CERF INCORPORATED

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2015

APRIL 28, 2016

TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS

This Annual Information Form of CERF Incorporated ("**CERF**" or the "**Corporation**") contains forward looking statements and forward-looking information, as such terms are defined under applicable securities laws (collectively, "**forward-looking statements**"). These statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", or the negative of these terms or other comparable terminology. These forward-looking statements are only predictions. Actual events or results may differ materially. In addition, this Annual Information Form may contain forward-looking statements attributed to third party industry sources. Undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Forward-looking statements in this Annual Information Form include, but are not limited to, statements with respect to:

- results of various projects of the Corporation;
- timing of receipt of regulatory approvals;
- ability to lower cost structure in certain projects of the Corporation;
- growth expectations within the Corporation;
- the tax horizon and taxability of the Corporation;
- the Corporation's acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- the impact of Canadian federal and provincial governmental regulation on the Corporation;
- realization of the anticipated benefits of acquisitions and dispositions;
- expected levels of operating costs, general and administrative costs, costs of services and other costs and expenses;
- capital expenditure programs and the timing and method of financing thereof; and
- treatment under government regulation and taxation regimes.

Although the Corporation believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Corporation cannot guarantee future results, levels of activity, performance, or achievements. Moreover, neither the Corporation nor any other person assumes responsibility for the outcome of the forward-looking statements. Many of the risks and other factors are beyond the Corporation's control, which could cause results to differ materially from those expressed in the forward-looking statements contained in this Annual Information Form. The risks and other factors include, but are not limited to:

- fluctuations in the price and demand for oil and natural gas;
- fluctuations in the level of oil and natural gas exploration and development activities;
- economic conditions in industry sectors that the Corporation is targeting for expansion;
- the effect of weather conditions on operations;
- the existence of competitive operating risks inherent in each of the Corporation's business segments;
- the ability of the Corporation to obtain an adequate supply of newly built equipment from manufacturers;
- the timing of completion of rental units to be deployed to the Corporation's customers;

- legislative and regulatory developments that may affect costs, revenues and global capital markets activity and general economic conditions in geographic areas where the Corporation operates;
- general economic conditions in Canada, the United States and globally including reduced availability of debt and equity financing generally;
- industry conditions;
- liabilities inherent in the Corporation's business operations;
- governmental regulation including environmental regulation;
- fluctuation in foreign exchange or interest rates;
- failure to realize anticipated benefits of acquisitions;
- stock market volatility and market valuations;
- competition for, among other things, capital, inventory and skilled personnel;
- identification of and competition for acquisition candidates;
- insufficient cash flows from subsidiaries; and
- the other factors considered under "Risk Factors" in this Annual Information Form.

With respect to forward-looking statements contained in this Annual Information Form, the Corporation has made assumptions regarding: future commodity prices; future exchange rates; the impact of increasing competition; conditions in general economic and financial markets; availability of skilled labour; current technology; cash flow; timing and amount of capital expenditures; effects of regulation by governmental agencies; future operating costs and the Corporation's ability to obtain financing on acceptable terms. Readers are cautioned that the foregoing list of factors is not exhaustive.

The above summary of assumptions and risks related to forward-looking information has been provided in this Annual Information Form in order to provide readers with a more complete perspective on the Corporation's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

The forward-looking statements contained in this Annual Information Form are expressly qualified by this cautionary statement. The Corporation is not under any duty to update or revise any of the forward-looking statements except as expressly required by applicable securities laws.

CORPORATE STRUCTURE

Name, Address and Incorporation

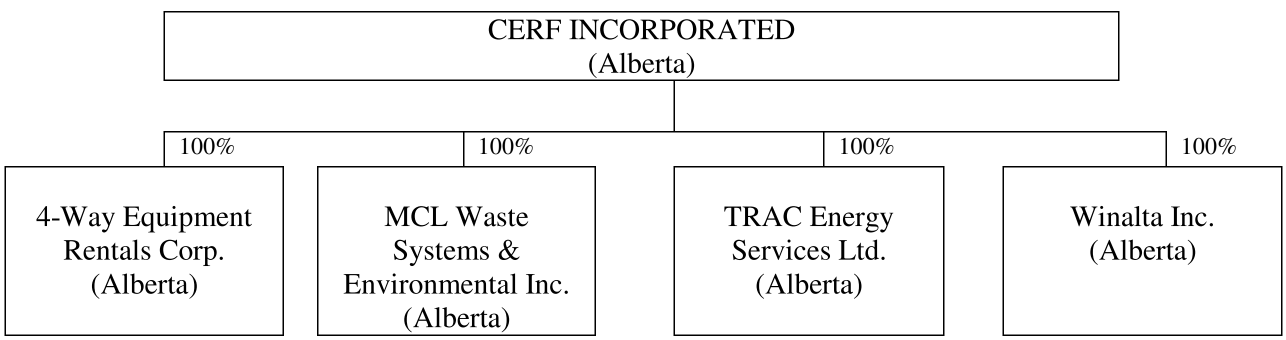
The Corporation's principal and registered office is located at Suite 2440, 330 – 5th Avenue SW, Calgary Alberta T2P OL4.

The Corporation was incorporated pursuant to the provisions of the *Business Corporations Act* (Alberta) (the "**ABCA**") on August 11, 2011. On October 1, 2011, the Corporation amended its articles to remove the restrictions against the transfer of securities.

Intercorporate Relationships

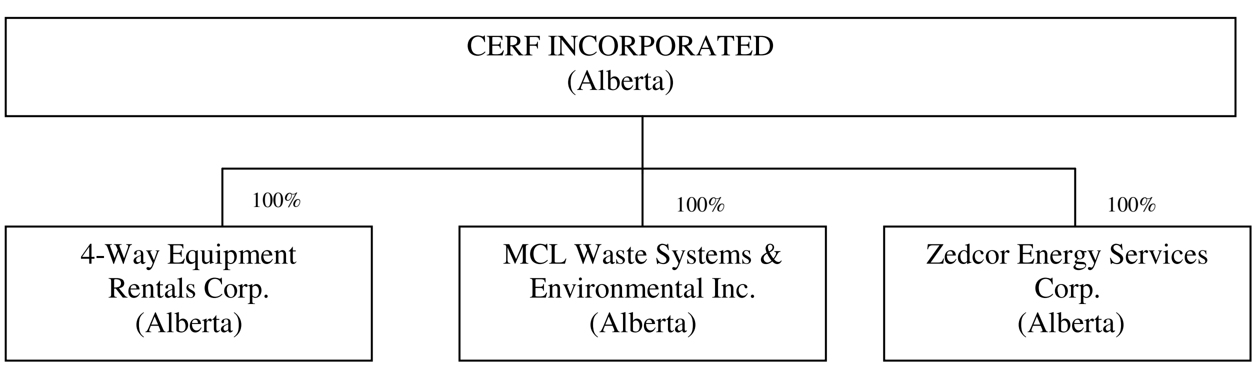
As of December 31, 2015 the Corporation had four subsidiaries namely, 4-Way Equipment Rentals Corp. ("**4-Way**"), MCL Waste Systems & Environmental Inc. ("**MCL**"), TRAC Energy Services Ltd. ("**TRAC**") and Winalta Inc. ("**Winalta**"), each of which was 100% owned by the Corporation. Each of 4-Way's, MCL's, TRAC's and Winalta's jurisdiction of incorporation is Alberta.

The following diagram illustrates the organizational structure of the Corporation and its material subsidiaries as of December 31, 2015:



On January 1, 2016 TRAC and Winalta amalgamated under the ABCA and continued under the name "TRAC Energy Services Ltd.". On February 2, 2016, CERF completed the acquisition of all of the issued and outstanding shares of Zedcor Oilfield Rentals Ltd. ("**Zedcor Rentals**"). February 26, 2016 TRAC changed its name to "Zedcor Energy Services Corp." ("**Zedcor Corp.**"). On April 1, 2016 Zedcor Corp., being 100% owned by CERF, and Zedcor Rentals, being 100% owned by Zedcor Corp., amalgamated under the ABCA and continued under the name "Zedcor Energy Services Corp.". See "*General Development of the Business - Activity During Current Fiscal Year*".

The following diagram illustrates the organizational structure of the Corporation and its material subsidiaries as of the date of this Annual Information Form:



GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2013

On January 1, 2013 MCL and Smart-Way Disposal and Recycling Company Ltd., both being 100% owned by the Corporation, were amalgamated under the ABCA and continued under the name "MCL Waste Systems & Environmental Inc."

On July 25, 2013 the Corporation closed a public offering of 4,259,260 units of CERF ("**Units**"), which included the exercise in full of the over-allotment option to purchase 555,556 Units, at a price of $2.70 per Unit, for gross proceeds of approximately $11.5 million (the "**Unit Offering**"). Each Unit was comprised of one common share in the capital of CERF ("**Common Share**") and one common share purchase warrant exercisable for a period of 18 months from July 25, 2013, at an exercise price of $3.15 per share, subject to accelerated expiry in certain circumstances at the discretion of the Corporation. The net proceeds of the Unit Offering were used by CERF to reduce its bank indebtedness under its credit facilities, a portion of which was subsequently redrawn for capital expenditures to fund the continued growth of 4-Way, TRAC and MCL.

On August 21, 2013 the Corporation closed a private placement financing of 129,000 units of CERF ("**Private Placement Units**") at a price of $2.70 per Private Placement Unit, for gross proceeds of $348,300 (the "**Unit Private Placement**"). Each Private Placement Unit was comprised of one Common Share and one common share purchase warrant exercisable for a period of 18 months from August 21, 2013, at an exercise price of $3.15 per share, subject to accelerated expiry in certain circumstances at the discretion of the Corporation. The net proceeds of the offering of the Unit Private Placement were used by CERF to reduce its bank indebtedness under its credit facilities, a portion of which was subsequently redrawn for general corporate purposes by 4-Way and TRAC.

2014

On January 27, 2014 MCL was awarded operating contract extensions to its core business at three of its managed municipally owned facilities located around central and northern Alberta. The aggregate value of these base contract extensions was approximately $23.0 million over various periods of up to five years. Under the base contracts, MCL has the opportunity for extra contract work at two of these facilities. One of MCL's facility contracts, valued at $1.721 million for 2014, was not renewed and expired at the end of 2014, however, coincident therewith, MCL was awarded a municipal waste transfer operations contract valued at $1.4 million for a three year period with provision for two one-year extensions valued at an additional $950,000 when adjusted for inflation.

On May 28, 2014, the Corporation, through its 100% owned subsidiary TRAC, completed the purchase of the business and assets of Empire Tool Inc. ("**Empire**"), a Calgary-based privately owned oilfield service and rental business (the "**Empire Acquisition**"). The assets acquired from Empire comprised of equipment used in directional drilling applications including speciality and heavy weight drill pipe, drill collars and related handling equipment, which assets operate in the deep horizontal plays of western Alberta and northeast British Columbia. The purchase price for the Empire Acquisition was $9.3 million paid by cash in the amount of $6.1 million (subject to a one year, $2.0 million holdback provision) and through the issuance of 1,000,688 Common Shares at a deemed price of $3.20 per share representing $3.2 million.

On August 21, 2014, the Corporation accelerated the expiry dates of its 4,197,167 Series A warrants and its 79,000 Series B warrants to purchase Common Shares all at an exercise price of $3.15 per share. As of September 30, 2014, that number of Series A warrants and Series B warrants were exercised which resulted in the issuance of 4,276,167 Common Shares representing $13.471 million in aggregate gross proceeds. 112,093 warrants were unexercised and expired on September 30, 2014.

On August 27, 2014, CERF acquired all of the issued and outstanding common shares of Winalta Inc. ("**Winalta**"), a publically traded oilfield accommodation rentals business, for a purchase price of approximately $70.6 million, including the assumption of net debt in the amount of $19.3 million (the "**Winalta Acquisition**"). Winalta shareholders received 0.3352 of a Common Share of CERF for each Winalta common share held resulting in the issuance of approximately 14,456,717 Common Shares of CERF.

On August 27, 2014, the Corporation entered into a credit agreement (the "**Credit Agreement**") with a syndicate of lenders providing for a revolving operating facility for up to $55.0 million and a revolving capital expenditure facility for up to $10.0 million.

2015

On December 29, 2015, CERF entered into an agreement (the "**First Amending Agreement**") to amend the Credit Agreement which provided for, among other things, the extension of the maturity date to August 27, 2018 and for certain changes to the two financial covenants set out therein.

Activity During Current Fiscal Year

On January 1, 2016 TRAC and Winalta, both being 100% owned by the Corporation, were amalgamated under the ABCA and continued under the name "TRAC Energy Services Ltd.".

On February 2, 2016, CERF completed the acquisition of all of the issued and outstanding shares of Zedcor Rentals (the "**Zedcor Acquisition**"). The purchase price for the Zedcor Acquisition was approximately $21.0 million paid by the issuance of 3,049,958 Common Shares and by the issuance of 4,400,000 preferred shares in the capital of CERF (the "**Preferred Shares**"), both at a deemed price of $0.70 per share, and by issuance of a vender take-back note for $5.0 million (the "**VTB Note**") and the assumption of approximately $10.8 million in debt. The Preferred Shares are non-voting and non-transferable, have a stated value of $0.70 (the "**Stated Value**") per share and a term of five years. The Preferred Shares have a cumulative cash dividend of 5% of the Stated Value commencing on January 31, 2017 until January 31, 2018 and a 10% cumulative cash dividend from January 31, 2018 thereafter, with dividend payments being subject to certain restrictions in CERF's existing Credit Agreement. After January 31, 2019, the Preferred Shares may be converted by the holder thereof into Common Shares at a conversion price of $0.70 per share, subject to the right of CERF to redeem the Preferred Shares prior to such conversion for a cash amount per share equal to the lesser of (i) $2.00; and (ii) the current market price of the Common Shares. CERF shall have the right to redeem the Preferred Shares at any time if the current market price of the Common Shares exceeds $2.00 by either, at CERF's sole option, (i) payment of cash of $2.00 per Preferred Share; or (ii) through the issuance of 4,400,000 Common Shares, subject to certain adjustments. The Preferred Shares may be redeemed at the end of the term, at CERF's sole option, for either (i) a cash amount per share equal to the lesser of $2.00 and the current market price; or (ii) 4,400,000 Common Shares, subject to certain adjustments. The VTB Note is unsecured and subordinated to the indebtedness under the Credit Agreement. The VTB Note has a five-year term and a 5% annual interest rate, with interest payments subject to certain restrictions set out in the Credit Agreement.

On February 2, 2016, CERF entered into an agreement (the "**Second Amending Agreement**") to amend the Credit Agreement, as amended by the First Amending Agreement. The Second Amending Agreement provided for, among other things, consent to the Zedcor Acquisition, consent to the issuance of the $5.0 million VTB Note and consent to the issuance of the Preferred Shares. It also provided for certain changes to the two financial covenants set out in the Credit Agreement, as amended, and for a negative covenant to not declare or pay dividends on or before January 1, 2017.

On February 26, 2016 TRAC changed its name to "Zedcor Energy Services Corp.".

On March 9, 2016 MCL entered into two long-term waste management contracts whereunder MCL will provide collection services to certain areas of the City of Edmonton and the City of Leduc and it will operate a landfill facility on behalf of the City of Lethbridge.

On March 31, 2016 CERF entered into a purchase and sale agreement with Zedcor Corp. whereunder CERF sold Zedcor Rentals as well as the indebtedness of Zedcor Rentals to Zedcor Corp.

On April 1, 2016, Zedcor Corp., being 100% owned by CERF, and Zedcor Rentals, being 100% owned by Zedcor Corp., were amalgamated under the ABCA and continued under the name "Zedcor Energy Services Corp." ("**Zedcor**").

On April 28, 2016, CERF entered into an agreement (the "**Third Amending Agreement**") to amend the Credit Agreement, as amended by the Second Amending Agreement. The Third Amending Agreement provided for, among other things, the amendment of the debt to EBITDA and interest coverage ratios.

Significant Acquisitions

CERF has not completed any "significant acquisitions" (as such term is defined in National Instrument 51-102 Continuous *Disclosure Obligations*) during the financial year ended December 31, 2015.

DESCRIPTION OF THE BUSINESS OF THE CORPORATION

General

CERF has two divisions, being: (i) Industrials Division and (ii) Energy Services Division.

The Industrials Division is made up of two reportable business segments, being; (i) Industrial Equipment Rentals; and (ii) Waste Management. The Industrials Division is engaged in the rental of industrial and construction equipment and is engaged in waste management services.

The Energy Services Division consists of one reportable business segment, being Oilfield Rentals. The Energy Services Division is engaged in the rental of surface equipment, downhole equipment and in the rental of oilfield accommodations.

A summary description of each of the operating businesses within the Industrials Division and the Energy Services Division is set forth below.

Industrials Division

Industrial Equipment Rentals

CERF carries on business in the equipment rental, service and repair industry primarily in Edmonton, Alberta, through its 100% owned subsidiary 4-Way under the name “4-Way Equipment Rentals”. 4-Way has a rental fleet which includes in excess of 4,066 pieces of equipment and supplies a wide variety of equipment, machinery, tools and accessories for the commercial, light industrial and residential building industry as well as the industrial service sector. 4-Way carries on business at 8430-24 Street in southeast Edmonton, Alberta. Approximately 20% of equipment rental orders obtained from customers are arranged via direct contact from 4-Way’s salesmen, with 80% of rental orders coming from walk-in traffic, telephone or the internet. 4-Way drivers typically deliver rental equipment via truck and trailer directly to the customer’s job site.

Waste Management

CERF also carries on business in the integrated non-hazardous solid waste management industry, primarily in central and southern Alberta, through its 100% owned subsidiary MCL. MCL provides waste management facility operation services, primarily under long-term contracts with various municipalities and/or the waste management authorities thereof. MCL also provides tertiary waste transfer services, residential waste collection services and recycling services. MCL’s business includes containerized collection and transfer services to other industrial, commercial, residential and construction industries.

Energy Services Division

CERF carries on business in the oilfield equipment rental industry primarily in central Alberta, through its 100% owned subsidiary Zedcor. Zedcor has a rental fleet which includes approximately 4,880 pieces of varied oilfield equipment as well as specialty and heavy weight drill pipe. Zedcor’s head office and rental facility is located in Leduc, Alberta and it has a sales office in Calgary, Alberta. Zedcor operates in the Provinces of Alberta, British Columbia, Saskatchewan and Manitoba. Zedcor has employees located in Fort St. John, British Columbia, as well as in Grand Prairie, Leduc and Calgary, Alberta. Zedcor presently has eight master service agreements in place with customers, four of which are among the top ten customers of Zedcor.

CERF also carries on the business of providing high-quality modular buildings for the Western Canadian oil and gas industry. Zedcor’s rental fleet is comprised of single-unit wellsites (“**Wellsites**”), integrated wellsite systems (“**IWS**”), dedicated geologist labs (“**DGLs**”), and drill camps (“**Drill Camps**”). Zedcor also provides complementary services that include installation, dismantling, and repair and maintenance of the modular structures in its fleet. Zedcor operates in the Provinces of British Columbia, Alberta and Saskatchewan. Zedcor has employees located in Fort St. John, British Columbia, in Leduc, Calgary, Grimshaw and Grande Prairie, Alberta and Estevan, Saskatchewan. Zedcor’s rental fleet consists of various types of Wellsites, DGLs, Drill Camps and IWS that are used to support drilling, completions and production activities.

Revenue by Reportable Business Segment

With respect to each of the two most recently completed financial years for CERF, the following table sets forth, by reportable business segment, the percentage of CERF's consolidated revenue which is derived from sales of products or services (with specific identification of the category) to customers outside of CERF, where such revenue exceeds 15% of CERF's consolidated revenue:

Revenue Source[(1)]	**2015 – Revenue %**	**2014 – Revenue %**
Oilfield Rentals	$17,437,000 (38%)	$21,540,000 (37%)
Industrial Equipment Rentals	$15,464,000 (33%)	$22,335,000 (39%)
Waste Management	$13,566,000 (29%)	$14,092,000 (24%)
Total Consolidated Revenue	$ 46,467,000 (100%)	$57,967,000 (100%)

Note:
(1) CERF does not derive any revenue from: (i) sales to joint ventures in which CERF is a participant or to entities in which CERF has an investment accounted for by the equity method, or (ii) sales or transfers to controlling shareholders of CERF.

Production and Services

Industrials Division

Industrial Equipment Rentals

4-Way provides equipment solutions to customers in the construction and maintenance industries. 4-Way rents equipment to customers on a daily, weekly, monthly and extended term basis including air, concrete, compaction and electric equipment, hand tools, generator sets, heaters, life equipment, ladders, portable lighting, material handling equipment, painting equipment, plumbing and pipefitting related equipment, pumping equipment, safety and survey equipment, saws and cutting tools, tanks and wagons, scissor lifts, skid steers, trailers, washing equipment, waste transfer bins and other miscellaneous equipment and tools. 4-Way also services equipment, machinery and tools from a wide selection of major brand name manufacturers and suppliers. 4-Way also provides maintenance services and repairs for selected manufacturers' brands and products that are carried for rental. It also specializes in the service and repair of customer owned equipment.

The business operations of 4-Way are supported by systems that have been developed in the areas of sales, delivery services, customer and staff training programs, and equipment service and repair procedures, including the following:

(a) *Sales* - a sales force responsible for managing key accounts using a direct or consultative sales process;

(b) *Delivery Services* - a dispatch function wherein drivers are responsible for delivery, pickup and transfer of equipment to and from construction sites and other locations;

(c) *Customer and Staff Training* - staff training is provided in the areas of sales and customer service, equipment and machinery usage, along with training sessions for customers on existing and new products; and

(d) *Equipment Service and Repair* - a department has been established with journeymen and apprentice heavy duty mechanics and journeyman parts people trained in machinery, equipment and small tool repair, or to provide maintenance and repair services for rental and customer owned products.

Waste Management

MCL provides waste management facility services at various locations in central and southern Alberta, primarily under contracts with waste authorities, commissions and their member municipalities and/or the waste management authorities thereof. Pursuant to these long-term performance based agreements, MCL currently manages and operates six major landfill and waste management facilities and two transfer stations in central and southern Alberta participating in all facets of site operations. Participation includes supply of equipment and manpower in the form of trained personnel, waste screening and acceptance, sales and marketing of special waste, financial accounting, program development and implementation and technical services.

In addition, MCL provides tertiary waste transfer services, residential waste collection services and recycling services, and environmental remediation services. MCL also provides waste disposal and recycling solutions to industrial, commercial and residential infrastructure contractors and renovators. The services provided primarily consist of the supply and transport of roll-off bins, and products such as custom sized bins which allow customers to have a scheduled pick up service on smaller residential construction lots, the “EZ Bag”, for customers with smaller volume waste requirements and/or limited space and pre-purchase polyethylene bags for pick up, transport and disposal by MCL.

Energy Services Division

Zedcor engages in the rental of oilfield equipment to the drilling, completion and other segments of the Western Canadian Sedimentary Basin (“**WCSB**”) oil and gas industry. Zedcor’s rental fleet includes casing scrapers, catwalks and pipe racks, drill collars, heavy weight drill pipe, handling tools, flanges and spools, generators, light towers, rig matting, power swivels, trash pumps, storage tanks, flare tanks, floc tanks, shale tanks, high wall tanks, foster tongs, valves and wheeled office trailers.

Zedcor also provides four categories of accommodation rental offers: Wellsites, Drill Camps, DGLs and IWSs. As at December 31, 2015, Zedcor’s fleet consisted of 264 Wellsites, 9 Drill Camps, 31 DGLs, and 4 IWS. Zedcor’s equipment base also includes single unit and multi-unit modular structures that are highly mobile and built for severe work environment conditions. The units are put to work on day rates and, generally, revenues fluctuate based on peak utilization in the winter drilling season from December to March.

Wellsites are living and workspace environments for drilling consultants and engineers working on site. Wellsites are designed to work as both office and living quarters and are often moved along with the drilling rig. The purpose of a Wellsite is to allow vital members of the exploration process to remain close to the central work site.

DGLs are work environments set up to allow geologists to conduct sampling and core recovery. These labs are external from the Wellsite, which eliminates the threat of toxic fumes and fire hazards within the confines of a living space. These units are highly mobile, provide a small footprint and make for added safety and efficiency for the job they are designed to complete.

Drill Camps are multi-unit complexes that, when fully assembled, provide a stand-alone facility to house, feed and provide recreational amenities to crews and support staff of the surrounding projects.

IWSs are state of the art modular complexes that combine the efficiency and proximity of individual wellsite units with the communication and synergy advantages of having the vital staff of the project working and living together in one facility.

Specialized Skill and Knowledge

Industrials Division

Industrial Equipment Rentals

4-Way is a medium-sized equipment supplier in the rental marketplace. The overall positioning strategy for 4-Way consists of a focus on customer care, which includes strong problem-solving solutions used in much of its communications to customers. The marketing strategies and tactics used to reach the target audience include a combination of direct sales, promotional events, and tradeshows, training events and media relations. These strategies are executed on a daily basis by 4-Way's sales and marketing department.

Marketing programs include the following:

(a) *Customer Loyalty Program* - through a direct sales approach, 4-Way meets with clients on a regular basis with an emphasis on customer care and repeat sales;

(b) *Promotional Events* - in partnership with key suppliers, 4-Way offers events to promote specific lines of equipment or lines of business to a targeted group of customers. Customer appreciation events, business mixers, and tradeshows provide the scope of most events;

(c) *Equipment Training* - this program provides customers with the equipment knowledge and experience required to meet various Government safety standards. Certification programs include the safe operation of forklifts, skid steers and aerial work platforms;

(d) *Internet Program* - 4-Way's resourceful internet sites provide customers access to pertinent information 24 hours a day;

(e) *Electronic Newsletter Program* - Customers receive a monthly e-newsletter on relevant topics with an emphasis on continued traffic generation to the website;

(f) *Advertising Program* - 4-Way increases brand recognition and validation through advertorial and editorial in key trade publications, signage and decaling on moving billboards (equipment) and yellow pages advertising; and

(g) *Memberships* - networking with key industry players in a variety of trade associations such as the Alberta Construction Safety Association, BOMA Edmonton, and Alberta Roadbuilders and Heavy Construction Association and the Canadian Rental Association.

Waste Management

The waste management business requires technical and safety certification of employees involved in the operation and management of waste facilities.

Energy Services Division

Zedcor recognizes that the key to success in the oilfield rental business is to establish relationships with active customers in its core business areas. The Calgary sales team has, since Zedcor's inception (as TRAC) in 2004, created and continues to create relationships that have allowed Zedcor to expand its rental fleet to better serve the clients' needs. From its head office in Leduc, Alberta, Zedcor is able to provide field sales and timely field service when required.

Zedcor's customers include oil, gas and mineral exploration and production companies, drilling contractors, engineering, procurement, construction and consultancy companies, pipeline constructors, oilfield services companies and a variety of other contractor and subcontractor trades companies. Zedcor's marketing of its rental assets, customer relationship building and community involvement is conducted through in-house sales personnel.

Based on previous experience, Zedcor believes its products are advantageous to its customers based on several factors, including but not limited to:

- Age of equipment;
- Maintenance and cleanliness of equipment;
- Service personnel and response times;
- Availability and selection of equipment;
- Breadth of product offering to suit project requirements;
- Attention and responsiveness to client needs;
- Convenience of delivery and location of equipment;
- Competitive price offering; and
- Relationship and reputation with Zedcor point of contact.

Zedcor's products and services are priced according to each project's duration and requirements and often as short-term day rates.

Day rate contracts are set based on industry factors such as equipment availability, timing of project (summer/winter) and minimum duration guarantees. Zedcor charges higher rates for short-term rentals (less than three months) to account for the additional cost and wear associated with the turnaround of equipment on such a short-term basis and to encourage customers to enter longer term agreements. Accordingly, longer term contracts are offered with lower rates.

Competitive Conditions

Industrials Division

Industrial Equipment Rentals

In Alberta there are an estimated 160 or more rental companies operating as independents, franchise operators, manufacturer's rent-to-rent outlets and specialty companies. In Edmonton and area, it is estimated there are approximately 45 rental centres which serve the construction industry.

Only a few of the local and surrounding rental companies continue to publish their rate guides. Price is often driven by the major industry players since they retain most of the market share. Nevertheless, independently owned rental companies tend to follow approximately the same published rates as those mentioned above.

Waste Management

The central and southern Alberta non-hazardous solid waste management industry is competitive and fragmented. Competition comes from various large, national, internationally owned, publicly owned companies, regional companies and mid-size to small privately owned companies. Some of the

Corporation's regional competitors have significantly larger operations and significantly greater financial resources than those of the Corporation. In each market in which CERF, through MCL, operates a landfill, it competes for landfill business on the basis of disposal costs, geographical location and quality of operations. MCL's ability to obtain landfill volume may be limited by the fact that integrated collection companies also operate landfills to which they send their waste.

Energy Services Division

The Alberta oilfield equipment rental business is highly competitive. The principal competitors of Zedcor include various public and private corporations. The principal competitive factors within the markets in which Zedcor operates are quality of service, equipment availability, breadth of equipment offering, equipment performance, safety standards and price. The principal barriers to entry in the oilfield equipment rental business are the high capital costs associated with the acquisition of a quality and diversified equipment base, the substantial infrastructure required, the recruitment of qualified personnel and the establishment of personal business contacts.

The Western Canadian market for workspace facility rentals has numerous competitors that include drilling contractors that also rent accommodation equipment, food services providers that rent facilities in conjunction with their primary services and manufacturers who offer both sales and rentals. Management of Zedcor believes that with its product offering, relationship base, high level of service and innovative focus, it is well positioned to service a wide range of customers.

The ability for Zedcor's existing asset base to maintain or increase revenue is dependent on its ability to keep its units out on rent at the highest rates obtainable from its customers. In order to realize this, Zedcor must maintain a high quality fleet in good condition that is diverse in variety and innovation in order to satisfy the various requirements of its customer base and Zedcor must continue to develop strong, long-term relationships with its customer base through service, consistency and market knowledge.

The temporary workspace industry, at a local level, is highly fragmented with each urban market having several players. These competitors include private and publicly traded oilfield rental companies, large multi-national energy services companies, drilling contractors and food services providers.

New Products

Industrials Division

Industrial Equipment Rentals

4-Way expanded its rental offering in 2015 by the expenditure $1.4 million on rental assets and rental accessories, including the addition of specialty rental offerings such as manlifts rentals. This recent growth positions 4-Way with a modern fleet of unique rental offerings to satisfy demand in the Northern Alberta region.

Waste Management

No new products have been introduced.

Energy Services Division

Zedcor intends to continue the growth of its rental fleet and to offer a wider variety of innovative equipment to its rental customers. The growth of its rental fleet will be achieved by the manufacturing of new accommodation units built to Zedcor's specifications and the specifications of its customers. Zedcor intends to target additional industry sectors for rental of its workspace units, Drill Camps and, most specifically, the IWS units. To date, Zedcor has primarily focused on the oil and gas sector. However, there are several other industries that utilize the types of products offered by Zedcor, including but not limited to, potash mining and construction services.

Zedcor relies on manufacturers for the supply of newly built equipment for its rental fleet. The manufacturing segment of the modular facility industry is well structured in Western Canada with three large capacity manufacturers, several mid-sized manufacturers, and numerous small scale suppliers. Zedcor has a strong relationship with its manufacturer, which permits Zedcor to be able to procure production space despite general capacity constraints within the manufacturer.

Cycles

Industrials Division

Industrial Equipment Rentals

Equipment rental and leasing is a mature sector that has both diversified and undergone a degree of consolidation. The sector is highly dependent on the health and strength of the construction industry and in particular, the building trade and heavy construction contractors. Due to the high risk associated with the construction industry, increasingly contractors rent to avoid adding under-utilized equipment to their fleet.

The equipment rental industry is multi-tiered including core rental companies that are independent or franchised operators, as well as emerging manufacturers with separate rent-to-rent business units. To date, 4-Way has carried on business as an independent type business.

Material industry trends relate primarily to: (i) rental operation types and growth, and (ii) infrastructure projects. 4-Way has focused its operations on serving customers in the construction and light industrial markets. In the Edmonton area, there are over 150 building contractors, the majority of which are considered to be in residential and light construction, along with over 90 primarily residential homebuilders, and 50 or more contractors in the concrete, landscaping, masonry and general construction areas which use rental equipment.

4-Way's customer base is comprised of businesses in the construction, refractory, sandblasting and industrial maintenance sectors. Approximately 80% of the business conducted by 4-Way is from repeat customers, some of whom have been dealing with 4-Way and its predecessors in Edmonton and area for over 40 years.

Waste Management

Waste management revenues are generally higher in the summer and autumn months due to higher collected and disposed of waste volumes. Higher collection and disposal revenues are partially offset by higher operating expenses to service and dispose of additional waste volumes.

Energy Services Division

Zedcor operates in the WCSB, where the activity levels in the oilfield services industry are subject to the ability to move heavy equipment in the oil and natural gas fields. This mobility is dependent on weather conditions. As warm weather returns in the spring, the winter's frost coming up out of the ground renders many secondary roads incapable of supporting the weight of heavy equipment until they have thoroughly dried out ("**spring breakup**"). In addition, many exploration and production areas in northern Canada are accessible only in the winter months when the ground is frozen hard enough to support heavy equipment ("**winter freeze up**"). The timing of winter freeze up and spring breakup affects the ability to move equipment in and out of these areas, which directly affects the activities of the exploration and development companies serviced by Zedcor.

Zedcor's primary customer base is in the oil and gas industry in Western Canada. This industry is highly subject to seasonality. Fleet rentals have historically experienced higher activity and demand in the winter months. This is due to the increase in exploration and infrastructure construction at remote northern sites where access is restricted during warmer months due to muskeg and wildlife conservation efforts.

Changes to Contracts

Industrials Division

Industrial Equipment Rentals

Most 4-Way rental contracts are short term and the numbers of contracts entered is directly tied to the number of construction projects underway in the greater Edmonton region.

Waste Management

MCL entered into two contract extensions for two and three year terms at their West Yellowhead and Camrose facilities. In addition, MCL entered into a four year contract to operate the Lethbridge, Alberta landfill. MCL's transportation division entered into a contract with the City of Edmonton to supply bins and haulage for the City owned Eco Stations. Total capital expenditures for these contracts were approximately $3.2 million.

Environmental Protection

Industrials Division

Industrial Equipment Rentals

New Tier 4 engine requirements are expected to have a significant impact on larger capital expenditure items, as costs are expected to increase between 35-55% when compared to previous acquisitions of similar equipment. The bulk of this cost is expected to be recovered in increased rental rates although the Corporation has not yet seen the full impact of this increase in its marketplace.

Waste Management

The ever evolving and changing landscape of waste management requires a constant focus on improvement of waste services. Protecting the environment has become a global concern. In consultation with both public and private sector clients, MCL identifies and manages these environmental concerns. These services are incorporated through traditional consulting arrangements, outsourcing, management and service agreements, as well as, client service packages.

<u>Energy Services Division</u>

The Canadian oil and gas industry is regulated by a number of federal and provincial governmental bodies and agencies under a variety of complex federal and provincial legislation that sets forth numerous prohibitions and requirements with respect to planning and approval processes related to land use, sustainable resource management, waste management, responsibility for the release of presumed hazardous materials, protection of wildlife and the environment and the health and safety of workers. Legislation provides for the restrictions and prohibitions on the transport of dangerous goods and the release or emission of various substances, including substances used and produced in association with certain oil and gas industry operations. The legislation addresses various permits, drilling, access road constructions, camp construction, well completion, installation of surface equipment, air monitoring, surface and ground water monitoring in connection with these activities, waste management and access to remote or environmentally sensitive areas.

The operations of Zedcor are subject to a variety of federal, provincial, and local laws, regulations, and guidelines, including laws and regulations relating to health and safety, the conduct of operations, the protection of the environment, the operation of equipment used in its operations and the transportation of materials and equipment Zedcor provides for its clients. Zedcor invests financial and managerial resources to ensure compliance with all applicable laws and regulations and will continue to do so in the future. Although such expenditures historically have not been material to Zedcor, such laws or regulations are subject to change. Accordingly, it is impossible for Zedcor to predict cost or impact of such laws and regulations on its future operations.

Employees

CERF, and its 100% owned subsidiaries 4-Way, MCL and Zedcor, currently employ 164 people on a full time basis and 18 on a part time basis. Of these, 18 people are employed directly by CERF on a full time basis, 45 people are employed by 4-Way on a full time basis and 1 person is employed by 4 Way on a part time basis. MCL employs 63 people on a full time basis and 17 people on a part time basis. Zedcor employs 17 people on a full time basis. The personnel employed by CERF and its subsidiaries represent an experienced and qualified workforce including several senior staff members with considerable background in both the equipment business and the oilfield equipment rental business, as well as in the waste management business, as applicable, and many long service employees.

Risk Factors

The following is a summary of certain risk factors relating to the Corporation's business.

Weakness in the Oil and Gas Industry

Recent market events and conditions, including global excess oil and natural gas supply, recent actions taken by the Organization of the Petroleum Exporting Countries, slowing growth in China and other emerging economies, market volatility and disruptions in Asia, and sovereign debt levels in various countries, have caused significant weakness and volatility in commodity prices. These events and conditions have caused a significant decrease in the valuation of oil and gas companies and a decrease in confidence in the oil and gas industry. These difficulties have been exacerbated in Canada by the recent changes in government at a federal level and, in the case of Alberta, the provincial level and the resultant uncertainty surrounding regulatory, tax and royalty changes that may be implemented by the new governments. In addition, the inability to get the necessary approvals to build pipelines and other facilities to provide better access to markets for the oil and gas industry in western Canada has led to additional uncertainty and reduced confidence in the oil and gas industry in western Canada. The foregoing factors affect many of the Corporation's customers, particularly Zedcor's customers and therefore decrease demand for Zedcor's oilfield equipment rental products. This, in turn, will result in lower revenues and earnings for CERF.

Commodity Price Risk

The recent downturn in oil and gas prices worldwide has had a direct impact on activities of many of CERF's customers, particularly in the Energy Services Division. Low commodity prices for an extended period of time will result in continued reduced demand for many of Zedcor's services. This, in turn, will result in lower revenues and earnings for CERF.

Economic and Political Conditions

Changes in economic conditions, including, without limitation, recessionary or inflationary trends, commodity prices, equity market levels or strength, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence could have a material adverse effect on CERF's business, financial condition, results of operations or cash flows. In addition, economic and business conditions in our markets may be affected by disruptions in the financial markets caused by political or other events and such affects may adversely impact CERF's business, financial condition, and results of operations or cash flows.

CERF's industrial equipment rental customers consist of companies operating primarily in the construction industry which are all affected by trends in the general economic conditions within their respective markets. Many of CERF's customers, particularly in the Energy Services Division, have curtailed their capital spending or may experience difficulty in paying for services purchased. By allowing Zedcor to adapt to changing market conditions, exposure to such risk may be lessened. This has and will continue to be achieved by cost management strategies and expansion into other complementary sectors through new targeted marketing strategies.

Competition

Competition in the equipment rental industry, waste management industry and energy services industry is intense and growing. In addition to local competitors, CERF competes with national and international companies that have substantially greater personnel and financial resources, as well as better name recognition and larger customer bases. Also, given the potential size of the market, it is foreseeable that new competition with greater resources will be entering the marketplace on an on-going basis.

Technology Risk

CERF's ability to meet customer demands in respect of performance and cost will depend upon continuous improvements in services, and there can be no assurance that CERF will be successful in this regard or that CERF will have resources available to meet this continuing demand. Failure to meet this demand could have a material adverse effect on CERF's business, financial condition, results of operations and cash flows. No assurances can be given that CERF's competitors will not achieve technological advantages.

Waste Management Contracts

MCL is a party to various long-term contracts where it provides waste management services to its customer base in the waste management business. MCL derives a portion of its revenue from municipal contracts that require competitive bidding by potential service providers. Although MCL intends to continue to bid on municipal contracts and to re-bid its existing municipal contracts, such contracts may not be maintained or won in the future. MCL may also be unable to meet bonding requirements for municipal contracts at a reasonable cost to it, or at all. These requirements may limit MCL's ability to bid for some municipal contracts and may favour some of its competitors. MCL also derives a portion of its revenue from non-municipal contracts, which generally have a term of three to five years. Some of these contracts permit MCL's customers to terminate them before the end of the contractual term.

In addition, significant revenues are attributed to a small number of municipal contracts. Termination, modification or non-renewal of such contracts could have an adverse effect on MCL's business, results of operations and financial condition.

No Long Term Rental Contracts

Each of 4-Way and Zedcor rents equipment to customers for a limited time or sells equipment to customers primarily on a purchase order basis rather than on a long-term contractual basis. This causes short-term variability in demand by customers. Customers requesting equipment or submitting a purchase order may cancel, reduce or delay their order for a variety of reasons. This will affect the level and timing of orders placed to CERF and any resulting cancellations, reductions or delays in customer orders could negatively impact the Corporation's operating results. The business operations of Zedcor depend on successful execution of performance based contracts. The key factors which determine whether a client continues to use Zedcor are service quality and availability, reliability and performance of equipment used to perform its services, technical knowledge and experience, safety and competitive price. There can be no assurance that Zedcor's relationships with its customers will continue.

Dependence on Major Customers

Zedcor generates approximately 73% of its revenue from its top ten customers, and there can be no assurance that the current customers will continue their relationships with Zedcor. The loss of one or more major customers, or any significant decrease in services provided to a customer, prices paid or any other changes to the terms of service with customers, could have a material adverse effect on the financial results, cash flows, and the overall financial condition of Zedcor and CERF.

Reliance Upon Management

CERF is involved in the equipment rental industry as well as the waste management industry. These industries may involve a substantial degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Executive management and other key personnel are essential to CERF's business. The loss of the services of any of these persons could have an adverse effect on the business. CERF's ability to develop its products and deliver services could be harmed if it is not able to recruit and retain qualified personnel. In order to address this risk, the Corporation is proactive in its human resource management with the ultimate goal of providing an attractive work environment for all employees.

Dependence on Suppliers

Failure of suppliers to deliver equipment in a timely and efficient manner could be detrimental to CERF's ability to keep customers and to expand. No assurances can be given that the Corporation will be successful in maintaining its required supply of equipment.

Government Regulation

CERF's equipment rental businesses as well as its waste management business are all subject to extensive and evolving environmental laws and regulations, which have become increasingly stringent in recent years. Changes to such laws and regulations may impose substantial costs on CERF and may affect its business in other ways, including requiring compliance by CERF with various operating procedures and guidelines.

CERF could be liable to federal or provincial governments or other parties if harmful substances contaminate its properties or properties which it operates. CERF could be subject to legal action relating to compliance with environmental laws or regulations, and to civil claims from parties alleging some harm as a consequence of contamination, odours and other releases to the environment or other environmental matters (including the acts or omissions of its predecessors) for which CERF may be responsible. Compliance with environmental laws and regulations is costly. Governmental authorities may enact climate change regulations that could increase the Corporation's costs to operate.

Capital Markets

As a result of the weakened global economic situation, the Corporation, along with local, national and international companies with which it competes, has restricted access to capital, bank debt and equity, and is likely to face increased borrowing costs. Even if the Corporation's business and asset base has not changed, the lending capacity of many financial institutions has diminished and risk premiums have increased. As future capital expenditures will be financed out of funds generated from operations, borrowings and possible future equity sales, the Corporation's ability to do so is dependent on, among other factors, the overall state of capital markets and investor appetite for investments in the rental industry and the Corporation's securities in particular.

To the extent that external sources of capital become limited, unavailable or available on onerous terms, the Corporation's ability to make capital investments and maintain existing assets may be impaired, such that its assets, liabilities, business, financial condition and results of operations may be materially and adversely affected as a result.

Based on current funds available and expected funds generated from operations, the Corporation believes it has sufficient funds available to fund its projected business operations, including capital expenditures. However, if funds generated from operations are lower than expected or costs for these business operations and capital expenditures exceed current estimates, or if the Corporation incurs major unanticipated expenses related to its existing business, it may be required to seek additional capital to maintain its capital expenditures at planned levels.

Surety Bonds, Letters of Credit or Other Financial Assurances and Adequate Insurance Coverage

If CERF is unable to obtain performance or surety bonds, letters of credit or insurance, it may not be able to enter into additional waste management or collection contracts. Municipal waste management and collection contracts may require performance or surety bonds, letters of credit or other financial assurances to secure contractual performance or comply with federal, provincial or local laws and regulations. If CERF was unable to obtain performance or surety bonds or letters of credit in sufficient amounts or at acceptable rates, it could be precluded from entering into additional municipal waste management and collection contracts. Any future difficulty in obtaining insurance could also impair its ability to secure future contracts that are conditional upon the contracts having adequate insurance coverage. Accordingly, CERF's failure to obtain performance or surety bonds, letters of credit or other financial assurances or to maintain adequate insurance coverage could limit its operations or violate federal, provincial or local requirements, which could have a material adverse effect on its business, financial condition and results of operations.

Acquisition Risk

Some of CERF's future growth depends on its ability to acquire additional businesses or interests therein and manage expansion and control costs in its operations. CERF's securityholders are dependent on the ability of CERF's management to identify, acquire and develop suitable acquisition targets. In pursuing a strategy of acquiring other businesses, CERF faces risks commonly encountered with growth through acquisitions. These risks include, but are not limited to, incurring undiscovered liabilities within the acquired businesses, diverting CERF's management resources, impairing relationships with employees, suppliers and/or customers as a result of changes arising from the acquisition, and incorrectly valuing acquired entities. In addition, although CERF will conduct a prudent level of investigation regarding the operating condition of the businesses it purchases, in light of the circumstances of each transaction, an unavoidable level of risk remains regarding the actual operations and operating condition of these businesses. If these risks cannot be adequately managed, the result could have a material adverse effect on CERF's business, financial condition, results of operations or cash flows. The success of CERF's acquisition strategy will depend, in part, on its ability to (i) identify suitable assets or businesses to buy; (ii) negotiate the purchase price of those assets or businesses on acceptable terms; (iii) complete the acquisitions within CERF's expected time frame; (iv) improve the results of operations of the assets or businesses that CERF buys and successfully integrate their operations into its own; and (v) respond to any concerns expressed by regulators, including anti-trust or competition law concerns. CERF may fail to properly complete any or all of these steps.

An unsuccessful acquisition could have a material adverse impact on CERF or its results of operations or financial condition. For greater certainty, CERF securityholders will be totally dependent upon CERF's management and its directors in making investment decisions, managing growth and controlling costs.

Future Capital Requirements

CERF may require additional financing in order to grow and expand its operations. It is possible that required future financing will not be available or, if available, will not be available on favourable terms. If CERF issues Common Shares or other securities, including convertible securities, to finance its operations or expansion plans, shareholders may suffer dilution of their investment. If adequate funds are not available, or are not available on acceptable terms, the Corporation may not be able to take advantage of opportunities, or otherwise optimally respond to competitive pressures.

Capital Requirements for Future Acquisitions

CERF cannot be certain that it will have enough capital or that it will be able to raise capital by issuing equity or debt securities or through other financing methods on reasonable terms, if at all, to complete the purchases of any construction equipment, oilfield equipment or solid waste management assets or businesses that it wants to acquire. Acquisitions will generally increase CERF's capital requirements unless they are funded from excess free cash flow, which CERF defines as free cash flow after dividends declared. Acquisitions financed with debt or equity capital will result in higher long-term debt or equity amounts recorded on CERF's consolidated statement of financial position. Higher debt levels can increase CERF's borrowing rates and can be expected to increase interest expense due to higher levels of outstanding indebtedness.

Successfully Managing its Growth

CERF's growth strategy will continue to place significant demands on its financial, operational and management resources. In order to continue its growth, CERF may need to add administrative, management and other personnel, and make additional investments in operations and systems. CERF cannot provide assurance that it will be able to find and train qualified personnel, or do so on a timely basis, or expand its operations and systems.

Adequacy of Insurance Coverage

CERF seeks to obtain and maintain, at all times, insurance coverage in respect of its potential liabilities and the accidental loss of value of its assets from risks, in those amounts, with those insurers, and on those terms it considers appropriate, taking into account all relevant factors, including the practices of owners of similar assets and operations. However, not all risks are covered by insurance, and CERF cannot provide assurance that insurance will be available consistently or on an economically feasible basis or that the amounts of insurance will be sufficient to cover losses or claims that may occur involving its assets or operations.

Volatility of Market Price

The market price of the Common Shares could be subject to significant fluctuation in response to variations in quarterly and yearly operating results, the success of CERF's business strategy and other factors. In addition, the stock market experiences price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of affected issuers. These fluctuations may adversely affect the market price of the Common Shares.

Uncertain Operating Conditions

The Corporation's financial results will be affected by a number of factors. The primary factors affecting CERF's operating results are changes in oil and gas prices, technology, equipment costs, labour costs, overhead costs and quantity of customer orders. In addition to this, other factors having an impact on results are competition; asset and capacity management; customer service effectiveness; and overall industry economic conditions. Variability of results can be caused by any one or any combination of these factors.

CERF's Operations are Geographically Concentrated and Susceptible to Local Economies, Regulations and Seasonal Fluctuations.

CERF's Industrials Division operations are concentrated in the Province of Alberta and its Energy Services Division operations are carried out in the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba and are susceptible to those markets' local economy, regulations and seasonal fluctuations. Seasonality may temporarily affect CERF's revenues and expenses. In general, the level of activity in the Canadian oilfield service industry as well as the soil reclamation industry is influenced by seasonal weather patterns. Wet weather and the spring thaw make the ground unstable. Consequently, municipalities and provincial transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby reducing activity at all levels of the oil and gas industry. Additionally, certain oil and gas producing areas are located in areas that are inaccessible other than during the winter months, because the ground surrounding the drilling sites in these areas consists of swampy terrain. Seasonal factors and unexpected weather patterns may lead to declines in the activity levels of exploration, development and production companies and corresponding declines in the demand for goods and services of 4-Way and Zedcor.

Potential Replacement of or Reduced Use of Products and Services

Certain rental equipment of the Corporation may become obsolete or experience a decrease in demand through the introduction of competing products or new technologies that are lower in cost, exhibit enhanced performance characteristics or are determined by the market to be more preferable for environmental or other reasons. The changes could have a material adverse effect on the Corporation's business, financial condition, results or operations and cash flows. Although the Corporation makes reasonable efforts to keep current with the changing market for construction and oil and gas equipment rental services and technological and regulatory changes, there can be no assurance that the Corporation will be able to identify all changes to competing products and technology.

Failure of suppliers to deliver equipment in a timely and efficient manner could be detrimental to CERF's ability to keep customers and to expand. No assurances can be given that the Corporation will be successful in maintaining its required supply of equipment.

CERF Environmental Requirements

CERF could be subject to legal action relating to compliance with environmental laws or regulations, and to civil claims from parties alleging some harm as a consequence of contamination, odours and other releases to the environment or other environmental matters (including the acts or omissions of its predecessors) for which CERF may be responsible.

Solid waste management operations are often subject to close scrutiny by federal, provincial and local regulators, as well as private citizens and environmental advocacy groups, and may be subject to judicial and administrative proceedings, including proceedings relating to their compliance with environmental and local land use laws.

In general, environmental, health and safety laws authorize federal, provincial or local environmental regulatory agencies (and in some cases, private citizens) to bring administrative or judicial actions for violations of environmental laws or to revoke or deny the renewal of a permit. Potential penalties for such violations may include, among other things, civil and criminal monetary penalties, imprisonment, permit suspension or revocation, and injunctive relief. These agencies may also attempt to revoke or deny renewal of CERF's permits or licenses for violations or alleged violations of environmental, health and safety laws or regulations. Under certain circumstances, citizens are also authorized to file lawsuits to compel compliance with environmental laws, regulations or permits under which CERF operates and to impose monetary penalties. Surrounding landowners or community groups may also assert claims alleging environmental damage, personal injury or property damage in connection with CERF's operations.

Potential changes in requirements may result in increased operating costs and capital expenditures for oil and gas companies, thereby delaying or decreasing the demand for Zedcor's services.

Management is unable to predict the impact of potential emissions targets and it is possible that changes could adversely affect CERF's business, financial condition and results of operations. These regulations would likely result in higher operating costs for our customers in the region, putting further pressure on project economics, and may also impair the Corporation's ability to provide its services economically.

Contamination by Hazardous Substance

CERF could be liable to federal or provincial governments or other parties if hazardous (or other regulated or potentially harmful) substances contaminate or have contaminated properties, including soil or water under its properties, or if such substances from CERF's properties or operations contaminate or have contaminated the properties of others. CERF could be liable for this type of contamination even if the contamination did not result from its activities or occurred before it owned or operated the properties. CERF also could be liable for such contamination at properties to which it transported such substances or arranged to have hazardous substances transported, treated or disposed.

Certain environmental laws impose joint and several and strict liability in connection with environmental contamination, which means that CERF could have to pay all recoverable damages, even if it did not cause or permit the event, circumstance or condition giving rise to the damages. Moreover, many substances are defined as "hazardous" under various environmental laws and their presence, even in minute amounts, can result in substantial liability. While CERF may seek contribution for these expenses from others, it may not be able to identify who the other responsible parties are and CERF may not be able to compel them to contribute to these expenses or they may be insolvent or unable to afford to contribute. If CERF incurs liability and if it cannot identify other parties whom it can compel to contribute to CERF's expenses and who are financially able to do so, CERF's financial condition and results of operations may be impaired.

Conflicts of Interest

The directors of CERF may be or become engaged in different industries, both on their own behalf and on behalf of other corporations, and situations may arise where the directors and officers may be in direct competition with the Corporation. Conflicts of interest, if any, which arise will be subject to and governed by the procedures prescribed by the ABCA.

Climate Change Regulations

Environmental advocacy groups and regulatory agencies in Canada have been focusing considerable attention on the emissions of greenhouse gases and their potential role in climate change. As a consequence, governments have begun (and are expected to continue) devising and implementing laws and regulations that require reduced, or are intended to reduce, greenhouse gas emissions. The adoption of such laws and regulations and the imposition of fees, taxes or other costs, could adversely affect CERF's collection and disposal operations. Changing environmental regulations could require CERF to take any number of actions, including the purchase of emission allowances or the installation of additional pollution control technology, and could make CERF's operations less profitable, which could adversely affect its results of operations. Compliance by oil and gas companies may lead to a reduction in demand for CERF's energy services products.

Permits, Licenses and Approvals

To operate solid waste facilities, CERF must obtain and maintain certain licenses, permits or approvals. Permits, licenses and approvals to operate non-hazardous solid waste landfills and transfer stations are difficult, time consuming and expensive to obtain. Failure to obtain the required permits, licenses or approvals to operate landfills and transfer stations could hinder and impair CERF's business strategy. A failure to obtain, renew or extend various permits and licenses could result in the impairment of certain assets.

Landfill Dependence on Third-Party Disposal Customers

Operating and maintaining a landfill is capital intensive and generally requires performance bonds and letters of credit to secure performance and financial obligations. As a result, a steady volume of waste is required over the operating life of the landfill in order to maintain profitable operations. The loss of third-party disposal customers could reduce the Corporation's revenues and profitability. Accordingly, CERF depends on maintaining a certain level of third-party disposal customers at the landfills which it manages in order to be able to continue to operate at profitable levels.

CERF cannot provide assurance that it will maintain its relationships or continue to provide services to any particular waste management customer at current levels. CERF also cannot provide assurance that third-party customers will continue to utilize these sites and pay acceptable rates that generate acceptable margins for CERF. Decreases could occur if new landfills open, if CERF's existing waste management customers fail to renew their contracts, if the volume of waste disposal decreases or if CERF is unable to increase its rates to correspond with its increasing costs of operations.

Dividends

Future dividend payments by CERF and the level thereof is uncertain, as the funds available for the payment of dividends from time to time will depend upon, among other things, cash flow from operations generated by CERF, financial requirements for CERF's operations and the execution of its growth strategy, fluctuations in working capital, the timing and amount of capital expenditures, debt service requirements and covenants, statutory liquidity requirements under the ABCA and other factors beyond the control of CERF.

Access to Credit Markets

Due to the nature of the Corporation's business it is necessary from time to time for the Corporation to access other sources of capital beyond its internally generated cash flow in order to fund the development and acquisition of its long term asset base. As part of this strategy, the Corporation obtains some of the necessary capital by incurring debt and therefore the Corporation is dependent to a certain extent on continued availability of the credit markets. The continued availability of the credit markets for CERF is primarily dependent on the state of the economy and the health of the banking industry in North America and abroad. There is risk that if the global economy and banking industry experience unexpected and/or prolonged deterioration, then CERF's access to credit markets may contract or disappear altogether. The Corporation tries to mitigate this risk by dealing with reputable lenders and tries to structure its lending agreements to give it the most flexibility possible should these situations arise. However, the situations that may give rise to credit markets tightening or disappearing are beyond CERF's control.

CERF is also dependent to a certain extent on continued access to equity capital markets. The Corporation is listed on the TSXV Venture Exchange ("**TSXV**") and maintains an active investor relations program. Continued access to capital is dependent on CERF's ability to continue to perform at a level that meets market expectations.

Credit Facility Risk

The Corporation is required to comply with covenants under the credit agreement establishing its credit facilities. The Corporation is currently in compliance with its covenants under its credit facilities. In the event that the Corporation does not comply with such covenants, the Corporation's access to capital could be restricted or repayment could be required. The Corporation routinely reviews the financial covenants based on actual and forecast results and has the ability to make changes to its capital expenditure plans and/or dividend policy to comply with the financial covenants under its credit facilities.

Litigation

In the normal course of the Corporation's operations, it may become involved in, named as party to, or be the subject of, various legal proceedings, tax proceedings, and legal actions, related to personal injuries, property damage, property tax, land rights, the environment and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Corporation and as a result, could have a material adverse effect on the Corporation's assets, liabilities, business, financial condition and results of operations.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Corporation may disclose confidential information relating to the business, operations or affairs of the Corporation. Although confidentiality agreements are signed by third parties prior to the disclosure of any confidential information, a breach could put the Corporation at competitive risk and may cause significant damage to its business. The harm to the Corporation's business from a breach of confidentiality cannot presently be quantified, but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Corporation will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damages to its business that such a breach of confidentiality may cause.

Forward-Looking Statements may Prove Inaccurate

Undue reliance should not be placed on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this Annual Information Form under the heading "*Forward-Looking Statements*".

DIVIDENDS AND DISTRIBUTIONS

For each of the three most recently completed financial years, CERF declared the following quarterly cash dividends on its Common Shares:

Date of Announcement	Record Date	Payment Date	Amount Per Common Share $	Common Shares Outstanding #	Total Dividend $
2013					
March 25, 2013	March 31, 2013	April 15, 2013	0.06	11,671,096	700,266
June 24, 2013	June 30, 2013	July 15, 2013	0.06	11,671,096	700,266
Sept. 24, 2013	Sept. 30, 2013	Oct. 15, 2013	0.06	16,059,356	963,561
Dec. 16, 2013	Dec. 31, 2013	Jan 15, 2013	0.06	16,059,356	963,561
2014					
March 24, 2014	March 31, 2014	April 15, 2014	0.06	16,134,441	968,066
June 23, 2014	June 30, 2014	July 15, 2014	0.06	17,573,842	1,054,430
September 22, 2014	September 30, 2014	October 15, 2014	0.06	35,494,360	2,129,662
December 9, 2014	December 31, 2014	January 15, 2015	0.06	36,213,947	2,172,837

Date of Announcement	Record Date	Payment Date	Amount Per Common Share $	Common Shares Outstanding #	Total Dividend $
2015					
March 30, 2015	April 8, 2015	April 15, 2015	0.06	36,252,502	2,175,150
June 25, 2015	July 8, 2015	July 15,2015	0.06	36,300,248	2,178,014
September 30, 2015	October 8, 2015	October 15, 2015	0.02	36,374,148	727,482
December 22, 2015	January 7, 2016	January 15, 2016	0.02	36,380,459	727,609

On February 2, 2016 CERF announced that the board of directors of the Corporation (the "**Board**") suspended the Corporation's quarterly dividend until further notice in connection with the entering into of the Second Amending Agreement. The amount of cash dividends to be paid on the Common Shares, if any, is subject to the discretion of the Board and will depend upon, among other things, cash flow from operations generated by CERF, financial requirements for CERF's operations and the execution of its growth strategy, fluctuations in working capital, the timing and amount of capital expenditures, debt service requirements and covenants, statutory liquidity requirements under the ABCA and other factors beyond the control of CERF. Accordingly, there can be no guarantee that CERF will resume the payment of dividends. See "*General Development of the Business – Activity During Current Fiscal Year"* and see *"Risk Factors – Dividends"*.

DESCRIPTION OF CAPITAL STRUCTURE

General Description of Capital Structure

The authorized share capital of CERF consists of an unlimited number of Common Shares and an unlimited number of preferred shares in the capital of CERF. As of the date hereof 39,486,613 Common Shares and 4,400,000 Preferred Shares are issued and outstanding.

Common Shares

The holders of the Common Shares are entitled:

(a) to receive notice of and to attend and vote at all meetings of shareholders, except meetings at which only holders of a special class of shares are entitled to vote; to receive any dividend declared by CERF on that class of shares; provided that CERF shall be entitled to declare dividends on the preferred shares, or on any of such classes of shares without being obligated to declare any dividends on the Common Shares;

(b) subject to the rights, privileges, restrictions and condition attaching to any other class of CERF's shares, to receive CERF's remaining property upon dissolution in equal rank with the holders of all other common shares of CERF; and

(c) to the rights, privileges and restrictions normally attached to common shares.

Preferred Shares

The preferred shares may be issued from time to time in one or more series, each series consisting of a number of preferred shares as determined by the Board who may also fix the designations, rights, privileges, restrictions and conditions attaching to each series of preferred shares.

The preferred shares of each series shall, with respect to the payment of dividends and distributions of assets in event of liquidation, dissolution or winding-up, whether voluntary or involuntary, or any other distribution CERF's assets among its shareholders for the purpose of winding-up its affairs, rank on a parity with the preferred shares of every other series and shall be entitled to preference over CERF's voting and non-voting common shares and the share of any other class ranking junior to the preferred shares of the series. If any cumulative dividends or amounts payable on the return of the capital in respect of a series of preferred shares are not paid in full, all series of preferred shares shall participate rateably in respect of accumulated dividends and return of capital.

The Preferred Shares have been issued as series 1. See "*Activity During Current Fiscal Year*".

MARKET FOR SECURITIES

Trading Price and Volume of Trading of Common

The following table sets forth the reported high and low sales prices (which are not necessarily the closing prices) and the trading volumes of the Common Shares of CERF on the TSXV as reported by sources CERF believes to be reliable for the periods indicated:

	Price Range ($)			
	High	**Low**	**Close**	**Trading Volume**
2015				
January…………………………………..	2.25	1.66	1.75	507,872
February………………………………….	1.93	1.68	1.79	598,849
March…………………………………....	1.80	1.42	1.76	854,472
April…………………………………......	1.99	1.66	1.99	1,476,708
May………………………………….......	2.29	1.85	2.11	1,161,650
June………………………………….......	2.21	2.00	2.04	1,034,176
July………………………………….......	2.05	1.32	1.50	1,143,392
August…………………………………...	1.62	1.32	1.38	422,735
September……………………….……….	1.41	1.05	1.12	423,522
October………………………………….	1.17	0.82	0.86	772,596
November……………………………….	0.88	0.64	0.65	599,925
December………………………………..	0.75	0.65	0.73	801,186
2016				
January…………………………………..	0.75	0.60	0.68	367,870
February…………………………………	0.71	0.46	0.50	1,064,475
March……………………………………	0.65	0.46	0.50	1,204,948
April 1-27……………………………….	0.50	0.41	0.43	930,006

Prior Sales

The following table sets forth, for each class of securities of the Corporation that is outstanding but not listed or quoted on a marketplace, the price at which securities of the class have been issued during the financial year ended December 31, 2015 and the number of securities of the class issued at that price and the date on which the securities were issued.

Class of Securities	Issue Price on Exercise Price $	Number of Securities Issued	Date of Issue
Options(1)	1.10	636,000	October 16, 2015

Note:
(1) Stock options ("**Options**") issued under the stock option plan of the Corporation.

As at the date of this Annual Information Form, the Corporation has 2,435,500 Options issued and outstanding.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date hereof, the following Common Shares are held in escrow and no other securities are subject to a contractual restriction on transfer:

Designation of Class	Number of Securities held in Escrow	Percentage of Class
Common Shares(1)	3,049,968	7.72%

Note:
(1) These Common Shares are held in escrow pursuant to an escrow agreement dated February 2, 2016 between the applicable holder of the Common Shares, CERF and Computershare Trust Company of Canada, as escrow agent and shall be held by the escrow agent for a period of three years from February 2, 2016, subject to the terms and conditions of the subject escrow agreement.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets forth the name, province and country of residence of the current officers and directors of the Corporation, the periods during which they have served as officers or directors and their principal occupations for the past five years. The term of office of each director will expire at the end of the next annual meeting of shareholders of the Corporation.

Name, Province and Country of Residence	Positions and Offices with the Corporation	Principal Occupation during the Past Five years
Jan Campbell Alberta, Canada	Corporate Secretary since March 2016	Corporate Secretary of the Corporation since March 2016 and President of Comply Inc., a consulting firm which provides corporate secretarial services, since December 2005.

Name, Province and Country of Residence	Positions and Offices with the Corporation	Principal Occupation during the Past Five years
Austin Fraser Alberta, Canada	President since December 2015	President of the Corporation since December 2015. Prior thereto Executive Vice President, Corporate Development of the Corporation from August 2014 to December 2015. Prior thereto President of Winalta from April, 2012 to August, 2014. Prior thereto Senior Vice President of Winalta from November 2008 to April 2012.
J. Blair Goertzen(1)(2) Alberta, Canada	Director since August, 2014	President and Chief Executive Officer of Enerflex Ltd., a publicly traded energy services company, since 2006.
William Guinan(2)(3) Alberta, Canada	Director since June 2012	Partner, Borden Ladner Gervais LLP, a law firm.
David (Skip) Kerr Alberta, Canada	Chief Operating Officer since August 2013	Chief Operating Officer of the Corporation since August 2013. Prior thereto Vice President, Business Development of the Corporation from June 2012 to August 2013. Prior thereto independent consultant to the waste industry from 2005 until 2012.
Artie T. Kos Alberta, Canada	Director and Executive Chairman of the Board since December 2015	Executive Chairman of the Corporation since December 2015. Mr. Kos is also the President and Chief Executive Officer of Kos Corp. Investments Ltd. since May 2006.
David Maplethorpe(1)(2) Alberta, Canada	Director since October 2011	Independent businessman since May 2013. Prior thereto Vice President, Waste and Environmental Operations of the Corporation from June 2012 to May 2013 and Chief Executive Officer of MCL from April 2011 to June 2012. Prior thereto President of Maplethorpe Contractors Ltd. from 1989 to April 2011.
Brad Munro(1) Saskatchewan, Canada	Director since August 2014	President and Chief Executive Officer of Bittercreek Capital Corporation, a private investment and consulting firm, since 2006.
Ken Stephens(3) Alberta, Canada	Director since October 2011	Retired businessman since October 2014. Prior thereto Vice President, Finance and Chief Financial Officer of the Corporation from October 2011 to October 2014. Prior thereto Chief Financial Officer of CERF GP Corp. from January 2005 to October 2011. Chartered Accountant in public practice from September 1990 to December 31, 2010.

Name, Province and Country of Residence	Positions and Offices with the Corporation	Principal Occupation during the Past Five years
Derrek R. Wong, Alberta, Canada	Vice President, Finance and Chief Financial Officer since October 2014	Vice President, Finance and Chief Financial Officer of the Corporation since October 2014. Prior thereto CFO, of Pro-Trans Ventures Inc, from January 2013 to June 2014. Prior thereto SVP and CFO of One Earth Farms Corp. from June 2010 to November 2012.
Todd Ziniuk Alberta, Canada	Acting Chief Operating Officer since March 2016	Acting Chief Operating Officer of the Corporation since March 2016. Prior thereto, Mr. Ziniuk was the General Manager and owner of Zedcor Oilfield Rentals Ltd. from May 2010 to February 2016. Prior thereto, Mr. Ziniuk was the founder and President of North American Tubular Ltd. from November 2009 to May 2012.

Notes:
(1) Member of the Audit Committee.
(2) Member of the Human Resources and Compensation Committee.
(3) Member of the Disclosure and Corporate Governance Committee.

As of the date hereof, the directors and officers of the Corporation, as a group, beneficially own, control or direct, directly or indirectly, 11,309,936 Common Shares or approximately 28.64% of the issued and outstanding Common Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the officers and directors of the Corporation, except as described below, no director or executive officer of the Corporation is, or has been in the last ten years, a director, chief executive officer or chief financial officer of an issuer that, while that person was acting in that capacity: (a) was the subject of a cease trading order or similar order or any order that denied the issuer access to any exemptions under securities legislation, for a period of more than thirty consecutive days, (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than thirty consecutive days, or (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. In addition, none of such persons has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets within the last ten years. No director of the Corporation has been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by securities regulatory authority or has entered into a settlement agreement with the securities regulator authority or been the subject of any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

On April 23, 2010, Winalta Inc. ("**Winalta**") applied for and was granted an order by the Alberta Court of Queen's Bench (the "**Court**") providing for creditor protection under the *Companies Creditors*

Arrangement Act (the "**CCAA**"). On April 26, 2010, Winalta was granted protection under the CCAA. Each of J. Blair Goertzen, and Brad Munro were directors of Winalta at this time.

On June 25, 2010, Winalta prepared and filed a creditor plan (the "**Creditor Plan**") for the settlement of all claims against Winalta pursuant to the CCAA. The Creditor Plan was approved by the requisite majority of unsecured creditors at a meeting of creditors of Winalta held on October 14, 2010. The Creditor Plan was subsequently sanctioned by the Court on October 22, 2010 and implemented shortly thereafter. Winalta subsequently emerged from Court protection on October 29, 2010.

Each of J. Blair Goertzen, Artie T. Kos and Brad Munro were directors of Winalta during the amalgamation under the ABCA on October 27, 2010, pursuant to an order of the Court of Queen's Bench of Alberta relating to the court ordered reorganization of Winalta under the *Companies' Creditors Arrangement Act*.

Each of Artie T. Kos and Brad Munro were directors of ATK Oilfield Transportation Inc. ("**ATK**"), a private oilfield services company, until April 1, 2016. ATK was placed into receivership following an application by its creditors on April 1, 2016.

Conflicts of Interest

There are potential conflicts of interest to which the directors of the Corporation will be subject in connection with the operations of the Corporation. Conflicts, if any, will be subject to the procedures and remedies under the ABCA. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided for by the ABCA. Certain of the directors of the Corporation are directors or officers of other corporations.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of the Corporation, there are no legal proceedings material to the Corporation to which the Corporation is or was a party to or of which any of its properties is or was the subject of, during the financial year ended December 31, 2015 nor are there any such proceedings known to the Corporation to be contemplated.

To the knowledge of the Corporation, there were no (i) penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority during the Corporation's last financial year, (ii) other penalties or sanctions imposed by a court or regulatory body against the Corporation that would likely be considered important to a reasonable investor in making an investment decision, or (iii) settlement agreements entered into by the Corporation before a court relating to securities legislation or with a securities regulatory authority during the last financial year.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of any directors or executive officers of the Corporation, any person or company which beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares of the Corporation, or any known associate or affiliate of such persons, in any transaction within the last three financial years of the Corporation, or during the current financial year which has materially affected or is reasonably expected to materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares of CERF is Computershare Trust Company of Canada at its principal offices in Calgary and Toronto.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, there are no material contracts entered into by CERF since its formation that can reasonably be regarded as presently material, other than the Share and Loan Purchase Agreement dated February 2, 2016 among D.S.S. Holdings Inc., Kelly Ziniuk, Todd Ziniuk, Dean Swanberg and the Corporation in respect of the Zedcor Acquisition and whereunder, among other matters, CERF acquired all of the issued and outstanding shares of Zedcor Rentals and the Corporation issued the Preferred Shares and issued the VTB Note. See "*General Development of the Business – Activity During Current Fiscal Year*".

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report, valuation or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 *Continuous Disclosure Obligations* by the Corporation during, or related to, the year ended December 31, 2015 other than KPMG LLP Chartered Accountants ("**KPMG**"), the Corporation's auditors. KPMG is independent with respect to the Corporation within the meaning of the Rules of Professional conduct of the Institute of Chartered Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information including directors' and officers' remuneration, principal holders of the Corporation's Common Shares and options to purchase Common Shares, is contained in the Corporation's management information circular prepared in connection with its most recent annual and special meeting of shareholders. Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended December 31, 2015, which may be found on SEDAR at www.sedar.com.

Additional copies of this Annual Information Form, the materials listed in the preceding paragraph and, any interim financial statements which have been issued by the Corporation will be available upon request by contacting the Corporate Secretary of the Corporation at its offices at Suite 2440, 330 – 5th Avenue SW, Calgary, Alberta T2P 0L4.