is payable, such fee is a payment of liquidated damages that is a genuine pre-estimate of the damages that the receiving Party will suffer or incur as a result of the event giving rise to such damages and the resultant termination of this Agreement and is not a penalty. The Parties irrevocably waive any right they may have to raise as a defence that any liquidated damages are excessive or punitive.

ARTICLE 7 AMENDMENT

7.1 Amendment

This Agreement may at any time and from time to time before or after the holding of the Horizon Meeting but not later than the Closing Time, be amended by written agreement of the Parties without, subject to Applicable Laws, further notice to or authorization on the part of Horizon Shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein.

ARTICLE 8 TERMINATION

8.1 Termination

- (a) This Agreement may be terminated at any time prior to the Closing Date:
 - (i) by mutual written consent of all of the Parties;

- (ii) by any Party if the Transaction Resolution shall have failed to receive the requisite vote of Horizon Shareholders for approval at the Horizon Meeting (including any adjournment or postponement thereof);
 - (iii) by any Party if the Closing Date shall not have occurred on or prior to the Outside Date, except that the right to terminate the Agreement under this Section 8.1(a)(iii) shall not be available to any Party whose failure to fulfill any of its covenants or obligations or whose breach of representations or warranties under this Agreement has been the cause of, or resulted in, the failure of the Closing Time to occur by the Outside Date;
 - (iv) by Horizon if the conditions set forth in Sections 5.1 and 5.2 (other than those conditions that by their nature are to be satisfied at Closing of the Transaction, but subject to satisfaction or waiver of those conditions) have not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that, Horizon has complied with Section 5.4 and Horizon is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 5.1 and 5.3 not to be satisfied;
 - (v) by either of the Dexterra Parties if the conditions set forth in Sections 5.1 and 5.3 (other than those conditions that by their nature are to be satisfied at Closing of the Transaction, but subject to satisfaction or waiver of those conditions) have not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that, the Dexterra Party seeking to terminate has complied with Section 5.4 and such Party is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 5.1 and 5.2 not to be satisfied; or
 - (vi) by either of the Dexterra Parties if the Horizon Board or any committee of the Horizon Board (A) fails to unanimously recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the recommendation in Section 2.4, (B) accepts, approves, endorses or recommends, or publicly proposed to accept, approve, endorse or recommend or takes no position or a neutral position, in each case with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or beyond the third Business Day prior to the date of the Horizon Meeting, if sooner), (C) accepts, endorses, recommends, approves or enters into (other than a confidentiality and standstill agreement permitted by and in accordance with Section 6.1(b)(vi)) or publicly proposes to accept, endorse, recommend, approve or enter into any agreement, letter of intent, understanding or arrangement relating to an Acquisition Proposal including a Horizon Change in Recommendation; (D) fails to publicly reaffirm the recommendation in Section 2.4 within the time periods in Section 6.1(e), or (E) Horizon wilfully or intentionally breaches Article 6 in any material respect;
- (b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 8.1, this Agreement shall forthwith become void and no Party shall have any liability or further obligation to the other Party hereunder except as provided in Sections 1.4, 1.5, 1.10, 4.4, 6.2, 6.3 and 6.4 Article 9 and Article 10, all of which survive such termination and each Party's obligations under the Confidentiality Agreement, which shall survive such termination, and provided that, neither the termination of this Agreement nor anything contained in this Section 8.1(b) shall relieve any Party from any liability for any fraud or wilful or intentional breach of any provision of this Agreement prior to the date of such termination. Unless otherwise provided herein, the exercise by either Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party and for greater certainty nothing in this Section 8.1 shall relieve any Party from liability for any breach by it of this Agreement that occurred prior to the date of termination.

**ARTICLE 9
NOTICES**

9.1 Notices

All notices that may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally, delivered by overnight courier or sent by email transmission:

(a) in the case of Horizon, to:

Horizon North Logistics Inc.
240-4th Avenue SW, Suite 900,
Calgary, AB T2P 4H4

Attention: Tara Gracie
Email: **[REDACTED]**

with a copy to:

Blake, Cassels & Graydon LLP
#3500, 855 – 2nd Street SW
Calgary, Alberta T2P 4J8

Attention: Chelsea Hunter
Email: chelsea.hunter@blakes.com

(b) in the case of the Dexterra Parties, to:

9477179 Canada Inc.
95 Wellington Street West, Suite 800
Toronto, ON M5J 2N7

Attention: General Counsel
Email: **[REDACTED]**

with a copy to:

Torys LLP
79 Wellington Street West, Suite 3000
Toronto, ON M5K 1N2
Canada

Attention: Thomas Yeo
Email: tyeo@torys.com

or such other address as the Parties may, from time to time, advise the other Party by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such email transmission is received.

ARTICLE 10 GENERAL

10.1 Non-Survival of Representations and Warranties

No investigation by or on behalf of, or knowledge of, a Party, will mitigate, diminish or affect the representations or warranties made by the other Party in this Agreement or any certificate delivered by such other Party pursuant to this Agreement. The respective representations and warranties of the Parties contained in this Agreement shall not survive the completion of the Transaction and shall expire and be terminated on the earlier of the Closing Time and the date on which this Agreement is terminated in accordance with its terms, provided that such termination of this Agreement shall not affect any claim arising from a fraudulent, wilful or intentional prior breach of any such representations or warranties. This Section 10.1 shall not limit any undertaking, obligations covenant or agreement of whatever nature of a Party or any of its subsidiaries which, by its terms, contemplates performance after the Closing Time or date on which this Agreement is terminated, as the case may be.

10.2 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

10.3 Assignment

Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties without the prior written consent of the other Parties.

10.4 Public Communications

Each of the Parties agree to consult with each other prior to issuing any press releases or otherwise making public statements with respect to this Agreement or the Transaction or making any filing with any Governmental Authority with respect thereto. Without limiting the generality of the foregoing, no Party shall issue any press release regarding the Transaction, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the other Parties and reasonable opportunity for comment; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure shall use all reasonable commercial efforts to give prior oral or written notice to the other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

10.5 Costs

Except as otherwise expressly provided for in Article 6, all fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such cost or expense, whether or not the Transaction is completed.

10.6 Severability

If any one or more of the provisions or parts contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the remaining provisions or parts contained herein shall be and shall be conclusively deemed to be severable therefrom and the validity, legality or enforceability of such remaining provisions or parts shall not in any way be affected or impaired by the severance of the provisions or parts so severed. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

10.7 Further Assurances

Each Party shall, from time to time and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

10.8 Specific Performance

Each of the Parties agrees that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed by the other Party in accordance with the terms hereof. It is accordingly agreed that each Party shall be entitled to an injunction or injunctions and other equitable relief to restrain or prevent any breach or threatened breach of the covenants or agreements of any Party or other provisions set forth in this Agreement or to otherwise obtain specific performance of any such acts, covenants, agreements or provisions, without the necessity of posting of any bond in connection with the obtaining of any such injunctive or other equitable relief.

10.9 Time of Essence

Time shall be of the essence of this Agreement.

10.10 Applicable Law and Enforcement

This Agreement shall be governed, including as to validity, interpretation and effect, by the Applicable Laws of the Province of Alberta and the Applicable Laws of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the exclusive jurisdiction of the courts of the Province of Alberta located in Calgary, in respect of all matters arising out of this Agreement.

10.11 Waiver

Any Party may, on its own behalf only: (i) extend the time for the performance of any of the obligations or acts of an other Party; (ii) waive compliance with such other Party's agreements or the fulfillment of any conditions to its own obligations contained herein; or (iii) waive inaccuracies in such other Party's representations or warranties contained herein or in any document delivered by such other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

[Remainder of page left blank intentionally – signatures follow]

10.12 Counterparts

This Agreement may be executed by facsimile, PDF or other electronic signature and in counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

HORIZON NORTH LOGISTICS INC

By: (signed) "Kevin Nabholz"
Name: Kevin Nabholz
Title: Chairman

9477179 CANADA INC.

By: (signed) "John Varnell"
Name: John Varnell
Title: Director

10647802 CANADA LIMITED

By: (signed) "John MacCuish"
Name: John MacCuish
Title: President

SCHEDULE "A"

TRANSACTION RESOLUTION

WHEREAS Horizon North Logistics Inc. (the "**Corporation**") has entered into a share purchase agreement (the "**Share Purchase Agreement**") with 9477179 Canada Inc. ("**Dexterra Parent**") and its wholly-owned subsidiary, 10647802 Canada Limited ("**Dexterra**"), to effect a transaction (the "**Transaction**") whereby the Corporation will acquire all of the issued and outstanding common shares in the capital of Dexterra in exchange for such number of common shares in the capital of Corporation (the "**Shares**") that represent 49% of the issued and outstanding Shares (calculated in accordance with the Share Purchase Agreement) immediately prior to the date of closing of the Transaction;

AND WHEREAS the Corporation is subject to a shareholder rights plan (the "**Rights Plan**") pursuant to an amended and restated agreement between the Corporation and AST Trust Company (the "**Rights Agent**") dated as of March 15, 2017 (the "**SRP Agreement**");

AND WHEREAS the Board of Directors has determined that it would be in the best interests of the Corporation and authorized the (i) waiver, subject to the consent of holders of Shares (the "**Shareholders**"), the application of Section 3.1 of the Rights Plan to the Flip-In Event (as defined in the SRP Agreement) that would result from consummation of the Transaction as a result of the Dexterra Parent becoming an "Acquiring Person" as defined therein, and (ii) extension of the Separation Time (as defined in the SRP Agreement) to the date that is 10 business days following approval of the Transaction by the Shareholders;

BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. That the Shareholders hereby consent to the waiver of the application of Section 3.1 of the Rights Plan to the Flip-In Event (as defined in the SRP Agreement) that would result from consummation of the Transaction.
2. That the issuance of up to [●] Shares in exchange for all of the issued and outstanding shares of Dexterra, as more particularly described and set forth in the management information circular of the Corporation accompanying the notice of this meeting, as may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted.
2. Notwithstanding that this resolution has been approved by the Shareholders, the directors of the Corporation are hereby authorized and empowered, at their discretion, without further notice to or approval of the Shareholders: (a) to amend the Share Purchase Agreement, to the extent permitted by the Share Purchase Agreement; and (b) subject to the terms of the Share Purchase Agreement, to disregard the approval of the Shareholders and not proceed with the Transaction, at any time prior to the issuance of the Horizon Shares (as defined in the Share Purchase Agreement).
3. Any one director or officer of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to execute, under the corporate seal of the Corporation or otherwise, and to deliver to the Toronto Stock Exchange and such other documents as are necessary or desirable to give effect to the listing of the Horizon Shares in accordance with the Share Purchase Agreement.
4. Any one director or officer of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to execute, or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver, or cause to be delivered, all such other documents, agreements and instruments and to perform, or cause to be performed, all such other acts and things as in such director's or officer's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE "B"

REPRESENTATIONS AND WARRANTIES OF HORIZON

- (a) Organization and Qualification. Horizon is a corporation duly formed and organized and validly subsisting under the laws of Alberta, and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as it is now being conducted. Each member of the Horizon Group is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to be so registered or authorized would not, individually or in the aggregate, have a Material Adverse Effect on Horizon. Copies of the constating documents of each member of the Horizon Group were made available to Dexterra, together with all amendments to date, are accurate and complete in all material respects as of the date hereof and have not been amended or superseded.
- (b) Authority Relative to this Agreement. Horizon has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Horizon of the transactions contemplated hereunder has been duly authorized by the Horizon Board and no other proceedings on the part of Horizon are necessary to authorize this Agreement, the Transaction or the other transactions contemplated herein, other than the approval of the Information Circular by the Horizon Board. This Agreement has been duly executed and delivered by Horizon and constitutes a legal, valid and binding obligation of Horizon enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (c) Subsidiaries, Joint Ventures and Partnerships. Horizon has no subsidiaries, joint ventures or partnerships, other than those set forth in the Horizon Disclosure Letter (collectively, with Horizon, the "**Horizon Group**") and for greater certainty, in respect of any representations or warranties in respect of joint ventures or partnerships, the Horizon Group shall not include any third-party members or partners not otherwise under the control of Horizon. Other than as disclosed to the Dexterra Parties in writing, Horizon owns, directly or indirectly, all of the outstanding securities of each of its subsidiaries. All of the outstanding shares and all other ownership interests in the subsidiaries of Horizon are duly authorized, validly issued and fully paid (where required by the jurisdiction of incorporation) and non-assessable, and other than as disclosed to the Dexterra Parties in writing, all such shares and other ownership interests held directly or indirectly by Horizon, are owned by Horizon free and clear of all Encumbrances (other than Permitted Encumbrances), except pursuant to restrictions on transfer contained in the constating documents of such subsidiary. There are no rights of first refusal or similar rights restricting the transfer of Horizon Shares contained in shareholders or similar agreements or pursuant to existing financing arrangements.
- (d) No Violations. Except as contemplated by this Agreement and subject to the Required Approvals:
 - (i) neither the execution and delivery of this Agreement by Horizon nor the consummation of the transactions contemplated thereby nor compliance by Horizon with any of the provisions hereof will:
 - (A) violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Encumbrance (other than Permitted Encumbrances) upon any of the Horizon Assets or cause any indebtedness to come due before its stated maturity or cause any credit to cease to be available, under any of the terms, conditions or provisions of: (1) the articles or by-laws of any member of the

Horizon Group; or (2) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, Contract or other instrument or obligation to which a member of the Horizon Group is a party or to which it, or any of its properties or assets, may be subject or by which a member of the Horizon Group is bound;

- (B) violate any Applicable Laws; or
- (C) cause the suspension or revocation of any authorization, consent, approval or license currently in effect which would, individually or in the aggregate, have a Material Adverse Effect on Horizon; and

except, in the case of (A), in respect of the Horizon Credit Facility pursuant to which Horizon will require the consent of such lender to consummate the Transaction and in the case of each of clauses (A) and (B) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or creations of Encumbrances (other than Permitted Encumbrances) which, or any consents, approvals or notices which if not given or received, would not, individually or in the aggregate, have any Material Adverse Effect on Horizon, or significantly impede the ability of Horizon to consummate the transactions contemplated by the Transaction; or

- (ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Transaction or which are required to be fulfilled post-Transaction, and except for the Required Approvals in respect of the Transaction:

- (A) there is no legal impediment to Horizon's consummation of the Transaction; and
- (B) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is required of Horizon in connection with the consummation of the Transaction, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, have a Material Adverse Effect on Horizon, or significantly impede the ability of Horizon to consummate the Transaction.

- (e) Horizon Shares. Horizon has reserved and allotted a sufficient number of Horizon Shares as are issuable pursuant to the Transaction, and, subject to the terms and conditions of the Agreement, such Horizon Shares will be validly issued as fully paid and non-assessable to Dexterra Parent pursuant to the Transaction.
- (f) Change of Control. The Horizon Board has determined the Transaction will not result in a "change of control" for the purposes of any employment agreements, severance agreements and other written agreements between Horizon and its directors and executive officers.
- (g) Litigation. There are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Horizon, threatened, affecting or that would reasonably be expected to affect the Horizon Group or affecting or that would reasonably be expected to affect any of the Horizon Assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of any member of the Horizon Group which would reasonably be expected to cause, individually or in the aggregate, a Material Adverse Change to Horizon, or would significantly impede the ability of Horizon to consummate the Transaction.

(h) Bankruptcy and Insolvency.

- (i) No action or proceeding has been commenced or filed by or against Horizon or any of its subsidiaries which seeks or would reasonably be expected to lead to:
 - (A) receivership, bankruptcy, a commercial proposal or similar proceeding of Horizon or any of its subsidiaries;
 - (B) the adjustment or compromise of claims against Horizon or any of its subsidiaries; or
 - (C) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Horizon or any of its subsidiaries or any portion of their assets, and no such action or proceeding has been authorized or is being considered by or on behalf of Horizon or any of its subsidiaries.
- (ii) Neither Horizon nor any of its subsidiaries:
 - (A) has made, or is considering making, an assignment for the benefit of their respective creditors; or
 - (B) has requested, or is considering requesting, a meeting of its respective creditors to seek a reduction, compromise, composition or other accommodation with respect to its respective indebtedness.

(i) Taxes, etc. Except to the extent that any matter referred to in this Section (i) does not, and would not reasonably be expected to, have a Material Adverse Effect on Horizon:

- (i) each member of the Horizon Group has duly and timely filed all Tax Returns required to be filed by them prior to the date hereof and all such Tax Returns are complete and correct in all respects and no extension of time to file any such Tax Returns is in effect;
- (ii) each member of the Horizon Group has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, and all other Taxes due and payable by them, other than those which are being or have been contested in good faith and in respect of which adequate reserves have been provided in the most recently prepared financial statements of Horizon. The Horizon Group has provided adequate accruals in accordance with IFRS in the most recently prepared financial statements of Horizon for any Taxes (including related future Taxes) of the Horizon Group for the period covered by such financial statements that have not been paid whether or not shown as being due on any Tax Returns. Since such publication date, no liability in respect of Taxes not reflected in such statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued, other than in the Ordinary Course of business;
- (iii) no deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of Horizon or any of its subsidiaries, and no member of the Horizon Group is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of Horizon, threatened against any member of the Horizon Group or any of their respective assets;
- (iv) no written claim has been made by any Governmental Authority in a jurisdiction where the members of the Horizon Group do not file Tax Returns that a member of the Horizon Group is or may be subject to Tax by that jurisdiction;
- (v) no member of the Horizon Group (a) has a permanent establishment in any country other than Canada, (b) has engaged in a trade or business in any country other than Canada, (c) is subject

to Tax in a jurisdiction outside of Canada or (d) is required to register in any jurisdiction, other than Canada, for Tax purposes pursuant to Applicable Laws;

- (vi) there are no Encumbrances (other than Permitted Encumbrances) with respect to Taxes upon any of the Horizon Assets;
- (vii) each member of the Horizon Group has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Authority and within the prescribed time when required by Applicable Law to do so;
- (viii) each member of the Horizon Group has charged, collected and remitted on a timely basis all Taxes as required under any Applicable Laws on any sale, supply or delivery whatsoever, made by it, and each such corporation is validly registered as a vendor with the relevant Governmental Authorities for the collection of such Taxes. All input Tax credits, refunds, rebates and similar adjustments of Taxes claimed by each member of the Horizon Group has been validly claimed and correctly calculated as required by Applicable Laws, and each such corporation has retained all documentation prescribed by Applicable Laws to support such claims. Where applicable, each member of the Horizon Group: (a) has obtained all required information and documentation to support any zero-rating treatment of its supplies; and (b) has been furnished with valid exemption certificates or their equivalent and has retained all such records and supporting documents in the manner required by Applicable Laws;
- (ix) no member of the Horizon Group is party to or bound by any Tax sharing agreement, Tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to Taxes (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Authority). Without limiting the generality of the foregoing, no member of the Horizon Group has entered into an agreement contemplated in section 80.04 or 191.3, or subsection 18(2.3), 127(13) to (17), 127(20) or 125(3) of the ITA or any analogous provision of any comparable Applicable Law of any province or territory of Canada;
- (x) there are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of Taxes due from any member of the Horizon Group for any taxable period and no request for any such waiver or extension is currently pending;
- (xi) other than as disclosed by Horizon in writing to the Dexterra Parties, the Horizon Group has made available to the Dexterra Parties true, correct and complete copies of all Tax Returns, examination reports and statements of deficiencies by a Taxing Authority for taxable periods, or transactions consummated, for which the applicable statutory periods of limitations have not expired;
- (xii) no member of the Horizon Group has ever directly or indirectly transferred any property to or supplied any services to or acquired any property or services from a Person with whom it was not dealing at arm's length (within the meaning of the ITA) for consideration other than consideration equal to the fair market value of the property or services at the time of the transfer, supply or acquisition of the property or services;
- (xiii) no member of the Horizon Group has, at any time, directly or indirectly, transferred any property or supplied any services to, acquired any property or services from, a Person who is not resident in Canada for purposes of the ITA and with whom any such member of the Horizon Group, as the case may be, was not dealing at arm's length (within the meaning of the ITA) for consideration other than consideration equal to the fair market value of such property or services at the time of transfer, supply or acquisition, as the case may be, nor has any such member of the Horizon Group, as the case may be, been deemed to have done so for purposes of the ITA; and each member of the Horizon Group, as the case may be, has made or obtained records or

documents that meet the requirements of paragraphs 247(4)(a) to (c) of the ITA, and there are no transactions to which subsection 247(2) or subsection 247(3) of the ITA may reasonably be expected to apply;

- (xiv) the Tax attributes of the assets of each member of the Horizon Group are accurately reflected in the Tax Returns of the each member of the Horizon Group, as applicable, and have not adversely changed since the date of such Tax Returns, except to the extent that such attributes have been used in the Ordinary Course or as a result of completion of any transaction contemplated by this Agreement;
 - (xv) there are no circumstances existing which could result in the application of section 78 or sections 80 to 80.04 of the ITA, or any equivalent provision under provincial Applicable Law, to the Horizon Group. Other than in the Ordinary Course, no member of the Horizon Group has claimed nor will they claim any reserve under any provision of the ITA or any equivalent provincial provision, if any amount could be included in the income of the Horizon Group for any period ending after the Closing Date;
 - (xvi) No Horizon Incentive Plan is a "salary deferral arrangement" as defined in the ITA;
 - (xvii) Horizon is a taxable Canadian corporation as defined in subsection 89(1) of the ITA; and
 - (xviii) Horizon is not a non-resident of Canada within the meaning of the ITA.
- (j) Reporting Issuer Status. Horizon is a "reporting issuer" in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and is in material compliance with all Applicable Canadian Securities Laws therein and the Horizon Shares are listed and posted for trading on the TSX. Horizon is not in default of any material requirements of Applicable Canadian Securities Laws in such jurisdictions or any rules or regulations of, or agreement with, the TSX. No delisting, suspension of trading in or cease trading order with respect to the Horizon Shares is pending or, to the knowledge of Horizon, threatened or is expected to be implemented or undertaken and to its knowledge Horizon is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction. The documents and information comprising the Horizon Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any Misrepresentation. Horizon has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Horizon with the Securities Authorities since becoming a "reporting issuer". Horizon has not filed any confidential material change report that, at the date hereof, remains confidential.
- (k) Capitalization. As of the date hereof, the authorized capital of Horizon consists of an unlimited number of Horizon Shares and an unlimited number of preferred shares, issuable in series. As of the date hereof, there are issued and outstanding 165,416,904 Horizon Shares and no other shares are issued and outstanding. Other than Horizon Options to acquire up to 7,723,773 Horizon Shares and other than pursuant to the Horizon Shareholder Rights Plan (which the Horizon Board has waived in respect of the Transaction, subject to consent of Horizon Shareholders at the Horizon Meeting), there are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Horizon of any securities of Horizon (including Horizon Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Horizon (including Horizon Shares). All outstanding Horizon Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights and all Horizon Shares issuable upon the exercise of Horizon Options in accordance with their respective terms thereof will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Other than Horizon Shares, there are no securities of Horizon outstanding which have the right to vote generally (or, except for the Horizon Options, are exercisable or convertible into or exchangeable for securities having the right to vote generally) with Horizon Shareholders on any matter. To the knowledge of

Horizon, other than the Shareholder Rights Plan, none of the Horizon Shares are the subject of any escrow, voting trust, shareholder rights agreement or other similar agreement.

- (l) Horizon Share Consideration. The Horizon Share Consideration to be issued to Dexterra Parent on the Closing Date pursuant to this Agreement will be (i) validly issued and outstanding as of the Closing as fully paid and non-assessable Horizon Shares; and (ii) exempt from the prospectus requirements and in compliance with the registration requirements of applicable securities laws and will not result in the contravention of Applicable Canadian Securities Laws.
- (m) No Orders. No order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, Horizon Shares or any other securities of Horizon has been issued by any Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted, are pending or, to the knowledge of Horizon, are contemplated or threatened under any Applicable Laws or by any Governmental Authority.
- (n) Equity Monetization Plans. Other than the Horizon Options and Horizon RSUs listed in the Horizon Disclosure Letter, there are no outstanding stock options, restricted or deferred share units, performance share units, stock appreciation rights, phantom equity, profit sharing plan or any other similar rights, agreements, arrangements or commitments payable to any director, officer or employee of Horizon and which are based upon the revenue, value, income or any other attribute of Horizon.
- (o) Financial Reports. The Horizon Financial Statements, and any interim or annual financial statements filed by or on behalf of Horizon on and after the date hereof with the Securities Authorities, in compliance with any Applicable Laws, were or, when so filed, will have been prepared in accordance with IFRS (except in the case of unaudited interim statements, to the extent they may not include footnotes, are subject to normal year-end adjustments or may be condensed or summary statements), and present or, when so filed, will present fairly in accordance with IFRS the financial position, results of operations and changes in financial position of Horizon as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments). Horizon does not intend to correct or restate, nor, to the knowledge of Horizon is there any basis for any correction or restatement of any aspect of the Horizon Financial Statements.
- (p) Internal Controls and Financial Reporting. Horizon and its subsidiaries have established and maintain a system of internal accounting controls sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. To the knowledge of Horizon (i) there are no material weaknesses in the design and implementation or maintenance of the internal control over financial reporting of Horizon or any of its subsidiaries that are reasonably likely to adversely affect the ability of Horizon or any of its subsidiaries to record, process, summarize and report financial information, and (ii) there is no fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting of Horizon and its subsidiaries.
- (q) Books and Records. The financial books, records and accounts of each member of the Horizon Group, in all material respects: (i) have been maintained in accordance with Applicable Laws and good business practices on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of the Horizon Group; and (iii) accurately and fairly reflect the basis for the Horizon Financial Statements. The corporate records and minute books of each member of the Horizon Group have been maintained substantially in compliance with Applicable Laws and are complete and accurate in all material respects (other than those minutes of the meetings of the Horizon Board or committees thereof which are in draft form) and full access was made available to Dexterra.

- (r) Absence of Undisclosed Liabilities. The Horizon Group has no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:
- (i) those set forth or adequately provided for in the most recent consolidated statement of financial position and associated notes thereto included in the Horizon Financial Statements (the "**Horizon Balance Sheet**");
 - (ii) those incurred in the Ordinary Course of business and not required to be set forth in the Horizon Balance Sheet under IFRS;
 - (iii) those incurred in the Ordinary Course of business since the date of the Horizon Balance Sheet and consistent with past practice;
 - (iv) those incurred in connection with the execution of this Agreement; and
 - (v) as disclosed in the Horizon Disclosure Letter.
- (s) Absence of Certain Changes or Events. Except for the Transaction or any action taken in accordance with this Agreement, since January 1, 2019:
- (i) Each member of the Horizon Group has conducted its business only in the Ordinary Course of business;
 - (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Horizon has been incurred other than in the Ordinary Course of business;
 - (iii) other than in accordance with Horizon's budget as disclosed to Dexterra, there are no outstanding authorizations for expenditure pertaining to any of the Horizon Assets or any other commitments, approvals, authorizations pursuant to which an expenditure may be required to be made in respect of such Horizon Assets;
 - (iv) there has been no Material Adverse Change in respect of Horizon on a consolidated basis from the position set forth in the Horizon Financial Statements other than as have been disclosed in the Horizon Public Record or by Horizon in writing to the Dexterra Parties; and
 - (v) Horizon has not, and to the knowledge of Horizon, no director, officer, employee, contractor, consultant or agent or auditor of any member of the Horizon Group, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of any member of the Horizon Group or its internal accounting controls.
- (t) Registration, Exemption Orders, Licenses, etc. To the knowledge of Horizon, each member of the Horizon Group has obtained and is in compliance with all licenses, permits, certificates, consents, orders, grants, registrations, recognition orders, exemption relief orders, no-action relief and other authorizations (including in connection with Environmental Laws) from any Governmental Authority necessary in connection with its business as it is now, individually or in the aggregate, being or proposed to be conducted (collectively, the "**Governmental Authorizations**"), except where the failure to obtain or be in compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Horizon. Such Governmental Authorizations are in full force and effect in accordance with their terms, and no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation of any such Governmental Authorization, except where the violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Horizon. No proceedings are pending or, to the knowledge of Horizon, threatened, which could result in the revocation or limitation of any Governmental Authorization, and all steps have

been taken and filings made on a timely basis with respect to each Governmental Authorization and its renewal, except where the failure to take such steps and make such filings would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Horizon.

- (u) Compliance with Laws. The operations and business of the Horizon Group is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Horizon or would significantly impact the ability of Horizon to consummate the Transaction, and no member of the Horizon Group has received any notice of any alleged violation of any such Applicable Laws other than where such notice would not reasonably be expected to have a Material Adverse Effect on Horizon or significantly impact the ability of Horizon to consummate the Transaction.
- (v) Restrictions on Business Activities. There is no judgment, injunction or order binding upon any member of the Horizon Group that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business or, individually or in the aggregate, have a Material Adverse Effect on Horizon.
- (w) Non-Arm's Length Transactions. Except for amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses, existing employment agreements there are no Contracts or other transactions (including with respect to loans or other indebtedness) in excess of \$1,000,000 currently in place between any member of the Horizon Group, on the one hand, and: (i) any officer, director or employee of any member of the Horizon Group; or (ii) any associate or affiliate of any such Person.
- (x) Title and Sufficiency of Assets.
 - (i) The Horizon Group has good and marketable title to the Horizon Assets free and clear of any Encumbrances, other than Encumbrances that would not individually or in the aggregate have a Material Adverse Effect.
 - (ii) The Horizon Assets are the only property, rights and assets necessary to enable the Horizon Group to conduct its business after Closing substantially in the same manner as it was conducted prior to Closing.
 - (iii) Horizon is not aware of any defects, failures or impairments in the title of the Horizon Group to the Horizon Assets, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party, which in aggregate, could reasonably be expected to have a Material Adverse Effect on Horizon.
- (y) Customers and Suppliers. No member of the Horizon Group has received notice of, and there is not, to the knowledge of Horizon, any intention on the part of any principal customer to cease doing business with any member of the Horizon Group or to modify or change in any material manner any existing arrangement with the Horizon Group for the purchase or supply of any products or services, where such modification or change would reasonably be expected to result in a Material Adverse Effect to the applicable business unit to which such modification or change applies. The relationships of the Horizon Group with its principal suppliers and customers are satisfactory.
- (z) No Defaults. No member of the Horizon Group is in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under any Horizon Material Contract which would, if terminated or upon exercise of a right made available to a third party solely by reason of such a default, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Horizon.
- (aa) Environmental. In respect of the properties which a member of the Horizon Group operates and, to the knowledge of Horizon in respect of properties for which a member of the Horizon Group is not the operator, except as disclosed by Horizon in writing to Dexterra or except to the extent that any violation

or other matter referred to in this Section (aa) does not, and would not reasonably be expected to, have a Material Adverse Effect on the Horizon Group:

- (i) no member of the Horizon Group is in violation of any applicable Environmental Laws;
- (ii) each member of the Horizon Group has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances in compliance with Environmental Laws;
- (iii) there have been no spills, releases or discharges of Hazardous Substances into the earth, subsoil, underground waters, air or into any body of water or any municipal or other sewer or drain water systems by a member of the Horizon Group, or on or underneath any location which is currently owned, leased or used by a member of the Horizon Group, that have not been remediated in compliance with Environmental Laws;
- (iv) no orders or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of a member of the Horizon Group of which such member has notice;
- (v) no member of the Horizon Group has failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law;
- (vi) each member of the Horizon Group holds all Environmental Approvals required in connection with the operation of its business and the ownership and use of the Horizon Assets, all Environmental Approvals are in full force and effect, and no member of the Horizon Group has received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws or Environmental Approvals, or that any of its Environmental Approvals are about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (vii) there are no pending or, to the knowledge of Horizon, threatened claims, liens or Encumbrances (other than Permitted Encumbrances) resulting from Environmental Laws with respect to any of the properties of a member of the Horizon Group currently owned, leased, operated or otherwise used relating to the ownership, tenancy, operations or other use by a member of the Horizon Group; and
- (viii) no member of the Horizon Group has assumed, indemnified or retained by contract or operation of law any losses, expenses, claims, damages or liabilities of any third-party pursuant to applicable Environmental Laws.

The representations and warranties contained in this Section (aa) and Section (r) above are the sole representations and warranties of Horizon relating to compliance with and liabilities arising under Environmental Laws, Environmental Approvals, any Hazardous Substances or relating to any other environmental matter.

- (bb) Material Contracts. The Horizon Disclosure Letter contains a list of the Horizon Material Contracts. Each of the Horizon Material Contracts constitutes a legally valid and binding agreement of each member of the Horizon Group that is party to such Horizon Material Contract, enforceable in accordance with their respective terms and, to the knowledge of Horizon, except in respect of the Horizon Credit Facility, to the extent that any indebtedness of Horizon and its subsidiaries remains outstanding under the Horizon Credit Facility following the Closing Date, no party thereto is in default in the observance or performance of any term or obligation to be performed by it under any such Horizon Material Contract or agreement which is material to the business of the Horizon Group and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default, in any such

case which default or event would reasonably be expected to have a Material Adverse Effect on the Horizon Group.

- (cc) Termination Rights Under Material Contracts. Horizon has not received any written correspondence or, to its knowledge, verbal communications from a party to a Horizon Material Contract regarding a change of control or sale of Horizon, any assignment of a Horizon Material Contract, any other Acquisition Proposal, any exercise or potential exercise of termination rights or exit rights under a Material Contract, or any deadlocks or disputes under a Material Contract, which would reasonably be expected to have a Material Adverse Effect on the applicable business unit.
- (dd) Employee Benefit Plans. In respect of each employee benefits plan (collectively, the "**Horizon Plans**") covering active, former or retired employees of the Horizon Group, any related trust agreement, annuity or insurance contract or other funding vehicle:
 - (i) each Horizon Plan has been established, funded, invested, maintained and administered in material compliance with its terms and is, to the extent required by Applicable Laws or contract, fully funded without having any deficit or unfunded actuarial liability;
 - (ii) all required employer contributions or premium payments, as applicable, under any such plans have been made in accordance with the terms thereof and Applicable Law;
 - (iii) each Horizon Plan that is required or intended to be qualified under Applicable Laws or registered or approved by any Governmental Authority has been so qualified, registered or approved by the appropriate Governmental Authority, and to the knowledge of Horizon, nothing has occurred since the date of the last qualification, registration or approval that would reasonably be expected to adversely affect, or cause, the appropriate Governmental Authority to revoke such qualification, registration or approval;
 - (i) none of the Horizon Plans provide for benefit increases or the acceleration of funding obligations that are contingent upon, or will be triggered by the entering into of this Agreement or the completion of the Transaction;
 - (iv) to the knowledge of Horizon, there are no pending or anticipated material claims against or otherwise involving any of the Horizon Plans and no suit, action or other litigation (excluding claims for benefits incurred in the Ordinary Course of Horizon Plan activities) has been brought against or with respect to any Horizon Plan;
 - (v) no Horizon Plan is a "registered pension plan" as such term is defined in the ITA;
 - (vi) Horizon has no obligations to provide retiree health and life benefits under any Horizon Plan.
- (ee) Employees.
 - (i) Horizon has disclosed in writing to Dexterra a complete list of all employees and contractors of all members of the Horizon Group.
 - (ii) Horizon has disclosed in writing to Dexterra a complete list of all employees (by employee identification number only) of members of the Horizon Group who are on disability leave, maternity leave, parental leave or other authorized or unauthorized leave of absence from a member of the Horizon Group.
 - (iii) All of the Persons who are receiving remuneration for work or services provided to members of the Horizon Group who are not employees are treated as independent contractors, to the knowledge of Horizon, are properly characterized as independent contractors and are not likely to be characterized by any Governmental Authority as employees.

- (iv) Except as disclosed in the Horizon Disclosure Letter, members of the Horizon Group have not paid and will not be required to pay any "change of control", termination, severance bonus, fee, distribution, remuneration or other compensation to any employee or independent contractor as a result of the transactions contemplated by this Agreement (other than salaries, wages or fees paid or payable to employees and independent contractors in the Ordinary Course of business).
- (v) All members of the Horizon Group are in material compliance with all Applicable Laws in respect of employees and independent contractors, including, without limitation, employment standards, workers' compensation, human rights, pay equity, accessibility, privacy, and labour relations matters.
- (vi) To the knowledge of Horizon, no employee of any member of the Horizon Group is in material violation of any non-competition, non-solicitation, non-disclosure or any similar agreement with any third party.
- (ff) Brokers and Finders. Horizon has not retained nor will it retain any financial advisor, broker, agent or finder or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement, any transaction contemplated hereby or any transaction presently ongoing or contemplated, except that Scotia Capital Inc. has been retained as Horizon's financial advisor in connection with certain matters including the transactions contemplated hereby.
- (gg) Fairness Opinion. The Horizon Board has received a verbal opinion as of March 9, 2020 from Scotia Capital Inc. that the issuance of the Horizon Share Consideration to Dexterra Parent in exchange for the Dexterra Shares is, as at the date of such opinion, fair, from a financial point of view to Horizon.
- (hh) Board Approval. Based upon, among other things, the opinion of Scotia Capital Inc., the Horizon Board has unanimously determined that the Transaction is fair to Horizon, has unanimously determined that the Transaction is in the best interests of Horizon and has resolved to unanimously recommend Horizon Shareholders vote in favour of the Transaction.
- (ii) Long Term and Derivative Transactions. No member of the Horizon Group has any obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross currency rate swap transactions or currency options having terms greater than 90 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions.
- (jj) Insurance. Policies of insurance that are in force as of the date hereof naming the applicable members of the Horizon Group as an insured adequately and reasonably cover all risks as are customarily covered by companies in the industry in which the Horizon Group operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance protect the Horizon Group's interests. All such policies shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.
- (kk) No Limitation. There is no non-competition, exclusivity or other similar agreement, commitment or understanding in place to which any member of the Horizon Group is a party or by which it is otherwise bound that would now or hereafter in any way limit the business or operations of the Horizon Group in a particular manner or to a particular locality or geographic region or for a limited period of time, and the execution, delivery and performance of this Agreement does not and will not result in the restriction of any member of the Horizon Group from engaging in its business or from competing with any Person or in any geographic area.
- (ll) Payments to Employees, etc. Each member of the Horizon Group has withheld from each payment made to any of its present or former employees, officers or directors, or to other Persons, all amounts required

by Applicable Laws or administrative practice to be withheld by it on account of income Taxes, mandatory pension plan contributions, employment insurance premiums, employer health Taxes and similar Taxes, and levies, and has remitted such withheld amounts within the required time to the appropriate Governmental Authority or pension plan. Each member of the Horizon Group has charged, collected and remitted on a timely basis all sales, goods and services, value-added and other commodity Taxes as required under Applicable Laws on any sale, supply or delivery made by it.

- (mm) Intellectual Property. Other than as disclosed by Horizon in the Horizon Disclosure Letter, there are no patents, patent rights, licenses, inventions, copyrights, works, moral rights, software, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), industrial designs, trademarks, service marks, trade names or other intellectual property (the "**Intellectual Property**") used to carry on the business and operations of the Horizon Group (whether owned by or licensed to Horizon or its subsidiaries) the loss of which would reasonably be expected to have a Material Adverse Effect on Horizon. To the knowledge of Horizon, neither Horizon nor any member of the Group has received any written notice or claim challenging a member of the Horizon Group with respect to the validity of, use of or ownership of the Intellectual Property used or owned by it, as applicable. No employees, other individuals or entities have an interest, beneficial or otherwise, right, or financial benefit relating to any material Intellectual Property owned by any member of the Horizon Group (the "**Horizon Owned IP**"). To the knowledge of Horizon, no Intellectual Property of any Person has been, or is, infringed, misappropriated or otherwise violated in any material manner by the operation of the business of the Horizon Group. Neither Horizon nor its subsidiaries has granted any exclusive license under any Horizon Owned IP. The Horizon Group together exclusively owns each item of the material Horizon Owned IP, free and clear of any Encumbrances other than Permitted Encumbrances.
- (nn) Off-Balance Sheet Transactions. Other than as disclosed by Horizon in writing to Dexterra, no member of the Horizon Group has any "off-balance sheet arrangements" as such term is defined under IFRS.
- (oo) Information Systems. All computer hardware and their associated firmware and operating systems, application software, database engines and processed data, technology infrastructure and other computer systems (collectively, the "**Technology**") used in connection with Horizon's and any of its subsidiaries' assets, business or operations are reasonable for conducting the business related thereto except where it would not reasonably be expected to have a Material Adverse Effect on Horizon. Except where it would not be reasonably be expected to have a Material Adverse Effect on Horizon or its subsidiaries (i) own or have validly licensed (and is not in breach of such licenses in any material respect) such Technology, (ii) has put in place reasonable virus protection and security measures in relation to such Technology, and (iii) have reasonable back-up systems and audit procedures and disaster recovery and cybersecurity strategies in relation to the continued availability of the functionality provided by the Technology.
- (pp) Money Laundering Laws and Foreign Corrupt Practices.
 - (i) Neither Horizon nor any of its subsidiaries or affiliates, nor, to the knowledge of Horizon, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Horizon or any of its subsidiaries has offered or given, and Horizon is not aware of and does not have any knowledge of any Person that has offered or given on its behalf, anything of value to any official of a Governmental Authority, any political party or official thereof or any candidate for political office, any customer or member of any Governmental Authority, or any other Person, in any such case while knowing or having reason to know that all or a portion of such money or thing of value may be offered, given or promised, directly or indirectly, for the purpose of any of the following:
 - (A) influencing any action or decision of such Person, in such Person's official capacity, including a decision to fail to perform such Person's official function;
 - (B) inducing such Person to use such Person's influence with any Governmental Authority to affect or influence any act or decision of such Governmental Authority to assist

Horizon or any of its subsidiaries in obtaining or retaining business for, with, or directing business to, any Person or otherwise to obtain or retain an advantage in the course of business; or

(C) where such payment would constitute a bribe, rebate, payoff, influence payment, kickback or illegal or improper payment to assist Horizon or any of its subsidiaries in obtaining or retaining business for, with, or directing business to, any Person.

(ii) There have been no actions taken by Horizon, its subsidiaries and its affiliates or, to the knowledge of Horizon, by any Persons on behalf of Horizon or its subsidiaries, that would cause Horizon, its subsidiaries, affiliates or such Persons to be in violation of the *Corruption of Foreign Public Officials Act* (Canada), the *Foreign Corrupt Practices Act of 1977* (United States) or any similar legislation in any jurisdiction (collectively, the "**Corruption Acts**") in which Horizon and its subsidiaries conduct their business and to which Horizon and its subsidiaries may be subject.

(qq) Sanctions Legislation.

(i) Neither Horizon nor any of its subsidiaries, nor, to the knowledge of Horizon, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Horizon or any of its subsidiaries has been or is currently subject to and has not breached any economic or financial sanctions or trade embargoes imposed, authorized, administered or enforced by any Governmental Authority of Canada or the United States (collectively, "**Sanctions**"), or has acted, whether directly or indirectly, in violation of any Sanctions and furthermore will not take any action, directly or indirectly, in violation of any Sanctions.

(ii) Neither Horizon nor any of its subsidiaries, nor, to the knowledge of Horizon, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Horizon or any of its subsidiaries, is aware of or has taken any action, directly or indirectly, including, but not limited to sales, transactions, contracts, loans or investments, in any currency, in or with any Person listed in any Sanctions-related list of designated Persons maintained by any Governmental Authority of Canada or the United States (a "**Sanctioned Person**"). Neither Horizon, its subsidiaries nor any of their affiliates are owned or controlled by any Sanctioned Person or a government of a country or territory which is the subject or target of any Sanctions (a "**Sanctioned Country**"), and to the knowledge of Horizon, no director, officer, agent, employee, consultant, Representative, parent or subsidiary of Horizon or any of its subsidiaries is a Sanctioned Person or is employed or controlled by the government of, or is resident in, a Sanctioned Country.

(rr) Horizon Debt. The Horizon Debt as at December 31, 2019 did not exceed **\$(REDACTED-COMMERCIALLY SENSITIVE INFORMATION)** and did not exceed **\$(REDACTED-COMMERCIALLY SENSITIVE INFORMATION)** on the last Business Day prior to the date of this Agreement.

SCHEDULE "C"

REPRESENTATIONS AND WARRANTIES OF DEXTERRA

- (a) Organization and Qualification. Dexterra is a corporation duly formed and organized and validly subsisting under the laws of Canada, and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as it is now being conducted. Each member of the Dexterra Group is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to be so registered or authorized would not, individually or in the aggregate, have a Material Adverse Effect on Dexterra. Copies of the constating documents of each member of the Dexterra Group was made available to Horizon, together with all amendments to date, are accurate and complete in all material respects as of the date hereof and have not been amended or superseded.
- (b) Authority Relative to this Agreement. Dexterra has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Dexterra of the transactions contemplated hereunder has been duly authorized by the Dexterra Board and no other proceedings on the part of Dexterra are necessary to authorize this Agreement, the Transaction or the other transactions contemplated herein. This Agreement has been duly executed and delivered by Dexterra and constitutes a legal, valid and binding obligation of Dexterra enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (c) Subsidiaries, Joint Ventures and Partnerships. Dexterra has no subsidiaries, joint ventures or partnerships, other than those set forth in the Dexterra Disclosure Letter (collectively, with Dexterra, the "**Dexterra Group**") and for greater certainty, in respect of any representations or warranties in respect of joint ventures or partnerships, the Dexterra Group shall not include any third-party members or partners not otherwise under the control of Dexterra. Other than as disclosed to Horizon in writing, Dexterra owns, directly or indirectly, all of the outstanding securities of each of its subsidiaries. All of the outstanding shares and all other ownership interests in the subsidiaries of Dexterra are duly authorized, validly issued and fully paid (where required by the jurisdiction of incorporation) and non-assessable, and other than as disclosed to Horizon in writing, all such shares and other ownership interests held directly or indirectly by Dexterra, are owned by Dexterra free and clear of all Encumbrances (other than Permitted Encumbrances), except pursuant to restrictions on transfer contained in the constating documents of such subsidiary. There are no rights of first refusal or similar rights restricting the transfer of Dexterra Shares contained in shareholders or similar agreements or pursuant to existing financing arrangements.
- (d) No Violations. Except as contemplated by this Agreement and subject to the receipt of Competition Act Clearance:
 - (i) neither the execution and delivery of this Agreement by Dexterra nor the consummation of the transactions contemplated thereby nor compliance by Dexterra with any of the provisions hereof will:
 - (A) violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Encumbrance (other than Permitted Encumbrances) upon any of the Dexterra Assets or cause any indebtedness to come due before its stated maturity or cause any credit to cease to be available, under any of the terms, conditions or provisions of: (1) the articles or by-laws of any member of the

Dexterra Group; or (2) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, Contract or other instrument or obligation to which a member of the Dexterra Group is a party or to which it, or any of its properties or assets, may be subject or by which a member of the Dexterra Group is bound;

- (B) violate any Applicable Laws; or
- (C) cause the suspension or revocation of any authorization, consent, approval or license currently in effect which would, individually or in the aggregate, have a Material Adverse Effect on Dexterra; and

except, in the case of (A), in respect of the Dexterra Credit Facility pursuant to which Dexterra will require the consent of such lender to consummate the Transaction and in the case of each of clauses (A) and (B) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or creations of Encumbrances (other than Permitted Encumbrances) which, or any consents, approvals or notices which if not given or received, would not, individually or in the aggregate, have any Material Adverse Effect on Dexterra, or significantly impede the ability of Dexterra to consummate the transactions contemplated by the Transaction; or

- (ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Transaction or which are required to be fulfilled post Transaction, and except for receipt of Competition Act Clearance:

- (A) there is no legal impediment to Dexterra's consummation of the Transaction; and
- (B) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is required of Dexterra in connection with the consummation of the Transaction, except for filing related to Competition Act Clearance or such filings or registrations which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, have a Material Adverse Effect on Dexterra, or significantly impede the ability of Dexterra to consummate the Transaction.

- (e) Litigation. There are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Dexterra, threatened, affecting or that would reasonably be expected to affect the Dexterra Group or affecting or that would reasonably be expected to affect any of the Dexterra Assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of any member of the Dexterra Group which would reasonably be expected to cause, individually or in the aggregate, a Material Adverse Change to Dexterra, or would significantly impede the ability of Dexterra to consummate the Transaction.

- (f) Bankruptcy and Insolvency.

- (i) No action or proceeding has been commenced or filed by or against Dexterra or any of its subsidiaries which seeks or would reasonably be expected to lead to:
 - (A) receivership, bankruptcy, a commercial proposal or similar proceeding of Dexterra or any of its subsidiaries;
 - (B) the adjustment or compromise of claims against Dexterra or any of its subsidiaries; or
 - (C) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Dexterra or any of its subsidiaries or any portion of their assets, and no such action or

proceeding has been authorized or is being considered by or on behalf of Dexterra or any of its subsidiaries.

(ii) Neither Dexterra nor any of its subsidiaries:

- (A) has made, or is considering making, an assignment for the benefit of their respective creditors; or
- (B) has requested, or is considering requesting, a meeting of its respective creditors to seek a reduction, compromise, composition or other accommodation with respect to its respective indebtedness.

(g) Taxes, etc. Except to the extent that any matter referred to in this Section (g) does not, and would not reasonably be expected to, have a Material Adverse Effect on Dexterra:

- (i) each member of the Dexterra Group has duly and timely filed all Tax Returns required to be filed by them prior to the date hereof and all such Tax Returns are complete and correct in all respects and no extension of time to file any such Tax Returns is in effect;
- (ii) each member of the Dexterra Group has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, and all other Taxes due and payable by them, other than those which are being or have been contested in good faith and in respect of which adequate reserves have been provided in the most recently prepared financial statements of Dexterra. The Dexterra Group has provided adequate accruals in accordance with IFRS in the most recently prepared financial statements of Dexterra for any Taxes (including related future Taxes) of the Dexterra Group for the period covered by such financial statements that have not been paid whether or not shown as being due on any Tax Returns. Since such publication date, no liability in respect of Taxes not reflected in such statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued, other than in the Ordinary Course of business;
- (iii) no deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of Dexterra or any of its subsidiaries, and no member of the Dexterra Group is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of Dexterra, threatened against any member of the Dexterra Group or any of their respective assets;
- (iv) no written claim has been made by any Governmental Authority in a jurisdiction where the members of the Dexterra Group do not file Tax Returns that a member of the Dexterra Group is or may be subject to Tax by that jurisdiction;
- (v) no member of the Dexterra Group (a) has a permanent establishment in any country other than Canada, (b) has engaged in a trade or business in any country other than Canada, (c) is subject to Tax in a jurisdiction outside of Canada or (d) is required to register in any jurisdiction, other than Canada, for Tax purposes pursuant to Applicable Laws;
- (vi) there are no Encumbrances (other than Permitted Encumbrances) with respect to Taxes upon any of the Dexterra Assets;
- (vii) each member of the Dexterra Group has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Authority and within the prescribed time when required by Applicable Law to do so;
- (viii) each member of the Dexterra Group has charged, collected and remitted on a timely basis all Taxes as required under any Applicable Laws on any sale, supply or delivery whatsoever, made

by it, and each such corporation is validly registered as a vendor with the relevant Governmental Authorities for the collection of such Taxes. All input Tax credits, refunds, rebates and similar adjustments of Taxes claimed by each member of the Dexterra Group has been validly claimed and correctly calculated as required by Applicable Laws, and each such corporation has retained all documentation prescribed by Applicable Laws to support such claims. Where applicable, each member of the Dexterra Group: (a) has obtained all required information and documentation to support any zero-rating treatment of its supplies; and (b) has been furnished with valid exemption certificates or their equivalent and has retained all such records and supporting documents in the manner required by Applicable Laws;

- (ix) no member of the Dexterra Group is party to or bound by any Tax sharing agreement, Tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to Taxes (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Authority). Without limiting the generality of the foregoing, no member of the Dexterra Group has entered into an agreement contemplated in section 80.04 or 191.3, or subsection 18(2.3), 127(13) to (17), 127(20) or 125(3) of the ITA or any analogous provision of any comparable Applicable Law of any province or territory of Canada;
- (x) there are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of Taxes due from any member of the Dexterra Group for any taxable period and no request for any such waiver or extension is currently pending;
- (xi) other than as disclosed by Dexterra in writing to Horizon, the Dexterra Group has made available to Horizon true, correct and complete copies of all Tax Returns, examination reports and statements of deficiencies by a Taxing Authority for taxable periods, or transactions consummated, for which the applicable statutory periods of limitations have not expired;
- (xii) no member of the Dexterra Group has ever directly or indirectly transferred any property to or supplied any services to or acquired any property or services from a Person with whom it was not dealing at arm's length (within the meaning of the ITA) for consideration other than consideration equal to the fair market value of the property or services at the time of the transfer, supply or acquisition of the property or services;
- (xiii) no member of the Dexterra Group has, at any time, directly or indirectly, transferred any property or supplied any services to, acquired any property or services from, a Person who is not resident in Canada for purposes of the ITA and with whom any such member of the Dexterra Group, as the case may be, was not dealing at arm's length (within the meaning of the ITA) for consideration other than consideration equal to the fair market value of such property or services at the time of transfer, supply or acquisition, as the case may be, nor has any such member of the Dexterra Group, as the case may be, been deemed to have done so for purposes of the ITA; and each member of the Dexterra Group, as the case may be, has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the ITA, and there are no transactions to which subsection 247(2) or subsection 247(3) of the ITA may reasonably be expected to apply;
- (xiv) the Tax attributes of the assets of each member of the Dexterra Group are accurately reflected in the Tax Returns of the each member of the Dexterra Group, as applicable, and have not adversely changed since the date of such Tax Returns, except to the extent that such attributes have been used in the Ordinary Course or as a result of completion of any transaction contemplated by this Agreement;
- (xv) there are no circumstances existing which could result in the application of section 78 or sections 80 to 80.04 of the ITA, or any equivalent provision under provincial Applicable Law, to the Dexterra Group. Other than in the Ordinary Course, no member of the Dexterra Group has claimed nor will they claim any reserve under any provision of the ITA or any equivalent

provincial provision, if any amount could be included in the income of the Dexterra Group for any period ending after the Closing Date;

- (xvi) Dexterra is a taxable Canadian corporation as defined in subsection 89(1) of the ITA; and
- (xvii) Dexterra is not a non-resident of Canada within the meaning of the ITA.
- (h) Private Issuer. Dexterra is a "private issuer" within the meaning of Applicable Canadian Securities Laws.
- (i) Capitalization. As of the date hereof, the authorized capital of Dexterra consists of an unlimited number of Dexterra Shares. As of the date hereof, there are issued and outstanding 131,542,600 Dexterra Shares and no other shares are issued and outstanding. There are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Dexterra of any securities of Dexterra (including Dexterra Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Dexterra (including Dexterra Shares). All outstanding Dexterra Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights. Other than the Dexterra Shares, there are no securities of Dexterra outstanding which have the right to vote generally (or, that are exercisable or convertible into or exchangeable for securities having the right to vote generally) on any matter. To the knowledge of Dexterra, none of the Dexterra Shares are the subject of any escrow, voting trust, shareholder rights agreement or other similar agreement.
- (j) Equity Monetization Plans. There are no outstanding stock options, restricted or deferred share units, performance share units, stock appreciation rights, phantom equity, profit sharing plan or any other similar rights, agreements, arrangements or commitments payable to any director, officer or employee of Dexterra and which are based upon the revenue, value, income or any other attribute of Dexterra.
- (k) Financial Reports. The Dexterra Financial Statements have been prepared in accordance with IFRS (except in the case of unaudited interim statements, to the extent they may not include footnotes, are subject to normal year-end adjustments or may be condensed or summary statements), and present fairly in accordance with IFRS the financial position, results of operations and changes in financial position of Dexterra as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments). Dexterra does not intend to correct or restate, nor, to the knowledge of Dexterra is there any basis for any correction or restatement of any aspect of the Dexterra Financial Statements.
- (l) Internal Controls and Financial Reporting. Dexterra and its subsidiaries have established and maintain a system of internal accounting controls sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. To the knowledge of Dexterra (i) there are no material weaknesses in the design and implementation or maintenance of the internal control over financial reporting of Dexterra or any of its subsidiaries that are reasonably likely to adversely affect the ability of Dexterra or any of its subsidiaries to record, process, summarize and report financial information, and (ii) there is no fraud, whether or not material, that involves management or other employees who have a significant role in the internal control over financial reporting of Dexterra and its subsidiaries.
- (m) Books and Records. The financial books, records and accounts of each member of the Dexterra Group, in all material respects: (i) have been maintained in accordance with Applicable Laws and good business practices on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of the Dexterra Group; and (iii) accurately and fairly reflect the basis for the Dexterra Financial Statements. The corporate records and minute books of each member of the Dexterra Group have been maintained substantially in compliance with Applicable Laws and are complete and accurate in all material respects (other than those minutes of the meetings of the Dexterra Board or committees thereof which are in draft form) and full access thereto has been provided to Horizon.

- (n) Absence of Undisclosed Liabilities. The Dexterra Group has no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:
- (i) those set forth or adequately provided for in the most recent consolidated statement of financial position and associated notes thereto included in the Dexterra Financial Statements (the "**Dexterra Balance Sheet**");
 - (ii) those incurred in the Ordinary Course of business and not required to be set forth in the Dexterra Balance Sheet under IFRS;
 - (iii) those incurred in the Ordinary Course of business since the date of the Dexterra Balance Sheet and consistent with past practice; and
 - (iv) those incurred in connection with the execution of this Agreement.
- (o) Absence of Certain Changes or Events. Except for the Transaction or any action taken in accordance with this Agreement, since January 1, 2019:
- (i) each member of the Dexterra Group has conducted its business only in the Ordinary Course of business;
 - (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Dexterra has been incurred other than in the Ordinary Course of business;
 - (iii) other than in accordance with Dexterra's budget as disclosed to Horizon, there are no outstanding authorizations for expenditure pertaining to any of the Dexterra Assets or any other commitments, approvals, authorizations pursuant to which an expenditure may be required to be made in respect of such Dexterra Assets;
 - (iv) there has been no Material Adverse Change in respect of Dexterra on a consolidated basis from the position set forth in the Dexterra Financial Statements; and
 - (v) Dexterra has not, and to the knowledge of Dexterra, no director, officer, employee, contractor, consultant or agent or auditor of any member of the Dexterra Group, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of any member of the Dexterra Group or its internal accounting controls.
- (p) Registration, Exemption Orders, Licenses, etc. To the knowledge of Dexterra, each member of the Dexterra Group has obtained and is in compliance with all Governmental Authorizations, except where the failure to obtain or be in compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Dexterra. Such Governmental Authorizations are in full force and effect in accordance with their terms, and no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation of any such Governmental Authorization, except where the violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Dexterra. No proceedings are pending or, to the knowledge of Dexterra, threatened, which could result in the revocation or limitation of any Governmental Authorization, and all steps have been taken and filings made on a timely basis with respect to each Governmental Authorization and its renewal, except where the failure to take such steps and make such filings would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Dexterra.
- (q) Compliance with Laws. The operations and business of the Dexterra Group is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation

which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Dexterra or would significantly impact the ability of Dexterra to consummate the Transaction, and no member of the Dexterra Group has received any notice of any alleged violation of any such Applicable Laws other than where such notice would not reasonably be expected to have a Material Adverse Effect on Dexterra or significantly impact the ability of Dexterra to consummate the Transaction.

- (r) Restrictions on Business Activities. There is no judgment, injunction or order binding upon any member of the Dexterra Group that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business or, individually or in the aggregate, have a Material Adverse Effect on Dexterra.
- (s) Non-Arm's Length Transactions. Except for amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses, existing employment agreements there are no Contracts or other transactions (including with respect to loans or other indebtedness) in excess of \$1,000,000 currently in place between any member of the Dexterra Group, on the one hand, and: (i) any officer, director or employee of any member of the Dexterra Group; (ii) Dexterra Parent, as sole holder of the Dexterra Shares; or (iii) any associate or affiliate of any such Person.
- (t) Title and Sufficiency of Assets.
 - (i) The Dexterra Group has good and marketable title to the Dexterra Assets free and clear of any Encumbrances, other than Encumbrances that would not individually or in the aggregate have a Material Adverse Effect.
 - (ii) The Dexterra Assets are the only property, rights and assets necessary to enable the Dexterra Group to conduct its business after Closing substantially in the same manner as it was conducted prior to Closing.
 - (iii) Dexterra is not aware of any defects, failures or impairments in the title of the Dexterra Group to the Dexterra Assets, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party, which in aggregate, could reasonably be expected to have a Material Adverse Effect on Horizon.
- (u) Customers and Suppliers. No member of the Dexterra Group has received notice of, and there is not, to the knowledge of Dexterra, any intention on the part of any principal customer to cease doing business with any member of the Dexterra Group or to modify or change in any material manner any existing arrangement with the Dexterra Group for the purchase or supply of any products or services, where such modification or change would reasonably be expected to result in a Material Adverse Effect to the applicable business unit to which such modification or change applies. The relationships of the Dexterra Group with its principal suppliers and customers are satisfactory.
- (v) No Defaults. No member of the Dexterra Group is in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under any Dexterra Material Contract which would, if terminated or upon exercise of a right made available to a third party solely by reason of such a default, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Dexterra.
- (w) Environmental. In respect of the properties which a member of the Dexterra Group operates and, to the knowledge of Dexterra in respect of properties for which a member of the Dexterra Group is not the operator, except as disclosed by Dexterra in writing to Horizon or except to the extent that any violation or other matter referred to in this Section (w) does not, and would not reasonably be expected to, have a Material Adverse Effect on the Dexterra Group:
 - (i) no member of the Dexterra Group is in violation of any applicable Environmental Laws;

- (ii) each member of the Dexterra Group has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances in compliance with Environmental Laws;
- (iii) there have been no spills, releases or discharges of Hazardous Substances, into the earth, subsoil, underground waters, air or into any body of water or any municipal or other sewer or drain water systems by a member of the Dexterra Group, or on or underneath any location which is currently owned, leased or used by a member of the Dexterra Group, that have not been remediated in compliance with Environmental Laws;
- (iv) no orders or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of a member of the Dexterra Group of which such member has notice;
- (v) no member of the Dexterra Group has failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law;
- (vi) each member of the Dexterra Group holds all Environmental Approvals required in connection with the operation of its business and the ownership and use of the Dexterra Assets, all Environmental Approvals are in full force and effect, and no member of the Dexterra Group has received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws or Environmental Approvals, or that any of its Environmental Approvals are about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (vii) there are no pending or, to the knowledge of Dexterra, threatened claims, liens or Encumbrances (other than Permitted Encumbrances) resulting from Environmental Laws with respect to any of the properties of a member of the Dexterra Group currently owned, leased, operated or otherwise used relating to the ownership, tenancy, operations or other use by a member of the Dexterra Group; and
- (viii) no member of the Dexterra Group has assumed, indemnified or retained by contract or operation of law any losses, expenses, claims, damages or liabilities of any third-party pursuant to applicable Environmental Laws.

The representations and warranties contained in this Section (w) and Section (p) above are the sole representations and warranties of Dexterra relating to compliance with and liabilities arising under Environmental Laws, Environmental Approvals, any Hazardous Substances or relating to any other environmental matter.

- (x) Material Contracts. The Dexterra Disclosure Letter contains a list of the Dexterra Material Contracts. Each of the Dexterra Material Contracts constitutes a legally valid and binding agreement of each member of the Dexterra Group that is party to such Dexterra Material Contract, enforceable in accordance with their respective terms and, to the knowledge of Dexterra, except in respect of the Dexterra Credit Facility, to the extent that any indebtedness of Dexterra and its subsidiaries remains outstanding under the Dexterra Credit Facility following the Closing Date, no party thereto is in default in the observance or performance of any term or obligation to be performed by it under any such Dexterra Material Contract or agreement which is material to the business of the Dexterra Group and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default, in any such case which default or event would reasonably be expected to have a Material Adverse Effect on the Dexterra Group.
- (y) Termination Rights Under Material Contracts. Dexterra has not received any written correspondence or, to its knowledge, verbal communications from a party to a Dexterra Material Contract regarding a change

of control or sale of Dexterra, any assignment of a Dexterra Material Contract, any other Acquisition Proposal, any exercise or potential exercise of termination rights or exit rights under a Material Contract, or any deadlocks or disputes under a Material Contract, which would reasonably be expected to have a Material Adverse Effect on the applicable business unit.

(z) Employee Benefit Plans. In respect of each employee benefits plan (collectively, the "**Dexterra Plans**") covering active, former or retired employees of the Dexterra Group, any related trust agreement, annuity or insurance contract or other funding vehicle:

- (i) each Dexterra Plan has been established, funded, invested, maintained and administered in material compliance with its terms and is, to the extent required by Applicable Laws or contract, fully funded without having any deficit or unfunded actuarial liability;
- (ii) all required employer contributions or premium payments, as applicable, under any such plans have been made in accordance with the terms thereof and Applicable Law;
- (iii) each Dexterra Plan that is required or intended to be qualified under Applicable Laws or registered or approved by any Governmental Authority has been so qualified, registered or approved by the appropriate Governmental Authority, and to the knowledge of Dexterra, nothing has occurred since the date of the last qualification, registration or approval that would reasonably be expected to adversely affect, or cause, the appropriate Governmental Authority to revoke such qualification, registration or approval;
- (ii) none of the Dexterra Plans provide for benefit increases or the acceleration of funding obligations that are contingent upon, or will be triggered by the entering into of this Agreement or the completion of the Transaction;
- (iv) to the knowledge of Dexterra, there are no pending or anticipated material claims against or otherwise involving any of the Dexterra Plans and no suit, action or other litigation (excluding claims for benefits incurred in the Ordinary Course of Dexterra Plan activities) has been brought against or with respect to any Dexterra Plan;
- (v) no Dexterra Plan is a "registered pension plan" as such term is defined in the ITA; and
- (vi) Dexterra has no obligations to provide retiree health and life benefits under any Dexterra Plan.

(aa) Employees.

- (i) All of the Persons who are receiving remuneration for work or services provided to members of the Dexterra Group who are not employees are treated as independent contractors, to the knowledge of Dexterra, are properly characterized as independent contractors and are not likely to be characterized by any Governmental Authority as employees.
- (ii) Members of the Dexterra Group have not paid and will not be required to pay any "change of control", termination, severance bonus, fee, distribution, remuneration or other compensation to any employee or independent contractor as a result of the transactions contemplated by this Agreement (other than salaries, wages or fees paid or payable to employees and independent contractors in the Ordinary Course of business).
- (iii) All members of the Dexterra Group are in material compliance with all Applicable Laws in respect of employees and independent contractors, including, without limitation, employment standards, workers' compensation, human rights, pay equity, accessibility, privacy, and labour relations matters.

- (iv) To the knowledge of Dexterra, no employee of any member of the Dexterra Group is in material violation of any non-competition, non-solicitation, non-disclosure or any similar agreement with any third party.
- (bb) Brokers and Finders. Dexterra has not retained nor will it retain any financial advisor, broker, agent or finder or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement, any transaction contemplated hereby or any transaction presently ongoing or contemplated.
- (cc) Long Term and Derivative Transactions. No member of the Dexterra Group has any obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross currency rate swap transactions or currency options having terms greater than 90 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions.
- (dd) Insurance. Policies of insurance that are in force as of the date hereof naming the applicable members of the Dexterra Group as an insured adequately and reasonably cover all risks as are customarily covered by companies in the industry in which the Dexterra Group operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance protect the Dexterra Group's interests. All such policies shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.
- (ee) No Limitation. There is no non-competition, exclusivity or other similar agreement, commitment or understanding in place to which any member of the Dexterra Group is a party or by which it is otherwise bound that would now or hereafter in any way limit the business or operations of the Dexterra Group in a particular manner or to a particular locality or geographic region or for a limited period of time, and the execution, delivery and performance of this Agreement does not and will not result in the restriction of any member of the Dexterra Group from engaging in its business or from competing with any Person or in any geographic area.
- (ff) Payments to Employees, etc. Each member of the Dexterra Group has withheld from each payment made to any of its present or former employees, officers or directors, or to other Persons, all amounts required by Applicable Laws or administrative practice to be withheld by it on account of income Taxes, mandatory pension plan contributions, employment insurance premiums, employer health Taxes and similar Taxes, and levies, and has remitted such withheld amounts within the required time to the appropriate Governmental Authority or pension plan. Each member of the Dexterra Group has charged, collected and remitted on a timely basis all sales, goods and services, value-added and other commodity Taxes as required under Applicable Laws on any sale, supply or delivery made by it.
- (gg) Intellectual Property. Other than as disclosed by Dexterra in the Dexterra Disclosure Letter, there is no Intellectual Property used to carry on the business and operations of the Dexterra Group (whether owned by or licensed to Dexterra or its subsidiaries) the loss of which would reasonably be expected to have a Material Adverse Effect on Dexterra. To the knowledge of Dexterra, neither Dexterra nor any member of the Group has received any written notice or claim challenging a member of the Dexterra Group with respect to the validity of, use of or ownership of the Intellectual Property used or owned by it, as applicable. No employees, other individuals or entities have an interest, beneficial or otherwise, right, or financial benefit relating to any material Intellectual Property owned by any member of the Dexterra Group (the "**Dexterra Owned IP**"). To the knowledge of Dexterra, no Intellectual Property of any Person has been, or is, infringed, misappropriated or otherwise violated in any material manner by the operation of the business of the Dexterra Group. Neither Dexterra nor its subsidiaries has granted any exclusive license under any Dexterra Owned IP. The Dexterra Group together exclusively owns each item of the material Dexterra Owned IP, free and clear of any Encumbrances other than Permitted Encumbrances.

- (hh) Off-Balance Sheet Transactions. Other than as disclosed by Dexterra in writing to Horizon, no member of the Dexterra Group has any "off-balance sheet arrangements" as such term is defined under IFRS.
- (ii) Information Systems. The Technology used in connection with Dexterra's and any of its subsidiaries' assets, business or operations are reasonable for conducting the business related thereto except where it would not reasonably be expected to have a Material Adverse Effect on Dexterra. Except where it would not be reasonably be expected to have a Material Adverse Effect on Dexterra or its subsidiaries (i) own or have validly licensed (and is not in breach of such licenses in any material respect) such Technology, (ii) has put in place reasonable virus protection and security measures in relation to such Technology, and (iii) have reasonable back-up systems and audit procedures and disaster recovery and cybersecurity strategies in relation to the continued availability of the functionality provided by the Technology.
- (jj) Money Laundering Laws and Foreign Corrupt Practices.
- (i) Neither Dexterra nor any of its subsidiaries, nor, to the knowledge of Dexterra, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Dexterra or any of its subsidiaries has offered or given, and Dexterra is not aware of and does not have any knowledge of any Person that has offered or given on its behalf, anything of value to any official of a Governmental Authority, any political party or official thereof or any candidate for political office, any customer or member of any Governmental Authority, or any other Person, in any such case while knowing or having reason to know that all or a portion of such money or thing of value may be offered, given or promised, directly or indirectly, for the purpose of any of the following:
 - (A) influencing any action or decision of such Person, in such Person's official capacity, including a decision to fail to perform such Person's official function;
 - (B) inducing such Person to use such Person's influence with any Governmental Authority to affect or influence any act or decision of such Governmental Authority to assist Dexterra or any of its subsidiaries in obtaining or retaining business for, with, or directing business to, any Person or otherwise to obtain or retain an advantage in the course of business; or
 - (C) where such payment would constitute a bribe, rebate, payoff, influence payment, kickback or illegal or improper payment to assist Dexterra or any of its subsidiaries in obtaining or retaining business for, with, or directing business to, any Person.
 - (ii) There have been no actions taken by Dexterra, its subsidiaries and its affiliates or, to the knowledge of Dexterra, by any Persons on behalf of Dexterra or its subsidiaries, that would cause Dexterra, its subsidiaries, affiliates or such Persons to be in violation of the Corruption Acts in any jurisdiction in which Dexterra and its subsidiaries conduct their business and to which Dexterra and its subsidiaries may be subject.
- (kk) Sanctions Legislation.
- (i) Neither Dexterra nor any of its subsidiaries, nor, to the knowledge of Dexterra, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Dexterra or any of its subsidiaries has been or is currently subject to and has not breached any Sanctions, or has acted, whether directly or indirectly, in violation of any Sanctions and furthermore will not take any action, directly or indirectly, in violation of any Sanctions.
 - (ii) Neither Dexterra nor any of its subsidiaries, nor, to the knowledge of Dexterra, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Horizon or any of its subsidiaries, is aware of or has taken any action, directly or indirectly, including, but not limited to sales, transactions, contracts, loans or investments, in any currency,

in or with any Sanctioned Person. Neither Dexterra, its subsidiaries nor any of their affiliates are owned or controlled by any Sanctioned Person or a Sanctioned Country, and to the knowledge of Dexterra, no director, officer, agent, employee, consultant, Representative, parent or subsidiary of Dexterra or any of its subsidiaries is a Sanctioned Person or is employed or controlled by the government of, or is resident in, a Sanctioned Country.

- (II) Dexterra Debt. The Dexterra Debt as at December 31, 2019 did not exceed **\$[REDACTED-COMMERCIALLY SENSITIVE INFORMATION]** and **\$[REDACTED- COMMERCIALLY SENSITIVE INFORMATION]** on the last Business Day prior to the date of this Agreement.

SCHEDULE "D"

REPRESENTATIONS AND WARRANTIES OF DEXTERRA PARENT

- (a) Organization and Qualification. Dexterra Parent is a corporation duly formed and organized and validly subsisting under the laws of Canada and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as it is now conducted. Dexterra Parent is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to be so registered or authorized would not, individually or in the aggregate, significantly impede the ability of Dexterra Parent to consummate the Transaction.
- (b) Authority Relative to this Agreement. Dexterra Parent has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Dexterra Parent of the transactions contemplated by the Transaction has been duly authorized by the Dexterra Parent Board and no other proceedings on the part of Dexterra Parent are necessary to authorize this Agreement or the Transaction. This Agreement has been duly executed and delivered by Dexterra Parent and constitutes a legal, valid and binding obligation of Dexterra Parent enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (c) Approval of Transaction. Dexterra Parent, in its capacity as the beneficial sole shareholder of Dexterra, has authorized the transfer of the Dexterra Shares to Horizon subject to and in accordance with the provisions of this Agreement.
- (d) Ownership of Dexterra Shares. Dexterra Parent is the registered and beneficial holder of all of the issued and outstanding Dexterra Shares with good and marketable title thereto, free and clear of all Encumbrances. No Person other than Horizon has, or has any right capable of becoming, any agreement, option, right or privilege for the purchase or other acquisition from Dexterra Parent of any of the Dexterra Shares. There are no restrictions of any kind on the transfer of the Dexterra Shares except those set out in the articles of incorporation of Dexterra. The Dexterra Shares have been validly issued in compliance with Applicable Law and are fully paid and non-assessable.
- (e) Investment Canada Act. Dexterra Parent is not a "non-Canadian" within the meaning of the Investment Canada Act.

SCHEDULE "E"

INVESTOR RIGHTS AGREEMENT

HORIZON NORTH LOGISTICS INC.

– and –

9477179 CANADA INC.

– and –

**EACH ADDITIONAL AFFILIATE OF 9477179 CANADA INC. WHO BECOMES,
FROM TIME TO TIME, A HOLDER OF COMMON SHARES**

INVESTOR RIGHTS AGREEMENT

Made as of ■, 2020

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THIS INVESTOR RIGHTS AGREEMENT is made as of the ■ day of ■, 2020.

BETWEEN:

HORIZON NORTH LOGISTICS INC., a corporation existing under the laws of Alberta

(the “**Company**”)

- and -

9477179 CANADA INC., a corporation incorporated under the laws of Canada

(“**9477179**”)

- and -

EACH ADDITIONAL AFFILIATE OF 94771779 WHO BECOMES, FROM TIME TO TIME, A HOLDER OF COMMON SHARES

(collectively with 94771779, the “**Shareholders**”, and “**Shareholder**” means any one of them)

WHEREAS pursuant to the Articles of Amalgamation of the Company dated as of July 1, 2007, as they may be amended from time to time, the Company is authorized to issue common shares (each, a “**Share**” and, collectively, the “**Shares**”);

AND WHEREAS the parties hereto wish to provide the Shareholders with (a) demand and piggy-back registration rights with respect to public offerings of Shares, (b) pre-emptive rights enabling the Shareholders to participate in issuances of certain securities by the Company and (c) nomination rights in respect of the board of directors of the Company (the “**Board**”), in each case on the terms and conditions provided for herein;

AND WHEREAS the parties hereto wish to agree upon certain restrictions on the Shareholders’ ability to transfer their Shares;

THIS AGREEMENT WITNESSES THAT, in consideration of the respective covenants, representations and warranties of the parties hereinafter contained, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties hereto covenant and agree as follows:

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following terms have the following meanings:

“**9477179**” has the meaning set out in the recitals to this Agreement;

“9477179 Initial Nominees” has the meaning set out in Section 4.1;

“9477179 Nominees” means the Directors designated by 9477179 as Nominees pursuant to Article 4;

“ABCA” means the *Business Corporations Act* (Alberta);

“Affiliate” means, with respect to any Person, a Person who is an “affiliate” of that first mentioned Person as that term is defined in National Instrument 45-106 – *Prospectus Exemptions*, provided that, with respect to 9477179, any Person for which Hamblin Watsa Investment Counsel Ltd. exercises control or direction over Shares held by such Person shall be considered an Affiliate of 9477179;

“Applicable Securities Laws” means the applicable securities legislation in each province or territory of Canada, including all rules, regulations, published policy statements and blanket orders thereunder or issued by one or more of the Canadian Securities Regulatory Authorities;

“Board” has the meaning set out in the recitals to this Agreement;

“Business Day” means a day on which banks are open for business in both the City of Toronto, Ontario and the City of Calgary, Alberta, other than a Saturday, Sunday or statutory holiday;

“Canadian Securities Regulatory Authorities” means, collectively, the securities regulatory authority in each of the provinces and territories of Canada;

“Company” has the meaning set out in the recitals to this Agreement;

“Company Successor” has the meaning set out in Section 8.2(c)(ii)(A);

“Demand Distribution” has the meaning set out in Section 2.1(a);

“Demand Notice” has the meaning set out in Section 2.1(a);

“Director” means a director of the Board;

“Director Election Meeting” means any meeting of shareholders of the Company at which Directors are to be elected to the Board;

“Distribution” means a distribution, issuance or sale of Shares to the public for cash by means of a prospectus under Applicable Securities Laws, and the term **“Distribute”** has a similar meaning;

“Indemnified Party” has the meaning set out in Schedule A hereto;

“Indemnifying Party” has the meaning set out in Schedule A hereto;

“Issued Securities” has the meaning set out in Section 3.1(a);

“Nominee” means, with respect to a Director Election Meeting, a nominee proposed for election as a Director by the Company and included as a nominee for election as a Director in the management information circular of the Company relating to such Director Election Meeting;

“Person” means an individual, partnership, limited partnership, corporation, company, unlimited liability company, trust, unincorporated organization, association, government, or any department or agency thereof and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual;

“Piggy-Back Registration” has the meaning set out in Section 2.2(a);

“Piggy-Back Shares” has the meaning set out in Section 2.2(a);

“Qualifying Securities” has the meaning set out in Section 2.1(a);

“Registration Expenses” means all out-of-pocket expenses incident to the parties’ performance of, or compliance with, this Agreement in connection with a Distribution, including all registration and filing fees, all fees and expenses of complying with Applicable Securities Laws, all printing expenses, all internal expenses, all “road show” and marketing expenses, all listing fees, all registrars’ and transfer agents’ fees, the fees and disbursements of the Company’s independent public accountants, including the expenses of any special audits and/or “comfort” letters required by or incidental to such performance and compliance, but excluding Selling Expenses and the fees, disbursements and taxes of counsel for the Company and for any selling Shareholder;

“Requesting Shareholder” has the meaning set out in Section 2.1(a);

“Selling Expenses” means all underwriting commissions, discounts or brokers’ commissions incurred in connection with a Distribution of Shares;

“Shareholders” has the meaning set out in the recitals to this Agreement;

“Shares” has the meaning set out in the recitals to this Agreement;

“subsidiary” has the meaning set out in National Instrument 45-106 – *Prospectus Exemptions*; and

“Transfer” includes any sale, exchange, disposition, assignment, gift, bequest, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership or other ownership interest (including in respect of any associated voting rights) passes from one Person to another, or to the same Person in a different capacity, whether or not voluntary and whether or not for value and whether directly or indirectly in any manner whatsoever, and includes any agreement to effect any of the foregoing and, in the case of Shares includes a transaction involving the direct or indirect Transfer in any manner whatsoever of the ownership interests in a Shareholder (other than Fairfax Financial Holdings Limited) which holds any legal title or beneficial ownership or other ownership interest (including in respect of any associated

voting rights) in Shares which is designed to otherwise circumvent the restrictions contained in Section 6.1 of this Agreement; provided, however, that any transaction which results in Fairfax Financial Holdings Limited, directly or indirectly, including through Hamblin Watsa Investment Counsel Ltd., having control or direction of Shares shall not constitute an indirect Transfer; and the words “**Transferred**”, “**Transferring**” and similar words have corresponding meanings.

1.2 Rules of Construction

Unless the context otherwise requires, in this Agreement:

- (a) “**Agreement**”, “**this Agreement**”, “**the Agreement**”, “**hereto**”, “**hereof**”, “**herein**”, “**hereby**”, “**hereunder**” and similar expressions mean or refer to this Agreement, as amended, restated, modified, replaced or supplemented from time to time, including the Schedules attached hereto or to any amendment to this Agreement, and any agreement or instrument supplemental hereto, and unless otherwise expressly stated herein, the expressions “**Article**”, “**Section**”, “**Subsection**”, “**Schedule**” and “**clause**” followed by a number or a letter mean and refer to the specified Article, Section, Subsection, Schedule or clause of this Agreement;
- (b) the division of this Agreement into Articles, Sections, Subsections and clauses and the insertion of headings and a table of contents are provided for convenience of reference only and shall not affect the construction or interpretation thereof and all references to designated Articles, Sections or other subdivisions or to Schedules, are references to Articles, Sections or other subdivisions or to Schedules of this Agreement;
- (c) words importing the singular number only shall include the plural and *vice versa* and words importing the use of any gender shall include all genders;
- (d) the words “includes” and “including”, when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;
- (e) if any date on which any action is required to be taken under this Agreement is not a Business Day, such action will be required to be taken on the next succeeding Business Day;
- (f) reference to any statute shall be deemed to be a reference to such statute as amended, re-enacted or replaced from time to time, including every regulation made pursuant thereto, all amendments to the statute or to any such regulation in force from time to time, and any statute or regulation which supplements or supersedes such statute or any such regulation; and

- (g) “**Dollar**” or “**\$**”, in respect of all amounts referred to in this Agreement and all references to currency in this Agreement, unless otherwise expressly stated, shall mean Canadian dollars.

1.3 Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral agreements between such parties, in connection with the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, relating to the subject matter hereof except as specifically set forth in this Agreement.

1.4 Governing Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties hereto shall be governed by, the laws of the Province of Alberta and the federal laws of Canada applicable therein, and the parties hereto irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of the Province of Alberta located in Calgary, Alberta and all courts competent to hear appeals therefrom.

1.5 Severability

Each provision of this Agreement is intended to be severable and if any severable provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct. To the extent that any such provision is found to be invalid, illegal or unenforceable, the parties hereto shall act in good faith to substitute for such provision, to the extent possible, a new provision with content and purpose as close as possible to the provision so determined to be invalid, illegal or unenforceable.

1.6 Accounting Principles

Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement, such determination or calculation shall, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, applied on a consistent basis.

1.7 Share Ownership Thresholds

For the purposes of this Agreement, upon the first instance whereby the Shareholders, in the aggregate, own, control or direct, directly or indirectly, less than a specified percentage of the outstanding Shares (on a non-diluted basis), the Shareholders (including 9477179) shall not subsequently be entitled to any rights available to them by virtue of ownership or control of a number of Shares at or above such specified percentage, even if they subsequently acquire

ownership or control of outstanding Shares that would then be in excess of such specified percentage.

ARTICLE 2 DEMAND AND PIGGY-BACK REGISTRATION RIGHTS

2.1 Demand Registration Rights

- (a) Subject to Section 2.1(c), following the expiration of the 24 month period set forth in Section 6.1, upon the written request (a **“Demand Notice”**) of 9477179 on behalf of itself or one or more of the Shareholders (each, a **“Requesting Shareholder”**), made at any time and from time to time as long as the Shareholders, in the aggregate, directly or indirectly own, control or direct at least 10% of the outstanding Shares (on a non-diluted basis), the Company will use commercially reasonable efforts, subject to compliance with Applicable Securities Laws and applicable stock exchange requirements (and the Company will use commercially reasonable efforts to comply with such laws and requirements), to file such documents and take such other steps as may be necessary under Applicable Securities Laws to qualify for Distribution all or any whole number (as may be reduced pursuant to Section 2.1(b)) of Shares requested by the Requesting Shareholder under this Agreement (the **“Qualifying Securities”**). The Company and the Shareholders shall cooperate in a timely manner and in accordance with the procedures set forth in Schedule A hereto in connection with each such Distribution (a **“Demand Distribution”**).
- (b) After receipt of the Demand Notice referred to in Section 2.1(a), the Company shall have five Business Days to determine whether it wishes to Distribute Shares under the prospectus prepared in connection with such Demand Distribution by giving written notice to 9477179, on its own behalf or on behalf of the Requesting Shareholders, specifying the number of Shares it wishes to Distribute, provided that if the lead underwriter or underwriters, acting in good faith, advises 9477179 and the Company in writing that, in its or their judgment, the inclusion of the Shares to be Distributed by the Company in the Demand Distribution should be limited (i) due to market conditions, or (ii) because the number of Shares proposed to be distributed is likely to have a significant adverse effect on the successful marketing of the Distribution (including that the selling price of the Shares would likely be below the price range acceptable to the Requesting Shareholders), then the maximum number of Shares that the lead underwriter or underwriters advise should be Distributed will be allocated as follows: (i) first, to the number of Qualifying Securities; and (ii) second, subject to clause (i), to the number of Shares to be Distributed by the Company, if any, that may be accommodated in such Distribution.

- (c) Notwithstanding Subsection 2.1(a), the Company will not be obligated to effect a Demand Distribution:
- (i) within the earlier of:
 - (A) a period of 90 days after the date of completion of a previous Demand Distribution; and
 - (B) the period, if any, during which the Company or 9477179 has agreed with the underwriters of a Distribution that it would not issue Shares (unless waived by such underwriters);
 - (ii) during a regularly scheduled black-out period in which insiders of the Company are restricted from trading in securities of the Company under the insider trading policy or other policy of the Company;
 - (iii) if, within a particular calendar year, the Company has already effected an aggregate of three Demand Distributions from Requesting Shareholders pursuant to Section 2.1(a). For the purposes of this subsection, a Demand Distribution shall not be considered as having been effected until (a) a receipt has been issued by, or deemed to be issued by, the applicable Canadian Securities Regulatory Authorities for a final prospectus pursuant to which the Qualifying Securities are to be Distributed, or (b) a prospectus supplement in connection with a base shelf prospectus is filed pursuant to which the Qualified Securities are to be Distributed. However, if a Requesting Shareholder withdraws or does not pursue a request for a Demand Distribution after (A) filing a preliminary prospectus pursuant to which the Qualifying Securities are to be Distributed or (B) the entering into of an enforceable bought deal letter or an underwriting or agency agreement in connection with the Demand Distribution (provided that at such time the Company is in compliance in all material respects with its obligations under this Agreement), then such Demand Distribution shall be deemed to be effected. In the event of any withdrawal or revocation by the Requesting Shareholder, the Requesting Shareholder shall continue to be responsible for applicable Registration Expenses in accordance with Section 3(d) of Schedule A to this Agreement;
 - (iv) unless the Distribution of Qualifying Securities would reasonably be expected to result in gross proceeds of at least \$30 million;
 - (v) other than in a province or territory of Canada;
 - (vi) in the event that the Board determines in good faith (with the 9477179 Nominees abstaining from such determination) that there is a Valid Business Reason (as defined below) and that it is, therefore, in the best interests of the Company to defer the filing of a prospectus at such time, in which case the Company's obligations under this Section 2.1 will be deferred until the earlier of:

- (A) five Business Days after the date that such Valid Business Reason ceases to exist; and
- (B) the expiry of a period of not more than 90 days from the date of the Company's receipt of the Demand Notice,

provided that such right of deferral may not be exercised more than once in any 12-month period. For purposes of this Subsection 2.1(c)(vi), "**Valid Business Reason**" means a determination that the effect of the filing of a prospectus:

- (1) would materially adversely affect a pending or proposed acquisition, merger, recapitalization, consolidation, reorganization, or similar transaction involving the Company or any of its subsidiaries that is material to the Company and its subsidiaries taken as a whole, or the negotiations, discussions or pending proposals with respect thereto; or
 - (2) would require the disclosure of material non-public information that the Company has a *bona fide* business purpose for preserving as confidential; or
- (vii) if the Company is advised in writing by an independent investment dealer selected by the Company that, in such dealer's opinion, the Demand Distribution at that time and on the terms requested would adversely affect any proposed financing by the Company, in which case the Company's obligations under this Section 2.1 will be deferred for a period of not more than 90 days after completion or abandonment of such financing.
- (d) Any Demand Notice pursuant to Section 2.1(a) shall:
 - (i) specify the number of Shares which each Requesting Shareholder intends to Distribute;
 - (ii) describe the nature or methods of the proposed offer and sale thereof and the provinces and territories of Canada in which such offer and sale shall be made;
 - (iii) contain an undertaking of 9477179, on behalf of each such Requesting Shareholder, to provide all such information as may be required in order to permit the Company to comply with Applicable Securities Laws;
 - (iv) specify whether such offer and sale shall be made by an underwritten public offering; and
 - (v) be carried out in accordance with the procedures set forth in Schedule A to this Agreement.

- (e) In the case of an underwritten public offering initiated pursuant to this Section 2.1, (i) 9477179 will, upon consultation with the Company, have the right to select the managing underwriter or underwriters of such Qualifying Securities, provided that such managing underwriter or underwriters are acceptable to the Company, acting reasonably, and (ii) the Company will have the right to retain counsel of its choice to assist it in fulfilling its obligations under this Section 2.1.

2.2 **Piggy-Back Registration Rights**

- (a) If the Company proposes to make a Distribution at any time following the expiration of the 24 month period set forth in Section 6.1, the Company will, at that time, promptly give 9477179 (on its own behalf and on behalf of each Shareholder) written notice of the proposed Distribution if at that time the Shareholders, in the aggregate, directly or indirectly own at least 10% of the outstanding Shares (on a non-diluted basis). Upon the written request of 9477179 (on its own behalf and on behalf of one or more Shareholders requesting to be included in such Distribution) given, subject to Section 2.2(c), within five Business Days after receipt of the notice of the proposed Distribution from the Company, the Company will use commercially reasonable efforts to, in conjunction with the proposed Distribution, cause to be qualified in such offering the applicable number of Shares that 9477179 has requested be included in such Distribution (the **"Piggy-Back Shares"**) in accordance with the procedures set forth in Schedule A to this Agreement (a **"Piggy-Back Registration"**), provided that if the lead underwriter or underwriters of such proposed Distribution, acting in good faith, advises the Company and 9477179 in writing that, in its or their judgment, the inclusion of the Piggy-Back Shares held by the Shareholders in the proposed Distribution should be limited (i) due to market conditions, or (ii) because the number of Shares proposed to be Distributed is likely to have a significant adverse effect on the successful marketing of the proposed Distribution (including that the selling price of the Shares would likely be below the price range acceptable to the Company), then the maximum number of Shares that the lead underwriter advises or lead underwriters advise should be Distributed will be allocated as follows: (i) first, to the number of Shares that the Company proposed to Distribute; and (ii) second, subject to clause (i), to the number of Piggy-Back Shares, if any, that may be accommodated in such Distribution.
- (b) If the proposed Distribution is not completed within 180 days of such request, the related notice of a Piggy-Back Registration delivered by 9477179 hereunder shall be deemed to be withdrawn, unless otherwise agreed between the Company and 9477179.
- (c) If the Company receives a "bought deal" letter (which means a fully underwritten commitment, subject to customary conditions, from an underwriter or underwriters) relating to a Distribution, 9477179 shall have 48 hours from the time the Company advises it of such "bought deal" to provide the Piggy-Back Registration notice referred to in Section 2.2(a).

2.3 Reporting Issuer Status

The Company will at all times during the term of this Agreement use commercially reasonable efforts to maintain its status as a reporting issuer in each of the provinces of Canada and maintain the listing of the Shares on the Toronto Stock Exchange.

ARTICLE 3 PRE-EMPTIVE RIGHTS

3.1 Pre-Emptive Right

- (a) Provided that the Shareholders own, in the aggregate, at least 10% of the outstanding Shares (on a non-diluted basis), as of the applicable time, no Shares or other voting or equity securities or securities convertible into or exchangeable for Shares or other voting or equity securities or an option or other right to acquire any such securities other than to an Affiliate thereof (the “**Issued Securities**”) will be issued by the Company or any of its subsidiaries and no option or other right for the purchase of or subscription for any Issued Securities will be granted at any time after the date hereof except in compliance with the following provisions.
- (b) If the Company or any of its subsidiaries proposes to issue, distribute or offer any Issued Securities, the Shareholders shall be entitled to participate in such issuance, distribution or offering on a *pro rata* basis, but only to the extent necessary to maintain 9477179’s direct and indirect effective *pro rata* ownership interest in the Company. At least five Business Days prior to the closing of any such proposed offering, the Company shall deliver to 9477179 (on its own behalf and on behalf of the Shareholders) a notice in writing offering the Shareholders the opportunity to subscribe for a *pro rata* number of Issued Securities. The offer will contain a description of the terms and conditions relating to the Issued Securities and will, to the extent known, state the price at which the Issued Securities will be issued, distributed or offered and the date on which such issuance, distribution or offering of Issued Securities is to be completed and will state that the Shareholders, if any wish to subscribe for Issued Securities, may do so only by 9477179 (on behalf of such Shareholder) giving written notice of the exercise of the subscription right granted hereby to the Company within two Business Days after the date upon which the notice contemplated hereby is received by the Shareholder (or deemed to be received pursuant to Section 8.5), provided that if the Company receives a “bought deal” letter (which for the purposes of Section 3.1(b) and (c) means a fully underwritten commitment from an underwriter or underwriters) relating to such Distribution, 9477179 shall have not less than 48 hours from the time the Company advises them of such “bought deal” to provide the written notice to the Company specified in this Section 3.1(b). The Shareholders will be entitled to participate in the issuance of the Issued Securities at the most favourable price and on the most favourable terms as such Issued Securities are to be offered to any party, excluding commissions and other transaction expenses paid by the Company.

- (c) If any of the Issued Securities of any issue are not subscribed by the Shareholders within the period of two Business Days after they are offered to the Shareholders (or in the event that the Company receives a “bought deal” letter, the applicable subscription period provided to the Shareholders which shall not be less than 48 hours from the time the Company advises them of such “bought deal”), the Company or its relevant subsidiary may offer such unsubscribed Issued Securities within the period of 90 days after the expiration of such notice period to any Person, but the price at which such Issued Securities may be issued will not be less than the subscription price offered to the Shareholders and the terms of payment for such Issued Securities will not be more favourable to such Person than the terms of payment offered to the Shareholders.
- (d) If the Company or any of its subsidiaries proposes to grant an option or other right for the purchase of or subscription for Issued Securities, such option or other right will also be made available to the Shareholders as nearly as may be possible in accordance with the foregoing.
- (e) The right to subscribe for Issued Securities under this Section 3.1 or to participate in any grant of an option or other right to acquire or subscribe for Issued Securities and the legal or beneficial ownership of such right to subscribe, may be assigned in whole or in part among 9477179 and its Affiliates, provided that written notice of any such assignment shall be sent promptly to the other parties and the Company.
- (f) If any Shareholder exercises its right to subscribe for Issued Securities granted under Section 3.1(b), then the Company shall, subject to the receipt and continued effectiveness of all required approvals (including the approval(s) of the Toronto Stock Exchange and any other stock exchange or over-the-counter market on which the Shares or Issued Securities are then listed and/or traded and any required approvals under Applicable Securities Laws), which approvals the Company shall use all commercially reasonable efforts to promptly obtain (including by applying for any necessary price protection confirmations and seeking shareholder approval (if required)), issue to such Shareholder, against payment of the subscription price payable in respect thereof, that number of Issued Securities so subscribed for by such Shareholder. The Company shall use its commercially reasonable efforts to list the Issued Securities (or the underlying securities into which such Issued Securities are convertible or exchangeable) subscribed for by a Shareholder pursuant to this Article 3 on each such securities exchange or quotation system on which such Issued Securities (or the underlying securities into which such Issued Securities are convertible or exchangeable) are already listed or quoted (if such Issued Securities are not already so listed or quoted).

3.2 Non-Applicability of Pre-Emptive Right

The provisions of Section 3.1 will not apply to any issues of Issued Securities or to the grant of any option or other right for the purchase of or subscription for any Issued Securities:

- (a) which are expressly contemplated or provided for in other sections of this Agreement;
- (b) in connection with any grant or exercise of options, restricted share units, warrants, rights or other securities issued under the Company's security-based compensation arrangements, if any;
- (c) in connection with a subdivision of then-outstanding Shares into a greater number of Shares;
- (d) that are equity securities of the Company in lieu of cash dividends, if any;
- (e) pursuant to a shareholders' rights plan of the Company, if any;
- (f) pursuant to a dividend reinvestment plan of the Company, if any;
- (g) upon the exercise by a holder of a conversion, exchange or other similar privilege pursuant to the terms of a security outstanding prior to the date hereof or issued in compliance with the terms of this Article 3 in respect of which the Shareholders did not exercise, failed to exercise, or waived its rights under Section 3.1 or in respect of which such pre-emptive rights did not apply;
- (h) to the Company or any subsidiary of the Company or an Affiliate of any of them;
- (i) in the event that the rights of a Shareholder under Section 3.1 are waived by such Shareholder (but only in respect of that Shareholder);
- (j) pursuant to an over-allotment option granted to the agents or underwriters, as applicable, in connection with an offering of Shares; or
- (k) pursuant to any take-over bid,, arrangement, merger or similar corporate transaction or any share or asset acquisition or similar transaction where the Issued Securities are used to fund all or a portion of the applicable purchase price payable by the Company.

ARTICLE 4

BOARD NOMINATION RIGHTS

4.1 Size and Composition of the Board

At the time this Agreement becomes effective, the Board shall take all necessary actions to appoint R. William McFarland as Chairman of the Board and the following individuals as Directors:

Kevin Nabholz
Russell Newmark
Mary Garden
Rod Graham
R. William McFarland

John MacCuish
David Johnston
Simon Landy

For as long as the Shareholders, in the aggregate, own, control or direct, directly or indirectly, at least 10% of the outstanding Shares (on a non-diluted basis), the Board will at all times consist of eight Directors or such other number as the Company and 9477179 may agree. For the purposes of this Agreement, R. William McFarland, John MacCuish, David Johnston and Simon Landy shall be considered the initial Nominees of 9477179 (the “**9477179 Initial Nominees**”). For as long as the Shareholders, in the aggregate, own, control or direct, directly or indirectly, at least 20% of the outstanding Shares (on a non-diluted basis,) 9477179 shall also be entitled to have at least one of its Nominees (as selected by 9477179 for each committee) appointed to each committee of the Board, including the Corporate Governance and Compensation Committee, the Audit Committee and the Health, Safety and Environment Committee.

4.2 Designation of Nominees

Pursuant to the terms and subject to the conditions set forth in this Article 4 and applicable law, in respect of any Director Election Meeting:

- (a) as long as the Shareholders, in the aggregate, own, control or direct, directly or indirectly, at least 40% of the outstanding Shares (on a non-diluted basis) at the time such nomination is delivered in accordance with Section 4.3, 9477179 shall be entitled to designate 50% of the Nominees, rounding up to the nearest whole member;
- (b) as long as the Shareholders, in the aggregate, own, control or direct, directly or indirectly, at least 30% (but less than 40%) of the outstanding Shares (on a non-diluted basis) at the time such nomination is delivered in accordance with Section 4.3, 9477179 shall be entitled to designate one-third of the Nominees, rounding up to the nearest whole member;
- (c) as long as the Shareholders, in the aggregate, own, control or direct, directly or indirectly, at least 20% (but less than 30%) of the outstanding Shares (on a non-diluted basis) at the time such nomination is delivered in accordance with Section 4.3, 9477179 shall be entitled to designate 20% of the Nominees, rounding up to the nearest whole member; and
- (d) as long as the Shareholders, in the aggregate, own, control or direct, directly or indirectly, at least 10% (but less than 20%) of the outstanding Shares (on a non-diluted basis) at the time such nomination is delivered in accordance with Section 4.3, 9477179 shall be entitled to designate one (1) Nominee.

For greater certainty, (i) upon the first instance whereby the Shareholders, in the aggregate, own, control or direct, directly or indirectly, less than 10% of the outstanding Shares (on a non-diluted basis), 9477179 shall no longer be entitled to designate any Nominees, and (ii) any person directly or indirectly associated or affiliated with, or who could reasonably be considered to have a material relationship with, any Shareholder and who is both a Director and a Chief Executive Officer (or

co-Chief Executive Officer) of the Company, including John MacCuish, shall be considered to be a 9477179 Nominee for the purposes of this Agreement.

4.3 Nomination Procedures

- (a) The Company shall notify 9477179 of any Director Election Meeting called or proposed to be called by the Company at least 45 Business Days prior to the date of such Director Election Meeting.
- (b) 9477179 may notify the Company of its designated Nominee(s) at any time following receipt of the notice provided by the Company in accordance with Section 4.3(a) but no less than 35 Business Days prior to the date of any Director Election Meeting. For purposes of the Director Election Meeting to be held in 2020, the 9477179 Initial Nominees shall be deemed to be 9477179's designated Nominees, and the Parties agree that, unless otherwise agreed to by a majority of the Directors who are not 9477179 Nominees, the individuals named in Section 4.1 shall be the Company's nominees for any Director Election Meeting to be held in 2020. If, prior to the Director Election Meeting, a Nominee designated by 9477179 under Section 4.2 is unable or unwilling to serve as a Director, then 9477179 will be entitled to designate a replacement Nominee, except where 9477179 would have otherwise ceased to be entitled to designate such Nominee pursuant to Section 4.2.
- (c) The Company shall (i) nominate for election and include in any management information circular relating to any Director Election Meeting (or submit to shareholders by written consent if applicable) each person designated as a Nominee of 9477179 under Section 4.2; (ii) recommend (and reflect such recommendation in any management information circular relating to any Director Election Meeting or in any written consent submitted to shareholders of the Company for the purpose of electing directors of the Company) that the shareholders of the Company vote to elect such Nominee(s) as a Director for a term of office expiring at the subsequent annual meeting of the shareholders of the Company; (iii) solicit, obtain proxies in favour of and otherwise support the election of such Nominee(s) at the applicable Director Election Meeting, each in a manner no less favourable than the manner in which the Company supports its own nominees for election at the applicable Directors Election Meeting; and (iv) use commercially reasonable efforts to take all steps which may be necessary or appropriate to recognize, enforce and comply with the rights of 9477179 under this Article 4.
- (d) Except as set forth in this Article 4, the selection of Nominees other than the 9477179 Nominees designated pursuant to Section 4.2 (including when any designation right of 9477179 has not been exercised pursuant thereto), shall rest with the Board, or the Governance and Compensation Committee of the Board, if so determined by the Board.

4.4 Replacement Appointment

If any Nominee of 9477179 resigns, is removed, or is unable to serve for any reason prior to the expiration of his or her term as a Director, then 9477179 shall be entitled to designate a replacement to be appointed by the Board as Director as soon as reasonably practicable, except where 9477179 would have otherwise ceased to be entitled to designate such Nominee pursuant to Section 4.2.

4.5 Qualifications

Notwithstanding anything to the contrary in this Agreement, all Directors (including Directors designated by the Shareholders) shall, at all times while serving on the Board, meet the qualification requirements to serve as a director under the ABCA, Applicable Securities Laws and the rules of any stock exchange on which the Shares are listed.

4.6 Expenses

- (a) The Company shall reimburse the Directors for all reasonable out-of-pocket expenses incurred in connection with attending meetings of the Board and any committees thereof, including without limitation, travel, lodging and meal expenses.
- (b) The Company shall obtain customary director and officer liability insurance on commercially reasonable terms.
- (c) The Company and each Nominee that has been so elected or appointed, as the case may be, shall, upon request from such Nominee or the Company, enter into a customary director indemnification agreement.

4.7 Written Consent or Resolutions

The provisions of this Article 4 applicable to Director Election Meetings shall apply *mutatis mutandis* to any written consent or resolutions of shareholders relating to the election of Directors.

4.8 Quorum

As long as 9477179 has the right to designate at least one Nominee under Section 4.2, and except where no Director is a 9477179 Nominee, the quorum for any meeting of Directors shall require, in addition to all applicable requirements of the Company's constating documents, the presence (in person or by telephonic or electronic means) of at least one 9477179 Nominee, and the Company agrees not to transact any business at any meeting of Directors except in compliance with this Section 4.8. Notwithstanding the foregoing, in the event that a quorum is not achieved or maintained for a meeting of the Directors (an "**initial Directors meeting**") as a result of the requirements of this Section 4.8 not being met, any two Directors may call a meeting of the Directors (a "**reconvened meeting**") by proper notice to be held on a date no earlier than the second Business Day following the initial Directors' meeting solely to address the business proposed at the initial Directors' meeting and the requirements of this Section 4.8 shall not apply for such reconvened meeting.

ARTICLE 5 OFFICERS

5.1 Appointment of Officers

At the time this Agreement becomes effective, Rod Graham and John MacCuish shall each be the Co-Chief Executive Officer of the Company. Additional officers shall be appointed by the Board.

ARTICLE 6 RESTRICTIONS ON SHARE TRANSFERS

6.1 Restrictions on Share Transfers

Without the prior written consent of a majority of the Directors who are not designated as 9477179 Nominees under this Agreement (which consent may, in the sole discretion of such Directors, be withheld or given subject to such conditions as such Directors may in their sole discretion determine), no Shareholder or any of its Affiliates will, directly or indirectly (including through its representative underwriter or agent) prior to the date that is 24 months from the date of this Agreement, Transfer or cause the Transfer of any Shares.

6.2 Transfers to Wolf Parent Affiliates

Notwithstanding Section 6.1, a Shareholder may Transfer all or any portion of the Shares legally or beneficially owned by such Shareholder to another Affiliate of 9477179, provided that such Affiliate agrees to be bound by and become a party to this Agreement as and in the manner contemplated in the final paragraph of Section 6.1. Prior to any such transferee ceasing to be an Affiliate of 9477179, 9477179 shall cause such Shares to be Transferred to another Affiliate of 9477179. A Shareholder, or its Affiliate, shall promptly (and in any event within three Business Days) notify the Company if it engages in any of the transactions referred to in this Section 6.2.

ARTICLE 7 AMENDMENTS

7.1 Amendments and Modifications

This Agreement may not be amended or modified except by an agreement in writing executed by the parties hereto; provided that the Company's approval of any such amendment shall be made by a majority of the Directors who are not 9477170 Nominees.

7.2 Changes in Capital of the Company

At all times after the occurrence of any event which results in a consolidation, subdivision, reclassification or similar change to the Shares, this Agreement will forthwith be amended and modified as necessary in order that it will apply with full force and effect, with appropriate changes, to all new securities into which the Shares are so changed and the parties will execute and deliver a supplemental agreement giving effect to and evidencing such necessary amendments and modifications.

ARTICLE 8 GENERAL

8.1 Termination

This Agreement will automatically terminate upon the earliest to occur of the following events:

- (a) the first date on which none of 9477179, nor any of its Affiliates, owns, controls or directs, directly or indirectly, any outstanding Shares or securities or rights convertible into or exchangeable for or carrying rights to acquire Shares;
- (b) this Agreement is terminated by written agreement of the parties hereto; and
- (c) the dissolution or liquidation of the Company.

8.2 Assignment and Successors

- (a) This Agreement is not assignable by 9477179 without the Company's prior written consent other than to one or more Affiliates of 9477179, provided that such entity remains an Affiliate of 9477179 and to whom Shares are Transferred as permitted hereunder, and such assignee executes an instrument in writing agreeing to be bound by this Agreement. Upon any such permitted assignee executing an instrument in writing agreeing to be bound by this Agreement, such assignee will be entitled to its benefit and be bound by all of its terms as if it were an original signatory hereto as a "Shareholder". For the avoidance of doubt, nothing in this Section 8.2 shall in any way restrict or limit any Transfer otherwise permitted pursuant to Sections 6.1f or 6.2.
- (b) This Agreement is not assignable by the Company, except with the prior written consent of 9477179.
- (c) Notwithstanding the foregoing provisions of this Section 8.2, if the Shares are converted, reclassified, exchanged or otherwise changed pursuant to a reorganization, amalgamation, merger, arrangement or other form of reorganization, or the Company enters into a transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other Person (any of the foregoing a "**Transaction**"), and provided that the shareholders of the Company immediately prior to the consummation of the Transaction will continue to hold at least 50% of the voting common equity interests of the continuing entity or such other Person following completion of the Transaction (the "**Company Successor**"):
 - (i) this Agreement may be assigned by the Company to the Company Successor pursuant to any such Transaction without the prior written consent of 9477179 or any other Shareholder; and
 - (ii) the Company will not consummate any such Transaction unless:

- (A) such other Person or continuing entity (the “**Company Successor**”), by operation of law, becomes, without any further action, bound by the terms and provisions of this Agreement or, if not so bound, executes, prior to or contemporaneously with the consummation of the Transaction, an agreement supplemental hereto and such other instruments (if any) as are reasonably necessary or advisable to evidence the assumption by the Company Successor of liability for all of the Company’s obligations hereunder and the covenant of such Company Successor to observe and perform all the covenants and obligations of the Company under this Agreement; and
- (B) the Transaction is on such terms and conditions that substantially preserve and do not impair in any material respect any of the rights, duties, powers and authorities of the other parties hereto.

Whenever the conditions of Section 8.2(c) have been duly observed and performed, if required by Section 8.2(c), the parties hereto and the Company Successor will execute and deliver a supplemental agreement hereto and thereupon the Company Successor will possess and from time to time may exercise each and every right and power and will be subject to each and every obligation of the Company hereunder in the name of the Company or otherwise and any act or proceeding under any provision hereunder required to be done or performed by the Board or any officers of the Company may be done and performed with like force and effect by the directors or officers, as applicable, of such Company Successor.

8.3 Time

Time is of the essence of this Agreement.

8.4 Enurement

This Agreement is binding upon and enures to the benefit of the parties and their respective successors and permitted assigns.

8.5 Notices to Parties

Any notice, approval, consent, information, payment, request or other communication (in this Section, a “**Notice**”) to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery or by electronic mail addressed or sent as set out below:

- (a) in the case of the Company:

240 - 4th Avenue S.W., Suite 900
Calgary, Alberta T2P 4H4

Attention: General Counsel
E-mail: **[REDACTED]**

with a copy to:

Blake, Cassels & Graydon LLP
855 – 2nd Street S.W., Suite 3500
Calgary, Alberta T2P 4J8

Attention: Chelsea Hunter
E-mail: chelsea.hunter@blakes.com

(b) if to 9477179 or any Shareholder:

95 Wellington Street West, Suite 800
Toronto, Ontario M5J 2N7

Attention: General Counsel
E-mail: **[REDACTED]**

Any Notice, if personally delivered, will be deemed to have been given on the date of such delivery and if sent by electronic mail, shall be deemed to have been validly and effectively given and received (i) on the Business Day sent if sent on or prior to 4:30 p.m. (Toronto time) on a Business Day, or (ii) the next following Business Day if sent on a day that is not a Business Day or sent after 4:30 p.m. (Toronto time) on a Business Day.

8.6 Counterparts

This Agreement may be executed in counterparts and may be executed and delivered by facsimile (including in portable document format), each of which will be deemed an original, but all of which taken together will constitute one and the same agreement.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the date first above written.

HORIZON NORTH LOGISTICS INC.

By: _____
Name:
Title:

9477179 CANADA INC.

By: _____
Name:
Title:

SCHEDULE A

REGISTRATION RIGHTS PROCEDURES

1. Demand Registration Procedures

Whenever the Company is under an obligation pursuant to the provisions of this Agreement to effect the qualification of Shares in connection with a Distribution of any Qualifying Securities on behalf of a Shareholder:

- (a) the Company shall prepare and file as expeditiously as practicable (and, in any event, not later than 30 days after the receipt of a Demand Notice) with the appropriate Canadian Securities Regulatory Authorities all documents reasonably necessary, including, if required, a prospectus and any amendment or supplement thereto, to qualify for Distribution the Qualifying Securities and, in so doing, act as expeditiously as is practicable and in good faith to settle all deficiencies and obtain those receipts and clearances and provide those undertakings and commitments as may be reasonably required by any Canadian Securities Regulatory Authority, all as may be necessary to permit the Distribution of the Qualifying Securities in compliance with all Applicable Securities Laws;
- (b) prior to the filing of a prospectus and up to the date of completion of the Distribution of the Qualifying Securities, the Company shall permit the Requesting Shareholders to review and participate in the preparation of the prospectus and any related offering materials or filings and shall, subject to the applicable Requesting Shareholders entering into confidentiality agreements satisfactory to the Company, acting reasonably and in good faith, allow the applicable Requesting Shareholders to conduct any due diligence investigations which such Requesting Shareholders reasonably request in order to assist such Requesting Shareholders in establishing a due diligence defence pursuant to Applicable Securities Laws and enabling such Requesting Shareholder to responsibly execute any applicable certificate in the prospectus to be executed by it;
- (c) during the period from the date of initiation of the Distribution and up to the date of completion of the Distribution of the Qualifying Securities, the Company shall promptly notify the applicable Requesting Shareholders in writing of:
 - (i) any filing made by the Company of information relating to the Distribution with any Canadian Securities Regulatory Authority and any correspondence with any Canadian Securities Regulatory Authority regarding the Distribution;
 - (ii) any material change, within the meaning of Applicable Securities Laws, with respect to the Company and its subsidiaries, taken as a whole;
 - (iii) any material fact within the meaning of Applicable Securities Laws which has arisen or has been discovered and would have been required to have been stated in the prospectus and any related offering materials or filings

had the fact arisen or been discovered on, or prior to, the date of such document; and

- (iv) any change in any material fact within the meaning of Applicable Securities Laws (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the prospectus or any related offering materials or filings which fact or change is, or may be, of such a nature as to render any statement in any such document misleading or untrue in any material respect or which would result in a misrepresentation within the meaning of Applicable Securities Laws in any such document, or which would result in any such document not complying with Applicable Securities Laws;
- (d) during the period from the date of initiation of the Distribution to the date of completion of the Distribution of the Qualifying Securities, each applicable Requesting Shareholder shall promptly notify the Company in writing of:
 - (i) any filing made by the applicable Requesting Shareholder of information relating to the Distribution with any Canadian Securities Regulatory Authority and any correspondence with any Canadian Securities Regulatory Authority regarding the Distribution;
 - (ii) any material fact, within the meaning of Applicable Securities Laws, in respect of the applicable Requesting Shareholder which has arisen or has been discovered and would have been required to have been stated in the prospectus and any related offering materials or filings had the fact arisen or been discovered on, or prior to, the date of such document; and
 - (iii) any change in any material fact, within the meaning of Applicable Securities Laws, (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact), in respect of the applicable Requesting Shareholder, contained in the prospectus or any related offering materials or filings which fact or change is, or may be, of such a nature as to render any statement in any such document misleading or untrue in any material respect or which would result in a misrepresentation within the meaning of Applicable Securities Laws in any such document, or which would result in any such document not complying with Applicable Securities Laws.
- (e) the Company and the applicable Requesting Shareholders shall in good faith discuss any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under Section 1(c) or Section 1(d) of this Schedule A;
- (f) promptly, and in any event within any applicable time limitation, the Company shall comply with all applicable filings and other requirements under Applicable

Securities Laws as a result of a material change, the discovery of a material fact or the change in a material fact referred to under Section 1(c) or 1(d) of this Schedule A, provided that the Company shall not file any amendment to the prospectus or other document without first complying with its obligations in Section 1(c) of this Schedule A;

- (g) the Company shall furnish to such Requesting Shareholder such number of copies of any preliminary prospectus, prospectus, prospectus supplement and any amendments thereto, any documents incorporated by reference in such prospectus and such other documents as such Requesting Shareholder may reasonably request in order to facilitate the Distribution of the Qualifying Securities;
- (h) if an underwritten public offering is contemplated, the Company shall execute and perform the obligations under an underwriting agreement in a form reasonably satisfactory to each of the Company and such Requesting Shareholder containing customary representations, warranties and indemnities for the benefit of the Requesting Shareholder and the underwriter(s);
- (i) subject to Applicable Securities Laws, the Company shall keep the prospectus effective until such Requesting Shareholder has completed the Distribution described in the prospectus but no longer than 60 days from the date of the prospectus, provided that such Requesting Shareholder uses commercially reasonable efforts to complete the Distribution as soon as reasonably practicable;
- (j) the Company shall use its commercially reasonable efforts to furnish to the underwriter(s) involved in the Distribution all documents as they may reasonably request;
- (k) the Company shall take such other actions and execute and deliver such other documents as may be reasonably necessary to give full effect to the rights of such Shareholder under this Agreement;
- (l) the Company shall use its commercially reasonable efforts to list the Qualifying Securities on each securities exchange or quotation system on which Shares of the Company are then-listed or quoted, if such Shares are not already so listed or quoted;
- (m) the Company shall use its commercially reasonable efforts to prevent the issuance of any cease trading order suspending the use of any prospectus and, if any such order is issued, to obtain the withdrawal of any such order; and
- (n) the Company shall use its commercially reasonable efforts to furnish, at the request of the applicable Requesting Shareholders, on the date that such Shares are delivered to the underwriters for sale in connection with the Distribution:
 - (i) an opinion, dated such date, of the Company's counsel for the purposes of such Distribution, in form and substance as is customarily given to

underwriters in an underwritten public offering, addressed to the applicable Requesting Shareholders and the underwriters, if any; and

- (ii) a letter, dated such date, from the Company's auditors, in form and substance as is customarily given by auditors to underwriters in an underwritten public offering, addressed to the applicable Requesting Shareholders and the underwriters, if any.

2. Rights and Obligations of Shareholders

A Shareholder will furnish to the Company such information and execute such documents regarding the Qualifying Securities and the intended method of disposition thereof as the Company may reasonably request in order to effect the requested qualification for sale or other disposition. If an underwritten public offering is contemplated, the Shareholders shall execute and perform their respective obligations under an underwriting agreement in a form reasonably satisfactory to each of the Company and such Requesting Shareholder containing customary representations, warranties and indemnities (and contribution covenants) for the benefit of the underwriters and the Company; provided that the obligation of each Shareholder to indemnify shall be limited in amount to the gross proceeds received by such Shareholder from the sale of Qualifying Securities pursuant to such Distribution. Such Shareholder will have the right to withdraw from a proposed underwritten public offering at any time prior to the signing of the underwriting agreement, without incurring any obligation to the Company or any proposed underwriter, except as set forth below.

3. Expenses of Registration

- (a) All Registration Expenses incurred in respect of a Distribution in connection with a Demand Registration shall be borne by the Company and the selling Shareholder(s) in proportion to the number of Shares distributed by each pursuant to the prospectus filed in connection with such Demand Registration. All Registration Expenses incurred in respect of a Distribution in connection with a Piggy-Back Registration shall be borne by the Company.
- (b) Selling Expenses, if any, shall in all cases be borne by the Company and the selling Shareholders *pro rata* in respect of the Shares being Distributed by the Company and the selling Shareholders, respectively.
- (c) In all circumstances the selling Shareholder(s) and the Company will each pay the fees, disbursements and taxes of their own legal counsel.

4. Indemnification

- (a) The Company will indemnify and hold harmless each applicable Shareholder, each of its officers and directors, trustees, shareholders, members, managers, employees, partners, investment managers, representatives and each person controlling the applicable Shareholder (collectively, the "**Shareholder Indemnified Parties**"), with respect to a registration, qualification of Shares or Distribution which has been effected pursuant to this Agreement, against all expenses, claims, losses (other than losses of profits), penalties, judgments, suits, costs, damages or liabilities (or

actions in respect thereof) (including (i) any of the foregoing incurred in settlement of any litigation, commenced or threatened, (ii) any reasonable legal and any other expenses incurred in connection with investigating, preparing for or defending any such expense, claim, loss, penalties, judgment, suit, cost, damage or liability (or actions in respect thereof), and (iii) any contribution payments made by a Shareholder Indemnified Party to underwriters by the applicable Shareholder Indemnified Party in respect of any such expense, claim, loss, penalties, judgment, suit, cost, damage or liability (or actions in respect thereof)) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus or any amendment or supplement thereto, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading in light of the circumstances in which they were made, or any violation or alleged violation by the Company of Applicable Securities Laws in connection with any such registration, qualification of Shares or Distribution; provided that the Company will not be liable in any such case to the extent that any such expense, claim, loss, penalty, judgment, suit, cost, damage or liability (or actions in respect thereof) arises out of or is based on any untrue statement or omission or alleged untrue statement or omission in any information relating solely to the applicable Shareholder or any underwriter in such prospectus, which information has been provided to the Company in writing by the applicable Shareholder or underwriter, respectively, for the purpose of including such information in such prospectus, or any amendment or supplement thereto; and provided, further, that the Company will not be liable with respect to any expense, claim, loss, penalty, judgment, suit, cost, damage or liability (or actions in respect thereof) with respect to any Person who purchased Qualifying Securities or Piggy-Back Shares, as the case may be, and to whom there was not sent or who was not given a copy of any amended, supplemented or final prospectus, as applicable, with respect to such Qualifying Securities or Piggy-Back Shares, as the case may be, if (i) such loss, claim, damage or liability results from an untrue statement or an omission or alleged untrue statement or omission contained in any preliminary or other prospectus that was corrected in such amended, supplemented or final prospectus and (ii) the Company had previously furnished copies of such amended, supplemented or final prospectus to the applicable Shareholder or the underwriter for the applicable Shareholder.

- (b) Each applicable Shareholder will, if Qualifying Securities or Piggy-Back Shares, as the case may be, held by such Shareholder are included in the securities to be Distributed in a Distribution effected pursuant to this Agreement, indemnify the Company and its directors, officers, employees and agents, against all expenses, claims, losses, penalties, judgments, suits, costs, damages or liabilities (or actions in respect thereof) (including (i) any of the foregoing incurred in settlement of any litigation, commenced or threatened and (ii) any reasonable legal and any other expenses incurred in connection with investigating, preparing for or defending any such expense, claim, loss, penalty, judgment, suit, cost, damage or liability (or actions in respect thereof)) that relates to, is arising out of or is based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus filed in respect of such Distribution (or any amendment or supplement

thereto) or based on any omission (or alleged omission) to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading in light of the circumstances in which they were made, or any violation or alleged violation by the applicable Shareholder of Applicable Securities Laws in connection with any such Distribution, in each case to the extent, but only to the extent, that any such expense, claim, loss, penalties, judgment, suit, cost, damage or liability (or actions in respect thereof) arises out of or is based on any untrue statement or omission or alleged untrue statement or omission in any information relating solely to such Shareholder contained in such prospectus, or any amendment or supplement thereto, made in reliance upon and in conformity with written information furnished to the Company by such Shareholder for the purpose of including such information therein; provided, however, that the liability of such Shareholder for indemnification under this Section 4(b) and for any contribution payments to underwriters will not exceed the gross proceeds actually received by the applicable Shareholder from the sale of Qualifying Securities pursuant to the offering giving rise to such indemnification obligation.

- (c) Each party entitled to indemnification under this Section 4 (the “**Indemnified Party**”) will give written notice to the party required to provide indemnification (the “**Indemnifying Party**”) promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought (and such notice shall include a description the material events and facts, if known, giving rise to such claim), and will permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom, provided that counsel for the Indemnifying Party, who will conduct the defense of such claim or litigation, will be approved by the Indemnified Party (whose approval will not be unreasonably withheld), and the Indemnified Party may participate in such defense at such party’s expense, and provided further that the failure of any Indemnified Party to give notice as provided herein will not relieve the Indemnifying Party of its obligations under this Section 4 unless, and only to the extent, the failure to give such notice is materially prejudicial to an Indemnifying Party’s ability to defend such action. An Indemnified Party will have the right to retain its own counsel, with fees and expenses to be paid by the Indemnifying Party (subject to the last proviso in Section 4(b)), if representation of such Indemnified Party by the counsel retained by the Indemnifying Party would be inappropriate due to actual or potential conflicting interests between such Indemnified Party and any other party represented by such counsel in such proceeding. No Indemnifying Party, in the defense of any such claim or litigation, will, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation.
- (d) If the indemnification provided for in this Section 4 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage, or expense referred to therein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, will contribute to

the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations, provided, however, that the liability of any Shareholder under this Section 4(d) will not will not exceed the net proceeds actually received by the applicable Shareholder pursuant to the offering giving rise to such contribution obligation. The relative fault of the Indemnifying Party and of the Indemnified Party will be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent with respect to, knowledge regarding and opportunity to correct, such information. Notwithstanding anything to the contrary in this Section 4(d), if (1) a Shareholder is required to make a contribution contemplated by this 4(d) and (2) all or any portion of expenses, claims, losses, penalties, judgments, suits, costs, damages or liabilities (or actions in respect thereof) relating to such contribution would not have been indemnifiable by such Shareholder pursuant to Section 4(b) (assuming that the indemnity provided in Section 4(b) was available in accordance with its terms), then the Company shall promptly reimburse such Shareholder (or, upon demand from the Shareholder, advance to such Shareholder) the portion of such contribution that would have not otherwise been indemnifiable.

- (e) Notwithstanding the foregoing, to the extent that the provisions regarding indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions of the underwriting agreement shall prevail.