

Condensed Consolidated Interim Financial Statements of



HORIZON NORTH
Logistics Inc

Three and Six months ended June 30, 2013 and 2012 (Unaudited)



HORIZON NORTH
Logistics Inc

Condensed consolidated statement of financial position (Unaudited)

<i>(000's)</i>	June 30, 2013	December 31, 2012
Assets		
Current assets:		
Trade and other receivables	\$ 138,061	\$ 133,195
Inventories	11,358	13,321
Prepayments	5,372	2,506
Income taxes receivable	1,170	146
	155,961	149,168
Non-current assets:		
Property, plant and equipment (Note 4)	330,300	330,205
Intangible assets	5,926	10,028
Goodwill	2,136	2,136
Deferred tax assets	2,192	1,772
Other assets	2,620	2,684
	343,174	346,825
	\$ 499,135	\$ 495,993
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade and other payables	\$ 52,848	\$ 59,511
Deferred revenue	2,189	588
Income taxes payable	1,602	12,661
Current portion of loans and borrowings (Note 5)	1,443	1,416
	58,082	74,176
Non-current liabilities:		
Asset retirement provisions	1,395	1,364
Loans and borrowings (Note 5)	121,516	116,872
Deferred tax liabilities	28,821	29,318
	209,814	221,730
Shareholders' equity:		
Share capital (Note 7)	181,837	179,999
Contributed surplus	11,279	10,783
Accumulated other comprehensive (loss) income	(54)	208
Retained earnings	96,259	83,273
	289,321	274,263
	\$ 499,135	\$ 495,993

The accompanying notes are an integral part of the consolidated financial statements.



Condensed consolidated statement of comprehensive income (Unaudited)
Three and Six months ended June 30, 2013 and 2012

(000's)	Three months ended		Six months ended	
	2013	June 30 2012	2013	June 30 2012
Revenue	\$ 148,426	\$ 139,551	\$ 288,385	\$ 268,148
Operating expenses:				
Direct costs	110,919	94,592	209,433	184,602
Depreciation	11,762	7,589	22,606	13,818
Amortization of intangible assets	11	44	22	88
Share based compensation (Note 7)	216	391	625	436
Loss on disposal of property, plant and equipment	4,243	114	4,086	109
Direct operating expenses	127,151	102,730	236,772	199,053
Gross profit	21,275	36,821	51,613	69,095
Selling & administrative expenses:				
Selling & administrative expenses	4,799	4,496	9,611	8,638
Amortization of intangible assets	2,040	2,007	4,080	4,014
Share based compensation (Note 7)	179	262	456	307
Selling & administrative expenses	7,018	6,765	14,147	12,959
Operating earnings	14,257	30,056	37,466	56,136
Finance costs	1,081	849	2,196	1,543
Share of loss (gain) of equity accounted investees	-	19	-	(27)
Profit before tax	13,176	29,188	35,270	54,620
Current tax expense	4,716	6,304	9,555	11,064
Deferred tax (recovery) expense	(1,663)	1,115	(917)	2,926
Income tax expense (Note 6)	3,053	7,419	8,638	13,990
Total profit	10,123	21,769	26,632	40,630
Other comprehensive income:				
Translation of foreign operations	137	(85)	262	(16)
Other comprehensive loss (income), net of income tax	137	(85)	262	(16)
Total comprehensive income	\$ 9,986	\$ 21,854	\$ 26,370	\$ 40,646
Earnings per share:				
Basic (Note 8)	\$ 0.09	\$ 0.20	\$ 0.24	\$ 0.38
Diluted (Note 8)	\$ 0.09	\$ 0.20	\$ 0.24	\$ 0.37

The accompanying notes are an integral part of the consolidated financial statements.



HORIZON NORTH
Logistics Inc

Condensed consolidated statement of changes in equity (Unaudited)

<i>(000's)</i>	Share Capital	Contributed Surplus	Accumulated Other Comprehensive (loss) Income	Retained Earnings	Total
Balance at December 31, 2011	173,438	10,421	158	32,052	216,069
Total profit	-	-	-	40,630	40,630
Share based compensation	-	743	-	-	743
Share options exercised	4,773	(1,294)	-	-	3,479
Translation of foreign operations	-	-	16	-	16
Dividends paid (\$0.05 per share)	-	-	-	(10,799)	(10,799)
Balance at June 30, 2012	178,211	9,870	174	61,883	250,138
Total profit	-	-	-	32,253	32,253
Share based compensation	-	1,408	-	-	1,408
Share options exercised	1,788	(495)	-	-	1,293
Translation of foreign operations	-	-	34	-	34
Dividends paid (\$0.05 per share)	-	-	-	(10,863)	(10,863)
Balance at December 31, 2012	179,999	10,783	208	83,273	274,263
Total profit	-	-	-	26,632	26,632
Share based compensation (Note 7)	-	1,081	-	-	1,081
Share options exercised (Note 7)	1,838	(585)	-	-	1,253
Translation of foreign operations	-	-	(262)	-	(262)
Dividends paid (\$0.0625 per share)	-	-	-	(6,807)	(6,807)
Dividends declared (\$0.0625 per share)	-	-	-	(6,839)	(6,839)
Balance at June 30, 2013	\$ 181,837	\$ 11,279	\$ (54)	\$ 96,259	\$ 289,321

The accompanying notes are an integral part of the consolidated financial statements.

Condensed consolidated statement of cash flows (Unaudited)
Six months ended June 30, 2013 and 2012



<i>(000's)</i>	June 30, 2013	June 30, 2012
Cash provided by (used in):		
Operating activities:		
Profit for the period	\$ 26,632	\$ 40,630
Adjustments for:		
Depreciation	22,606	13,818
Amortization of intangible assets	4,102	4,102
Share based compensation (Note 7)	1,081	743
Amortization of other assets	64	64
Gain on equity investments	-	(27)
Gain on sale of property, plant and equipment	(12)	(1,508)
Unrealized foreign exchange (gain) loss	(132)	23
Finance costs	2,196	1,543
Income tax expense (Note 6)	8,638	13,990
	65,175	73,378
Income taxes paid	(21,638)	(7,510)
Interest paid	(2,075)	(1,140)
Changes in non-cash working capital items	(10,735)	(22,793)
	30,727	41,935
Investing activities:		
Purchase of property, plant and equipment (Note 4)	(39,584)	(69,523)
Proceeds on sale of property, plant and equipment	16,765	4,400
	(22,819)	(65,123)
Financing activities:		
Proceeds from loans and borrowings	4,485	30,508
Share purchase options exercised (Note 7)	1,253	3,479
Payment of dividends	(12,246)	(9,662)
	(6,508)	24,325
Changes in non-cash working capital items	(1,400)	(1,137)
	(7,908)	23,188
Increase in cash position	-	-
Cash, beginning of period	-	-
Cash, end of period	\$ -	\$ -

The accompanying notes are an integral part of the consolidated financial statements.

1. Reporting Entity

Horizon North Logistics Inc. (“Horizon” or the “Corporation”) is a company domiciled in Canada and is a publicly-traded company, listed on the Toronto Stock Exchange under the symbol HNL. The condensed consolidated interim financial statements of the Corporation as at and for the three and six months ended June 30, 2013 comprise the Corporation and its subsidiaries. Horizon provides camp & catering, ground matting, and marine transportation services to oil and gas exploration and production companies, oilfield service companies and mining companies working on oil sands, mineral exploration and development, and conventional oil and gas projects primarily in western Canada.

2. Basis of Presentation

(a) Statement of compliance

These financial statements have been prepared in accordance with IAS 34, “Interim Financial Reporting” as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies the Corporation adopted in its consolidated financial statements for the year ending December 31, 2012 except as disclosed below. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements. These financial statements were approved by the board of directors of Horizon on July 30, 2013.

(b) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Corporation’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2012.

3. Significant Accounting Policies and Determination of Fair Values

The accounting policies and determination of fair values were set out in Note 3 and 4 of the Corporation’s annual consolidated financial statements for the year ended December 31, 2012 and have been applied consistently to all periods presented in these condensed consolidated interim financial statements, except the changes disclosed in the December 31, 2012 annual consolidated financial statements. As at January 1, 2013, the Company changed certain accounting policies as a result of the adoption of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interest in Other Entities, as well as the consequential amendment to IAS 28 Investments in Associates and Joint Ventures (2011), IFRS 13 Fair Value Measurement and IFRS 7 Amendments to Financial Instrument Disclosures. The adoption of these standards had no impact on the amounts recorded in the financial statements as at January 1, 2013.

As a result, these financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2012.

Notes to the condensed consolidated interim financial statements (Unaudited)
Three and six months ended June 30, 2013 and 2012



4. Property, Plant and Equipment

Cost	Balance			Impact of Foreign Translation	Balance
(000's)	December 31 2012	Additions	Disposals		June 30 2013
Camp facilities	\$ 344,119	\$ 30,605	\$ (18,915)	\$ (141)	\$ 355,668
Marine equipment	18,830	-	-	-	18,830
Land & Buildings	31,638	661	-	-	32,299
Automotive & trucking equipment	32,162	3,805	(651)	-	35,316
Mats	8,703	4,442	(1,119)	-	12,026
Furniture, fixtures & other equipment	5,722	403	(31)	-	6,094
Assets under construction	3,208	(332)	(108)	-	2,768
	\$ 444,382	\$ 39,584	\$ (20,824)	\$ (141)	\$ 463,001

Accumulated Depreciation	Balance			Impact of Foreign Translation	Balance
(000's)	December 31 2012	Depreciation	Disposals		June 30 2013
Camp facilities	\$ 66,246	\$ 17,529	\$ (2,861)	\$ (11)	\$ 80,903
Marine equipment	15,682	137	-	-	15,819
Land & Buildings	7,287	767	-	-	8,054
Automotive & trucking equipment	17,137	2,061	(547)	-	18,651
Mats	4,962	1,654	(646)	-	5,970
Furniture, fixtures & other equipment	2,863	458	(17)	-	3,304
Assets under construction	-	-	-	-	-
	\$ 114,177	\$ 22,606	\$ (4,071)	\$ (11)	\$ 132,701

Carrying Amounts	Balance	Balance
(000's)	December 31 2012	June 30 2013
Camp facilities	\$ 277,873	\$ 274,765
Marine equipment	3,148	3,011
Land & Buildings	24,351	24,245
Automotive & trucking equipment	15,025	16,665
Mats	3,741	6,056
Furniture, fixtures & other equipment	2,859	2,790
Assets under construction	3,208	2,768
	\$ 330,205	\$ 330,300

Notes to the condensed consolidated interim financial statements (Unaudited)
Three and six months ended June 30, 2013 and 2012



4. Property, Plant and Equipment (continued)

Cost	Balance			Impact of Foreign Translation	Balance
(000's)	December 31 2011	Additions	Disposals		June 30 2012
Camp facilities	\$ 224,462	\$ 64,262	\$ (3,661)	\$ 9	\$ 285,072
Marine equipment	18,830	-	-	-	18,830
Land & Buildings	28,456	681	11	-	29,148
Automotive & trucking equipment	25,346	4,577	(173)	-	29,750
Mats	6,294	5,144	(1,820)	-	9,618
Furniture, fixtures & other equipment	4,433	311	(36)	-	4,708
Assets under construction	6,850	(5,452)	-	-	1,398
	\$ 314,671	\$ 69,523	\$ (5,679)	\$ 9	\$ 378,524

Accumulated Depreciation	Balance			Impact of Foreign Translation	Balance
(000's)	December 31 2011	Depreciation	Disposals		June 30 2012
Camp facilities	\$ 45,894	\$ 9,069	\$ (1,737)	\$ (1)	\$ 53,225
Marine equipment	15,410	135	-	-	15,545
Land & Buildings	5,932	661	11	-	6,604
Automotive & trucking equipment	13,072	2,159	(138)	-	15,093
Mats	3,393	1,408	(886)	-	3,915
Furniture, fixtures & other equipment	2,177	386	(36)	-	2,527
Assets under construction	-	-	-	-	-
	\$ 85,878	\$ 13,818	\$ (2,786)	\$ (1)	\$ 96,909

Carrying Amounts	Balance	Balance
(000's)	December 31 2011	June 30 2012
Camp facilities	\$ 178,568	\$ 231,847
Marine equipment	3,420	3,285
Land & Buildings	22,524	22,544
Automotive & trucking equipment	12,274	14,657
Mats	2,901	5,703
Furniture, fixtures & other equipment	2,256	2,181
Assets under construction	6,850	1,398
	\$ 228,793	\$ 281,615

**Notes to the condensed consolidated interim financial statements (Unaudited)
Three and six months ended June 30, 2013 and 2012**



5. Loans and Borrowings

<i>(000's)</i>	June 30, 2013	December 31, 2012
Committed credit facility	\$ 112,940	\$ 108,247
Notes payable	6,470	6,304
Vehicle and equipment financing	3,549	\$ 3,737
	122,959	\$ 118,288
Less current portion	(1,443)	(1,416)
	\$ 121,516	\$ 116,872

The carrying value of Horizon's debt approximates its fair value, as the majority of the debt bears interest at variable rates.

On October 26, 2012, the Corporation increased its existing committed credit facility from \$120,000,000 to \$150,000,000. The committed credit facility was also renewed for a term of 3 years, extendable annually at the Corporation's request and subject to lender approval. In addition, a \$35,000,000 accordion feature is available upon request by the Corporation, subject to review and approval by the lenders. The committed credit facility is secured by a \$300,000,000 first fixed and floating charge debenture over all assets of the Corporation and its wholly owned subsidiaries. Interest is payable at the bank prime rate plus 0.625%. Amounts borrowed under the facility become due on October 26, 2015, the maturity date of the facility.

6. Income Taxes

The provision for income taxes differs from that which would be expected by applying statutory rates. A reconciliation of the difference is as follows:

<i>(000's)</i>	Three months ended June 30		Six months ended June 30	
	2013	2012	2013	2012
Earnings before income taxes	\$ 13,176	\$ 29,188	\$ 35,270	\$ 54,620
Combined federal and provincial income tax rate	25.0%	25.0%	25.0%	25.0%
Expected income tax provision	3,294	7,297	8,818	13,655
Non-deductible share based compensation	98	164	270	186
Gain (loss) on equity investments	-	5	-	(7)
Revisions to prior year tax estimates	-	(122)	(196)	(122)
Change in estimated timing of realization of temporary differences	(12)	(31)	-	153
Differences in jurisdictional tax rates	(37)	-	33	-
Other	(290)	106	(287)	125
	\$ 3,053	\$ 7,419	\$ 8,638	\$ 13,990

Notes to the condensed consolidated interim financial statements (Unaudited)
Three and six months ended June 30, 2013 and 2012



7. Share Capital

(a) Authorized

Unlimited number of voting common shares without nominal or par value.

Unlimited number of preferred shares issuable in series.

(b) Issued

	Number	Amount (000's)
Balance at December 31, 2011	106,751,651	\$ 173,438
Share options exercised	1,957,624	6,561
Balance at December 31, 2012	108,709,275	\$ 179,999
Share options exercised	702,239	1,838
Balance at June 30, 2013	109,411,514	\$ 181,837

(c) Share option plan

The Corporation has a share option plan for its directors, officers, and key employees whereby options may be granted, to a maximum of 10% of the issued and outstanding common shares, subject to certain terms and conditions. Share option vesting privileges are at the discretion of the Board of Directors and were set at three years. The Corporation uses graded vesting for share options over the period in which the option vests. All share options are equity settled with a weighted average remaining contractual life of 3.3 years and all options granted have a maximum term of 5 years with the exception of options granted on July 25, 2006 which have a maximum term of 10 years.

	Six months ended June 30, 2013		Year ended December 31, 2012	
	Outstanding options	Weighted average exercise price	Outstanding options	Weighted average exercise price
Balance, beginning of period	4,914,831	\$ 4.40	4,216,007	\$ 2.27
Granted	260,500	6.49	2,750,700	6.25
Forfeited	(145,667)	5.58	(94,252)	3.73
Exercised	(702,239)	1.78	(1,957,624)	2.44
Balance, end of period	4,327,425	\$ 4.91	4,914,831	\$ 4.40

	Six months ended June 30, 2013		Year ended December 31, 2012	
	Exercisable options	Weighted average exercise price	Exercisable options	Weighted average exercise price
Balance, beginning of period	2,096,712	\$ 2.10	3,208,815	\$ 2.47
Vested	620,941	5.77	858,187	1.49
Forfeited	(7,000)	6.25	(12,666)	2.27
Exercised	(702,239)	1.78	(1,957,624)	2.44
Balance, end of period	2,008,414	\$ 3.33	2,096,712	\$ 2.10

7. Share Capital (continued)

(c) Stock option plan (continued)

The exercise prices for options outstanding at June 30, 2013 are as follows:

Exercise price per share	Number	Total options outstanding		Exercisable options	
		Weighted average exercise price per share	Weighted average remaining contractual life in years	Number	Weighted average exercise price per share
\$1.36 to \$2.67	814,475	\$ 1.41	1.5	814,475	\$ 1.41
\$2.68 to \$6.03	841,500	3.78	3.2	700,332	3.52
\$6.04 to \$6.20	103,000	6.10	4.6	-	-
\$6.21 to \$6.27	2,265,950	6.25	3.8	493,607	6.25
\$6.28 to \$8.21	302,500	7.06	4.6	-	-
	4,327,425	\$ 4.91	3.3	2,008,414	\$ 3.33

Expected volatility is estimated by considering historic average share price volatility. For the three and six months ended June 30, 2013, share based compensation for stock options included in net earnings amounted to \$395,000 and \$1,081,000 respectively (June 30, 2012 - \$653,000 and \$743,000).

8. Earnings Per Share

The calculation of basic earnings per share for the three and six months ended June 30, 2013 was based on the total profit attributable to common shareholders of \$10,123,000 and \$26,632,000 respectively (June 30, 2012 - \$21,769,000 and \$40,630,000).

A summary of the common shares used in calculating earnings per share is as follows:

	Three months ended June 30		Six months ended June 30	
	2013	2012	2013	2012
Number of common shares, beginning of period	108,918,811	107,783,945	108,709,275	106,751,651
Weighted average effect of stock options exercised	232,161	282,580	288,996	922,204
Weighted average common shares outstanding – basic	109,150,972	108,066,525	108,998,271	107,673,855
Effect of share purchase options ⁽¹⁾	1,116,264	1,755,710	1,226,014	1,930,209
Weighted average common shares outstanding – diluted	110,267,236	109,822,235	110,224,285	109,604,064

(1) The Corporation utilizes the treasury stock method for calculating the dilutive effect of share purchase options when the average market price of the Corporation's common stock during the period exceeds the exercise price of the option

For the three and six months ended June 30, 2013, 2,728,950 and 2,728,950 share purchase options, respectively (June 30, 2012 - 2,586,950 and 2,616,950) were excluded from the calculation of weighted average common shares outstanding - diluted as the result would be anti-dilutive.

Notes to the condensed consolidated interim financial statements (Unaudited)
Three and six months ended June 30, 2013 and 2012

9. Operating segments

The Corporation operates in Canada and the US through two business segments: Camps & Catering and Matting. At December 31, 2012, the Chief Operating Decision Maker revised the Camps and Catering segment to include the Marine CGU to better reflect the nature of the barge camp rental business. The Camps & Catering segment includes camp rental and catering services, marine operations as well as the manufacture, sale, and repair of camps. Matting includes mat rental, installation, and fleet management services, as well as the manufacture and sale of mats.

Information regarding the results of all segments, including the changes above, is included below for the three and six months ended June 30, 2013 and 2012. Inter-segment pricing is determined on an arm's length basis.

Three months ended June 30, 2013 (000's)	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	\$ 134,942	\$ 14,956	\$ -	\$ (1,472)	\$ 148,426
EBITDAS ⁽¹⁾	31,721	4,148	(3,153)	(8)	32,708
Depreciation and amortization	11,584	2,144	137	(52)	13,813
Loss (gain) on disposal of assets	4,301	(1)	(57)	-	4,243
Share based compensation	178	38	179	-	395
Operating earnings (loss)	15,658	1,967	(3,412)	44	14,257
Total assets	460,220	35,202	3,713	-	499,135
Capital expenditures	\$ 14,207	\$ 4,057	\$ 90	\$ (22)	\$ 18,332

Three months ended June 30, 2012 (000's) ⁽²⁾	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	\$ 117,616	\$ 25,232	\$ -	\$ (3,297)	\$ 139,551
EBITDAS ⁽¹⁾	37,128	6,161	(2,703)	(123)	40,463
Depreciation and amortization	7,396	2,152	130	(38)	9,640
Loss (gain) on disposal of assets	142	(28)	-	-	114
Share based compensation	339	52	262	-	653
Operating earnings (loss)	29,251	3,985	(3,095)	(85)	30,056
Total assets	370,354	55,096	3,044	-	428,494
Capital expenditures	\$ 30,859	\$ 4,629	\$ 49	(191)	\$ 35,346

Six months ended June 30, 2013 (000's)	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	\$ 260,859	\$ 31,188	\$ -	\$ (3,662)	\$ 288,385
EBITDAS ⁽¹⁾	67,573	8,134	(6,335)	(31)	69,341
Depreciation and amortization	22,353	4,185	273	(103)	26,708
Loss (gain) on disposal of assets	4,164	(21)	(57)	-	4,086
Share based compensation	536	89	456	-	1,081
Operating earnings (loss)	40,520	3,881	(7,007)	72	37,466
Total assets	460,220	35,202	3,713	-	499,135
Capital expenditures	\$ 31,236	\$ 7,811	\$ 584	\$ (47)	\$ 39,584

Six months ended June 30, 2012 (000's) ⁽²⁾	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	\$ 230,543	\$ 43,570	\$ -	\$ (5,965)	\$ 268,148
EBITDAS ⁽¹⁾	70,488	10,533	(5,722)	(391)	74,908
Depreciation and amortization	13,828	3,909	244	(61)	17,920
Loss (gain) on disposal of assets	137	(28)	-	-	109
Share based compensation	373	63	307	-	743
Operating earnings (loss)	56,150	6,589	(6,273)	(330)	56,136
Total assets	370,354	55,096	3,044	-	428,494
Capital expenditures	\$ 59,979	\$ 9,316	\$ 699	\$ (471)	\$ 69,523

(1) EBITDAS (Earnings before finance costs, taxes, depreciation, amortization, gain/loss on disposal of property, plant and equipment, and share based compensation) and operating earnings (earnings before finance costs, taxes and earnings on equity investments) are not recognized measures under IFRS. Management believes that in addition to total profit and total comprehensive income, EBITDAS is a useful supplemental measure as it provides an indication of the Corporation's ability to generate cash flow in order to fund working capital, service debt, pay current income taxes and fund capital programs, and it is regularly provided to and reviewed by the Chief Operating Decision Maker. Horizon's method of calculating EBITDAS may differ from other entities and accordingly, EBITDAS may not be comparable to measures used by other entities.

(2) Comparative period information was revised to align with current year reportable segments.

10. Seasonality

Each of Horizon's businesses has slightly different seasonal aspects. Certain segments of the Camps & Catering division are exposed to the seasonality of the western Canadian oil and natural gas drilling industry, where the busiest months are January through March and the slowest months are April through September. However, seasonality has been significantly reduced due to increased exposure in the oil sands and mining sectors, which operate year round. The Matting segment is busiest in the spring and summer months of April through September when soft ground conditions hinder the movement of heavy equipment.

11. Subsequent event

On July 9, 2013, the Corporation entered into an agreement to dispose of specific marine assets for a cash consideration of \$4,600,000. As at June 30, 2013 the assets had a net book value of \$1,473,000. The transaction is expected to close on or about July 30, 2013.