

**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;

**Grande West Transportation Group Inc.**

- the issuer's website address;

[www.grandewest.com](http://www.grandewest.com)

- the address, telephone number and email address of the issuer's head office.

**Address:** 3168 262nd Street, Aldergrove, BC V4W 2Z6

**Telephone:** 604-607-4000

**Email:** atriplett@grandewest.com

B. If an underwriter is completing this report, state the following: **Not applicable**

- 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.

**Yes, the Issuer is a reporting issuer in British Columbia, Alberta and Ontario.**

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. **Not applicable**

**Item 3: Issuer's industry**

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

- |   |  |
|---|--|
| <input type="checkbox"/> Bio-tech                       | Mining   |
| Financial Services                                      | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production              |
| <input type="checkbox"/> mortgage investment companies  | <input type="checkbox"/> Oil and gas             |
| <input type="checkbox"/> securitized products issuers   | <input type="checkbox"/> Real estate             |
| <input type="checkbox"/> Forestry                       | <input type="checkbox"/> Utilities               |
| <input type="checkbox"/> Hi-tech                        | <input type="checkbox"/> Other (describe)        |
| <input checked="" type="checkbox"/> Industrial          | <u>industrial products - transportation</u>      |
|   | <u>equipment</u>                                 |

**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 \$)
Not applicable			

**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. April 26, 2016

**Item 6: Number and type of securities**

For each security distributed:

- describe the type of security;

Unsecured convertible transferrable Series A and Series B debentures (the “Series A Debentures” and “Series B Debentures”).

- 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

\$1,200,000 of Series A Debentures and \$1,200,000 of Series B Debentures, each at a price of \$1,000 per Debenture and all bearing interest at the rate of 8% per annum, calculated and payable quarterly. The principal amount of the Series A Debentures mature and are repayable in full on the date that is five (5) years after the date of issue and the principal amount of the Series B Debentures mature and are repayable in full on the date that is two (2) years after the date of issue. The principal amount of the Series A and Series B are convertible into common shares of the Issuer at a deemed price of \$0.68 per common share at any time up to their respective maturity date.

- 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.

**Not applicable**

#### **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 \$) <sup>1</sup>	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Alberta	9	\$1,000	\$375,000
British Columbia	1	\$1,000	\$50,000
Saskatchewan	1	\$1,000	\$25,000
Ontario	7	\$1,000	\$1,905,000
Quebec	3	\$1,000	\$45,000
Total number of Purchasers	21		
Total dollar value of distribution in all jurisdictions (Canadian \$)			<b><u>\$2,400,000</u></b>

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

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)
Donald Taylor Professional Services Inc. 142 rue Nansen Mont Tremblant, Quebec J8E 1E4 Contact: Donald Taylor Tel: 514-983-5356	n/a	10 Series A Debentures	\$10,000	National Instrument 45-106, Part 2, Division 1, Section 2.3(1)	2016-04-26
		10 Series B Debentures	\$10,000		
Ltus Ltd. 9728 Montrose Ave Suite 400 Grande Prairie, AB T8V 5B6 Contact: Loran Swanberg Tel.: 780-876-1209	n/a	85 Series A Debentures	\$85,000	National Instrument 45-106, Part 2, Division 1, Section 2.3(1)	2016-04-26
The Insight Limited Partnership II 350 318 11 <sup>th</sup> Avenue SE Calgary, AB T2G 0Y2 Contact: Grant Howard Tel: 403-221-0915	n/a	40 Series B Debentures	\$40,000	National Instrument 45-106, Part 2, Division 1, Section 2.3(1)	2016-04-26
1443737 Alberta Ltd. 308 Quarry Villas SE Calgary, AB T2C 5K1 Contact: Jason Guenter Tel.: 403-618-2588	n/a	50 Series B Debentures	\$50,000	National Instrument 45-106, Part 2, Division 1, Section 2.3(1)	2016-04-26

### Commissions and finder's fees

#### Item 9: Commissions and finder's fees

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)	
Leede Jones Gable Inc. Suite 1000 110 Yonge Street Toronto, ON M5C 1T6	R	\$120,000	176,471 Finders Warrants <sup>(1)</sup>	n/a	NI 45-106, Part 2, Division 1, Section 2.3(1) 2016-04-26	\$120,000
GMP Securities L.P. 145 King Street West Suite 300 Toronto, ON M5H 1J8	R	\$24,000	35,294 Finders Warrants <sup>(1)</sup>	n/a	NI 45-106, Part 2, Division 1, Section 2.3(1) 2016-04-26	\$24,000

<sup>(1)</sup> Each Warrant entitling the holder to purchase one (1) additional Share at a price of \$0.68 on or before October 26, 2017.

## Certificate

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

Date: May 4, 2016

### **Grande West Transportation Group Inc.**

Name of issuer (please print)

Aaron Triplett, CFO, tel: 604-607-4000

Print name, title and telephone number of person signing

s/ "Aaron Triplett"

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