

A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada, other than Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

This preliminary short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or the securities laws of any state of the United States. Accordingly, these securities may not be offered or sold within the United States or to, or for the account or benefit of any, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act), except pursuant to transactions exempt from registration under the U.S. Securities Act and applicable state securities laws. This preliminary short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See “Plan of Distribution”.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this preliminary short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Distinct Infrastructure Group Inc. at 77 Belfield Road, Suite 102, Toronto, Ontario M9W 1G6, Attention: Chief Financial Officer (telephone: (416) 675-6485 ext. 306), and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM PROSPECTUS

New Issue

November 25, 2016



Distinct Infrastructure Group Inc.

\$10,000,001

7,407,408 Common Shares

This preliminary short form prospectus dated November 25, 2016 (the “**Prospectus**”) qualifies the distribution (the “**Offering**”) of 7,407,408 Common Shares (the “**Offered Shares**”) of Distinct Infrastructure Group Inc. (“**Distinct**” or the “**Corporation**”) at a price of \$1.35 per Offered Share (the “**Offering Price**”), which will be offered for sale pursuant to the terms of an underwriting agreement (the “**Underwriting Agreement**”) dated November 25, 2016 among Distinct, AltaCorp Capital Inc. (“**AltaCorp**”) and Canaccord Genuity Corp. as co-lead underwriters (the “**Lead Underwriters**”), and including Cormark Securities Inc., Haywood Securities Inc. and Mackie Research Capital Corporation (collectively, with the Lead Underwriters, the “**Underwriters**”).

The Corporation is a company existing under the *Business Corporations Act* (Alberta) (the “**ABCA**”). The currently issued and outstanding common shares of the Corporation (the “**Common Shares**”) are listed and posted for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “DUG”. The closing price of the Common Shares on the TSXV on November 18, 2016, the last trading day prior to the announcement of the Offering, was \$1.50. The closing price of the Common Shares on the TSXV on November 24, 2016, the last trading day prior to the date of this Prospectus, was \$1.45. The Corporation has applied to list the Offered Shares on the TSXV. Listing is subject to the Corporation fulfilling all of the listing requirements of the TSXV.

Price: \$1.35 per Common Share

	Price to Public ⁽¹⁾	Underwriters' Fee ⁽²⁾	Net Proceeds to the Corporation ⁽³⁾
Per Offered Share.....	\$1.35	\$0.0675	\$1.2825
Total ⁽⁴⁾	\$10,000,000.80	\$500,000.04	\$9,500,000.76

Notes:

- (1) The Offering Price was determined by negotiation between the Corporation and the Underwriters with reference to the prevailing market price of the Common Shares.
- (2) The Corporation has agreed to pay the Underwriters a cash fee (the “**Underwriters’ Fee**”) equal to 5.0% of the gross proceeds from the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option (as defined below)). See “Plan of Distribution”.
- (3) Before deducting the legal, accounting and administrative expenses of the Offering, including the listing fees, filing fees payable to the securities commissions and all reasonable expenses of the Underwriters incurred in the Offering, estimated to be \$600,000, which will be paid by the Corporation from the proceeds of the Offering. See “Use of Proceeds”.
- (4) The Underwriters have been granted an over-allotment option, exercisable, in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days from and including the Closing Date, to purchase up to an additional 1,111,111 Offered Shares (the “**Over-Allotment Shares**”) at the Offering Price to cover the Underwriters’ over-allocation position, if any, and for market stabilization purposes (the “**Over-Allotment Option**”). If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Underwriters’ Fee” and “Net Proceeds to the Corporation” will be \$11,500,000.65, \$575,000.03 and \$10,925,000.62 (before deducting legal, accounting and administrative expenses of the Offering) respectively. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Shares forming part of the Underwriters’ over-allocation position acquires those Over-Allotment Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.

The following table sets forth the number of securities that may be issued by the Corporation to the Underwriters pursuant to the Over-Allotment Option:

Underwriters’ Position	Maximum Number of Securities	Exercise Period	Exercise Price
Over-Allotment Option ⁽¹⁾	Option to purchase up to 1,111,111 Additional Common Shares	At any time up to 30 days after the Closing Date	\$1.35 per Common Share

Note:

- (1) This short form prospectus qualifies the grant of the Over-Allotment Option and the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option. See “Plan of Distribution”.

Unless the context otherwise requires, when used herein, all references to “Offered Shares” include the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option.

Investing in the Offered Shares is speculative and involves significant risks. You should carefully review and evaluate certain risk factors contained this Prospectus and in the documents incorporated by reference herein before purchasing the Offered Shares. See “Forward-Looking Information” and “Risk Factors”.

The Underwriters, as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Corporation and delivered to and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “*Plan of Distribution*” and subject to the approval of certain legal matters on behalf of the Corporation by DLA Piper (Canada) LLP and on behalf of the Underwriters by Gowling WLG (Canada) LLP. In connection with the Offering, and subject to applicable laws, the Underwriters may effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

Subscriptions will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about December 6, 2016, or such other date as may be agreed upon by the Corporation and the Underwriters, but in any event not later than 42 days after the date of the receipt of the (final) short form prospectus (the “**Closing Date**”).

It is anticipated that the Offered Shares will be delivered under the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and deposited in electronic form (other than those Offered Shares offered and sold in the United States (if any) to “accredited investors” as such term is defined in Rule 501(a) of Regulation D promulgated under the U.S. Securities Act (“**U.S. Accredited Investors**”), which will be issued in certificated, individually registered form). A purchaser of the Offered Shares (other than a purchaser that is a U.S. Accredited Investor purchasing pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act) will receive only a customer confirmation from the registered dealer from or through which such Offered Shares are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold such Offered Shares on behalf of owners who have purchased such Offered Shares in accordance with the book-based system. No certificates will be issued unless specifically requested or required, other than certificates

representing those Offered Shares offered and sold in the United States (if any) to U.S. Accredited Investors purchasing pursuant to Rule 506(b) of Regulation D under the U.S. Securities Act, which will be issued in certificated, individually registered form. See “*Plan of Distribution*”.

Prospective investors should rely only on the information contained or incorporated by reference in this Prospectus or to which we have referred you. Neither the Corporation nor the Underwriters have authorized any other person to provide prospective investors with any different or additional information other than the documents filed as “Marketing Materials” under the Corporation’s SEDAR profile at www.sedar.com. To the extent of any discrepancy between the information contained in the Marketing Materials and this Prospectus, prospective investors are advised that Marketing Materials do not provide full disclosure of all material facts relating to the securities offered. Prospective investors should read this Prospectus and any amendment for disclosure of those facts, especially risk factors relating to the Offered Shares, before making an investment decision. Neither the Corporation nor the Underwriters are making an offer to sell Offered Shares in any jurisdiction where such an offer or sale is prohibited. Readers should not assume that the information contained or incorporated by reference in this Prospectus is accurate as of any date other than the date on the front of this Prospectus or the respective dates of the documents incorporated by reference herein. The Corporation’s business, financial condition, results of operations and this Prospectus may have changed since each such respective date. The Corporation does not undertake to update the information contained or incorporated by reference herein, except as required by applicable securities laws.

The Corporation’s head office is located at 77 Belfield Road, Suite 102, Toronto, Ontario M9W 1G6. The Corporation’s registered office is located at 2300, 10180 - 101 Street, Edmonton, Alberta, T5J 1V3.

TABLE OF CONTENTS

ELIGIBILITY FOR INVESTMENT.....	5
DOCUMENTS INCORPORATED BY REFERENCE	5
CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION	6
CURRENCY PRESENTATION.....	7
MARKETING MATERIALS	7
BUSINESS OF THE CORPORATION	7
RECENT DEVELOPMENTS.....	8
DIVIDENDS ON COMMON SHARES.....	8
CONSOLIDATED CAPITALIZATION.....	8
USE OF PROCEEDS	9
PLAN OF DISTRIBUTION	9
DESCRIPTION OF COMMON SHARES DISTRIBUTED	11
PRIOR SALES.....	11
PRICE RANGE AND VOLUME OF TRADING OF COMMON SHARES.....	12
CANADIAN FEDERAL INCOME TAX CONSEQUENCES.....	12
RISK FACTORS.....	15
LEGAL PROCEEDINGS.....	20
INTEREST OF EXPERTS.....	20
AUDITOR, TRANSFER AGENTS AND REGISTRAR.....	20
PURCHASERS' STATUTORY RIGHTS.....	20
CERTIFICATE OF THE CORPORATION.....	21
CERTIFICATE OF THE UNDERWRITERS	22

ELIGIBILITY FOR INVESTMENT

In the opinion of DLA Piper (Canada) LLP, counsel to the Corporation, and Gowling WLG (Canada) LLP, counsel to the Underwriters, provided that the Offered Shares are listed on a “designated stock exchange” as defined in the *Income Tax Act* (Canada) (the “**Tax Act**”) (which currently includes Tier 1 and Tier 2 of the TSXV), the Offered Shares would, if issued on the date hereof, be qualified investments under the Tax Act and the regulations thereunder (the “**Regulations**”) for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (“**TFSAs**”) all as defined in the Tax Act (collectively, “**Plans**”).

Notwithstanding the foregoing, a holder of a TFSA or an annuitant under an RRSP or RRIF, as the case may be, will be subject to a penalty tax if the Offered Shares held in the TFSA, RRSP or RRIF are a “prohibited investment” under the Tax Act for the TFSA, RRSP or RRIF. The Offered Shares generally will not be a “prohibited investment” for a TFSA, RRSP or RRIF unless the holder of the TFSA or the annuitant under the RRSP or RRIF, as applicable, does not deal at arm’s length with the Corporation for the purposes of the Tax Act, or has a “significant interest” as defined in the Tax Act in the Corporation. Generally, a “significant interest” in the Corporation includes, but is not limited to, the direct or indirect ownership of 10% or more of any class of the issued shares of the capital stock of the Corporation or any corporation related to the Corporation within the meaning of the Tax Act. In addition, the Offered Shares will not be a “prohibited investment” if such shares constitute “excluded property” (as defined in the Tax Act for purposes of the “prohibited investment” rules). Prospective purchasers should consult their own tax advisors as to whether the Offered Shares will be a “prohibited investment” for their TFSA, RRSP or RRIF in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus incorporates by reference information from documents filed with securities commissions or other similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation at Suite 102, 77 Belfield Road, Toronto, Ontario M9W 1G6. These documents are also available through the Internet on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”), which can be accessed online under the profile of the Corporation at www.sedar.com.

The following documents, filed by the Corporation with the various securities commissions or similar authorities in the provinces of Canada, are specifically incorporated by reference into, and form an integral part of this Prospectus:

1. the unaudited consolidated interim financial statements of the Corporation for the interim financial period ended September 30, 2016, together with the notes thereto and management’s discussion and analysis for such financial statements;
2. the annual information form of the Corporation dated November 17, 2016 for the financial year ended December 31, 2015 (the “**AIF**”);
3. the audited financial statements of the Corporation, the notes thereto and the auditor’s report thereon for the financial year ended December 31, 2015, together with management’s discussion and analysis for such financial statements;
4. press release dated March 10, 2016 pertaining to the acquisition of all of the issued and outstanding securities in the capital of Mega Diesel Excavating Ltd.;
5. press release dated July 4, 2016 pertaining to the amendment of its acquisition line of credit from Crown Capital Fund IV LP;
6. press release dated September 2, 2016 pertaining to the consolidation of its issued and outstanding common shares on a 10 for 1 basis;
7. the management information circular dated July 26, 2016 for the Corporation’s annual general and special meeting of shareholders held on August 26, 2016;
8. the management information circular dated June 29, 2015 for the Corporation’s annual general and special meeting of shareholders held on August 12, 2015;

9. the indicative term sheet dated November 21, 2016 in connection with the Offering (the “**Marketing Materials**”); and
10. the material change report dated November 24, 2016 in respect of the Offering.

A reference herein to this Prospectus also means any and all documents incorporated by reference or deemed to be incorporated by reference in this Prospectus. Any document of the types referred to in the numbered paragraphs above, including any material change reports (excluding confidential material change reports), any business acquisition reports, the content of any news release disclosing financial information for a period more recent than the period for which financial statements are required and certain other disclosure documents as set forth in Item 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators that are filed by the Corporation with the securities commissions or similar regulatory authorities in Canada after the date of the Prospectus and prior to the termination of the Offering shall be deemed to be incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus, to the extent that a statement contained herein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and the documents incorporated or deemed to be incorporated by reference herein may contain “forward-looking information” within the meaning of applicable securities laws, which may include, but are not limited to, statements with respect to expenses related to the Offering, the Closing Date of the Offering, use of proceeds, business objectives and milestones, anticipated commencement dates, the Corporation’s liquidity and capital resources, general economic conditions, future oriented costs, expenditures and other financial or operating performances. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “may”, “could”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes”, “guidance” or variations of such words and phrases or words and phrases that state or indicate that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved.

While the Corporation has based this forward-looking information on its expectations about future events as at the date that such information was prepared, the information is not a guarantee of the Corporation’s future performance and is subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking information. Such factors include, amongst others, a downturn in general economic conditions; the uncertainty of government regulation and politics in Canada; potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges; other factors beyond the Corporation’s control. Also, other important factors that could cause actual results to differ materially from the Corporation’s expectations include the inability of the Corporation to secure additional financing, competition, reduction in demand for products, interest rates, operating hazards, income tax matters, credit facilities, reliance on key personnel and environmental matters.

This forward-looking information also reflects management’s current views and is based on certain assumptions. These assumptions, which include, management’s current expectations, estimates and assumptions about certain projects and the markets in which the Corporation operates, the global economic environment, interest rates, exchange rates, and the Corporation’s business strategy, plans, outlook, long-term growth in cash flow, earnings per share and shareholder value, projections, targets and expectations employees and operating costs, may prove to be incorrect. Please refer to the heading “*Risk Factors*” and to the AIF for a discussion of these and other factors underlying forward-looking statements. In light of these factors, the forward-looking events discussed in this Prospectus might not occur. Further, although the Corporation has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Subject to applicable securities laws, the Corporation undertakes no obligation to publicly update, reissue or revise any forward-looking information, whether as a result of new information, future events or otherwise. As

there can be no assurance that forward- looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information, readers should not place undue reliance on forward-looking information. All forward-looking information in this Prospectus and the information incorporated by reference herein are qualified by this cautionary statement.

CURRENCY PRESENTATION

Unless otherwise indicated, all dollar amounts in this Prospectus are in Canadian dollars (\$).

MARKETING MATERIALS

The Marketing Materials do not form part of this Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus. Any template version of “marketing materials” (as defined in National Instrument 41-101 — General Prospectus Requirements) filed after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated in this Prospectus.

BUSINESS OF THE CORPORATION

Name, Address and Incorporation

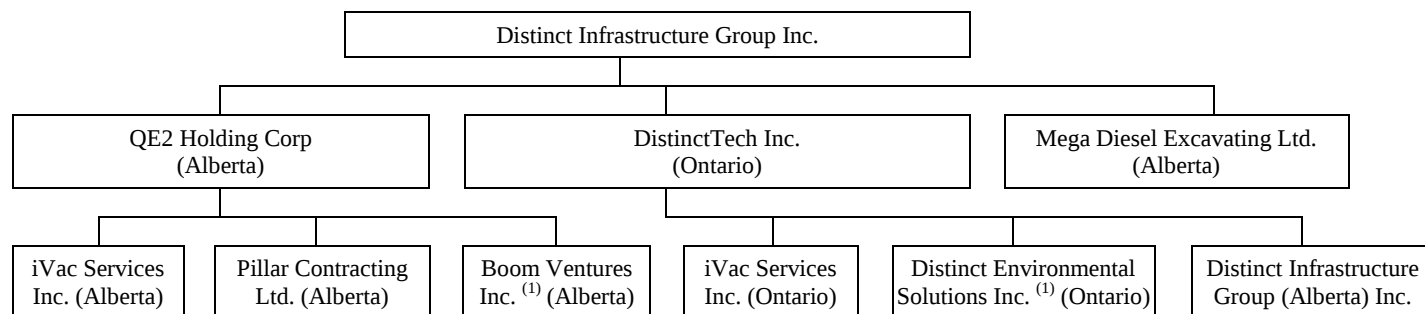
Distinct was incorporated on September 19, 2012 pursuant to the *Business Corporations Act* (Alberta) under the name “Crownsnest Oilfield Services Corp.”. On October 12, 2012, Distinct amended its articles to change its name to “Crownsnest Acquisition Corp.” and on October 25, 2012, Distinct amended its articles to remove restrictions on share transfers. On October 21, 2014, Distinct amended its articles to change its name to “QE2 Acquisition Corp.” and to change its registered office to 1600, 333 – 7th Avenue S.W., Calgary, Alberta T2P 2Z1. On August 13, 2015, the Corporation changed its name to “Distinct Infrastructure Group Inc.”

General

Distinct is a utility and telecom infrastructure contractor with capabilities in design, engineering, construction, service and maintenance, and materials management. The Corporation’s goal is to be the premier infrastructure provider for Canadian utilities, municipal and provincial governments. Distinct’s clients currently consist of blue-chip telecommunications and utility infrastructure companies throughout Ontario, Alberta and Saskatchewan, including Bell Canada and Rogers Communications, among others.

Intercompany Relationships

Distinct conducted its business principally through the following subsidiary companies, all of which are wholly owned by Distinct:



(1) Inactive company

Further information regarding the business of Distinct can be found in the Corporation’s AIF, under the headings “*General Development of the Business*” and “*Description of the Business*”, which is incorporated by reference into this Prospectus. See “*Documents Incorporated by Reference*”.

RECENT DEVELOPMENTS

On March 10, 2016, the Corporation acquired Mega Diesel Excavating Ltd. (“**Mega Diesel**”). Pursuant to the terms of a share purchase agreement, the Corporation acquired all of the issued and outstanding securities of Mega from two arm's length parties for an aggregate purchase price of \$2,623,307 of which \$2,121,840 was paid on closing and the balance of \$501,467 is payable on July 10, 2017.

On June 30, 2016, the Corporation and Crown Capital Fund IV LP (“**Crown**”) entered into an amending agreement (the “**Amending Agreement**”) pursuant to which adjustments were made to certain financial covenants and the interest rate of a \$20,000,000 acquisition line of credit issued to the Corporation under a loan agreement dated November 25, 2015. The interest rate was adjusted such that it will range between 10% to 12%. In consideration for the amendments, the Corporation issued an aggregate of 2 million common shares at a price of \$0.125 per share (on a pre-consolidated basis) to Crown.

On September 2, 2016, the Corporation consolidated its issued and outstanding Common Shares on a 10 for 1 basis.

DIVIDENDS ON COMMON SHARES

The Corporation has not declared or paid any dividends since incorporation and has no present intention to declare or pay any dividends in the foreseeable future. Any decision to declare or pay dividends on the Common Shares will be made by the Corporation's board of directors based upon the Corporation's earnings, financial requirements and other conditions existing at such future time.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at September 30, 2016 and the pro forma consolidated capitalization of the Corporation as at September 30, 2016 after giving effect to the Offering and the exercise of the Over-Allotment Option. The table should be read in conjunction with the financial statements and notes thereto incorporated by reference into this Prospectus. There have been no material changes in the Corporation's consolidated share or loan capital since September 30, 2016, the end of the Corporation's most recent quarter in respect of which the Corporation has filed interim financial statements. Since September 30, 2016, the Corporation has not issued any Common Shares or securities convertible into Common Shares.

	As at September 30, 2016 before giving effect to the Offering	As at September 30, 2016 after giving effect to the Offering ⁽¹⁾	As at September 30, 2016 after giving effect to the Offering, assuming the exercise of the Over- Allotment Option ⁽²⁾
Common Shares	26,776,786	34,184,194	35,295,305
Share Capital	\$10,319,050	\$19,219,051	\$20,663,495
Warrants	3,603,476 ⁽³⁾	3,603,476 ⁽³⁾	3,603,476 ⁽³⁾
Options	1,060,000 ⁽⁴⁾	1,060,000 ⁽⁴⁾	1,060,000 ⁽⁴⁾

Notes:

- (1) Assuming the completion of the Offering and after deducting the Underwriters' Fee and the expenses of the Offering (estimated to be \$600,000) and assuming no exercise of the Over-Allotment Option.
- (2) Assuming completion of the Offering and the exercise of the Over-Allotment Option in full and after deducting the Underwriters' Fee and the expenses of the Offering (estimated to be \$600,000).
- (3) The Warrants have an average exercise price of \$2.10.
- (4) The Options have an average exercise price of \$1.85.
- (5) The Corporation has the following credit facilities and long term debt as of September 30, 2016: (a) a demand revolving operating loan with the Royal Bank of Canada (the “**Royal Bank Facility**”) with a maximum available credit of \$8,500,000. The operating loan is due on demand, bears interest at Royal Bank's prime lending rate plus 2% per annum and is secured by a general security agreement, an assignment, and guarantee postponement of claim in the amount of \$750,000 by two directors. As of the date hereof, the Corporation is in compliance with all covenants under the Royal Bank Facility; (b) a demand operating loan with Alberta Treasury Branch (the “**ATB Facility**”). The ATB Facility was repaid in full on November 23, 2016; and (c) a credit agreement with Crown Capital Fund IV, LP for a \$20,000,000 loan (the “**Crown Loan**”). The Crown Loan bears interest at a fixed interest rate of 10% per annum payable monthly in arrears, maturing on November 25, 2020. Additional details regarding the Crown Loan can be found in note 8 to the Corporation's interim financial statements for the nine months period ended September 30, 2016. On June 30, 2016, the

Corporation amended the financial covenants in connection with the Crown Loan. The debt service coverage (DSCR) has been waived through December 31, 2017. In addition, the net debt to EBITDA (earnings before interest, tax, depreciation and amortization) ratio has been adjusted. Beginning September 30, 2016 through to March 30, 2018, the ratio applicable shall be 4.00:1.0; for the period March 31, 2018 to June 30, 2018, the ratio shall be 3.50:1.0; and July 1, 2018 and thereafter shall revert to 3.00:1.0. The rate of interest for the period of September 30, 2016 to July 1, 2018 was adjusted and will range between 10%-12%, based on a sliding scale. The Corporation is in compliance with all covenants under the Crown Loan as of the date hereof.

USE OF PROCEEDS

The estimated net proceeds of the Offering, after deducting the Underwriters' Fee and the estimated expenses of the Offering, will be \$8,900,000.76, and \$10,325,000.87 in the event the Over-Allotment Option is exercised in full. The net proceeds of the Offering are currently intended to be used for the financing of the continued growth of the Corporation's core business and general corporate purposes.

The Corporation intends to use approximately all of the net proceeds to continue to grow its core business through the addition of personnel and equipment in order to meet the growing demand for its services from its customers in eastern and western Canada.

Any additional net proceeds resulting from an exercise of the Over-Allotment Option in full, will be used for general working capital purposes and potential strategic partnerships which may arise. In the ordinary course, the Corporation is involved in discussions with various strategic partners and needs to be able to execute and rapidly deploy capital when these opportunities present themselves.

Until utilized, the net Offering proceeds will be held as cash balances in the Corporation's bank account or invested at the discretion of the board of directors.

The Corporation had negative operating cash flow of \$9,966,010 in the nine month period ended September 30, 2016. To the extent that Distinct continues to have negative cash flow in future periods, it may need to deploy a portion of its unallocated working capital to fund such negative cash flow.

While the Corporation currently anticipates that it will use the net proceeds of the Offering as set forth above, the Corporation may re-allocate the use of proceeds from time to time, having consideration to its strategy relative to the market, development and changes in the industry and regulatory landscape, as well as other conditions relevant at the applicable time. See "*Risk Factors – The Corporation has Discretion in the Use of the Net Proceeds from this Offering*".

PLAN OF DISTRIBUTION

Pursuant to the terms and conditions of the Underwriting Agreement, the Corporation has agreed to issue and sell, and the Underwriters have agreed to purchase on the Closing Date, subject to compliance with all necessary legal requirements and to the terms and conditions contained in the Underwriting Agreement, an aggregate of 7,407,408 Offered Shares at a purchase price of \$1.35 per Offered Share, payable in cash to the Corporation against delivery of such Offered Shares, for gross proceeds to the Corporation of \$10,000,001. The obligations of the Underwriters under the Underwriting Agreement are conditional and may be terminated at their discretion upon the occurrence of certain stated events, including in the event that: (a) there shall occur or come into effect any material change in the business, affairs or financial prospects of the Corporation or its subsidiaries, taken as a whole, or any change in any material fact, or there should be discovered any previously undisclosed material fact which, in each case, in the reasonable opinion of the Lead Underwriters, has or could reasonably be expected to have a significant effect on the market price or value of the Offered Shares; (b) there should develop, occur or come into effect or exist any event, action, state, condition (including without limitation, terrorism or accident) or major financial, political or economic occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Lead Underwriters, materially adversely affects or involves or may materially adversely affect or involve the financial markets or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole; (c) there shall be (i) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Corporation or any one of the officers or directors of the Corporation where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the Exchange or Securities Commissions which involves a finding of wrong-doing which, in the reasonable opinion of the Underwriters or any one of them, the inquiry, action, suit, proceeding, investigation or order seriously adversely affects, or may seriously adversely affect, the trading or distribution of the Offered Shares or any other securities of the Corporation; or (ii) any order, action or proceeding which ceases trades or otherwise operates to prevent or restrict the trading of the Common Shares or any other securities of the Corporation is made

or threatened by a securities regulatory authority; (d) the Corporation is in breach of any material term, condition or covenant of the Underwriting Agreement or any material representation or warranty given by the Corporation in the Underwriting Agreement becomes or is false; or (e) a receipt for a final prospectus has not been issued by the Alberta Securities Commission by 5:00 p.m. (Toronto time), on December 9, 2016. The Underwriters, however, are obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement. The terms of the Offering, including the Offering Price, were determined by arm's length negotiation between the Corporation and the Lead Underwriters, on behalf of the Underwriters.

The Corporation has granted the Underwriters the Over-Allotment Option, exercisable in whole or in part at any time, and from time to time, up to 30 days after the Closing of the Offering, to purchase up to 1,111,111 additional Common Shares, representing 15% of the number of Offered Shares sold under the Offering, on the same terms and conditions as set forth above solely to cover over-allocations, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public will be approximately \$11,500,000, the total Underwriters' Fee will be approximately \$575,000 and net proceeds to the Corporation (before deducting legal, accounting and administrative expenses of the Offering) will be approximately \$10,925,000. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Common Shares issuable upon the exercise of the Over-Allotment Option. A purchaser who acquires Common Shares forming part of the Underwriters' over-allotment position acquires those Common Shares under this Prospectus, regardless of whether the Underwriters' over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Pursuant to the Underwriting Agreement, the Corporation has agreed to pay to the Underwriters a fee equal to 5% of the gross proceeds from the issue and sale of the Offered Shares (including for certainty any Common Shares issued upon the exercise of the Over-Allotment Option), which fee will be payable in full on the Closing Date. The Corporation has also agreed to reimburse the Underwriters for their legal fees and certain other expenses in connection with the Offering.

The Underwriters reserve the right to offer selling group participation, in the normal course of the brokerage business, to selling groups of other licensed broker-dealers, brokers or investment dealers, who may or may not be offered part of the Underwriters' Fee.

Subject to certain exceptions, the Corporation, and each of the directors and senior officers of the Corporation, and shareholders holding more than 10% of the Common Shares of the Corporation, on a fully diluted basis, have agreed to enter into an agreement on the Closing Date pursuant to which they will agree not to, without the prior written consent of the Underwriters (not to be unreasonably withheld), directly or indirectly, offer, issue, sell, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or equity securities of the Corporation or securities convertible into, exchangeable for, or otherwise exercisable to acquire Common Shares or equity securities of the Corporation for a period of 90 days after the Closing Date, except, as applicable in the case of the Corporation or the applicable person, in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Corporation and other share compensation arrangements; (ii) the exercise of outstanding warrants; (iii) obligations of the Corporation in respect of existing agreements; (iv) the issuance of securities by the Corporation in connection with acquisitions in the normal course of business; or (vi) in the case of a person other than the Corporation, in order to accept a bona fide take-over bid made to all securityholders of the Corporation or similar business combination transaction.

Under the Underwriting Agreement, the Corporation has agreed to indemnify and hold harmless the Underwriters and their respective directors, officers, employees, shareholders, partners, advisors and agents against certain liabilities, including civil liabilities under Canadian securities legislation, and to contribute to payments the Underwriters may be required to make in respect thereof.

The Corporation has applied to list the Common Shares on the TSXV. Listing is subject to the Corporation fulfilling all of the listing requirements of the TSXV.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States, or to, or for the account or benefit of, a U.S. person (as defined in Regulation S of the U.S. Securities Act). Accordingly, the Offered Shares may not be offered, sold or delivered within the United States, and each Agent has agreed that it will not offer, sell or deliver the Offered Shares within the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. In addition, until 40 days after the closing of the Offering, any offer or sale of the Offered Shares offered hereby within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S.

Securities Act and applicable state securities laws.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy the Offered Shares in the United States or to, or for the account or benefit of, U.S. persons.

Pursuant to policy statements of certain securities regulators, the Underwriters may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for their own accounts or for accounts over which they exercise control or direction. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. These exceptions include bids or purchases permitted under Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities and bids or purchases made for and on behalf of a customer where the order was not solicited during the period of distribution. Under the first mentioned exception, in connection with this Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Those transactions, if commenced, may be interrupted or discontinued at any time.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of preventing or mitigating a decline in the market price of the Common Shares, and may cause the price of the Offered Shares to be higher than would otherwise exist in the open market absent such stabilizing activities. As a result, the price of the Offered Shares may be higher than the price that might otherwise exist in the open market.

The Underwriters propose to offer the Offered Shares initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Shares offered under this Prospectus at the Offering Price, the Offering Price may be decreased, and further changed from time to time, by the Underwriters to an amount not greater than the Offering Price and, in such case, the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to the Corporation.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. Other than pursuant to certain exceptions, the Offering will be effected only through the book-based system administered by CDS or its nominee and the Offered Shares will be deposited with CDS on the Closing Date. A purchaser of Offered Shares will receive only a customer confirmation from the Underwriters or other registered dealer who is a CDS participant through which the Offered Shares are purchased. Offered Shares must be purchased or transferred through a CDS participant and all rights of holders of Offered Shares must be exercised through, and all payments or other property to which such holder is entitled will be made or delivered by, CDS or the CDS participant through which the holder of Offered Shares holds such Offered Shares. Beneficial owners of Common Shares will not, except in certain limited circumstances, be entitled to receive physical certificates evidencing their ownership of Common Shares.

The Closing Date is expected to take place on or about December 9, 2016.

DESCRIPTION OF COMMON SHARES DISTRIBUTED

The authorized capital of the Corporation consists of an unlimited number of Common Shares. Holders of Common Shares are entitled to receive: (a) notice of and to attend and vote at all meetings of the Corporation's shareholders and each Common Share has the right to one vote in person or by proxy at all meetings of the Corporation's shareholders; (b) dividends if, as and when declared by the board of directors, and in the amount per Common Share as determined by the board of directors at the time of declaration; and (c) return of capital and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs. As at November 25, 2016, 26,776,786 Common Shares were issued and outstanding.

There are currently no other series or class of shares which rank senior in priority to or *pari passu* with the Common Shares.

PRIOR SALES

The following table sets forth the details regarding all issuances of Common Shares and stock options for the 12-month period prior to the date of this Prospectus.

Date of Issuance	Security Issued	Price per Security	Number of Securities Issued
March 4, 2016	Options	\$0.135 ⁽¹⁾⁽²⁾	1,000,000 ⁽²⁾
	Options	\$0.15 ⁽¹⁾⁽²⁾	500,000 ⁽²⁾
	Options	\$0.17 ⁽¹⁾⁽²⁾	500,000 ⁽²⁾
March 10, 2016	Options	\$0.20 ⁽¹⁾⁽²⁾	350,000 ⁽²⁾
July 6, 2016	Common Shares	\$0.125 ⁽²⁾	2,000,000 ⁽²⁾⁽³⁾
July 20, 2016	Common Shares	\$0.10 ⁽²⁾	2,500,000 ⁽²⁾⁽⁴⁾
October 1, 2016	Options	\$1.40 ⁽¹⁾⁽⁵⁾	100,000 ⁽⁵⁾
	Options	\$1.60 ⁽¹⁾⁽⁵⁾	100,000 ⁽⁵⁾

Notes:

- (1) This represents the exercise price of the stock options.
(2) On a pre-consolidated basis.
(3) Common Shares were issued pursuant to the Amending Agreement between the Corporation and Crown.
(4) Common Shares were issued pursuant to the exercise of certain previously issued broker warrants.
(5) On a post-consolidated basis.

PRICE RANGE AND VOLUME OF TRADING OF COMMON SHARES

The Common Shares are listed and posted for trading on the TSXV under the symbol “DUG”. The following table shows the monthly range of high and low prices per Common Share and total monthly volumes traded on the TSXV for the 12-month period prior to the date of this Prospectus.

Month	(\$) ¹ High	(\$) ¹ Low	Total Volume
November 2015	0.10	0.08	4,969,622
December 2015	0.10	0.08	2,120,865
January 2016	0.10	0.08	1,559,600
February 2016	0.11	.08	8,231,199
March 2016	0.145	0.11	8,645,784
April 2016	0.145	0.115	8,325,520
May 2016	0.145	0.11	12,511,122
June 2016	0.145	0.11	4,962,151
July 2016	0.135	0.11	8,300,598
August 2016	0.13	0.105	9,088,375
September 1 to September 2 2016	0.115	0.105	749,900
September 3 to September 30, 2016 ⁽¹⁾	1.25	0.93	873,910
October 2016	1.28	1.09	801,441
November 1 to November 24, 2016	1.65	1.15	2,247,990

Note:

- (1) The Corporation consolidated its Common Shares on a 10 for 1 basis on September 2, 2016.

CANADIAN FEDERAL INCOME TAX CONSEQUENCES

In the opinion of DLA Piper (Canada) LLP, counsel to the Corporation, and Gowling WLG (Canada) LLP, counsel to the Underwriters, the following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to the acquisition, holding and disposition of Common Shares by a purchaser who acquires as a beneficial owner Offered Shares pursuant to this Prospectus. This summary is applicable to a holder (a “**Holder**”) who, for purposes of the Tax Act and the Regulations at all relevant times, holds the Common Shares as capital property, and deals at arm’s length and is not affiliated with the Corporation or the Underwriters or a subsequent purchaser of the Offered Shares. The Offered Shares will generally be considered capital property to a Holder unless either the Holder holds such Offered Shares in the course of carrying on a business or the Holder has acquired the Offered Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder: (i) that is a “specified financial institution” as defined in subsection 248(1) of the Tax Act; (ii) that is, for purposes of certain rules (referred to as the mark-to-market rules), a “financial institution”, as defined in subsection 142.2(1) of the Tax Act; (iii) an interest in which constitutes a “tax shelter investment” within the meaning of the Tax Act; or (iv) to whom the “functional reporting” rules in the Tax Act apply, (v) who would receive dividends on the Common Shares under or as part of a “dividend rental arrangement” within the meaning of the Tax Act; or (vi) that is a corporation resident in Canada that is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Common Shares, controlled by a non-resident corporation for the purposes of the foreign

affiliate dumping rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors. This summary does not address the deductibility of interest by a Holder who borrows money to acquire Offered Shares.

This summary is based on the current provisions of the Tax Act, the Regulations, all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposals**”) and counsel’s understanding of the current administrative and assessing practices and policies of the Canada Revenue Agency (“**CRA**”) published in writing prior to the date hereof. No assurance can be given that the Proposals will be enacted as proposed, if at all. This summary does not take into account or anticipate any other changes in law, whether by legislative, regulatory, administrative or judicial decision or action or changes in the administrative or assessing practices of the CRA, is not exhaustive of all Canadian federal income tax considerations and does not take into account other federal tax considerations or provincial, territorial or foreign income tax legislation or considerations which considerations may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is of a general nature only and is not, and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations applicable to a Holder acquiring Common Shares pursuant to the Offering. Prospective Holders should consult their own tax advisors with respect to the income tax consequences of investing in Common Shares based on the Holder’s particular circumstances.

Residents Of Canada

The following section of this summary applies to Holders who, for the purposes of the Tax Act and any applicable income tax treaty or convention, are or are deemed to be resident in Canada at all relevant times (“**Canadian Holders**”). Certain Canadian Holders who might not otherwise be considered to hold the Common Shares as capital property may, in certain circumstances be entitled to have such Common Shares and all other “Canadian securities” as defined in the Tax Act owned by them in the year in which the election is made and all subsequent taxation years treated as capital property by making an irrevocable election under subsection 39(4) of the Tax Act. Canadian Holders contemplating such an election should consult their own advisors.

Dividends

Dividends received or deemed to be received by a Canadian Holder on the Common Shares will be included in computing the Canadian Holder’s income for purposes of the Tax Act. The gross-up and dividend tax credit rules normally applicable to taxable dividends paid by taxable Canadian corporations will apply to dividends received by an individual (and certain trusts), including the enhanced gross-up and dividend tax credit provisions where the Corporation provides notice to the recipient designating the dividend as an “eligible dividend”. Dividends received by a corporation will normally be deductible in computing its taxable income, subject to certain restrictions under the Tax Act.

Canadian Holders that are “private corporations” or “subject corporations for purposes of the Tax Act may be liable to pay a refundable tax under Part IV of the Tax Act at a rate of 38½% on dividends received or deemed to be received on the Common Shares to the extent that such dividends are deductible in computing the corporation’s taxable income. Canadian Holders to whom these rules may be relevant should consult their own tax advisors.

Alternative Minimum Tax

Capital gains realized and dividends received by a Canadian Holder that is an individual or a trust, other than certain specified trusts, may give rise to alternative minimum tax under the Tax Act.

Dispositions of Common Shares

A Canadian Holder who disposes of or is deemed to dispose of Common Shares generally will realize a capital gain (or a capital loss) equal to the amount by which the Canadian Holder’s proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by) the aggregate of the adjusted cost base of such Common Shares to the Canadian Holder immediately before the disposition. The adjusted cost base to a Canadian Holder of a Common Share acquired pursuant to this Offering will be determined by averaging the adjusted cost base of all other Common Shares (if any) held by the Canadian Holder as capital property immediately before that time.

The tax treatment of capital gains and losses is discussed in greater detail below under the subheading “Taxation of Capital Gains and Capital Losses”.

Taxation of Capital Gains and Capital Losses

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Canadian Holder must be included in income for the taxation year of disposition and one-half of any capital loss (an “**allowable capital loss**”) realized must generally be deducted by the Canadian Holder against any taxable capital gains realized in the same taxation year. Any excess of allowable capital losses over taxable capital gains for the taxation year of disposition is generally deductible against net taxable capital gains realized in any of the three prior taxation years or in any subsequent taxation year in the circumstances and to the extent described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Canadian Holder that is a corporation may be reduced by the amount of dividends received or deemed to be received by the Canadian Holder on such Common Share or a share substituted for such share in the circumstances and to the extent prescribed by the Tax Act. Similar rules may apply where a corporation is, directly or through a trust or partnership, a member of a partnership or a beneficiary of a trust which owns Common Shares.

A Canadian Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be subject to an additional refundable tax of 10⅓% in respect of its “aggregate investment income” (which is defined in the Tax Act to include an amount in respect of taxable capital gains).

Non-Residents Of Canada

The following section of this summary is generally applicable to holders of Common Shares who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times: (i) are not and will not be deemed to be resident in Canada at any time while they hold the Common Shares; and (ii) do not use or hold the Common Shares in carrying on a business in Canada (“**Non-Resident Holders**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere. Such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Common Shares will generally be subject to Canadian withholding tax at the rate of 25%, subject to reduction under the provisions of an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident. Non-Resident Holders should consult their own tax advisors to determine their entitlement to relief under an applicable tax treaty or convention.

Dispositions of Common Shares

Generally, a Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of Common Shares unless the Common Shares constitute, or are deemed to constitute, “taxable Canadian property” to the Non-Resident Holder for purposes of the Tax Act and the gain is not exempt from tax pursuant to the terms of an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

As long as the Common Shares are listed on a designated stock exchange (which currently includes Tiers 1 and 2 of the TSXV), at the time of disposition, the Common Shares generally will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60-month period immediately preceding the disposition or deemed disposition of the Common Shares, the following two conditions have been met concurrently: (i) (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm’s length, (c) partnerships in which the Non-Resident Holder or persons described in (b) hold a membership interest directly or indirectly through one or more partnerships, or (d) the Non-Resident Holder together with such persons, owned 25% or more of the issued shares of any class of the capital stock of the Corporation and (ii) more than 50% of the fair market value of the shares of the Corporation was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, “Canadian resource properties” (as defined in the Tax Act), “timber resource properties” (as defined in the Tax Act) or an option in respect of, an interest in, or for civil law or a right in, any such property, whether or not such property exists; or the Common Shares are otherwise deemed under the Tax Act to be taxable Canadian property of a Non-Resident Holder.

If the Common Shares are, or are deemed to be, taxable Canadian property to a Non-Resident Holder (and are not “treaty protected property” as defined in the Tax Act) any capital gain or losses realized on the disposition or deemed disposition of

such Common Shares will generally be computed in the manner described above under the heading “Taxation of Capital Gains and Capital Losses”

There may be additional considerations not described above in respect of a disposition of Common Shares by a Non-Resident Holder to the Corporation. Non-Resident Holders whose Common Shares may constitute taxable Canadian property should consult their own advisors

RISK FACTORS

Before making an investment decision, prospective purchasers of Offered Shares should carefully consider the information described in this Prospectus and the documents incorporated by reference herein. There are certain risks inherent in an investment in the Common Shares, including the following factors, which investors should carefully consider before investing. Some of the following factors are interrelated and, consequently, investors should treat such risk factors as a whole. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Prospectus. These risks and uncertainties, and the risks and uncertainties set forth in the documents incorporated by reference, are not the only ones that could affect the Corporation and additional risks and uncertainties not currently known to the Corporation, or that it currently deems immaterial, may also impair the returns, financial condition and results of operations of the Corporation. If any of the following risks, the risks stated in the documents incorporated by reference or other risks occur, the Corporation’s business, prospects, financial condition, results of operations and cash flows and the trading price of the Common Shares could be materially adversely impacted. There is no assurance that any risk management steps taken will avoid future loss due to the occurrence of the risks described below and in the documents incorporated by reference or other unforeseen risks.

Risks Related to the Offering

The Corporation Has Discretion in the Use of the Net Proceeds from this Offering

Management will have discretion concerning the use of proceeds of the Offering as well as the timing of their expenditures. As a result, investors will be relying on the judgment of management as to the application of the proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and effectiveness of the application of the proceeds are uncertain. If the proceeds of the Offering are not applied effectively, the Corporation’s results of operations may suffer.

Sale of Substantial Amounts of the Common Shares May Have an Adverse Effect on the Market Price of the Common Shares

Sales of substantial amounts of the Common Shares, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Common Shares. A decline in the market prices of the Common Shares could impair the Corporation’s ability to raise additional capital through the sale of securities should it desire to do so.

Additional Financing

Even if its financial resources upon completion of the Offering are sufficient to fund its current operations, there is no guarantee that the Corporation will be able to achieve its business objectives. The continued development of the Corporation may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Corporation going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Corporation. If additional funds are raised through further issuances of equity or convertible debt securities, including the Offering, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. In addition, from time to time, the Corporation may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase the Corporation’s debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Corporation to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Loss of Entire Investment

An investment in the Offered Shares is speculative and may result in the loss of an investor’s entire investment. Only potential

investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Corporation.

Future Sales of Common Shares by the Corporation

The Corporation may issue additional Common Shares in the future, which will result in the then existing holders of Common Shares sustaining dilution to their relative proportion of the equity of the Corporation. The Corporation's articles permit the issuance of an unlimited number of Common Shares and shareholders will have no pre-emptive rights in connection with such further issuances. Also, additional Common Shares may be issued by the Corporation on the exercise of stock options and upon the exercise of previously issued share purchase warrants. The issuance of these additional equity Common Shares may have a similar dilutive effect on then existing holders of Common Shares.

The Market Price for the Common Shares Cannot be Assured

Securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Common Shares after the Offering, and the market price of the Common Shares may decline below the Offering Price.

Risks Related to the Corporation

The Corporation Operates in a Highly Competitive Industry

The Corporation operates businesses in highly competitive product and geographic markets in Canada. The Corporation competes with other major contractors, as well as many mid-size and smaller companies, across a range of industry segments. In addition, an increase in the number of international companies entering into the Canadian marketplace has also made the market more competitive. Each has its own advantages and disadvantages relative to the Corporation. New contract awards and contract margin are dependent on the level of competition and the general state of the markets in which the Corporation operates. Fluctuations in demand in the telecom industry in which the Corporation operates may impact the degree of competition for work. Competitive position is based on a multitude of factors including pricing, ability to obtain adequate bonding, backlog, financial strength, appetite for risk, reputation for safety, quality, timeliness and experience. The Corporation has little control over and cannot otherwise affect these competitive factors. If the Corporation is unable to effectively respond to these competitive factors, results of operations and financial condition will be adversely impacted. In addition, a prolonged economic slump or slower than anticipated recovery may affect one or more of the Corporation's competitors or the markets in which it operates, resulting in increased competition in certain market segments, price or margin reductions or decreased demand for services, which may adversely affect results.

The Corporation Depends on a Limited Number of Customers

The Corporation's revenue historically has come from a small number of customers. The Corporation's three largest customers accounted for approximately 98% of our revenue in fiscal 2015. The largest customer in fiscal 2015 accounted for approximately 56% of the Corporation's revenue. A customer may stop buying services or significantly reduce its orders for services based on a number of reasons, including the use of a competitor, a delay in scheduled work, or a change in technology. If this happens, the Corporation's revenue could be reduced, which would materially and adversely affect the Corporation's business, including but not limited to exposing the business to excess capacity.

Labour Factors

A significant portion of the Corporation's labour force is unionized and accordingly, the Corporation is subject to the detrimental effects of a strike or other labour action, in addition to competitive cost factors.

The Corporation's future prospects depend to a significant extent on its ability to attract sufficient skilled workers. The construction industry is faced with an increasing shortage of skilled labourers in some areas and disciplines. The resulting competition for labour may limit the ability of the Corporation to take advantage of opportunities otherwise available or alternatively may impact the profitability of such endeavours on a going forward basis. The Corporation believes that its union status, size and industry reputation will help mitigate this risk but there can be no assurance that the Corporation will be successful in identifying, recruiting or retaining a sufficient number of skilled workers.

Subcontractor Performance

The profitable completion of some contracts depends to a large degree on the satisfactory performance of the subcontractors as well as design and engineering consultants who complete different elements of the work. If these subcontractors do not perform to accepted standards, the Corporation may be required to hire different subcontractors to complete the tasks, which may impact schedule, add costs to a contract, impact profitability on a specific job and, in certain circumstances, lead to significant losses. A major subcontractor default or failure to properly manage subcontractor performance could materially impact results.

Litigation Risk and Claims Risk

Disputes are common in the construction industry and as such, in the normal course of business, the Corporation is involved in various legal actions and proceedings which arise from time to time, some of which may be substantial. In view of the quantum of the amounts claimed and the insurance coverage maintained by the Corporation in respect of these matters, management of the Corporation does not believe that any of the legal actions or proceedings that are presently known or anticipated by the Corporation are likely to have a material impact on the Corporation's financial position. However, there is no assurance that the Corporation's insurance arrangements will be sufficient to cover any particular claim or claims that may arise in the future. Furthermore, the Corporation is subject to the risk of claims and legal actions for various commercial and contractual matters, primarily arising from construction disputes, in respect of which insurance is not available. Although as of the date hereof, the Corporation has not seen a material claim, there can be no guarantee that one of the by-products of weak economic conditions will not be a rise in litigation which, depending on the nature of the litigation, could impact the Corporation's results.

Financing Risk

The Corporation's business strategy involves the selective growth of its operations through internal growth and acquisitions. The Corporation's operations require substantial working capital during their peak busy periods. The Corporation relies on its cash position and the availability of credit and capital markets to meet these working capital demands. As its business grows, the Corporation is continually seeking to enhance its access to funding in order to finance the higher working capital associated with this growth. However, given the expected demand for infrastructure services over the next several years and the size of many of these projects, the Corporation may be constrained in its ability to capitalize on growth opportunities to the extent that financing is either insufficient or unavailable. Further, instability or disruption of capital markets, or a weakening of the Corporation's cash position could restrict its access to, or increase the cost of obtaining financing. The Corporation cannot guarantee that it will maintain an adequate cash flow to fund its operations and meet its liquidity needs. Additionally, if the terms of the credit facility are not met lenders may terminate the Corporation's right to use its credit facility, or demand repayment of whole or part of all outstanding indebtedness, which could have a material adverse effect on the Corporation's financial position.

Some of the Corporation's clients also depend on the availability of credit to finance their projects. If clients cannot arrange financing, projects may be delayed or cancelled, which could have a material adverse effect on the Corporation's growth and financial position. Diminution of a client's access to credit may also affect the Corporation's ability to collect payments, negotiate change orders, and settle claims with clients which could have a material adverse effect on the Corporation's financial position.

Insurance Risk

The Corporation maintains insurance in order to both satisfy the requirements of its various contracts as well as a corporate risk management strategy. Insurance products from time to time experience market fluctuations that can impact pricing and availability. Therefore, senior management, through the Corporation's insurance broker, monitors developments in the insurance markets to ensure that the Corporation's insurance needs are met. Insurance risk entails inherent unpredictability that can arise from assuming long-term policy liabilities or from uncertainty of future events. Although the Corporation has been able to meet its insurance needs, there can be no assurances that the Corporation will be able to secure all necessary or appropriate insurance on a going forward basis. Failure to do so could lead to uninsured losses or limit the Corporation's ability to pursue some construction contracts, both of which could impact results.

Environmental and Safety Factors

Unfavorable weather conditions represent one of the most significant uncontrollable risks for the Corporation to the extent that such risk is not mitigated through contractual terms. Construction projects are susceptible to delays as a result of extended

periods of poor weather, which can have an adverse effect on profitability arising from either late completion penalties imposed by the contract or from the incremental costs arising from loss of productivity, compressed schedules, or from overtime work utilized to offset the time lost due to adverse weather.

The Corporation is subject to, and complies with, federal, provincial and municipal environmental legislation in all of its construction operations. The Corporation recognizes that it must conduct all of its business in such a manner as to both protect and preserve the environment in accordance with this legislation. At each place where work is performed, the Corporation develops and implements a detailed quality control plan as the primary tool to demonstrate and maintain compliance with all environmental regulations and conditions of permits and approvals. Management is not aware of any pending environmental legislation that would be likely to have a material impact on any of its operations, capital expenditure requirements or competitive position, although there can be no guarantee that future legislation will not be proposed and, if implemented, might have an impact on the Corporation and its financial results.

The Corporation is also subject to, and complies with, health and safety legislation in all of its operations in the jurisdictions in which it operates. The Corporation recognizes that it must conduct all of its business in such a manner as to ensure the protection of its workforce and the general public. The Corporation has developed a comprehensive health and safety program. Nevertheless, given the nature of the industry, accidents will inevitably occur from time to time. Management is not aware of any pending health and safety legislation or prior incidents which would be likely to have a material impact, taken as a whole, on any of its operations, capital expenditure requirements or competitive position. Nevertheless, there can be no guarantee with respect to the impact of future legislation or accidents. Increasingly across the construction industry safety standards, records and culture are an integral component of winning new work. Should the Corporation fail to maintain its safety standards, such failure may impact future job awards, or in a worst case scenario impact financial results.

Cyclical Nature of the Construction Industry

Fluctuating demand cycles are common in the construction industry and can have a significant impact on the degree of competition for available projects. As such, fluctuations in the demand for construction services could adversely affect the Corporation's results.

Given the cyclical nature of the construction industry, the financial results of the Corporation, similar to others in the industry, may be impacted in any given period by a wide variety of factors beyond its control (as outlined herein) and, as a result, there may be from time to time, significant and unpredictable variations in the Corporation's quarterly and annual financial results.

Failure of Clients to Obtain Required Permits

The development of construction projects requires the Corporation's clients to obtain regulatory and other permits from various governmental licensing bodies. The Corporation's clients may not be able to obtain all necessary permits required for the development of their projects, in a timely manner or at all. These delays are generally outside the Corporation's control. The major costs associated with these delays are personnel and associated overhead that is designated for the project which cannot be reallocated effectively to other work. If the client's project is unable to proceed, it may adversely impact the demand for the Corporation's services.

Internal and Disclosure Controls

Inadequate disclosure controls or ineffective internal controls over financial reporting could result in an increased risk of material misstatements in the financial reporting and public disclosure record of the Corporation. Inadequate controls could also result in system downtime, give rise to litigation or regulatory investigation, fraud or the inability of the Corporation to continue its business as presently constituted. The Corporation has designed and implemented a system of internal controls and a variety of policies and procedures to provide reasonable assurance that material misstatements in the financial reporting and public disclosures are prevented and detected on a timely basis and other business risks are mitigated. In accordance with the guidelines adopted in Canada, the Corporation assesses the effectiveness of its internal and disclosure controls using a top-down, risk-based approach in which both qualitative and quantitative measures are considered. An internal control system, no matter how well conceived and operated, can provide only reasonable – not absolute – assurance to management and the board of directors regarding achievement of intended results. The Corporation's current system of internal and disclosure controls places reliance on key personnel across the Corporation to perform a variety of control functions including key reviews, analysis, reconciliations and monitoring. The failure of individuals to perform such functions or properly implement the controls as designed could adversely impact results.

Interruption, Failure or Breach of Information Systems

The Corporation relies extensively on information systems, data and communication networks to effectively manage its operations. Complete, accurate, available and secure information is vital to the Corporation's operations and any compromise in such information could result in improper decision making, inaccurate or delayed operational and/or financial reporting, delayed resolution to problems, breach of privacy and/or unintended disclosure of confidential materials. Failure in the completeness, accuracy, availability or security of the Corporation's information systems, the risk of system interruption or failure during system upgrades or implementation, or a breach of data security could adversely affect the Corporation's operations and financial results. Similarly, computer viruses, cyber-attacks, security breaches, unforeseen natural disasters and related events or disruptions could result in information systems failures that may adversely affect the Corporation's operations and financial results. The sophistication of cyber threats and the associated financial, reputational and business interruption risks have also increased with advancement and integration of technology.

Integration and Acquisition Risk

The integration of any acquisition raises a variety of issues including, without limitation, identification and execution of synergies, elimination of cost duplication, systems integration (including accounting and information technology), execution of the pre-deal business strategy in an uncertain economic market, development of common corporate culture and values, integration and retention of key staff, retention of current clients as well as a variety of issues that may be specific to the Corporation and the industry in which it operates. There can be no assurance that the Corporation will maximize or realize the full potential of any of its acquisitions. A failure to successfully integrate acquisitions and execute a combined business plan could materially impact the future financial results of the Corporation. A failure to expand the existing client base and achieve sufficient utilization of the assets acquired could also materially impact the future financial results of the Corporation.

Loss of Key Management and Inability to Attract and Retain Key Staff

The Corporation's future prospects depend to a significant extent on the continued service of its key executives and staff. Furthermore, the Corporation's continued growth and future success depends on its ability to identify, recruit, assimilate and retain key management, technical, project and business development personnel. The competition for such employees, particularly during periods of high demand in certain sectors, is intense and there can be no assurance that the Corporation will be successful in identifying, recruiting or retaining such personnel.

Reputation in the Construction Industry

Reputation and goodwill play an important role in the long-term success of any company in the construction industry. Negative opinion may impact long-term results and can arise from a number of factors including competence, losses on specific projects, questions concerning business ethics and integrity, corporate governance, the accuracy and quality of financial reporting and public disclosure as well as the quality and timing of the delivery of key products and services. The Corporation has implemented various procedures and policies to help mitigate this risk including the adoption of a comprehensive Code of Conduct which all employees are expected to review and abide by. Nevertheless, the adoption of corporate policies and training of employees cannot guarantee that a future breach or breaches of the Code of Conduct or other corporate policies will not occur which may or may not impact the financial results of the Corporation.

Impact of Extreme Weather Conditions and Natural Disasters

The majority of the Corporation's operations are performed outdoors. Extreme weather conditions or natural or other disasters, such as earthquakes, fires, floods, epidemics or pandemics and similar events, may cause delays in the progress of the Corporation's projects, which to the extent that such risk is not mitigated through contractual terms, may result in loss of revenues that otherwise would be recognized while certain costs continue to be incurred. Delays in the completion of the Corporation's services may also lead to incurring additional non-compensable costs, including overtime work, that are necessary to meet clients' schedules. Delays in the commencement or completion of a project may also result in penalties or sanctions under contracts or even the cancellation of contracts.

Impairment in the Value of the Corporation's Assets

New events or circumstances may lead the Corporation to reassess the value of goodwill, property and equipment, and other non-financial assets, and record a significant impairment loss, which could have a material adverse effect on its financial position. The Corporation's financial assets, other than those accounted for at fair value, are assessed for indicators of impairment quarterly. Financial assets are considered impaired when there is objective evidence that estimated future cash

flows of the investment have been affected by one or more events that occurred after the initial recognition of the financial asset. In such a case, the Corporation may be required to reduce carrying values to their estimated fair value. The Corporation's estimates of future cash flows are inherently subjective which could have a significant impact on the analysis. Further, there could be a material adverse effect on the Corporation's financial position from any future write-offs or write-downs of the Corporation's assets or in the carrying value of its investments.

Outsourced Software

The Corporation relies on third party providers of software and infrastructure to run critical accounting, project management and financial systems. Discontinuation of development or maintenance of third party software and infrastructure could cause a disruption in the Corporation's systems.

LEGAL PROCEEDINGS

There are no outstanding legal proceedings material to the Corporation to which the Corporation, or any of its respective properties are subject, nor are there any such proceedings known to be contemplated.

INTEREST OF EXPERTS

Certain legal matters relating to this Offering will be passed upon by DLA Piper (Canada) LLP, Calgary, Alberta, on behalf of the Corporation, and by Gowling WLG (Canada) LLP, Toronto, Ontario, on behalf of the Underwriters. The partners and associates of DLA Piper (Canada) LLP, as a group, and the partners and associates of Gowling WLG (Canada) LLP, as a group, each beneficially own, directly or indirectly, less than 1% of the issued and outstanding Common Shares of the Corporation.

AUDITOR, TRANSFER AGENTS AND REGISTRAR

The auditor of the Corporation is MNP LLP at its Calgary, Alberta office. MNP LLP has confirmed that it is independent of the Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accounts of Alberta.

Computershare Trust Company of Canada, at its Calgary office located at 600, 530 - 8th Avenue SW, Calgary, Alberta T2P 3S8, is the transfer Underwriters and registrar for the Corporation's Common Shares.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: November 25, 2016

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the Provinces of Canada, other than Québec.

DISTINCT INFRASTRUCTURE GROUP INC.

(signed) "*Joe Lanni*"
Co-Chief Executive Officer

(signed) "*Alex Agius*"
Co-Chief Executive Officer

(signed) "*Manny Bettencourt*"
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) "*Garry Wetsch*"
Director

(signed) "*David O'Brien*"
Director

CERTIFICATE OF THE UNDERWRITERS**Dated: November 25, 2016**

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the Provinces of Canada, other than Québec.

ALTACORP CAPITAL INC.

(signed) "*Jeff Fellows*"
Managing Director

CANACCORD GENUITY CORP.

(signed) "*Jason Robertson*"
Managing Director

CORMARK SECURITIES INC.

(signed) "*Chris Shaw*"
Managing Director

HAYWOOD SECURITIES INC.

(signed) "*Campbell Becher*"
Managing Director

MACKIE RESEARCH CAPITAL CORPORATION

(signed) "*Jovan Stupar*"
Managing Director