NOTICE OF THE MAY 23, 2018
ANNUAL MEETING
OF SHAREHOLDERS AND
MANAGEMENT INFORMATION CIRCULAR

TO BE HELD AT:

600, 4820 Richard Road SW
Calgary, Alberta
at 2:00 pm

Dated: April 5, 2018

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STUART OLSON INC.
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares (the "**Common Shares**") of Stuart Olson Inc. (the "**Corporation**") will be held at 600, 4820 Richard Road SW Calgary, Alberta, T3E 6L1, on Wednesday, May 23, 2018 at 2:00 p.m. (Mountain Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2017, together with the report of the Auditor on those statements;

2. to fix the number of Directors to be elected at the Meeting at seven (7) and elect the Directors of the Corporation to hold office for the ensuing year;

3. to appoint Deloitte LLP as the independent Auditor of the Corporation for the ensuing year and to authorize the Board of Directors to fix the remuneration of the Auditor; and

4. to transact such other business as may properly come before the Meeting or at any adjournment thereof.

If you are a Shareholder of record on April 5, 2018, you are entitled to vote at the Meeting.

The specific details of all matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting.

It is desirable that as many Common Shares as possible be represented at the Meeting. If you cannot attend the Meeting in person and would like your Common Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all proxies must be received by AST Trust Company (Canada), either: (i) by mail at Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1; (ii) by facsimile at 1-416-368-2502 or toll free at 1-866-781-3111; or (iii) by email at proxyvote@astfinancial.com, in each case no later than 2:00 p.m. (Mountain Time) on May 18, 2018 or, if the Meeting is adjourned, at least forty-eight (48) hours (excluding weekends and holidays) before the time set for the Meeting to resume. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

BY ORDER OF THE BOARD OF DIRECTORS

"Albrecht W.A. Bellstedt"

Albrecht W.A. Bellstedt
Chairman

Calgary, Alberta, Canada
April 5, 2018

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this management information circular ("**Circular**") may constitute forward-looking information. All statements, other than statements of historical fact, may be forward-looking information. Forward-looking information is often, but not always, identified by the use of the words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting', "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking information is based on the reasonable assumptions, analysis and estimates of management ("**Management**") of Stuart Olson Inc. ("**Stuart Olson**" or the "**Corporation**") in respect of its experience and perception of trends, current economic conditions, government policies and expected developments, as well as other factors that it considers to be relevant at the time of making such statements.

By its nature, forward-looking information involves known and unknown risks and uncertainties, which give rise to the possibility that Management's assumptions, analysis and estimates will be. Although Stuart Olson believes that these statements with respect to forward-looking information are reasonable and current, such statements should not be interpreted as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. Forward-looking information is necessarily subject to a number of factors that may cause actual results to differ materially from those results implied by the expectations suggested by such information. Those factors include, without limitation, those other risks and uncertainties described in the Annual Information Form of the Corporation for the year ended December 31, 2017 in the section with the heading "Risk Factors", a copy of which can be found under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com. Readers are encouraged to consider the foregoing risks and other factors carefully when evaluating the forward-looking information and are cautioned not to place undue reliance upon such information when making investment decisions.

The forward-looking information in this Circular is current to the date hereof and is subject to change following such date. While it may elect to do so, unless required by law, the Corporation undertakes no obligation to update this information to reflect new information or circumstances at any particular time.

NON-IFRS MEASURES

Certain measures in this Circular do not have any standardized meaning as prescribed by International Financial Reporting Standards ("**IFRS**") and, therefore, are considered non-IFRS measures. These non-IFRS measures are commonly used in the construction industry, and by Management, as alternative methods for assessing operating results and to provide a consistent basis of comparison between periods. These measures are not in accordance with IFRS, and do not have any standardized meaning. Therefore, the non-IFRS measures in this Circular are unlikely to be comparable to similar measures used by other entities. Non-IFRS measures include: contract income margin; work-in-hand; Backlog; active Backlog; book-to-bill ratio; working capital; adjusted free cash flow ("**FCF**"); adjusted free cash flow per share; adjusted earnings before interest, taxes, depreciation and amortization ("**adjusted EBITDA**"); adjusted EBITDA margin; earnings before tax ("**EBT**"); long-term indebtedness; indebtedness to capitalization; net long-term indebtedness to adjusted EBITDA; interest coverage; dividend payout ratio; available liquidity; additional borrowing capacity; and debt to EBITDA. Further information regarding these measures can be found in the "Non-IFRS Measures" section of the Corporations Management's Discussion and Analysis for the year ending in December 31, 2017, a copy of which can be found under the Corporation's profile on SEDAR at www.sedar.com.

STUART OLSON INC.
MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

Solicitation of Proxies by Management

This management information circular ("**Circular**") is furnished in connection with the solicitation of proxies by management ("**Management**") of Stuart Olson Inc. ("**Stuart Olson**" or the "**Corporation**") for use at the annual meeting of the holders ("**Shareholders**") of common shares of the Corporation (the "**Common Shares**") to be held at 600, 4820 Richard Road SW Calgary, Alberta on the 23rd day of May, 2018 at 2:00 pm (Mountain Time), or at any adjournment thereof (the "**Meeting**"), for the purposes set forth in the accompanying notice of meeting ("**Notice of Meeting**"). The information contained herein is given as of the 5th day of April, 2018, except where otherwise indicated. Enclosed herewith is a form of proxy for use at the Meeting. The Corporation's financial statements are available under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com, or on the Corporation's website at www.stuartolson.com under the "Investor Relations" tab at the top of the page. Each Shareholder is encouraged to participate in the Meeting and Shareholders are urged to vote in person or by proxy on the matters to be considered.

Appointment and Revocation of Proxies

The persons named (the "Management Designees") in the enclosed instrument of proxy ("Instrument of Proxy") have been selected by the directors of the Corporation (the "Directors" and each a "Director") and have indicated their willingness to represent as proxy the Shareholder who appoints them. A Shareholder has the right to designate a person or company (who need not be a Shareholder) other than the Management Designees to represent him, her or it at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy, the name of the person to be designated and by deleting the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation within the time limits described below. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the Shareholder's Common Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney executed the proxy form. In addition, a proxy may be revoked by a Shareholder personally attending the Meeting and voting his, her or its Common Shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, AST Trust Company (Canada), either: (i) by mail at Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1; (ii) by facsimile at 1-416-368-2502 or toll free at 1-866-781-3111; or (iii) by email at proxyvote@astfinancial.com, in each case, no later than 2:00 pm (Mountain time) on May 18, 2018 or, if the Meeting is adjourned, at least forty-eight (48) hours (excluding weekends and holidays) before the time set for the Meeting to resume. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his, her or its authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with AST Trust Company (Canada) using any of the methods listed in the preceding paragraph, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chair of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the Shareholder personally attending the Meeting and voting his, her or its Common Shares.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who appear as registered Shareholders on the records maintained by the Corporation's registrar and transfer agent will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common

Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for, against or withhold) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy and law requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers in Canada now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails the form to Beneficial Shareholders and asks Beneficial Shareholders to return the form to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his, her or its broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

Voting of Proxies

Each Shareholder may instruct his, her or its proxy how to vote his, her or its Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted for or against or withheld from voting (including the voting on any ballot) in respect of each proposed resolution, as the case may be, and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification on any ballot that may be called for. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Board of Directors of the Corporation is not aware of any amendments to, variations of, or other matters which may come before the Meeting. In the event that any amendment to, variation of, or other matter comes before the Meeting, the Management Designees will vote in accordance with their judgment.

Persons Making the Solicitation

This solicitation is made on behalf of Management. The cost incurred in the preparation and mailing of both the proxy and this Circular, as well as the costs in connection with the solicitation of proxies, will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by Directors, officers and employees of the Corporation who will not be directly compensated therefor.

In accordance with National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

Delivery of Meeting Materials – Use of Notice and Access

The Corporation is using the notice and access process as permitted under applicable securities legislation ("**Notice and Access**") to deliver the Circular to all of the Shareholders. Notice and Access is a cost effective and environmentally friendly method for reporting issuers to communicate with shareholders in connection with meetings of shareholders, as it reduces, paper usage, printing and postage costs.

As required by Notice and Access, the Corporation will make the Circular available on-line for all Shareholders to access electronically. Shareholders will also receive a notice in the mail (the "**Notice**") that provides instructions on how to access and review the Circular electronically, and how to request and receive a paper copy at no cost to them. Shareholders will also receive by mail, either directly from the Corporation, or, if applicable, from their broker, intermediary or trustee, either an Instrument of Proxy or voting instruction form, that will enable them to vote their Common Shares. Any Shareholders that have previously notified the Corporation that they prefer to receive paper copies of the Circular and other meeting materials shall have the materials mailed to them.

The Circular is available on the System for Electronic Delivery Analysis and Retrieval (SEDAR) website (www.sedar.com) and at www.meetingdocuments.com/ASTca/SOX. Shareholders may request that paper copies of the Meeting materials be sent to them by contacting AST Trust Company (Canada) at 1-888-433-6443 or fulfilment@astfinancial.com.

Shareholders can request a copy of the Circular up until May 8, 2018. Up to that date, the Circular will be sent, on request, at no charge. Shareholders wishing to receive a paper copy of the Circular should follow the instructions provided in the Notice.

Should any person have questions about the Corporation's use of Notice and Access, he or she can contact the Corporation's transfer agent, AST Trust Company (Canada), at 1-888-433-6443.

Quorum

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of Shareholders if a holder or holders of not less than 10% of the Common Shares entitled to vote at a meeting of Shareholders are present in person or by proxy.

Voting Shares and Principal Holders Thereof

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As at the effective date of this Circular, which is April 5, 2018 (the "**Effective Date**"), the Corporation had 27,457,186 Common Shares issued and outstanding and no preferred shares issued and outstanding.

Only holders of Common Shares of record at the close of business on April 5, 2018 (the "**Record Date**") are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held, except to the extent that (a) the holder has transferred the ownership of any of his, her or its Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or it owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his, her or its name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote the applicable Common Shares at the Meeting.

To the knowledge of the Directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the votes attached to the Common Shares except as set out in the following table:

Name	**Type of Ownership**	**Number of Common Shares Owned, Controlled or Directed at the Effective Date**	**Percent of Outstanding Common Shares**
HMQ, Alberta Investment Management Co. Edmonton, Alberta	Beneficial	4,285,700[(1)]	15.61%
Letko, Brosseau & Associates Inc. Montreal, Québec	Beneficial	4,662,317[(2)]	16.98%

Notes:

(1) Based on the Alternative Monthly Report under Part 4 of National Instrument 62-103 *The Early Warning System and Related Take-over Bid and Insider Reporting Issues* ("**NI 62-103**") filed with the securities regulatory authorities by HMQ c/o Alberta Investment Management Corporation on December 8, 2011. No subsequent filings have been noted to the Effective Date.

(2) Based on the Alternative Monthly Report under Part 4 of NI 62-103 filed with the securities regulatory authorities by Letko, Brosseau & Associates Inc. on July 7, 2016. No subsequent filings have been noted to the Effective Date.

MATTERS TO BE ACTED UPON AT THE MEETING

If you appoint as your proxy the Management Designees set out in the enclosed Instrument of Proxy, and do not specify how you want your Common Shares to be voted, your Common Shares will be voted FOR each matter set out in the Instrument of Proxy. As of the date hereof, the Board of Directors of the Corporation (the "**Board**" or the "**Board of Directors**") is not aware of any amendments to, variations of, or other matters which may come before the Meeting. In the event of any amendment to, variation of, or other matter coming before the Meeting, the Management Designees will vote in accordance with their judgment.

A. Financial Statements

The Board of Directors has approved the audited financial statements of the Corporation for the year ended December 31, 2017 and the report of the Auditor thereon, a copy of which has previously been delivered to all registered Shareholders, except those who have asked not to receive it, and to Beneficial Shareholders who have requested it. A copy of the audited financial statements is also available on the Corporation's website at www.stuartolson.com under the "Investor Relations" tab and under the Corporation's profile on SEDAR at www.sedar.com.

B. Fix the Number of Directors and the Election of Directors

The Articles of the Corporation provide that the Corporation shall have not less than three (3) and no more than fifteen (15) Directors. Shareholders will be asked to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution fixing the number of Directors to be elected at the Meeting at seven (7). In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by the Shareholders who vote in respect of the resolution.

Ms. Hanrahan has advised the Board of her intention to not stand for re-election as a Director in 2018. Ms. Hanrahan has served on the Board since December 2009 and has provided the Corporation with valuable guidance and expertise. The Board and Management would like to thank Ms. Hanrahan for her exemplary service to Stuart Olson and the Shareholders. Ms. Hanrahan will cease to be a Director at the conclusion of the Meeting.

At the Meeting, it will be proposed that seven (7) Directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. For further information in respect of each of the nominees see the disclosure under the section of this Circular with the heading "About the Nominated Directors". The following are the names of the proposed nominees for election as Directors:

Richard T. Ballantyne	**Albrecht W.A. Bellstedt**	**Chad Danard**	**Rod W. Graham**
David LeMay	**Carmen R. Loberg**	**Ian M. Reid**	

All of the nominees have indicated their willingness to serve on the Board. Management knows of no reason why a nominee would be unavailable for election. However, if a nominee is not available to serve at the time of the Meeting, **the proxies held by Management Designees will be voted for another nominee in their discretion unless the Shareholder has specified in his, her or its form of proxy that his, her or its Common Shares are to be withheld from voting in the election of Directors.**

Management and the Board recommend that you vote "FOR" these Director nominees. The Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy FOR each of these nominees, unless directed otherwise by a proxy holder, or such authority is withheld.

C. Appointment of Auditors

The Board and Audit Committee recommend appointing Deloitte LLP as Auditor (the "**Auditor**") for 2018. Deloitte LLP has served as Auditor of the Corporation for the past twenty-eight (28) years. Representatives of the Auditor will be present at the Meeting and will be given the opportunity to answer any questions. **Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing Deloitte LLP as Auditor of the Corporation for the ensuing year,** to hold office until the close of the next annual general meeting of Shareholders. The Management Designees also intend to vote the Common Shares represented by any such proxy in favour of a resolution authorizing the Board of Directors to fix the compensation of the Auditor.

D. Other Business

Management does not intend to present any other business at the Meeting and is not aware of changes to the proposed matters or other matters which may be presented for action. If changes or other matters are properly brought before the Meeting, your proxy holder will vote on them using his or her best judgment.

ABOUT THE NOMINATED DIRECTORS

The following Director biographies describe the nominee and provide information with respect to meeting attendance, equity ownership in each of 2016 and 2017, the changes in equity ownership and public board memberships for each such nominee.

Richard T. Ballantyne, P.Eng, ICCD.D
Age: 59
Salt Spring Island, British Columbia
Director Since: May 23, 2013
Independent: Yes

Mr. Ballantyne is a professional engineer and an independent corporate director. He was President of Terasen Pipelines and its predecessor Trans Mountain Pipe Line from 2001 to 2005; and held senior management positions at BC Gas Utility Ltd. from 1998 to 2001.

Mr. Ballantyne is a graduate from the University of British Columbia and attended the Banff School of Advanced Management. He is a registered Professional Engineer in B.C. He currently serves on the board of Horizon North Logistics Inc. (and is a member of the Audit Committee). He previously served on a number of public and private company boards. He is a certified director with the Institute of Corporate Directors.

Board/Committee Member During 2017	Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Audit Health, Safety and Environment	6 of 7 5 of 5 2 of 2	13 of 14	93%	Horizon North Logistics Inc.	2015 – present

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements
2017	25,238	60,793	86,031	Nil	$611,680	Yes
2016	25,238	44,887	70,125	Nil	$408,829	Yes
Change	**-**	**15,906**	**15,906**	**-**	**$202,851**	**-**

Albrecht W.A. Bellstedt, B.A., J.D., Q.C.
Age: 69
Canmore, Alberta
Director Since: May 17, 2007
Independent: Yes

Mr. Bellstedt is President of A.W.A. Bellstedt Professional Corporation, a consulting services firm. Mr. Bellstedt retired in February 2007 as the Executive Vice-President, Law and Corporate Secretary of TransCanada Corporation (a diversified energy services company), having held senior executive positions at TransCanada Corporation since 1999. Mr. Bellstedt was previously a partner with a predecessor to the law firm of Dentons Canada LLP where he specialized in transactional work including securities law, mergers and acquisitions, banking and venture capital investments. Mr. Bellstedt is a director of a number of public companies, including: (a) Canadian Western Bank, where he is the Chair of the Governance and Nominating Committee and a member of the Risk Committee; and (b) Capital Power Corporation, where he is a member of the Compensation, Governance and Nominating Committee and the Health, Safety and Environment Committee. Until October 2017, Mr. Bellstedt was a director of Repsol Oil & Gas Canada Inc. where he was a member of the Audit Committee.

Board/Committee Member During 2017	Meeting (1) Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board (Chair)	7 of 7	7 of 7	100%	Repsol Oil & Gas Canada Inc. Canadian Western Bank Capital Power Corporation	2015 – 2017 1995 – present 2009 – present

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements
2017	18,466	123,042	141,508	Nil	$1,006,122	Yes
2016	18,466	99,263	117,729	Nil	$686,360	Yes
Change	**-**	**23,779**	**23,779**	**-**	**$319,762**	**-**

Notes:
(1) As the Chair of the Board, Mr. Bellstedt attends all Committee meetings. In 2017 he attended 100% of the Committee meetings.

Chad Danard
Age: 38
Calgary, Alberta
Director Since: May 22, 2014
Independent: Yes

Mr. Danard is a Managing Director at TriWest Capital Partners, a Calgary-based private equity firm that has raised over $1.25 billion of committed capital across five funds. Mr. Danard is involved in all aspects of TriWest's investing activities and has participated as a director of a number of current and former TriWest portfolio companies. Prior to joining TriWest in 2005, Mr. Danard worked at Morgan Stanley in the Global Energy and Utility Group in New York and in the Canada Group in Toronto. While at Morgan Stanley, Mr. Danard was involved in a variety of mergers and acquisitions-related strategic advisory assignments, equity offerings and both private and public debt financings. He received a Bachelor of Commerce degree (finance concentration) from the Queen's University School of Business, where he graduated as the top ranked student in the program.

Board/Committee Member During 2017	Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Audit Human Resources and Compensation	7 of 7 5 of 5 3 of 3	13 of 13	100%	Edgefront Real Estate Investment Trust	2014 - 2015

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements
2017	44,519	77,590	122,109	$150,000	$1,018,195	Yes
2016	40,561	57,694	98,255	$150,000	$722,827	Yes
Change	**3,958**	**19,896**	**23,854**	**-**	**$295,368**	**-**

Rod W. Graham, CFA, MBA
Age: 50
Calgary, Alberta
Director Since: May 23, 2013
Independent: Yes

Mr. Graham has been the President and Chief Executive Officer of Horizon North Logistics Inc. (a resource development service company) since November 2014, after having served as its Senior Vice President, Corporate Development and Planning since January 2014. Prior thereto, Mr. Graham was the President and CEO of ZCL Composites Inc. (ZCL-T) (a fiberglass tank manufacturer) from September 2010 until August 2012. Prior to that Mr. Graham was a co-founder and from 2005 until 2010 was the managing director of Northern Plains Capital Ltd., a private equity firm. Prior to that, he held various positions with ARC Financial Corporation and its predecessor, PowerWest Financial, from 1991 to 2004, including Senior Vice President and Director of ARC Financial.

Mr. Graham currently serves on the Board of Directors of Horizon North Logistics Inc., First Industries and Corrosion Abrasion Solutions Ltd. During his career, Mr. Graham has sat on numerous public and private oilfield service boards including Innicor Subsurface Technologies Inc., C-Tech Oil Well Technologies Inc., Technicoil Inc., Iron Derrickman, BOS Solutions, Corlac Inc. and Tarpon Energy Services Ltd. He also sits on a Calgary-based not for profit board.

Mr. Graham is a Chartered Financial Analyst (CFA), holds a Business Administration degree from Wilfrid Laurier University (Honours) and an MBA from the University of Western Ontario (Ivey Scholar). He is also a member of the Young Presidents Organization and Business Council of Canada.

Board/Committee Member During 2017	Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Audit (Chair) Health, Safety and Environment	7 of 7 5 of 5 2 of 2	14 of 14	100%	Horizon North Logistics Inc. ZCL Composites Inc. Essential Energy Services Ltd. Raise Production Inc.	2007 – present 2005 – 2013 2011 – 2013 2012 – 2018

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements
2017	30,000	60,128	90,128	Nil	$640,810	Yes
2016	30,000	44,887	74,887	Nil	$436,591	Yes
Change	**-**	**15,241**	**15,241**	**-**	**$204,219**	**-**

David J. LeMay
Age: 50
Calgary, Alberta
Director Since: June 1, 2013
Independent: No

Mr. LeMay was appointed President & Chief Executive Officer and a Director of the Corporation effective June 1, 2013. Prior thereto Mr. LeMay served as President & Chief Operating Officer from July 2012 to May 31, 2013. Previously, Mr. LeMay was President of Churchill Services Group (now Stuart Olson Industrial Inc.), which provides integrated products and services on behalf of the Corporation's Industrial Services segment. Mr. LeMay has also served as President and COO of Laird Electric Inc., one of the Corporation's subsidiaries. During his 25 years in the construction industry he has been involved in all aspects of the field from estimating through to project and operational management. Mr. LeMay is a licensed construction electrician and has an MBA from Queens University in Kingston, Ontario, which he obtained while leading Churchill Services Group as President. He is also a board member of Nilex Inc. (a private geotextile company), a member of the Young Presidents Organization and also sits on an industry and Calgary-based not-for-profit board.

Board/Committee Member During 2017	Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:
Board	7 of 7	7 of 7	100%	None

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements(1)
2017	124,556	3,272	127,828	$125,000	$1,033,857	Yes
2016	117,278	2,998	120,276	$125,000	$826,209	No
Change	**7,278**	**274**	**7,552**	**-**	**$207,6648**	**Yes**

Notes:

(1) Mr. LeMay has met the executive equity holding requirements for executives. See the section of this Circular with the heading "Executive Compensation Discussion and Analysis – Executive Equity Ownership Guidelines" for further details on Mr. LeMay's equity holdings.

Carmen R. Loberg
Age: 68
Calgary, Alberta
Director Since: July 1, 2009
Independent: Yes

Mr. Loberg is a corporate director. Prior thereto Mr. Loberg was President and CEO of Norterra Inc. ("**Norterra**") for a 10 year period until June 2010. Norterra is a privately-held investment management company, and as President and CEO of Norterra, Mr. Loberg was responsible for managing its diverse investments in transportation, logistics, manufacturing and industrial supplies. Until its sale in 2017, Mr. Loberg was a director of HNZ Group Inc., and the Chair of its Compensation, Corporate Governance and Nominating Committee. He is currently a director of McCoy Global Inc., where he is the Chair of the Human Resources Compensation and Governance Committee and a member of the Audit Committee, and the Vancouver Fraser Port Authority (Port of Vancouver), where he is a member of the Audit Committee and the Chair of the Human Resources and Compensation Committee. He is a former director of the Edmonton Oilers Community Foundation and a former director of Arctic Net, a University Center of Excellence in Arctic Research based out of Laval University.

Board/Committee Member During 2017	Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Audit Corporate Governance and Nominating (Chair)	7 of 7 5 of 5 3 of 3	15 of 15	100%	HNZ Group Inc. McCoy Global Inc.	2011 – 2017 2008 – present

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements
2017	3,850	121,024	124,874	$25,000	$912,854	Yes
2016	3,850	98,325	102,175	$25,000	$620,680	Yes
Change	**-**	**22,699**	**22,699**	**-**	**$292,174**	**-**

Ian M. Reid, B.Comm.
Age: 62
Edmonton, Alberta
Director Since: May 17, 2007
Independent: Yes

Mr. Reid is a corporate director and independent businessperson. He retired from Finning International Inc. in 2008 after a 30-year career, which included 11 years as President of Finning (Canada) Ltd. Mr. Reid currently serves on the Board of Directors of Canadian Western Bank, where he is a member of the Governance Committee and the Risk Committee. Mr. Reid also serves as Chair of the Board of Directors of Fountain Tire Ltd. (a privately held corporation owned in partnership with Goodyear Canada), and a member of the boards for Associated Engineering and Voice Construction OPCO ULC. He served as the Chair of the Board of Governors of the Northern Alberta Institute of Technology from 2003 until 2007 and has been a member of numerous other community and industry associations. Mr. Reid holds a Bachelor of Commerce degree from the University of Saskatchewan and is a graduate of the Advanced Management Program at Harvard Business School.

Board/Committee Member During 2017	Meeting Attendance:	Attendance (Total):		Other Public or Notable Board Memberships in Previous Five Years:	
Board Corporate Governance and Nominating Health, Safety, and Environment Human Resources and Compensation	7 of 7 3 of 3 2 of 2 3 of 3	15 of 15	100%	Delta Gold Corporation Canadian Western Bank Flint Energy Services Ltd.	2013-2015 2011 – present 2009 – 2012

Securities Held (at a price of $7.11 and $5.83 per Common Share as at December 31, 2017 and December 31, 2016, respectively):

Year	Shares	DSUs	Total Shares and DSUs	Principal Amount of Debentures	Total Market Value of Shares, DSUs & Debentures	Meets Equity Holding Requirements
2017	16,750	133,910	150,660	Nil	$1,071,193	Yes
2016	15,263	107,767	123,030	Nil	$717,265	Yes
Change	**1,487**	**26,143**	**27,630**	**-**	**$353,928**	**-**

Skills and Experience of the Nominated Directors

The Corporation believes that a board of directors with a diverse set of skills is better able to oversee the wide range of issues that arise in a company of Stuart Olson's size and complexity. The following matrix illustrates the overall experience of the nominated Directors in a variety of categories that are important to Stuart Olson's business. It also identifies which skills the Board would ideally possess and which will be considered when Stuart Olson recruits new Directors and proposes changes to the composition of the Board.

Name of Director	Financial Literacy	Operational Expertise	Public Company Board	Executive Compensation	Corporate Governance	Capital Markets	Health, Safety and Environment Management	Risk Management	Government and Public Affairs	Oil and Gas Industry	Construction / Engineering	Legal
Richard T. Ballantyne	√	√	√		√		√	√		√	√	
Albrecht W.A. Bellstedt	√		√	√	√	√		√	√	√		√
Chad Danard	√		√	√	√	√		√		√		
Rod W. Graham	√	√	√	√	√	√	√	√		√	√	
David J. LeMay	√	√		√		√	√	√		√	√	
Carmen R. Loberg	√	√	√	√	√	√	√	√	√			
Ian M. Reid	√	√	√	√	√	√	√	√		√	√	

Additional Disclosure Relating to Directors

No proposed Director has, within the 10 years prior to the date of this Circular, been a director or executive officer of any company that (i) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for more than 30 consecutive days, (ii) was subject, after the proposed Director ceased to be a director or executive officer, to a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for more than 30 consecutive days that resulted from an event that occurred while that person was active in the capacity of director or executive officer, or (iii) during the tenure of the Director or executive officer or within one year of the Director or executive officer 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 proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as set forth below:

Director	Entity	Description
Albrecht W.A. Bellstedt	Sun Times Media Group, Inc.	Mr. Bellstedt ceased being a director of Sun Times Media Group, Inc. (formerly Hollinger International Inc.) in June of 2008. Sun Times Media Group, Inc. went into Chapter 11 bankruptcy protection under the U.S. Bankruptcy Code in 2009.

No proposed Director has, within 10 years prior to the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director.

ABOUT THE BOARD OF DIRECTORS

The Board

The Board of Directors is elected by the Shareholders. The Board has assumed responsibility for the stewardship of the Corporation. The primary responsibility of the Board is to supervise the management of the business and affairs of the Corporation. The members of the Board fulfil their responsibilities by delegating authority to Management to conduct the day-to-day business of the Corporation, preparing for and attending regularly scheduled Board meetings, through participation in meetings of the Board's Committees (the "**Committees**" and each a "**Committee**") and actively pursuing education about the business, its markets, its competitive landscape and its stakeholder interests. At meetings of the Board, Directors receive and review reports prepared by Management on the business, affairs and financial performance of the Corporation. The Board also receives periodic updates as to general developments and trends in the industry and on matters of specific concern to the Board. Questions and issues of strategic importance or impact on the Corporation or its operations are brought forward by Management for the review, consideration and input of the Board prior to any decision being made. All Committee recommendations are reviewed and, if considered appropriate, approved by the Board.

The Board met seven times during the year ended December 31, 2017. Of these meetings, six were held in person and one was held by teleconference.

The Board has a written mandate (the "**Board Mandate**"), which it reviews on a periodic basis. A copy of the Board's mandate is attached as Schedule "A" to this Circular. The Board Mandate has been approved by the Board. The Board and the President and Chief Executive Officer have developed a written position description and objectives for the President and Chief Executive Officer. This position description is reviewed by the Corporate Governance and Nominating Committee on a periodic basis and updated accordingly.

Chairman

The primary responsibility of the Chairman of the Board is to provide leadership to the Board to enhance overall board effectiveness. The Board has developed a written position description for the Chairman. This written position description is reviewed periodically by the Board and, if necessary, updated accordingly. The responsibilities of the Chairman include:

- Acting as an advisor to the President and Chief Executive Officer of the Corporation and as a communication link between the Board and Management through the President and Chief Executive Officer.
- Establishing procedures to govern the Board's work including the location and time of meetings of the Board and the procedures to be followed with respect to meetings of the Board, including determining who may be present at such meetings in addition to the Directors and Corporate Secretary.
- Ensuring the Board has adequate resources, especially by way of full, timely and relevant information, to support its decision-making requirements.
- Working with the chairs of the Board Committees to coordinate the schedule of meetings for such Committees.
- Ensuring that delegated Committee functions are carried out and reported to the Board.
- Attending, as required, all meetings of Board Committees.
- Meeting periodically with the President and Chief Executive Officer of the Corporation, the Chair of the Corporate Governance and Nominating Committee and the Corporate Secretary to review governance issues including the level of communication between Management and the Board.
- Carrying out such other duties as may be reasonably requested by the Board as a whole, depending on its evolving needs and circumstances.

Board Committee Composition

The Board has an Audit Committee, a Corporate Governance and Nominating Committee, a Human Resources and Compensation Committee (the "**HRCC**") and a Health, Safety and Environment Committee. The Board of Directors does not have an Executive Committee because the Board feels its members and the members of its Committees are responsive enough to address important issues as they arise. The memberships of each of the Committees are described below:

Name of Director	Audit Committee	Corporate Governance & Nominating Committee	Health, Safety & Environment Committee	Human Resources & Compensation Committee
Richard T. Ballantyne	√		√ (Chair)	
Albrecht W.A. Bellstedt[(1)]				
Chad Danard	√			√
Rod W. Graham	√ (Chair)		√	
Wendy L. Hanrahan		√		√ (Chair)
Carmen R. Loberg	√	√ (Chair)		
Ian M. Reid		√	√	√

Notes:
(1) Mr. Bellstedt is an ex-officio non-voting member of every Committee.

Committee Chair and Positions Descriptions

The Board has approved a specific position description for the Chair of the Audit Committee, but has not approved a position description for the chairs of the other Committees. Instead, the Board delineates the roles and responsibilities of the Chair of each other Committee pursuant to the general Committee chair responsibilities set out in the Board's Standing Committees of the Board General Terms of Reference, which provides, among other things, that the Chair of each Committee will: (a) provide leadership to enhance the effectiveness of the Committee; (b) ensure that the responsibilities and duties of the Committee, as outlined in its terms of reference, are well understood by the Committee members and executed as effectively as possible; (c) foster ethical decision-making by the Committee and its individual members in accordance with the Corporation's Director Code of Ethics; (d) ensure that the Committee meets in accordance with the frequency outlined in the applicable terms of reference, any specific guidelines in the Committee's terms of reference, and as many additional times as may be necessary to carry out its duties effectively; (e) establish the agenda for each Committee meeting together with the Chairman of the Board, the Corporate Secretary and members of Management, as appropriate; (f) chair all meetings at which he or she is present; (g) ensure there is sufficient time during Committee meetings to discuss fully the agenda items and facilitate discussion with a view to bringing matters to resolution as required; (h) encourage Committee members to ask questions and express viewpoints; (i) ensure that the Committee meets on a regular basis without any member of Management; (j) report to the Board as to Committee activities on a regular basis; (k) encourage presentations from Management, as appropriate, to support the work of the Committee; and (l) carry out other appropriate duties and responsibilities as delegated by the Committee.

Audit Committee

The Audit Committee is responsible for approving, maintaining, evaluating, advising and making recommendations on matters affecting internal and external audits, financial reporting and accounting control policies and practices of the Corporation. The Audit Committee has a policy which mandates regular *in camera* meetings with the external Auditor without members of Management being present. The Audit Committee also conducts regular *in camera* meetings with the Corporation's internal auditor and separately with Management. Audit Committee information as required by National Instrument 52-110 *Audit Committees* ("**NI 52-110**") is contained in the Corporation's Annual Information Form for the financial year ended December 31, 2017 under the heading "Audit Committee". The Audit Committee Terms of Reference are attached as a schedule to the Corporation's Annual Information Form, which is available under the Corporation's SEDAR profile at www.sedar.com.

All of the members of the Audit Committee are independent. See the section of this Circular with the heading "Director Independence" for further details. All of the members of the Audit Committee are also considered to be "financially literate" as required by the Canadian Securities Administrators.

Corporate Governance and Nominating Committee

The function of the Corporate Governance and Nominating Committee is to oversee the corporate governance practices of the Corporation, including Board practices and performance, and to make recommendations with respect to nominating new Directors to the Board. These responsibilities include:

- Assessing the requirements for membership on the Board, including in relation to Board diversity; maintaining a roster of candidate Directors; and managing the process for nominating candidates for Board and Committee membership.

- Assessing and making recommendations regarding Board effectiveness and overseeing the processes for orientation, evaluation and continuing education of Directors, Committee Chairpersons and the Chair of the Board.

- Ensuring processes and procedures are in place to achieve timely and appropriate compliance with all public company regulatory requirements; assessing the recommendations of the Toronto Stock Exchange (the "**TSX**") and other regulatory bodies to consider and adopt those recommendations which are appropriate for, and will be of benefit to, the stakeholders of the Corporation.

- Reviewing and monitoring governance practices of the Board and Management with a view to enhancing the Corporation's performance.

All of the members of the Corporate Governance and Nominating Committee are considered by the Board to be independent. See the section of this Circular with the heading "Director Independence" for further details.

Human Resources and Compensation Committee

The HRCC is responsible for assisting the Board in fulfilling its responsibilities by: (a) reviewing and making recommendations on its findings and conclusions on matters relating to the compensation of the members of the Corporation's executive team and the Directors in the context of the business and strategic plans and competitive environment of the Corporation; (b) assessing the risk of the design of the Corporation's compensation policies and practices; (c) conducting/assisting in the regular performance reviews/appraisals of the President and Chief Executive Officer and other members of the executive team; and (d) reviewing appropriate succession plans for senior officers.

All of the members of the HRCC are independent. See the section of this Circular with the heading "Director Independence" for further details.

Health, Safety and Environment Committee

The function of the Health, Safety and Environment Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the Corporation's health, safety and environmental systems. These responsibilities include:

- Ensuring that there is an appropriate process in place to facilitate the identification of the various health, safety and environmental risks that may arise from the Corporation's operations and the possible resulting consequential risks to the Corporation, its subsidiaries and its affiliates and their respective directors, officers and employees.

- Assessing whether the Corporation's health, safety and environmental policies are effective, properly implemented and comply with applicable legislation and industry standards.

- Reviewing corporate health, safety, environmental activities and performance, including instances of contravention or non-compliance.

- Reviewing the Corporation's method of communicating (internally or externally) health, safety and environmental policies, practices and procedures.

- Reviewing the Corporation's control and response plans to identified health, safety and environmental risks.

- Ensuring that appropriate reporting procedures are established relating to health, safety and environmental matters by Management to ensure adequate reports are made to the Committee and/or the Board on a regular basis.

- Reviewing insurable risks related to health, safety and environmental issues and evaluating cost/insurance benefits associated with those risks.

All of the members of the Health, Safety and Environment Committee are independent. See the section of this Circular with the heading “Director Independence” for further details.

Orientation and Continuing Education

The Board has a formal policy regarding the orientation and continuing education of its Directors. This policy describes an orientation program for new Directors in regards to the role of the Board and its Committees, provides an overview of the business and the corporate strategy of the Corporation and provides information on the particular role of the individual Directors. The policy also outlines a framework for continuing education of Directors in regards to corporate governance, business issues and personal development.

The orientation program for new Directors is facilitated by existing members of Management and the Board. All new Directors are provided with a Directors' manual which includes the Corporation's most recent significant public disclosure documents, current strategic plan, budget documents, minutes from recent Committee and Board meetings, the articles of incorporation and bylaws of the Corporation, copies of key corporate policies, each Committee's terms of reference and directors and officers insurance. This manual is updated on an ongoing basis. Prior to or shortly after joining the Board, each new Director attends at the Corporation for an orientation session to meet the functional heads of the organization. Each new Director is also given the opportunity to meet with the Corporation's independent external Auditor.

Directors are regularly updated by Management on the Corporation's activities and operations. There are a number of regularly scheduled Committee and Board Meetings where topics for presentation and discussion include among others, financial and operational reviews; public disclosure; safety matters; legal claims and litigation; acquisition and divestiture opportunities; strategic planning; investor relations; internal audit matters; and succession planning. Typically, Board materials include information relating to current regulatory, accounting and financial issues and the Directors normally discuss such issues at the Board and Committee level. As appropriate, the independent external Auditor, independent compensation consultants, legal counsel, economists or investment banking professionals may be invited to attend a portion of a Board or Committee meeting to make a presentation on a specific topic for the education of the Board or one or more of its Committees. In 2017, the Board and its Committees received formal presentations from experts in respect of government relations, cybersecurity, and International Financial Reporting Standards.

Meetings are sometimes held at different locations in order to help the Directors learn more about their oversight responsibility for the Corporation's overall operations, with a particular focus on the health, safety and environmental policies impacting the Corporation and its stakeholders. Board members are also invited to visit work sites and attend office tours of other locations managed or operated by the Corporation. These tours and site visits typically arise in connection with meetings of the Health, Safety and Environment Committee. In 2017, the Health, Safety and Environment Committee, and certain other Board members, attended at the site of the Corporation’s project to build the new public library in the City of Calgary.

The Corporation has an approved policy of full Board member enrolment with the Institute of Corporate Directors and pays the membership dues for each Director. The Institute of Corporate Directors provides relevant educational publications and learning opportunities for Board members. The Corporation also has an approved policy of contributing financial resources to any education courses for any members of the Board relating to corporate governance, financial literacy, risk management or other relevant matters.

Policies Regarding Boardroom and Executive Diversity

The Board strongly supports the principle of boardroom and executive diversity, of which gender is one important aspect. The aim of the Board and the Corporate Governance and Nominating Committee is to have a broad range of approaches, backgrounds, skills and experience represented on the Board and to make appointments on merit and against objective criteria, including diversity. Board and Committee members engaged in nominations are to conduct searches for potential nominees so as to put forward a diverse range of candidates. In the past year, at the recommendation of the Corporate Governance and Nominating Committee, the Board passed a Board diversity policy the details of which are provided below.

The Board is currently comprised of one female Director (12.5%) and seven male Directors (87.5%). With respect to executive officer positions, the Corporation has two women (22%) and seven men (78%).

Board Retirement Policy

The Board has implemented a formal policy which requires that Directors tender their resignations to the Chair of the Corporate Governance and Nominating Committee and the Chair of the Board upon reaching the age of 70. The tendered resignation is then discussed among the members of the Corporate Governance and Nominating Committee, which then makes a recommendation to the full Board in respect thereof. The full Board will then meet *in camera* without the Director in question being present and will make a decision as to whether to accept the resignation or reject the resignation and ask the Director to remain on the Board.

Term Limits

The Board has not adopted term limits for its Directors, but does have a retirement policy to encourage Board renewal.

Board Diversity Policy

The Board diversity policy was adopted in 2018 as a means of ensuring that the Corporation continues to benefit from a wide variety of perspectives, background and expertise of Board members. The Board has developed a wide range of diversity criteria, including skill, knowledge, industry experience, education, regional experience and personal characteristics such as gender, ethnicity and age. The Corporate Governance and Nominating Committee is responsible to consider all aspects of diversity when recruiting and evaluating potential Director nominees. In making recommendations to the Board, the Corporate Governance and Nominating Committee will continue to have, as its primary concern, the selection of the best candidates available, but will have due regard to the benefits of diversity. The Board has committed that, based on its current size of up to eight Directors, it will seek at all times to have at least one female Director, while continuously working to increase diversity of its candidate pool and membership. The Corporate Governance and Nominating Committee will, on an annual basis, assess diversity on the Board, and consider whether to recommend further measures to increase diversity.

Director Performance Assessment

The Corporation has formal, informal and self-performance evaluation processes for its Directors. The Corporate Governance and Nominating Committee has oversight responsibility for this process, which includes: (a) an annual verbal or written assessment of the Chair of the Board by each Director; (b) at least a bi-annual completion of a Board and Board Committee performance assessment by each Director; (c) an annual verbal discussion between each Director and the Chair of the Corporate Governance and Nominating Committee and the Chair of the Board; and (d) an annual review of the results of the performance assessments by both the Corporate Governance and Nominating Committee and the full Board. The Corporate Governance and Nominating Committee considers the results from the performance evaluation process when considering Board renewal.

Nomination of Directors

The Corporate Governance and Nominating Committee, which is comprised entirely of independent Directors, is responsible for developing and updating a long-term plan for the composition of the Board that takes into consideration the current strengths, competencies, skills and experience of the Board members, retirement dates and the strategic direction of the Corporation. In fulfilling its mandate, the Committee undertakes on an annual basis an examination of the size of the Board, with a view to determining the impact of the number of Directors, the effectiveness of the Board, and recommends to the Board, if necessary, a reduction or increase in the size of the Board. In this regard, the Corporate Governance and Nominating Committee is responsible for: (a) determining the criteria, profile and qualifications for new nominees to fill vacancies on the Board; (b) identifying, interviewing and recruiting such new nominees as may be required; and (c) recommending to the Board any new nominees to be nominated for election at the annual general meeting of Shareholders.

Majority Voting Policy

The Board implemented a majority voting policy in 2012. Under this policy, a Director who is elected in an uncontested election with more votes withheld than cast in favour of his or her election will be required to tender his or her resignation to the Chairman of the Board. The resignation will be effective when accepted by the Board. The Corporate Governance and Nominating Committee will consider the resignation and make its recommendation to the Board on whether the resignation should be accepted. The Board expects that resignations will be accepted unless there are extenuating circumstances that warrant a contrary decision. The Board will announce its decision via press release within 90 days of the meeting at which the election was held. Subject to any corporate law restrictions, the Board may leave any resultant vacancy unfilled until the next annual Shareholders' meeting or it may fill the vacancy through the appointment of a new Director whom the Board considers to merit the confidence of Shareholders or it may call a special meeting of Shareholders to fill the vacant position or positions.

Director Independence

The Corporation has incorporated into its Director selection and analysis process the independence requirements set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices* and NI 52-110. The Corporation typically conducts an annual independence evaluation of each of its Directors immediately prior to the release of the Corporation's audited financial results. Each of the Director nominees meets those regulatory standards governing independence and is considered by the Board to be independent, with the exception of Mr. LeMay due to his being the President and Chief Executive Officer of the Corporation. All of the members of the Committees are independent including the Chairman of the Board, Albrecht W.A. Bellstedt.

Board Access to Senior Management

Board members have complete access to Management, subject to reasonable advance notice to the Corporation and reasonable efforts to avoid disruption to the Corporation's business and operations. These meetings are also facilitated as part of at least two formal gatherings each year to which both the Directors and Management are invited.

Independent Judgement

All Board members are expected to exercise independent and reasoned judgement on all matters. In accordance with applicable law, when a conflict of interest arises that involves a Director, that Director is required to disclose the conflict of interest and refrain from voting on the matter in question. In addition, the Board has directed that the Corporate Governance and Nominating Committee monitor conflicts of interest. Any transaction that may give rise to a conflict of interest must be reviewed by the Corporate Governance and Nominating Committee.

Interlocking Directorships and Number of Boards

Messrs. Reid and Bellstedt are both directors of Canadian Western Bank. Mr. Ballantyne is a director of Horizon North Logistics Inc., of which Mr. Graham is a director and the President and Chief Executive Officer. There are no other interlocking directorships among the Corporation's Directors. The Corporation does not have a policy regarding interlocking directorships nor does it limit the number of Boards on which a Director may sit.

Ethical Business Conduct

The Board has developed a written Director Code of Ethics that is overseen by the Corporate Governance and Nominating Committee. The code addresses conflict of interest, use of corporate assets, confidentiality and compliance with laws and regulations. The code also describes a process to disclose any potential conflicts of interest and to ensure independent judgment regarding Board discussions and decision making. If the Board is making decisions that could give rise to a conflict of interest with respect to a particular Director, then that Director must disclose his or her conflict, withdraw from deliberations altogether and must not vote on any motion pertaining to the issue. A copy of this code has been filed under the Corporation's profile on SEDAR at www.sedar.com. A paper copy of the Code of Ethics may be obtained by contacting the Corporation's Vice President, General Counsel and Corporate Secretary at 600, 4820 Richard Road SW, Calgary, Alberta, T3E 6L1.

The Board has also approved a written Code of Business Conduct and Ethics for Stuart Olson’s employees and a corporate-wide Whistleblower Policy. This code and policy are comprehensive and address issues such as unethical behaviour and unprofessional conduct in addition to financial and accounting matters.

Meeting Attendance

Regular Board and Committee meetings are scheduled at least one year in advance in order to optimize attendance. Attendance is expected for all Board and Committee meetings. Members of Management and certain other outside advisors are invited to join Board and Committee meetings when appropriate. All Directors attend the Audit Committee meetings and have a standing invitation to attend all other Committee meetings, regardless of membership. Mr. Bellstedt, as Chairman of the Board, attends each meeting of the Committees. In 2017, Mr. Bellstedt attended 100% of the Committee meetings.

Non-attendance at Board and Committee meetings is rare, and usually occurs when either an unexpected commitment or emergency arises, or, for newly appointed Directors, there is a prior scheduling conflict with a meeting that was previously scheduled and could not be rearranged. Directors are generally provided with meeting materials several days in advance of meetings. Board and Committee members are also expected to adequately prepare prior to all meetings and contribute effectively to Board and Committee discussions.

The following table provides the record of attendance by each Director at required meetings of the Board and its Committees during the financial year ended December 31, 2017:

Director Name	Board Meetings	Audit Committee Meetings	Corporate Governance and Nominating Committee Meetings	Human Resources and Compensation Committee Meetings	Health, Safety and Environment Committee Meetings	% Attendance
Richard T. Ballantyne	6 of 7	5 of 5			2 of 2	93
Albrecht W.A. Bellstedt (Chair)(1)	7 of 7					100
Chad Danard	7 of 7	5 of 5		3 of 3		100
Rod W. Graham	7 of 7	5 of 5			2 of 2	100
Wendy L. Hanrahan	6 of 7		3 of 3	3 of 3		92
David J. LeMay	7 of 7					100
Carmen R. Loberg	7 of 7	5 of 5	3 of 3			100
Ian M. Reid	7 of 7		3 of 3	3 of 3	2 of 2	100

Notes:

(1) Mr. Bellstedt is an ex-officio non-voting member of every Committee, and attends every Committee meeting.

In Camera Sessions

In camera sessions without Management and non-independent Directors are held at each regularly scheduled Board and Committee meeting. At each other meeting of the Board, the Directors determine whether or not there is a reason to hold a session without Management present. The Chair of the Board of Directors or the Chair of the particular Committee, as the case may be, presides over these sessions and informs Management about what was discussed and if any action is required.

COMPENSATION OF DIRECTORS

Philosophy and Objectives

The Board, with input from the HRCC is responsible for developing and implementing the Directors' compensation plan. The HRCC has, since December 2012, sought advice in this regard from its independent compensation advisors, Willis Towers Watson Canada Inc. ("**Willis Towers Watson**"). The main objectives of the Directors' compensation plan are to:

- recruit and retain qualified individuals to serve as members of the Board and contribute to the overall success of the Corporation;
- align the interests of the Directors with those of the Shareholders by requiring that Directors hold a multiple of their annual retainer in Common Shares or Common Share equivalents; and
- compensate the Directors in a manner that is competitive with other comparable public issuers and commensurate with the risks and responsibilities assumed in Board and Committee membership.

Unlike compensation for the Named Executive Officers (as defined herein), the Directors' compensation plan is not designed to pay for performance; rather, Directors receive retainers for their services and an annual grant of Deferred Share Units ("**DSUs**") in order to help ensure unbiased decision-making. Equity ownership, required through ownership guidelines, serves to align the Directors' interests with the interests of the Shareholders. Consistent with the philosophy described above, the non-Management Directors of the Corporation do not receive grants of PSUs or RSUs (as those terms are defined herein) under the Unit Plans (as defined herein). Similarly, non-Management Directors are not eligible to receive grants of options under the Stock Option Plan (as defined herein).

2017 Director Compensation

The HRCC conducts periodic reviews of Director compensation. In the first quarter of 2017, with the assistance of Willis Towers Watson, the HRCC conducted a review of the Corporation's Director compensation practices, including a review of different director compensation in comparator groups from those used in prior years. The HRCC determined that the prior years' comparator group no longer provided an appropriate comparison, given decreases in the Corporation's revenue and market capitalization in recent years. As a result, the HRCC adopted the use of two new comparator groups. The first of these is the "Proxy Peer Group," used to evaluate executive compensation, and the second is a "General Industry Peer Group" of reporting issuers, with annual revenues similar to those of the Corporation. These comparator groups are set out in the table below:

Proxy Peer Group	General Industry Peer Group
Aecon Group Inc.	AGT Food and Ingredients Inc.
Badger Daylighting Ltd.	Canam Group Inc.
Bird Construction Inc.	CanWel Building Materials Group Ltd.
Calfrac Well Services Ltd.	Colabor Group Inc.
Cervus Equipment Corporation	Conifex Timber Inc.
Enerflex Ltd.	Goodfellow Inc.
North American Energy Partners Inc.	High Liner Foods Incorporated
Secure Energy Services Inc.	Indigo Books & Music Inc.
Stantec Inc.	Liquor Stores N.A. Ltd.
Trican Well Service Ltd.	Noranda Income Fund
Wajax Corporation	Reitmans (Canada) Limited
WSP Global Inc.	Rocky Mountain Dealerships Inc.
	Tembec Inc.
	Torstar Corporation

In addition to changing the comparator groups, the HRCC recommended to the Board that Board and Committee meeting fees be eliminated, together with a corresponding adjustment to the annual retainer for Directors (other than the Board Chair), and that the amount of the annual grant of DSUs be reduced. The new structure and amounts of Director compensation were approved by the Board in March 2017, and came into effect in May 2017, immediately after the Corporation's 2017 annual meeting of shareholders. The changes in Director compensation are set out below in more detail under the sections with the headings "Retainers and Fees" and "Summary Compensation Table - Directors".

Components of the Director Compensation Program

Deferred Share Units

The Deferred Share Unit Plan (the "**DSU Plan**") provides for the issuance of DSUs to Directors. The DSU Plan allowed DSUs to be issued to employees until 2012, when that practice was discontinued. The purposes of the DSU Plan are: (i) to enhance the Corporation's ability to attract, retain and reward non-Management Directors; (ii) to provide to non-Management Directors a tax deferred capital accumulation opportunity through deferral of compensation; and (iii) to closely align the interests of non-Management Directors of the Corporation with the Shareholders.

A DSU is a notional share that holds the same value as a Common Share. DSUs provide the holder with the right to receive a cash payment equal to the value of a Common Share multiplied by the number of DSUs in the holder's account when the holder ceases to be employed by the Corporation. When a Director resigns from the Board, he or she must elect to receive payment of his or her DSU account by no later than the first business day in December of the first calendar year following the calendar year in which he or she ceased to be engaged by the Corporation (the "**Settlement Date**"). The value of a DSU is the weighted average trading price of the Common Shares on the TSX for the five consecutive trading days immediately preceding the date of determination (the "**DSU Value**"). The DSU Value on December 31, 2017 would have been $7.11.

DSUs carry no voting rights and cannot be transferred, other than in the case of death of the holder. The number of DSUs issued to each Director is calculated by dividing the dollar value that the Director is entitled to receive by the DSU Value on the date of grant. The number of DSUs held by a holder will be adjusted for any dividend payments or any change in the Corporation's outstanding Common Shares that occurs by reason of any stock split, consolidation or other corporate change.

DSUs are granted to Directors on the last day of each quarter in accordance with the terms of the DSU Plan. Directors are also entitled to elect to receive up to 100% of their annual cash retainers in the form of DSUs. The following table sets out: (a) the names of the Directors who elected to receive DSUs in lieu of the payment of cash fees; (b) their respective percentages of their annual cash retainers that they have elected to receive in the form of DSUs; and (c) the dollar value of such fees credited in the form of DSUs for 2017.

Director	% of Annual Retainer Elected to Receive in the Form of DSUs in 2017 (1)	% of Committee Chair Retainer Elected to Receive in the Form of DSUs (1)	Total 2017 Fees Credited in the Form of DSUs (3) ($)
Richard T. Ballantyne	Nil	100	3,750
Chad Danard(2)	Nil	N/A	18,750
Wendy L. Hanrahan	25	Nil	14,533
Carmen Loberg	25	Nil	14,533
Ian M. Reid	50	N/A	28,941

Notes:
(1) These elections were made for all fees payable after the 2017 annual general meeting.
(2) Mr. Danard received DSUs as a result of the election that was in effect prior to the 2017 annual general meeting.
(3) The number of DSUs in this column reflects the election made by the Director in effect prior to the 2017 annual general meeting and in effect thereafter. For information regarding elections prior to such time, refer to the Corporation's 2017 Management Information Circular under the Corporation's profile at www.sedar.com.

Retainers and Fees

The table below sets out the fees that the Directors were entitled to receive in each of 2015, 2016 and 2017. As the President and Chief Executive Officer of the Corporation, Mr. LeMay does not receive compensation for acting as a Director. Accordingly, the disclosure set forth below does not refer to any compensation paid to Mr. LeMay in his capacity as a Director and only refers to the non-Management Directors. For further information on the compensation paid to Mr. LeMay in his capacity as a member of Management, please refer to the section with the heading "2017 Executive Compensation and Related Matters".

Annual Retainer	**2017(5)**	**2016**	**2015**
Board Chair Retainer	$120,000	$120,000	$120,000
Board Vice Chair Retainer(1)	$0	$0	$30,000
Board Member Retainer, excluding Board Chair	$60,000	$30,000	$30,000
Audit Committee Chair Retainer	$10,000	$10,000	$10,000
Other Committee Chair Retainer	$5,000	$5,000	$5,000
Committee Member Retainer	$0	$0	$0
Attendance Fees (per meeting)			
Board Meetings (in-person)(2)	$0	$1,500	$1,500
Committee Meetings (in-person)(2) (3)	$0	$1,500	$1,500
Travel Time	Up to $1,000	Up to $1,000	Up to $1,000
Annual Value DSUs(4)			
Board Members	$50,000	$80,000	$80,000
Chair of the Board	$70,000	$100,000	$100,000

Notes:
(1) The Vice Chair position and associated retainer was eliminated in 2016.
(2) Meeting attendance fees were discontinued in May of 2017. While Meeting fees were in effect, Directors who attend Board or Committee meetings held by conference call were entitled to receive 50% of the normal meeting fee.
(3) The Chair of the Board has never been entitled to receive a fee for attendance at Committee meetings.
(4) DSUs are granted to the Directors in pro-rated amounts on the last day of each quarter. Please refer to the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for further details on the manner in which DSUs are awarded and redeemed.
(5) New Director compensation came into effect following the 2017 annual general meeting of shareholders.

Summary Compensation Table - Directors

The table below sets forth all compensation paid to each non-Management Director of the Corporation for the financial year ended December 31, 2017. The total remuneration paid to the non-Management Directors in 2017 was $976,618.

Name	Fees Earned(1) ($)	Share-Based Awards(2) ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Richard T. Ballantyne	71,382	61,868	Nil	Nil	Nil	Nil	133,250
Albrecht W.A. Bellstedt	135,750	81,868	Nil	Nil	Nil	Nil	217,618
Chad Danard	59,382	61,868	Nil	Nil	Nil	Nil	121,250
Rod W. Graham	67,882	61,868	Nil	Nil	Nil	Nil	129,750
Wendy L. Hanrahan	61,382	61,868	Nil	Nil	Nil	Nil	123,250
Carmen R. Loberg	62,882	61,868	Nil	Nil	Nil	Nil	124,750
Ian M. Reid	64,882	61,868	Nil	Nil	Nil	Nil	126,750

Notes:

(1) This column reflects the total fees earned by each of the Directors pursuant to each Director's entitlement to: (a) annual retainers; (b) Chair retainers; and (c) travel time. Ms. Hanrahan and Messrs. Ballantyne, Loberg and Reid have all elected to receive a portion of their compensation in the form of DSUs in lieu of cash. Please refer to the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for more information about the election of these Directors to receive DSUs in lieu of certain cash fees.

(2) This column references the grant date DSU Value of DSUs issued to each Director, being equal to the aggregate quarterly issuances but excluding the DSUs issued to Directors in cases where they have elected to receive DSUs in lieu of certain cash retainers. These amounts do not include DSUs credited in respect of dividend equivalents.

Incentive Plan Awards - Value Vested or Earned During the Year

The table below provides details of the value of option-based and share-based awards that vested during the financial year ended December 31, 2017 and the value of annual incentive awards earned during 2017 for each of the Directors, other than Mr. LeMay.

Name	Option-based awards- Value vested during the year ($)	Share-based awards – Value vested during the year(1) ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Richard T. Ballantyne (2)	Nil	65,618	Nil
Albrecht W.A. Bellstedt	Nil	81,868	Nil
Chad Danard	Nil	80,618	Nil
Rod W. Graham	Nil	61,868	Nil
Wendy L. Hanrahan (2)	Nil	76,401	Nil
Carmen R. Loberg (2)	Nil	76,401	Nil
Ian M. Reid (2)	Nil	90,809	Nil

Notes:

(1) Includes the value of DSUs awarded to each of the Directors for the year. The DSUs are fully-vested when issued, but are not paid out until the Director ceases to be engaged by the Corporation. See the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for further details. These amounts do not include DSUs awarded in respect of dividend equivalents paid on outstanding DSUs.

(2) The values of DSUs vested for these Directors are higher because each elected to receive a certain portion of his or her annual retainer and/or meeting fees in the form of DSUs in lieu of cash. Please refer to "Compensation of Directors – Deferred Share Units" for further details.

Outstanding Option-Based Awards and Share-Based Awards

The table below sets forth details of all awards outstanding for each non-Management Director as at December 31, 2017.

	Option-Based Awards				Share-Based Awards		
Name	**Number of Securities Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised in-the-Money Options ($)**	**Number of Shares or Units of Shares that have not vested (#)**	**Market or Payout Value of Share-Based Awards that have not vested ($)**	**Market or Payout Value of Share-Based Awards that have not Paid Out or Distributed(1)(2) ($)**
Richard T. Ballantyne	Nil	N/A	N/A	N/A	Nil	Nil	432,245
Albrecht W.A. Bellstedt	Nil	N/A	N/A	N/A	Nil	Nil	874,831
Chad Danard	Nil	N/A	N/A	N/A	Nil	Nil	551,668
Rod W. Graham	Nil	N/A	N/A	N/A	Nil	Nil	427,516
Wendy L. Hanrahan	Nil	N/A	N/A	N/A	Nil	Nil	805,279
Carmen R. Loberg	Nil	N/A	N/A	N/A	Nil	Nil	860,487
Ian M. Reid	Nil	N/A	N/A	N/A	Nil	Nil	952,105

Notes:

(1) The Directors are awarded DSUs as part of their compensation package. DSUs have no vesting conditions attached to them when issued, although they only pay out after the date upon which the Director ceases to be engaged by the Corporation. Please see the section of this Circular with the heading "Compensation of Directors – Deferred Share Units" for further details.

(2) Represents the cash value of DSUs held by each Director as at December 31, 2017. The amounts have been calculated based upon each DSU having a DSU Value of $7.11, as at December 31, 2017.

Director Equity Ownership Guidelines

The Board believes that appropriate equity ownership by non-Management Directors further aligns their interests with those of the Shareholders. Each Director, other than the President and Chief Executive Officer of the Corporation, who is subject to the share ownership guidelines for senior Management of the Corporation, is required to accumulate at least three (3) times the value of his or her annual Director retainer in securities of the Corporation (which include Common Shares, DSUs and other equity and debt-based instruments that may be issued by the Corporation) by the third anniversary of becoming a Director. If the annual Director retainer is increased, Directors who would otherwise have met the guidelines as at their guideline achievement date but would not meet the guideline on the effective date of such increase in the retainer, will be required to increase his or her investment. The amount of the required increase is the amount that is the difference between three times the new annual Director retainer and the greater of original cost or current value of the Director's holdings. This increased investment must be achieved by the date that is one year after the effective date of the increase. The greater of the original cost and current market value of the securities shall be used for the purposes of determining whether the investment guidelines have been achieved. As at December 31, 2017, all of the Directors met the equity ownership guidelines.

EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

This Executive Compensation Discussion and Analysis explains the Corporation's compensation program, 2017 performance and compensation decisions made by the HRCC and the Board for the named executive officers during the 2017 financial year, being:

- David LeMay as President and Chief Executive Officer;
- Daryl Sands as Executive Vice President and Chief Financial Officer;
- Robert Myles as Chief Operating Officer of the Industrial Group;
- Arthur Atkinson as Chief Operating Officer of the Buildings Group; and
- Joette Decore as Executive Vice President, Strategy and Development.

(collectively, the "**Named Executive Officers**").

Oversight Responsibility

The Board has the ultimate responsibility for overseeing the Corporation's executive compensation program. Although the Board has delegated certain oversight responsibilities of this program to the HRCC, it retains final authority over some aspects of the compensation program and process. This authority includes the design, implementation, recommendation and, subject to the plans and agreements in place, the amendment of the executive compensation arrangements.

The HRCC consists of three independent Directors who have the appropriate mix of skills and experience in management, business, industry, human resources and public accountability for carrying out their responsibilities, which enables them to make decisions regarding the suitability of the Corporation's compensation policies and practices. See "About the Nominated Directors – Skills and Experience of the Nominated Directors" for further details on the skills and experience of each of the members of the HRCC. As at December 31, 2017, the members of the HRCC were Wendy Hanrahan (Chair), Chad Danard, and Ian Reid. The HRCC also draws upon the experience of the President and Chief Executive Officer and Chairman on matters that fall within their respective areas of experience.

Independent Advice

The HRCC engages Willis Towers Watson as an independent advisor in respect of various compensation-related matters including benchmarking compensation levels and practices with the industry and comparator groups, advising on compensation levels for the Named Executive Officers, providing observations and recommendations with respect to the Corporation's compensation practices (including the Corporation's short, medium and long-term incentive plans) and apprising the HRCC of market trends in executive compensation.

The Chair of the HRCC reviews and approves the scope of activities of Willis Towers Watson and related fees related to executive compensation. Any significant services provided to Management and fees not related to executive compensation are approved by the HRCC.

Executive Compensation – Related Fees

In the year ended December 31, 2017, the fees paid to Willis Towers Watson totalled $104,578 as compared to $65,158 in the year ended December 31, 2016. The table below sets forth the fees paid to Willis Towers Watson in 2017 and 2016 for the services provided in those years. Other than as described in the table, no other services were provided to the Corporation by Willis Towers Watson in either year.

Type of Fee – Willis Towers Watson	2017	2016
Executive Compensation and Related Matters	$104,578	$65,158

Compensation Philosophy

The Corporation's executive compensation program has the following objectives:

- to provide a compensation package that rewards individual performance contributions in the context of overall business results;
- to be competitive in level and form with the external market;
- to align the interests of executives with those of Shareholders; and
- to support the attraction, engagement and retention of executives.

The compensation program is also designed to align with the Corporation's business and strategic plans and risk management framework to provide an appropriate balance between risk and executive rewards.

Risk Management

Compensation oversight includes ensuring that executives are compensated fairly in a way that achieves an appropriate balance in relation to the overall business strategy and does not encourage an executive to expose the Corporation to excessive or inappropriate risks. The following highlights the compensation practices and policies of the Corporation that have been implemented to effectively identify and mitigate compensation risks and to encourage participants in the Corporation's executive incentive program (the "**EIP**"), including the Named Executive Officers, to balance risk and rewards when making business decisions:

Benchmarking to ensure fairness: Executive compensation is reviewed and benchmarked against market data to assess competitiveness and fairness.

Independent advice: The HRCC uses Willis Towers Watson, an independent compensation consultant, to conduct a competitive compensation review of the Corporation's senior executive positions. This provides the HRCC and the Board with a market reference point when assessing individual performance in the context of overall corporate performance.

A balanced scorecard: The Board uses a balanced scorecard which sets out pre-established corporate, operating group and individual performance objectives every year for senior executives. The objectives set out in the scorecard for each senior executive are linked to the business and strategic plans of the Corporation. The scorecard contains objectives that are set at the beginning of each year and are used to assess the executive's performance and determine related compensation. Scorecards are sometimes updated during the year to reflect changes in circumstances, and in order to ensure that they continue to reflect the Board's view of appropriate levels of performance.

Emphasis on long-term incentives: The Board places significant emphasis on long-term incentives when determining the total compensation for senior executives. These incentives encourage value creation over the long-term and align executives' interests with those of Shareholders.

Performance-based compensation: Performance share unit ("**PSU**") awards under the Corporation's long-term incentive plan are paid out based on the Corporation's performance against pre-determined "corporate objectives" over a three-year performance period and the value of the Common Shares when the PSUs vest at the end of that period.

Incentive Compensation Reimbursement Policy: In March 2017, the Board approved an Incentive Compensation Reimbursement Policy (commonly referred to as a 'clawback policy') which provides that the Corporation may require any recipient of incentive based compensation to repay to the Corporation any overpayments of incentive based compensation that are attributable to material misstatements in the reported financial performance of the Corporation that are subsequently required to be restated, where such misstatements have been caused by the misconduct of the recipient. The policy also allows the Board to recover compensation in the event that a participant in an incentive based program has committed a material breach of the Code of Business Conduct and Ethics Policy.

Limits on variable compensation payments: Payouts for short-term incentive compensation are capped at a maximum percentage of the executives' base salaries and are subject to an overall affordability pool determined based on financial performance.

Discretion: The Board completes a formal assessment, and can then use its discretion to increase or decrease any compensation awards if it deems it appropriate based on market factors or other extenuating circumstances. However, to maintain the integrity of the metric-based framework, the Board exercises its discretion sparingly.

Anti-derivative policy: The Corporation's Insider Trading Policy includes a provision which prohibits Directors and employees of the Corporation from purchasing or selling derivatives in respect of any security of the Corporation. This includes "puts" and "calls" on the Corporation's securities. Similarly, the Corporation prohibits Directors and its employees from short selling its securities. The Corporation does not have a policy pertaining to the purchase by a Director or an employee of other financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities.

Equity ownership requirements and participation: The Corporation has implemented equity ownership requirements for all Directors and certain executives reflecting the belief that Directors and executives of the Corporation will best represent the interests of Shareholders if they have a significant investment in the Corporation.

Stress testing compensation scenarios: The HRCC periodically stress tests various compensation scenarios and their potential effect on future executive compensation. This includes an analysis of the potential effect of different corporate performance scenarios on previously awarded and outstanding compensation to assess whether the results are reasonable.

Corporate culture and core values: The Corporation fosters a strong culture which defines the character of the organization. That culture is founded upon key core values, which include acting with integrity, respecting and trusting people, demonstrating innovation and entrepreneurial spirit, striving for excellence and prioritizing safety, health and the environment. These values guide ethical behaviour by facilitating and rewarding leadership, transparency and honesty.

Codes of ethics: The Corporation has adopted codes of ethics that apply to both Directors and employees of the Corporation. These codes incorporate principles of good conduct and ethical and responsible behaviour to guide decisions and actions.

Risk Assessment: Management completes a risk assessment of the Corporation's compensation policies and practices on an annual basis to identify and mitigate potential risks. This assessment is reviewed by the HRCC.

After considering the implications of the Corporation's compensation policies and practices and reviewing those policies and practices as described above, the Board believes that: (i) the Corporation's executive compensation practices properly represent the interests of Shareholders and are not likely to result in material adverse effects on the Corporation; (ii) the Corporation has the proper practices in place to effectively identify and mitigate potential risk; (iii) the Corporation's policies and practices do not encourage any Director, any member of the Corporation's executive leadership team, or any employee to take inappropriate or excessive risks; and (iv) the Corporation's policies and procedures are not likely to have a material adverse effect on the Corporation.

Compensation Approval Process

The compensation approval process begins with Management's analysis of the compensation levels of each of the Corporation's executives. In preparing this analysis, Management considers a number of factors, including:

- external compensation surveys and other market data, approved annually by the HRCC;
- individual, operating group and overall corporate level performance data;
- succession planning for key positions within the Corporation; and
- the President and Chief Executive Officer's recommendations with respect to compensation levels for his direct reports.

Management then prepares and submits to the HRCC based upon its analysis compensation recommendations for the Named Executive Officers, other participants in the EIP and senior executives. The EIP participants include the Named Executive Officers, other senior executives responsible for leading the Corporation's operating and strategic plans, certain junior executives who have been identified as key for succession planning purposes, and personnel with specialized expertise. The EIP participants are eligible to receive annual cash bonuses and performance-based, equity-related incentive compensation. As at December 31, 2017, there were 17 EIP participants.

The analysis and recommendations made by Management are then reviewed by the HRCC which makes recommendations to the Board. In making its recommendations to the Board, the HRCC considers: (a) the overall financial and operating performance of the Corporation; (b) Management's recommendations; (c) the President and Chief Executive Officer's assessment of the performance of, and recommended compensation for, each executive; (d) the advice from its independent consultant regarding external forces driving compensation trends applicable to the Corporation; and (e) the individual experience, judgment and assessment of each of its members. In the case of the compensation of the President and Chief Executive Officer, the HRCC considers relevant market data and trends and performance against pre-determined corporate and individual objectives.

After completing its review, the HRCC presents its recommendations to the full Board for the aggregate compensation levels for the Corporation including the allocation to the Named Executive Officers.

Determination of Individual, Operating Group and Overall Corporate Performance

The HRCC annually reviews the individual, operating group and corporate objectives set out in a balanced scorecard for the President and Chief Executive Officer and other executives. The HRCC then makes recommendations to the Board based on accomplishment of those objectives. The Board considers the recommendations of the HRCC and, if appropriate, provides its final approval of same. An executive's scorecard typically includes objectives for each of the following:

- the performance of the Corporation as a whole, which typically includes reference to EBITDA, Backlog, safety improvements and specific corporate milestones that contribute to achievement of the Corporation's business and strategic plans; and [1]
- the executive's operating group, which typically includes reference to EBITDA, Backlog, safety improvements and specific operating group milestones that contribute to achievement of operating group and/or corporate strategic objectives.

Specific targets, as well as threshold and maximum measures, are set for each objective. Performance objectives are given weightings within the scorecard based upon their relative importance to the Corporation with higher weightings typically being given to financial metrics of Backlog and earnings objectives.

The scorecard results are reviewed at the completion of each year. Each objective is rated on a scale of between 0% and 200% as set out in the table below.

Performance Objective	Balanced Scorecard Rating
Threshold	Results in a score of 50%; however, below this value results in a score of 0%
Target	Results in a score of 100% (Above Threshold and below Target results interpolated)
Maximum	Results in a score of 200% (Above Target and below Maximum Target results interpolated)

This rating is generally used as the basis for determining STIP-related compensation, in connection with considering the extent to which the Corporation's STIP pool has been funded. See the section of this Circular with the heading "2017 Executive Compensation and Related Matters – Determination of Components of Compensation for the Financial Year Ended December 31, 2017 – 2017 STIP Analysis" for details regarding the other factors considered in making decisions pertaining to 2017 STIP payments.

Market Benchmarking

Executive compensation is benchmarked against market data to assess competitiveness and fairness. In 2017, the HRCC considered two sources of market data for the purposes of determining the compensation levels and practices for the Named Executive Officers.

First, the HRCC considered general industry survey data provided by Willis Towers Watson (the "**General Industry Survey Data**"). The General Industry Survey Data was sourced from Willis Towers Watson's 2017 General Industry Executive Compensation Surveys and was size adjusted to reflect incumbent revenue responsibility. The positions within the Corporation are compared to the corresponding positions from the General Industry Survey Data which includes a combination of public and private companies based in Canada.

Second, the HRCC considered comparator peer group data for other publicly traded companies in similar industries and geography and that regularly compete for talent in Stuart Olson's marketplace (the "**Proxy Peer Group**"). For 2017, the HRCC adopted the following peer group for competitive compensation comparative purposes:

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[1] Please refer to the section of this Circular with the heading "Non-IFRS Measures" for a detailed description of "Backlog" and "EBITDA".

Aecon Group Inc.(1)	North American Energy Partners Inc.
Badger Daylighting Ltd.	Secure Energy Services Inc.
Bird Construction Inc.	Stantec Inc.
Calfrac Well Services Ltd.	Trican Well Service Ltd.
Cervus Equipment Corporation	Wajax Corporation
CHC Group Limited (2)	WSP Global Inc.
Enerflex Ltd.	

Notes:

(1) Aecon Group Inc. may be delisted in 2018.
(2) CHC Group Limited was delisted in 2016.

For the purposes of setting executive compensation for the year ending December 31, 2018, the HRCC, in consultation with Willis Towers Watson, discontinued use of the Proxy Peer Group as a source of market data. Executive compensation trends correlate with revenue and market capitalization and with the acquisition and delisting of CHC Group Limited and potentially that of Aecon Group Inc., the limited number of remaining publicly traded companies in a similar industry with comparable revenue and market capitalization to the Corporation has compromised the effectiveness of the Proxy Peer Group as a source of market data. Starting in 2018, the HRCC has determined that compensation review and decisions will be better supported by using General Industry Survey Data in replacement of the Proxy Peer Group.

Based on the market data, the total compensation awarded to a Named Executive Officer varies based on an assessment of individual, operating group and overall corporate performance, and will generally be set in accordance with the following guiding principles:

Performance Assessment	Total Compensation
Exceeds Performance Objectives	Comparable to above-median percentile market compensation
Meets Performance Objectives	Comparable to median market compensation
Below Performance Objectives	Comparable to below-median percentile market compensation

Description of Components of Compensation

The Corporation generally targets an overall compensation package for its Named Executive Officers that is comparable to the median of the market data. The compensation package is heavily performance-based, such that it can exceed the median percentile market compensation in years of strong individual and corporate performance, or conversely be below the median in years where performance does not meet targets. The total compensation package includes a balanced set of elements designed to deliver the objectives of the compensation philosophy of the Corporation described under the section with the heading “Executive Compensation Discussion and Analysis – Compensation Philosophy”. Those individual components include the following:

- base salary;
- short-term incentives (annual cash bonus); and
- long-term equity-based incentives (options, PSUs and RSUs).

The Corporation also compensates eligible employees, including the Named Executive Officers, with group benefits plans and the ability to participate in the ESPP (as defined herein) and the RRSP Program (as defined herein).

The table set forth below summarizes the major components of the Corporation's executive compensation program that were applicable in 2017. Each component is then further detailed in this section.

Component	Design Summary	Form	Objectives and Rationale
Base Salary	Fixed rate of pay targeted at the median of the market data Individual salary recommendations based on competitive assessment and economic outlook, leadership, retention and succession Annual performance period	Cash	Provide competitive level of fixed compensation Recognize sustained individual performance
Short-Term Incentive Program (the "STIP")	Annual awards based on achievement of pre-determined corporate, operating group and individual objectives Annual performance period Overall affordability based on financial performance of the Corporation.	Cash	Reward the achievement of a balanced set of annual corporate, operating group and individual objectives Align interests of executives with Shareholders
Long-Term Incentive Program (the "LTIP")	Three year cliff vesting Employees must remain in active service until the completion of the three year vesting period or be eligible to qualify for the Corporation's retirement policies	Restricted Share Units ("**RSUs**") payable in cash	Reward the achievement of sustained financial performance Contribute to retention of talent Recognize individual contribution and potential Align interests of executives with Shareholders
	Three year performance vesting based on the Corporation's performance compared to pre-determined "corporate objectives" Employees must remain in active service until the completion of the three year vesting period or be eligible to qualify for the Corporation's retirement policies	Performance Share Units ("**PSUs**") payable in cash	
	Conventional options that vest over three years at a rate of 1/3 per year Employees must remain in active service for vesting to occur Ten year life for awards granted after March 1, 2013, subject to a shortening to five years after the date of retirement	Options	

Base Salary

The Corporation uses a salary structure determined using competitive data in conjunction with detailed position descriptions. Base salary is established with reference to an executive's job responsibilities and the level of skills and experience required to successfully perform his or her role. Base salaries for the EIP participants are reviewed annually in the context of total compensation and by reference to similar positions in the market data and, in respect of the Named Executive Officers, in both the market data. Stuart Olson's philosophy is to set salaries comparable to the median of the market data depending on the experience and contribution of the individual. Base salary levels are meant to be competitive in the marketplace and are typically not set or adjusted based on accomplishing performance objectives.

Annual Short-Term Incentive ("STIP")

Each year the Corporation determines the STIP pool for all employees as a fixed percentage of the Corporation's EBITDA[2]. At the end of each year, each executive's STIP award is determined based upon a combination of: (a) the funded level of the STIP pool; (b) the allocation of the STIP pool among each operating group; and (c) his or her performance rating. An individual executive's STIP award target is reviewed by the HRCC in the context of its annual review of total compensation. If the Corporation's financial results are lower than target, the funded STIP Pool will decrease and if the Corporation's financial results are exceptional, the STIP pool and, correspondingly, each executive's STIP award will increase. This methodology directly links the value of each executive's STIP award to the financial performance of the Corporation. The funding of the STIP pool is approved annually by the HRCC.

The foregoing factors are also applicable in determining the President and Chief Executive Officer's STIP award.

The 2017 target STIP awards for each of the Named Executive Officers were as follows:

Named Executive Officer	**Target STIP as a % of Base Salary**
David LeMay	100
Daryl Sands	75
Robert Myles	65
Arthur Atkinson	65
Joette Decore	45

Long-Term Equity Based Incentives ("LTIP")

The Corporation issues or has issued LTIPs in the form of PSUs and RSUs pursuant to the Amended 2008 Executive Share Unit Plan (the "**2008 Unit Plan**") and PSUs and RSUs pursuant to the 2017 Executive Share Unit Plan (the "**2017 Unit Plan**" and collectively, with the 2008 Unit Plan, the "**Unit Plans**") and options to purchase Common Shares issued pursuant to the Amended 2007 Stock Option Plan (the "**Stock Option Plan**").

The Board grants LTIP awards to EIP participants in its sole discretion and upon the recommendation of the HRCC. Generally, the LTIP awards are determined as part of the annual deliberation process with respect to each EIP participant's total compensation package as compared to total compensation for similar positions using the market data. There are certain limited occasions in which awards have been made outside that annual process such as for promotions or to recruit new senior executives to the Corporation. In recommending these grants, the HRCC considers the level of responsibility of the proposed recipient and his or her ability to impact performance and growth in Shareholder value.

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[2] Please refer to the section of this Circular with the heading "Non-IFRS Measures" for a detailed description of "EBITDA".

The recommendations of the HRCC for LTIP awards are not contingent on the amount, term or current value of compensation previously awarded to an individual. The HRCC believes that reducing or limiting current LTIP awards because of prior grants would unfairly penalize the executive and reduce the motivation for continued high achievement. Similarly, the HRCC does not purposely increase total longer-term compensation value in a given year to offset less-than-expected returns from previous awards.

Unit Plans
All EIP participants are eligible to receive LTIP awards in accordance with the terms and conditions of the Unit Plans. The Unit Plans provide that only cash payments shall be made in respect of vested Units.

2008 Unit Plan
The 2008 Unit Plan has been in effect since its implementation in 2007. In March of 2017, in connection with the approval of the 2017 Unit Plan, the Board determined that there would be no further issuances of RSUs or PSUs (collectively "**Units**") under the 2008 Unit Plan, and that the 2008 Unit Plan would be terminated immediately upon the vesting or cancellation in the ordinary course of the remaining Units granted thereunder.

The PSUs issued pursuant to the 2008 Unit Plan performance vest or are cancelled at the end of the three year period based upon the Corporation's performance relative to the "corporate objectives" set at the time of the grant. The "corporate objectives" are approved at the sole discretion of the Board after considering the recommendations of the HRCC. The total cash payout for each performance vested PSU is calculated using the twenty-day volume weighted average closing price of the Common Shares at December 31st of the applicable year and applying a multiplier dependent upon the relative performance of the Corporation against the applicable "corporate objective". The multiplier applied to the value of the PSUs can range from 0% to 200%.

Prior to December 31, 2012, the Corporation had only issued PSUs pursuant to the 2008 Unit Plan. RSUs were introduced in 2013 and are similar to the PSUs; except that the three year vesting of RSUs is not dependent on performance. The value of each RSU is determined on the applicable vesting date and is calculated in the same manner as the value for a PSU.

Subject to the discretion of the HRCC, when a participant's employment with the Corporation is terminated for cause or upon voluntary resignation, and if such termination does not constitute retirement, then all unvested Units are immediately terminated and cancelled. In the case of retirement, outstanding Units may be immediately terminated, or subject to the discretion of the President and Chief Executive Officer, may continue to vest in the normal course. See the section with the heading "Executive Compensation Discussion and Analysis – Management Retirement Policy". In the event of termination of an employee as a result of: (a) the employee's death; or (b) the employees' permanent disability, a prorated number of the employee's Units immediately vest and are paid out within 90 days. In the case of a termination without cause, subject to the discretion of the President and Chief Executive Officer, a prorated number of the employee's Units may vest.

2017 Unit Plan
In March 2017, on the recommendation of the HRCC, the Board approved the 2017 Unit Plan, and resolved to discontinue the issuance of Units under the 2008 Unit Plan. Since March of 2017, all issuances of PSUs and RSUs have been under the 2017 Unit Plan.

Other than as set forth herein, the 2017 Unit Plan is in all material respects, the same as the 2008 Unit Plan, but contains certain administrative changes and updates. The primary differences between the 2008 Unit Plan and the 2017 Unit Plan are as follows:

- the grant value and payout value of the Units is calculated as the twenty-day volume weighted average trading price of Common Shares as of the date of determination (rather than the twenty-day volume weighted average closing price);
- Units held pursuant to the 2017 Unit Plan entitle the holders thereof to be credited with additional Units to recognize the value of dividends declared and paid on the Common Shares on whose value the Units are based;
- in the case of a participant's death or permanent disability, as of the applicable date, a prorated number of Units vest immediately and are paid out in the normal course subject to time and performance vesting; and
- in the event of a change in control or other similar corporate transaction affecting the Corporation, the Board has the discretion to determine whether and to what extent all Units accelerate and vest.

2015, 2016 and 2017 PSU Corporate Objectives
The "corporate objectives" set by the HRCC in each of 2015, 2016 and 2017, and used for the purposes of determining the value of all PSUs issued in that year, were based on the Corporation's performance against a metric based: (a) 50% on Stuart Olson's total shareholder return relative to the S&P/TSX Capped Industrial Index; and (b) 50% on Stuart Olson's actual EBITDA generated over the three years relative to targets set at the beginning of the applicable grant term.

Stock Option Plan
The executives and other employees of the Corporation and its subsidiaries are eligible to participate in the Stock Option Plan. Stock options typically vest in equal increments over three years. All options expire 10 years from the date of grant.

As at the Effective Date, there were approximately:

- 1,965,621 Common Shares issuable upon the exercise of outstanding options; this represented 7.16% of the total number of issued and outstanding Common Shares as at the Effective Date; and
- 780,098 Common Shares remaining available for issuance under the Stock Option Plan; this represented 2.84% of the total number of issued and outstanding Common Shares as at the Effective Date.

A total of 862,969 options have been exercised under the Stock Option Plan since its inception in 2006, representing 3.14% of the outstanding Common Shares as of the Effective Date. In each of 2017, 2016 and 2015, the burn rate of the Stock Option Plan was 2.14%, 2.11% and 1.34% respectively.

A maximum of 2,745,719 Common Shares have been reserved for issuance under the Stock Option Plan, subject to the following limitations:

- the aggregate number of Common Shares reserved for issuance to any one person under the Stock Option Plan, together with all other security-based compensation arrangements of the Corporation, must not exceed 5% of the then outstanding Common Shares (on a non-diluted basis);
- in the aggregate, no more than 10% of the then outstanding Common Shares (on a non-diluted basis) may be reserved at any time for insiders under the Stock Option Plan, together with all other security-based compensation arrangements of the Corporation; and
- the number of securities of the Corporation issued to insiders, within any one year period, under all security-based compensation arrangements, cannot exceed 10% of the issued and outstanding Common Shares.

The exercise price per Common Share shall be fixed by the Board of Directors, but under no circumstances shall any exercise price at the time of the grant be lower than the “market price” (i.e. the five day volume weighted average trading price prior to the date of grant) of the Common Shares on the TSX or such other minimum price as may be required by any stock exchange on which the Common Shares are listed at the time of grant. All options granted expire on the date that is ten years from the date of grant. The Stock Option Plan includes blackout provisions pursuant to which there are predetermined periods each year during which Directors, officers and certain employees are precluded from trading in the Corporation’s securities. The blackout period is designed to prevent a person from trading while that person may possess or may appear to possess material information that is not yet available to the public. In addition to the regularly scheduled blackout periods, the Corporation reserves the right under the Stock Option Plan to declare blackout periods should the need arise. The Stock Option Plan includes a provision that should an option expiration date fall within a blackout period or within ten business days following a blackout period, the expiration date will automatically be extended for ten business days following the end of the blackout period.

The Stock Option Plan permits a “cashless exercise” under which the Board may, from time to time in its sole discretion, permit vested options to be surrendered, unexercised to the Corporation by an option holder in consideration for the receipt by the option holder of an amount equal to the excess, if any, of: (i) the aggregate fair market value of the Common Shares eligible to be purchased pursuant to the vested and exercisable portion of the options; over (ii) the aggregate option price for the applicable Common Shares. On March 15, 2013, the Board resolved to indefinitely suspend the application of the “cashless exercise” feature of the Stock Option Plan.

The Stock Option Plan allows the Board to terminate or discontinue the Stock Option Plan at any time without the consent of the option holders provided that such termination or discontinuance shall not alter or impair any options previously granted.

The Stock Option Plan does not provide any specific vesting provisions for options granted thereunder. Any vesting provisions for options granted under the Stock Option Plan will be determined by the Board of Directors and set out in the agreements evidencing such options. Options granted under the Stock Option Plan are non-assignable, except in the case of the death of the option holder. In the event that an option holder ceases to be engaged by the Corporation as a result of voluntary termination by the option holder, all options held by that person shall be cancelled or shall vest as applicable, depending on the person’s agreement with the Corporation and the policies in effect at the applicable time. In the event that an option holder’s employment is terminated by the Corporation, the option holder has a period of 90 days in which to exercise any vested options and any unvested options are immediately cancelled. In the event of death or permanent disability of an option holder, all options held by that person vest immediately and the option holder or his or her estate, as the case may be, has a period of one year from the date of vesting to exercise such options. In the event that an option holder retires from the Corporation, the treatment of options held by such option holder is governed by the terms of the Corporation's Management-related retirement policy. See the section of this Circular with the heading "Executive Compensation Discussion and Analysis – Management Retirement Policy" for a description of the Management-related retirement policy of the Corporation. At the discretion of the Board of Directors, the expiry date may be extended; however, in no event will an option be exercisable at a date in excess of 10 years from the date of grant, without the approval of the TSX.

The Board of Directors may amend the Stock Option Plan and options granted under it, without Shareholder approval, provided that the Board shall not be permitted, in the absence of Shareholder and TSX approval to:

(a) reduce the exercise price or cancel and reissue options or other entitlements including those held by non-insiders of the Corporation;

(b) extend the expiry date of an option held by any insider of the Corporation (subject to such date being extended by virtue of the blackout provision noted above);

(c) amend the limitations on the maximum number of Common Shares reserved or issued to insiders;

(d) change the eligible participants under the Stock Option Plan, including permitting non-Management Directors of Stuart Olson or its subsidiaries to participate in the Stock Option Plan;

(e) permit options granted under the plan to be transferable or assignable other than for normal estate settlement purposes;

(f) increase the maximum number of Common Shares issuable pursuant to the Stock Option Plan; or

(g) amend the amendment provisions of the Stock Option Plan.

The Stock Option Plan was last amended on March 10, 2010 and the unallocated options were approved by the Shareholders on May 25, 2016.

In 2018, in consultation with Willis Towers Watson, the HRCC reviewed the Corporation's use of stock options in its 2018 LTIP awards. The HRCC considered current advisory group standards, market data, trends in executive compensation, practices adopted by other reporting issuers and the alignment of the senior executives' compensation mix with the objectives in the Corporation's business and strategic plans. Based on this review, the HRCC did not include stock option in the compensation mix for the Named Executive Officers and other EIP participants for 2018.

Other Compensation Plans

The following discussion pertains to the other compensation plans that are included as part of the total compensation package offered to EIP participants, including the Named Executive Officers.

Employee Share Purchase Plan
Stuart Olson offers all of its salaried employees, including the Named Executive Officers, the opportunity to invest in Common Shares through an employer matched share purchase plan (the "**ESPP**"). Pursuant to the terms of the ESPP, Stuart Olson matches an employee's contributions up to 5% of his or her base salary. The funds accumulate and are used to purchase Common Shares in the open market. Contributions vest immediately. The plan is designed to provide employees with an ownership interest and to motivate their actions towards maximizing Shareholder value.

Group RRSP
Stuart Olson offers most of its employees, including the Named Executive Officers, an opportunity to contribute to their retirement savings through an employee/employer Group Registered Retirement Saving Program ("**RRSP Program**"). Stuart Olson matches employee contributions to the RRSP Program up to 5% of the employee's base salary. Contributions made by Stuart Olson pursuant to the RRSP Program are vested immediately. The purpose of the RRSP Program is to encourage employees to save for retirement.

Group Benefits and Other Perquisites
The benefit programs in which the Named Executive Officers participate include car allowances and enrollment in programs for health, dental, life insurance and short and long-term disability.

Management Retirement Policy

The Corporation has implemented a formal retirement policy that applies to its employees. The policy provides that in order to be eligible for retirement an employee must: (a) be employed by the Corporation at the time he or she reaches the age of 60; and (b) have worked for the Corporation for a minimum of two consecutive years. Subject to approval of the President and Chief Executive Officer and provided that the foregoing conditions are met, a retiring employee is entitled to retain all RSUs, PSUs and options held at the time of retirement. All of such awards continue to be subject to the original vesting conditions at the time of award including, without limitation, the “corporate objectives” applicable to the PSUs. Any options outstanding expire on the earlier of: (a) five years from the date of grant; or (b) the original expiry date of such options. The policy also provides that any outstanding awards will be cancelled in the event that the retired employee is subsequently employed by a competitor of the Corporation. The foregoing policy applies to all employees of the Corporation, other than certain employees that continue to be subject to a previous version of the policy. That previous version was substantially similar to the current policy, other than that it applied to employees at the age of 55, instead of 60.

Executive Equity Ownership Guidelines

The HRCC and the Board believe it is important that the Corporation's executives demonstrate their commitment to Stuart Olson through equity ownership. This equity investment is achieved by: (a) acquiring Common Shares in the open market, through the exercise of options or through participation in the ESPP; (b) purchasing convertible debentures in the open market; (c) acquiring RSUs through annual equity awards; and (d) up until December 31, 2012, electing to receive DSUs in accordance with the DSU Plan. The Board first approved equity ownership guidelines in 2011 and then, upon the recommendation of the HRCC, approved revised guidelines in 2014 that now apply to a broader group of executives and include increased ownership levels. The 2014 equity ownership guidelines encourage an executive to obtain equity ownership at the applicable multiple of his or her salary within five years of the later appointment to his or her position or December 10, 2014. If, at the end of such five year period, the required multiple is not met, then all after tax proceeds paid to the Executive from equity incentives (such as RSUs, and PSUs) are required to be used to purchase Common Shares until the guidelines are met. Those guidelines are as set out in the table below.

Position	Equity Ownership Guidelines Minimum Multiple of Base Salary
President and Chief Executive Officer	3.0x
Chief Financial Officer	1.5x
Business Leads for each Operating Company	1.5x
Other Direct Reports to the Chief Executive Officer	0.5x

Equity valuations of Common Shares for the purposes of the ownership guidelines are: (i) for Common Shares, based on the greater of cost or fair market value as of December 31, 2017; and (ii) for RSUs and DSUs, valued at payout value assuming a 100% payout on December 31, 2017. As of December 31, 2017, all of the Named Executive Officers were in compliance with the 2014 Equity Ownership Guidelines, however, Messrs. Myles and Atkinson, were still required to acquire additional equity ownership prior to the fifth anniversaries of their respective appointments which anniversaries will be in 2021 and 2020 respectively. The table below sets out the calculated value of the equity held by each of the Named Executive Officers as at December 31, 2017 and the status of each with respect to the equity ownership requirement:

Named Executive Officer	Base Salary ($)	Required Multiple of Base Salary	Required Value at Risk($)	Total Value at Risk($)[1]	Actual Multiple of Base Salary	Equity Ownership Guideline Achieved
David LeMay	540,750	3.0x	1,622,250	1,790,448	3.31	Yes
Daryl Sands	408,447	1.5x	612,671	1,371,014	3.36	Yes
Robert Myles	410,000	1.5x	615,000	290,614	0.71	(2)
Arthur Atkinson	350,000	1.5x	525,000	270,311	0.77	(3)
Joette Decore	300,000	0.5x	150,000	717,948	2.39	Yes

Notes:

(1) Mr. LeMay, Mr. Sands and Ms. Decore each own DSUs. The issuance of DSUs to employees was discontinued as at January 2013.

(2) Mr. Myles has until February 1, 2021 to meet the ownership requirements.

(3) Mr. Atkinson has until May 1, 2020 to meet the ownership requirements.

2017 EXECUTIVE COMPENSATION AND RELATED MATTERS

2017 Corporate Performance

The following summarizes Stuart Olson's performance against 2017 corporate objectives:

Corporate Performance Objective	Target	Actual Result	Performance Assessment
EBITDA[(1)] ($ mm)	$35.0	$36.0	Met Target
Backlog[(1)] ($ billions)	$2.0	$1.72	Met Threshold
Diversified Backlog	Specified percentage Backlog	-	Below Threshold
Safety: Recordable Incident Frequency Improvement	2 Operating Groups meet safety target	2 Operating Groups met safety target	Met Target

Notes:
(1) Please refer to the section of this Circular with the heading "Non-IFRS Measures" for a detailed description of "EBITDA" and "Backlog".

Evaluation of Performance to Corporate Objectives

Notwithstanding a challenging and competitive market, the Corporation was able to materially increase EBITDA and provide a significant return to Shareholders. EBITDA increased by 12.1% to $36.0 million in 2017 compared to $32.1 million in 2016.[3] These results were achieved in a year during which the Corporation's customer base in the energy industry continued to consolidate their operations and to focus on lower operating costs.

The Corporation ended the year with Backlog of $1.72 billion which met threshold but was below target and down from $2.0 billion at the start of the year; however, the first quarter of 2018 has seen additions to Backlog of $80 million building upon the efforts in 2017. Spending in the Corporation's principal market of Alberta continued to lag behind historical levels as customers in the energy industry continued to limit spending on new capital projects, and as the actual funding of infrastructure projects has fallen short of the amounts previously announced. Despite a decrease in diversified Backlog due in part to the completion of existing projects outside of the Alberta energy sector, the Buildings Group and Commercial Systems Group secured some significant new projects in Ontario.

The Corporation implemented the first phase of a new Health and Safety management program to improve tracking and communications of all Health and Safety incidents, bulletins, training and trends, and on a consolidated basis, improved its safety performance. Two of the Operating Groups met target for safety resulting in the Corporation meeting its safety objectives.

The Corporation's balance sheet was significantly strengthened: leverage declined to 1.7x adjusted EBITDA at the end of 2017 as compared to 2.7x at December 31, 2016, and available liquidity at the end of 2017, increased to over $150 million, as compared to $86 million at December 31, 2016. The Corporation amended its credit facility obtaining improved the commercial terms and covenants.

The Corporation provided Shareholders with a total shareholder return of 29% for the year ended December 31, 2017.

Based on the results achieved relative to the targets set at the beginning of the year, the Board determined that the Corporation's overall performance for 2017 was above the threshold performance but slightly below target. The results were considered in the STIP awards for each of the Named Executive Officer's, together with their performance against specific business and individual objectives.

[3] The Corporation reported EBITDA of $27.5 million for the year ended December 31, 2016, the difference in the amounts shown here from restatements due to a change in accounting policy. Please refer to the "Changes in Accounting Policies" section of the December 31, 2017 Management Discussion & Analysis and Note 3 of our December 31, 2017 Audited Consolidated Annual Financial Statements for further information, each of which can be found under the Corporation's profile at www.sedar.com.

Determination of Components of Compensation for the Financial Year Ended December 31, 2017

Base Salaries

The base salaries for each of the Named Executive Officers are determined in accordance with the philosophy described in the section of this Circular with the heading "Executive Compensation Discussion and Analysis - Description of Components of Compensation – Base Salary". As a result of the economic downturn and its impact on the Corporation over the past several years, other than in connection with the promotions of Mr. Atkinson and Ms. Decore to their current positons, the Corporation had not approved any increases in the base salaries for Named Executive Officers since 2015. This resulted in the base salaries of some of the Named Executive Officers, including the President & Chief Executive Officer, to fall behind the market median.

2017 STIP Analysis

The STIP awards for 2017 for each of the Named Executive Officers were determined in accordance with the philosophies described in the section of this Circular with the heading "Executive Compensation Discussion and Analysis - Description of Components of Compensation – Annual Short-term Incentive" as well as those additional factors described in this section.

In determining each Named Executive Officer's STIP award, the HRCC considered: (a) the overall corporate performance of the organization, including those factors described under the heading "2017 Executive Compensation and Related Matters - 2017 Corporate Performance"; (b) the results of the specific business unit goals which aligned with the strategic and operational priorities related to his function; and (c) the overall leadership exhibited by the executive and relative contribution to achieving the corporate results. A summary of the individual and business unit performance factors considered for each Named Executive Officer is set out below:

David LeMay, President and Chief Executive Officer

2017 Results

- Despite continued challenging market conditions in 2017, EBITDA materially increased in 2017 by 12% from that of 2016 with total shareholder return of 29%.
- Backlog achieved of $1.72 billion met threshold level.
- Continued to prioritize diversification in each of the key operating groups, including the Industrial Group (award of its first two water projects, growth of general contracting services into Western Canada), the Buildings Group (ongoing growth in the Ontario market with the addition post-secondary and seniors retirement projects), and the Commercial Systems Group (a number of strategic wins in the Ontario market, which was a new geographic operating region in 2017).
- Developed the 2018-2020 strategic plan based on an extensive review of the Corporation's markets and the competitive landscape, positioning the Corporation for meaningful growth in the coming years.
- Continued to reinforce the Corporation's safety culture across the organization resulting in two of the Operating Groups meeting their safety targets.

Daryl Sands, Executive Vice President and Chief Financial Officer

2017 Results

- Strengthening of the Balance Sheet over the prior year, with leverage declining to 1.7x at the end of 2017 (2.7x at Dec. 31, 2016) and available liquidity increasing to $150 million ($86 million at Dec. 31, 2016) at the end of 2017.
- Developed a detailed capital strategy including various options to refinance the Corporation's outstanding convertible debentures maturing in 2019.

- Led several organizational optimization initiatives including the reorganization of the corporate finance team, the consolidation of certain shared service functions between operating groups and the corporate group and the streamlining certain real estate assets.

Bob Myles, Chief Operating Officer Industrial Group

2017 Results

- Achieved EBITDA of $23.2 million, a 66% increase from that achieved in 2016.
- Ended 2017 with Backlog of $669 million; down from $823 million from the start of the year.
- Continued to focus on its safety culture, achieving a 10% reduction year over year in recorded incident frequency, but fell slightly short of its aggressive safety target.
- Completed its alignment of the business and further strengthened its maintenance offerings to major customers, including following an existing major customer into Ontario.

Arthur Atkinson, Chief Operating Officer, Buildings Group

2017 Results

- Advanced the Buildings Group’s turnaround with EBITDA growth from $18 million in 2016 to $20.6 million in 2017, an increase of 18%.
- Ended 2017 with Backlog of $802.3 million; down from $1,048.5 million from the start of the year.
- Grew the Buildings Group’s presence in Ontario by securing strategic institutional projects at leading educational institutions.
- Continued to reinforce the Corporation’s safety culture resulting in the Buildings Group meeting its safety targets.

Joette Decore, Executive Vice President, Strategy and Development

2017 Results

- In conjunction with the President and Chief Executive Officer, led the development and rollout of the 2018-2020 strategic plan based on an extensive review of the Corporation’s markets and the competitive landscape.
- Centralized and optimized the Corporation’s human resources model including the reorganization of the function, the redeployment of the service delivery across Operating Groups and the standardization of human resources processes and programs. Led a team that was able to recruit over 1,000 hourly non-union employees in order to meet operational needs. Implemented a number of initiatives and programs which contributed to a significant decrease in employee turnover year over year.
- Led several key leadership development and cultural events including the 2017 Leaders’ Summit bringing together over 50 of the Corporation’s senior leaders. Recognized as a Top 70 Employer in Alberta.

Actual 2017 STIP Results

The table below details the actual 2017 STIP awards for each of the Named Executive Officers:

Named Executive Officer	Actual 2017 Cash STIP
David LeMay	$459,638
Daryl Sands	$263,755
Bob Myles	$229,990
Arthur Atkinson	$159,260
Joette Decore	$128,250

Long-term Incentives

The Board grants LTIPs to the Named Executive Officers on the recommendation of the HRCC. The LTIP awards are determined as part of the annual deliberation to determine each Named Executive Officer's total compensation package. The HRCC uses market data provided by Willis Towers Watson, and targets the median of the Proxy Peer Group in accordance with the philosophies described in the section of this Circular with the heading "Executive Compensation Discussion and Analysis - Description of Components of Compensation – Long-term Equity Based Incentives".

2017 LTIP Awards

The table below reflects the Unit and stock option LTIP awards made to each of the Named Executive Officers in 2017:

Named Executive Officer	2017 LTIP Award (Units) $	2017 LTIP Award (stock options) $
David LeMay	660,000	220,000
Daryl Sands	321,652	107,217
Robert Myles	276,750	92,250
Arthur Atkinson	262,500	87,500
Joette Decore	270,000	Nil

Summary Compensation Table

The following table sets forth certain information regarding compensation paid, payable, awarded, granted, given or otherwise provided during each of 2015, 2016 and 2017 to each of the Named Executive Officers.

Name and Principal Position	Year	Salary[(1)] ($)	Share-based awards[(2)] ($)	Option-based awards[(3)] ($)	Non-equity incentive plan compensation: Annual incentive plans[(4)] ($)	Non-equity incentive plan compensation: Long-term incentive plans ($)	Pension value	All other compensation[(5)] ($)	Total compensation ($)
David LeMay	2017	540,750	660,000	220,000	459,638	Nil	Nil	70,875	1,951,263
President and Chief Executive Officer	2016	540,750	660,000	220,000	Nil	Nil	Nil	54,074	1,474,825
	2015	561,548	646,875	215,625	548,861	Nil	Nil	56,154	2,029,063
Daryl Sands	2017	408,447	321,625	107,217	263,755	Nil	Nil	53,768	1,154,812
Executive Vice President and Chief Financial Officer	2016	408,447	321,652	107,217	Nil	Nil	Nil	40,844	878,160
	2015	424,157	321,652	107,217	291,018	Nil	Nil	42,414	1,186,458
Robert Myles	2017	410,000	276,650	92,250	229,990	Nil	Nil	57,800	1,066,690
Chief Operating Officer Industrial Group	2016	378,461	230,625	76,875	Nil	Nil	Nil	51,191	737,152
	2015	-	-	-	-	-	-	-	-
Arthur Atkinson	2017	350,000	262,500	87,500	159,260	Nil	Nil	51,800	911,060
Chief Operating Officer Buildings Group	2016	350,000	223,125	74,375	Nil	Nil	Nil	45,320	692,820
	2015	344,346	187,700	100,000	216,125	Nil	Nil	45,151	893,322
Joette Decore	2017	294,797	270,000	-	128,250	Nil	Nil	46,280	739,327
Executive Vice President Strategy and Development	2016	280,675	182,438	-	Nil	Nil	Nil	28,068	491,180
	2015	273,643	182,438	-	145,249	Nil	Nil	27,364	628,695

Notes:

(1) Salary reported is actual salary paid in the calendar year, and may differ from the executive's base salary as a result of the timing of pay periods in the calendar year. For the past two fiscal years, there have been no increases in the base salaries of the Named Executive Officers, with the exceptions of the increases to Ms. Decore's and Mr. Atkinson's base salaries as a result of promotions into each's current position.

(2) Represents the value of: (a) PSUs and RSUs awarded as at the applicable grant date in accordance with: (i) the 2008 Unit Plan for each of 2015 and 2016; and (ii) the 2013 Unit Plan for 2017. The value disclosed in this column is based on the value per RSU or PSU calculated in accordance with the applicable Unit Plan. The actual value realized upon the future vesting and payment of such awards may be greater or less than the grant date fair value indicated.

(3) Represents the fair value of stock options awarded pursuant to the LTIP in accordance with the Stock Option Plan as at the grant date. The key assumptions and estimates used in the Black Scholes model for the calculation of the grant date fair value of the options granted to: (a) all Named Executive Officers receiving options on April 1, 2017, include the weighted average expected option life of 7 years, the weighted average expected volatility of 38.41%, the weighted average expected dividend yield of 7.83% and a risk free rate of 1.31%; (b) all Named Executive Officers receiving options on March 8, 2016, include the weighted average expected option life of 7 years, the weighted average expected volatility of 44.13%, the weighted average expected dividend yield of 8.21% and a risk free rate of 0.95%; (c) all Named Executive Officers receiving options on April 1, 2015, include the weighted average expected option life of 7 years, the weighted average expected volatility of 45.22%, the weighted average expected dividend yield of 5.57% and a risk free rate of 0.97%; and (d) Mr. Atkinson on May 19, 2015, include the weighted average expected option life of 7 years, the weighted average expected volatility of 47.19%, the weighted average expected dividend yield of 6.70% and a risk free rate of 1.45%. The actual value realized may be greater or less than the grant date fair value indicated.

(4) Represents the annual cash bonus awards (STIP) earned by the Named Executive Officers in the applicable fiscal year.

(5) Other than as detailed in the section below with the heading "Perquisites and Other Personal Benefits", perquisites and other personal benefits do not exceed the lesser of $50,000 and 10% of the total of the annual salary for the Named Executive Officers and are not reported.

Perquisites and Other Personal Benefits

The table below sets out the details pertaining to the perquisites and other personal benefits awarded to each of the Named Executive Officers for 2015, 2016 and 2017.

Name	Year	Matching RRSP Contributions ($) (1)	Matching under the Employee Share Purchase Plan (1)	Vehicle Allowance
David LeMay	2017 2016 2015	27,037 27,037 28,077	27,037 27,037 28,077	16,800 - -
Daryl Sands	2017 2016 2015	20,422 20,422 21,207	20,422 20,422 21,207	12,923 - -
Robert Myles	2017 2016 2015	20,450 18,976 -	20,450 18,923 -	16,800 13,292 -
Arthur Atkinson	2017 2016 2015	17,500 17,500 17,217	17,500 17,500 17,217	16,800 10,320 10,717
Joette Decore	2017 2016 2015	14,740 14,034 13,682	14,740 14,034 13,682	16,800 - -

Notes:

(1) See the section with the heading "Executive Compensation Discussion and Analysis - Description of Components of Compensation – Other Compensation Plans."

Outstanding Share-Based and Option-Based Awards

The following table sets forth for each of the Named Executive Officers all awards outstanding as at December 31, 2017 under the Stock Option Plan, as awards under the Stock Option Plan are considered "option-based awards" under applicable securities laws, and the Unit Plan, as awards of PSUs and RSUs under the Unit Plans are considered "share-based awards" under applicable securities laws.

	Option-Based Awards				Share-Based Awards		
Named Executive Officer	Number of Shares underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options(1) ($)	Number of shares or units of shares that have not vested(2) (#)	Market or payout value of share-based awards that have not vested(3) ($)	Market or payout value of vested share-based awards not paid out or been distributed(4) ($)
David LeMay	120,396 63,369 50,000 152,926 224,490 252,874	7.50 9.94 9.94 5.77 5.80 5.90	Apr 1, 2023 Sept 13, 2024 Sep 13, 2024 Apr 1, 2025 Mar 8, 2026 Apr 1, 2027	Nil Nil Nil 197,275 282,857 293,334	221,496 PSUs 110,758 RSUs	2,259,259	23,265
Daryl Sands	82,615 33,505 76,041 109,405 123,238	7.50 9.94 5.77 5.80 5.90	Apr 1, 2023 Sept 13, 2024 Apr 1, 2025 Mar 8, 2026 Apr 1, 2027	Nil Nil 98,093 137,850 142,956	108,691 PSUs 54,345 RSUs	1,108,645	66,446
Robert Myles	78,444 106,034	5.80 5.90	Mar 8, 2026 Apr 1, 2027	98,839 122,999	56,791 PSUs 28,395 RSUs	579,265	Nil
Arthur Atkinson	71,429 75,893 100,575	6.07 5.80 5.90	May 19, 2025 Mar 8, 2026 Apr 1, 2027	70,715 95,625 116,667	74,548 PSUs 39,164 RSUs	773,242	Nil
Joette Decore	32,242	7.50	Apr 1, 2023	Nil	54,339 PSUs 54,339 RSUs	739,010	12,186

Notes:

(1) The value of the unexercised in-the-money options has been calculated as at December 31, 2017 as determined based on the excess of the closing price of the Common Shares on the TSX on December 31, 2017 of $7.06 per share over the exercise price of such options. The actual value realized upon the exercise of such options may be greater or less than the value indicated.

(2) PSUs and RSUs are granted pursuant to the Unit Plans.

(3) The value of the unvested share-based awards has been calculated as at December 31, 2017 as determined based on the cash value of the PSUs and RSUs held by the Named Executive Officer at the date of determination. The relative value of a PSU has been calculated assuming the Corporation had achieved target performance and 100% of the PSUs had vested on December 31, 2017. The cash value of one PSU and RSU on December 31, 2017 would have been $6.85 for Units granted under the 2008 Unit Plan and $6.80 for Units granted under the 2017 Unit Plan.

(4) The amounts represent the cash value of DSUs held by each Named Executive Officer as at December 31, 2017. The amounts have been calculated based upon each DSU having a value of $7.11, being the weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding December 31, 2017.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table provides details of the value of option-based and share-based awards that vested during the financial year ended December 31, 2017 and the value of annual incentive awards earned in respect of 2017 for each of the Named Executive Officers.

Named Executive Officer	Option-based awards- Value vested during the year(1) ($)	Share-based awards – Value vested during the year(2) ($)	Non-equity incentive plan compensation – Value earned during the year(3) ($)
David LeMay	225,802	189,188	459,638
Daryl Sands	111,345	101,431	263,755
Robert Myles	32,946	Nil	229,990
Arthur Atkinson	79,018	47,389	159,260
Joette Decore	Nil	61,826	128,250

Notes:

(1) The value of the options that vested during 2017 was determined as at December 31, 2017 on the excess of the price of the Common Shares as at that date ($7.06 per Common Share) over the applicable exercise price. Out-of-the-money options are excluded from the calculation.

(2) Each of Messrs LeMay, Sands and Atkinson and Ms. Decore had been granted BRSUs in 2014 that vested and paid out in 2017. For those Named Executive Officers, the disclosed amount consists of approximately 50% 2014 BRSUs and 50% RSUs and PSUs granted in 2014. For an explanation of BRSUs, see the Corporation's Management Information Circular dated April 5, 2017 filed under its profile at www.sedar.com. The Corporation's relative performance for the three year period ending in 2017 corresponded to a payout of 45% of the value of the PSUs underlying that award.

(3) See the Section with the heading "2017 Executive Compensation and Related Matters - Determination of Components of Compensation for the Financial Year Ended December 31, 2017 - Actual 2017 STIP Results" for an explanation of awards for STIP earned by the Named Executive Officers in respect of the financial year ended December 31, 2017.

Employment, Termination and Change of Control Benefits

Each of the Named Executive Officers has entered into an employment agreement with the Corporation. The employment agreements govern the relationship between the individual Named Executive Officer and the Corporation in the case of certain scenarios including the following: (a) a termination of the Named Executive Officer without cause, including constructive dismissal; and (b) in the case of Messrs. LeMay, Sands and Myles, and Ms. Decore, termination without cause or for "good reason" following a change of control of the Corporation. For the purposes of this section, a "change of control of the Corporation" can be summarized as meaning the occurrence of any one or more of the following events:

(a) the acquisition, by whatever means, by a third party of more than a majority of the voting securities of the Corporation;

(b) the amalgamation, consolidation or merger of the Corporation with another entity pursuant to which Shareholders immediately prior to such transaction do not own voting securities of the successor or continuing corporation which would entitle them to cast more than 50% of the votes attaching to shares in the capital of the successor or continuing corporation;

(c) the election at a meeting of Shareholders of that number of persons which would represent a majority of the Board, as Directors who are not included in the slate for election as Directors proposed by the Corporation;

(d) the sale, lease, transfer, or other disposition of all or substantially all of the assets of the Corporation;

(e) the decision to liquidate, dissolve or wind-up the Corporation;

(f) the transfer of the head offices of the Corporation from Calgary, Alberta;[4]

(g) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in subsections (a) through (e) referred to above; or

(h) a determination by the Board of Directors that a change of control has occurred.

[4] This provision triggering a change of control is only applicable to the employment agreement of Mr. LeMay; however the employment agreement of Ms. Decore provides that a termination without cause would occur if the Corporation's head office moved outside the Province of Alberta or if the Corporation were to discontinue allowing Ms. Decore to commute between the head office in Calgary and the offices in Edmonton.

Neither the Unit Plans nor the Stock Option Plan provide for automatic vesting of PSUs, RSUs, or options upon the occurrence of a change of control of the Corporation. Any automatic vesting of those entitlements would occur only in accordance with the provisions of each individual's employment agreement.

Similarly, for the purposes of this section, "good reason" in the context of a change of control can be summarized as generally meaning the occurrence of any one or more of the following events:

(a) a materially adverse change in the executive's position, duties, or responsibilities other than as a result of the executive's physical or mental incapacity;

(b) a materially adverse change in the executive's reporting relationship that is inconsistent with the executive's title or position;

(c) a material increase in the duties and responsibilities of the executive without a corresponding reasonable increase in the executive's compensation;

(d) a reduction in the executive's base salary or benefits;

(e) the relocation of the executive without his or her consent; or

(f) a material reduction in the benefits provided to the executive.

Non-Competition and Non-Solicitation Restrictions

The employment agreement of each Named Executive Officer restricts him or her from competing with the Corporation and its affiliates within a set geographic region and from soliciting employees of the Corporation, in each case, for a period of twelve months following the termination of employment.

Termination Following a Change of Control

In the event of a termination of the employment agreement following a change of control of the Corporation, in addition to their entitlements under employment law such as to be paid all accrued and unpaid salary as of the termination date, each of the Named Executive Officers would be entitled to the following pursuant to his or her employment agreement:

Named Executive Officer	Date of Agreement	Base Salary Payment	STIP Payment	Treatment of Stock Options and Units
David LeMay	May 31, 2013	24 months plus 20% for benefits	Target STIP for each completed month of applicable calendar year as at the date of termination plus 2X target STIP	• Units fully vest at 100% of performance target • Stock options vest and must be exercised earlier of the regular expiry date or ninety days from the date of termination
Daryl Sands	May 31, 2013	24 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 2X target STIP	• Units fully vest at 100% of performance target • Stock options vest and must be exercised earlier of the regular expiry date or ninety days from the date of termination
Robert Myles	January 7, 2016	18 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 1.5X target STIP	• Units fully vest at 100% of performance target • Stock options vest and must be exercised earlier of the regular expiry date or ninety days from the date of termination
Arthur Atkinson[1]	June 1, 2014	-	-	-

Named Executive Officer	Date of Agreement	Base Salary Payment	STIP Payment	Treatment of Stock Options and Units
Joette Decore	May 31, 2013	18 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 1X target STIP	• Units fully vest at 100% of performance target • Stock options vest and must be exercised earlier of the regular expiry date or ninety days from the date of termination

Notes:

(1) Mr. Atkinson's employment contract does not contain specific provisions linked to a change of control, but in the event of termination following a change of control he would be entitled to a payment for termination without cause.

Termination Without Cause

In the event of a termination of the employment agreement without cause, in addition to their entitlements under employment law such as to be paid all accrued and unpaid salary as of the termination date, each of the Named Executive Officers would be entitled to the following pursuant to his or her employment agreement:

Named Executive Officer	Base Salary Payment	STIP Payment	Treatment of Units and Stock Options
David LeMay	24 months plus 20% for benefits	Target STIP for each completed month of applicable calendar year as at the date of termination plus 2X target STIP	• Units vest on a prorated basis, where applicable, at 100% of performance target • Stock options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or ninety days from the date of termination
Daryl Sands	18 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 1.5X target STIP	• Units vest on a prorated basis, where applicable, at 100% of performance target • Stock options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or ninety days from the date of termination
Robert Myles	18 months	-	• Units vest on a prorated basis, where applicable, at 100% of performance target • Stock options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or ninety days from the date of termination
Arthur Atkinson	18 months	-	• Subject to the discretion of the Board, Units vest on a prorated basis, where applicable, at 100% of performance target • Stock options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or ninety days from the date of termination
Joette Decore	18 months	Target STIP for each completed month of applicable calendar year as at the date of termination plus 1.5X target STIP	• Units vest on a prorated basis, where applicable, at 100% of performance target • Options which have not vested shall be forfeited and all vested options will have an exercise date being the earlier of the regular expiry date or ninety days from the date of termination

Estimated Termination Payments

The following table summarizes the payments to which each Named Executive Officer would have been entitled if his employment had been terminated on December 31, 2017 in various scenarios, including by the Corporation without cause or, in the case of certain Named Executive Officers, by the Named Executive Officer as a result of "good reason" following a "change of control" of the Corporation or retirement:

Named Executive Officer	Termination Following Change of Control(1) ($)	Termination Without Cause (incl. Constructive Dismissal)(2) (3) ($)	Retirement ($)
David LeMay	5,104,928	4,140,126	$23,264(4)
Daryl Sands	2,916,171	2,087,945	$66,443(4)
Robert Myles	1,862,213	837,725	Nil(4)
Arthur Atkinson	N/A	941,519	Nil(4)
Joette Decore	1,474,133	1,191,937	$12,187(4)

Notes:

(1) This includes termination by the Corporation following a "change of control" or termination by the executive for "good reason" following a change of control of the Corporation. See the above content in this section with the heading "Employment, Termination and Change of Control Benefits" for the relevant definitions of "change of control" and "good reason". The amounts do not include funds received pursuant to the sale of any Common Shares owned by the executive.

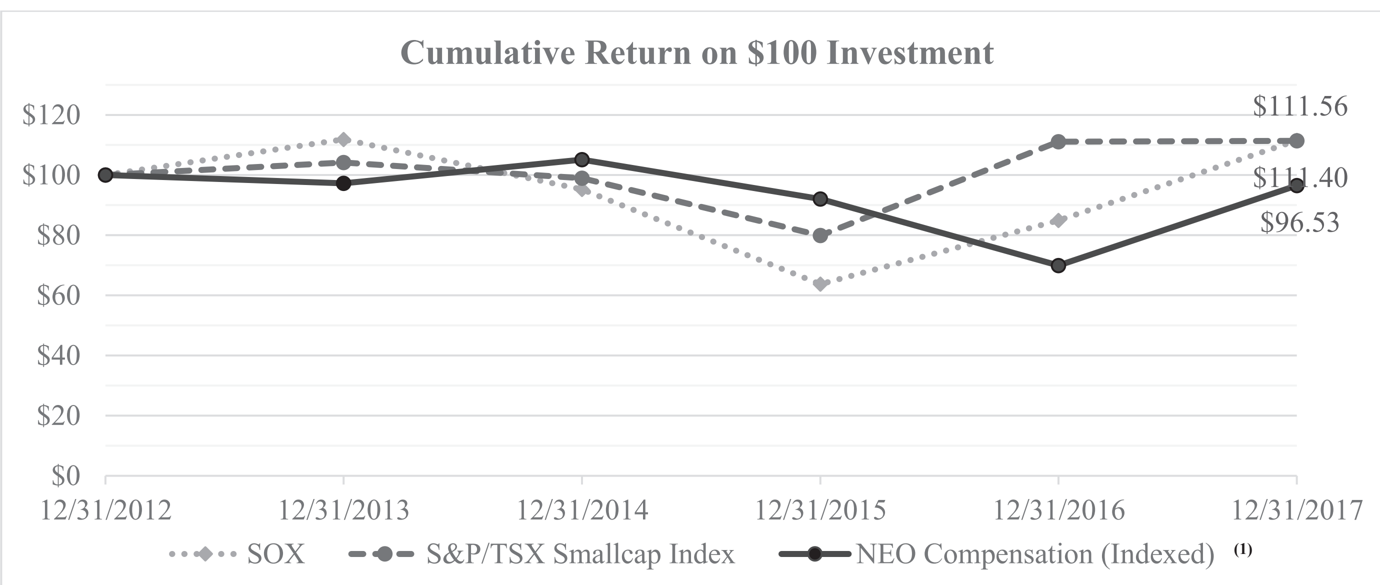
(2) The amounts do not include funds received pursuant to the sale of any Common Shares owned by the executive.

(3) For the purposes of termination without cause, the amounts assume that the Board would have exercised its discretion to 100% vest all LTIPS which would be paid out on a prorated basis.

(4) The Corporation's retirement policies would not have applied to any of the Named Executive Officers as at December 31, 2017. Each of Messrs. LeMay, Sands and Ms. Decore would, however, have been entitled to receive a payout on DSUs that he or she held at December 31, 2017 in the event of retirement.

Share Performance Graph

The share performance graph below compares the yearly and cumulative total return on the Common Shares (assuming a $100 investment was made on December 31, 2012) with the cumulative total return of the S&P/TSX Smallcap Index. The graph also shows the aggregate compensation paid or awarded to the then Named Executive Officers over the same time period (portrayed as an index, for the purposes of which, the amount of such compensation for the year ending in December 31, 2012 is set at $100) ("**NEO Compensation (Indexed)**)".



Notes:

(1) This amount is calculated as the applicable year's aggregate compensation paid or awarded to the then Named Executive Officers divided by the corresponding amount in 2012, multiplied by $100.

The above graph illustrates that the compensation has followed a similar trend to the cumulative return experienced by Shareholders for the last five years.

Realizable Compensation

The pay-for-performance philosophy of the Corporation is also demonstrated by analyzing the difference in the value of realizable compensation to the value of awarded compensation for the President and Chief Executive Officer. The table below illustrates his current realizable compensation as at December 31, 2017 as compared to target value compensation for the period January 1, 2015 to December 31, 2017. As illustrated, the realizable compensation is approximately 13% less than the granted target value. This marks a reduction in realizable compensation during a period where investment value of a Shareholder increased.

President and Chief Executive Officer 2015 – 2017 Aggregate Compensation	Target(1) ($)	Actual / Realizable(2)(3) ($)
Base Salary	1,622,250	1,622,250
STIP	1,622,250	1,008,499
Options	655,625	779,103
RSU	655,626	763,610
PSU	1,311,251	910,148
Total Cash	3,244,500	2,630,749
Total Equity	2,622,502	2,452,861
Total Direct	5,867,002	5,083,610

Notes:

(1) Target compensation includes salary, target STIP and accounting value for Units (PSUs and RSUs) and stock options.

(2) Realizable compensation includes salary, actual STIP, current value for RSUs as at December 31, 2017 and actual value of the 2015 PSUs as at December 31, 2017 (45% performance factor), and the value of the 2016 and 2017 PSUs as at December 31, 2017 (Assuming 29% and 100% payout factors, respectively). Options at December 31, 2017 reflect in-the-money value. Equity valuation reflects the Common Share price of $7.06 as at December 31, 2017.

(3) Realizable compensation is based on units granted and does not reflect actual exercises and payout, with the exception of the 2015 PSUs. As noted above, the 2016 and 2017 payout factor is assumed at 29% and 100% payout factors, respectively. This reflects management's current estimate of the payout factor. The 2015 PSUs were paid out at $6.85 per unit with a payout factor of 45%.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the Directors or executive officers of the Corporation (or private companies controlled by them, either directly or indirectly).

INDEBTEDNESS OF DIRECTORS OR NAMED EXECUTIVE OFFICERS

No Director, executive officer or employee of the Corporation, or former Director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As at December 31, 2017, the Stock Option Plan was the only compensation plan providing for the issuance of equity securities. General information regarding the Stock Option Plan is set out under the heading "Executive Compensation Discussion and Analysis – Description of Components of Compensation – Long-term Equity Based Incentives". The following table sets forth securities of the Corporation that are authorized for issuance under the Stock Option Plan as at December 31, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted-average exercise price of outstanding options, warrants and rights ($)	Number of securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by security holders	2,173,088	6.57	563,984
Equity compensation plans not approved by security holders	Nil	N/A	N/A
Total	2,173,088	6.57	563,984

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth above, or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or executive officer, proposed nominee for election as a Director or any Shareholder holding more than 10% of the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, to the knowledge of the Directors and executive officers of the Corporation, no Director or executive officer of the Corporation or any proposed nominee of Management for election as a Director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com. Financial information pertaining to the Corporation's most recently completed financial year is provided in the Corporation's comparative financial statements and Management's Discussion and Analysis available under the Corporation's profile on SEDAR. A Shareholder may contact the Corporation at Stuart Olson Investor Relations, 600, 4820 Richard Road SW, Calgary, Alberta T3E 6L1 to obtain a copy of the Corporation's most recent financial statements and Management's Discussion and Analysis. This information is also available on the Corporation's website (www.stuartolson.com).

BOARD OF DIRECTORS APPROVAL

The contents and the sending of this Circular have been approved by the Board of Directors.

SCHEDULE "A"
WRITTEN MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of Stuart Olson Inc. (the "**Corporation**") is elected by the Corporation's shareholders to supervise the management of the business and affairs of the Corporation pursuant to the powers vested in its articles and by-laws, and in accordance with the obligations under regulatory and public law.

Within its stewardship responsibility the Board is to preserve and enhance the viability of the Corporation and to ensure that it is managed in the interests of the shareholders as a whole in conformity with the law and legitimate interests of other stakeholders.

The Board delegates the responsibility for the day-to-day conduct of business to the management of the Corporation, through its President and Chief Executive Officer ("**CEO**"), within a policy framework established by the Board. In executing their responsibilities, each of the members of the Board is entitled to rely on the advice, reports and opinions of management.

Board of Directors

Board Composition

The composition of the Board should balance the following goals:

(a) The size of the Board should facilitate substantive discussions of the whole Board in which each Director can participate meaningfully;

(b) The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the Corporation's business;

(c) Membership on the Board shall include an appropriate number of Directors whom the Board has determined have no material relationship with the Corporation or its principal shareholders and who are otherwise considered independent as contemplated by National Policy 58-201 *Corporate Governance Guidelines*;

(d) In the event that a Director is determined not to be independent, the basis of such determination shall be disclosed; and

(e) The chairman of the Board shall be an independent Director within the meaning of National Policy 58-201 *Corporate Governance Guidelines.*

Meetings

Frequency of Meetings

The Board holds regularly scheduled meetings on a quarterly basis as well as additional meetings to consider particular issues or strategic planning. Meetings may be called from time to time as determined by the needs of the Corporation's business. The record of the Directors in attendance shall be noted for each meeting of the Board and attendance records for each Director shall be compiled annually. Directors will strive for 100% attendance and are expected to attend at least 75% of all Board meetings.

Selection of Agenda Items for Board Meetings

The Chairman, in consultation with the CEO and the Corporate Secretary, establishes the agendas for Board meetings. Any Board member, however, may recommend the inclusion of specific agenda items. The agenda is distributed in advance of a meeting to each Director.

Board Materials Distributed in Advance

Information, data and presentation materials that are important to the Board's understanding of the business are distributed in writing to the Board before each meeting. Management should provide materials that are as concise as possible while giving Directors sufficient information, and time for review (subject to availability of time sensitive materials), to make informed decisions. Under certain circumstances, written materials may be unavailable to Directors in advance of a meeting, and certain items to be discussed at Board meetings may be of a sensitive nature such that the distribution of materials on these matters prior to the Board meeting would not be appropriate.

Management at Meetings

The Board invites members of management, in addition to the CEO and the Chief Financial Officer, to attend Board meetings from time to time to make presentations and provide additional insight into the various operations of the Corporation.

In Camera Meetings

To encourage free and open discussion and communication among the non-management Directors of the Board, the independent Directors may meet during, or at the end of each Board meeting, without members of management present.

Board Mandate

The core responsibilities of the Board include stewardship and oversight in the following areas:

Strategic Planning

The Board ensures that the Corporation adopts a strategic planning process to guide its activities and address the opportunities and risks of the business. The Board shall meet at least annually to review the plan. In addition, at each regular meeting, the Board reviews the Corporation's overall business strategies, its business plan, as well as major strategic initiatives, to allow the Board to evaluate whether the Corporation's proposed actions are generally in accordance with its objectives.

Identification of Principal Risks

The Board, directly and through the Audit Committee, reviews the principal risks of the Corporation's business and the appropriateness of the systems put in place to manage these risks.

Selection and Remuneration of the CEO and the Senior Management Team

The Board is responsible for selecting the CEO and for approving the selection of the members of the senior management team. Communication with the management team is through the CEO and the Board is responsible for judging the effectiveness of this officer and replacing him if such action is deemed to be in the best interests of the Corporation. The Board is also responsible for providing an effective system of remuneration. These functions are performed with the benefit of advice from the Human Resources and Compensation Committee.

Succession Planning

On a regular basis, the Board reviews a succession plan, developed by management, addressing the policies and principles for selecting a successor to the CEO and other key senior management positions, both in an emergency situation and in the ordinary course of business. The succession plan should include an assessment of the experience, performance, skills, training and planned career paths for possible successors to the CEO currently in the Corporation's senior management.

Financial Reporting and Internal Controls

The Board, acting through the Audit Committee, oversees the financial reporting and regulatory filing and disclosures of the Corporation. This includes monitoring the implementation of appropriate internal control systems to ensure the accuracy and timeliness of the information.

Communication Policy

The *Policy Regarding Disclosure and Confidentiality* established by the Board summarizes practices regarding disclosure of material information to investors, analysts and the media. The Board, in consultation with the Corporate Governance and Nominating Committee, monitors and advises on compliance with this Policy.

Evaluating Board Performance

The Board, acting through the Corporate Governance and Nominating Committee, conducts an evaluation, at least annually, to assess the effectiveness of the Board, its Committees, the Chairman, and individual Directors. In addition, the Corporate Governance and Nominating Committee periodically considers the mix of skills and experience that Directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively.

Issuer's Approach to Corporate Governance

The Corporation is committed to effective practices in corporate governance. The Corporation consistently assesses and adopts corporate governance measures. The Corporate Governance and Nominating Committee shall be responsible for disclosing the Corporation's approach to corporate governance in public disclosure documents.

Whistleblowing Policy

The Board has established a *Policy Regarding Whistleblowing*, which establishes the complaint procedure for concerns about any aspect of the Corporation's activities and operations.

Shareholder Feedback

The Board monitors management in its ongoing development of appropriate investor relations programs and procedures to receive and respond to shareholder feedback.