JANUARY 30, 2018

PINNACLE RENEWABLE HOLDINGS INC.

INITIAL PUBLIC OFFERING OF COMMON SHARES

FINAL TERMS

A FINAL PROSPECTUS CONTAINING IMPORTANT INFORMATION RELATING TO THE SECURITIES DESCRIBED IN THIS DOCUMENT HAVE BEEN FILED WITH THE SECURITIES REGULATORY AUTHORITIES IN EACH OF THE PROVINCES AND TERRITORIES OF CANADA. A COPY OF THE FINAL PROSPECTUS, AND ANY AMENDMENT, IS REQUIRED TO BE DELIVERED WITH THIS DOCUMENT. THE FINAL PROSPECTUS IS STILL SUBJECT TO COMPLETION. THERE WILL NOT BE ANY SALE OR ANY ACCEPTANCE OF AN OFFER TO BUY THE SECURITIES UNTIL A RECEIPT FOR THE FINAL PROSPECTUS HAS BEEN ISSUED. THIS DOCUMENT DOES NOT PROVIDE FULL DISCLOSURE OF ALL MATERIAL FACTS RELATING TO THE SECURITIES OFFERED. INVESTORS SHOULD READ THE FINAL PROSPECTUS AND ANY AMENDMENT FOR DISCLOSURE OF THOSE FACTS, ESPECIALLY RISK FACTORS RELATING TO THE SECURITIES OFFERED, BEFORE MAKING AN INVESTMENT DECISION.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES (AS SUCH TERM IS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN THE U.S. SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

CAPITALIZED TERMS USED BUT NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE RESPECTIVE MEANING ASCRIBED THERETO IN THE AMENDED AND RESTATED PRELIMINARY PROSPECTUS. ALL REFERENCES TO "$" OR "DOLLARS" IN THIS DOCUMENT ARE TO CANADIAN DOLLARS, UNLESS INDICATED OTHERWISE.

Issuer:	Pinnacle Renewable Holdings Inc. ("Pinnacle" or the "Company").
Selling Shareholders:	Rob Swaan Holdings Inc., Jim Swaan Holdings Inc., Beckman Holdings Inc., Leroy Reitsma, Lodge Family Trust and Rick Davis.
Offering:	13,335,000 common shares ("Common Shares"), of which 6,223,889 will be offered via treasury offering by the Company (the "Treasury Offering") and 7,111,111 will be offered via secondary offering by the Selling Shareholders (the "Secondary Offering").
Offering Price:	$11.25 per Common Share.
Offering Size:	$150,018,750 ($172,521,563 assuming the Over-Allotment Option is exercised in full).
Over-Allotment Option:	The Selling Shareholders have granted to the Underwriters an option, exercisable in whole or in part, at any time for a period of 30 days after the Closing Date, to purchase from the Selling Shareholders up to an additional 15% of the aggregate number of the Common Shares issued under the Offering at the Offering Price solely to cover over-allotments, if any, and for market stabilization purposes.
Shares Outstanding:	Upon completion of the Offering, an aggregate of 32,903,221 Common Shares will be issued and outstanding. On a fully diluted basis, upon completion of the Offering, 33,448,719 Common Shares will be outstanding[1], assuming no exercise of the Over-Allotment Option.
Shares held by the ONCAP Entities Following Closing:	Upon completion of the Offering, ONCAP II L.P., ONCAP US (II) L.P., ONCAP (US) II-A L.P., ONEX Parallel Investment (ONCAP) L.P. and Biomass EI Ltd. (collectively, the "ONCAP Entities") will, collectively, directly or indirectly own or control 14,112,787 Common Shares, representing approximately 42.9% of the issued and outstanding Common Shares.

[1] Fully diluted Common Shares outstanding assumes the treasury stock method. Upon completion of the Offering, the Company will have 1.69 million options outstanding, of which 1.29 million are in-the-money. The in-the-money options have a weighted-average exercise price of $6.48. The treasury stock method assumes these options are exercised and the $8.3 million of proceeds are used to repurchase 0.7 million Common Shares.

Use of Proceeds:	Pinnacle intends to use the net proceeds of the Treasury Offering to fund the construction of the Entwistle Facility and the Smithers Facility, to repay certain existing subordinated shareholder debt, and the remainder for general corporate expenses. Pinnacle will not receive any of the proceeds from the Secondary Offering.
Lock-up Arrangements:	Each of the Company, its executive officers and directors, the Selling Shareholders and ONCAP Entities have agreed that he, she or it will not, directly or indirectly, without the prior written consent of CIBC Capital Markets and RBC Capital Markets, on behalf of the Underwriters, such consent not to be unreasonably withheld, issue, offer or sell or grant any option, warrant or other right to purchase or agree to issue or sell or otherwise lend, transfer, assign or dispose of any of Pinnacle's equity securities, or other securities convertible or exchangeable into or otherwise exercisable into Pinnacle's equity securities or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Company's equity securities, or agree or publicly announce any intention to do any of the foregoing for a period commencing on the date hereof and ending 180 days after the Closing Date, subject to certain limited exceptions, including the sale of securities pursuant to the exercise of the Over-Allotment Option, or the issuance of securities pursuant to or in connection with the Company's equity incentive compensation plans. Holders of approximately 100% of the Company's issued and outstanding shares prior to the completion of the Offering will be subject to these Lock-Up Arrangements.
Dividend Policy:	Pinnacle anticipates paying quarterly cash dividends, with annualized aggregate dividend payments of approximately $19.7 million, with an anticipated dividend yield of approximately 5.3%. The first dividend that would be payable to investors in the Offering would be the dividend for the period beginning on the Closing Date and ending on March 30, 2018. The Company expects the first dividend would be equal to an aggregate amount of approximately $2.9 million (or approximately $0.09 per Common Share). Subsequent dividend payments are expected to equal an aggregate of approximately $4.9 million per quarter (or approximately $0.15 per Common Share).
Offering Procedure:	Initial public offering under a long-form prospectus filed in all provinces and territories of Canada. Private placement in the U.S. to "qualified institutional buyers" pursuant to Rule 144A of the United States Securities Act of 1933. A copy of the long form prospectus will be available on www.sedar.com.
Eligibility:	The Common Shares will be eligible for RDSPs, RRSPs, RRIFs, RESPs, TFSAs and DPSPs.
Listing:	The TSX has conditionally approved the listing of the Common Shares under the symbol "PL".
Joint Bookrunners:	CIBC Capital Markets, RBC Capital Markets, Scotiabank and BMO Capital Markets.
Underwriters' Fee:	5.50%.
Closing Date:	February 6, 2018.