Clerk's Stamp

JUDICIAL DISTRICT OF EDMONTON
FILED
NOV 2 1 2017
Clerk of the Court

COURT FILE NUMBER	1703-12327
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
	AND IN THE MATTER OF A PLAN OF ARRANGEMENT OF CANADA NORTH GROUP INC., CANADA NORTH CAMPS INC., CAMPCORP STRUCTURES LTD., D.J. CATERING LTD., 816956 ALBERTA LTD., 1371047 ALBERTA LTD., AND 1919209 ALBERTA LTD.
DOCUMENT	**MONITOR'S FOURTH REPORT**
	November 8, 2017
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MONITOR**

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TABLE OF CONTENTS

INTRODUCTION AND PURPOSE OF THE REPORT

1. On July 5, 2017, Canada North Group Inc. ("**CNG**"), Canada North Camps Inc. ("**CNC**"), Campcorp Structures Ltd. ("**Campcorp**"), D.J. Catering Ltd. ("**DJ**"), 816956 Alberta Ltd. ("**816**"), And 1371047 Alberta Ltd. ("**137**") (hereinafter collectively referred as the "**Applicants**" or the "**Companies**" or the "**Group**") made an application before this Honourable Court requesting certain relief under the *Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended* (the "**CCAA**") and obtained, inter alia, an initial order (the "**Initial Order**"), a stay of proceedings ("**Stay**") against the Applicants for a period of 30 days up to and including August 3, 2017, and the appointment of Ernst & Young Inc. ("**EYI**" or the "**Monitor**") as monitor of the Applicants. In addition to the appointment of the Monitor, the Initial Order also included the appointment of R.e.l. group inc. as Chief Restructuring Officer ("**CRO**").

2. Prior to the application noted above, on June 26th, 2017, each of CNG, CNC, Campcorp, and DJ filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to Section 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 ("**BIA**") and EYI consented to act as Trustee in each instance. These NOI proceedings commenced by CNG, CNC, Campcorp and DJ under the BIA were taken up and continued under the CCAA.

3. On July 27, 2017, the Applicants made an application before this Honourable Court for the following relief:

   a) an extension of the Stay under the Initial Order;

   b) to include an additional entity, 1919209 Alberta Ltd. ("**1919**"), as an applicant to these CCAA proceedings; and,

   c) an increase to the interim financing ("**DIP**") from $1 million as stipulated in the Initial Order to $2.5 million primarily to fund operations and the unexpected revenue (and associated costs) associated with housing the relief effort and firefighters in relation to the wildfires in British Columbia ("**BC**").

   At the application on July 27, 2017, the Court granted an extension of the Stay to September 29, 2017 along with the other relief requested by the Applicants as outlined above.

4. On September 26, 2017, the Applicants made an application before this Honourable Court to request relief in relation to a number of matters, including the following significant items:

a) A further extension of the Stay up to and including January 31, 2018;

b) Authorization for the Applicants to carry out an investment and sales solicitation process ("**ISSP**") substantially in accordance with the outline and indicative timeline as described in the CRO's First Report;

c) Authorization to engage Peters & Co. Limited ("**Peters**") to act as the solicitation agent for the Applicants in relation to carrying out the ISSP;

d) Authorization to sell the Applicants' head office premises owned by 137, located in Edmonton, Alberta;

e) Authorization to enter into a Sub-Lease and Interim Sub-Lease Agreement with respect to a new head office; and,

f) Direction by the Court for ECN Financial Inc. ("**ECN**") to return $12,890.13 of funds debited by ECN on July 1, 2017 and July 10, 2017 to CNC.

At the application on September 26, 2017, the Court granted an extension of the Stay up to and including January 31, 2018 along with the other relief requested by the Applicants.

5. On October 4, 2017, the Applicants applied to Court to discharge the CRO and seek authorization to transition aspects of that role to the Monitor and to obtain the Court's approval of an extension and amendment of the DIP terms. At the application on October 4, 2017, the Court granted the requests of the Applicants.

6. The purpose of this limited report (the "**Monitor's Fourth Report**") is to provide this Honourable Court, the Applicants' creditors and other interested parties with the Monitor's comments in relation to the ISSP as required under the Second Extension Order granted September 26, 2017 (the "**Second Extension Order**") and to provide updates with respect to real estate listings and the sale of the Head Office Property.

DISCLAIMER

7. In preparing the Monitor's Third Report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants and discussions with the Applicants' management ("**Management**"). The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information provided. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report or relied upon in its preparation. Future oriented financial information reported or relied on in order to prepare this report is based on Management's assumptions regarding future events; actual results will vary from forecast, and such variations may be material.

8. This report should be read in conjunction with previously filed affidavits, reports and Court Orders previously issued and filed in these proceedings all of which, save for items directed to be sealed for confidentiality purposes, are available on the Monitor's website established for these proceedings.

9. All references to dollars are in Canadian currency unless otherwise noted.

ISSP RELATED REQUIREMENTS FROM THE SECOND EXTENSION ORDER

10. The Second Extension Order authorized the Applicants to engage Peters to act as the solicitation agent for the ISSP. At the time the Second Extension Order was granted, no formal ISSP procedures had been finalized. However, the Court authorized the Applicants to carry out the ISSP substantially in accordance with the outline and indicative timeline as described in the CRO's First Report. The Second Extension Order also required that the Applicants, working with the CRO and Peters, to develop a framework of procedures for the ISSP on or before October 25, 2017 and to provide the procedures to the Monitor for review.

11. As noted earlier in this Fourth Report, the CRO was discharged effective October 4, 2017. After that date, the Monitor was involved in discussions with the Applicants, their legal counsel and Peters in the development and preparation of the ISSP documents and procedures.

12. The Monitor received and reviewed the ISSP procedures prepared by the Applicants as required above, and provides its comments in relation to its review in the sections that follow.

ISSP PROCEDURES

13. Attached as **Schedule "A"** to this report is an ISSP memorandum (the "**Memo**") prepared by the Applicants' legal counsel along with a number of the documents related to the ISSP as prepared by Peters. The following appendixes referred to in the Memo have not been included with this report:

    i. Appendix B – Targeted Contact List;

    ii. Appendix C – Confidentiality Agreement; and

    iii. Appendix D – Bid Letter.

    It is the view of both the Monitor and the Applicants that such information is sensitive in nature or, in respect of the Confidentiality Agreement and Bid Letter in particular:

    a) should be requested from Peters who is tasked with the responsibility of managing the ISSP process; and

    b) Are intended to be made available to parties considering making a bid in accordance with the ISSP.

14. The above noted documents are available and can be provided to the Court on a sealed basis if required; however, for the purposes of this report, the Monitor advises that it has reviewed the appendixes noted above as excluded from this report and is satisfied with their content.

15. The Monitor advises that the Memo and the ISSP documents are reasonable and consistent with the information and materials which were supplied to the Court at the last extension application and that the timeline for completion of the ISSP is consistent with what was reported in the CRO's First Report.

OTHER MATTERS RELEVANT TO THE CCAA PROCEEDINGS AT THIS TIME

Listing of Applicant's Real Property

16. The Monitor advises that after securing most of the appraisals in relation to the Applicant's real property, and after obtaining an opinion of value from the selected commercial realtor, the Applicants have now listed all of their remaining real property for Sale with Cushman & Wakefield Edmonton.

17. Any affected creditor can contact the Monitor or the Applicants for information in relation to any of the properties listed for sale, included listing prices.

Review of Security Interest of Business Development Bank of Canada ("BDC") against 137's Head Office Real Property

18. The Monitor requested and has received an opinion from its counsel in relation to BDC's mortgage and related security interest against the Applicants' (specifically, 137's) Head Office. The opinion obtained stipulates that the mortgage and related security held by BDC is valid and enforceable as against 137.

19. Based on the opinion obtained, and further to the Order Approving Sale and Other Relief dated September 26, 2017 (the "**Approving Order**"), the Monitor advises that 137 will be at liberty to disburse the proceeds from the sale of the property on closing as outlined in the Approving Order, including payment to BDC on account of its mortgage and security interest in the property.

20. Due to certain issues with respect to the property itself, in order to conclude the sale with the approved buyer the Applicants negotiated a small price reduction. That price reduction was discussed with the Monitor and BDC, the only affected creditor, both of whom are satisfied the reduction was reasonable in the circumstances and approved of the reduction. The Monitor's view is that the Applicants did have the ability to agree to this modification with the Monitor. The sale is now scheduled to close during the last week of November.

CONCLUDING REMARKS

21. The Monitor has no other matters to report on at this time.

Dated at Edmonton, this 8th day of November, 2017

Ernst & Young Inc.
In its capacity as Monitor of
Canada North Group Inc.;
Canada North Camps Inc.;
CampCorp Structures Ltd.;
D.J. Catering Ltd.;
816956 Alberta Ltd.;
1371047 Alberta Ltd.; and
1919209 Alberta Ltd.
and not in its personal or corporate capacity

Per:

Matt McCulloch, CPA, CA, CIRP, Licensed Insolvency Trustee
Senior Vice-President

SCHEDULE “A”

INVESTMENT SALES AND SOLICITATION PROCESS

CANADA NORTH

Introduction

Canada North Group Inc., Canada North Camps Inc., Campcorp Structures Ltd., D.J. Catering Ltd., 816956 Alberta Ltd., 1371047 Alberta Ltd. and 1919209 Alberta Ltd. (collectively, "**Canada North**"), have been granted creditor protection pursuant to an Initial Order (the "**Initial Order**") granted by the Honourable Justice K.G. Nielsen on July 5, 2017.

Pursuant to the Initial Order, Ernst & Young Inc. was appointed as Monitor of Canada North (the "**Monitor**").

Pursuant to an Order granted by the Honourable Justice S.D. Hillier on September 26, 2017, Canada North engaged Peters & Co. Limited ("**Peters & Co.**") as solicitation agent to assist Canada North in carrying out an investment and sales solicitation process ("**ISSP**").

The ISSP is designed as a public process to identify and explore a range of strategic alternatives available to Canada North, including (i) potential refinancing and recapitalization alternatives (whether by equity or debt), or (ii) potential sale of all or a portion of the business or assets of Canada North.

This document outlines the ISSP procedure.

ISSP Procedure Summary

The ISSP is comprised of three principle stages:

- Pre-Marketing
- Marketing
- Proposal Submission and Evaluation

The following key timelines are targeted under the ISSP:

October 26, 2017	Completion of Pre-marketing and Commencement of Marketing
November 30, 2017	Provision of non-binding expressions of interest or proposals by parties
December 15, 2017	Binding Proposal Deadline

A. Pre-Marketing Stage

1. Information Memorandum: Canada North and Peters & Co. have prepared an Information Memorandum describing the opportunity and providing an overview of Canada North. The Information Memorandum is attached as Appendix A.

2. Targeted Contact List: Canada North and Peters & Co. have developed a targeted contact list of potential industry and financial targets, including parties who have expressed interest directly to Canada North or the Monitor in the course of the CCAA proceedings (the "**Targeted Contacts**"). This list is attached as Appendix B.

3. Confidentiality Agreement: Interested parties that execute a confidentiality agreement may receive access to an online data room, as well as further information or presentations from management or Peters & Co. (the "**Confidentiality Agreement**"). The form of Confidentiality Agreement is attached as Appendix C.

4. Data Room: Canada North has established a secure virtual data room and populated it with the due diligence material to be provided to interested parties (the "**Data Room**"). The gathering, reviewing of information and populating the Data Room is largely complete. Canada North and Peters & Co. will administer the Data Room throughout the ISSP.

5. Bid Letter: Parties who execute the Confidentiality Agreement and obtain access to the data room will also be provided with an Invitation to Submit a Non-Binding Offer Letter, which outlines further information about the ISSP process (the "**Bid Letter**"). A copy of the Bid Letter is attached as Appendix D.

B. Marketing Stage

1. Peters & Co. will take out an advertisement in the Daily Oil Bulletin, which has distribution to oil and gas service companies across western Canada. The advertisement will provide a brief description of the process, the opportunity, and a description of the Companies. A draft of the Advertisement is attached as Appendix E.

2. A posting will be placed on the Peters & Co. website with a comprehensive description of the process and opportunity with the Companies, as well as description of the Companies and their business. The posting will remain until a potential transaction is concluded.

3. The Monitor and DLA Piper (Canada) LLP, will also distribute the Information Memorandum internally to their transaction group.

4. The Information Memorandum will be distributed via email to the Targeted Contacts.

5. The top forty Target Contacts will also be contacted personally with respect to the potential opportunity with the Companies.

6. Parties who express interest will be provided with the Confidentiality Agreement and, on execution access to the Data Room. Jeff Lawson at Peters & Co. will be the first point of contact for prospective parties seeking additional information and access. Mr. Lawson will coordinate responses to such requests with the management team at Canada North.

7. Subject to Canada North's business judgment, including competitive and business considerations, Canada North will provide prospective parties with access to due diligence information in the Data Room or otherwise as Canada North deems appropriate. Due diligence may include further management presentations, on-site inspections and such other matters as may be requested.

C. Proposal Submission and Evaluation

1. As set out in the Bid Letter, non-binding expressions of interest are due by November 30, 2017 (the "**Proposals**"). Proposals are required to be signed and delivered in writing and are requested to include in reasonable detail:

    a. a description of the proposed transaction;

    b. transaction value;

    c. proposed sources of capital and/or financing;

    d. intentions regarding management post-transaction;

    e. level of internal review and approval;

    f. due diligence requirements;

    g. proposed timing;

    h. other conditions and contingencies; and

    i. contact information, including for retained advisors and consultants.

2. In order to maximize prospects for Canada North, Canada North may work with any Proposal, including Proposals that do not initially provide all of the requested information.

3. Canada North, Peters & Co. and the Monitor will assess the Proposals to determine if the prospective purchaser appears to have a *bona fide* interest in completing their Proposal as well as the financial and corporate capacity to consummate their Proposal.

4. Canada North and Peters & Co. will work with parties who have Proposals that may assist Canada North with making a Plan of Arrangement and who appear to have a *bona fide* interest along with the necessary capacity to complete their Proposals to have such prospective party provide a binding, definitive bid on an expedited basis, with a target deadline of December 15, 2017 ("**Binding Offers**").

5. Parties will be advised that Binding Offers are required to include the information requested for Proposals in the Bid Letter as well as:

    a. confirmation that the Binding Offer is irrevocable until January 31, 2018;

b. evidence of firm, irrevocable commitment for financing or other evidence of ability to consummate the transaction and the timing for financing;

c. the identify of all entities entering into the transaction;

d. a refundable deposit in an amount of not less than 10% of the purchase price or investment value, paid to the Monitor in trust;

e. a representation and warranty that the party has:

   i. had the opportunity to conduct any and all due diligence regarding the opportunity and Canada North;

   ii. relied solely on its own independent review, investigation and inspection of the due diligence information and the property and business of Canada North in connection with making its bid; and

   iii. not relied in any way upon any written or oral statements, representations or warranties made by Canada North, Peters & Co. or the Monitor, other than as expressly stated in the Binding Offer.

f. all internal corporate approvals of the bidder have been obtained;

g. identification of any material condition precedent to closing the proposed transaction; and

h. a contemplated schedule for closing the transaction on or before March 9, 2018.

6. Canada North, with the assistance of Peters & Co. and the Monitor, will evaluate Binding Offers on several factors, including with respect to the value and form of consideration, the identity, circumstances and ability of the party to complete the proposed transaction, any conditions attached to the offer, the intent of the bidder with respect to management, any property, business or assets of Canada North excluded from the bid and the proposed timeline for the transaction.

7. Canada North will select the highest or best bid or combination of bids in its discretion, subject to the approval of the Court and acceptance of a Plan of Arrangement, as necessary.

8. Canada North will have no obligation to select a successful bid or combinations of bids from the Binding Offers.

9. In the event that Canada North selects a successful bid, or combination of bids, it will bring an application for Court Approval in the CCAA and/or put forward a Plan of Arrangement to its creditors.

10. The Monitor will participate in the ISSP in the manner set out in this ISSP Procedure and is entitled to receive all information in relation to the ISSP.

11. Canada North and the Monitor will communicate regularly with the Debtor-In-Possession lender, Business Development Bank of Canada, in relation to the status of the ISSP.

12. Subject to such approval from the Court or the Monitor as may be necessary, Canada North has reserved the right to (i) amend or terminate the ISSP, (ii) decline to permit any interested party to participate in the ISSP, (iii) terminate discussions with any interested parties, (iv) reject any or all offers, (v) accept an offer or offers other than the highest cash or equity offer, (vi) negotiate with any party and (vii) accept an offer prior to the bid deadline and (viii) amend the information provided to interest parties throughout the ISSP.

13. In addition to the ISSP, Canada North is in the process of listing all of its realty for sale.

APPENDIX A

Canada North Group Inc.
Information Memorandum – Strategic Alternatives Process

CANADA NORTH

TABLE OF CONTENTS

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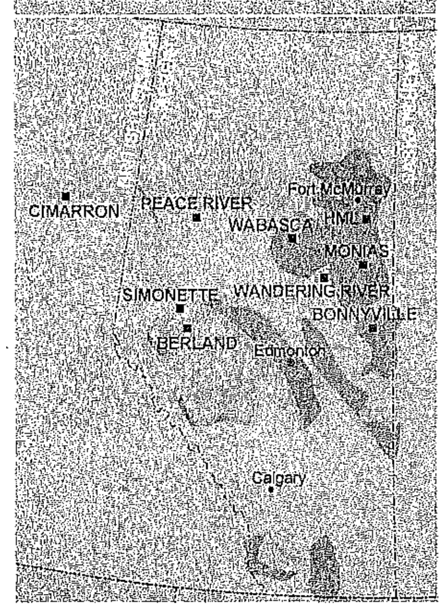
Stephanie Blais
Analyst
Corporate Finance
403.261.2279
sblais@petersco.com

Canada North Group Inc. ("**Canada North**" or the "**Company**") has initiated a public process to identify, examine and consider a range of strategic alternatives available to the Company and has retained Peters & Co. Limited ("**Peters & Co.**") as its financial advisor to assist in the process.

In its role as financial advisor, Peters & Co. will assist the Company with respect to: (i) evaluating potential refinancing and recapitalization alternatives that may be available (whether by equity or debt or some combination thereof); (ii) the marketing and potential sale of all or a portion of the business; and (iii) the negotiation and implementation of any of the foregoing alternatives.

CANADA NORTH CAMP LOCATIONS



OVERVIEW OF THE BUSINESS

- Founded in 1999, Canada North is a privately held, Edmonton-based provider of remote workforce accommodation solutions to companies in Western Canada
- Since inception, the Company has expanded its operations into various geographical areas and has diversified its customer base to include government, industry and other public sector clients
- In addition to owning and operating workforce housing camps, Canada North provides its clients with turnkey workforce housing solutions, oversight of facility and site maintenance and management, catering services, technology solutions, fleet maintenance and modular construction services
- Canada North currently owns and operates nine workforce housing camps, with over 1,900 rooms located in Alberta and Northern British Columbia, as well as two manufacturing facilities located in Edmonton, Alberta and Surprise, Arizona
- Canada North has served nearly five million meals since 2012

OPPORTUNITY HIGHLIGHTS

- **Industry Leader:**
  - Well maintained inventory of camps with a high concentration of executive rooms
  - Established industry leading training program, resulting in superior service and elevated staff retention rates
  - Implemented highly customizable user-friendly software, simplifying the camp management process
  - In-house operating model incorporating process improvement methodologies now being replicated by industry competitors
- **Operational Excellence:**
  - Extensive implementation of Six Sigma methodologies has led to significant operational improvements
  - Corporate gross margins have increased significantly over the past three years
  - Gross margins at select owned and operated camps are now in excess of 40%
- **Experienced Management Team:**
  - Privately held business with two generations of experience in the workforce accommodation sector
  - Extensive relationships with clients throughout North America as well as established Indigenous partnerships
- **Catering Expertise:**
  - Catering is the foundation of Canada North and has been the area of strength since inception 17 years ago
  - Track record of profitability and top-tier service for customers
  - Renowned for excellent in-house service and superior quality meals
  - Demonstrated ability to manage supply chain and input costs to maintain profit margins
- **Manufacturing Capability:**
  - Equipped to provide any scale of modular project
  - One of only a few companies licensed to build two-story modular units in the southwestern United States
  - Both facilities are distinguished by their ability to produce CSA-approved modular structures
  - Canadian manufacturing operations in Edmonton, Alberta are Six Sigma certified and ISO 9000 compliant
  - Promising line of sight on additional projects at facility in Surprise, Arizona

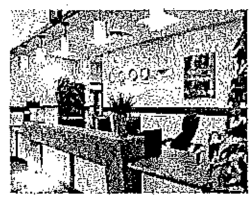
PETERS & CO. LIMITED

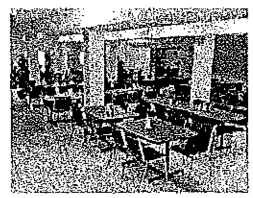
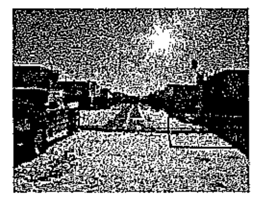
Company Overview

CANADA NORTH

CAMPS, CATERING AND RENTALS SEGMENT

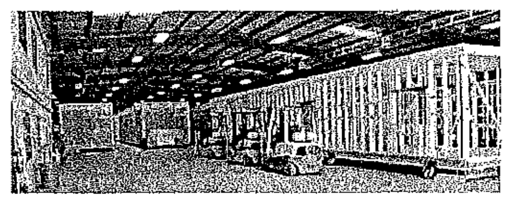
- Established in 1999 as a catering business, Canada North (through its subsidiaries Canada North Camps Inc., Canada North Group LP Holdings Ltd. and D.J. Catering Ltd.) now has extensive experience providing catering, housekeeping, maintenance and camp management services throughout Alberta and British Columbia
- The camps, catering and rentals segment currently owns and operates nine camps with over 1,900 rooms in addition to providing all ancillary services including catering:
  - The main focus is providing customers with superior food quality and exceptional service at the lowest possible prices
  - Canada North also provides catering-only services at virtually any size site, with scope ranging up to 1,000+ people per site
- The Company's current fleet of equipment includes dorms, wellsites, drills camps, wet sleepers, kitchens, recreation units, offices, sewage treatment plants, light towers and gen sets
- As part of its daily operations, Canada North maintains a strong internal feedback system:
  - Catering staff and managers are always involved in food service to gather immediate feedback from clients
  - Field supervisors regularly visit camps to conduct site audits that include food presentation and quality and safety inspections
  - Quality and safety protocols were developed over the years in conjunction with industry
  - Housekeeping staff are held to the highest standards to ensure clients are provided with the greatest degree of non-intrusiveness, cleanliness and overall satisfaction

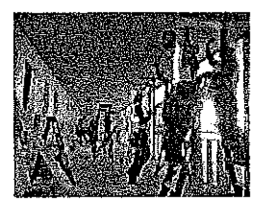


MANUFACTURING SEGMENT

- Canada North's manufacturing operations, Custom Complex Structures ("CCS") and its modular oilfield specialty company Campcorp Structures Ltd. ("Campcorp"), began producing modular structures at a facility located in Edmonton, Alberta in 2010
- In 2012, a second facility encompassing over 49,000 square feet of fully enclosed, climate controlled manufacturing space and 28 acres of yard space for finished product was opened in Surprise, Arizona
- The manufacturing operations offer a wide variety of floor plans and custom-built facilities including offices, business centres, retail facilities, gas stations, schools, daycares, hotels, motels and bungalow homes
- Over 650 modules have been constructed to date for customers in the oil and gas, construction, forestry, education, hospitality, senior care, healthcare and retail industries
- The Company has seen improvements in margins at its Canadian facility through the implementation of Six Sigma methodologies and plans on using similar tools and techniques at its Arizona facility going forward





OTHER NOTABLE SERVICE: DISASTER RELIEF

- Canada North has a long history of providing support in disaster relief situations across Canada and in some cases has donated both their time and assets to assist those in need
- The Company has established procedures that enable both the rapid deployment of assets and the ability to earn positive margins on what are typically extremely low margin projects under strict timelines
- Significant disaster relief situations handled by Canada North include the Calgary flood (2013), the Fort McMurray fires (2016) and the British Columbia floods / fires (2017)

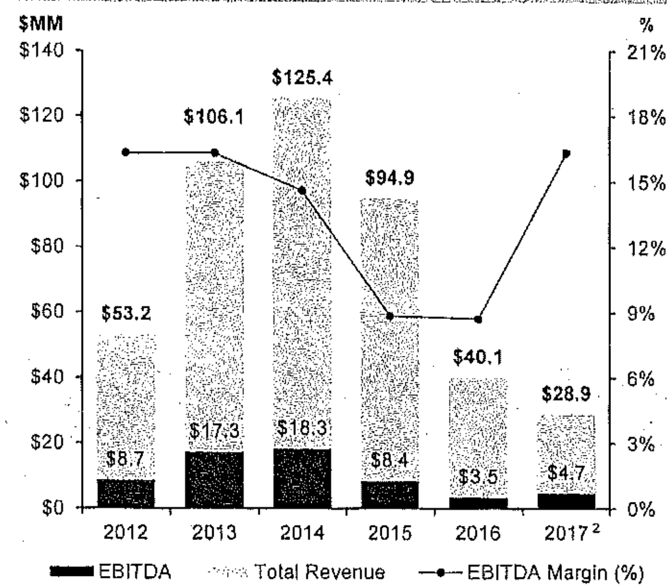
INDIGENOUS RELATIONSHIPS

- Canada North has significant expertise and experience in developing mutually beneficial targeted partnerships with a variety of First Nations communities. These strategic relationships assist Canada North in operating on Traditional Lands and in securing work from major customers who are committed to providing business opportunities to Indigenous groups
- Canada North is committed to employment capacity building within its partner communities, which provides the Company with qualified employees for its remote operations
- Canada North is proud of the positive relationships it has built with its Indigenous partners on a foundation of mutual respect and collaboration

Corporate Information and Operating History

CANADA NORTH

HISTORICAL REVENUE / EBITDA [1]



[1] *Years ended September 30*
[2] *Annualized results as at August 31, 2017*

FINANCIAL SUMMARY

(amounts in 000s)	Amount
Total net debt (as at Aug 31, 2017)	$60,652
Tangible book value (as at Aug 31, 2017)	$4,220
Total PP&E (as at Aug 31, 2017)	$63,790
Total assets (as at Aug 31, 2017)	$88,291
Total non-capital losses (as at Sept 30, 2016)	$8,262

CORPORATE INFORMATION

Auditor	Pennock Acheson Nielsen Devaney
Legal Counsel	Dentons Canada LLP

OPERATING SUMMARY [1]

(amounts in $MM)	2014	2015	2016	2017 [2]
Camps, Catering and Rentals				
Revenue	$77.1	$46.6	$34.6	$25.9
COGS	$55.7	$40.3	$23.4	$14.0
Gross Profit	$21.4	$6.3	$11.2	$11.9
Gross Margin (%)	***28%***	***14%***	***32%***	***46%***
Manufacturing [3]				
Revenue	$48.3	$48.3	$5.5	$3.0
COGS	$41.5	$37.4	$5.3	$5.2
Gross Profit	$6.8	$10.9	$0.2	($2.2)
Gross Margin (%)	*14%*	*23%*	*4%*	*(72%)*
EBITDA	**$18.3**	**$8.4**	**$3.5**	**$4.7**
EBITDA Margin (%)	15%	9%	9%	16%
EBITDA after non-controlling interest	**$12.9**	**$8.0**	**$2.3**	**$3.0**
EBITDA after normalization [4]	**$17.1**	**$9.8**	**$3.5**	**$3.8**

[1] *Years ended September 30*
[2] *Annualized results as at August 31, 2017*
[3] *Includes manufacturing and construction*
[4] *EBITDA after non-controlling interest is normalized for 4.0% gross margin improvement in camps and related party salaries*

OFFICERS, MANAGEMENT AND DIRECTORS

Name	Title	Years of Service
Paul McCracken *BPE, MSC*	Founder, President & Director	18
Shayne McCracken *BSc*	Secretary & Director	18
Kim Capjack *BSc*	COO	12
Tyler McCracken *BBA*	Executive Vice President	15
Travis McCracken *BCom*	Vice President	12
Brian Stasynec *CPA, CA*	VP Finance	6
Mike Loftus	VP Sales	10
Joe Perri	VP Catering	5
Dan Amey	VP Business Development	1
Susan Ramsay *BBA, MBA, SSMBB*	Director of Process Improvement Master Black	7

ORGANIZATIONAL CHART

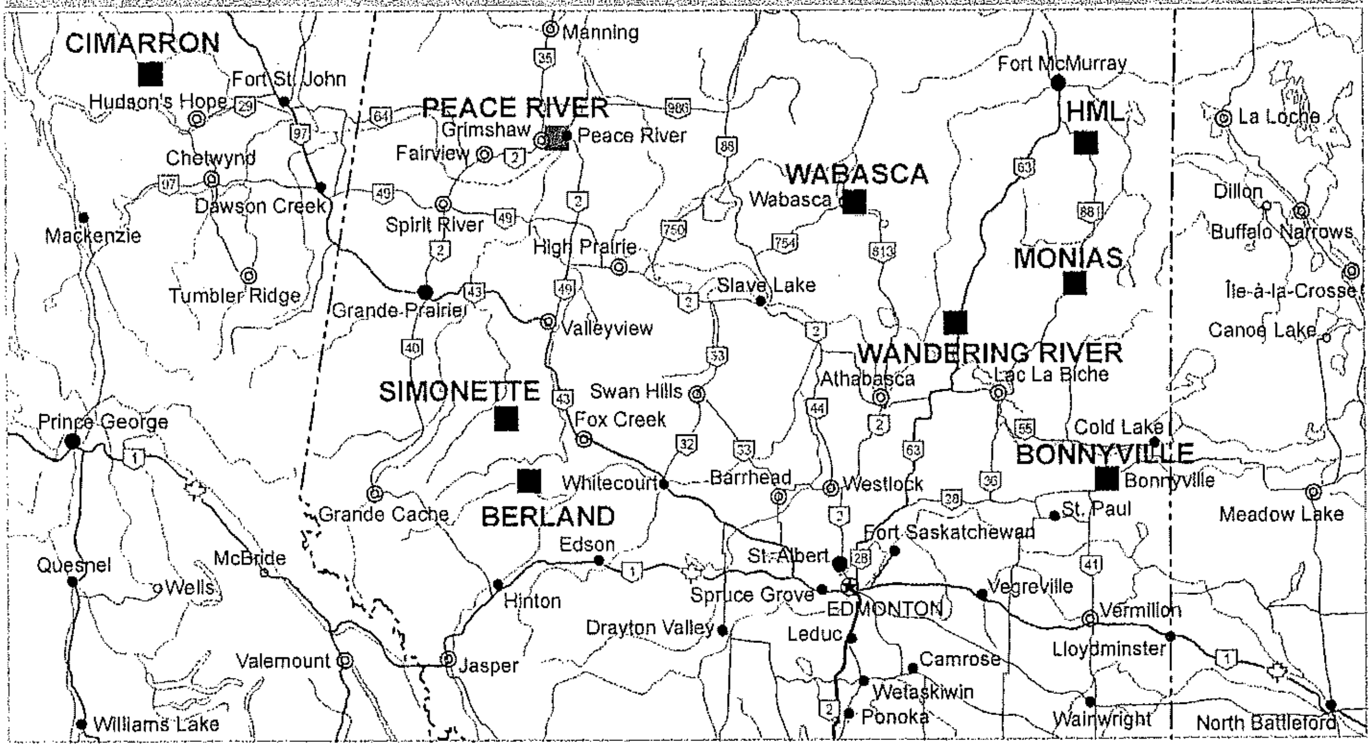
Canada North Group Inc.

- Canada North Camps Inc.
- Campcorp Structures Ltd.
  - Campcorp USA, Inc.
- Canada North Group LP Holdings Ltd.
- D.J. Catering Ltd.

Camp Locations and Historical Utilization

CANADA NORTH

CANADA NORTH CAMP LOCATIONS



HISTORICAL AVERAGE ANNUAL UTILIZATION [1]

Camp [2,3]	2012	2013	2014	2015	2016	2017
Berland *(Jan 12 - Sep 17)*	44%	35%	36%	25%	27%	43%
Bonnyville *(May 14 - Jan 16)*	-	-	7%	15%	2%	-
Cimarron *(Jul 15 - Nov 16)*	-	-	-	49%	16%	-
HML *(Jan 13 - Sep 17)*	-	42%	53%	25%	24%	13%
Monias *(Jan 14 - Mar 17)*	-	-	27%	27%	15%	37%
Peace River *(Oct 14 - Oct 15)*	-	-	0%	6%	-	-
Simonette *(Jan 14 - Sep 17)*	-	-	22%	39%	26%	49%
Wabasca *(Jan 12 - Sep 17)*	16%	26%	11%	10%	23%	22%
Wandering River *(Oct 14 - Apr 17)*	-	-	10%	27%	29%	52%

[1] *Canada North implemented a highly accurate system to track utilization in 2015. Prior thereto, the Company did not track utilization electronically at all locations, so certain numbers are not available*

[2] *Values adjusted to exclude staff*

[3] *Date ranges only include periods when camps were operational or utilization was tracked electronically*

HISTORICAL AVERAGE QUARTERLY UTILIZATION

Camp [1,2]	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Q3 17
Berland *(Apr 16 - Sep 17)*	2%	20%	49%	62%	26%	41%
Bonnyville *(n/a)*	-	-	-	-	-	-
Cimarron *(Apr 16 - Nov 16)*	1%	14%	12%	-	-	-
HML *(Apr 16 - Sep 17)*	40%	20%	14%	21%	11%	5%
Monias *(Apr 16 - Mar 17)*	23%	3%	23%	37%	-	-
Peace River *(n/a)*	-	-	-	-	-	-
Simonette *(Apr 16 - Sep 17)*	12%	8%	24%	65%	35%	48%
Wabasca *(Apr 16 - Sep 17)*	20%	28%	13%	52%	7%	7%
Wandering River *(Apr 16 - Apr 17)*	38%	3%	13%	69%	0%	-

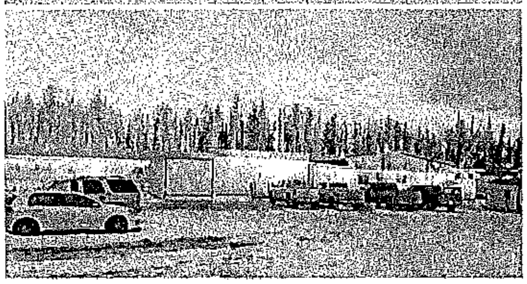
[1] *Values adjusted to exclude staff*

[2] *Date ranges only include periods when camps were operational*

Detailed Camp Descriptions – Open Camps

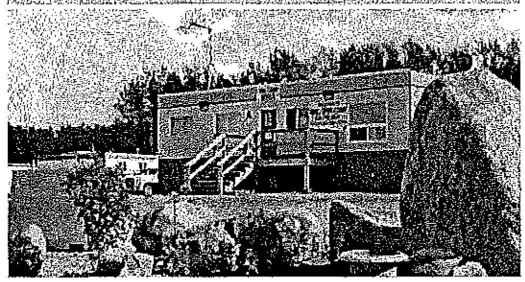
CANADA NORTH

BERLAND



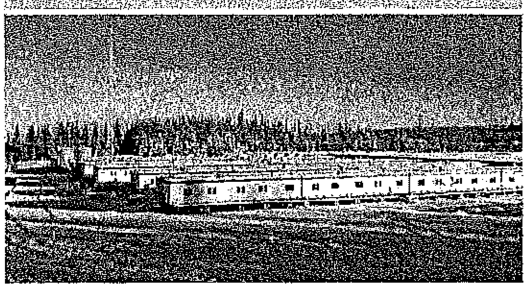
Date Opened: 2003 (Renovated in 2016)
Area: East of Fox Creek, Alberta
Type: Open
Rooms (Current / Potential): 130 / 400
Room Types: Senior Executive, Standard Executive, Jack and Jill, Craft, Wellsite
Site Ownership: Crown

HML



Date Partnered: 2012 (Renovated in 2016)
Area: Anzac, Alberta
Type: Open
Rooms (Current / Potential): 191 / 250
Room Types: Senior Executive, Jack and Jill, Wellsite
Site Ownership: Third Party

SIMONETTE



Date Opened: 2009 (Renovated in 2016)
Area: West of Fox Creek, Alberta
Type: Open
Rooms (Current / Potential): 180 / 600+
Room Types: Senior Executive, Standard Executive, Jack and Jill, Wellsite
Site Ownership: Crown

WABASCA

Date Opened: 1998 (Renovated in 2014)
Area: Wabasca - Desmarais, Alberta
Type: Open
Rooms (Current / Potential): 170 / 300+
Room Types: Senior Executive, Standard Executive, Craft
Site Ownership: Canada North

** Canada North also has 860 rooms which are currently not deployed and are in storage at Edmonton area facilities*

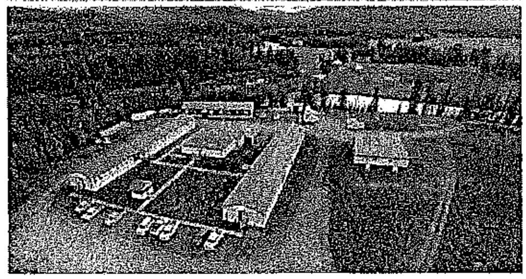
Detailed Camp Descriptions – Closed Camps

CANADA NORTH

BONNYVILLE

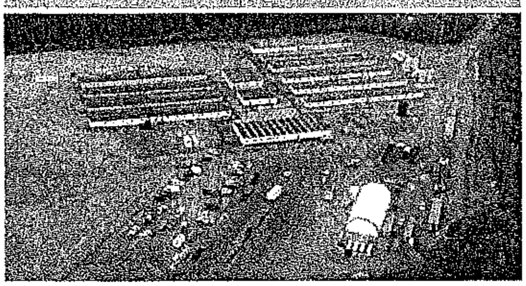
Date Opened: 2013
Area: Bonnyville, Alberta
Type: Closed
Rooms (Current / Potential): 199 / 500
Room Types: Senior Executive, Standard Executive, Wellsite
Site Ownership: Canada North

CIMARRON



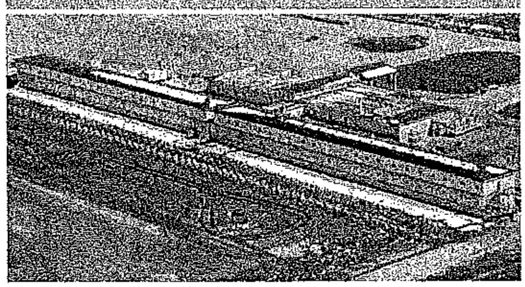
Date Partnered: 2015
Area: Fort St. John, British Columbia
Type: Closed
Rooms (Current / Potential): 111 / 800+
Room Types: Senior Executive, Standard Executive, Craft
Site Ownership: Third Party

MONIAS



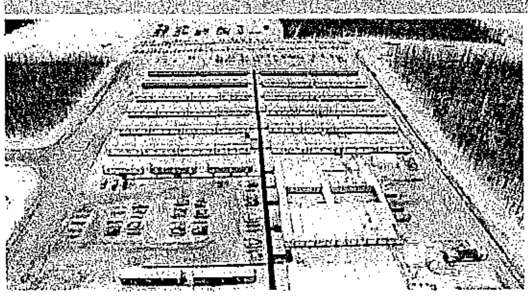
Date Opened: 2015
Area: Conklin, Alberta
Type: Closed
Rooms (Current / Potential): 136 / 300
Room Types: Senior Executive, Standard Executive, Wellsite
Site Ownership: Third Party

PEACE RIVER



Date Opened: 2015
Area: Peace River, Alberta
Type: Closed
Rooms (Current / Potential): 144 / 300+
Room Types: Senior Executive, Standard Executive
Site Ownership: Third Party

WANDERING RIVER



Date Opened: 2014 (Renovated in 2016)
Area: Wandering River, Alberta
Type: Closed
Rooms (Current / Potential): 680 / 680+
Room Types: Senior Executive, Standard Executive, Wellsite
Site Ownership: Canada North

** Canada North also has 860 rooms which are currently not deployed and are in storage at Edmonton area facilities*

PETERS & CO. LIMITED

Process and Contacts

CANADA NORTH

Canada North has retained Peters & Co. as its financial advisor to coordinate all aspects of this strategic alternatives process and Peters & Co. will act as the sole contact for all parties who wish to contact Canada North ("**Interested Parties**"). An online virtual data room has been established, which provides a comprehensive overview of Canada North, as well as detailed corporate, operational and financial information.

Interested Parties that execute a confidentiality agreement will receive access to the online data room and may receive a management presentation from Canada North.

Canada North and Peters & Co. expressly reserve the right at any time to amend or terminate the strategic alternatives process and / or these procedures, to decline to permit an Interested Party to participate in the process, to terminate discussions with any or all Interested Parties, to reject any or all offers, or to negotiate with any party with respect to a possible transaction.

Further information in the form of a process / bid letter will be provided to Interested Parties that have signed a confidentiality agreement.

Transaction proposals will be due on November 30, 2017.

CONTACTS

Peters & Co. will act as the sole contact for all Interested Parties. The directors, officers and employees of Canada North should not be contacted directly. All communications and inquiries from Interested Parties should be directed to one of the representatives listed below:

J.G. (Jeff) Lawson
Principal & Director
Corporate Finance
403.261.2298
jlawson@petersco.com

Benjamin M. Gazdic
Associate
Corporate Finance
403.261.2228
bgazdic@petersco.com

Alex J. Mirecki
Associate
Corporate Finance
403.261.2278
amirecki@petersco.com

Stephanie Blais
Analyst
Corporate Finance
403.261.2279
sblais@petersco.com

Peters & Co. Limited | 2300 Jamieson Place | 308 Fourth Avenue SW | Calgary, Alberta, Canada | T2P 0H7

Disclaimer

CANADA NORTH

This Information Memorandum is based on information provided by Canada North from its own records and from other sources. The Information Memorandum is being distributed, on behalf of Canada North, by Peters & Co., its financial advisor, solely for the use by a qualified third party ("**Third Party**").

The information contained herein (the "**Information**") has been prepared in good faith to assist a Third Party in completing its own independent evaluation of Canada North's assets, but does not purport to be all inclusive or to contain all of the information that a Third Party may desire or that may be required by a Third Party to properly conduct an evaluation. In all cases, a Third Party should conduct its own independent investigation and analysis of the assets and the data set forth in this Information Memorandum.

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APPENDIX B

- Redacted -

APPENDIX C

– Redacted –

APPENDIX D

— Redacted —

APPENDIX E

PETERS & CO. LIMITED

Canada North Group Inc. – Strategic Alternatives Process

Canada North Group Inc. ("Canada North" or the "Company") has initiated a public process to identify, examine and consider a range of strategic alternatives available to the Company and has retained Peters & Co. Limited ("Peters & Co.") as its financial advisor to assist in the process.

Canada North is a privately held, Edmonton-based provider of remote workforce accommodation solutions to companies in Western Canada and, since inception, has expanded its operations into various geographical areas as well as diversified its customer base to include government, industry and other public sector clients. The Company currently owns and operates nine workforce housing camps, with over 1,900 rooms located in Alberta and Northern British Columbia, as well as two manufacturing facilities located in Edmonton, Alberta and Surprise, Arizona. In addition, Canada North provides its clients with turnkey workforce housing solutions, oversight of facility and site maintenance and management, technology solutions, fleet maintenance and modular construction services. Canada North is renowned for its catering services and has served nearly five million meals since 2012.

Information memorandum and confidentiality agreement are now available at http://www.petersco.com/corporate_ad_current_offerings.cfm. An online data room will be made available to parties who execute a confidentiality agreement.

Transaction proposals will be due on November 30, 2017 at 5:00pm (MDT)

Peters & Co. invites parties interested in acquiring the assets of Canada North to contact Jeff Lawson, Principal & Director, Corporate Finance at 403-261-2298, jlawson@petersco.com or Benjamin Gazdic, Associate, Corporate Finance at 403-261-2228, bgazdic@petersco.com.