

Form 45-106F6

British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

Grande West Transportation Group Inc. (the "Corporation")

(formerly Grande West Transport Group Inc.)

**3168 262nd Street,
Aldergrove, British Columbia, Canada V4W 2Z6**

Phone: (604) 607-4000

Website: <http://grandewest.com/>

B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

Item 2: Reporting issuer status

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The Corporation is a reporting issuer in Ontario, Alberta, and British Columbia.

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

- ☐ Bio-tech
- ☐ Financial Services
- ☐ investment companies and funds
- ☐ mortgage investment companies
- ☐ Forestry
- ☐ Hi-tech
- ☐ Industrial

- ☐ Mining
- ☐ exploration/development
- ☐ production
- ☐ Oil and gas
- ☐ Real estate
- ☐ Utilities

× **Other (describe)**

Transportation vehicles and equipment

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

| Information about insiders and promoters | | | |
|--|--|---|---|
| Full name, municipality and country of principal residence | All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities) | Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution | Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$) |
| N/A | N/A | N/A | N/A |

Details of distribution

Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

March 19, 2015

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;

(a) 618,000 units (the “Units”) at a price of C\$0.25 per Unit. Each Unit consists of one common share of the Company (a “Common Share”) and one-half of one non-transferable share purchase warrant (each whole warrant, a “Warrant”); and

(b) unsecured convertible debentures for the principal amount of \$220,000 (the “Notes”). Each Note was sold at a price of \$1,000 per \$1,000 in principal amount of the Note.

- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

(i) 618,000 Common Shares;

(ii) 309,000 Warrants, each Warrant entitling the holder thereof to acquire one Common Share at an exercise price of \$0.40 before March 19, 2018; and

(iii) The Notes of a principal value of \$220,000 will mature on March 12, 2020 (the “Maturity Date”) and pay interest at a fixed rate of 8% per annum from March 12, 2015, payable quarterly in arrears from the date of issue to the Maturity Date. From and after the date of issue until the Maturity Date, the principal of the Notes will be convertible into Common Shares at the sole option of the holder at the conversion price of \$0.33 per Common Share. Upon conversion, at the sole option of the Note holder, the interest accrued on the Debentures so converted up to but excluding the date of conversion may be: (a) converted to Common Shares at a price that is equal to the greater of (i) the applicable "Market Price" (as defined by the Exchange) on the date of the conversion or (ii) the volume weighted average price based on the previous 20 consecutive trading days or; (b) repaid in cash to the Note holder.

- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

N/A

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

| Each Canadian and foreign jurisdiction where purchasers reside | Number of purchasers | Price per security (Canadian \$) ¹ | Total dollar value raised from purchasers in the jurisdiction (Canadian \$) |
|---|----------------------|---|---|
| British Columbia | 2 | \$0.25 per Unit, and \$1,000 per Note | \$19,500 |
| Quebec | 3 | \$0.25 per Unit, and \$1,000 per Note | \$220,000 |
| Ontario | 2 | \$0.25 per Unit, and \$1,000 per Note | \$135,000 |
| Total number of Purchasers | 7 | | |
| Total dollar value of distribution in all jurisdictions (Canadian \$) | | | \$374,500 |

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus and Registration Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If

the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

| Information about non-individual purchasers | | | | | |
|---|---|---|------------------------------------|--------------------------|-----------------------------------|
| Full name and address of purchaser and name and telephone number of a contact person | Indicate if the purchaser is an insider (I) of the issuer or a registrant (R) | Number and type of securities purchased | Total purchase price (Canadian \$) | Exemption relied on | Date of distribution (yyyy-mm-dd) |
| Oleksiew Holdings 7591 Bridge St, Richmond BC V6Y 2S6 Cliff Oleksiew Phone: 604-324-0089 | - | 58,000 Units | \$14,500 | Section 2.3 of NI 45-106 | 2015-03-19 |
| Fiducie Floran D'Attena 149 Avenue Dreden, Mont-Royal, QC H3P 3K1 Robb Hindson Phone: 416-365-8053 | - | Notes in the principal value of \$100,000 | \$100,000 | Section 2.3 of NI 45-106 | 2015-03-19 |
| Fiducie Geoffrey D'Attena 149 Avenue Dreden, Mont-Royal, QC H3P 3K1 Robb Hindson Phone: 416-365-8053 | - | Notes in the principal value of \$100,000 | \$100,000 | Section 2.3 of NI 45-106 | 2015-03-19 |

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

| Full name and address of the person being compensated | Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R) | Compensation paid or to be paid (cash and/or securities) | | | | |
|---|--|--|--|-------------------------------------|--|---|
| | | Cash (Canadian \$) | Securities | | | Total dollar value of compensation (Canadian \$) |
| | | | Number and type of securities issued | Price per security (Canadian \$) | Exemption relied on and date of distribution (yyyy-mm-dd) | |
| Euro Pacific Canada Inc. 710 - 900 West Hastings Street Vancouver BC V6C 1E5 | R | \$26,215 | Option to purchase 43,260 Units ¹ | N/A | Section 2.3 of NI 45-106 2015-03-19 | \$26,215 |
| Jones Gables & Company Limited Suite 1000 - 110 Yonge Street Toronto, ON M5C 1T6 | R | - | Option to purchase 61,600 Units ¹ | N/A | Section 2.3 of NI 45-106 2015-03-19 | - |

Item 2: Footnote 1: **Euro Pacific Canada, Inc. and Jones Gables & Company Limited were compensated with options to purchase Units at a price of \$0.40 per Unit. Each Unit will consist of one common share of the Corporation and one-half of one non-transferable common share purchase warrant (an “Agent’s Warrant”). Each whole Agent’s Warrant will entitle the holder to acquire one common share (an “Agent’s Warrant Share”) of the Corporation before March 19, 2018 at a price of \$0.40 per Agent’s Warrant Share.**

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: March 20, 2015

Grande West Transportation Group Inc.

Name of issuer (please print)

John Sutherland, Chief Financial Officer, Phone: (604) 607-4000

Print name, title and telephone number of person signing

(signed) "John Sutherland"

Signature

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6500
Toll free across Canada: 1-800-373-6393
Facsimile: (604) 899-6581

Guidance for completing and filing Form 45-106F6

1. ***Required form in British Columbia*** - In British Columbia, file this report and the applicable fee using BCSC e-services in accordance with British Columbia Instrument 13-502 Electronic filing of reports of exempt distribution. If the distribution occurs in British Columbia and one or more other jurisdictions, the issuer is required to file this report in British Columbia and file Form 45-106F1 in the other applicable jurisdictions.
2. ***What is a distribution?*** - In British Columbia, “distribution” includes distributions made from British Columbia to purchasers resident in other Canadian or foreign jurisdictions if the issuer has a significant connection to British Columbia. If the issuer has a significant connection to British Columbia, complete the tables in item 8 and Schedules I and II for all purchasers.

In British Columbia, “distribution” also includes distributions made from another Canadian or foreign jurisdiction to purchasers resident in British Columbia. If the issuer is from another Canadian or foreign jurisdiction, complete the tables in item 8 and Schedules I and II only for purchasers resident in British Columbia.

3. ***What is a purchaser?*** - References to a purchaser in this report are to the beneficial owner of the securities.
4. ***What is an individual?*** - An individual is a natural person. A corporation, partnership, party, trust, fund, association, and any other organized group of persons is not an individual.
5. ***Space in tables*** - If the space provided in any table in this Form is insufficient, please adjust the table to include additional space.
6. ***Multiple distributions*** - One report may be used for multiple distributions occurring within 10 days of each other if the report is filed on or before the 10th day following the first of such distributions.
7. ***Fees*** - In order to determine the applicable fee, consult Fee Checklist British Columbia Form 11-901F (item # 16).