PRELIMINARY SHORT FORM PROSPECTUS

New Issue — February 28, 2017

NORTH AMERICAN ENERGY PARTNERS INC.

$40,000,000

5.50% Convertible Unsecured Subordinated Debentures

This short form prospectus (the "**Prospectus**") is being filed to qualify the distribution of $40 million aggregate principal amount of 5.50% convertible unsecured subordinated debentures (the "**Debentures**") of North American Energy Partners Inc. ("**North American**" or the "**Corporation**") at a price of $1,000 per $1,000 principal amount of Debentures (the "**Offering**"). The Debentures will bear interest at an annual rate of 5.50%, payable in Canadian dollars semi-annually in arrears, on March 31 and September 30 in each year, commencing on September 30, 2017 (each an "**Interest Payment Date**"). The September 30, 2017 interest payment will represent accrued interest from and including the initial closing of the Offering, to but excluding September 30, 2017. The Debentures will mature on March 31, 2024 (the "**Maturity Date**"). Further particulars concerning the attributes of the Debentures are set out under "Description of the Debentures".

Debenture Conversion Privilege

Each Debenture will be convertible into freely tradeable (as defined herein) common shares ("**Common Shares**") of the Corporation at the option of the holder thereof at any time prior to the close of business on the earlier of the business day immediately preceding (i) the Maturity Date, and (ii) the date specified for redemption of the Debentures, at a conversion price of $10.85 per Common Share (the "**Conversion Price**"), being a conversion rate of approximately 92.1659 Common Shares per $1,000 principal amount of Debentures, subject to adjustment in certain events as described in the trust indenture (the "**Debenture Indenture**") between the Corporation and Computershare Trust Company of Canada (the "**Debenture Trustee**") governing the terms of the Debentures. Holders converting their Debentures will receive accrued and unpaid interest on such Debentures for the period from and including the last interest payment date (or the date of issue of the Debentures if there has not yet been an interest payment date) to, but excluding, the date of conversion. Further particulars concerning the conversion privilege, including provisions for the adjustment of the Conversion Price, are set out under "Description of the Debentures - Conversion Rights".

The Debentures are not redeemable prior to March 31, 2020, except upon the satisfaction of certain conditions after a Change of Control (as defined herein) has occurred. On and after March 31, 2020 and prior to March 31, 2022, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption, provided that the Current Market Price (as defined herein) on the date on which notice of redemption is given is at least 125% of the Conversion Price. On and after March 31, 2022, and prior to maturity, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. North American shall provide not more than 60 days nor less than 30 days prior notice of redemption. See "Description of the Debentures - Redemption".

The Corporation may, at its option, subject to applicable regulatory approval and provided that no Event of Default (as defined herein) has occurred and is continuing, elect to satisfy its obligation to pay, in whole or in part, the principal amount of the Debentures that are to be redeemed or upon maturity, upon not less than 30 days and not more than 60 days prior notice, by issuing to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or maturity, as applicable. In addition, subject to applicable regulatory approval, freely tradeable Common Shares may be issued to the Debenture Trustee and sold, with the proceeds used to satisfy the obligation to pay interest on the Debentures. See "Description of the Debentures - Method of Payment".

There is currently no market through which the Debentures may be sold and purchasers may not be able to resell Debentures purchased under this Prospectus. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. Investing in the Debentures involves risk. Prospective investors should consider the risk factors described under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" and in the documents incorporated by reference into this Prospectus.

The Corporation has applied to list the Debentures and the Common Shares issuable upon conversion of the Debentures on the Toronto Stock Exchange (the "**TSX**"). In addition, the Corporation has applied to list the Common Shares issuable upon conversion of the Debentures on the New York Stock Exchange (the "**NYSE**"). Such listings will be subject to the Corporation fulfilling all of the listing requirements of the TSX and NYSE, as applicable. The Common Shares are listed and posted for trading on the TSX and the NYSE under the symbol "NOA". On February 22, 2017, before the announcement of the Offering, the closing price of the Common Shares on the TSX and the NYSE was $7.23 and US$5.55, respectively. On February 27, 2017, the last trading day on each of the TSX and the NYSE before the date of this Prospectus, the closing price of the Common Shares on the TSX and the NYSE was $6.84 and US$5.25, respectively.

The terms and offering price of the Debentures have been determined by negotiation between the Corporation, on the one hand, and National Bank Financial Inc., Canaccord Genuity Corp., BMO Nesbitt Burns Inc., CIBC World Markets Inc., HSBC Securities (Canada) Inc. and Raymond James Ltd. (collectively, the "**Underwriters**"), on the other hand. Concurrently with the Offering, the Debentures may be offered and sold in the United States in reliance on applicable private placement exemptions under United States securities laws. See "Plan of Distribution".

Price $1,000 per Debenture

	Price to the Public	**Underwriters' Commission**(1)	**Net Proceeds**(2)
Per Debenture	$1,000	$40	$960
Total(3)	$40,000,000	$1,600,000	$38,400,000

Notes:

(1) Pursuant to the terms of the Underwriting Agreement (as defined herein), the Underwriters will receive a commission (the "**Underwriters' Commission**") equal to 4.0% of the gross proceeds of the Offering.

(2) After deducting the Underwriters' Commission but before deducting expenses of the Offering, estimated to be $600,000.

(3) The Corporation has granted the Underwriters an over-allotment option, exercisable at any time not later than the 30th day following the closing of the Offering, to purchase up to $6,000,000 aggregate principal amount of additional Debentures, on the same terms as set out above, solely to cover the Underwriters over-allocation position, if any, and for consequent market stabilization purposes (the "**Over-Allotment Option**"). If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Underwriters' Commission" and "Net Proceeds" will be $46,000,000, $1,840,000 and $44,160,000, respectively. This Prospectus qualifies the distribution of the Over-Allotment Option and the issuance of the Debentures

upon exercise, if any, of the Over-Allotment Option. A purchaser who acquires Debentures forming part of the Underwriters' over-allocation position acquires those Debentures under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

Underwriters' position	Maximum size or number of securities available	Exercise period	Exercise price
Over-Allotment Option	$6,000,000 principal amount of Debentures	Exercisable not later than the 30th day following the closing of the Offering	$1,000 per Debenture

The Underwriters, as principals, conditionally offer the Debentures, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution", and subject to the approval of certain legal matters on behalf of the Corporation by Borden Ladner Gervais LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP.

In connection with the Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the Debentures at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution". **After the Underwriters have made a reasonable effort to sell all of the Debentures at the offering price set forth herein, such offering price may be decreased and may be further changed from time to time. Any such reduction will not affect the net proceeds received by North American. See "Plan of Distribution"**.

Subscriptions for the Debentures will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Debentures will be issued in electronic form or "book-entry only" form through the facilities of CDS Clearing and Depository Services Inc. ("**CDS**"). Except in limited circumstances, holders of beneficial interests in the Debentures will not have the right to receive physical certificates evidencing their ownership of Debentures. The closing of the Offering is expected to occur on or about March 15, 2017 (the "**Closing Date**") or such other date as may be agreed upon by the Corporation and the Underwriters, which date shall in any event not be later than 42 days after the date of the receipt for the final short form prospectus relating to the Offering.

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. The Corporation and the Underwriters have not authorized anyone to provide prospective purchasers with additional or different information from that contained or incorporated by reference in this Prospectus. The Debentures are being offered only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted.

William C. Oehmig, a director of the Corporation, resides outside of Canada and will appoint North American Energy Partners Inc., Suite 300, 18817 Stony Plain Road, Edmonton, Alberta T5S 0C2 as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the person has appointed an agent for services of process in Canada.

The Corporation's head office is located at Suite 300, 18817 Stony Plain Road, Edmonton, Alberta, T5S 0C2. The registered office of the Corporation is located at 2700, 10155-102 Street, Edmonton, Alberta, T5J 4G8.

Certain of the Underwriters (CIBC World Markets Inc. and HSBC Securities (Canada) Inc.) are, directly or indirectly, wholly-owned subsidiaries of Canadian chartered banks which are lenders to the Corporation under a credit facility of up to $100 million (the "Credit Facility"). Accordingly, pursuant to applicable securities legislation, the Corporation may be considered a "connected issuer" of CIBC World Markets Inc. and HSBC Securities (Canada) Inc. for the purposes of securities legislation in certain jurisdictions. See "Relationship Between the Underwriters and the Corporation".

Certain of the Underwriters and their affiliates have performed investment banking, brokerage and advisory services for the Corporation from time to time for which they have received customary fees and expenses. The Underwriters and their affiliates may, from time to time, engage in transactions with and perform services for the Corporation in the ordinary course of their businesses.

The earnings coverage ratio in respect of North American's indebtedness for the 12-month period ending December 31, 2016 is less than one-to-one. See "Earnings Coverage Ratios".

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NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus, and the documents incorporated by reference or deemed to be incorporated by reference in this Prospectus, may contain forward-looking statements and forward-looking information (collectively, the "**forward-looking information**") within the meaning of applicable securities laws, including the "safe harbour" provisions of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward-looking information is information that is subject to known and unknown risks and other factors that may cause future actions, conditions or events to differ materially from the anticipated actions, conditions or events expressed or implied by such forward-looking information. Forward-looking information is information that does not relate strictly to historical or current facts, and can be identified by the use of the future tense or other forward-looking words such as "believe", "expect", "anticipate", "intend", "plan", "estimate", "should", "may", "could," "would," "should," "target," "objective", "projection", "forecast", "continue", "strategy", "intend," "position" or the negative of those terms or other variations of them or comparable terminology. In particular, any statements, express or implied, regarding future actions, conditions or events, future operating results or the ability to generate revenue, income, cash flow or to pay dividends on Common Shares is forward-looking information. Examples of such forward-looking information in this Prospectus include, but are not limited to, statements with respect to the following, each of which is subject to significant risks and uncertainties and is based on a number of assumptions that may prove to be incorrect: the closing of the Offering; the listing of the Debentures on the TSX and the listing of the Common Shares issuable upon conversion, redemption or maturity of the Debentures on the TSX and the NYSE; the use of proceeds of the Offering; the advancement of the Corporation's business and growth plans; the exercise of the Over-Allotment Option and the expenses of the Offering. Forward-looking information is not a guarantee of performance. All statements, other than statements of historical facts, included or incorporated by reference in this Prospectus that address activities, events or developments that are expected, believed or anticipated to occur or that may occur in the future are forward-looking information.

While the Corporation anticipates that subsequent events and developments may cause its views to change, the Corporation does not have an intention to update any forward-looking information, except as required by applicable securities laws. **There can be no assurance that the events or results of the forward-looking information will occur, or if any of them do, what impact they will have on the Corporation's results of operations or financial condition, as actual results and future events could differ materially from those expected or estimated in such information. Accordingly, readers should not place undue reliance on any forward-looking information.** See "Risk Factors" in this Prospectus and risks highlighted in materials filed with the securities regulatory authorities in the United States and Canada from time to time, including, but not limited to, the AIF (as such term is defined herein), Annual MD&A (as such term is defined herein) and the disclosure in the other documents incorporated by reference or deemed to be incorporated by reference herein for further information with respect to forward-looking information in those documents.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. The factors listed above should be considered carefully and the Corporation cautions readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking statements. Further information regarding these factors may be found under the heading "Risk Factors" in this Prospectus, the AIF and the Annual MD&A.

Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive. When relying on the Corporation's forward-looking statements to make decisions with respect to the Corporation, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. No assurance can be given that the expectations reflected in the forward looking statements contained in this Prospectus will prove to be correct. Furthermore, the forward-looking statements contained in this Prospectus are made as of the date of this document and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking statements contained in this Prospectus, including the documents incorporated by reference herein, are expressly qualified by this cautionary statement.

NON-GAAP FINANCIAL MEASURES

A non-GAAP financial measure is generally defined by the Securities and Exchange Commission ("**SEC**") and by the Canadian securities regulatory authorities as one that purports to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable measure under generally accepted accounting principles ("**GAAP**"). Such non-GAAP financial measures used in the documents incorporated by reference in this Prospectus include "gross profit", "gross profit margin", EBITDA which is "net income before interest expense, income taxes, depreciation and amortization", "Consolidated EBITDA", "Total Debt" and "Free Cash Flow". These non-GAAP financial measures do not have standardized meanings and may not be comparable to similar measures presented by other companies. These non-GAAP financial measures should not be considered as an alternative to, or more meaningful than, net income (loss), cash flow from operating activities and other measures of financial performance as determined in accordance with U.S. GAAP, but the Corporation believes these non-GAAP financial measures are useful in providing relative performance and measuring change. Definitions of non-GAAP financial measures used by the Corporation are found under the heading "Non-GAAP Financial Measures" in the Annual MD&A and in the AIF.

ELIGIBILITY FOR INVESTMENT

In the opinion of Borden Ladner Gervais LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder (the "**Regulations**"), provided that on the date hereof the common shares of the Corporation are listed on a "designated stock exchange", as defined in the Tax Act, which currently includes the TSX and the NYSE, the Debentures offered pursuant to this Prospectus and the Common Shares issuable on the conversion, redemption or maturity of the Debentures, in all such cases if issued on the date hereof, would be qualified investments under the Tax Act and Regulations for trusts governed by registered retirement savings plans ("**RRSPs**"), registered education savings plans, registered retirement income funds ("**RRIFs**"), deferred profit sharing plans (except, in the case of the Debentures, a deferred profit sharing plan to which the Corporation, or an employer that does not deal at arm's length with the Corporation, has made a contribution), registered disability savings plans and tax-free savings accounts ("**TFSAs**").

Notwithstanding that the Debentures and Common Shares may be qualified investments as discussed above, if the Debentures or Common Shares are a "prohibited investment" (as defined in the Tax Act) for a TFSA, RRSP or RRIF, the holder of the TFSA or the annuitant under the RRSP or RRIF, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Debentures and Common Shares will not be a prohibited investment provided the holder or annuitant, as the case may be, deals at arm's length with the Corporation for purposes of the Tax Act and does not have a "significant interest" (as defined in the Tax Act) in the Corporation. In addition, a Common Share will not be a "prohibited investment" if the Common Share is "excluded property" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP or RRIF. Holders of a TFSA and annuitants of an RRSP or RRIF should consult their own tax advisors to ensure that the Debentures and Common Shares would not be a prohibited investment in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commission or similar regulatory authority in certain of the provinces and territories of Canada are specifically incorporated by reference into, and form an integral part of, this Prospectus:

(a) the annual information form of the Corporation for the year ended December 31, 2016 dated February 14, 2017 (the "**AIF**");

(b) the audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2016 and the notes thereto, together with the independent auditor's report thereon (the "**Annual Financials**");

(c) management's discussion and analysis of financial condition and results of operations of the Corporation for the year ended December 31, 2016 (the "**Annual MD&A**");

(d) the management information circular of the Corporation dated February 14, 2017 prepared in connection with the annual meeting of shareholders of the Corporation to be held on April 5, 2017;

(e) the material change report of the Corporation dated February 23, 2017 relating to the amended normal course issuer bid of the Corporation through the facilities of the TSX;

(f) the material change report of the Corporation dated February 27, 2017 relating to the Offering; and

(g) the "template version" of the "marketing materials" dated February 22, 2017 (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**")) consisting of the term sheet in respect of the Offering.

Any document of the type referred to in Section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* (excluding confidential material change reports) filed by the Corporation with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and before termination of the distribution of Debentures qualified hereunder, will be deemed to be incorporated by reference into this Prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document or statement that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

MARKETING MATERIALS

Any "template version" of "marketing materials" (as such terms are defined in NI 41-101) has been incorporated by reference in this Prospectus. However, such "template version" of "marketing materials" will not form part of this Prospectus to the extent that the contents of the "template version" of "marketing materials" are modified or superseded by a statement contained in this Prospectus. Any "template version" of "marketing materials" filed on SEDAR after the date of this Prospectus and before the termination of the distribution of Debentures under the Offering will be deemed to be incorporated by reference into this Prospectus.

CURRENCY AND EXCHANGE RATE INFORMATION

In this Prospectus, unless otherwise specified or the context otherwise requires, "Canadian dollars" or "$" means lawful currency of Canada and "US dollars" or "US$" means lawful currency of the United States.

The noon rate of exchange on February 27, 2017 as reported by the Bank of Canada for the conversion of Canadian dollars into US dollars was $1.00 equals US$0.7633 and for the conversion of US dollars into Canadian dollars was US$1.00 equals $1.3101.

SUMMARY OF THE OFFERING

The following is only a brief summary of the principal features of the Offering and is qualified in its entirety by the more detailed information appearing elsewhere, or incorporated by reference, in this Prospectus. For a more detailed description of the terms of the Debentures, see "Description of the Debentures".

Offering:	40,000 Debentures (46,000 Debentures assuming the exercise in full of the Over-Allotment Option) having an aggregate principal amount of $40,000,000 ($46,000,000 assuming the exercise in full of the Over-Allotment Option).
Over-Allotment Option	North American has granted to the Underwriters the Over-Allotment Option to purchase up to 15% of the Debentures issued at a price of $1,000 per Debenture on the same terms and conditions as the Offering, exercisable in whole or in part, at the sole discretion of National Bank Financial Inc. on behalf of the Underwriters at any time up until 30 days after the closing of the Offering for the purposes of covering the Underwriters' over-allocation position, if any, and for consequent market stabilization purposes
Price:	$1,000 per Debenture.
Use of Proceeds:	The Corporation intends to use the net proceeds of the Offering for future growth opportunities and for general corporate purposes. See "Use of Proceeds"
Listing and Trading:	The Corporation has applied to list the Debentures and the Common Shares issuable upon conversion of the Debentures on the TSX. In addition, the Corporation has applied to list the Common Shares issuable upon conversion of the Debentures on the NYSE. Such listings will be subject to the Corporation fulfilling all of the listing requirements of the TSX and NYSE, as applicable.
Closing Date:	On or about March 15, 2017, but in any event no later than 42 days after the date of the receipt for the final short form prospectus relating to the Offering.
Risks and Uncertainties:	An investment in Debentures and/or the Common Shares issuable upon the conversion of Debentures is subject to a number of risks that should be considered by a prospective purchaser. An investment in the Debentures should be considered speculative due to various factors and should only be made by persons who can afford the total loss of their investment. An investment in the Debentures involves certain risks which should be carefully considered by prospective investors, including: market risks relating to changes in the market or fair value of a particular instrument or commodity, liquidity risks relating to not being able to settle its future debt obligations, counterparty risks relating to the potential of a counterparty failing to perform under its contractual obligations, legal and regulatory risks relating to changes in regulations or legislation affecting North American's business model, costs or operations, risk relating to a change in customer behaviour, a downturn in the Canadian energy industry or a global reduction in the demand for oil and related commodities, business operations risks relating to any unplanned interruption, risks relating to the Debentures such as credit and liquidity risks and risks relating to the Offering such as management's discretion in the use of proceeds. Such risks could have a materially adverse effect on the Corporation's future results of operations, business, prospects or financial condition, and could cause actual events to differ materially from those described in forward-looking statements. See "Risk Factors" and "Note Regarding Forward-Looking Statements".

Maturity Date:	March 31, 2024.
Interest:	5.5% per annum. Interest on the Debentures is payable semi-annually in arrears on March 31 and September 30 of each year, commencing September 30, 2017. The first interest payment on September 30, 2017 will include interest accrued from and including the Closing Date to, but excluding, September 30, 2017. Subject to receipt of applicable regulatory approvals and provided that no Event of Default has occurred and is continuing, North American may elect to satisfy, in whole or in part, its obligation to pay interest on the Debentures by issuing and delivering to the Debenture Trustee Common Shares to be sold by the Debenture Trustee, with the proceeds used to pay interest owing on the Debentures. See "Description of the Debentures — Method of Payment".
Conversion:	Each Debenture will be convertible into freely tradeable Common Shares at the option of the holder thereof at any time prior to the close of business on the business day immediately preceding the earlier of the Maturity Date and the date specified by North American for redemption of the Debentures, at the Conversion Price of $10.85 per Common Share, being a conversion rate of approximately 92.1659 Common Shares per $1,000 principal amount of Debentures, subject to adjustment in certain events. Holders converting their Debentures will receive accrued and unpaid interest on such Debentures for the period from and including the last interest payment date (or the date of issue of the Debentures if there has not yet been an interest payment date) to, but excluding, the date of conversion. Further particulars concerning the conversion privilege, including provisions for the adjustment of the Conversion Price, are set out under "Description of the Debentures - Conversion Rights". "**freely tradeable**" will be defined in the Debenture Indenture to mean in respect of any Common Shares or any other securities of the Corporation or any other person, as the case may be, that they (i) may be issued without the necessity of filing a prospectus or any other similar offering document (other than such prospectus or similar offering document that has already been filed) under applicable securities legislation and such issue does not constitute a distribution (other than a distribution already qualified by prospectus or similar offering document or that is otherwise exempt from prospectus requirements) under applicable securities legislation; and (ii) can be traded in Canada by the holder thereof without any restriction under applicable securities legislation, such as hold periods, except in the case of a control distribution (as defined in the applicable securities legislation) or any other trade prohibited under insider trading rules of applicable securities legislation.
Redemption:	The Debentures are not redeemable prior to March 31, 2020, except upon the satisfaction of certain conditions after a Change of Control has occurred. On and after March 31, 2020 and prior to March 31, 2022, the Debentures may be redeemed by North American, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption, provided that the Current Market Price on the date on which notice of redemption is given is at least 125% of the Conversion Price. On and after March 31, 2022, and prior to maturity, the Debentures may be redeemed by North American, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. North American shall provide not more than 60 days nor less than 30 days prior notice of redemption. See "Description of the Debentures - Redemption". "**Current Market Pric**e" will be defined in the Debenture Indenture to mean the volume-weighted average trading price per Common Share for the 20 consecutive trading days, ending on the fifth trading day preceding the date of determination, on

the TSX (or, if the Common Shares are not listed on the TSX, on such stock exchange on which the Common Shares are listed as may be selected for such purpose by the board of directors of North American ("**Board**" or "**Board of Directors**") and approved by the Debenture Trustee, or if the Common Shares are not listed on any stock exchange, then on the over-the-counter market). The volume weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold.

Payment upon Redemption or Maturity:

On redemption or at maturity of the Debentures, North American will repay the indebtedness represented by the Debentures by paying to the Debenture Trustee in lawful money of Canada an amount equal to the principal amount of the outstanding Debentures, together with accrued and unpaid interest thereon.

North American may, at its option, on not more than 60 days and not less than 30 days prior notice, subject to applicable regulatory approval and provided no Event of Default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of the Debentures that are to be redeemed or that are to mature, by issuing and delivering to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or maturity, as applicable. No fractional Common Shares will be issued on redemption or at maturity but in lieu thereof North American will satisfy fractional interests by a cash payment equal to the Current Market Price multiplied by the fractional Common Share, less any taxes required to be deducted or withheld. See "Description of the Debentures - Method of Payment".

Change of Control:

Within 30 days following the occurrence of a Change of Control, North American will be required to make an offer in writing to purchase all of the Debentures then outstanding (the "**Debenture Offer**"), at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest earned thereon up to, but excluding, the date of acquisition (the "**Debenture Offer Price**"). If 90% or more of the aggregate principal amount of the Debentures outstanding on the date of the giving of notice of the Change of Control have been tendered to North American pursuant to a Debenture Offer, North American will have the right to redeem all of the remaining Debentures at the Debenture Offer Price. "**Change of Control**" will be defined in the Debenture Indenture to mean the acquisition by any person, or group of persons acting jointly or in concert, of voting control or direction of more than 66⅔% of the outstanding voting securities of North American and, for greater certainty, excludes an acquisition, merger, reorganization, amalgamation, arrangement, combination or other similar transaction involving North American if immediately after the closing of such transaction no person, or group of persons acting jointly or in concert, holds voting control or direction over more than 66⅔% of the outstanding voting securities of North American or the successor entity resulting from such transaction. See "Description of the Debentures - Change of Control".

Subject to regulatory approval, if a Change of Control occurs in which 10% or more of the consideration for the Common Shares consists of: (i) cash, (ii) trust units, limited partnership units or other participating securities of a trust, limited partnership or similar entity, (iii) equity securities that are not traded or expected to be traded immediately following such transaction on a stock exchange; or (iv) other property that is not traded or intended to be traded immediately following such transaction on a stock exchange, the holders of the Debentures (the "**Debentureholders**") will be entitled to convert their Debentures and receive, subject to and upon completion of the Change of Control, in addition to the number of Common Shares they would otherwise be entitled to receive upon conversion, an additional number of Common Shares as outlined in the table under "Description of the Debentures - Change of Control".

Subordination: The payment of the principal of, and interest on, the Debentures will be subordinated and postponed in right of payment, as set forth in the Debenture Indenture, to the full and final payment of all Senior Indebtedness (as defined herein), including indebtedness to trade and other creditors of North American. The Debentures will not limit the ability of North American to incur additional indebtedness, including indebtedness that ranks senior to the Debentures, or from mortgaging, pledging or charging its properties to secure any indebtedness. See "Description of the Debentures - Subordination".

BUSINESS OVERVIEW AND STRATEGY

Business Overview

The Corporation provides a wide range of mining and heavy construction services to customers in the resource development and industrial construction sectors, primarily within Western Canada. The Corporation's core market is the Canadian oil sands, where it provides construction and operations support services through all stages of an oil sands project's lifecycle. The Corporation has extensive construction experience in both mining and in situ oil sands projects and the Corporation has been providing operations support services to several producers currently mining bitumen in the oil sands since inception of their respective projects.

Operations Overview

The Corporation's services are primarily focused on supporting the construction and operation of surface mines, particularly in the oil sands, with a focus on:

(a) site clearing and access road construction;

(b) site development and underground utility installation;

(c) construction and relocation of mine site infrastructure;

(d) stripping, muskeg removal and overburden removal;

(e) heavy equipment and labour supply;

(f) material hauling; and

(g) mine reclamation, tailings pond construction and tailings pond maintenance.

In addition, the Corporation provides site development services for plants and refineries, including in situ oil sands facilities. The Corporation maintains its large diversified fleet of heavy equipment and ancillary equipment from its two significant maintenance and repair centers, one based in Fort McMurray, Alberta on its customer's mine sites and one based near Edmonton, Alberta. In addition, the Corporation operates running maintenance and repair facilities at each of its customer's oil sands mine sites.

For a description of the industry and markets in which the Corporation operates, its competitive strengths, and its strategy, please refer to the AIF.

RECENT DEVELOPMENTS

On February 14, 2017, North American announced that it amended its previously-announced normal course issuer bid ("**NCIB**") through the facilities of the TSX. North American received conditional approval from the TSX to increase the number of Common Shares available for repurchase under the NCIB by 1,657,514 Common Shares ("**Additional Shares**") to take into account the fact that at the time of commencing the NCIB on August 8, 2016, North American's acquisition of Common Shares pursuant to its previously-announced U.S. share purchase program were deducted from the aggregate number of Common Shares eligible to be repurchased under the NCIB. Under the amended NCIB, North American shall be permitted to acquire Additional Shares only after twelve months have elapsed from the date North American made an equivalent purchase of Common Shares under the previous U.S. repurchase program. The effect of the amended NCIB will be that during the period from August 8, 2016 to August 7, 2017 North American would be eligible to purchase up to 10% of the public float as of July 31, 2016 (being 27,344,828 Shares).

USE OF PROCEEDS

The Corporation estimates that the net proceeds from the Offering will be approximately $37,800,000, without giving effect to the exercise of the Over-Allotment Option and after deducting the Underwriters' Commission and the estimated expenses of the Offering of $600,000 payable by North American. After giving effect to the Over-Allotment Option, the Corporation estimates that the net proceeds from the Offering will be approximately $43,560,000, assuming full exercise of the Over-Allotment Option and after deducting the Underwriters' Commission and the estimated expenses of the Offering of $600,000 payable by North American. The Corporation intends to use the net proceeds of the Offering for future growth opportunities and for general corporate purposes. Until applied, the net proceeds of the Offering will be held as cash balances in the Corporation's bank account or invested at the discretion of management of the Corporation. The Corporation expects that the use of proceeds from the Offering will advance its overall business and growth plans, which may include investment and acquisition opportunities, which remain subject to the normal risks and uncertainties that prevail in the businesses in which the Corporation is engaged. See "Note Regarding Forward-Looking Statements" and "Risk Factors" in this Prospectus, the AIF and the Annual MD&A.

The Corporation intends to spend the funds available to it as stated in this Prospectus; however, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. Pending use of the net proceeds of the Offering, such net proceeds will be invested in accordance with determinations by the Board.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at December 31, 2016, on an actual basis and an as adjusted basis to give effect to this Offering and the use of the net proceeds therefrom as described under "Use of Proceeds". Prospective investors should read the following table in conjunction with the "Use of Proceeds" appearing elsewhere in this Prospectus as well as the Annual Financials incorporated by reference into this Prospectus.

	December 31, 2016	
(in thousands of dollars)	**Actual**	**As Adjusted After Giving Effect to the Offering and the Use of Proceeds**[(1)]
Long-term debt:		
Credit Facility[(2)]	31,266	31,266
Debentures[(3)]	-	37,800
Total long-term debt	31,266	69,066
Shareholders' equity:		
Common Shares	243,339	243,339
Contributed surplus	45,915	45,915
Deficit	(130,300)	(130,300)
Total shareholders' equity	158,954	158,954
Total capitalization	190,220	228,020

Notes:

(1) Prior to the exercise of the Over Allotment Option. If the Over Allotment Option is exercised in full, total long term debt will be $74,826, total shareholders' equity will be $158,954, and total capitalization will be $233,780.

(2) Amounts shown are less the debt issue costs.

(3) Amounts shown are less the debt issue costs of $2,200,000.

EARNINGS COVERAGE RATIOS

The following earnings coverages are calculated on a consolidated basis for the twelve-month period ended December 31, 2016 and are derived from audited financial information of the Corporation for the period ended December 31, 2016.

Under U.S. GAAP, the Debentures will be classified on the Corporation's consolidated statements of financial position as a liability. Initially, the liability recorded in respect of the Debentures will be equal to their principal amount less the amount of the transaction costs related to the issuance of the Debentures. Capitalized transaction costs are charged to expense using the effective interest rate method such that at maturity the initial liability in respect of the Debentures will accrete to their principal amount.

The Corporation's profit before interest expense and income taxes for the twelve-month period ended December 31, 2016 was $5,484,000 and its borrowing cost requirements and dividend obligations for the twelve-month period ended December 31, 2016 was $5,978,000 for an earnings coverage ratio of 0.92 for the twelve-month period ended December 31, 2016. After giving effect to the issuance of the Debentures and the use of proceeds therefrom as described under "Use of Proceeds", and before any exercise of the Over-Allotment Option, North American's *pro forma* borrowing cost requirements and dividend obligations, which includes interest expense on the Debentures, for the twelve-month period ended December 31, 2016 was $8,425,000 for an earnings coverage ratio of 0.65 for the twelve months ended December 31, 2016. In order to achieve an earnings coverage ratio of one-to-one for the twelve-month period ended December 31, 2016, the Corporation would need to have earned an additional $2,941,000.

DESCRIPTION OF THE DEBENTURES

The following is a summary of the material attributes and characteristics of the Debentures. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Debenture Indenture, which will be filed with the applicable Canadian securities regulatory authorities and available on SEDAR at www.sedar.com.

General

The Debentures will be issued under the Debenture Indenture. The Debenture Trustee is the trustee under the Debenture Indenture and the Corporation's transfer agent.

The Debentures to be issued will be in the aggregate principal amount of $40,000,000 ($46,000,000 assuming the Over-Allotment Option is exercised in full). The Corporation may, from time to time, without the consent of the Debentureholders, issue additional debentures of a different series under the Debenture Indenture, in addition to the Debentures offered hereby.

The Debentures will be dated as of the Closing Date and will have a maturity date of March 31, 2024. The Debentures will be issuable only in denominations of $1,000 and integral multiples thereof and will bear interest from and including the date of issue at 5.5% per annum, which will be payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2017. The first interest payment will include interest accrued from and including the Closing Date to, but excluding, September 30, 2017. Assuming the Closing Date occurs on March 15, 2017, the first interest payment payable on September 30, 2017 will be approximately $27.50 per $1,000 principal amount of Debentures.

The principal amount of the Debentures is payable in lawful money of Canada or, at the option of the Corporation, subject to the receipt of applicable regulatory approvals and provided that no Event of Default has occurred and is continuing, by delivery of fully paid, non-assessable and freely tradeable Common Shares as further described under "Description of the Debentures - Method of Payment - Payment of Principal on Redemption or at Maturity". The interest on the Debentures is payable in lawful money of Canada, including, at the option of the

Corporation, in accordance with the Common Share Interest Payment Election as defined and described under "Description of the Debentures - Method of Payment - Interest Payment Election".

The Debentures are direct obligations of the Corporation and will not be secured by any mortgage, pledge, hypothec or other charge and will be subordinated to other liabilities of the Corporation as described under "Subordination". The Debenture Indenture does not restrict the Corporation from incurring additional indebtedness for borrowed money or otherwise or from mortgaging, pledging or charging the Corporation's properties to secure any indebtedness.

Subordination

The payment of the principal of, and interest on, the Debentures will be subordinated and postponed in right of payment, as set forth in the Debenture Indenture, to the full and final payment of all Senior Indebtedness of the Corporation including indebtedness to trade and other creditors of the Corporation. "**Senior Indebtedness**" of the Corporation will be defined in the Debenture Indenture to mean, in effect, the principal of and premium or make-whole amount, if any, and interest, or any other amounts payable thereunder, if any, on all existing and future indebtedness (including any indebtedness to trade creditors), liabilities and obligations of North American (including, amounts drawn under the Credit Facility, but excluding the Debentures, unless it is provided by the terms of the instrument creating or evidencing such indebtedness, liabilities or obligations that such indebtedness, liabilities or obligations are *pari passu* with or subordinate in right of payment to Debentures which by their terms are subordinated; and provided that Senior Indebtedness shall not include the indebtedness, liabilities or obligations of a subsidiary of North American to the extent North American is a creditor of such subsidiary ranking at least *pari passu* with such indebtedness, liabilities or obligations. The Debentures will rank senior to all other present and future unsecured subordinated indebtedness of North American and, subject to indebtedness preferred by mandatory provisions of law, each Debenture issued under the Debenture Indenture will rank *pari passu* with each other Debenture issued thereunder and with all other present and future unsecured senior subordinated indebtedness of North American except for sinking fund provisions (if any) applicable to different series of debentures or other similar types of obligations of North American.

The Debenture Indenture will provide that in the event of any distribution of the assets of North American on any dissolution, winding-up, liquidation or reorganization of North American (whether in bankruptcy, insolvency or receivership proceedings, or upon an "assignment for the benefit of creditors" or any other marshalling of the assets, properties or liabilities of North American, or otherwise), the holders of Senior Indebtedness will receive payment in full, or provision will be made for such payment, before the holders of Debentures will be entitled to receive any payment on account of the indebtedness, liabilities and obligations of the Corporation under the Debenture Indenture or the Debentures, whether on account of principal, interest or otherwise.

The Debenture Indenture will also provide that no payment on account of the indebtedness, liabilities and obligations of the Corporation under the Debenture Indenture or the Debentures, whether on account of principal, interest or otherwise, shall be made by North American: (i) upon the occurrence of a default, an event of default or an acceleration under any Senior Indebtedness or any swap obligation of any holder of Senior Indebtedness (a "**Senior Creditor**") or its affiliates; (ii) upon any default with respect to any Senior Indebtedness permitting the holders thereof to accelerate the maturity thereof; or (iii) if such payment would result in a default with respect to any Senior Indebtedness permitting the holders thereof to accelerate the maturity thereof; unless and until such default shall have been cured or waived or shall have ceased to exist, and neither the Debenture Trustee nor the holders of Debentures shall be entitled to demand, institute proceedings for the collection of, or receive any payment or benefit (including without limitation by set-off, combination of accounts or otherwise in any manner whatsoever) on account of the Debentures after the happening of such a default, and unless and until such default shall have been cured or waived or shall have ceased to exist, such payments shall be held in trust for the benefit of, and, if and when such Senior Indebtedness shall have become due and payable, shall be paid over to, the Senior Creditors until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution to the Senior Creditors.

Conversion Rights

Each Debenture will be convertible into freely tradeable Common Shares at the option of the holder thereof at any time prior to the close of business on the business day immediately preceding the earlier of the Maturity Date and the date specified by the Corporation for redemption of the Debentures, at the Conversion Price of $10.85 per Common Share, being a conversion rate of approximately 92.1659 Common Shares per $1,000 principal amount of Debentures (the "**Conversion Rate**"), subject to adjustment in certain events. Holders converting their Debentures will receive accrued and unpaid interest on such Debentures for the period from and including the last interest payment date (or the date of issue of the Debentures if there has not yet been an interest payment date) to, but excluding, the date of conversion.

Subject to the provisions thereof, the Debenture Indenture will provide for the adjustment of the Conversion Price in certain events including:

(a) the subdivision or consolidation of the outstanding Common Shares;

(b) the distribution or the fixing of a record date for the distribution or issuance to all or substantially all of the holders of Common Shares of:

  (i) Common Shares, securities convertible into Common Shares by way of stock dividend or other distribution;

  (ii) cash dividends in an amount greater than $0.096 per Common Share per annum;

  (iii) options, rights or warrants entitling such holders to acquire Common Shares or other securities convertible into Common Shares at less than 95% of the then market price;

  (iv) evidence of indebtedness of the Corporation; or

  (v) assets (excluding cash dividends paid in the ordinary course in an amount not greater than $0.096 per Common Share per annum); and

(c) the payment of cash or any other consideration in respect of an issuer bid (other than a normal course issuer bid) by North American or any of its subsidiaries to shareholders of the Corporation to the extent that the cash and fair market value of any other consideration included in the payment per Common Share exceeds the current market price of the Common Shares on the date of expiry of such issuer bid.

There will be no adjustment of the Conversion Price in respect of any event described in (b) above if the holders of the Debentures are allowed (with the approval of the TSX) to participate as though they had converted their Debentures prior to the applicable record date or effective date. The Corporation will not be required to make adjustments in the Conversion Price unless the cumulative effect of such adjustments would change the Conversion Price by at least 1%.

In the case of any reclassification or capital reorganization (other than a change resulting from consolidation or subdivision) of the Common Shares, or in the case of any consolidation, amalgamation, arrangement, merger or acquisition of North American with or into any other entity, or in the case of any sale or conveyance of the assets of the Corporation as, or substantially as, an entirety to any other entity, or a liquidation, dissolution or winding-up of the Corporation, the terms of the conversion privilege will be adjusted so that each holder of a Debenture will, after such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, acquisition, sale, conveyance, liquidation, dissolution or winding-up, be entitled to receive, subject to the prior approval of the TSX, the number of Common Shares or other securities or property such holder would be entitled to receive if, on the effective date thereof, it had been the holder of the number of Common Shares into which the Debenture was convertible prior to the effective date of such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, acquisition, sale, conveyance, liquidation, dissolution or winding-up. Notwithstanding the foregoing, if prior to the date that is five years plus one day from the last date of original issuance of Debentures, Debentureholders would otherwise be entitled to receive, upon conversion of the Debentures, any property (including cash) or securities that would not constitute “prescribed securities” for the purposes of clause 212(1)(b)(vii)(E) of the Tax Act as it applied immediately before January 1, 2008 (referred to herein as “**Ineligible Consideration**”), such Debentureholders shall not be entitled to receive such Ineligible Consideration but the Corporation or the successor or acquirer, as the case may be, shall have the right (at the sole option of the Corporation or the successor or acquirer, as the case may be) to deliver either such Ineligible Consideration or “prescribed securities” for the purposes of clause 212(1)(b)(vii)(E) of the Tax Act as it applied immediately before January 1, 2008 with a market value (as conclusively determined by the Board) equal to the market value of such Ineligible Consideration.

No fractional Common Shares will be issued on any conversion but in lieu thereof the Corporation will satisfy fractional interests by a cash payment equal to the Current Market Price multiplied by any fractional Common Share, less any taxes required to be deducted or withheld, if any; provided, however North American shall not be required to make any payment of less than $10.00.

Redemption

The Debentures are not redeemable prior to March 31, 2020, except upon the satisfaction of certain conditions after a Change of Control has occurred. On and after March 31, 2020 and prior to March 31, 2022, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption, provided that the Current Market Price on the date on which notice of redemption is given is at least 125% of the Conversion Price. On and after March 31, 2022, and prior to maturity, the Debentures may be redeemed by the Corporation, in whole or in part, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date of redemption. North American shall provide not more than 60 days nor less than 30 days prior notice of redemption.

In the case of redemption of less than all of the Debentures, the Debentures to be redeemed will be selected by the Debenture Trustee on a pro rata basis or in such other manner as the Debenture Trustee deems equitable, subject to the consent of the TSX, if applicable. The Corporation will have the right to purchase Debentures in the market, by tender or by private contract at any time subject to regulatory requirements.

Restriction on Share Redemption or Maturity Right

The Corporation shall not, directly or indirectly (through a subsidiary or otherwise) undertake or announce any rights offering, issuance of securities, subdivision of the Common Shares, dividend or other distribution on the Common Shares or any other securities, capital reorganization, reclassification or any similar type of transaction in which:

(a) the number of securities to be issued;

(b) the price at which securities are to be issued, converted or exchanged; or

(c) any property or cash that is to be distributed or allocated,

is in whole or in part based upon, determined in reference to, related to or a function of, directly or indirectly: (i) the exercise or potential exercise of the right to issue Common Shares on redemption or maturity of the Debentures; or (ii) the Current Market Price determined in connection with the exercise or potential exercise of the right to issue Common Shares on redemption or maturity of the Debentures.

Change of Control

Within 30 days following the occurrence of a Change of Control, the Corporation will be required to make an offer in writing to purchase all of the Debentures then outstanding, at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest earned thereon up to, but excluding, the date of acquisition. The Debenture Indenture will contain notification and repurchase provisions requiring the Corporation to give written notice to the Debenture Trustee of the occurrence of a Change of Control within 30 days of such event together with the Debenture Offer. The Debenture Trustee will thereafter promptly deliver to each holder of Debentures a notice of the Change of Control together with a copy of the Debenture Offer to repurchase all the outstanding Debentures.

If 90% or more of the aggregate principal amount of the Debentures outstanding on the date of the giving of notice of the Change of Control have been tendered to the Corporation pursuant to a Debenture Offer, the Corporation will have the right to redeem all of the remaining Debentures at the Debenture Offer Price. Notice of such redemption must be given by the Corporation to the Debenture Trustee within 10 days following the expiry of the Debenture Offer, and as soon as possible thereafter, by the Debenture Trustee to the holders of the Debentures not tendered pursuant to a Debenture Offer.

In addition to the requirement of North American to make a Debenture Offer in the event of a Change of Control, if a Change of Control occurs in which 10% or more of the consideration for the Common Shares in the transaction or transactions constituting a Change of Control consists of: (i) cash, (ii) trust units, limited partnership units or other participating securities of a trust, limited partnership or similar entity, (iii) equity securities that are not traded or intended to be traded immediately following such transaction on a stock exchange; or (iv) other property that is not traded or intended to be traded immediately following such transaction on a stock exchange, holders of Debentures will be entitled to convert their Debentures and receive, subject to and upon completion of the Change of Control, in addition to the number of Common Shares they would otherwise be entitled to receive as set out under "Description of the Debentures - Conversion Rights" above, an additional number of Common Shares per $1,000 principal amount of Debentures as set out below (the "**Make-Whole Premium**").

The number of additional Common Shares per $1,000 principal amount of Debentures constituting the Make-Whole Premium will be determined by reference to the table below and is based on the date on which the Change of Control becomes effective (the "**Effective Date**") and the price (the "**Cash Offer Price**") paid per Common Share in the transaction constituting the Change of Control. If holders of Common Shares receive (or are entitled and able in all circumstances to receive) only cash in the transaction, the Cash Offer Price will be the cash amount paid per Common Share. Otherwise, the Cash Offer Price will be equal to the Current Market Price of the Common Shares immediately preceding the Effective Date of such transaction.

The following table illustrates what the Make-Whole Premium would be for each hypothetical Cash Offer Price and Effective Date set out below, expressed as additional Common Shares per $1,000 principal amount of Debentures. For greater certainty, the Corporation will not be obliged to pay the Make-Whole Premium other than by issuance of Common Shares upon conversion, subject to the provision relating to adjustment of the Conversion Rate in certain circumstances and following the completion of certain types of transactions described under "Description of the Debentures - Conversion Rights" above.

Cash Offer Price ($)	March 15, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
$7.23	46.15	46.15	46.15	46.15	46.15	46.15
$7.50	42.94	41.17	41.17	41.17	41.17	41.17
$7.75	40.25	37.49	36.87	36.87	36.87	36.87
$8.00	37.75	34.91	32.83	32.83	32.83	32.83
$8.50	33.42	30.40	27.87	25.65	25.48	25.48
$9.00	29.75	26.63	23.86	21.52	18.95	18.95
$9.50	26.62	23.39	20.46	17.99	14.89	13.10
$10.50	21.69	18.36	15.11	12.43	9.57	3.44
$11.50	18.04	14.70	11.26	8.13	5.89	0.54
$12.50	15.30	12.00	8.49	4.75	3.34	0.03
$13.50	13.21	10.01	6.53	2.22	1.54	0.00
$14.50	11.59	8.51	5.17	0.73	0.51	0.00
$16.50	9.29	6.52	3.55	0.01	0.01	0.00
$18.50	7.79	5.32	2.73	0.00	0.00	0.00
$20.50	6.75	4.55	2.30	0.00	0.00	0.00

$22.50	5.99	4.02	2.04	0.00	0.00	0.00
$24.50	5.40	3.63	1.85	0.00	0.00	0.00
$26.50	4.94	3.32	1.70	0.00	0.00	0.00
$29.50	4.39	2.96	1.52	0.00	0.00	0.00
$32.50	3.97	2.68	1.38	0.00	0.00	0.00
$35.50	3.62	2.45	1.27	0.00	0.00	0.00
$38.50	3.34	2.26	1.17	0.00	0.00	0.00
$41.50	3.09	2.09	1.08	0.00	0.00	0.00
$44.50	2.88	1.95	1.01	0.00	0.00	0.00

The actual Cash Offer Price and Effective Date may not be set out in the table, in which case:

(a) if the actual Cash Offer Price on the Effective Date is between two Cash Offer Prices in the table or the actual Effective Date is between two Effective Dates in the table, the Make-Whole Premium will be determined by a straight-line interpolation between the Make-Whole Premiums set out for the two Cash Offer Prices and the two Effective Dates in the table based on a 365-day year, as applicable;

(b) if the Cash Offer Price on the Effective Date exceeds $44.50 per Common Share, subject to adjustment as described below, the Make-Whole Premium will be zero; and

(c) if the Cash Offer Price on the Effective Date is less than $7.23 per Common Share, subject to adjustment as described below, the Make-Whole Premium will be zero.

The Cash Offer Prices set out in the table above will be adjusted as of any date on which the Conversion Rate of the Debentures is adjusted. The adjusted Cash Offer Prices will equal the Cash Offer Prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment giving rise to the Cash Offer Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of additional Common Shares set out in the table above will be adjusted in the same manner as the Conversion Rate as set out above under "Description of the Debentures - Conversion Rights". For greater certainty, there will be no additional Common Shares payable or adjustment to the Conversion Rate due to an adjustment to the Conversion Rate by adding the Make-Whole Premium as described above.

Method of Payment

Payment of Principal on Redemption or at Maturity

On redemption or at maturity of the Debentures, the Corporation will repay the indebtedness represented by the Debentures by paying to the Debenture Trustee in lawful money of Canada an amount equal to the principal amount of the outstanding Debentures, together with any accrued and unpaid interest thereon. The Corporation may, at its option, on not more than 60 days and not less than 30 days prior notice, subject to applicable regulatory approval and provided no Event of Default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of the Debentures that are to be redeemed or that are to mature, by issuing and delivering to the holders thereof that number of freely tradeable Common Shares determined by dividing the principal amount of the Debentures being repaid by 95% of the Current Market Price on the date of redemption or maturity, as applicable. No fractional Common Shares will be issued on redemption or at maturity but in lieu thereof the Corporation will satisfy fractional interests by a cash payment equal to the Current Market Price multiplied by the fractional Common Share less any taxes required to be deducted or withheld.

Interest Payment Election

The Corporation may elect, subject to regulatory approval and provided that no Event of Default has occurred and is continuing, from time to time to satisfy its obligation to pay all or any part of the interest on the Debentures (the "**Interest Obligation**"), on the date it is payable under the Debenture Indenture (an "**Interest**

Payment Date"), by delivering a sufficient number of Common Shares to the Debenture Trustee to satisfy all or any part, as the case may be, of the Interest Obligation in accordance with the Debenture Indenture (the "**Common Share Interest Payment Election**"). The Debenture Indenture will provide that, upon such election, the Debenture Trustee shall have the power to (a) accept delivery from the Corporation of Common Shares, (b) accept bids with respect to, and consummate sales of, such Common Shares on behalf of the Corporation, each as the Corporation may direct in its absolute discretion, (c) invest the proceeds of such sales in Government Obligations (as defined in the Debenture Indenture) which mature prior to the applicable Interest Payment Date, and use the proceeds received from such Government Obligations, together with any proceeds from the sale of Common Shares not invested as aforesaid, to satisfy the Interest Obligation, and (d) perform any other action necessarily incidental thereto as directed by the Corporation in its absolute discretion.

The Debenture Indenture will set forth the procedures to be followed by the Corporation and the Debenture Trustee in order to affect the Common Share Interest Payment Election. Neither the Corporation's making of the Common Share Interest Payment Election nor the consummation of sales of Common Shares will (a) result in the holders of the Debentures not being entitled to receive on the applicable Interest Payment Date cash in an aggregate amount equal to the interest payable on such Interest Payment Date, or (b) entitle such holders to receive any Common Shares in satisfaction of the Interest Obligation.

Events of Default and Waiver

The Debenture Indenture will provide that an event of default ("**Event of Default**") in respect of the Debentures will occur if any one or more of the following described events has occurred and is continuing with respect to such Debentures: (a) failure for 30 days to pay interest on such Debentures when due; (b) failure to pay the principal of such Debentures when due, whether at maturity, upon redemption, by declaration or otherwise; (c) failure to make a Debenture Offer as and when required pursuant to the Debenture Indenture; (d) certain events of bankruptcy, insolvency or certain reorganizations of the Corporation under bankruptcy or insolvency laws; or (e) certain events with respect to the winding-up or liquidation of North American occur. If an Event of Default has occurred and is continuing, the Debenture Trustee may, in its discretion (subject to waiver thereof by the Debentureholders), and will upon request of holders of not less than 25% of the principal amount of the Debentures then outstanding, declare the principal of and interest on all outstanding Debentures to be immediately due and payable. In certain cases, the holders of more than 50% of the principal amount of such Debentures then outstanding may, on behalf of the holders of all such Debentures, waive any Event of Default and/or cancel any such declaration upon such terms and conditions as such holders may prescribe.

Modification

The rights of the holders of the Debentures as well as any other series of debentures that may be issued under the Debenture Indenture may be modified in accordance with the terms of the Debenture Indenture. For that purpose, among others, the Debenture Indenture will contain certain provisions which will make binding on all Debentureholders resolutions passed at meetings of the holders of Debentures by votes cast thereat by holders of not less than 66⅔% of the principal amount of the Debentures present at the meeting or represented by proxy, or rendered by instruments in writing signed by the holders of not less than 66⅔% of the principal amount of the Debentures then outstanding. In certain cases, the modification will, instead or in addition, require assent by the holders of the required percentage of Debentures of each particularly affected series.

The Corporation and the Debenture Trustee may, without the consent or concurrence of the holders of debentures under the Debenture Indenture, by supplemental indenture or otherwise, make any changes or corrections in the Debenture Indenture which they have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained therein or in any indenture supplemental thereto.

Book-Based System for Debentures

On the Closing Date (i) the Debentures will be issued and deposited in "book entry only" form or electronic form with CDS or its nominee pursuant to the book-based system administered by CDS; (ii) certificates evidencing the Debentures will not be issued to purchasers; and (iii) purchasers will receive only a customer confirmation from the Underwriter or other registered dealer who is a participant in the depository of CDS (a "**Participant**") and from or through whom a beneficial interest in the Debentures are purchased.

Neither the Corporation nor the Underwriters or the Debenture Trustee will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Debentures held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Debentures; or (c) any advice or representation made by or with respect to CDS and those contained in this Prospectus and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and persons, other than Participants, having an interest in the Debentures must look solely to Participants for the payment of the principal and interest on the Debentures paid by or on behalf of North American to CDS.

As indirect holders of Debentures, investors should be aware that they (subject to the situations described below): (a) may not be able to sell the Debentures to institutions required by law to hold physical certificates for securities they own; and (b) may be unable to pledge Debentures as security.

The Debentures will be issued in fully registered and certificate form (the "**Debenture Certificates**") only if: (a) required to do so by applicable law; (b) the book-based system ceases to exist; (c) the Corporation or CDS advises the Debenture Trustee that CDS is no longer willing or able to continue as depository with respect to the Debentures and the Corporation has not appointed a successor depository; (d) the Corporation, at its option, decides to terminate the book-based system; or (e) after the occurrence of an Event of Default, Participants acting on behalf of beneficial owners representing, in the aggregate, more than 25% of the aggregate principal amount of the Debentures then outstanding advise CDS in writing that the continuation of a book-based system through CDS is no longer in their best interest, and provided that the Debenture Trustee has not waived the Event of Default in accordance with the terms of the Debenture Indenture.

Upon the termination of the book-based system on the occurrence of any of the events described in the immediately preceding paragraph, the Debenture Trustee must notify the beneficial owners of the Debentures, through CDS, of the availability through CDS of Debenture Certificates. Upon surrender by CDS of the Debentures and receipt of instructions from CDS for the new registrations, the Debenture Trustee will deliver the Debentures in the form of Debenture Certificates and thereafter the Corporation will recognize the holders of such Debenture Certificates as Debenture holders under the Debenture Indenture.

Interest on the Debentures will be paid directly to CDS while the book-based system is in effect. If Debenture Certificates are issued, interest will be paid by cheque drawn on the Corporation and sent by prepaid mail to the registered holder by the Debenture Trustee or by such other means as may become customary for the payment of interest. Payment of principal, including payment in the form of Common Shares if applicable, and the interest due, at maturity or on a redemption date, will be paid directly to CDS by the Debenture Trustee while the book-based system is in effect. If Debenture Certificates are issued, payment of principal, including payment in the form of Common Shares, if applicable, and interest due, at maturity or on a redemption date, will be paid upon surrender thereof at any office of the Debenture Trustee or as otherwise specified in the Debenture Indenture.

Transfers of beneficial ownership in Debentures will be effected through records maintained by CDS or its nominees for such Debentures (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). Unless North American elects, in its sole discretion, to prepare and deliver Debenture Certificates, beneficial owners who are not Participants in CDS' book-based system, but who desire to purchase, sell or otherwise transfer ownership of or other interests in Debentures, may do so only through Participants in CDS' book-based system.

Governing Law

Each of the Debenture Indenture and the Debentures will be governed by, and will be construed in accordance with, the laws of the Province of Ontario.

DESCRIPTION OF THE COMMON SHARES

The authorized share capital of the Corporation consists of an unlimited number of Voting Common Shares, which are referred to in this Prospectus as “Common Shares”, and an unlimited number of non-voting common shares (the “**Non-Voting Common Shares**”) of which, as of February 27, 2017, 30,546,207 Common Shares and no Non-Voting Common Shares were issued and outstanding.

Some of the statements contained herein are summaries of the material provisions of the Corporation’s articles of amalgamation relating to dividends, distribution of assets upon dissolution, liquidation or winding up and are qualified in their entirety by reference to the Corporation’s articles of amalgamation which can be found on www.sedar.com and www.sec.gov.

Common Shares

In the event of a dissolution, liquidation or winding up, the holders of Common Shares are entitled to share equally and ratably in the assets available for distribution after payments are made to the Corporation’s creditors. Holders of Common Shares have no pre-emptive rights or other rights to subscribe for the Corporation’s securities. Each Common Share entitles the holder thereof to one vote in the election of directors and all other matters submitted to a vote of shareholders, and holders of Common Shares have no rights to cumulate their votes in the election of directors.

Non-Voting Common Shares

Except as prescribed by Canadian law and except in limited circumstances, the Non-Voting Common Shares have no voting rights but are otherwise identical to the Common Shares in all respects. The Non-Voting Common Shares are convertible into Common Shares on a share-for-share basis at the option of the holder if it transfers, sells or otherwise disposes of the converted Common Shares (i) in a public offering of Common Shares; (ii) to a third party that, prior to such sale, controls the Corporation; (iii) to a third party that, after such sale, is a beneficial owner of not more than 2% of the Corporation’s outstanding voting shares; (iv) in a transaction that complies with Rule 144 under the U.S. Securities Act; or (v) in a transaction approved in advance by regulatory bodies.

Dividends

The Corporation’s dividend policy provides that the amount of cash dividends, if any, to be paid on the Common Shares, is subject to the discretion of the Board of Directors and may vary depending on a variety of factors. It is the current intention of the Board of Directors to pay a dividend on North American’s outstanding Common Shares of $0.08 annually ($0.02 quarterly) per Common Share. There is no guarantee that the Corporation will maintain this dividend policy.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated February 28, 2017 between North American and the Underwriters (the “**Underwriting Agreement**”), North American has agreed to issue and sell and the Underwriters have severally agreed to purchase, as principals, on the Closing Date, subject to the conditions stipulated in the Underwriting Agreement, an aggregate of 40,000 Debentures offered hereby at a price of $1,000 per Debenture for total gross consideration of $40,000,000. The Debentures are being offered to the public in all of the provinces and territories of Canada, other than Quebec. The offering price and terms of the Debentures were determined by negotiation between North American and the Underwriters.

The Underwriting Agreement provides that North American will pay the Underwriters at the time of closing of the Offering a fee of $40.00 per Debenture sold pursuant to the Offering (including any Debentures sold pursuant to the exercise of the Over-Allotment Option).

North American has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part at any one time not later than the 30th day following the Closing Date, to purchase up to an additional 6,000 Debentures on the same terms as set forth above solely to cover the Underwriters' over-allocation position, if any, and for consequent market stabilization purposes. This Prospectus also qualifies the grant of the Over-Allotment Option and the Debentures issuable upon the exercise thereof. A purchaser who acquires any Debentures forming part of the Underwriters' over-allocation position acquires such Debentures under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint nor joint and several and may be terminated by all or any of the Underwriters at their discretion upon the occurrence of any of the following: (i) (A) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX, the NYSE or any securities regulatory authority or any law or regulation is enacted or changed which in the sole opinion of the Underwriters, acting reasonably, could operate to prevent or materially restrict the trading of the common shares or materially and adversely affects or will materially and adversely affect the market price or value of the common shares; or (B) if there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which in the sole opinion of the Underwriters seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole; (ii) there shall occur any material change in the business affairs, financial condition, assets, liabilities (contingent or otherwise), results of operations of the Corporation and its related entities (taken as a whole), or there shall exist or be discovered any material fact which is, or may be, untrue, false or misleading in a material respect or result in a misrepresentation (other than a change or fact related solely to the Underwriters), which in the sole opinion of the Underwriters could be expected to have a material adverse effect on the market price or value of the Common Shares; (iii) the Corporation is in breach of any material term, condition or covenant of the Underwriting Agreement or any representation or warranty given by the Corporation herein is or becomes false in any material respect; or (iv) there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence, acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions or any action, law, regulation or inquiry which, in the reasonable opinion of the Underwriters, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or the United States, or the business, operations or affairs of the Corporation and its related entities (taken as a whole), or the market price or value of the Common Shares. The Underwriters are, however, obligated to take up and pay for all of the Debentures if any of the Debentures are purchased under the Underwriting Agreement. Subject to the terms of the Underwriting Agreement, North American has also agreed to indemnify the Underwriters and their respective directors, officers, employees and agents against certain liabilities, including civil liabilities under Canadian provincial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof.

North American has also agreed with the Underwriters that it will not, for the period commencing on the Closing Date and ending 90 days after the Closing Date, issue, sell, agree to issue or sell, or announce an intention to issue or sell any Common Shares, Non-Voting Common Shares or other equity securities, Debentures or any securities convertible into or exchangeable for Common Shares or Non-Voting Common Shares, except pursuant to (i) the exercise of the Over-Allotment Option; (ii) to a vendor in connection with acquisitions in the normal course of business that are, individually and in the aggregate, not material to the Corporation; (iii) the exchange, transfer, conversion or exercise of the Debentures or other existing outstanding convertible securities; (iv) grants of securities and exercises of securities granted under its existing directors', officers' or employee incentive plans; (v) to satisfy existing instruments issued prior to the date hereof; or (vi) pursuant to any distribution reinvestment plan of the Corporation, in each case without the consent of the National Bank Financial Inc. on behalf of the Underwriters, such consent not to be unreasonably withheld, delayed or conditioned.

The Corporation has applied to list the Debentures and the Common Shares issuable upon conversion of the Debentures on the TSX. In addition, the Corporation has applied to list the Common Shares issuable upon conversion of the Debentures on the NYSE. Such listings will be subject to North American fulfilling all of the listing requirements of the TSX and NYSE, as applicable. There is currently no market through which any of the Debentures may be sold and purchasers may not be able to resell any of the Debentures purchased under this Prospectus. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. See “Risk Factors”.

The Underwriters propose to offer the Debentures initially at the offering price set forth herein. After the Underwriters have made a reasonable effort to sell all of the Debentures at such price, such offering price may be decreased and may be further changed from time to time to an amount not greater than the offering price set forth herein, and the compensation realized by the Underwriters pursuant to the Offering will effectively be decreased by the amount that the price paid by purchasers for the Debentures is less than the original offering price. Any such reduction will not affect the net proceeds received by North American.

Pursuant to policy statements of the relevant securities commissions, the Underwriters may not, throughout the period of distribution under the Prospectus, bid for or purchase Debentures and/or Common Shares. The foregoing restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of such securities. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSX including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made on behalf of a client where the client’s order was not solicited during the period of distribution.

In connection with the Offering, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Debentures and/or Common Shares at levels other than those which might otherwise prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Debentures while the Offering is in progress. These transactions may also include making short sales of the Debentures, which involve the sale by the Underwriters of a greater number of Debentures than they are required to purchase in the Offering. Short sales may be “covered short sales”, which are short positions in an amount not greater than the Over-Allotment Option, or may be “naked short sales”, which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Debentures in the open market. In making this determination, the Underwriters will consider, among other things, the price of the Debentures available for purchase in the open market compared with the price at which they may purchase Debentures through the Over-Allotment Option. If, following the closing of the Offering, the market price of the Debentures decreases, the short position created by the over-allocation position in the Debentures may be filled through purchases in the open market, creating upward pressure on the price of the Debentures. If, following the closing of the Offering, the market price of Debentures increases, the over- allocation position in the Debentures may be filled through the exercise of the Over-Allotment Option.

The Underwriters must close out any naked short position by purchasing Debentures in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Debentures in the open market that could adversely affect investors who purchase in the Offering. Any naked short position would form part of the Underwriters’ over-allocation position. A purchaser who acquires Debentures forming part of the Underwriters’ over-allocation position resulting from any covered short sales or naked short sales will acquire such Debentures under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The Debentures and the Common Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Debentures in the United States.

RELATIONSHIP BETWEEN THE UNDERWRITERS AND THE CORPORATION

CIBC World Markets Inc. and HSBC Securities (Canada) Inc. (together, the "**Lenders**"), are, directly or indirectly, wholly-owned subsidiaries of Canadian chartered banks which are lenders to the Corporation under the Credit Facility. Accordingly, pursuant to applicable securities legislation, the Corporation may be considered a "connected issuer" of CIBC World Markets Inc. and HSBC Securities (Canada) Inc. for the purposes of securities legislation in certain jurisdictions. As at January 31, 2017, $39,215,000 is outstanding under the Credit Facility. **The Corporation's obligations under the Credit Facility are secured guarantees of certain subsidiaries and affiliates and secured by a general security agreement and a pledge of the assets and securities of North American and the majority of its operating subsidiaries and affiliates.** In addition, as of January 31, 2017, approximately $825,538 in letters of credit were outstanding under the Credit Facility. There has been no material change in the financial position of the Corporation or the value of the security for the Credit Facility since the Credit Facility was renewed, except as previously disclosed by the Corporation or as described elsewhere in this Prospectus or the documents incorporated by reference herein.

The Corporation is not in default of any of its obligations to such banks and financial institutions under the Credit Facility. Since the execution of the agreements relating to the Credit Facility, the lenders thereunder have not waived a breach on the Corporation's part or on the part of the Corporation's subsidiaries. The decision to issue the Debentures and the determination of the terms of the distribution of the Debentures were made through negotiation between the Corporation and the Underwriters. None of the Lenders had any involvement in such decision or determination. As a consequence of the Offering, CIBC World Markets Inc. and HSBC Securities (Canada) Inc. will receive their proportionate share of the Underwriters' Commission.

Certain of the Underwriters and their affiliates have performed investment banking, commercial banking and advisory services for the Corporation from time to time for which they have received customary fees and expenses. The Underwriters and their affiliates may, from time to time, engage in transactions with and perform services for the Corporation in the ordinary course of their businesses.

National Bank Financial Inc. and CIBC World Markets Inc. own or control an equity interest in the TMX Group Limited ("**TMX**") and have a nominee director serving on its board. As such National Bank Financial Inc. and CIBC World Markets Inc. may be considered to have an economic interest in the listing of securities on an exchange owned or operated by TMX, including the TSX, the TSX Venture Exchange and the Alpha Exchange (each, an "**Exchange**"). No person or company is required to obtain products or services from TMX or its affiliates as a condition of National Bank Financial Inc. and CIBC World Markets Inc. supplying or continuing to supply a product or service. Each of National Bank Financial Inc. and CIBC World Markets Inc. do not require the Corporation to list securities on any of the Exchanges as a condition of supplying or continuing to supply underwriting and/or any other services.

PRIOR SALES

Common Shares

The following table describes the number Common Shares and securities convertible into Common Shares issued by North American during the 12 month period prior to the date of this Prospectus.

Date of Issuance	Number of Common Shares Issued	Price
September 15, 2016	4,280	$2.75[(1)]
November 22, 2016	38,700	$2.75[(1)]
December 15, 2016	9,300	$2.79[(1)]
December 16, 2016	10,700	$2.79[(1)]
December 20, 2016	30,000	$2.79[(1)]

February 23, 2017	21,300	$2.79[1]
February 24, 2017	6,000	$2.79[1]
February 28, 2017	72,700	$2.79[1]

Notes:

[1] Common Shares issued pursuant to the exercise of options granted pursuant to the Corporation's stock option plan.

TRADING PRICE AND VOLUME

Common Shares

The Common Shares are listed on the TSX and NYSE under the trading symbol "NOA". The following table sets forth, for the periods indicated, the high and low sale prices per share and total monthly trading volumes, as reported on the NYSE and the TSX.

	TSX			NYSE		
Period	High ($)	Low ($)	Volume	High (US$)	Low (US$)	Volume
2016						
January	2.55	2.05	321,710	1.81	1.44	296,190
February	2.52	1.95	413,088	1.94	1.39	474,205
March	2.77	2.28	370,726	2.14	1.69	1,616,452
April	2.92	2.45	387,726	2.24	1.91	777,965
May	3.80	2.58	629,389	3.07	2.04	2,622,267
June	3.97	3.27	1,588,548	3.10	2.61	933,900
July	4.00	3.36	436,242	3.00	2.52	912,364
August	3.50	3.20	893,898	2.71	2.36	911,022
September	3.60	3.10	271,778	2.65	2.34	605,548
October	4.10	3.30	943,700	3.10	2.48	1,144,179
November	5.10	3.80	2,228,200	3.90	2.75	1,577,911
December	5.57	4.61	1,806,181	4.20	3.48	1,345,358
2017						
January	7.00	5.17	3,013,689	5.35	3.85	2,167,054
February 1-27	7.48	6.60	2,090,922	5.70	5.00	2,479,215

On February 22, 2017, before the announcement of the Offering, the closing price of the Common Shares on the TSX and the NYSE was $7.23 and US$5.55, respectively. On February 27, 2017, the last trading day on each of the TSX and the NYSE before the date of this Prospectus, the closing price of the Common Shares on the TSX and the NYSE was $6.84 and US$5.25, respectively.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Borden Ladner Gervais LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations pursuant to the Tax Act that generally apply to a holder of Debentures who acquires Debentures pursuant to the Offering and who, for purposes of the Tax Act and at all relevant times, is or is deemed to be resident in Canada, holds the Debentures and the Common Shares, if any, issued on the conversion, redemption or maturity of the Debentures (collectively, the "**Securities**") as capital property, deals at arm's length with the Corporation and the Underwriters and is not affiliated with the Corporation or the Underwriters (a "**Holder**"). Generally, the Securities will be considered to be capital property to a holder provided that the holder does not hold the Securities in the course of carrying on a business of buying and selling, trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain holders who might not otherwise be considered to hold their Debentures and Common

Shares as capital property may, in certain circumstances, be entitled to have their Debentures and Common Shares and all other "Canadian securities" owned or subsequently acquired by the them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Holders should consult their own tax advisors regarding this election.

This summary does not apply to a Holder: (i) that is a "financial institution" (as defined in the Tax Act for purposes of the mark-to-market rules); (ii) that is a "specified financial institution" (as defined in the Tax Act); (iii) an interest in which is a "tax shelter investment" (as defined in the Tax Act); (iv) who makes or has made a functional currency reporting election pursuant to section 261 of the Tax Act; or (v) who has entered or will enter into a "derivative forward agreement" as that term is defined in the Tax Act with respect to any of the Securities. Any such Holder should consult its own tax advisor with respect to an investment in the Securities. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of the Securities.

This summary is based on the provisions of the Tax Act and the Regulations in force at the date hereof, all specific proposals to amend the Tax Act or the Regulations which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), as well as counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") made publicly available prior to the date hereof. This summary assumes the Proposed Amendments will be enacted in the form proposed; however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law or in administrative policies or assessing practices, whether by legislative, governmental or judicial action, nor does it take into account any other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to a particular Holder or prospective Holder of Securities, and no representation with respect to the income tax consequences to any Holder or prospective Holder is made. This summary is not exhaustive of all Canadian federal income tax consequences. Consequently, prospective Holders should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring the Securities pursuant to the Offering, having regard to their particular circumstances.

Taxation of Interest on Debentures

A Holder of Debentures that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Debentures that accrues (or is deemed to accrue) to it to the end of the taxation year or that has become receivable by or is received by the Holder before the end of that taxation year, including on a conversion, redemption or repayment at maturity, except to the extent that such interest was included in computing the Holder's income for a preceding taxation year.

Any other Holder, including an individual (other than a unit trust or trust of which a corporation or partnership is a beneficiary) will be required to include in computing income for a taxation year all interest on the Debentures that is received or receivable by the Holder in that taxation year (depending upon the method regularly followed by the Holder in computing income), including on a conversion, redemption or repayment at maturity, except to the extent that the interest was included in the Holder's income for a preceding taxation year. In addition, if at any time a Debenture should become an "investment contract" (as defined in the Tax Act) in relation to a Holder, such Holder will be required to include in computing income for a taxation year any interest that accrues to the Holder on the Debenture up to the end of any "anniversary day" (as defined in the Tax Act) in that year to the extent such interest was not otherwise included in computing the Holder's income for that year or a preceding year.

A Holder of Debentures that throughout the relevant taxation year is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay the refundable tax on its "aggregate investment income", which is defined in the Tax Act to include interest income.

As described above under the heading "Description of the Debentures — Interest Payment Election", the Corporation may elect to pay interest by issuing Common Shares to the Debenture Trustee for sale on behalf of the Corporation, in which event a Holder would be entitled to receive a cash payment equal to the interest owed to the Holder from the proceeds of sale of such Common Shares by the Debenture Trustee. If the Corporation were to pay interest in this manner, the Canadian federal income tax consequences to a Holder would generally be the same as those described above.

Exercise of the Conversion Privilege

A Holder who converts a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share) pursuant to the conversion privilege under the terms of the Debenture will be deemed not to have disposed of the Debenture and, accordingly, will not recognize a capital gain (or capital loss) upon such conversion. Under the current administrative practice of CRA, a Holder who, upon conversion of a Debenture, receives cash not in excess of $200 in lieu of a fraction of a Common Share may either treat this amount as proceeds of disposition of a portion of the Debenture, thereby recognizing a capital gain (or capital loss), or reduce the adjusted cost base of the Common Shares that the Holder receives on the conversion by the amount of the cash received.

Upon a conversion of a Debenture, interest accrued thereon, to the extent not otherwise previously included in income, will be included in computing the income of the Holder as described above under "Taxation of Interest on Debentures".

The aggregate cost to a Holder of the Common Shares acquired on the conversion of a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share) will generally be equal to the aggregate of the Holder's adjusted cost base of the Debenture immediately before the conversion, minus any reduction of adjusted cost base for fractional shares as discussed above. The adjusted cost base to a Holder of Common Shares acquired at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Holder as capital property immediately before the time.

Disposition of Debentures

A disposition or deemed disposition of a Debenture by a Holder, including a redemption, payment on maturity or purchase for cancellation, but not including the conversion of a Debenture into Common Shares pursuant to the Holder's right of conversion described above, will generally result in the Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition (net of any amount otherwise required to be included in the Holder's income as interest), are greater (or less) than the aggregate of the Holder's adjusted cost base thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "Taxation of Capital Gains and Capital Losses".

If the Corporation elects to pay any amount upon the redemption, purchase or maturity of a Debenture by issuing Common Shares to a Holder (but not including by the conversion of a Debenture into Common Shares pursuant to the Holder's conversion privilege as described above), the Holder's proceeds of disposition of the Debenture will be equal to the fair market value, at the time of disposition of the Debenture, of the Common Shares and any other consideration so received (except consideration received in satisfaction of any accrued interest). The Holder's cost of the Common Shares so received will be equal to the fair market value of such Common Shares received on the date of redemption, purchase or maturity. The adjusted cost base to a Holder of Common Shares acquired at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Holder as capital property immediately before the time.

Upon an assignment or other transfer of a Debenture, interest accrued thereon from the last Interest Payment Date to the date of assignment or other transfer, to the extent that such interest has not otherwise been included in computing the income of the Holder for the taxation year or a preceding taxation year, will be included in computing the income of the Holder and will be excluded in computing the Holder's proceeds of disposition of the Debentures.

Receipt of Dividends on Common Shares

A Holder generally will be required to include in computing its income for a taxation year any dividends received or deemed to be received on such Holder's Common Shares during such taxation year.

In the case of a Holder who is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules that apply to dividends received from "taxable Canadian corporations" (as defined in the Tax Act), including the enhanced gross-up and dividend tax credit for "eligible dividends" (as defined in the Tax Act). There may be limitations on the Corporation's ability to designate dividends as "eligible dividends".

Taxable dividends received by a Holder who is an individual (other than certain trusts) may result in such Holder being liable for alternative minimum tax under the Tax Act. Holders who are individuals should consult their own tax advisors in this regard.

In the case of a Holder that is a corporation, the amount of any such dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations should consult their own tax advisors having regard to their own circumstances. Certain corporations, including a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act), may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on Common Shares in a taxation year to the extent that such dividends are deductible in computing the corporation's taxable income for the year.

Disposition of Common Shares

A disposition or deemed disposition of a Common Share by a Holder (except to the Corporation, other than by a purchase by the Corporation in the open market if the Corporation acquired the Common Shares in the manner in which shares would normally be purchased by any member of the public in the open market) will generally result in the Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Common Share are greater (or less) than the aggregate of the Holder's adjusted cost base thereof and any reasonable cost of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "Taxation of Capital Gains and Capital Losses".

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain realized by a Holder (a "**taxable capital gain**") in a taxation year will be included in the Holder's income for the year, and one-half of any capital loss realized by a Holder (an "**allowable capital loss**") in a taxation year must be deducted from taxable capital gains realized by the Holder in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Holder that is a corporation on the disposition of a Common Share may be reduced by the amount of any dividends received or deemed to be received by the Holder on such Common Share (or on a share for which the Common Share has been substituted) to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay, in addition to tax otherwise payable under the Tax Act, refundable tax on certain investment income including taxable capital gains.

Capital gains realized by an individual (including certain trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

RISK FACTORS

An investment in Debentures and/or the Common Shares issuable upon the conversion of Debentures is subject to a number of risks that should be considered by prospective investors and their advisors. An investment in the Debentures should be considered speculative due to various factors and should only be made by persons who can afford the total loss of their investment. Before deciding whether to purchase Debentures, investors should consider carefully the risks described below relating to the ownership of the Debentures and the Offering as well as the other information in this Prospectus and the documents incorporated by reference herein, including, in particular, under the heading "Risk Factors" in the AIF and the Annual MD&A, as such disclosure may be modified by any disclosure made in this Prospectus. Such information does not purport to be an exhaustive list. If any of the identified risks were to materialize, it could have a materially adverse effect on the Corporation's future results of operations, business, prospects or financial condition, and could cause actual events to differ materially from those described in forward-looking statements. Additional risks and uncertainties not currently known to the Corporation, or which the Corporation currently deems to be immaterial, may also have an adverse effect on North American and/or its future results of operations, business, prospects or financial condition.

In addition to the risk factors described below in this Prospectus, the following risk factors from the AIF and Annual MD&A should be considered by prospective investors: foreign exchange risk, interest rate risk, risk of a decrease in the global demand for heavy equipment, risk of a downturn in the Canadian energy industry or a global reduction in the demand for oil and related commodities, risk of customers changing their perceptions of oil prices over the long-term or the economic viability of a new oil sands projects or expansion to an existing project, risk associated with loss of a major customer, risk of incurring non-recoverable costs, risk associated with new capital projects in the oil sands not materializing, risk associated with finding additional sources for generating construction services revenue, environmental risk, risk of actual project costs exceeding estimated project costs in respect of lump-sum contracts, unplanned short-term shutdowns of facilities, unfavourable resolutions to significant project claims, risk of contracted price escalators not accurately reflecting the Corporation's increased costs, risk associated with customers' changes in strategy, reduced availability or increased cost of leasing equipment fleet, significant labour disputes, and working capital requirements (availability of credit).

Risks Relating to the Corporation

Greenhouse Gas Emissions

The Corporation's exploration and production customers' facilities and other operations and activities emit greenhouse gases ("**GHG**") and require them to comply with GHG emissions legislation in force in those provinces in which it operates or that may be enacted in provinces in which it operates. The Corporation and its customers may also be required to comply with the regulatory schemes for GHG emissions ultimately adopted by the federal government in and Canada.

In August 2015, the Alberta Government appointed a Climate Leadership Panel to provide advice to the government on, among other things, the development of a comprehensive climate change strategy and to provide the Minister of Environment and Parks (the "**Minister**") advice on a comprehensive set of policy measures to reduce GHG emissions in Alberta. On November 22, 2015 the Alberta government released the Climate Leadership Panel's Report to the Minister. The Panel recommended a new Carbon Competitiveness Regulation to replace the existing emissions regulations. The government announced that it would implement its recommendations on imposing a new economy-wide price on carbon emissions of $20 per tonne on January 1, 2017 and rising to $30 per tonne on January 1, 2018. British Columbia also has a $30 per tonne carbon tax.

In September 2016, the Canadian Federal government announced its intention to impose a national carbon price on the provinces, requiring provinces to adopt either a carbon price or a cap-and-trade approach and to meet a federally established minimum price.

The direct or indirect costs of GHG emission reduction regulations may have a material adverse effect on the Corporation's business, financial condition, results of operations and cash flows. The future implementation or modification of GHG regulation could have a material impact on the nature of oil and natural gas operations of the Corporation's customers. Given the evolving nature of the debate related to climate change and the control of GHG and resulting requirements, it is not possible to predict the impact on the Corporation and its operations and financial condition.

Offering Risks

Credit Risk and Earnings Coverage Ratios

The likelihood that purchasers of the Debentures will receive payments owing to them under the terms of the Debentures will depend on the financial health and creditworthiness of the Corporation and the ability of the Corporation to earn revenues. See "Earnings Coverage Ratios", which is relevant to an assessment of the risk that the Corporation may be unable to pay interest or principal on the Debentures when due.

No Prior Public Market for the Debentures

There is currently no market through which the Debentures may be sold and purchasers may not be able to resell the Debentures purchased under this Prospectus. Although North American has applied to list the Debentures distributed under this short form prospectus on the TSX and the Common Shares issuable on the conversion of the Debentures on the TSX and NYSE, listing will be subject to the Corporation fulfilling all of the listing requirements of the TSX and NYSE, as applicable. No assurance can be given that an active or liquid trading market for the Debentures will develop or be sustained. If an active or liquid market for the Debentures fails to develop or be sustained, the price at which the Debentures trade may be adversely affected.

The market price of the Debentures may be volatile and subject to wide fluctuations and will be based on a number of factors, including: (i) the prevailing interest rates being paid by companies similar to the Corporation; (ii) the overall condition of the financial and credit markets; (iii) interest rate volatility; (iv) the markets for similar securities; (v) actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation; (vi) the publication of earnings estimates or other research reports and speculation in the press or investment community; (vii) the market price and volatility of the Common Shares; (viii) changes in the industry in which the Corporation operates and competition affecting the Corporation; and (ix) general market and economic conditions in North America and globally.

The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the market price of the Debentures.

Prior Ranking Indebtedness

The Debentures will be subordinate to all Senior Indebtedness of the Corporation and to any indebtedness of trade creditors of the Corporation. Therefore, if the Corporation becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, the Corporation's assets will be available to pay its obligations with respect to the Debentures only after it has paid all of its senior and secured indebtedness in full. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Debentures then outstanding.

In addition, a significant amount of the Corporation's business is conducted through its subsidiaries. None of the Corporation's subsidiaries has guaranteed or otherwise become obligated with respect to the Debentures and, as a result, the Debentures will be structurally subordinated to all liabilities and other obligations of the Corporation's subsidiaries. Accordingly, the Corporation's right to receive assets from any of its subsidiaries upon the Corporation's bankruptcy, liquidation or reorganization, and the right of Debentureholders to participate in those assets, is structurally subordinated to claims of that subsidiary's creditors, including trade creditors. Even if the Corporation were a creditor of any of its subsidiaries, the Corporation's rights as a creditor would be subordinate to any security interest in the assets of that subsidiary and any indebtedness of that subsidiary senior to that held by the Corporation.

Repayment of the Debentures

The Debentures will mature on March 31, 2024. The Corporation may not be able to refinance the principal amount of the Debentures in order to repay the principal outstanding or may not have generated enough cash from operations to meet this obligation. There is no guarantee that the Corporation will be able to repay the outstanding principal amount upon maturity of the Debentures.

Absence of Covenant Protection

The Debenture Indenture will not restrict the Corporation from incurring additional indebtedness for borrowed money or from mortgaging, pledging or charging its properties to secure any indebtedness. Nor will the Debenture Indenture prohibit or limit the ability of the Corporation to pay dividends, except where an Event of Default has occurred and such default has not been cured or waived. The Debenture Indenture will not contain any provision specifically intended to protect holders of the Debentures in the event of a future leveraged transaction involving the Corporation.

Prevailing Yields on Similar Securities

Prevailing yields on similar securities will affect the market value of the Debentures. Assuming all other factors remain unchanged, the market value of the Debentures will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline.

Possible Dilutive Effects on Holders of Common Shares

The Corporation may determine to redeem outstanding Debentures for Common Shares, to repay outstanding principal amounts of the Debentures at maturity by issuing additional Common Shares or, subject to regulatory approval, satisfy all or part of the Corporation's obligation to pay interest on the Debentures in accordance with the Debenture Indenture by delivering sufficient Common Shares to the Debenture Trustee. Accordingly, holders of Common Shares may suffer dilution.

Possible Dilutive Effects of Future Financings

Future sales or issuances of debt or equity securities could increase the Corporation's debt service obligations, decrease the value of any existing Common Shares, dilute investors' voting power, reduce North American's earnings per share and make future sales of North American's equity securities more difficult. Sales of Common Shares by shareholders might also make it more difficult for North American to sell equity securities at a time and price that it deems appropriate. North American cannot predict the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares.

Redemption Prior to Maturity

The Debentures may be redeemed, at the option of the Corporation, on and after March 31, 2020 and prior to the Maturity Date at any time and from time to time (provided that, in the case of any redemption between March 31, 2020 and March 31, 2022, the Current Market Price of the Common Shares on the date on which notice of redemption is given is not less than 125% of the Conversion Price), upon payment of the principal, together with any accrued and unpaid interest.

The Corporation may exercise this redemption option if the Corporation is able to refinance at a lower interest rate or it is otherwise in the interest of the Corporation to redeem the Debentures. The Corporation's ability to redeem the Debentures may be limited by law, by the Debenture Indenture, by the terms of other existing or future agreements relating to the Credit Facility or other credit facilities and other indebtedness and agreements that the Corporation may enter into in the future which may replace, supplement or amend its future debt. See "Description of the Debentures - Redemption".

Change of Control

The Corporation will be required to make an offer to purchase all of the outstanding Debentures for cash in the event of certain transactions that would constitute a Change of Control. The Corporation cannot assure holders of Debentures that, if required, it would have sufficient cash or other financial resources at that time or would be able to arrange financing to pay the purchase price of the Debentures in cash. The Corporation's ability to purchase the Debentures in such an event may be limited by law, by the Debenture Indenture governing the Debentures, by the terms of other present or future agreements relating to the Corporation's credit facilities and other indebtedness and agreements that the Corporation may enter into in the future which may replace, supplement or amend the Corporation's future debt. The Corporation's future credit agreements or other agreements may contain provisions that could prohibit the purchase by the Corporation of the Debentures without the consent of the lenders or other parties thereunder. If the Corporation's obligation to offer to purchase the Debentures arises at a time when the Corporation is prohibited from purchasing or redeeming the Debentures, the Corporation could seek the consent of lenders to purchase the Debentures or could attempt to refinance the borrowings that contain this prohibition. If the Corporation does not obtain a consent or refinance these borrowings, the Corporation could remain prohibited from purchasing the Debentures. The Corporation's failure to purchase the Debentures would constitute an Event of Default under the Debenture Indenture, which might constitute a default under the terms of the Corporation's other indebtedness at that time.

In the event that Debentureholders holding 90% or more of the Debentures have tendered their Debentures for purchase pursuant to a Debenture Offer, the Corporation may redeem the remaining Debentures on the same terms. In such event, the conversion privilege associated with the Debentures would be eliminated. See "Description of the Debentures - Change of Control".

Conversion Following Certain Transactions

Pursuant to the Debenture Indenture, in the event of certain transactions each Debenture will become convertible into the securities, cash or property receivable by a shareholder of North American in accordance with such transactions. This change could substantially reduce or eliminate any potential future value of the conversion privilege associated with the Debentures. For example, if the Corporation were acquired in a cash merger, each Debenture would become convertible solely into cash and would no longer be convertible into securities whose value would vary depending on the Corporation's future prospects and other factors, subject to the specific provisions of the Debenture Indenture in this regard. See "Description of the Debentures - Conversion Rights".

Volatility of Market Price of the Debentures

The price of the Debentures was established by negotiation between the Corporation and the Underwriters with reference to the market price of the Common Shares and other factors, and may not be indicative of the price at which the Debentures will trade following the completion of the Offering. The market price of the Debentures may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following: (i) the prevailing interest rates being paid by companies similar to the Corporation; (ii) the overall condition of the financial and credit markets; (iii) interest rate volatility; (iv) the markets for similar securities; (v) actual or anticipated fluctuations in the financial condition, results of operations and prospects of the Corporation; (vi) the publication of earnings estimates or other research reports and speculation in the press or investment community; (vii) the market price and volatility of the Common Shares (discussed below); (viii) changes in the industry in which the Corporation operates and competition affecting the Corporation; and (ix) general market and economic conditions in North America and globally, along with a variety of additional factors, including, without limitation, those set forth under "Cautionary Note Regarding Forward-Looking Statements".

The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the market price of the Debentures.

Change in Tax Laws

The Debenture Indenture will not contain a requirement that the Corporation increase the amount of interest or other payments to holders of Debentures in the event that the Corporation is required to withhold amounts in respect of income or similar taxes on payment of interest or other amounts on the Debentures. At present, the Corporation will not withhold from such payments to holders of Debentures resident in Canada or who deal at arm's length with the Corporation, but no assurance can be given that applicable income tax laws will not be changed in a manner that may require the Corporation to withhold amounts in respect of tax payable on such amounts.

Investment Eligibility

The Corporation will endeavour to ensure that the Debentures continue to be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax free savings accounts. No assurance can be given in this regard. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments by such plans.

Use of Proceeds of the Offering

The Corporation currently intends to allocate the net proceeds received from the Offering as described under the heading "Use of Proceeds" in this Prospectus. However, management will have discretion concerning the use of proceeds of the Offering as well as the timing of their expenditures. As a result, investors will be relying on the judgment of management as to the application of the net proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and effectiveness of the application of the net proceeds are uncertain. If the proceeds are not applied effectively, the Corporation's results of operations may suffer.

Potential Acquisition, Investment and Disposition Opportunities

In the normal course, the Corporation evaluates and considers potential acquisition, investment and disposition opportunities that it believes may assist it in achieving its business and growth plans. There can be no assurance that any of these evaluations or considerations will result in a definitive agreement with respect to an acquisition, investment or disposition, and, if they do, what the terms or timing of such would be or that such acquisition, investment or disposition will be completed by the Corporation. If the Corporation does complete any such transaction, it cannot assure investors that the transaction will ultimately strengthen the Corporation's financial or operating results, prospects or competitive position or that it will not be viewed negatively by securities analysts or investors. Such transactions may also involve significant commitments of the Corporation's financial and other resources. Any such activity may not be successful in generating revenue, income or other returns to the Corporation, and the resources committed to such activities will not be available to the Corporation for other purposes.

LEGAL MATTERS

Certain legal matters in connection with the Offering will be passed upon by Borden Ladner Gervais LLP, on behalf of North American, and by Blake, Cassels & Graydon LLP, on behalf of the Underwriters. As at the date hereof, the partners and associates of Borden Ladner Gervais LLP, as a group, and of Blake, Cassels & Graydon LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares of the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

KPMG LLP are the auditors of North American and have confirmed with respect to North American, that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and also that they are independent accountants with respect to North American under all relevant U.S. professional and regulatory standards.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

The Debenture Trustee is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

STATUTORY AND CONTRACTUAL RIGHTS OF RESCISSION AND STATUTORY RIGHTS OF WITHDRAWAL

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

Under the Debenture Indenture, original purchasers of Debentures will have a non-assignable contractual right of rescission against the Corporation following the conversion of such Debentures in the event that this Prospectus or any amendment thereto contains a misrepresentation. The contractual right of rescission will entitle such original purchasers to receive from the Corporation, upon surrender of the Common Shares issued upon conversion of such Debentures, the amount paid for such Debentures, provided that the right of rescission is exercised within 180 days from the date of the purchase of such Debentures under this Prospectus. This contractual right of rescission will be subject to the defenses, limitations and other provisions set forth in the Debenture Indenture and is in addition to any other right or remedy available to original purchasers of Debentures at law.

In an offering of convertible securities such as the Debentures, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the convertible security is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages, or consult with a legal advisor.

CERTIFICATE OF THE CORPORATION

Dated: February 28, 2017

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces and territories of Canada, other than Quebec.

(signed) "*Martin R. Ferron*"	(signed) "*Robert J. Butler*"
Martin R. Ferron Chief Executive Officer	Robert J. Butler Vice President, Finance

On behalf of the Board of Directors

(signed) "*Ronald A. McIntosh*"	(signed) "*Bryan D. Pinney*"
Ronald A. McIntosh Director	Bryan D. Pinney Director

CERTIFICATE OF THE UNDERWRITERS

Dated: February 28, 2017

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces and territories of Canada, other than Quebec.

NATIONAL BANK FINANCIAL INC.

By: (signed) "*Bradley Spruin*"

CANACCORD GENUITY CORP.

By: (signed) "*Jason Robertson*"

BMO NESBITT BURNS INC.

By: (signed) "*Gregory Stadnyk*"

CIBC WORLD MARKETS INC.

By: (signed) "*Jason Stefanson*"

HSBC SECURITIES (CANADA) INC.

By: (signed) "*Jay K. Lewis*"

RAYMOND JAMES LTD.

By: (signed) "*Ian G. MacKay*"

NORTH AMERICAN
ENERGY PARTNERS INC.

Donnelley
Financial Solutions