No securities tendered to the Offer will be taken up until (a) more than 50% of the outstanding securities of the class sought (excluding those securities beneficially owned, or over which control or direction is exercised by the Offeror or its affiliates or any person acting jointly or in concert with the Offeror) have been tendered to the Offer, (b) the minimum deposit period under the applicable securities laws has elapsed, and (c) any and all other conditions of the Offer have been complied with or waived, as applicable. If these criteria are met, the Offeror will take up securities deposited under the Offer in accordance with applicable securities laws and extend the Offer for an additional minimum period of 10 days to allow for further deposits of securities.

This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, stockbroker, bank manager, accountant, lawyer or other professional advisor.

The Offer has not been approved or disapproved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is unlawful.

The Offer and this document do not constitute an offer or a solicitation to any person in any jurisdiction in which any such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from, or on behalf of, Shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the Laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

August 3, 2016

1083884 B.C. LTD.
An indirect wholly-owned subsidiary of

OMNIA HOLDINGS LIMITED
OFFER TO PURCHASE FOR CASH
all of the issued and outstanding common shares of

NORDEX EXPLOSIVES LTD.
$0.22 PER COMMON SHARE

This offer (the “Offer”) by 1083884 B.C. LTD. (the “Offeror”), an indirect wholly-owned subsidiary of Omnia Holdings Limited (“Omnia”) is to purchase for Cdn.$0.22 in cash per common share all of the issued and outstanding common shares (the “Nordex Shares”) of Nordex Explosives Ltd. (“Nordex”). The Offer is open for acceptance until 5:00 p.m. (Toronto time) on September 9, 2016 (the “Expiry Time”), unless abridged, extended or withdrawn by the Offeror.

The Nordex Shares are listed and posted for trading on the TSX Venture Exchange (the “TSX-V”) under the symbol “NXX”.

The Offer represents a premium of approximately 57% to the closing price of the Nordex Shares on July 13, 2016, the last trading day prior to the announcement of Omnia’s intention to make the Offer, and a premium of approximately 24% to the volume-weighted average price of the Nordex Shares over the last 20 trading days ending on July 28, 2016.

The Offer is subject to the conditions in Section 4 of the Offer, “Conditions of the Offer”. These conditions include, among other things, the condition that there must have been validly deposited under the Offer and not withdrawn at the Expiry Time that number of Nordex Shares constituting at least 66⅔% of the total number of Nordex Shares outstanding, excluding those Nordex Shares beneficially owned, or over which control or direction is exercised by the Offeror and its affiliates and any person acting jointly or in concert with the Offeror. This condition cannot be waived by the Offeror except as set forth herein.

This and the other conditions of the Offer, which may be waived by the Offeror, are described in Section 4 of the Offer, “Conditions of the Offer”. Subject to applicable Laws (as such term is defined in the Circular), the Offeror reserves the right to withdraw the Offer and to not take up and pay for any Nordex Shares deposited under the Offer if any condition of the Offer is not satisfied or waived at or prior to the Expiry Time. Subject to the terms and conditions of the Offer, the Offeror will take up and pay for the Nordex Shares deposited under the Offer as soon as practicable after the Expiry Time.

Shareholders who wish to accept the Offer must properly complete and execute the accompanying Letter of Transmittal, or a manually signed facsimile thereof, and deposit it, together with the certificate(s) representing their Nordex Shares in accordance with the rules and instructions in the Letter of Transmittal. Shareholders may also deposit their Nordex Shares to the Offer pursuant to the procedures for book-entry transfer, detailed in the
Offer and Circular and have their Nordex Shares deposited by their nominee through CDS or DTC, as applicable. Alternatively, Shareholders may follow the procedure for guaranteed delivery described in Section 3 of the Offer, “Manner of Acceptance — Procedure for Guaranteed Delivery”, using the accompanying Notice of Guaranteed Delivery. Persons whose Nordex Shares are held in an account with an investment dealer, stockbroker, bank, trust company or other nominee should contact their representative if they wish to accept the Offer. Depositing Shareholders will not be obligated to pay any fee or commission if they accept the Offer by transmitting their Nordex Shares directly to Laurel Hill Advisory Group (the “Information Agent and the Depositary”) at the address shown below and on the last page of this document.

Shareholders should be aware that, during the currency of the Offer, the Offeror and its affiliates may, directly or indirectly, bid for and make purchases of Nordex Shares or other securities of Nordex as permitted by applicable Law.

The Offer is made only for Nordex Shares and is not made for any Convertible Securities. Any holder of Convertible Securities who wishes to accept the Offer must, to the extent permitted by the terms of the Convertible Security and subject to applicable Laws (as defined herein), exercise, convert or exchange the Convertible Securities sufficiently in advance of the Expiry Time in order to obtain certificates representing Nordex Shares and deposit those Nordex Shares pursuant to the Offer.

Any questions and requests for assistance or additional copies of the Circular, the Letter ofTransmittal and the Notice of Guaranteed Delivery may be directed by the Shareholders to the Information Agent and the Depositary at the telephone number, email address and address set out below. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance.

The Information Agent and the Depositary is:

LAUREL HILL

1-877-452-7184 (toll-free) or 1-416-304-0211 (Collect calls outside North America)

Email: assistance@laurelhill.com

By Mail
PO Box 370, STN Adelaide, Toronto, Ontario, M5C 2J5, Canada

By Registered Mail, Hand or by Courier
70 University Avenue, Suite 1440, Toronto, Ontario, M5J 2M4, Canada

By Facsimile Transmission
1-416-646-2415
Dear Nordex Shareholders:

On behalf of Omnia Holdings Limited, I am writing to you on a matter that has significant implications on the value of your Nordex shares.

Omnia, through its BME division, is formally commencing its cash offer of Cdn.$0.22 per share for all of the outstanding common shares of Nordex. I urge you to tender your shares for an attractive premium of approximately 57% to the closing price of the shares on July 13, 2016, the day prior to the announcement of our intention to make this offer.

Despite the significant premium available and despite our offer price being 22% higher than what you would receive from Société Anonyme d’Explosifs et de Produits Chimiques (or EPC), Nordex’s board of directors has chosen to continue to pursue a dilutive private placement and going private transaction with EPC that is simply not in the best interests of shareholders, and does not provide you with the most value available for your Nordex shares.

However, in order for you to have access to the value created by our offer, Nordex shareholders need to vote AGAINST the inadequate EPC transactions either in person or by proxy at the shareholder meeting that has been called for August 18, 2016.

Omnia’s Cdn.$0.22 per share offer is compelling and we urge you to consider it and accept it.

The Omnia offer provides a significant premium for Nordex shareholders and will allow Nordex shareholders to realize immediate and certain value.

The Cdn.$0.22 cash Offer price Share continues to represent a 22% premium to the value offered to Nordex shareholders in the proposed EPC transactions. Indeed if the EPC going private transaction is not approved, you will receive nothing. The all-cash consideration provides shareholders with the opportunity to realize an immediate and certain value for their shares. In accordance with applicable Canadian securities laws, our Offer is not subject to any financing condition and is being made from cash on hand.

Omnia will benefit the local Kirkland Lake community.

The Nordex business will not be leaving Kirkland Lake, Ontario. Omnia sees Nordex as the ideal base to grow its North American business, and has the financial means and capacity to ensure that the facility continues to provide jobs to the surrounding community for years to come and to make the necessary technical investment to improve the business.

The going private transaction with EPC puts Nordex shareholders at risk.

If the going private transaction with EPC is not completed, Nordex shareholders will have been diluted into a change of control transaction at an unconscionable Cdn.$0.12 per share and will be left as minority holders in a controlled subsidiary of EPC with no means to realize full value for their shares.
The proposed change of control private placement to EPC is highly dilutive and keeps significant value from the Nordex shareholders.

The proposed change of control private placement to EPC is highly dilutive at Cdn.$0.12 per share, a full Cdn.$0.10 per share less than our Offer, which means that the Nordex board is leaving Cdn.$2.04 million of value on the table that is not going into the Nordex business, and in supporting EPC’s Cdn.$0.18 per share going private transaction, keeps a further Cdn.$816,500 away from Nordex shareholders.

As well, the EPC private placement represents a 45% discount to the share price set forth in our Offer, which is opportunistic and significantly undervalues Nordex.

The Offer need only be open for 35 calendar days.

Our offer will expire on September 9, 2016, only 22 days following the date set for the Nordex shareholder meeting at which the undervalued EPC transactions will be considered. This means that Nordex shareholders will only need to wait a few weeks to realize the full and fair value for their shares.

The Offer provides shareholders with liquidity.

Nordex shareholders currently have limited liquidity based on the trading history of the Nordex shares, and the fully-funded Offer provides an opportunity for shareholders to dispose of all of their Nordex shares for a clean cash consideration of Cdn.$0.22 and at value levels not seen in the Nordex share price since the first half of 2015.

***

We are questioning the motivations of your board of directors and you should too. The Nordex board of directors does not seem mindful of their duty to seek out the most value for your shares. You should ask them why, and you should vote AGAINST the inadequate EPC transactions that your board considers to be a better deal for you than the higher value to be delivered by our Offer.

Voting AGAINST the EPC transactions is easy. You simply need to check the AGAINST box next to each resolution on the form of proxy or voting instruction form that Nordex sent you by mail, sign and mail the form in accordance with the instructions thereon. You may also vote online by following the instructions found on your proxy or voting instruction form. If you have already submitted a FOR vote and wish to change it, you simply need to cast a later-dated vote following the same instructions set out above as this will supersede and revoke any earlier vote. It is important to note that abstaining from voting is not considered the same as voting AGAINST. For this reason we urge you to take the time to submit your AGAINST vote prior to the proxy deadline on August 16, 2016 at 10:00 a.m. (Toronto time).

If you wish to review our Offer, please visit Nordex’s issuer profile on the SEDAR website at www.sedar.com; or Omnia’s website at www.omnia.co.za; or contact Laurel Hill Advisory Group, Omnia’s information agent, toll-free at 1-877-452-7184 or outside North America at 1-416-304-0211 or by email at assistance@laurelhill.com.

I hope that you will seriously consider our superior offer and let Omnia deliver the most value for your Nordex shares to you.

Sincerely,

Joseph Keenan (Signed)
Managing Director
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FORWARD LOOKING STATEMENTS

Certain statements in the Offer and accompanying Circular under “Reasons to Accept the Offer”, “Purpose of the Offer”, and “Acquisition of Nordex Shares Not Deposited Under the Offer”, in addition to certain statements contained elsewhere in the Offer and Circular are forward looking statements and are prospective in nature. Forward looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward looking statements. These statements generally can be identified by the use of forward looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe”, or “continue” or the negative thereof or similar variations. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from the Offeror’s expectations include, among other things, general business and economic conditions, industry risks and other risks identified in Nordex’s public filings. Such forward looking statements should, therefore, be construed in light of such factors and the Offeror is under no obligation and expressly disclaims any intention or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by applicable Law.
QUESTIONS AND ANSWERS

The following are questions and answers regarding the Offer that may be of interest to holders of the Nordex Shares. This information is to be read in conjunction with, and is qualified in its entirety by, the more detailed information contained in the Offer, the Circular and related material, including the Letter of Transmittal and Notice of Guaranteed Delivery accompanying the Circular.

The Offer, the Circular as well as other materials filed with the Canadian securities regulatory authorities are available electronically without charge at www.sedar.com.

WHO IS OFFERING TO PURCHASE THE NORDEX SHARES?

The Offeror, an indirect wholly-owned subsidiary of Omnia, is offering to purchase all of the outstanding Nordex Shares. Omnia is a diversified chemicals group, listed on the Johannesburg Stock Exchange, operated by the JSE Limited, with a market capitalization of R10.8 billion (Cdn.$980 million), with specialized services and solutions for the agriculture, mining and chemicals industries. BME, a division of Omnia, is one of the leading suppliers of explosives and services to the mining, quarrying and construction industries. BME has been in the mining explosives business for over 30 years and introduced the technology for emulsion explosives into South Africa. In addition, BME manufactures and supplies a full range of bulk emulsions, initiating systems, electronic detonators, blasting software, packaged explosives, related accessories and equipment. BME’s focus is on new explosives technology, safety and value adding technical services to 23 countries, across 4 continents.

WHAT IS THE OFFER?

The Offeror is offering, upon and subject to the terms and conditions of the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, to purchase all of the outstanding Nordex Shares for Cdn.$0.22 in cash per Nordex Share.

WHY SHOULD I ACCEPT THE OFFER?

You should consider the following factors in deciding whether to accept the Offer:

- **Significant Premium for Shareholders.** The Cdn.$0.22 cash Offer price Nordex Share continues to represent a 22% premium to the value offered to Nordex shareholders in the proposed Société Anonyme d’Explosifs et de Produits Chimiques (“EPC”) transaction.

- **Omnia will Benefit the Local Kirkland Lake Community.** The Nordex business will not be leaving Kirkland Lake, Ontario. Omnia sees Nordex as the ideal base to grow its North American business, and has the financial means and capacity to ensure that the facility continues to provide jobs to the surrounding community for years to come and to make the necessary technical investment to improve the business.

- **Realize Immediate and Certain Value.** The all-cash consideration provides Shareholders with the opportunity to realize an immediate and certain value for their Nordex Shares.

- **The Offer Need only be Open for 35 Calendar Days.** Nordex’s July 18, 2016 announcement means that Shareholders will only need to wait a few weeks to realize full value for their Nordex Shares. The Offer now can be expected to be able to be closed shortly after the expiry date of September 9, 2016.

- **Remove the opportunity for EPC to significantly dilute current Shareholders.** EPC’s subscription at a subscription price of Cdn.$0.12, through which it will come to own 66.6% of the Nordex Shares, is opportunistic, undervalues Nordex and represents a 45% discount to the Nordex Share price of this Offer.

- **Fully-Financed All-Cash Offer.** In accordance with applicable Canadian securities laws, the Offer will not be subject to a financing condition and made from cash on hand.
• The Offer Provides Shareholders with Liquidity. Shareholders currently have limited liquidity based on the trading history of the Nordex Shares, and the fully-funded Offer provides an opportunity for Shareholders to dispose of all of their Nordex Shares for a clean cash consideration of Cdn.$0.22 and at value levels not seen in the Nordex Share price since the first half of 2015.

• The Going Private Transaction with EPC Puts Shareholders at Risk. If the going private transaction with EPC is not completed, Shareholders will have been diluted into a change of control transaction at an unconscionable Cdn$0.12 per share and will be left as minority holders in a controlled subsidiary of EPC with no means to realize full value for their Nordex Shares.

• The Proposed Change of Control Private Placement to EPC is Highly Dilutive and Keeps Significant Value from the Shareholders. The proposed change of control private placement to EPC is highly dilutive at Cdn.$0.12 per share, a full Cdn.$0.10 per share less than our Offer, which means that the Nordex board is leaving Cdn.$2.04 million of value on the table that is not going into the Nordex business, and in supporting EPC’s Cdn.$0.18 per share going private transaction, keeps a further Cdn.$816,500 away from Nordex shareholders.

WHAT ARE THE MOST SIGNIFICANT CONDITIONS OF THE OFFER?

The Offer is subject to a number of conditions, including the following:

• That the change of control private placement and the going private transaction with EPC not be approved by the Shareholders.

• The Offeror will not take up, purchase or pay for, any Nordex Shares unless, at the Expiry Time, at least 66⅔% of the total number of Nordex Shares outstanding shall have been validly deposited under the Offer and not withdrawn.

• The Offeror shall have the right to withdraw or terminate the Offer unless the following conditions are satisfied or waived by the Offeror at or prior to the Expiry Time: (i) any requisite government and regulatory approvals that are, as determined by the Offeror, acting reasonably, necessary or advisable to complete the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction, shall have been obtained, each on terms and conditions satisfactory to the Offeror, acting reasonably.

• The prescribed periods under the Investment Canada Act (Canada) shall have expired and, five days after the expiry of those prescribed periods, the Offeror, or an affiliate or subsidiary thereof, shall not have received a notice from the applicable minister that an order for the review of its investment in Nordex either may be or has been made under the ICA.

For the complete text of the conditions to the Offer, see Section 4 of the Offer, “Conditions of the Offer”.

WHAT MECHANISMS ARE AVAILABLE TO CAST YOUR VOTE AGAINST THE EPC TRANSACTIONS

You can cast your vote against the EPC transactions in one of three ways:

• By mail by completing the form of proxy or voting instruction form that Nordex mails to you and mailing it in accordance with the instructions set out thereon.

• Online by following the instructions found on the form of proxy or voting instruction form that Nordex mails to you.

• In person at the Nordex shareholders meeting to approve the EPC transactions to be held on August 18, 2016 at 10:00 a.m. (Toronto time) at Suite 800, 365 Bay Street, Toronto, Ontario, M5H 2V1.

HOW CAN I VOTE AGAINST THE EPC TRANSACTIONS?

You simply need to check the AGAINST box next to each resolution on the form of proxy or voting instruction form that Nordex sent you by mail, and then sign and mail the form in accordance with the instructions thereon. You may also vote online by following the instructions found on your proxy or voting instruction form.
It is important to note that abstaining from voting is not considered the same as voting AGAINST. For this reason we urge you to take the time to submit your AGAINST vote prior to the proxy deadline on August 16, 2016 at 10:00 a.m. (Toronto time).

**WHAT WILL HAPPEN TO THE OFFER IF THE EPC TRANSACTIONS ARE APPROVED BY THE SHAREHOLDERS AT THE MEETING?**

The Shareholders need to vote AGAINST the inadequate EPC transactions to preserve their right to pursue the higher valued Offer proposed by the Offeror. If the EPC transactions are approved by the Shareholders at the meeting, the Offer will be withdrawn.

**HOW LONG DO I HAVE TO DECIDE WHETHER TO DEPOSIT MY NORDEX SHARES UNDER THE OFFER?**

You have until 5:00 p.m. (Toronto time) on Friday, September 9, 2016 to deposit your Nordex Shares, unless the Offer is extended or withdrawn in accordance with its terms by the Offeror and as more particularly described in the accompanying Circular. Shareholders whose Nordex Shares are registered in the name of an investment advisor, stockbroker, bank, trust company or other nominee should contact their intermediary well in advance of the Expiry Time. Intermediaries likely have established tendering cut-off times prior to the Expiry Time. Shareholders must instruct their investment advisor, stockbroker, bank, trust company or other nominee promptly if they wish to tender their Nordex Shares to the Offer.

**HOW DO I DEPOSIT MY NORDEX SHARES UNDER THE OFFER?**

If you wish to accept the Offer, you must deposit your Nordex Shares and the certificate(s) representing your Nordex Shares, together with a properly completed and executed Letter of Transmittal, at or prior to the Expiry Time at the office of the Depositary specified in the Letter of Transmittal. Detailed instructions are contained in the Letter of Transmittal which accompanies the Offer. See Section 3 of the Offer, “Manner of Acceptance”.

If you wish to deposit Nordex Shares pursuant to the Offer and the certificate(s) representing your Nordex Shares is (are) not immediately available, or if the certificate(s) and all other required documents cannot be provided to the Depositary at or prior to the Expiry Time, such Nordex Shares nevertheless may be validly deposited under the Offer in compliance with the procedures for guaranteed delivery using the accompanying Notice of Guaranteed Delivery. See Section 3 of the Offer, “Manner of Acceptance”.

If your Nordex Shares are registered in the name of an investment advisor, stockbroker, bank, trust company or other nominee, you should contact such nominee if you wish to accept the Offer. You may also be able to effect a Book-Entry Transfer, which is a method of electronic acceptance. See Section 3 of the Offer, “Manner of Acceptance — Book-Entry Transfer”.

**IF I DECIDE NOT TO TENDER, HOW WILL MY NORDEX SHARES BE AFFECTED?**

If the Offeror takes up and pays for the Nordex Shares validly tendered, it currently intends to take such action as is necessary, including effecting a Compulsory Acquisition or a Subsequent Acquisition Transaction, to acquire any Nordex Shares not tendered. It is the Offeror's current intention that the consideration being offered for Nordex Shares under such Subsequent Acquisition Transaction will be the same consideration offered under the Offer. In connection with such a transaction, you may have dissent rights. The Offeror reserves the right not to propose a Compulsory Acquisition or Subsequent Acquisition Transaction.

**WHAT WILL HAPPEN IF THE OFFER IS WITHDRAWN?**

Unless all of the conditions to the Offer have been satisfied or waived at or prior to the Expiry Time, the Offeror will not be obligated to take up and purchase Nordex Shares tendered to the Offer and the Offeror may withdraw the Offer. If the Offer is withdrawn in this manner all of your Nordex Shares that were deposited and not withdrawn will be returned to you with no payment.
WILL I HAVE TO PAY ANY FEES OR COMMISSIONS TO ACCEPT THE OFFER?

No fee or commission will be payable by you if you transmit your Nordex Shares directly to the Depositary. However, if you hold your Nordex Shares through an investment advisor, stockbroker, bank, trust company or other nominee, that person may charge you a fee for depositing your Nordex Shares on your behalf.

WHO SHOULD I CONTACT FOR QUESTIONS ABOUT THE OFFER?

You may contact Laurel Hill Advisory Group, the Offeror’s Information Agent, at 1-877-452-7184 (toll-free), or at 1-416-304-0211 (outside North America) or by email at assistance@laurelhill.com if you have questions or requests for additional copies of the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery.
The following is a summary only and is qualified in its entirety by the detailed provisions contained in the Offer and Circular. You should read the Offer and Circular in their entirety. Certain capitalized and other terms used in this summary are defined in the Glossary. The information concerning Nordex Explosives Ltd. contained in the Offer and Circular has been taken from or is based upon publicly available information filed with Canadian securities regulators and other public sources available at the time of the Offer. All currency amounts expressed herein, unless otherwise indicated, are in Canadian dollars.

**THE OFFER**

The Offer is made by 1083884 B.C. LTD. (the “Offeror”), an indirect wholly-owned subsidiary of Omnia Holdings Limited (“Omnia”) to purchase, on and subject to the terms and conditions set forth in the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, all of the outstanding Nordex Shares for Cdn.$0.22 in cash per Nordex Share.

The Offer is made only for Nordex Shares and is not made for any Convertible Securities. Any holder of Convertible Securities who wishes to accept the Offer must, to the extent permitted by the terms of the Convertible Security and subject to applicable Laws (as defined herein), exercise, convert or exchange the Convertible Securities sufficiently in advance of the Expiry Time in order to obtain certificates representing Nordex Shares and deposit those Nordex Shares pursuant to the Offer.

**REASONS TO ACCEPT THE OFFER**

The Offeror believes that the price of Cdn.$0.22 cash per Nordex Share under the Offer is a full and fair price for the Nordex Shares which it is seeking to purchase. Shareholders should consider a number of factors in making a decision whether to accept the Offer, including:

(a) **Significant Premium for Shareholders.** The Cdn.$0.22 cash Offer price Nordex Share continues to represent a 22% premium to the value offered to Nordex shareholders in the proposed Société Anonyme d’Explosifs et de Produits Chimiques (“EPC”) transaction.

(b) **Omnia will Benefit the Local Kirkland Lake Community.** The Nordex business will not be leaving Kirkland Lake, Ontario. Omnia sees Nordex as the ideal base to grow its North American business, and has the financial means and capacity to ensure that the facility continues to provide jobs to the surrounding community for years to come and to make the necessary technical investment to improve the business.

(c) **Realize Immediate and Certain Value.** The all-cash consideration provides Shareholders with the opportunity to realize an immediate and certain value for their Nordex Shares.

(d) **The Offer Need only be Open for 35 Calendar Days.** Nordex’s July 18, 2016 announcement means that Shareholders will only need to wait a few weeks to realize full value for their Nordex Shares. The Offer now can be expected to be able to be closed shortly after the expiry date of September 9, 2016.

(e) **Remove the opportunity for EPC to significantly dilute current Shareholders.** EPC’s subscription at a subscription price of Cdn. $0.12, through which it will come to own 66.6% of the Nordex Shares, is opportunistic, undervalues Nordex and represents a 45% discount to the Nordex Share price of this Offer.

(f) **Fully-Financed All-Cash Offer.** In accordance with applicable Canadian securities laws, the Offer will not be subject to a financing condition and made from cash on hand.

(g) **The Offer Provides Shareholders with Liquidity.** Shareholders currently have limited liquidity based on the trading history of the Nordex Shares, and the fully-funded Offer provides an opportunity for Shareholders to dispose of all of their Nordex Shares for a clean cash consideration of Cdn.$0.22 and at value levels not seen in the Nordex Share price since the first half of 2015.

(h) **The Going Private Transaction with EPC Puts Shareholders at Risk.** If the going private transaction with EPC is not completed, Shareholders will have been diluted into a change of control transaction at
an unconscionable Cdn.$0.12 per share and will be left as minority holders in a controlled subsidiary of EPC with no means to realize full value for their Nordex Shares.

(i) **The Proposed Change of Control Private Placement to EPC is Highly Dilutive and Keeps Significant Value from the Shareholders.** The proposed change of control private placement to EPC is highly dilutive at Cdn.$0.12 per share, a full Cdn.$0.10 per share less than our Offer, which means that the Nordex board is leaving Cdn.$2.04 million of value on the table that is not going into the Nordex business, and in supporting EPC’s Cdn.$0.18 per share going private transaction, keeps a further Cdn.$816,500 away from Nordex shareholders.

**THE OFFEROR**

Omnia is a diversified chemicals group, listed on the Johannesburg Stock Exchange, operated by the JSE Limited, with a market capitalization of R10.8 billion (Cdn.$980 million), with specialized services and solutions for the agriculture, mining and chemicals industries. BME, a division of Omnia, is one of the leading suppliers of explosives and services to the mining, quarrying and construction industries. BME has been in the mining explosives business for over 30 years and introduced the technology for cold emulsion explosives into South Africa. In addition, BME manufactures and supplies a full range of bulk emulsions, initiating systems, electronic detonators, blasting software, packaged explosives, related accessories and equipment. BME’s focus is on new explosives technology, safety and value adding technical services to 23 countries, across 4 continents.

The Offeror was incorporated under the *Business Corporations Act* (British Columbia) on July 25, 2016 for the sole purpose of making the Offer, and is an indirect wholly-owned subsidiary of Omnia. The Offeror’s registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

As of the date hereof:

(a) the Offeror does not beneficially own or exercise control or direction over any securities of Nordex;

(b) none of the directors, officers associates or affiliates of the Offeror beneficially own or exercise control or direction over any securities of Nordex;

(c) no insider or any associate or affiliate of any insider of the Offeror beneficially owns or exercises control or direction over any securities of Nordex; and

(d) no person acting jointly or in concert with the Offeror beneficially owns or exercises control or direction over any securities of Nordex.

**PURPOSE OF THE OFFER**

The Offer is intended to enable the Offeror to acquire all of the Nordex Shares it and its affiliates do not already own. See Section 6 of the Circular, “Purpose of the Offer”.

**TIME FOR ACCEPTANCE**

The Offer is open for acceptance for the period commencing on the date hereof and ending at 5:00 p.m. (Toronto time) on September 9, 2016, or such earlier or later time or times and date or dates to which the Offer may be abridged or extended from time to time by the Offeror, in accordance with Section 5 of the Offer, “Variation or Change of the Offer”, unless withdrawn by the Offeror.

**MANNER OF ACCEPTANCE**

Shareholders who wish to accept the Offer must properly complete and execute the accompanying Letter of Transmittal, or a manually signed facsimile thereof, and deposit it, together with certificate(s) representing their Nordex Shares at or prior to the Expiry Time at the office of the Depositary specified in the Letter of Transmittal. Detailed rules and instructions are contained in the Letter of Transmittal. Shareholders may also accept the Offer by following the procedures for book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depositary at its office specified in the Letter of
Transmittal at or prior to the Expiry Time. Nordex Shareholders may also accept the Offer by following the procedure for book-entry transfer established by DTC, provided that a Book-Entry Confirmation, together with an Agent’s Message in respect thereof, or a Letter of Transmittal, properly completed and executed in accordance with instructions therein, with the signatures guaranteed, if required, and all other required documents, are received by the Depositary at its office specified in the Letter of Transmittal at or prior to the Expiry Time. Shareholders participating in the Offer through book-entry transfer must make sure such documents or Agent’s Message are received by the Depositary at or prior to the Expiry Time. See Section 3 of the Offer, “Manner of Acceptance — Book-Entry Transfer”. Alternatively, Shareholders may follow the procedure for guaranteed delivery described in Section 3 of the Offer, “Manner of Acceptance — Procedure for Guaranteed Delivery” using the accompanying Notice of Guaranteed Delivery. Shareholders whose Nordex Shares are held in an account with an investment dealer, stockbroker, bank, trust company or other nominee should contact their representative if they wish to accept the Offer.

Shareholders will not be required to pay any fee or commission if they accept the Offer by transmitting their Nordex Shares directly to the Depositary. However, a broker or other nominee through whom you own your Nordex Shares may charge a fee to deposit Nordex Shares on your behalf. You should consult your broker or other nominee to determine whether any charges will apply.

CONDITIONS OF THE OFFER

The Offeror reserves the right to withdraw or terminate the Offer and not take up and pay for any Nordex Shares deposited under the Offer, or extend the period of time during which the Offer is open for acceptance and delay taking up and paying for any Nordex Shares deposited under the Offer, unless all of the conditions described in Section 4 of the Offer, “Conditions of the Offer”, are satisfied or, where such conditions can be waived, are waived by the Offeror on or prior to the Expiry Time.

Subject to the terms and conditions of the Offer and applicable Laws, the Offeror will take up and pay for the Nordex Shares deposited under the Offer as soon as practicable after the Expiry Time.

PAYMENT FOR DEPOSITED NORDEX SHARES

If all of the conditions referred to in Section 4 of the Offer, “Conditions of the Offer”, are satisfied or, where such conditions can be waived, are waived at the Expiry Time, the Offeror will become obligated to take up Nordex Shares validly deposited under the Offer, and not withdrawn, immediately after the Expiry Time of the Offer, and will pay for Nordex Shares taken up as soon as possible but in any event not later than three Business Days after taking up the Nordex Shares.

In accordance with applicable Law, the Offeror will extend the Offer for an additional period of ten (10) days following the Expiry Date (the “Mandatory Extension Period”) and may extend the Offer for one or more additional periods (“Optional Extension Periods”). The Offeror will take up and pay for Nordex Shares deposited under the Offer during the Mandatory Extension Period and any Optional Extension Period within 10 days of such deposit. See Section 6 of the Offer, “Payment for Deposited Nordex Shares”.

WITHDRAWAL OF DEPOSITED NORDEX SHARES

Except as otherwise provided in Section 7 of the Offer, “Withdrawal of Deposited Nordex Shares”, all deposits of Nordex Shares pursuant to the Offer are irrevocable.

ACQUISITION OF NORDEX SHARES NOT DEPOSITED UNDER THE OFFER

If, within 120 days after the date of the Offer, the Offer has been accepted by Shareholders who, in the aggregate, hold not less than 90% of the issued and outstanding Nordex Shares in respect of which the Offer was made as at the Expiry Time, other than Nordex Shares held at the date of the Offer by, or by a nominee for, the Offeror or its affiliates, and the Offeror acquires or is bound to take up and pay for such deposited Nordex Shares under the Offer, the Offeror intends, to the extent possible, to acquire those Nordex Shares that remain outstanding held by those persons who did not accept the Offer pursuant to a Compulsory Acquisition. If the right of Compulsory Acquisition is not available for any reason, or if the Offeror elects not to pursue such right,
the Offeror may pursue other means of acquiring, directly or indirectly, all of the Nordex Shares and other securities exercisable for or convertible or exchangeable into Nordex Shares in accordance with applicable Law, including by means of a Subsequent Acquisition Transaction. The detailed terms of any Subsequent Acquisition Transaction, including the timing of its implementation and the consideration to be received by Nordex Shareholders, would necessarily be subject to a number of considerations, including the number of Nordex Shares acquired pursuant to the Offer. See Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”.

Shareholders who do not deposit their Nordex Shares under the Offer may have certain rights of dissent in the event the Offeror acquires such Nordex Shares by way of a Compulsory Acquisition or Subsequent Acquisition Transaction, including the right to seek judicial determination of the fair value of their Nordex Shares. See Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

A Resident Holder who disposes of Nordex Shares to the Offeror under the Offer will realize a capital gain (or capital loss) equal to the amount by which the cash received, net of any reasonable costs of disposition, exceeds (or is exceeded by) the aggregate adjusted cost base to the Resident Holder of those Nordex Shares immediately before the disposition.

Generally, a Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition of Nordex Shares pursuant to the Offer, unless the Nordex Shares are “taxable Canadian property” of the Non-Resident Holder for purposes of the Tax Act and the Non-Resident Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident.

The foregoing is a very brief summary of certain principal Canadian federal income tax considerations and is qualified in its entirety by Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”. Shareholders are urged to consult their own tax advisors to determine the particular tax consequences to them of a sale of the Nordex Shares under the Offer, a Compulsory Acquisition, a Compelled Acquisition or a Subsequent Acquisition Transaction.

INFORMATION AGENT AND DEPOSITARY

Laurel Hill Advisory Group is acting as depositary (the “Depositary”) under the Offer and as such will receive deposits of certificates representing Nordex Shares and accompanying Letters of Transmittal at the office specified in the Letter of Transmittal. The Depositary will receive the Notice of Guaranteed Delivery at its Toronto office specified in the Notice of Guaranteed Delivery. The Depositary will also be responsible for giving certain notices, if required, and making payment for Nordex Shares purchased by the Offeror under the Offer. Depositing Shareholders will not be obligated to pay any fee or commission if they accept the Offer by transmitting their Nordex Shares directly to the Depositary.

Laurel Hill Advisory Group is also acting as the information agent (the “Information Agent”) for the Offer. The Information Agent may contact Shareholders by mail, telephone, facsimile or personal interview and may request banks, stockbrokers, investment dealers and other nominees to forward materials relating to the Offer to beneficial holders of Nordex Shares. Questions and requests for assistance relating to the Offer may be directed to the Information Agent at the address and phone numbers set forth on the cover and the back pages of this Offer and Circular.
THE OFFER

TO: THE SHAREHOLDERS OF NORDEX EXPLOSIVES LTD. August 3, 2016

1. The Offer

The Offer is made by 1083884 B.C. LTD. (the “Offeror”), an indirect wholly-owned subsidiary of Omnia Holdings Limited (“Omnia”), to purchase, on and subject to the terms and conditions set forth in the Offer, Circular, Letter of Transmittal and Notice of Guaranteed Delivery, all of the outstanding Nordex Shares, including Nordex Shares that may become issued and outstanding after the date of this Offer but before the Expiry Time upon the conversion, exchange or exercise of any Convertible Securities, for Cdn.$0.22 in cash per Nordex Share.

Based on publicly available information, the Offeror believes that as of July 28, 2016 there were 20,413,435 Nordex Shares outstanding and 23,213,435 Nordex Shares on a fully-diluted basis.

The Offer is made only for Nordex Shares and is not made for any Convertible Securities. Any holder of Convertible Securities who wishes to accept the Offer must exchange, exercise or convert such Convertible Securities in order to obtain certificates representing Nordex Shares and deposit those Nordex Shares under the Offer. Any such exchange, exercise or conversion must be sufficiently in advance of the Expiry Time to assure that the holders of such convertible securities will have Nordex Share certificate(s) available for deposit before the Expiry Time, or in sufficient time to comply with the procedures referred to in Section 3 of the Offer, “Manner of Acceptance — Procedure for Guaranteed Delivery”.

Shareholders who do not deposit their Nordex Shares under the Offer will not be entitled to any appraisal rights. However, any such holders who dissent from a Compulsory Acquisition or Subsequent Acquisition Transaction will have certain rights to seek a judicial determination of the fair value of their Nordex Shares. See Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”.

All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars.

The accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery are incorporated into and form part of the Offer and contain important information that should be read carefully before making a decision with respect to the Offer.

2. Time for Acceptance

The Offer is open for acceptance for the period commencing on the date hereof and ending at the Expiry Time, meaning 5:00 p.m. (Toronto time) on September 9, 2016, or such earlier or later time or times and date or dates which may be established by the Offeror in accordance with Section 5 of the Offer, “Variation or Change of the Offer”, unless withdrawn by the Offeror.

3. Manner of Acceptance

The Offer may be accepted by any of the three following methods:

A. PHYSICAL DEPOSIT: If Shares are held in physical form, Shareholders should deliver the following documents to the Depositary at the office listed in the Letter of Transmittal and on the back of this document so as to arrive there not later than the Expiry Time:

(a) the certificate or certificates representing the Nordex Shares for which the Offer is being accepted;

(b) a Letter of Transmittal, in the form accompanying the Offer, or a manually signed facsimile thereof, properly completed and duly executed in accordance with the rules and instructions set out in such Letter of Transmittal; and

(c) any other relevant documents required by the rules and instructions set out in the Letter of Transmittal.
The Offer will be deemed to be accepted only if the Depositary has actually received such documents no later than the Expiry Time. The Letter of Transmittal must be filled in and signed by the Shareholder accepting the Offer or by such Shareholder's duly authorized representative. If the Letter of Transmittal is signed by the registered holder(s) of the accompanying certificate(s), such signature(s) on the Letter of Transmittal must correspond in every respect with the name(s) of the holder(s) appearing on the face of the certificate(s). If the Letter of Transmittal is executed by a person other than the registered holder of the Nordex Shares represented by the certificate(s) deposited therewith, the certificate(s) must be endorsed or accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered holder with the signature on the endorsement panel or share transfer power guaranteed by an Eligible Institution.

B. **Deposit by Notice of Guaranteed Delivery:** In addition, Nordex Shares may be deposited in compliance with the procedure set forth below for guaranteed delivery, if physical shares are not immediately available.

C. **Deposit through a broker or Intermediary:** Non-registered Shareholders may deposit their Nordex Shares by contacting a broker or Intermediary, who will in turn follow the Book-Entry Transfer procedures outlined below.

**Book-Entry Transfer**

CDS and DTC will be issuing instructions to their participants as to the method of depositing Nordex Shares in the Offer.

Shareholders may also participate in the Offer by following the procedures for a book-entry transfer established by CDS provided that a Book-Entry Confirmation through CDSX is received by the Depositary at its office specified in the Letter of Transmittal at or prior to the Expiry Time. The Depositary has established an account at CDS for the purpose of the Offer. Any financial institution that is a participant in CDS may cause CDS to make a book-entry transfer of a Shareholder's Nordex Shares into the Depositary's account in accordance with CDS' procedures for such transfer. Delivery of Nordex Shares to the Depositary by means of a book-entry transfer will constitute a valid deposit of such Nordex Shares under the Offer. Shareholders, through their respective CDS participants who utilize CDSX to deposit to the Offer through a book-entry transfer of their holdings into the Depositary's account with CDS, shall be deemed to have completed and delivered a Letter of Transmittal and to be bound by the terms thereof and therefore such instructions received by the Depositary are considered a valid deposit of Nordex Shares in accordance with the terms of the Offer.

Shareholders who hold their Nordex Shares by book-entry through DTC may also participate in the Offer by following the procedures for book-entry transfer established by DTC, provided that a Book-Entry Confirmation, together with an Agent's Message in respect thereof, or a properly completed and duly executed Letter of Transmittal (or a manually executed facsimile thereof), together with any required signature guarantees, and all other required documents, are received by the Depositary at its office specified in the Letter of Transmittal at or prior to the Expiry Time. The Depositary has established an account at DTC for the purpose of the Offer. Any financial institution that is a participant in DTC's systems may cause DTC to make a book-entry transfer of a Shareholder's Nordex Shares into the Depositary's account in accordance with DTC's procedures for such transfer. However, as noted above, although delivery of Nordex Shares may be effected through book-entry transfer at DTC, either a Letter of Transmittal (or a manually executed facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in lieu of a Letter of Transmittal, and any other required documents, must, in any case, be received by the Depositary at its office specified in the Letter of Transmittal at or prior to the Expiry Time.

Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the Depositary. Shareholders participating in the Offer through the procedure for book-entry transfer established by DTC must make sure such documents or Agent's Message are received by the Depositary at or prior to the Expiry Time.

Shareholders wishing to accept the Offer whose Nordex Shares are registered in the name of a nominee should contact their broker, investment dealer, bank, trust company or other nominee for assistance in depositing their Nordex Shares.
Procedure for Guaranteed Delivery

If a Shareholder wishes to deposit Nordex Shares pursuant to the Offer and the certificate(s) representing the applicable Nordex Shares are not immediately available or the required documents cannot be provided to the Depositary at or prior to the Expiry Time or the Shareholder is unable to make a Book-Entry Transfer, such Nordex Shares may nevertheless be deposited validly by the Shareholder under the Offer, provided that all of the following conditions are met:

(a) the deposit is made by or through an Eligible Institution;

(b) a Notice of Guaranteed Delivery in the form accompanying the Offer or a manually executed facsimile thereof, in each case properly completed and duly executed, together with a guarantee by the Eligible Institution in the form specified in the Notice of Guaranteed Delivery, is received by the Depositary at or prior to the Expiry Time at the applicable address specified in the accompanying Notice of Guaranteed Delivery; and

(c) the certificate(s) representing the applicable Nordex Shares in proper form for transfer together with a Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed with any required signature guarantees covering the deposited Nordex Shares and all other documents required by the Letter of Transmittal, are received by the Depositary at the applicable address specified in the Notice of Guaranteed Delivery no later than 4:00 p.m. (Toronto time) on the third trading day on the TSX-V after the Expiry Time.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by facsimile transmission or mailed to the Depositary at the applicable address specified in the Notice of Guaranteed Delivery and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery. Delivery of the Notice of Guaranteed Delivery and the Letter of Transmittal and accompanying certificates to any office other than such office of the Depositary does not constitute delivery for the purposes of satisfying a guaranteed delivery.

General

The Offeror will, in its sole discretion, be entitled to determine finally all questions relating to acceptances of the Offer and to the withdrawal of Nordex Shares deposited thereunder, including, without limitation, the validity, form, eligibility, timely receipt, acceptance and effect of any deposit of Nordex Shares and/or withdrawal of Nordex Shares and the propriety of the completion and execution of any Letter of Transmittal or Notice of Guaranteed Delivery. By accepting the Offer, Depositing Shareholders agree that such determinations by the Offeror will be final and binding. The Offeror reserves the absolute right to reject any and all deposits that it determines not to be in proper form or that may be unlawful to accept under the Laws of any jurisdiction. The Offeror reserves the absolute right to waive any defect or irregularity in the deposit or acceptance of any particular Nordex Shares or by any particular Shareholder. None of the Offeror, the Depositary or any other person will be under any duty or obligation to give notice of any defect or irregularity in any deposit or acceptance nor will any of them incur any liability for failure to give such notice. The Offeror’s interpretation of the terms and conditions of the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery will be final and binding.

In all cases, payment for Nordex Shares deposited and taken up by the Offeror will be made only after timely receipt by the Depositary of: (i) certificate(s) or, in the case of a book-entry transfer to the Depositary, a Book-Entry Confirmation representing Nordex Shares, as applicable; (ii) a Letter of Transmittal or a manually executed facsimile thereof, properly completed and duly executed, covering such Nordex Shares with the signature(s) guaranteed in accordance with the instructions set out in the Letter of Transmittal (or (a) in the case of a book-entry transfer to the Depositary through CDS, a Book-Entry Confirmation for the Nordex Shares, and (b) in the case of a book-entry transfer to the Depositary through DTC, a Book-Entry Confirmation for the Nordex Shares and an Agent’s Message or a Letter of Transmittal if an Agent’s Message is not deliverable), and (iii) any other required documents. The acceptance of the Offer pursuant to the procedures set forth above will constitute a binding agreement between the depositing Shareholder and the Offeror in accordance with the terms and conditions of the Offer.
The Offeror reserves the right to permit the Offer to be accepted in a manner other than as set forth herein.

If any certificate representing Nordex Shares has been lost, stolen or destroyed, the registered holder of such Nordex Shares should complete the Letter of Transmittal as fully as possible and forward it, together with a letter regarding the loss, theft or destruction, to the Depositary. The Depositary will assist in making arrangement for the necessary affidavit (which will include a bonding requirement) for payment in accordance with the Offer. Further details are set out in the Letter of Transmittal. The registered holder will be required to indemnify the Offeror, Omnia and the Depositary with respect to such lost, stolen or destroyed certificate.

The method chosen to transmit certificate(s) representing Nordex Shares, Letters of Transmittal, Notices of Guaranteed Delivery and all other required documents is at the option and risk of the person depositing the same. With the exception of the Notice of Guaranteed Delivery, which may be accepted by facsimile transmission, the Offeror recommends that documents be delivered by hand to the Depositary and a receipt obtained or, if mailed, that registered mail with return receipt requested be used and that proper insurance be obtained.

Shareholders whose Nordex Shares are registered in the name of an Intermediary and who wish to accept the Offer should contact their Intermediary for assistance in depositing the Nordex Shares under the Offer.

Dividends and Distributions

Subject to the terms and conditions of the Offer and except as provided below, by accepting the Offer pursuant to the procedures set forth above, a Shareholder deposits, sells, assigns and transfers to the Offeror all right, title and interest in and to the Nordex Shares covered by the Letter of Transmittal delivered to the Depositary (the ‘Deposited Nordex Shares’) and in and to all rights and benefits arising from such Deposited Nordex Shares, including any and all dividends, distributions, payments, securities, property, rights or other interests which may be declared, paid, accrued, issued, distributed, made or transferred on or in respect of the Deposited Nordex Shares or any of them on and after the date of the Offer, including without limitation any dividends, distributions or payments on such dividends, distributions, payments, securities, property, rights or other interests (collectively, ‘Distributions’).

Power of Attorney

The execution of the Letter of Transmittal or Notice of Guaranteed Delivery irrevocably constitutes and appoints each officer of the Depositary and each director or officer of the Offeror and any other person designated by the Offeror in writing, as the true and lawful agent, attorney, attorney-in-fact and proxy of the holder of the Deposited Nordex Shares and with respect to any and all Distributions which may be declared, paid, accrued, issued, distributed, made or transferred on or in respect of the Deposited Nordex Shares or any of them on and after the date of the Offer, including without limitation any dividends, distributions or payments on such dividends, distributions, payments, securities, property, rights or other interests (collectively, “Distributions”).

The power of attorney granted irrevocably upon execution of the Letter of Transmittal or Notice of Guaranteed Delivery shall be effective on or after the date that the Offeror takes up and pays for the Deposited Nordex Shares with full power of substitution and re-substitution (such powers of attorney, being coupled with an interest, being irrevocable), to, in the name of and on behalf of such Shareholder: (a) register or record the transfer or cancellation of Deposited Nordex Shares and Distributions on the appropriate registers maintained by or on behalf of Nordex; (b) whether or not such shares are registered in the Offeror’s name, vote, execute and deliver as and when requested by the Offeror, any instruments of proxy, authorization or consent in form and on terms satisfactory to the Offeror in respect of any Deposited Nordex Shares and Distributions, revoke any such instrument, authorization or consent previously given, or designate in any such instrument, authorization or consent, any person or persons as the proxyholder or proxy nominee or nominees of such Shareholder in respect of such Deposited Nordex Shares or Distributions for all purposes including, without limitation, in connection with any meeting (whether annual, special or otherwise or any adjournment or postponement thereof) of holders of relevant securities of Nordex; (c) execute and negotiate any cheques or other instruments representing any Distribution payable to or to the order of, or endorsed in favour of, a holder of Deposited Nordex Shares or Distributions; (d) exercise any rights of a holder of Deposited Nordex Shares and Distributions with respect to such Deposited Nordex Shares and Distributions; and (e) execute all such further and other documents, transfers or other assurances as may be necessary or desirable in the sole judgment of the Offeror to effectively
convey Deposited Nordex Shares and Distributions to the Offeror, all as specified in the Letter of Transmittal or Notice of Guaranteed Delivery.

A Shareholder who executes a Letter of Transmittal agrees, effective on and after the date the Offeror takes up and pays for Deposited Nordex Shares, not to vote any of the Deposited Nordex Shares or Distributions at any meeting (whether annual, special or otherwise or any adjournment or postponement thereof) of holders of Nordex Shares or holders of Distributions and not to exercise any or all of the other rights or privileges attached to the Deposited Nordex Shares or Distributions and agrees to execute and deliver to the Offeror, at any time and from time to time, as and when requested by, and at the expense of, the Offeror, any and all instruments of proxy, authorizations or consents, in form and on terms satisfactory to the Offeror, in respect of all or any of the Deposited Nordex Shares and Distributions. A Shareholder who executes a Letter of Transmittal also agrees to designate in such instruments of proxy the person or persons specified by the Offeror as the proxy or the proxy nominee or nominees of the holder in respect of the Deposited Nordex Shares or Distributions. Upon such appointment, all prior proxies given by the holder of such Deposited Nordex Shares and Distributions with respect thereto shall be revoked and no subsequent proxies may be given by such person with respect thereto.

Further Assurances

A Shareholder who executes a Letter of Transmittal agrees in the Letter of Transmittal to execute, upon request of the Offeror, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Deposited Nordex Shares or Distributions to the Offeror and acknowledges that all authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such holder and shall, to the extent permitted by Law, survive the death or incapacity, bankruptcy or insolvency of the holder and all obligations of the holder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

Depositing Shareholders’ Representations and Warranties

All Shareholders depositing Nordex Shares pursuant to the Offer must have full power and authority to deposit, sell, assign and transfer the Nordex Shares to the Offeror. Shareholders depositing Nordex Shares pursuant to the Offer must have good title to their Nordex Shares free and clear of all liens, restrictions, charges, encumbrances, claims, adverse interests, equities and rights of other persons. The acceptance of the Offer pursuant to the procedures described above will constitute a binding agreement between the depositing Shareholder and the Offeror upon the terms and subject to the conditions of the Offer, including the depositing Shareholder’s representation and warranty that: (i) such person has full power and authority to deposit, sell, assign and transfer the Nordex Shares and Distributions being deposited and all interests therein and has not sold, assigned or transferred or agreed to sell, assign or transfer any of such Nordex Shares and Distributions (or interests therein) to any other person; (ii) such Shareholder depositing the Nordex Shares (and any Distributions), or on whose behalf such Nordex Shares (and any Distributions) are being deposited, has good title to and is the beneficial owner of the Nordex Shares (and any Distributions) being deposited within the meaning of Applicable Securities Laws; (iii) the deposit of such Nordex Shares (and any Distributions) complies with Applicable Securities Laws; and (iv) when such deposited Nordex Shares are taken up and paid for by the Offeror, the Offeror will acquire good title to the Nordex Shares (and any Distributions) free and clear of all liens, restrictions, charges, encumbrances, claims, adverse interests, equities and rights of other persons.

4. Conditions of the Offer

Notwithstanding any other provision of the Offer and subject to applicable Law, the Offeror will not take up, purchase or pay for, any Nordex Shares unless, at the Expiry Time, there shall have been validly deposited under the Offer and not withdrawn that number of Nordex Shares constituting at least 66% of the total number of Nordex Shares outstanding, excluding those Nordex Shares beneficially owned, or over which control or direction is exercised by the Offeror and its affiliates or by any person acting jointly or in concert with the Offeror. In the event that the foregoing condition is not satisfied at the Expiry Time the Offeror shall have the right to withdraw or terminate the Offer or to extend the period of time during which the Offer is open for acceptance. The foregoing condition is referred to herein as the “Statutory Minimum Condition” and cannot be waived by the Offeror except that the Offeror can waive or amend the condition but provided that the condition
as waived or amended requires that more than 50% of the outstanding Nordex Shares, excluding Nordex Shares
beneficially owned, or over which control or direction is exercised by the Offeror, or by any person acting jointly
or in concert with the Offeror, have been deposited to the Offer and not withdrawn.

In addition, the Offeror shall have the right to withdraw or terminate the Offer and not take up, purchase
or pay for, and shall have the right to extend the period of time during which the Offer is open for acceptance
and postpone taking up and paying for, any Nordex Shares deposited under the Offer, unless the following
conditions are satisfied or waived by the Offeror at or prior to the Expiry Time:

(a) any requisite government and regulatory approvals, waiting or suspensory periods (and any extensions
thereof), waivers, permits, consents, reviews, sanctions, orders, rulings, decisions, declarations,
certificates and exemptions (including, among others, those of any stock exchanges or other securities
or regulatory authorities) that are, as determined by the Offeror, acting reasonably, necessary or
advisable to complete the Offer, any Compulsory Acquisition or any Subsequent Acquisition
Transaction, shall have been obtained, received or concluded or, in the case of waiting or suspensory
periods, expired or been terminated, each on terms and conditions satisfactory to the Offeror, acting
reasonably;

(b) each consent, notice, authorization, exemption, license or approval required to be given or obtained
under the Explosives Act (Canada) in order to permit Nordex to retain, maintain and enjoy the benefit
of all licences, permits and similar approvals previously issued to it, or to an affiliate or subsidiary,
under such Act, shall have been given or obtained;

(c) the prescribed periods referenced under subsections 25.2(1) and 25.3(1) of the Investment Canada Act
(Canada) (the “ICA”) shall have expired and, five days after the expiry of those prescribed periods, the
Offeror, or an affiliate or subsidiary thereof, shall not have received a notice from the applicable
minister that an order for the review of its investment in Nordex either may be or has been made under
subsection 25.3(1) of the ICA; and, in the event that the Offeror or an affiliate or subsidiary thereof
has received a notice pursuant to subsection 25.2(1), one of the conditions for investment specified in
paragraphs 25.2(2)(a), (b) or (c) shall have been satisfied, or, in the event that the Offeror or an
affiliate or subsidiary thereof has received a notice pursuant to subsection 25.3(2), one of the
conditions for investment specified in paragraphs 25.3(3)(a) or (b) shall have been satisfied;

(d) the Offeror shall have determined, acting reasonably, that (i) no act, action, suit or proceeding shall
have been taken or threatened in writing before or by any Governmental Entity or by an elected or
appointed public official or private person (including, without limitation, any individual, corporation,
firm, group or other entity) whether or not having the force of Law; and (ii) no Law, regulation or
policy shall exist or have been proposed, enacted, entered, promulgated or applied, in either case:

(A) to cease trade, enjoin, prohibit or impose material limitations or conditions on the purchase by, or
the sale to, the Offeror of the Nordex Shares or the right of the Offeror to own or exercise full
rights of ownership of the Nordex Shares;

(B) which, if the Offer (or any Compulsory Acquisition or any Subsequent Acquisition Transaction)
were consummated, would reasonably be expected to have a Material Adverse Effect in respect of
Nordex, Omnia or the Offeror;

(C) which would materially and adversely affect the ability of the Offeror to proceed with the Offer
(or any Compulsory Acquisition or any Subsequent Acquisition Transaction) and/or take up and
pay for any Nordex Shares deposited under the Offer;

(D) seeking to obtain from the Offeror, Omnia, or Nordex or any of its or their subsidiaries any
material damages, fees, levies or penalties directly or indirectly in connection with the Offer; or

(E) seeking to prohibit or limit the ownership or operation by the Offeror of any material portion of
the business or assets of Nordex or any of its subsidiaries, or to compel the Offeror to dispose of or
hold separate any material portion of the business or assets of Nordex or any of its subsidiaries;
(e) there shall not exist any prohibition at Law against the Offeror making or maintaining the Offer or taking up and paying for any Nordex Shares deposited under the Offer, or completing a Compulsory Acquisition or any Subsequent Acquisition Transaction;

(f) there shall not exist or have occurred (or, if there does exist or shall have occurred prior to the date of this Offer, that there shall not have been disclosed, generally or to the Offeror in writing on or before the date of this Offer) any change, condition, event, development, occurrence or set of facts or circumstances (or any change, condition, event, development, occurrence or set of facts or circumstances involving a prospective change) which, when considered either individually or in the aggregate, has resulted or would reasonably be expected to result in a Material Adverse Effect in respect of Nordex;

(g) the Offeror shall not have after the date of this Offer become aware of any 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 and at the date it was made (after giving effect to all subsequent filings available on SEDAR in relation to all matters covered in earlier filings), in any document filed by or on behalf of Nordex with any securities commission or similar securities regulatory authority in any of the provinces or territories of Canada or elsewhere, including any prospectus, annual information form, financial statement, material change report, management proxy circular, news release or any other document so filed by Nordex which constitutes a Material Adverse Effect with respect to Nordex;

(h) no shareholder rights plan or similar plan shall have been adopted by Nordex and Nordex or its directors shall not have made any public announcement as to the intended adoption of any such plan; and

(i) the Offeror shall have determined that a Restricted Event shall not have occurred.

“Restricted Event” means, with respect to Nordex and its subsidiaries, any of the following:

(a) the issuance or sale of any additional Nordex Shares, shares of any other class or series of capital of Nordex, other voting securities or any securities convertible into, or options, rights (except upon the exercise of options in accordance with their terms), or any other securities or rights in respect of, in lieu of, or in substitution or exchange for any shares in Nordex’s capital;

(b) declaring, paying, authorizing or making any distribution, payment or dividend on any of Nordex’s securities;

(c) any amendment to the articles or by-laws of Nordex;

(d) adopting, amending, varying, modifying or taking any other action with respect to any bonus, profit sharing, incentive, salary or other compensation, equity based award, pension, retirement, deferred compensation, severance, change in control, employment or other employee benefit plan, agreement, trust, fund or arrangement for the benefit or welfare of any officer, director or employee, or similar rights or other benefits except for (A) awards under such plans for officers, directors and employees currently in existence and publicly disclosed, which are made in the ordinary course of business consistent with past practice or (B) actions with respect to bonuses, salary or other compensation in the ordinary course of business consistent with past practice;

(e) (A) incurring or committing to incur any material indebtedness for borrowed money or issuing any debt securities, except for borrowings in the ordinary course of business consistent with past practice under existing credit facilities, (B) incurring or committing to incur, or guaranteeing, endorsing or otherwise becoming responsible for, any other material liability, obligation or indemnity or the obligation of any other person, or (C) making any loans or advances to persons other than wholly-owned subsidiaries, except in the ordinary course of business consistent with past practice;

(f) waiving, releasing, granting, transferring, exercising or amending any rights of material value or modifying or changing in any material respect (A) any existing material contractual rights in respect of any material joint ventures or material properties, projects or rights of any kind, or (B) any other
material license, lease, permit, authorization, concession, contract or other document other than in the ordinary course of business consistent with past practice, and only if so doing would not have a Material Adverse Effect;

(g) any default, termination, acceleration or other event under any material instrument or agreement to which Nordex or any of its subsidiaries is a party or by which any of their respective properties or assets are bound which would have a Material Adverse Effect whether such event shall have occurred as a result of the Offeror making the Offer, the taking up and paying for Nordex Shares under the Offer, the completion of a Compulsory Acquisition or a Subsequent Acquisition Transaction or for any other reason;

(h) entering into or completing (A) any material transaction not in the ordinary course of business, or (B) other than with the Offeror or any of its affiliates subsequent to the date of the Offer, any exchange offer, merger, amalgamation, plan of arrangement, reorganization, consolidation, business combination, reverse take-over, sale of all or substantially all of its assets, recapitalization, dissolution, winding up or similar transaction;

(i) the authorization by the board of directors of Nordex or Nordex’s shareholders or of any subsidiary of Nordex of any of the foregoing;

(j) the entering into of any agreement to do any of the foregoing; or

(k) the change of control private placement and/or the going private transaction with EPC is approved by the Shareholders.

The foregoing conditions, other than the Statutory Minimum Condition (and except as provided for herein), are for the sole benefit of the Offeror and may be asserted by the Offeror in its sole discretion at any time, regardless of the circumstances giving rise to any such assertion. The Offeror may, in its sole discretion, waive any of the foregoing conditions other than the Statutory Minimum Condition (except as provided for herein) with respect to the Offer in whole or in part at any time and from time to time, without prejudice to any other rights which the Offeror may have. The failure by the Offeror at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right, the waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver with respect to any other facts and circumstances, and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time by the Offeror.

Any determination by the Offeror concerning any events or other matters described in this Section 4 will be final and binding upon all parties for purposes of the Offer.

5. Variation or Change of the Offer

The Offer is open for acceptance until the Expiry Time, unless withdrawn. In addition, if the Offeror takes up Nordex Shares deposited under the Offer at the Expiry Time, the Offer will be extended and will be open for acceptance for an additional period of not less than ten (10) days.

The Offeror reserves the right, in its sole discretion, at any time and from time to time while the Offer is open for acceptance, to vary the Offer (including, without limitation, by extending the Expiry Time or, where permitted by Law, abridging the Expiry Time) by giving written notice, or other communication confirmed in
writing, of such extension or variation to the Depositary at its principal office in Toronto, Ontario and by causing
the Depositary as soon as practicable thereafter to communicate such notice in the manner set forth in Section 9
of the Offer, “Notices and Delivery” to all Shareholders whose Nordex Shares have not been taken up prior to
the extension or variation. The Offeror will, as soon as possible after giving notice of an extension or variation
to the Depositary and make a public announcement of the extension or variation. Any notice of variation will be
deemed to have been given and to be effective on the day on which it is delivered or otherwise communicated to
the Depositary at its principal office in Toronto, Ontario.

If the terms of the Offer are varied (other than a variation consisting solely of a waiver of a condition of the
Offer and any extension of the Offer resulting from the waiver, other than the Mandatory Extension Period), the
Offer will not expire before 10 days after the notice of such variation has been given to Shareholders to whom an
Offer is being made, and the Offeror will not take up Nordex Shares deposited under the Offer before ten
(10) days after such notice of variation unless otherwise permitted by applicable Law and subject to abridgement
or elimination of that period pursuant to such orders as may be granted by Canadian courts or applicable
securities regulatory authorities.

If at any time before the Expiry Time, or at any time after the Expiry Time but before the expiry of all rights
of withdrawal with respect to the Offer, a change occurs in the information contained in the Offer and Circular,
as amended from time to time, that would reasonably be expected to affect the decision of a Shareholder to
whom the Offer is being made to accept or reject the Offer (other than a change that is not within the control of
the Offeror or of an affiliate of the Offeror), the Offeror will give written notice of such change to the
Depositary at its principal office in Toronto, Ontario and will cause the Depositary to provide as soon as
practicable thereafter a copy of such notice in the manner set forth in Section 9 of the Offer, “Notices and
Delivery” to all Shareholders whose Nordex Shares have not been taken up pursuant to the Offer at the date of
the occurrence of the change, if required by applicable Law. The Offeror will as soon as practicable after giving
notice of a change in information to the Depositary make a public announcement of the change in information.
Any notice of change in information will be deemed to have been given and to be effective on the day on which
it is delivered or otherwise communicated to the Depositary at its principal office in Toronto, Ontario.

During any such extension or in the event of any variation, all Nordex Shares previously deposited and not
taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by the Offeror in
accordance with the terms hereof. An extension of the Expiry Time of the Offer or a variation of the Offer does
not constitute a waiver by the Offeror of its rights under Section 4 of the Offer, “Conditions of the Offer”.

If the consideration being offered for the Nordex Shares under the Offer is increased, the increased
consideration will be paid to all depositing Shareholders whose Nordex Shares are taken up under the Offer.

6. Payment for Deposited Nordex Shares

If all the conditions referred to under Section 4 of the Offer, “Conditions of the Offer” are satisfied or,
where such conditions may be waived, are waived at the Expiry Time, the Offeror will become obligated to
immediately take up the Nordex Shares validly deposited under the Offer and not withdrawn and pay for the
Nordex Shares taken up as soon as possible, but in any event not later than three Business Days after taking up
the Nordex Shares.

In accordance with applicable Law, the Offeror will extend the Offer for the Mandatory Extension Period
and may extend the Offer for one or more additional periods (“Optional Extension Periods”). The Offeror will
take up and pay for Nordex Shares deposited under the Offer during the Mandatory Extension Period and any
Optional Extension Period within 10 days of such deposit.

The Offeror will be deemed to have taken up and accepted for payment the Nordex Shares validly
deposited and not withdrawn pursuant to the Offer as, if and when the Offeror gives written notice to the
Depositary to that effect.

Subject to applicable Law, the Offeror expressly reserves the right in its sole discretion to delay taking up
and paying for any Nordex Shares or to terminate the Offer and not take up or pay for any Nordex Shares
pursuant to the Offer if any condition specified in Section 4 of the Offer, “Conditions of the Offer” is not
satisfied or, where such condition may be waived, waived, by giving written notice thereof or other
communication confirmed in writing to the Depositary at its principal office in Toronto, Ontario. The Offeror also expressly reserves the right, in its sole discretion and notwithstanding any other condition of the Offer, to delay taking up and paying for Nordex Shares in order to comply, in whole or in part, with any applicable Law.

The Offeror will pay for Nordex Shares validly deposited under the Offer and not withdrawn by providing the Depositary with sufficient funds (by wire transfer or other means satisfactory to the Depositary) for transmittal to depositing Shareholders.

The Depositary will act as the agent of persons who have deposited Nordex Shares in acceptance of the Offer for the purposes of receiving payment from the Offeror and transmitting payment to such persons, and receipt of payment by the Depositary will be deemed to constitute receipt of payment by persons depositing Nordex Shares.

Under no circumstances will interest accrue or be paid by the Offeror or the Depositary on the purchase price for Nordex Shares purchased by the Offeror to persons depositing Nordex Shares, regardless of any delay in making such payment.

Settlement with each Shareholder who has deposited Nordex Shares under the Offer will be made by the Depositary forwarding to each such Shareholder a cheque, payable in Canadian funds, representing the cash to which the depositing Shareholder is entitled. Subject to the foregoing and unless otherwise directed by a Letter of Transmittal, cheques will be issued in the name of the registered holder of the Nordex Shares deposited. Unless the person depositing the Nordex Shares instructs the Depositary to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, such cheque will be forwarded by first class mail to such person at the address specified in the Letter of Transmittal. If no such address is specified, such cheque will be sent to the address of the holder as shown on the register of Shareholders maintained by or on behalf of Nordex. Cheques mailed in accordance with this paragraph will be deemed to be delivered at the time of mailing.

7. Withdrawal of Deposited Nordex Shares

Except as otherwise provided in this Section 7, all deposits of Nordex Shares pursuant to the Offer are irrevocable. Unless otherwise required or permitted by applicable Law, a Shareholder may withdraw its Nordex Shares deposited in acceptance of the Offer:

(a) at any time before the Nordex Shares have been taken up by the Offeror;

(b) at any time before the expiration of 10 days from the date of a notice of change or notice of variation of the Offer, provided that a Shareholder may not withdraw its Nordex Shares deposited in acceptance of the Offer if: (i) its Nordex Shares have been taken up by the Offeror before the date of the notice of change or notice of variation, or (ii) any of the following apply:

(A) there is a variation in the terms of the Offer consisting solely of an increase in consideration offered for the Nordex Shares and an extension of the Expiry Time not later than 10 days after the date of the notice of variation,

(B) there is a variation in the terms of the Offer consisting solely of the waiver of one or more of the conditions of the Offer, or

(C) there is a variation in the terms after the Expiry Time consisting of either an increase in the consideration offered for the Nordex Shares or an extension of the time for deposit to not later than 10 days from the date of the notice of variation; or

(c) if its Nordex Shares have not been paid for by the Offeror within three Business Days after having been taken up by the Offeror.

For any withdrawal to be made, notice of the withdrawal must be made in writing (which includes a facsimile communication or notice by electronic means that produces a printed copy) and must be actually received by the Depositary at the place of deposit within the period permitted for withdrawal. Any such notice of withdrawal must (i) be made by a method, including a facsimile transmission, that provides the Depositary with a written or printed copy, (ii) be signed by or on behalf of the person who signed the Letter of Transmittal.
(or Notice of Guaranteed Delivery) that accompanied the Nordex Shares to be withdrawn, and (iii) specify such person’s name, the number of Nordex Shares to be withdrawn, the name of the registered holder and the certificate number, if any, shown on each certificate representing the Nordex Shares to be withdrawn. Any signature in a notice of withdrawal must be guaranteed by an Eligible Institution in the same manner as in the Letter of Transmittal (as described in the rules and instructions set out in such letter), except in those cases where the Nordex Shares were deposited for the account of an Eligible Institution. The withdrawal will take effect upon receipt by the Depositary of the properly completed notice of withdrawal. None of the Depositary, the Offeror or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or will incur any liability for failure to give such notification.

Alternatively, if Nordex Shares have been deposited pursuant to the procedures for book-entry transfer, as set out under Section 3 of the Offer, “Manner of Acceptance — Book-Entry Transfer”, the depositing Nordex Shareholder must contact their CDS or DTC participant and instruct them to withdraw the deposited Nordex Shares in accordance with the CDS or DTC procedures to effect a withdrawal of a book-entry transfer.

Withdrawals may not be rescinded and any Nordex Shares withdrawn will thereafter be deemed not to be validly deposited for purposes of the Offer. However, withdrawn Nordex Shares may be re-deposited no later than the Expiry Time by again following one of the procedures described in Section 3 of the Offer, “Manner of Acceptance”. Once the Offeror accepts or takes-up the deposited Nordex Shares for payment upon the expiration of the Offer (including the expiration of any extension thereof), Shareholders will no longer be able to withdraw them, except in accordance with applicable Law.

If the Offeror extends the Offer, is delayed in taking up or paying for Nordex Shares or is unable to take up or pay for Nordex Shares for any reason, then, without prejudice to the Offeror’s other rights, Nordex Shares deposited under the Offer may be retained by the Depositary on behalf of the Offeror and such Nordex Shares may not be withdrawn except to the extent that depositing Shareholders are entitled to withdrawal rights as set forth in this Section 7 or pursuant to applicable Law.

A withdrawal of deposited Nordex Shares can only be accomplished in accordance with the foregoing procedures. The withdrawal will take effect only upon actual receipt by the Depositary of the property completed and executed written notice of withdrawal or a withdrawal notice received from CDS or DTC, as applicable.

In addition to the foregoing rights of withdrawal, Shareholders in certain provinces of Canada are entitled to statutory rights of rescission or to damages, or both, in certain circumstances. See Section 15 of the Circular, “Statutory Rights”.

All questions as to the validity (including timely receipt) and form of notices of withdrawal will be determined by the Offeror in its sole discretion, and such determination will be final and binding.

8. Market Purchases

The Offeror and its affiliates reserve the right to, and may, acquire beneficial ownership of Nordex Shares by making purchases through the facilities of the TSX-V at any time, and from time to time, prior to the Expiry Time subject to and in accordance with applicable Laws. In no event, however, will the Offeror (or its affiliates) make any such purchases of Nordex Shares until the third Business Day following the date of the Offer and the Offeror shall comply with the following requirements under Section 2.2(3) of NI 62-104, in the event it decides to make any such purchases:

(a) such intention shall be stated in a news release issued and filed at least one Business Day prior to making such purchases;

(b) the aggregate number of Nordex Shares beneficially acquired shall not exceed five percent of the outstanding Nordex Shares as of the date of the Offer, calculated in accordance with applicable Laws;

(c) the purchases shall be made in the normal course through the facilities of the TSX-V;

(d) the Offeror shall issue and file a news release containing the information required under applicable Laws immediately after the close of business of the TSX-V on each day on which Nordex Shares have been purchased; and
(c) the broker involved in such trades shall provide only customary broker services and receive only customary fees or commissions, and no solicitation for the sale or purchase of Nordex Shares shall be made by the Offeror or its agents (other than under the Offer) or the seller or its agents.

Purchases pursuant to Section 2.2(3) of NI 62-104 will not be counted in any determination as to whether the Statutory Minimum Condition has been fulfilled.

Although the Offeror has no present intention to sell Nordex Shares taken-up and paid for under the Offer, it reserves the right to make or to enter into an arrangement, commitment or understanding at or prior to the Expiry Time to sell any of such Nordex Shares after the Expiry Time, subject to applicable Laws and to compliance with Section 2.7(2) of NI 62-104.

9. Notices and Delivery

Except as otherwise provided in the Offer and without limiting any other lawful means of giving notice, any notice to be given by the Offeror or the Depositary pursuant to the Offer will be deemed to have been properly given if it is mailed by first class mail, postage prepaid, to the Shareholders at their respective addresses as shown on the registers maintained by or on behalf of Nordex and will be deemed to have been received on the first Business Day following the date of mailing. These provisions apply notwithstanding any accidental omission to give notice to any one or more Shareholders and notwithstanding any interruption of mail services in Canada following mailing. In the event of any interruption of mail service following mailing, the Offeror intends to make reasonable efforts to disseminate the notice by other means, such as publication. Except as otherwise required or permitted by Law, in the event of any interruption of or delay in mail service following mailing or if post offices in Canada are not open for the deposit of mail, any notice which the Offeror or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by Shareholders if a summary of the material provisions thereof is (i) given to the TSX-V for dissemination through its facilities, (ii) published once in the National Edition of The Globe and Mail or the National Post, or (iii) given to the Canada News Wire Service for dissemination through its facilities.

The Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery will be mailed to Shareholders or made available in such other manner as is permitted by applicable regulatory authorities and the Offeror will use its reasonable efforts to furnish such documents to brokers, banks and similar persons whose names, or the names of whose nominees, appear on the Shareholder lists, or if applicable, who are listed as participants in a clearing agency’s security position listing, for subsequent transmission to beneficial holders of Nordex Shares when such list or listing is received.

Wherever the Offer calls for documents to be delivered to the Depositary, those documents will not be considered delivered unless and until they have been physically received at the address listed for the Depositary on the Letter of Transmittal or the Notice of Guaranteed Delivery, as applicable. Wherever the Offer calls for documents to be delivered to the office of the Depositary, those documents will not be considered delivered unless and until they have been physically received at the office at the address indicated on the Letter of Transmittal or the Notice of Guaranteed Delivery, as applicable.

10. Return of Nordex Shares

If for any reason any deposited Nordex Shares are not taken up and paid for pursuant to the terms and conditions of the Offer, certificates for Nordex Shares that are not purchased and any other relevant documents will be returned, at the expense of the Offeror to the depositing Shareholder as soon as practicable after the Expiry Time or withdrawal or early termination of the Offer. In the case of deposited Nordex Shares deposited by book-entry transfer pursuant to the procedures set forth under Section 3 of the Offer, “Manner of Acceptance — Book-Entry Transfer”, such deposited Nordex Shares will be credited to the depositing Shareholder’s participant’s account maintained by CDS or DTC, as applicable.

Certificates and other relevant documents will be forwarded by first class mail in the name of and to the address specified by the Shareholder in the Letter of Transmittal or, if such name or address is not so specified, in such name and to such address as shown on the Shareholder registers maintained by or on behalf of Nordex.
11. Changes in Capitalization, Dividends, Distributions and Liens

If, on or after the date of this Offer, Nordex should divide, reclassify, consolidate, convert, split, combine or otherwise change any of the Nordex Shares or its capitalization or shall disclose that it has taken or intends to take any such action, then the Offeror may, in its sole discretion, make such adjustments as it considers appropriate to the purchase price and other terms of the Offer (including, without limitation, the type of securities offered to be purchased and the amounts payable therefor), to reflect such division, reclassification, consolidation, conversion, split, combination or other change.

Nordex Shares acquired by the Offeror pursuant to the Offer shall be transferred to the Offeror free and clear of all liens, restrictions, charges, encumbrances, claims, adverse interests, equities and rights of others and together with all rights and benefits arising therefrom including the right to all Distributions which may be declared, paid, issued, accrued, distributed, made or transferred on or after the date of this Offer.

If, on or after the date of this Offer, Nordex should declare or pay any dividend, pay any interest, or declare, make or pay any other distribution or payment on or declare, allot, reserve or issue any securities, rights or other interests with respect to any Nordex Shares which is or are payable or distributable to Shareholders of record on a date which is prior to the date of the transfer to the name of the Offeror or its nominees or transferees on the transfer register maintained by or on behalf of Nordex in respect of Nordex Shares accepted for purchase pursuant to the Offer, then without prejudice to the Offeror’s rights under Section 4 of the Offer, “Conditions of the Offer”: (a) in the case of a cash dividend, distribution or payment, the amount of the dividend, distribution or payment shall be received and held by the depositing Shareholders for the account of the Offeror until the Offeror pays for such Nordex Shares, and to the extent that such dividend, distribution or payment does not exceed the cash purchase price per Nordex Share payable by the Offeror pursuant to the Offer, the cash purchase price per Nordex Share pursuant to the Offer will be reduced by the amount of such dividend, distribution or payment; (b) in the case of a non-cash dividend, distribution, payment, right or other interest, the whole of any such non-cash dividend, distribution, payment, right or interest shall be received and held by the depositing Shareholders for the account of the Offeror and shall be required to be promptly remitted and transferred by the depositing Shareholders to the Depositary for the account of the Offeror, accompanied by appropriate documentation of transfer; and (c) in the case of any cash dividend, distribution or payment in an amount that exceeds the cash purchase price per Nordex Share payable by the Offeror pursuant to the Offer, the whole of such cash dividend, distribution or payment shall be received and held by the depositing Shareholders for the account of the Offeror and shall be required to be promptly remitted and transferred by the depositing Shareholders to the Depositary for the account of the Offeror, accompanied by appropriate documentation of transfer.

Pending such remittance, the Offeror will be entitled to all rights and privileges as owner of any such dividend, distribution, payment, right or other interest and may withhold the entire purchase price payable by the Offeror pursuant to the Offer or deduct from the purchase price payable by the Offeror pursuant to the Offer the amount or value of the dividend, distribution, payment, right or other interest, as determined by the Offeror in its sole discretion. The declaration or payment of any such dividend or distribution may have tax consequences not discussed under Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”.

12. Mail Service Interruption

Notwithstanding the provisions of the Offer, the Circular, the Letter of Transmittal or the Notice of Guaranteed Delivery, cheques, certificates and any other relevant documents will not be mailed if the Offeror determines that delivery thereof by mail may be delayed. Persons entitled to cheques, certificates or any other relevant documents which are not mailed for the foregoing reason may take delivery thereof at the office of the Depositary to which the deposited certificates for Nordex Shares were delivered until such time as the Offeror has determined that delivery by mail will no longer be delayed. The Offeror will provide notice of any such determination not to mail made under this Section 12 as soon as reasonably practicable after the making of such determination and in accordance with Section 9 of the Offer, “Notices and Delivery”. The deposit of cheques and certificates with the Depositary in such circumstances will constitute delivery to the persons entitled thereto.
and the Nordex Shares will be deemed to have been paid for immediately upon such deposit at the office of the Depositary at which the Nordex Shares were deposited.

13. Other Terms of the Offer

The Offeror reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its affiliates, the right to purchase all or any portion of the Nordex Shares deposited pursuant to the Offer, but any such transfer or assignment will not relieve the Offeror of its obligations under the Offer and will in no way prejudice the rights of persons depositing Nordex Shares to receive prompt payment for Nordex Shares validly deposited and taken up pursuant to the Offer.

The Offer and all contracts resulting from acceptance of the Offer will be governed by and construed in accordance with the Laws of the Province of Ontario and the Laws of Canada applicable therein. Each party to an agreement resulting from the acceptance of an Offer unconditionally and irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

No broker, dealer or other person (including the Depositary) has been authorized to give any information or to make any representation or warranty on behalf of the Offeror or any of its affiliates in connection with the Offer other than as contained in the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery and, if any such information, representation or warranty is given or made, it must not be relied upon as having been authorized.

The Offeror, in its sole discretion, will be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, the validity of any acceptance of the Offer and the validity of any withdrawal of Nordex Shares.

The provisions of the Circular, Letter of Transmittal and Notice of Guaranteed Delivery accompanying the Offer, including the rules and instructions contained therein, as applicable, are incorporated into and form part of the terms and conditions of the Offer.

Where the Offer provides that the time for the taking of any action, the doing of anything or the end of any period expires or falls upon a day that is not a Business Day, the time shall be extended and action may be taken, the thing may be done or the period shall end as the case may be, on the next Business Day.

The Offer and the accompanying Circular constitute the take-over bid circular required under Canadian provincial securities legislation with respect to the Offer. Shareholders are urged to refer to the accompanying Circular for additional information relating to the Offer.

Dated: August 3, 2016

1083884 B.C. LTD.

By: Joseph Breen Keenan (Signed)
Director
CIRCULAR

This Circular is furnished in connection with the accompanying Offer dated August 3, 2016 by 1083884 B.C. LTD. (the “Offeror”) to purchase all of the outstanding common shares (the “Nordex Shares”) of Nordex Explosives Ltd. (“Nordex”) not already owned by affiliates of the Offeror. The terms and provisions of the Offer, the Letter of Transmittal and the Notice of Guaranteed Delivery are incorporated into and form part of this Circular. Terms defined in the Offer and the Glossary and not otherwise defined in this Circular shall have the respective meanings given thereto in the Offer and the Glossary unless the context otherwise requires.

No securities tendered to the Offer will be taken up until (a) more than 50% of the outstanding securities of the class sought, being the Nordex Shares, (excluding those securities beneficially owned, or over which control or direction is exercised by the Offeror, its affiliates or any person acting jointly or in concert with the Offeror) have been tendered to the Offer, (b) the minimum deposit period under the applicable securities laws has elapsed, and (c) any and all other conditions of the Offer have been complied with or waived, as applicable. If these criteria are met, the Offeror will take up securities deposited under the Offer in accordance with applicable securities laws and extend the Offer for an additional minimum period of 10 days to allow for further deposits of securities.

The information concerning Nordex contained in this Circular has been taken from or is based upon publicly available information filed with Canadian securities regulators and other public sources available at the time of the Offer. Although the Offeror has no knowledge that would indicate that any statements contained herein relating to Nordex taken from, or based upon, such documents and records are untrue or incomplete, none of the Offeror or any of its respective officers or directors assumes any responsibility for the accuracy or completeness of the information relating to Nordex taken from, or based upon, such documents and records, or for any failure by Nordex to disclose events which may have occurred or may affect the significance or accuracy of any such information, but which are unknown to the Offeror.

All currency amounts expressed herein, unless otherwise indicated, are in Canadian dollars.

1. The Offeror

The Offeror was incorporated under the Business Corporations Act (British Columbia) on July 25, 2016 for the sole purpose of making the Offer, and is an indirect wholly-owned subsidiary of Omnia. The Offeror’s registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

Omnia is a diversified chemicals group, listed on the Johannesburg Stock Exchange, operated by the JSE Limited, with a market capitalization of R10.8 billion (Cdn.$980 million), with specialized services and solutions for the agriculture, mining and chemicals industries. BME, a division of Omnia (“BME”), is one of the leading suppliers of explosives and services to the mining, quarrying and construction industries. BME has been in the mining explosives business for over 30 years and introduced the technology for cold emulsion explosives into South Africa. In addition, BME manufactures and supplies a full range of bulk emulsions, initiating systems, electronic detonators, blasting software, packaged explosives, related accessories and equipment. BME’s focus is on new explosives technology, safety and value adding technical services to 23 countries, across 4 continents.

2. Nordex Explosives Ltd.

Nordex was incorporated in Canada under the Business Corporations Act (Quebec) (formerly the Companies Act (Quebec)) on August 4, 1970 and was continued under the Canada Business Corporations Act on April 10, 2013. Nordex’s principal business activities are the development, manufacture and resale of explosive products in Canada. Nordex’s registered and records office and business office is located at 3045 Dane Road, P.O. Box 790, Kirkland Lake, Ontario, Canada.

Nordex is a reporting issuer in and subject to the information and reporting requirements of the Applicable Securities Laws of the provinces of British Columbia, Alberta, Ontario and Quebec, and the rules of the TSX Venture Exchange (“TSX-V”). In accordance therewith, Nordex is required to file reports, financial statements and other information with Canadian securities regulators and with the TSX-V relating to its business, financial condition and other matters.
Information as of particular dates concerning Nordex's directors and officers, their remuneration, their indebtedness, if any, to Nordex, the principal holders of securities and any material interests of such persons in transactions with Nordex and other matters are all required to be disclosed in proxy statements distributed to shareholders and filed with certain Canadian securities regulators and with the TSX-V and may be inspected at Nordex's offices, as filed with certain Canadian securities regulators at www.sedar.com or through the facilitates of the TSX-V.

Pursuant to the provisions of Applicable Securities Laws the directors of Nordex must send a circular to all Shareholders in connection with the Offer, which circular, together with other information, must disclose any material changes in the affairs of Nordex subsequent to the date of the most recently published financial statements of Nordex.

3. Shares Subject to the Bid; Time Period; Consideration

Based on publicly available information, the Offeror believes that as of July 28, 2016 there were 20,413,435 Nordex Shares outstanding and 23,213,435 Nordex Shares on a fully-diluted basis. The Offer is to purchase for Cdn.$0.22 in cash per Nordex Share all of the issued and outstanding Nordex Shares. The Offer is open for acceptance commencing as of the date of this Circular until the Expiry Time, unless abridged, extended or withdrawn by the Offeror.

The Offer is made only for Nordex Shares and is not made for any Convertible Securities. Any holder of Convertible Securities who wishes to accept the Offer must exchange, exercise or convert such Convertible Securities in order to obtain certificates representing Nordex Shares and deposit those Nordex Shares under the Offer. Any such exchange, exercise or conversion must be sufficiently in advance of the Expiry Time to assure that the holders of such convertible securities will have Nordex Share certificate(s) available for deposit before the Expiry Time, or in sufficient time to comply with the procedures referred to in Section 3 of the Offer, “Manner of Acceptance — Procedure for Guaranteed Delivery”. Shareholders who do not deposit their Nordex Shares under the Offer will not be entitled to any appraisal rights. However, any such holders who dissent from a Compulsory Acquisition or Subsequent Acquisition Transaction will have certain rights to seek a judicial determination of the fair value of their Nordex Shares.

4. Background to the Offer

Nordex was identified early on by BME as an attractive company through which BME could enter the Canadian and North American market, either by acquisition, joint venture or other form of business transaction. Following an initial approach, on August 31, 2015, a confidentiality agreement without a standstill was executed by Nordex and Omnia.

In September, 2015, BME made a presentation to the Omnia board regarding the business justifications for entering Canada and the North American market more generally. The approval was obtained to complete a country review.

In November, 2015, Joseph Keenan, Managing Director of BME, and Francois Visage from Omnia’s corporate development team, initially met with Nordex’s Chairman, Jim O’Reilly, in New York to discuss the possibility of an acquisition. As a result of that meeting, through December, 2015, a joint Omnia and BME team completed a local financial and operational review of the Nordex plant and facility in Kirkland Lake, Ontario as well as its existing commercial business operations and business prospects.

In early January, 2016, BME retained legal counsel and began examining a number of structural options for acquiring the Nordex business. Throughout January, 2016 and into February, 2016, BME conducted limited desktop due diligence on Nordex but ultimately was able to obtain the approval of the Omnia board to negotiate an acquisition transaction with Nordex.

This led to BME presenting a non-binding letter of intent to Nordex on March 7, 2016 through which BME proposed acquiring 100% of the Nordex Shares in a consensual supported transaction at an indicative price of Cdn.$0.10 per Nordex Share, as well as a proposal to settle Nordex’s outstanding debt. This proposal was summarily rejected by Nordex in a letter of March 10, 2016, which suggested that Cdn.$0.35 per share was a fair price, which at the time would have represented almost a 600% premium to the then trading price of Nordex.
Shares. Despite the unrealistic and unsupportable pricing request, BME continued discussions with Nordex’s Chairman, as well as its Chief Executive Officer on a number of other possible transactions. No due diligence access was provided to BME at this time.

On March 29, 2016, BME submitted another letter to Nordex stating that they were prepared to reconsider its indicative price but only if the price reflected the value of the business based on an understandable valuation model, if Nordex would provide certain additional information in order to permit BME make an informed decision as to value, which included access to Nordex’s lenders and debtholders (which was never provided), full due diligence access (which again, was never provided), as well as a limited exclusivity period to complete definitive agreements.

Throughout April, BME continued discussions with Nordex around its willingness to improve its indicative pricing. Those discussions culminated in a teleconference call on May 5, 2016 with Nordex’s Chairman, Chief Executive Officer and Chief Financial Officer to discuss various due diligence matters. Documentary due diligence was not provided. On May 5, 2016, the price of the Nordex Shares on the TSX-V closed at Cdn.$0.055.

Throughout most of May, 2016, informal discussions were held with Nordex on a proposed transaction, but Nordex remained unwilling to provide any significant documentary due diligence, detailed cashflow models in order to provide bridge financing to completion of the transaction or enter into exclusivity. On May 23, 2016, Nordex informed BME that it had entered into an exclusivity arrangement with another party that was willing to put forward a price of Cdn.$0.20 per Nordex Share (which has yet to occur). As a result, it became apparent to BME that a transaction would not be able to be agreed with Nordex, and BME ceased progressing the matter.

On June 9, 2016, and completely unannounced, Jim O’Reilly contacted Joseph Keenan noting that the exclusivity with that other party would expire on June 10, 2016, and querying if BME would be interested in pursuing a transaction. BME did not enter into any discussions given the unresolved requests made to Nordex earlier.

On June 15, 2016, Nordex announced the transactions with Société Anonyme d’Explosifs et de Produits Chimiques (“EPC”).

On June 27, 2016, BME sent a binding alternative proposal letter to Nordex, offering to make an supported take-over bid for the Nordex Shares at Cdn.$0.20 per share (then a 33.3% premium to the price EPC was willing to pay), and providing an unsecured, non-convertible loan in the amount of Cdn.$5.5 million in order to pay the EPC ‘break fee’, settle certain debt, and providing working capital through to the completion of the take-over bid.

On June 28, 2016, Nordex formally wrote to BME stating that it cannot respond to the alternative proposal made by BME. Nevertheless, discussions then took place between Nordex and BME, as well as their respective legal counsel. In order to address certain concerns alluded to by Nordex, on July 7, 2016, BME’s legal counsel submitted a revised alternative proposal including an executable form of a Support Agreement, and other definitive documents. Again, subsequent discussions between counsel made it clear to BME that Nordex had every intention of proceeding with the inferior EPC transactions providing Cdn.$0.15 per Nordex Share to its shareholders, rather than declaring the BME Cdn.$0.20 per Nordex Share transaction to be superior.

On July 14, 2016, BME announced its intention to make this unsolicited offer for 100% of the Nordex Shares.

5. Reasons to Accept the Offer

The Offeror believes that the price of Cdn.$0.22 in cash per Nordex Share under the Offer is a full and fair price for the Nordex Shares which it is seeking to purchase. Shareholders should consider a number of factors in making a decision whether to accept the Offer, including:

(a) Significant Premium for Shareholders. The Cdn.$0.22 cash Offer price Nordex Share continues to represent a 22% premium to the value offered to Nordex shareholders in the proposed EPC transactions.
(b) **Omnia will Benefit the Local Kirkland Lake Community.** The Nordex business will not be leaving Kirkland Lake, Ontario. Omnia sees Nordex as the ideal base to grow its North American business, and has the financial means and capacity to ensure that the facility continues to provide jobs to the surrounding community for years to come and to make the necessary technical investment to improve the business.

(c) **Realize Immediate and Certain Value.** The all-cash consideration provides Shareholders with the opportunity to realize an immediate and certain value for their Nordex Shares.

(d) **The Offer Need only be Open for 35 Calendar Days.** Nordex’s July 18, 2016 announcement means that Shareholders will only need to wait a few weeks to realize full value for their Nordex Shares. The Offer now can be expected to be closed by shortly after the expiry date of September 9, 2016.

(e) **Remove the opportunity for EPC to significantly dilute current Shareholders.** EPC’s subscription at a subscription price of Cdn.$0.12, through which it will come to own 66.6% of the Nordex Shares, is opportunistic, undervalues Nordex and represents a 45% discount to the Nordex Share price of this Offer.

(f) **Fully-Financed All-Cash Offer.** In accordance with applicable Canadian securities laws, the Offer will not be subject to a financing condition and made from cash on hand.

(g) **The Offer Provides Shareholders with Liquidity.** Shareholders currently have limited liquidity based on the trading history of the Nordex Shares, and the fully-funded Offer provides an opportunity for Shareholders to dispose of all of their Nordex Shares for a clean cash consideration of Cdn.$0.22 and at value levels not seen in the Nordex Share price since the first half of 2015.

(h) **The Going Private Transaction with EPC Puts Shareholders at Risk.** If the going private transaction with EPC is not completed, Shareholders will have been diluted into a change of control transaction at an unconscionable Cdn.$0.12 per share and will be left as minority holders in a controlled subsidiary of EPC with no means to realize full value for their Nordex Shares.

(i) **The Proposed Change of Control Private Placement to EPC is Highly Dilutive and Keeps Significant Value from the Shareholders.** The proposed change of control private placement to EPC is highly dilutive at Cdn.$0.12 per share, a full Cdn.$0.10 per share less than our Offer, which means that the Nordex board is leaving Cdn.$2.04 million of value on the table that is not going into the Nordex business, and in supporting EPC’s Cdn.$0.18 per share going private transaction, keeps a further Cdn.$816,500 away from Nordex shareholders.

The foregoing list of factors is not intended to be exhaustive. Shareholders should consider the Offer carefully and come to their own conclusions as to whether to accept or reject the Offer. Shareholders who are in doubt as to how to respond should consult with their own investment dealer, stockbroker, bank manager, lawyer or other professional advisor. Shareholders are advised that acceptance of the Offer may have tax consequences and they should consult their own professional tax advisors. See Section 14 of this Circular, “Certain Canadian Federal Income Tax Considerations”.

6. **Purpose of the Offer**

The purpose of the Offer is to enable the Offeror to purchase all of the outstanding Nordex Shares. If the conditions of the Offer are satisfied or waived and the Offeror takes up and pays for the Nordex Shares validly deposited under the Offer, the Offeror currently intends to acquire any Nordex Shares not deposited under the Offer by Compulsory Acquisition, if available, or to propose a Subsequent Acquisition Transaction, in each case for consideration per Nordex Share equal in value to the consideration paid by the Offeror per Nordex Share under the Offer. The exact timing and details of any such transaction will depend upon a number of factors, including the number of Nordex Shares acquired by the Offeror pursuant to the Offer. The Offeror currently intends to retain all Nordex Shares acquired pursuant to the Offer, however, it reserves the right to transfer or sell such Nordex Shares at any time in the future should its intention change.

Although the Offeror currently intends to proceed by way of either a Compulsory Acquisition or a Subsequent Acquisition Transaction generally on the terms described herein, it is possible that, as a result of
delays in the Offeror’s ability to effect such a transaction, information subsequently obtained by the Offeror, changes in general economic or market conditions or in the business of Nordex, or other currently unforeseen circumstances, such a transaction may not be proposed, may be delayed or abandoned or may be proposed on different terms. Accordingly, the Offeror reserves the right not to proceed by way of a Compulsory Acquisition or Subsequent Acquisition Transaction, or to propose a Subsequent Acquisition Transaction on terms other than as described in the Circular. See Section 12 of this Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”.

The Offeror intends, to the extent permitted by applicable Laws, to cause: (a) Nordex to apply to voluntarily delist the Nordex Shares from the TSX-V as soon as practicable after completion of the Offer and, if applicable, any Compulsory Acquisition or Subsequent Acquisition Transaction; and (b) Nordex to cease to be a reporting issuer under the securities laws of each jurisdiction of Canada in which it is a reporting issuer.

Nordex remains a heavily indebted company, and once the Offer is mailed the Offeror intends to commence discussions with Nordex’s major debtholders in order to restructure and repay Nordex’s outstanding debt.

7. Ownership of Securities of Nordex

As of the date hereof:

(a) the Offeror does not beneficially own or exercise control or direction over any securities of Nordex;

(b) none of the directors, officers, associates or affiliates of the Offeror beneficially own or exercise control or direction over any securities of Nordex;

(c) no insider or any associate or affiliate of an insider of the Offeror beneficially owns or exercises control or direction over any securities of Nordex; and

(d) no person acting jointly or in concert with the Offeror beneficially owns or exercises control or direction over any securities of Nordex.

The following table sets out the names of the current directors and officers of Nordex, the positions held by them with Nordex and the number of Nordex Shares and options and the percentage of the outstanding number of Nordex Shares and options beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them and, where known after reasonable enquiry, by their respective associates and affiliates, based on the Nordex Public Documents and filings by such directors and officers:

<table>
<thead>
<tr>
<th>Name</th>
<th>Office</th>
<th>Nordex Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Common Shares</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number</td>
</tr>
<tr>
<td>Peter Bourgeois</td>
<td>Director</td>
<td>10,000 *</td>
</tr>
<tr>
<td>Paul De Luca</td>
<td>Director</td>
<td>Nil</td>
</tr>
<tr>
<td>Joe Hunnisett</td>
<td>Director and Interim Chief Financial Officer</td>
<td>66,000 *</td>
</tr>
<tr>
<td>Dr. Lee Michael Luciani</td>
<td>Director</td>
<td>942,800</td>
</tr>
<tr>
<td>Duncan Middlemiss</td>
<td>Director</td>
<td>Nil</td>
</tr>
<tr>
<td>James O’Reilly</td>
<td>Director</td>
<td>170,000 *</td>
</tr>
<tr>
<td>Jim Taylor</td>
<td>President and Chief Executive Officer</td>
<td>120,000</td>
</tr>
</tbody>
</table>

(+) Each option entitles the holder to acquire, upon exercise, one Nordex Share.

(*) Less than one percent.

8. Trading in Securities of Nordex

During the six-month period preceding the Offer, no Nordex Shares have been traded by the Offeror. To the knowledge of the Offeror, after reasonable enquiry, none of the directors or officers of the Offeror, no associate or affiliate of an insider of the Offeror, no insider of the Offeror and no person acting jointly or in
concert with the Offeror has traded any securities of Nordex during the six-month period preceding the date of the Offer.

9. **Source of Funds**

In the event that all of the outstanding Nordex Shares are taken up and paid for by the Offeror, the total cash consideration payable to such tendering Shareholders (assuming the exercise of only those options and warrants issued by Nordex that that are in the money, and the exercise of no other Convertible Securities) would be approximately Cdn.$4,930,956. The Offeror or its affiliates (including Omnia) will fund this cash consideration from existing cash resources. None of the necessary funds will be borrowed. At financial year ended March 31, 2016, Omnia was in a net cash positive position of approximately R228 million (Cdn.$20.7 million) with extensive undrawn financing facilities available.

10. **Information Concerning the Nordex Shares**

**Price Range and Trading Volume of Nordex Shares**

The Nordex Shares are listed and posted for trading on the TSX-V under the symbol “NXX”. The following table sets forth, for the period indicated, the high and low closing prices per Nordex Share and the volume of trading of the Nordex Shares on the TSX-V, as compiled by the TSX-V:

<table>
<thead>
<tr>
<th>Period</th>
<th>High ($)</th>
<th>Low ($)</th>
<th>Volume (#)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2015</td>
<td>0.105</td>
<td>0.097</td>
<td>429,085</td>
</tr>
<tr>
<td>January 2016</td>
<td>0.083</td>
<td>0.076</td>
<td>306,500</td>
</tr>
<tr>
<td>February 2016</td>
<td>0.059</td>
<td>0.056</td>
<td>272,000</td>
</tr>
<tr>
<td>March 2016</td>
<td>0.060</td>
<td>0.055</td>
<td>887,900</td>
</tr>
<tr>
<td>April 2016</td>
<td>0.065</td>
<td>0.064</td>
<td>353,177</td>
</tr>
<tr>
<td>May 2016</td>
<td>0.070</td>
<td>0.067</td>
<td>380,125</td>
</tr>
<tr>
<td>June 2016</td>
<td>0.118</td>
<td>0.113</td>
<td>4,592,200</td>
</tr>
<tr>
<td>July 4 to July 28, 2016</td>
<td>0.195</td>
<td>0.140</td>
<td>2,043,900</td>
</tr>
</tbody>
</table>

The Offeror announced its intention to make the Offer on July 14, 2016. The last trading price of the Nordex Shares on the TSX-V on July 13, 2016, the last trading day before the announcement, was Cdn.$0.14. To the knowledge of the Offeror, no Nordex Shares have been purchased or sold by Nordex during the twelve months preceding the date of this Offer.

**Effect of the Offer on the Market for and Listing of Nordex Shares**

The purchase of Nordex Shares by the Offeror pursuant to the Offer will reduce the number of Nordex Shares that might otherwise trade publicly as well as the number of holders of Nordex Shares and, depending on the number of Shareholders depositing and the number of Nordex Shares purchased under the Offer, would likely adversely affect the liquidity and market value of the remaining Nordex Shares held by the public.

The rules and regulations of the TSX-V establish certain criteria which, if not met, could lead to the delisting of the Nordex Shares from such exchange. Among such criteria are the number of holders of Nordex Shares, the number of Nordex Shares publicly held and the aggregate market value of the Nordex Shares publicly held. If a sufficient number of Nordex Shares are purchased under the Offer, the Nordex Shares may fail to meet the criteria for continued listing on the TSX-V and, in that event, the Nordex Shares may be delisted from the TSX-V after completion of the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction.

11. **Dividends and Dividend Policy**

To the knowledge of the Offeror and its affiliates (including Omnia) Nordex has not paid dividends on the Nordex Shares during the two year period prior to the date of the announcement of the Offer on July 14, 2016.
12. Acquisition of Nordex Shares Not Deposited Under the Offer

It is the Offeror’s current intention that if it takes up and pays for Nordex Shares deposited under the Offer and, if feasible in accordance with the terms of the Nordex Shares and applicable Law, it will enter into one or more transactions to enable the Offeror or an affiliate of the Offeror to acquire all Nordex Shares not acquired under the Offer, such as a Compulsory Acquisition or a Subsequent Acquisition Transaction (such terms as defined herein). There is no assurance that such a transaction will be completed and the Offeror expressly reserves the right not to propose a Compulsory Acquisition or a Subsequent Acquisition Transaction.

Compulsory Acquisition

If, within 120 days after the date of the Offer (or such longer period as a court may permit), the Offer has been accepted by Nordex Shareholders holding not less than 90% of the issued and outstanding Nordex Shares as at the Expiry Time, and the Offeror acquires such Nordex Shares, the Offeror intends, if permitted under the CBCA, to acquire the Nordex Shares not deposited under the Offer on the same terms as the Nordex Shares acquired under the Offer pursuant to the provisions of Section 206 of the CBCA (a “Compulsory Acquisition”). Holders of outstanding Convertible Securities must exercise, exchange or convert those securities into Nordex Shares before any payment for underlying Nordex Shares will be made.

To exercise this statutory right of Compulsory Acquisition, the Offeror must give notice (the “Offeror’s Notice”) to each Nordex Shareholder who did not accept the Offer (and each person who subsequently acquires any such Nordex Shares) (in each case, a “Dissenting Offeree”) and to the director under the CBCA of such proposed acquisition within 60 days after the date of the termination of the Offer and in any event within 180 days from the date of the Offer. The Offeror’s Notice shall state that (i) holders of more than 90% of the Nordex Shares have accepted the Offer, (ii) the Offeror is bound to take up and pay for, or has taken up and paid for, the Nordex Shares of holders who accepted the Offer, (iii) a Dissenting Offeree is required to elect to transfer its Nordex Shares to the Offeror on the terms on which the Offeror acquired the Nordex Shares of holders who accepted the Offer or to demand payment of the fair value of the Nordex Shares by so notifying the Offeror within 20 days after it receives the Offeror’s Notice, (iv) a Dissenting Offeree that does not notify the Offeror of such election is deemed to have elected to transfer its Nordex Shares on the same terms on which the Offeror acquired the Nordex Shares of holders who accepted the Offer, and (v) a Dissenting Offeree must send its Nordex Shares within 20 days after receiving the Offeror’s Notice.

Within 20 days of giving the Offeror’s Notice, the Offeror must pay or transfer to Nordex the consideration the Offeror would have had to pay or transfer to the Dissenting Offerees if they had elected to accept the Offer, to be held in trust for the Dissenting Offerees. Within 20 days after receipt of the Offeror’s Notice, each Dissenting Offeree must send the certificates representing the Nordex Shares held by such Dissenting Offeree to Nordex and must elect to either demand payment of the fair value of such Nordex Shares held by such Dissenting Offeree or to transfer such Nordex Shares to the Offeror on the terms of the Offer. A Dissenting Offeree who does not, within 20 days after receiving the Offeror’s Notice, notify the Offeror that the Dissenting Offeree is electing to demand payment of the fair value of the Dissenting Offeree’s Nordex Shares is deemed to have elected to transfer such Nordex Shares to the Offeror on the same terms that the Offeror acquired Nordex Shares from holders of Nordex Shares who accepted the Offer. If a Dissenting Offeree has elected to demand payment of the fair value of such Nordex Shares, the Offeror may, within 20 days after paying or transferring to Nordex the consideration the Offeror would have had to pay or transfer to the Dissenting Offerees if they had elected to accept the Offer, apply to court to fix the fair value of such Nordex Shares of such Dissenting Offeree. If the Offeror fails to apply to such court within 20 days after they made the payment or transferred the consideration to Nordex, the Dissenting Offeree may then apply to the court within a further period of 20 days to have the court fix the fair value. If no such application is made by that Dissenting Offeree or the Offeror within such periods, the Dissenting Offeree will be deemed to have elected to transfer its Nordex Shares to the Offeror on the same terms on which the Offeror acquired Nordex Shares from the Nordex Shareholders who accepted the Offer. Any judicial determination of the fair value of the Nordex Shares could be more or less than the amount paid per Nordex Share pursuant to the Offer.
If all of the requirements of Section 206 of the CBCA are first fulfilled after the date which is 120 days after the date of the Offer, the Offeror may apply to a court having jurisdiction for an extension of such 120-day period pursuant to subsection 206(18) of the CBCA.

The foregoing is a summary only of the right of Compulsory Acquisition that may become available to the Offeror and is qualified in its entirety by the provisions of Section 206 of the CBCA, the full text of which is attached as Schedule “A” to this Circular. Section 206 of the CBCA is complex and may require strict adherence to notice and timing provisions, failing which such rights may be lost or altered. Nordex Shareholders who wish to be better informed about the provisions of Section 206 of the CBCA should consult their legal advisors.

The income tax consequences to a Nordex Shareholder of a Compulsory Acquisition may differ from the income tax consequences to such holder having its Nordex Shares acquired pursuant to the Offer. See Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”.

**Compelled Acquisition**

If a Nordex Shareholder does not receive the Offeror’s Notice, the Nordex Shareholder may, within 90 days after the date of the termination of the Offer (or, if the Nordex Shareholder did not receive the Offer, within 90 days of the later of (i) the date of termination of the Offer, and (ii) the date on which the Nordex Shareholder learns of the Offer) require the Offeror to acquire the Nordex Shareholder’s Nordex Shares on the terms of the Offer pursuant to the provisions of Section 206.1 of the CBCA (a “Compelled Acquisition”).

The foregoing is a summary only of the right of Compelled Acquisition that may be available to a Nordex Shareholder and is qualified in its entirety by the provisions of Section 206.1 of the CBCA, the full text of which is attached as Schedule “A” to this Circular. Section 206.1 of the CBCA may require strict adherence to notice and timing provisions, failing which such rights may be lost or altered. Nordex Shareholders who wish to be better informed about the provisions of Section 206.1 of the CBCA should consult their legal advisors.

The income tax consequences to a Nordex Shareholder of a Compelled Acquisition may differ from the income tax consequences to such holder having its Nordex Shares acquired pursuant to the Offer. See Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”.

**Subsequent Acquisition Transaction**

If the Offeror acquires less than 90% of the Nordex Shares under the Offer, or the right of Compulsory Acquisition described above is not available for any reason, or if the Offeror elects not to pursue such right, the Offeror currently intends, depending on the number of Nordex Shares taken up and paid for under the Offer, to pursue other means of acquiring, directly or indirectly, all of the outstanding Nordex Shares and other securities exercisable for or convertible or exchangeable into Nordex Shares in accordance with applicable Law, including, by way of example, by means of an arrangement, reclassification, consolidation, amalgamation, merger or other combination of Nordex with the Offeror or one or more of the Offeror’s entities, on such terms and conditions as the Offeror, at the time, believes to be appropriate (each, a “Subsequent Acquisition Transaction”). To effect such Subsequent Acquisition Transaction, the Offeror currently intends to cause a special meeting of Nordex Shareholders to be called to consider such a transaction. The detailed terms of any Subsequent Acquisition Transaction, including the timing of its implementation and the consideration to be received by the Nordex Shareholders, would necessarily be subject to a number of considerations, including the number of Nordex Shares acquired pursuant to the Offer. The Offeror’s current intention is that the consideration to be paid to Nordex Shareholders pursuant to any Subsequent Acquisition Transaction would be equal in amount to and in the same form as that payable under the Offer; however, it is possible that, as a result of the number of Nordex Shares acquired under the Offer, delays in the Offeror’s ability to effect such a transaction, information hereafter obtained by the Offeror with respect to Nordex or its business, changes in general economic, industry, regulatory or market conditions or in the business of Nordex, or other currently unforeseen circumstances, such a transaction may not be so proposed, or may be proposed on different terms or delayed or abandoned. The Offeror expressly reserves the right not to propose a Compulsory Acquisition or Subsequent Acquisition Transaction involving Nordex and reserves the right to propose other means of acquiring, directly or indirectly, all of the issued and outstanding Nordex Shares in accordance with applicable Laws, including a Subsequent Acquisition Transaction on terms not described in the Circular.
If a Subsequent Acquisition Transaction were to be consummated, Nordex Shareholders may, under the
CBCA, have the right to dissent and demand payment of the fair value of their Nordex Shares. This right, if the
statutory procedures are complied with, could lead to judicial determination of the fair value required to be paid
to those dissenting holders for their Nordex Shares. The fair value of the Nordex Shares so determined could be
more or less than the amount paid per security pursuant to the Subsequent Acquisition Transaction or the Offer.
Any such judicial determination of the fair value of the Nordex Shares could be based upon considerations other
than, or in addition to, the market price of the Nordex Shares.

Nordex Shareholders should consult their legal advisors for a determination of their legal rights with
respect to any Subsequent Acquisition Transaction.

The income tax consequences to a Nordex Shareholder of a Subsequent Acquisition Transaction may differ
from the income tax consequences to such holder having its Nordex Shares acquired pursuant to the Offer. See
Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”

Securities Law Requirements for Business Combinations

Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions
(“MI 61-101”) may deem a Subsequent Acquisition Transaction to be a “business combination” if such
Subsequent Acquisition Transaction would result in the interest of a Nordex Shareholder being terminated
without the consent of the holder, irrespective of the nature of the consideration provided in substitution
therefor. The Offeror expects that any Subsequent Acquisition Transaction relating to Nordex Shares will be a
“business combination” under MI 61-101. In certain circumstances, the provisions of MI 61-101 may also deem
particular types of Subsequent Acquisition Transactions to be “related party transactions”. However, if the
Subsequent Acquisition Transaction is a “business combination” carried out in accordance with MI 61-101 or an
exemption therefrom, the “related party transaction” provisions therein do not apply to such transaction. The
Offeror intends to carry out any such Subsequent Acquisition Transaction in accordance with MI 61-101, or any
successor provisions, or exemptions therefrom, such that the “related party transaction” provisions of MI 61-101
would not apply to such Subsequent Acquisition Transaction.

MI 61-101 provides that, unless exempted, an issuer proposing to carry out a business combination is
required to prepare a valuation of the affected securities (and any non-cash consideration being offered
therefor) and provide to the holders of the affected securities a summary of such valuation. An exemption is
available under MI 61-101 for certain business combinations completed within 120 days after the expiry of a
formal take-over bid where the consideration that security holders would be entitled to receive under the
business combination is at least equal in value to and in the same form as the consideration that tendering
security holders were entitled to receive in the take-over bid, provided that certain disclosure is given in the
take-over bid disclosure documents (and which disclosure has been provided herein). The Offeror currently
intends that the consideration offered per Nordex Share under any Subsequent Acquisition Transaction
proposed by it would be the same consideration offered to the Nordex Shareholders under the Offer and that
such Subsequent Acquisition Transaction will be completed no later than 120 days after the Expiry Date and,
accordingly, the Offeror expects to rely on these exemptions.

Depending on the nature and terms of the Subsequent Acquisition Transaction, the provisions of the CBCA
and Nordex’s constating documents may require the approval of 662/3% of the votes cast by holders of the issued
and outstanding Nordex Shares at a meeting duly called and held for the purpose of approving the Subsequent
Acquisition Transaction. MI 61-101 also requires that, in addition to any other required security holder approval,
in order to complete a business combination, the approval of a simple majority of the votes cast by “minority”
shareholders of each class of affected securities who are entitled to vote, as described below, must be obtained
unless an exemption is available or discretionary relief is granted by applicable securities regulatory authorities.
If, however, following the Offer, the Offeror and its affiliates beneficially own 90% or more of the Nordex
Shares at the time the Subsequent Acquisition Transaction is agreed to, the requirement for minority approval
under MI 61-101 would not apply to the transaction if an enforceable appraisal remedy to demand fair value or
substantially equivalent right is made available to minority shareholders.

In relation to the Offer and any business combination, the “minority” shareholders entitled to vote will be,
unless an exemption is available or discretionary relief is granted by applicable securities regulatory authorities,
all Nordex Shareholders other than the Offeror, any “interested party” (within the meaning of MI 61-101),
certain “related parties” of the Offeror or of any other “interested party” (in each case within the meaning of
MI 61-101) and any “joint actor” (within the meaning of MI 61-101) with any of the foregoing persons.
MI 61-101 also provides that the Offeror may treat Nordex Shares acquired under the Offer as “minority” shares
and vote them, or consider them voted, in favour of such business combination if, among other things: (a) the
business combination is completed no later than 120 days after the Expiry Date; (b) the consideration per
security in the business combination is at least equal in value to, and in the same form as, the consideration paid
under the Offer; (c) the Nordex Shareholder who tendered such Nordex Shares to the Offer was not (i) a “joint
actor” (within the meaning of MI 61-101) with the Offeror in respect of the Offer, (ii) a direct or indirect party
to any “connected transaction” (within the meaning of MI 61-101) to the Offer, or (iii) entitled to receive,
directly or indirectly, in connection with the Offer, a “collateral benefit” (within the meaning of MI 61-101) or
consideration per Nordex Share that is not identical in amount and form to the entitlement of the general body
of Nordex Shareholders in Canada; and (d) certain disclosure is provided in the take-over bid disclosure
documents (which disclosure has been provided herein). The Offeror currently intends that the consideration
offered per Nordex Share under any Subsequent Acquisition Transaction proposed by it would be the same
consideration offered to the Nordex Shareholders under the Offer and that such Subsequent Acquisition
Transaction will be completed no later than 120 days after the Expiry Date and all disclosure required in
connection with any such Subsequent Acquisition Transaction has been provided in this Circular. The Offeror
intends to cause Nordex Shares acquired under the Offer to be voted in favour of any such transaction and,
where permitted by MI 61-101, to be counted as part of any minority approval required in connection with any
such transaction. To the knowledge of the Offeror, after reasonable inquiry, no votes attaching to the Nordex
Shares would be required to be excluded for purposes of determining whether any “minority” shareholder
approval had been obtained for the purposes of MI 61-101.

Other Alternatives

If, following completion of the Offer, the Offeror does not effect a Compulsory Acquisition or a Subsequent
Acquisition Transaction, or if the Offeror proposes a Subsequent Acquisition Transaction but cannot promptly
obtain any required approvals, the Offeror will evaluate its other available alternatives. Such alternatives could
include, to the extent permitted by applicable Law, purchasing additional Nordex Shares or other securities in
the open market, in private negotiated transactions, in another take-over bid or exchange offer or otherwise.
Subject to applicable Law, any additional purchases of Nordex Shares could be at a price greater than, equal to
or less than the price paid for Nordex Shares under the Offer and could be for cash, securities and/or other
consideration. Alternatively, the Offeror may take no action to acquire additional Nordex Shares or other
securities, or may sell or otherwise dispose of any or all Nordex Shares acquired pursuant to the Offer or
otherwise. Such transactions may be effected on terms and at prices then determined by the Offeror which may
vary from the price paid for Nordex Shares under the Offer.

The income tax consequences to a Nordex Shareholder of such alternatives may differ from the income tax
consequences to such holder having its Nordex Shares acquired pursuant to the Offer. See Section 14 of the
Circular, “Certain Canadian Federal Income Tax Considerations”

Legal and Judicial Developments

On February 1, 2008, MI 61-101 came into force in the provinces of Ontario and Québec, introducing
harmonized requirements for enhanced disclosure, independent valuations and majority of minority security
holder approval for specified types of transactions. See “— Securities Law Requirements for Business
Combinations” above.

Certain judicial decisions may also be considered relevant to any business combination that may be
proposed or effectuated subsequent to the expiry of the Offer. Prior to the adoption of MI 61-101 (or its
predecessors), Canadian courts had, in a few instances, granted preliminary injunctions to prohibit transactions
which involved certain business combinations. The trend both in legislation and in Canadian jurisprudence has
been towards permitting business combinations to proceed subject to compliance with procedures designed to
ensure substantive fairness to minority shareholders.
Nordex Shareholders should consult their legal advisors for a determination of their legal rights with respect to any transaction which may constitute a business combination.

13. Agreements, Commitments or Understandings

General

There are (a) no agreements, commitments or understandings made or proposed to be made between the Offeror and any of the directors or officers of Nordex, including for any payment or other benefit proposed to be made or given by way of compensation for loss of office or their remaining in or retiring from office if the Offer is successful, and (b) no agreements, commitments or understandings made or proposed to be made between the Offeror and any securityholder of Nordex relating to the Offer. There are no agreements, commitments or understandings between the Offeror and Nordex relating to the Offer and the Offeror is not aware of any agreement, commitment or understanding that could affect control of Nordex.


In the opinion of Stikeman Elliott LLP, counsel to the Offeror, the following is a summary of the principal Canadian federal income tax considerations under the Income Tax Act (Canada) (the “Tax Act”), as of the date hereof, generally applicable to a Shareholder who sells Nordex Shares pursuant to the Offer or otherwise disposes of Nordex Shares pursuant to certain transactions described under Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer” and who, for purposes of the Tax Act and at all relevant times holds the Nordex Shares as capital property, deals at arm’s length with Nordex and the Offeror and is not affiliated with Nordex or the Offeror (a “Holder”). Generally, the Nordex Shares will be capital property to a Holder provided the Holder does not use or hold such shares in the course of carrying on a business of trading or dealing in securities and has not acquired such 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 Shareholder (i) that is a “financial institution” as defined in the Tax Act for the purposes of the “mark-to-market” rules, (ii) that is a “specified financial institution” as defined in the Tax Act, (iii) an interest in which is a “tax shelter investment” as defined in the Tax Act, (iv) that has elected to report its “Canadian tax results,” as defined in the Tax Act, in a currency other than Canadian Dollars, (v) that has entered or will enter into a “derivative forward agreement,” as such term is defined in the Tax Act, or (vi) who acquired Nordex Shares on the exercise of an employee stock option. All such Shareholders are advised to consult with their own tax advisors.

This summary is based on the current provisions of the Tax Act, the regulations thereunder, and counsel’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “CRA”) published in writing by it prior to the date hereof. This summary takes into account all specific proposals (the “Tax Proposals”) to amend the Tax Act and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, although there is no certainty that such proposals will be enacted in the form currently proposed, if at all. This summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or other changes in administrative policies or assessing practices of the CRA, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may materially differ from the Canadian federal income tax considerations described herein.

This summary does not address persons who hold Convertible Securities and such persons should consult their own tax advisors for advice regarding the income tax consequences to them of the expiry or exercise thereof, of the continued holding thereof, or replacement thereof, after the Expiry Time and of the acquisition, holding and disposing of Nordex Shares or any other securities acquired on exercise thereof, which may differ materially from the discussion about income tax considerations set forth in this summary.

This summary does not take into account the Income Tax Application Rules applicable to a Shareholder who has held Nordex Shares continuously since before 1972 (or is deemed to have done so under those rules) and such Shareholders should consult their own tax advisors.
This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Shareholder to whom the Offer is made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Shareholders should consult their own tax advisors for advice concerning the income tax consequences to them of disposing of their Nordex Shares under the Offer, a Compulsory Acquisition, a Compelled Acquisition or a Subsequent Acquisition Transaction, and any other consequences to them of such transactions under Canadian federal, provincial, territorial or local tax laws, and under foreign tax laws, having regard to their own particular circumstances.

**Holders Resident in Canada**

The following portion of this summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax convention is, or is deemed to be, resident in Canada (a “Resident Holder”).

Certain Resident Holders whose Nordex Shares might not otherwise be considered capital property may, in certain circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Nordex Shares, and all other “Canadian securities” as defined in the Tax Act owned by such Resident Holder in the taxation year in which such election is made, and in all subsequent taxation years, deemed to be capital property. Resident Holders contemplating making a subsection 39(4) election should consult their own tax advisors.

**Disposition of Nordex Shares Pursuant to the Offer**

A Resident Holder whose Nordex Shares are taken up and paid for under the Offer will be considered to have disposed of such Nordex Shares for purposes of the Tax Act. Generally, a Resident Holder whose Nordex Shares are disposed of will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition received by the Resident Holder for such Nordex Shares, less any reasonable costs of disposition, exceeds (or is exceeded by) the adjusted cost base to the Resident Holder of such Nordex Shares immediately before the disposition.

**Capital Gains and Capital Losses**

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of any capital gain (a “taxable capital gain”) realized by it in that year. Subject to and in accordance with the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an “allowable capital loss”) realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for the year may ordinarily be carried back and deducted against taxable capital gains realized in any of the three preceding taxation years or carried forward and deducted in any following taxation year, to the extent and under the circumstances specified in the Tax Act.

In general, the amount of any capital loss realized by a Resident Holder which is a corporation on the disposition of Nordex Shares may be reduced by the amount of any dividends previously received or deemed to have been received on such Nordex Shares (or on a share for which such Nordex Share is substituted or exchanged), subject to and in the circumstances specified in the Tax Act. Similar rules may also apply in other circumstances, including where a corporation, trust or partnership is a member of a partnership or a beneficiary of a trust that owns Nordex Shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” as defined in the Tax Act may be liable for an additional refundable tax under the Tax Proposals on certain investment income for the year, including taxable capital gains.

Capital gains realized by individuals or trusts, other than certain specified trusts, may give rise to alternative minimum tax under the Tax Act. Resident Holders should consult their own tax advisors with respect to the potential application of alternative minimum tax.
Disposition of Nordex Shares Pursuant to a Compulsory Acquisition or a Compelled Acquisition

As described under Section 12 of this Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer” the Offeror may, in certain circumstances, acquire Nordex Shares not deposited pursuant to the Offer pursuant to the provisions of the CBCA.

The Canadian federal income tax consequences to Resident Holders of a disposition of Nordex Shares in such circumstances generally will be as described above, unless a Resident Holder exercises the right to go to court for a determination of fair value and is entitled to receive the fair value of the Resident Holder’s Nordex Shares. In this case, the proceeds of disposition of the Resident Holder’s Nordex Shares will be the amount (other than interest) determined by the court. As a result, such Resident Holder will realize a capital gain (or capital loss) generally calculated in the same manner and with the same tax consequences as described above. The Resident Holder will be required to include in computing its income any interest awarded by the court in connection with a Compulsory Acquisition or a Compelled Acquisition.

A Resident Holder will be required to include in computing its income any interest awarded by the court in connection with a Subsequent Acquisition Transaction.

Resident Holders should consult their own tax advisors with respect to the potential tax consequences to them of disposing of their Nordex Shares pursuant to a Compulsory Acquisition or a Compelled Acquisition.

Disposition of Nordex Shares Pursuant to a Subsequent Acquisition Transaction

As described under Section 12 of this Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer,” if the Offeror does not acquire all of the Nordex Shares pursuant to the Offer or by means of a Compulsory Acquisition or Compelled Acquisition, the Offeror may propose other means of acquiring the remaining issued and outstanding Nordex Shares.

The Canadian federal income tax treatment of a Subsequent Acquisition Transaction to a Resident Holder will depend upon the exact manner in which the Subsequent Acquisition Transaction is carried out and the consideration offered. The Offeror may propose an amalgamation, statutory arrangement, capital reorganization, amendment to its articles, consolidation or other transaction. It is not practical to comment as to the tax treatment of a Subsequent Acquisition Transaction to a Resident Holder except in very general terms. However, the Canadian federal income tax consequences of a Subsequent Acquisition Transaction may differ from those arising on the disposition of Nordex Shares under the Offer and will depend on the particular form and circumstances of such Subsequent Acquisition Transaction. For example, a Resident Holder may, as a result of a Subsequent Acquisition Transaction, realize a capital gain or capital loss, be deemed to receive a dividend or incur both results. No opinion is expressed herein as to the Canadian federal income tax consequences of any such Subsequent Acquisition Transaction to a Resident Holder.

Resident Holders should consult their own tax advisors with respect to the potential tax consequences to them of disposing of their Nordex Shares pursuant to a Subsequent Acquisition Transaction.

Potential Delisting

As described in Section 10 of this Circular, “Information Concerning the Nordex Shares — Effect of the Offer on the Market for and Listing of Nordex Shares”, the Nordex Shares may cease to be listed on the TSX-V following the completion of the Offer. Resident Holders are cautioned that, if the Nordex Shares are no longer listed on a “designated stock exchange” (as defined in the Tax Act, which currently includes the TSX-V) and Nordex ceases to be a “public corporation” for purposes of the Tax Act, the Nordex Shares may not be “qualified investments” (as defined in the Tax Act) for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans and tax-free savings accounts (as each term is defined in the Tax Act). Resident Holders who hold Nordex Shares in such plans should consult their own tax advisors with respect to the potential income tax consequences to them in this regard.
Holders Not Resident in Canada

The following portion of this summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is neither resident nor deemed to be resident in Canada, and does not use or hold, and is not deemed to use or hold, Nordex Shares in connection with carrying on a business in Canada (a “Non-Resident Holder”). This portion of the summary is not applicable to Non-Resident Holders that are insurers carrying on an insurance business in Canada and elsewhere or that are “authorized foreign banks” as defined in the Tax Act. Such Non-Resident Holders should consult their own tax advisors.

Disposition of Nordex Shares Pursuant to the Offer

A Non-Resident Holder who disposes of Nordex Shares to the Offeror pursuant to the Offer will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of the Nordex Shares unless such Nordex Shares are “taxable Canadian property,” as defined in the Tax Act, of the Non-Resident Holder at the time of the disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident.

Provided that the Nordex Shares are listed on a “designated stock exchange” (which currently includes the TSX-V) at the time of disposition, the Nordex Shares generally will not be “taxable Canadian property” of a Non-Resident Holder at the time of disposition, unless at any time during the 60-month period immediately preceding the disposition the following two conditions have been met: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, partnerships in which the Non-Resident Holder or a person with whom the Non-Resident Holder does not deal at arm’s length, hold a membership interest directly or indirectly through one or more partnerships, or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the capital stock of Nordex; and (ii) more than 50% of the fair market value of the Nordex Share was derived directly or indirectly from one or any combination of: (a) real or immovable property situated in Canada; (b) “Canadian resource property” as defined in the Tax Act; (c) “timber resource property” as defined in the Tax Act; and (d) options in respect of, or interests in, for civil law rights in, property in (a) to (c) whether or not such property exists.

Notwithstanding the foregoing, in certain circumstances as set out in the Tax Act, the Nordex Shares could be deemed to be “taxable Canadian property” of the Non-Resident Holder.

Even if the Nordex Shares are “taxable Canadian property” of a Non-Resident Holder, a taxable capital gain resulting from the disposition of the Nordex Shares will not be included in computing the Non-Resident Holder’s income for purposes of the Tax Act provided that the Nordex Shares constitute “treaty-protected property” as defined in the Tax Act. Nordex Shares will generally be “treaty-protected property” to a Non-Resident Holder at the time of the disposition if the gain from the disposition of such Nordex Shares would, because of an applicable income tax convention to which Canada is a signatory, be exempt from tax under the Tax Act. Non-Resident Holders should consult their own tax advisors with respect to the availability of any relief under the terms of an applicable income tax convention in their particular circumstances.

In the event that the Nordex Shares constitute taxable Canadian property but not treaty-protected property to a particular Non-Resident Holder on the disposition thereof pursuant to the Offer, such Non-Resident Holder will realize a capital gain (or capital loss) generally computed in the manner described above under the subheading “— Holders Resident in Canada — Disposition of Nordex Shares Pursuant to the Offer.” The Non-Resident Holder may be subject to tax under the Tax Act in respect of any such capital gain realized on the disposition and the Non-Resident Holder may be required to file a Canadian income tax return for the year in which the disposition (or any deemed disposition) occurs (unless the disposition is an “excluded disposition” as defined in the Tax Act).

Non-Resident Holders whose Nordex Shares may be taxable Canadian property should consult their own tax advisors with respect to the potential income tax consequences to them of disposing of their Nordex Shares under the Offer.
Disposition of Nordex Shares Pursuant to a Compulsory Acquisition or a Compelled Acquisition

As described in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer” the Offeror may, in certain circumstances, acquire Nordex Shares not deposited pursuant to the Offer pursuant to the provisions of the CBCA.

The Canadian federal income tax consequences to a Non-Resident Holder who disposes of Nordex Shares in such circumstances generally will be the same as described under “— Holders Not Resident in Canada — Disposition of Nordex Shares Pursuant to the Offer” except that in determining whether a Nordex Share is “taxable Canadian property”, more stringent rules may be applied where the Nordex Shares cease to be listed on a designated stock exchange (see subheading “— Holders Not Resident in Canada — Potential Delisting”).

Interest awarded by the court and paid or credited to a Non-Resident Holder who obtains an order of the court in respect of a Compulsory Acquisition or a Compelled Acquisition will generally not be subject to Canadian withholding tax under the Tax Act.

Non-Resident Holders should consult their own tax advisors with respect to the potential Canadian federal income tax consequences to them of disposing of their Nordex Shares pursuant to a Compulsory Acquisition or a Compelled Acquisition.

Disposition of Nordex Shares Pursuant to a Subsequent Acquisition Transaction

As described in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”, if the Offeror does not acquire all of the Nordex Shares pursuant to the Offer, by means of a Compulsory Acquisition or by means of a Compelled Acquisition, the Offeror may propose other means of acquiring the remaining issued and outstanding Nordex Shares.

The Canadian federal income tax consequences under a Subsequent Acquisition Transaction to a Non-Resident Holder will depend upon the exact manner in which the Subsequent Acquisition Transaction is carried out and may be substantially the same as, or materially different from, those described above.

A Non-Resident Holder may, as a result of a Subsequent Acquisition Transaction, realize a capital gain or a capital loss, be deemed to receive a dividend or incur both results as discussed above under “— Holders Resident in Canada — Disposition of Nordex Shares Pursuant to a Subsequent Acquisition Transaction.” Capital gains and capital losses realized by a Non-Resident Holder in connection with a Subsequent Acquisition Transaction will generally be subject to taxation as described above under “— Holders Not Resident in Canada — Disposition of Nordex Shares Pursuant to the Offer” except that in determining whether a Nordex Share is “taxable Canadian property”, more stringent rules may be applied where the Nordex Shares cease to be listed on a designated stock exchange (see subheading “— Holders Not Resident in Canada — Potential Delisting”).

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder will be subject to Canadian withholding tax at a rate of 25%, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled pursuant to the provisions of an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident. Where the Non-Resident Holder is a resident of the United States entitled to benefits under the Canada — United States Tax Convention (1980), as amended, and is the beneficial owner of the dividends, the applicable rate of Canadian withholding tax is generally reduced to 15%.

Any interest awarded by the court and paid or credited to a Non-Resident Holder who obtains an order of the court in respect of a Subsequent Acquisition Transaction will generally not be subject to Canadian withholding tax under the Tax Act.

Non-Resident Holders should consult their own tax advisors for advice with respect to the tax consequences to them of disposing of their Nordex Shares pursuant to a Subsequent Acquisition Transaction.

Potential Delisting

As described in Section 10 of this Circular, “Information Concerning the Nordex Shares — Effect of the Offer on the Market for and Listing of Nordex Shares”, the Nordex Shares may cease to be listed on the TSX-V
following the completion of the Offer. Non-Resident Holders are cautioned that, if the Nordex Shares are no
longer listed on a “designated stock exchange” (as defined in the Tax Act, which currently includes the TSX-V)
at the time of their disposition, the Nordex Shares may constitute taxable Canadian property if, at any time
during the 60-month period immediately preceding the disposition, more than 50% of the fair market value of
the Nordex Shares 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, and
options in respect of, or interests in, or for civil law rights in, any of the foregoing properties (whether or not
such property exists).

Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, the Nordex Shares could also
be deemed to be taxable Canadian property to the Non-Resident Holder. Non-Resident Holders should consult
their own tax advisors for advice as to whether their Nordex Shares may constitute taxable Canadian property,
having regard to their particular circumstances.

If the Nordex Shares are taxable Canadian property of the Non-Resident Holder at the time of their
disposition and are not “treaty-protected property” of the Non-Resident Holder for purposes of the Tax Act, the
Non-Resident Holder may be subject to tax under the Tax Act in respect of any capital gain realized on the
disposition. Furthermore, if the Nordex Shares are not listed on a recognized stock exchange at the time of their
disposition, and are not “treaty protected property” of the Non-Resident Holder for purposes of the Tax Act, the
notification and withholding provisions of section 116 of the Tax Act will apply to the Non-Resident Holder with
the result that, among other things, unless the Offeror has received a clearance certificate pursuant to
section 116 of the Tax Act relating to the disposition of a Non-Resident Holder’s Nordex Shares, the Offeror
may deduct or withhold 25% from any payment made to the Non-Resident Holder and will remit such amount
to the Receiver General of Canada on account of the Non-Resident Holder’s liability for tax under the Tax Act.

Non-Resident Holders should consult their own tax advisors with respect to the potential income tax
consequences to them of not disposing of their Nordex Shares under the Offer.

15. Statutory Rights

Securities legislation in some provinces and territories of Canada provides Shareholders with, in addition to
any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a
misrepresentation in a circular or a notice that is required to be delivered to such Shareholders. However, such
rights must be exercised within prescribed time limits. Shareholders should refer to the applicable provisions of
the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

16. Depositary

The Depositary will receive deposits of certificate(s) representing Nordex Shares and accompanying Letters
of Transmittal at its Toronto office specified in the Letter of Transmittal. The Depositary will receive Notices of
Guaranteed Delivery at its Toronto office specified in the Notice of Guaranteed Delivery. The Depositary will
also be responsible for giving certain notices, if required, and disbursing payment for Nordex Shares purchased
by the Offeror under the Offer. The Depositary will receive reasonable and customary compensation from the
Offeror for its services in connection with the Offer, will be reimbursed for certain out-of-pocket expenses and
will be indemnified against certain liabilities, including liabilities under Applicable Securities Laws.

Shareholders will not be obligated to pay any fee or commission if they accept an Offer by transmitting their
Nordex Shares directly to the Depositary.

17. Expenses of the Offer

The Offeror will be responsible for paying its fees and expenses in connection with the Offer and Circular
including without limitation all legal, financial advisory, filing and printing costs incurred in connection with the
Offer, which are currently estimated to be approximately Cdn. $500,000.
18. **Legal Matters**

Legal matters on behalf of the Offeror will be passed upon by, and the opinion contained under “Certain Canadian Federal Income Tax Considerations” has been provided by, Stikeman Elliott LLP, counsel to the Offeror.

19. **Directors’ Approval**

The contents of the Offer and the Circular have been approved, and the sending, communication or delivery thereof to the holders of common shares of Nordex Explosives Ltd. has been authorized by the board of directors of 1083884 B.C. Ltd.
GLOSSARY

In the Offer and the Circular, unless the subject matter or context is inconsistent therewith, the following terms have the following meanings:

“affiliate” has the meaning ascribed to that term in MI 62-104;

“Agent’s Message” means a message, transmitted by DTC to, and received by, the Depositary and forming part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgement from the participant in DTC depositing the Nordex Shares which are the subject of such Book-Entry Confirmation, that such participant has received and agrees to be bound by the terms of the Letter of Transmittal as if executed by such participant and that the Offeror may enforce such agreement against such participant;

“allowable capital loss” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“Alternative Transaction” means, in respect of Nordex: (a) an amalgamation, merger, arrangement, consolidation, or any other transaction involving Nordex, or an amendment to the terms of a class of its equity securities, as a consequence of which the interest of a holder of an equity security of Nordex may be terminated without the holder’s consent, regardless of whether the equity security is replaced with another security, but does not include: (i) a consolidation of securities that does not have the effect of terminating the interests of holders of equity securities of Nordex in those securities without their consent, except to an extent that is nominal in the circumstances, (ii) a circumstance in which Nordex may terminate a holder’s interest in a security, under the terms attached to the security, for the purpose of enforcing an ownership or voting constraint that is necessary to enable Nordex to comply with legislation, lawfully engage in a particular activity or have a specified level of Canadian ownership, or (iii) a transaction solely between or among Nordex and one or more of its subsidiaries, or (b) a sale, lease or exchange of all or substantially all the property of Nordex if the sale, lease or exchange is not in the ordinary course of its business, but does not include a sale, lease or exchange solely between or among Nordex and one or more of its subsidiaries;

“Applicable Securities Laws” means the Securities Act (Ontario) and the regulations thereunder and all other applicable Canadian and United States securities Laws;

“associate” has the meaning ascribed to that term in MI 62-104;

“Book-Entry Confirmation” means confirmation of a book-entry transfer of a Shareholder’s Nordex Shares into the Depository’s account at CDS or DTC, as applicable;

“BME” has the meaning ascribed to that term in Section 1 of the Circular, “The Offeror”;

“Business Day” means any day of the week, other than a Saturday, a Sunday or a statutory or civic holiday observed in Toronto, Ontario;

“CBCA” means the Canada Business Corporations Act, as amended from time to time;

“CDS Participant” means a participant of CDS, which includes investment dealers, stockbrokers, banks, trust companies and other financial institutions that maintain custodial relationships with a participant, either directly or indirectly;

“CDS” means CDS Clearing and Depository Services Inc., or its nominee (which is at the date hereof CDS & Co.);

“CDSX” means the clearing and settlement system for debt and equity securities in Canada;

“Circular” means the take-over bid circular accompanying and forming part of the Offer;

“Convertible Securities” means options, warrants, and all other securities exercisable for, convertible into, or exchangeable for, Nordex Shares;

“Compelled Acquisition” has the meaning ascribed thereto in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

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“Compulsory Acquisition” has the meaning ascribed to that term in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

“CRA” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“Depositary” means Laurel Hill Advisory Group;

“Deposited Nordex Shares” has the meaning ascribed to that term in Section 3 of the Offer, “Manner of Acceptance — Dividends and Distributions”;

“Dissenting Offeree” has the meaning ascribed to that term in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

“Distributions” has the meaning ascribed thereto in Section 3 of the Offer, “Manner of Acceptance — Dividends and Distributions”;

“DTC” means The Depository Trust Company or its nominee, which at the date hereof is Cede & Co.;

“Eligible Institution” means a Canadian Schedule I chartered bank, a commercial bank or trust company in the United States, a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) acceptable to the Depositary. Members of these programs are usually members of a recognized stock exchange in Canada and/or the United States, members of the Investment Dealers Association of Canada, members of the National Association of Securities Dealers or banks and trust companies in the United States;

“EPC” has the meaning ascribed thereto in Section 4 of the Circular, “Background to the Offer”;

“Expiry Date” means September 9, 2016 or such earlier or later date or dates to which the Offer may be abridged or extended from time to time by the Offeror in accordance with Section 5 of the Offer, “Variation or Change of the Offer”;

“Expiry Time” means, in respect of the Offer, 5:00 p.m. (Toronto time) on the Expiry Date;

“Governmental Entity” means: (a) any sovereign nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission (including any securities commission), instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing; (b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any court; (c) any stock exchange; or (d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing entities established to perform a duty or function on its behalf;

“Holder” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“ICA” has the meaning ascribed to that term in Section 4 of the Offer, “Conditions of the Offer”;

“Information Agent” means Laurel Hill Advisory Group;

“Intermediary” means a registered broker or dealer, financial institution or other intermediary (within the meaning ascribed to that term in National Instrument 54-101 of the Canadian Securities Administrators, as amended) that holds securities on behalf of a person who is not the registered holder thereof;

“joint actor” has the meaning ascribed to that term in MI 61-101;

“Laws” means any applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, notices, by-laws, rules, regulations, ordinances, or other requirements, policies or instruments of any Governmental Entity having the force of law;
“Letter of Transmittal” means the letter of transmittal in the form accompanying the Offer and Circular to be delivered by holders of Nordex Shares to the Depositary to effect the tender of Nordex Shares pursuant to the Offer;

“Material Adverse Effect” means, when used in connection with a person, any effect that is, or could reasonably be expected to be, material and adverse to the financial condition, properties, assets, liabilities (including any contingent liabilities that may arise through outstanding, pending or threatened litigation or otherwise), obligations (whether absolute, accrued, conditional or otherwise), businesses, operations or present or future results of operations of that person and its subsidiaries taken as a whole, whether before or after giving effect to the transactions contemplated by the Offer, other than any effect: (i) resulting from the announcement of the Offer or the transactions contemplated thereby; (ii) relating to general economic conditions, or securities or capital markets generally in Canada, the United States or elsewhere; (iii) relating to any changes in currency exchange rates, interest rates or inflation; (iv) relating to any of the principal markets served by that person's business generally (including the business of that person's subsidiaries); (v) relating to a change in the market trading price or trading volume of securities of that person; (vi) relating solely to the failure by that person to meet any earnings, projections, forecasts or estimates, whether internal or previously publicly announced (it being understood that the cause underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred); or (vii) relating to any change in applicable generally accepted accounting principles, including Canadian generally accepted accounting principles, or as a result of any reconciliation of financial data into International Financial Reporting Standards; and provided further, however, that such effect referred to in clause (ii), (iii), (iv) or (v) above does not primarily relate to (or have the effect of primarily relating to) that person and its subsidiaries, taken as a whole, or materially disproportionately adversely affect that person and its subsidiaries, taken as a whole, compared to other companies of similar size operating in the industry in which that person and its subsidiaries operate;

“MI 61-101” has the meaning ascribed to that term in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

“MI 62-104” means Multilateral Instrument 62-104 — Take-Over Bids and Issuer Bids, as amended or replaces from time to time;

“Non-Resident Holder” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“Nordex” means Nordex Explosives Ltd., a company existing under the CBCA;

“Nordex Public Documents” means all documents or information required to be filed by Nordex under Applicable Securities Laws or with the TSX-V since January 1, 2016;

“Nordex Shares” means the common shares of Nordex, and “Nordex Share” means any one common share;

“Notice of Guaranteed Delivery” means the notice of guaranteed delivery in the form accompanying the Offer and Circular;

“Notice” has the meaning ascribed to that term in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

“Offer” means the offer to purchase all of the outstanding Nordex Shares made hereby by the Offeror to holders of Nordex Shares, the terms of which are set forth in the accompanying Offer, Circular, Letter of Transmittal and Notice of Guaranteed Delivery;

“Offeror” means 1083884 B.C. LTD., a company incorporated under the provincial laws of British Columbia;

“Offeror's Notice” has the meaning ascribed to that term in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

“Omnia” means Omnia Holdings Limited, a company incorporated under the laws of South Africa;

“Optional Extension Periods” has the meaning ascribed to that term in Section 6 of the Offer, “Payment for Deposited Nordex Shares”;

“Omnia” means Omnia Holdings Limited, a company incorporated under the laws of South Africa;
“Person” includes an individual, partnership, association, body corporate, joint venture, business organization, trustee, executor, administrator, legal representative, Governmental Entity or any other entity, whether or not having legal status;

“Resident Holder” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“Restricted Event” has the meaning ascribed to that term in Section 4 of the Offer, “Conditions of the Offer”;

“SEDAR” means the Canadian System for Electronic Document Analysis and Retrieval;

“Shareholders” means holders of Nordex Shares;

“Statutory Minimum Condition” has the meaning ascribed to that term in Section 4 in the Offer, “Conditions of the Offer”;

“Subsequent Acquisition Transaction” has the meaning ascribed to that term in Section 12 of the Circular, “Acquisition of Nordex Shares Not Deposited Under the Offer”;

“Tax Act” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“Tax Proposals” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”;

“taxable capital gain” has the meaning ascribed to that term in Section 14 of the Circular, “Certain Canadian Federal Income Tax Considerations”; and

“TSX-V” means the TSX Venture Exchange.
SCHEDULE A
COMPULSORY AND COMPELLED ACQUISITION PROVISIONS OF SECTION 206 AND
SECTION 206.1 OF THE CBCA

Definitions

206.(1) The definitions in this subsection apply in this Part.

“dissenting offeree” means, where a take-over bid is made for all the shares of a class of shares, a holder of a share of that class who does not accept the take-over bid and includes a subsequent holder of that share who acquires it from the first mentioned holder.

“offer” includes an invitation to make an offer.

“offeree” means a person to whom a take-over bid is made.

“offeree corporation” means a distributing corporation whose shares are the object of a take-over bid.

“offeror” means a person, other than an agent or mandatary, who makes a take-over bid, and includes two or more persons who, directly or indirectly,

(a) make take-over bids jointly or in concert; or

(b) intend to exercise jointly or in concert voting rights attached to shares for which a take-over bid is made.

“share” means a share, with or without voting rights, and includes

(a) a security currently convertible into such a share; and

(b) currently exercisable options and rights to acquire such a share or such a convertible security.

“take-over bid” means an offer made by an offeror to shareholders of a distributing corporation at approximately the same time to acquire all of the shares of a class of issued shares, and includes an offer made by a distributing corporation to repurchase all of the shares of a class of its shares.

Right to acquire

(2) If within one hundred and twenty days after the date of a take-over bid the bid is accepted by the holders of not less than ninety per cent of the shares of any class of shares to which the take-over bid relates, other than shares held at the date of the take-over bid by or on behalf of the offeror or an affiliate or associate of the offeror, the offeror is entitled, on complying with this section, to acquire the shares held by the dissenting offerees.

Notice

(3) An offeror may acquire shares held by a dissenting offeree by sending by registered mail within sixty days after the date of termination of the take-over bid and in any event within one hundred and eighty days after the date of the take-over bid, an offeror’s notice to each dissenting offeree and to the Director stating that

(a) the offerees holding not less than ninety per cent of the shares to which the bid relates accepted the take-over bid;

(b) the offeror is bound to take up and pay for or has taken up and paid for the shares of the offerees who accepted the take-over bid;

(c) a dissenting offeree is required to elect

(i) to transfer their shares to the offeror on the terms on which the offeror acquired the shares of the offerees who accepted the take-over bid, or

(ii) to demand payment of the fair value of the shares in accordance with subsections (9) to (18) by notifying the offeror within twenty days after receiving the offeror’s notice;
(d) a dissenting offeree who does not notify the offeror in accordance with subparagraph (5)(b)(ii) is deemed to have elected to transfer the shares to the offeror on the same terms that the offeror acquired the shares from the offerees who accepted the take-over bid; and 

(e) a dissenting offeree must send their shares to which the take-over bid relates to the offeree corporation within twenty days after receiving the offeror’s notice.

Notice of adverse claim

(4) Concurrently with sending the offeror’s notice under subsection (3), the offeror shall send to the offeree corporation a notice of adverse claim in accordance with section 78 with respect to each share held by a dissenting offeree.

Share certificate

(5) A dissenting offeree to whom an offeror’s notice is sent under subsection (3) shall, within twenty days after receiving the notice, 

(a) send the share certificates of the class of shares to which the take-over bid relates to the offeree corporation; and 

(b) elect 

(i) to transfer the shares to the offeror on the terms on which the offeror acquired the shares of the offerees who accepted the take-over bid, or 

(ii) to demand payment of the fair value of the shares in accordance with subsections (9) to (18) by notifying the offeror within those twenty days.

Deemed election

(5.1) A dissenting offeree who does not notify the offeror in accordance with subparagraph (5)(b)(ii) is deemed to have elected to transfer the shares to the offeror on the same terms on which the offeror acquired the shares from the offerees who accepted the take-over bid.

Payment

(6) Within twenty days after the offeror sends an offeror’s notice under subsection (3), the offeror shall pay or transfer to the offeree corporation the amount of money or other consideration that the offeror would have had to pay or transfer to a dissenting offeree if the dissenting offeree had elected to accept the take-over bid under subparagraph (5)(b)(i).

Consideration

(7) The offeree corporation is deemed to hold in trust for the dissenting shareholders the money or other consideration it receives under subsection (6), and the offeree corporation shall deposit the money in a separate account in a bank or other body corporate any of whose deposits are insured by the Canada Deposit Insurance Corporation or guaranteed by the Quebec Deposit Insurance Board, and shall place the other consideration in the custody of a bank or such other body corporate.

When corporation is offeror

(7.1) A corporation that is an offeror making a take-over bid to repurchase all of the shares of a class of its shares is deemed to hold in trust for the dissenting shareholders the money and other consideration that it would have had to pay or transfer to a dissenting offeree if the dissenting offeree had elected to accept the take — over bid under subparagraph (5)(b)(i), and the corporation shall, within twenty days after a notice is sent under subsection (3), deposit the money in a separate account in a bank or other body corporate any of whose deposits are insured by the Canada Deposit Insurance Corporation or guaranteed by the Quebec Deposit Insurance Board, and shall place the other consideration in the custody of a bank or such other body corporate.
Duty of offeree corporation

(8) Within thirty days after the offeror sends a notice under subsection (3), the offeree corporation shall

(a) if the payment or transfer required by subsection (6) is made, issue to the offeror a share certificate in respect of the shares that were held by dissenting offerees;

(b) give to each dissenting offeree who elects to accept the take-over bid terms under subparagraph (5)(b)(i) and who sends share certificates as required by paragraph (5)(a) the money or other consideration to which the offeree is entitled, disregarding fractional shares, which may be paid for in money; and

(c) if the payment or transfer required by subsection (6) is made and the money or other consideration is deposited as required by subsection (7) or (7.1), send to each dissenting shareholder who has not sent share certificates as required by paragraph (5)(a) a notice stating that

(i) the dissenting shareholder’s shares have been cancelled,

(ii) the offeree corporation or some designated person holds in trust for the dissenting shareholder the money or other consideration to which that shareholder is entitled as payment for or in exchange for the shares, and

(iii) the offeree corporation will, subject to subsections (9) to (18), send that money or other consideration to that shareholder without delay after receiving the shares.

Application to court

(9) If a dissenting offeree has elected to demand payment of the fair value of the shares under subparagraph (5)(b)(ii), the offeror may, within twenty days after it has paid the money or transferred the other consideration under subsection (6), apply to a court to fix the fair value of the shares of that dissenting offeree.

Idem

(10) If an offeror fails to apply to a court under subsection (9), a dissenting offeree may apply to a court for the same purpose within a further period of twenty days.

Status of dissenter if no court application

(11) Where no application is made to a court under subsection (10) within the period set out in that subsection, a dissenting offeree is deemed to have elected to transfer their shares to the offeror on the same terms that the offeror acquired the shares from the offerees who accepted the take-over bid.

Venue

(12) An application under subsection (9) or (10) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting offeree resides if the corporation carries on business in that province.

No security for costs

(13) A dissenting offeree is not required to give security for costs in an application made under subsection (9) or (10).

Parties

(14) On an application under subsection (9) or (10)

(a) all dissenting offerees referred to in subparagraph (5)(b)(ii) whose shares have not been acquired by the offeror shall be joined as parties and are bound by the decision of the court; and
the offeror shall notify each affected dissenting offeree of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(15) On an application to a court under subsection (9) or (10), the court may determine whether any other person is a dissenting offeree who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting offerees.

Appraisers

(16) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of a dissenting offeree.

Final order

(17) The final order of the court shall be made against the offeror in favour of each dissenting offeree and for the amount for the shares as fixed by the court.

Additional powers

(18) In connection with proceedings under this section, a court may make any order it thinks fit and, without limiting the generality of the foregoing, it may

(a) fix the amount of money or other consideration that is required to be held in trust under subsection (7) or (7.1);

(b) order that that money or other consideration be held in trust by a person other than the offeree corporation;

(c) allow a reasonable rate of interest on the amount payable to each dissenting offeree from the date they send or deliver their share certificates under subsection (5) until the date of payment; and

(d) order that any money payable to a shareholder who cannot be found be paid to the Receiver General and subsection 227(3) applies in respect thereof.

Obligation to acquire shares

206.1(1) If a shareholder holding shares of a distributing corporation does not receive an offeror’s notice under subsection 206(3), the shareholder may

(a) within ninety days after the date of termination of the take-over bid, or

(b) if the shareholder did not receive an offer pursuant to the take-over bid, within ninety days after the later of

(i) the date of termination of the take-over bid, and

(ii) the date on which the shareholder learned of the take-over bid, require the offeror to acquire those shares.

Conditions

(2) If a shareholder requires the offeror to acquire shares under subsection (1), the offeror shall acquire the shares on the same terms under which the offeror acquired or will acquire the shares of the offerees who accepted the takeover bid.
CONSENT OF STIKEMAN ELLIOTT LLP

To: The Board of Directors of 1083884 B.C. LTD.:

We hereby consent to the reference to our opinion contained under Section 14, “Certain Canadian Federal Income Tax Considerations” in the Circular accompanying the Offer dated August 3, 2016 by 1083884 B.C. LTD. to the holders of common shares of Nordex Explosives Ltd.

Toronto, Ontario

August 3, 2016

(Signed) “STIKEMAN ELLIOTT LLP”
CERTIFICATE OF 1083884 B.C. LTD.

DATED: August 3, 2016

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

On behalf of the Board of Directors

(Signed) JOSEPH BREEN KEENAN
Director

(Signed) WAYNE GREGORY Koonin
Director
CERTIFICATE OF OMNIA HOLDINGS LIMITED

DATED: August 3, 2016

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

(Signed) ROD HUMPHRIS
Group Managing Director

(Signed) WAYNE GREGORY KOOKIN
Group Finance Director

On behalf of the Board of Directors

(Signed) HESTER HICKEY
Director

(Signed) FRANK BUTLER
Director
The Information Agent and the Depositary is:

LAUREL HILL

NORTH AMERICA TOLL-FREE

1-877-452-7184
Email: assistance@laurelhill.com
Collect calls outside North America
1-416-304-0211

By Mail
PO Box 370
STN Adelaide
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M5C 2J5
Canada

By Registered Mail, Hand or by Courier
70 University Avenue, Suite 1440
Toronto, Ontario
M5J 2M4
Canada

By Facsimile Transmission
1-416-646-2415

Any questions and requests for assistance or additional copies of the Circular and the Letter of Transmittal may be directed by the Shareholders to the Information Agent and the Depositary at the telephone number and address set out above. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance.