Condensed Consolidated Interim Financial Statements of

HORIZON NORTH
Logistics Inc

Three and six months ended June 30, 2015 and 2014 (Unaudited)

Condensed consolidated statement of financial position (Unaudited)

(000's)	June 30, 2015	December 31, 2014
Assets		
Current assets:		
Trade and other receivables	$ 70,814	$ 116,074
Inventories	9,750	14,656
Prepayments	5,501	3,612
Income taxes receivable	2,021	-
	88,086	134,342
Non-current assets:		
Property, plant and equipment (Note 4)	397,836	401,130
Goodwill	1,664	1,664
Deferred tax assets	-	414
Other assets	2,364	2,428
	401,864	405,636
	$ 489,950	$ 539,978
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade and other payables	$ 59,610	$ 55,577
Deferred revenue	1,675	2,268
Income taxes payable	1,103	2,492
Current portion of loans and borrowings (Note 5)	4,824	7,668
	67,212	68,005
Non-current liabilities:		
Asset retirement obligations	5,552	5,890
Loans and borrowings (Note 5)	114,235	146,370
Deferred tax liabilities	37,286	33,139
	224,285	253,404
Shareholders' equity:		
Share capital (Note 7)	188,391	185,592
Contributed surplus	13,760	13,523
Accumulated other comprehensive income	842	774
Retained earnings	62,672	86,685
	265,665	286,574
	$ 489,950	$ 539,978

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, 2015 and 2014

HORIZON NORTH
Logistics Inc

(000's)	Three months ended June 30 2015	Three months ended June 30 2014	Six months ended June 30 2015	Six months ended June 30 2014
Revenue	$ 84,888	$ 96,094	$ 218,856	$ 218,305
Operating expenses:				
Direct costs	68,891	75,425	167,738	168,656
Depreciation	13,413	12,878	26,753	25,265
Share based compensation (Note 7)	229	244	607	541
Loss (gain) on disposal of property, plant and equipment	364	(520)	323	(2,115)
Direct operating expenses	82,897	88,027	195,421	192,347
Gross profit	1,991	8,067	23,435	25,958
Selling & administrative expenses:				
Selling & administrative expenses	5,904	5,173	11,611	10,603
Amortization of intangible assets	-	820	-	1,639
Share based compensation (Note 7)	121	203	419	415
Selling & administrative expenses	6,025	6,196	12,030	12,657
Operating earnings (loss)	(4,034)	1,871	11,405	13,301
Finance costs	1,018	937	2,340	1,937
Profit (loss) before tax	(5,052)	934	9,065	11,364
Current tax (recovery) expense	(2,287)	(309)	180	1,821
Deferred tax expense	3,193	563	4,561	1,145
Income tax expense (Note 6)	906	254	4,741	2,966
Total profit (loss)	(5,958)	680	4,324	8,398
Other comprehensive income:				
Translation of foreign operations	350	78	(68)	(121)
Other comprehensive loss (income), net of income tax	350	78	(68)	(121)
Total comprehensive income (loss)	$ (6,308)	$ 602	$ 4,392	$ 8,519
Earnings per share:				
Basic (Note 9)	$ (0.05)	$ 0.01	$ 0.04	$ 0.08
Diluted (Note 9)	$ (0.05)	$ 0.01	$ 0.04	$ 0.08

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

Condensed consolidated statement of changes in equity (Unaudited)

(000's)	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Retained Earnings	Total
Balance at December 31, 2013	$ 183,851	$ 11,836	$ 394	$ 98,346	$ 294,427
Total profit	-	-	-	8,398	8,398
Share based compensation	-	956	-	-	956
Share options exercised	1,337	(309)	-	-	1,028
Translation of foreign operations	-	-	121	-	121
Dividends (Note 8)	-	-	-	(17,642)	(17,642)
Balance at June 30, 2014	$ 185,188	$ 12,483	$ 515	$ 89,102	$ 287,288
Total profit	-	-	-	15,248	15,248
Share based compensation	-	1,179	-	-	1,179
Share options exercised	404	(139)	-	-	265
Translation of foreign operations	-	-	259	-	259
Dividends (Note 8)	-	-	-	(17,665)	(17,665)
Balance at December 31, 2014	$ 185,592	$ 13,523	$ 774	$ 86,685	$ 286,574
Total profit	-	-	-	4,324	4,324
Share based compensation (Note 7)	-	1,026	-	-	1,026
Share options exercised	2,799	(789)	-	-	2,010
Translation of foreign operations	-	-	68	-	68
Dividends (Note 8)	-	-	-	(28,337)	(28,337)
Balance at June 30, 2015	$ 188,391	$ 13,760	$ 842	$ 62,672	$ 265,665

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

Condensed consolidated statement of cash flows (Unaudited)
Six months ended June 30, 2015 and 2014

HORIZON NORTH
Logistics Inc

(000's)	June 30, 2015	June 30, 2014
Cash provided by (used in):		
Operating activities:		
Profit for the period	$ 4,324	$ 8,398
Adjustments for:		
Depreciation	26,753	25,265
Amortization of intangible assets	-	1,639
Share based compensation (Note 7)	1,026	956
Amortization of other assets	64	64
Gain on sale of property, plant and equipment	(1,875)	(3,653)
Unrealized foreign exchange	65	56
Finance costs	2,340	1,937
Income tax expense (Note 6)	4,741	2,966
	37,438	37,628
Income taxes paid	(3,590)	(50)
Interest paid	(2,263)	(1,810)
Changes in non-cash working capital items	41,076	(2,370)
	72,661	33,398
Investing activities:		
Purchase of property, plant and equipment (Note 4)	(28,138)	(76,224)
Proceeds on sale of property, plant and equipment	6,126	9,360
	(22,012)	(66,864)
Financing activities:		
Shares issued	2,010	1,028
Proceeds from (repayment of) loans and borrowings	(34,979)	48,135
Payment of dividends	(17,680)	(15,697)
	(50,649)	33,466
Change 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 registered and domiciled in Canada and is a publicly-traded company, listed on the Toronto Stock Exchange under the symbol HNL. The Corporation's registered offices are at 1600, 505 – 3rd Street SW, Calgary, AB T2P 3E6. The condensed consolidated interim financial statements of the Corporation as at and for the three and six months ended June 30, 2015 comprise the Corporation and its subsidiaries and the Corporation's interest in associates and jointly controlled entities. Horizon provides camp & catering services and ground matting 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, 2014. 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 28, 2015.

(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, 2014.

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, 2014 and have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

As a result, these financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2014.

4. Property, Plant and Equipment

Cost *(000's)*	Balance December 31 2014	Additions	Disposals	Impact of Foreign Translation	Balance June 30, 2015
Camp facilities, setup & installation	$ 454,094	$ 6,868	$ (7,184)	$ 9	$ 453,787
Marine equipment	-	-	-	-	-
Land & Buildings	46,552	5,967	-	-	52,519
Automotive & trucking equipment	46,022	166	(586)	-	45,602
Mats	14,138	9,168	(3,382)	-	19,924
Furniture, fixtures & other equipment	6,566	1,196	(124)	-	7,638
Asset retirement obligations	5,316	-	(432)	-	4,884
Assets under construction	4,477	4,773	-	-	9,250
	$ 577,165	$ 28,138	$ (11,708)	$ 9	$ 593,604

Accumulated Depreciation *(000's)*	Balance December 31 2014	Depreciation	Disposals	Impact of Foreign Translation	Balance June 30, 2015
Camp facilities, setup & installation	$ 130,868	$ 18,686	$ (4,407)	$ 4	$ 145,151
Marine equipment	-	-	-	-	-
Land & Buildings	8,137	830	-	-	8,967
Automotive & trucking equipment	22,450	2,800	(585)	-	24,665
Mats	9,174	3,038	(1,685)	-	10,527
Furniture, fixtures & other equipment	3,647	714	(124)	-	4,237
Asset retirement obligations	1,759	685	(223)	-	2,221
Assets under construction	-	-	-	-	-
	$ 176,035	$ 26,753	$ (7,024)	$ 4	$ 195,768

Carrying Amounts *(000's)*	Balance December 31 2014	Balance June 30, 2015
Camp facilities, setup & installation	$ 323,226	$ 308,636
Marine equipment	-	-
Land & Buildings	38,415	43,552
Automotive & trucking equipment	23,572	20,937
Mats	4,964	9,397
Furniture, fixtures & other equipment	2,919	3,401
Asset retirement obligations	3,557	2,663
Assets under construction	4,477	9,250
	$ 401,130	$ 397,836

4. Property, Plant and Equipment (continued)

Cost *(000's)*	Balance December 31 2013	Additions	Disposals	Impact of Foreign Translation	Balance June 30 2014
Camp facilities, setup & installation	$ 380,718	$ 33,493	$ (4,805)	$ 73	$ 409,479
Marine equipment	12,811	-	-	-	12,811
Land & Buildings	31,066	17,587	(1,815)	-	46,838
Automotive & trucking equipment	37,833	9,071	(2,708)	-	44,196
Mats	10,125	4,178	(2,756)	-	11,547
Furniture, fixtures & other equipment	6,849	249	(116)	-	6,982
Asset retirement obligations	5,316	-	-	-	5,316
Assets under construction	12,690	11,646	-	-	24,336
	$ 497,408	$ 76,224	$ (12,200)	$ 73	$ 561,505

Accumulated Depreciation *(000's)*	Balance December 31 2013	Depreciation	Disposals	Impact of Foreign Translation	Balance June 30 2014
Camp facilities, setup & installation	$ 96,672	$ 18,897	$ (1,714)	$ 9	$ 113,864
Marine equipment	12,070	60	-	-	12,130
Land & Buildings	8,538	810	(531)	-	8,817
Automotive & trucking equipment	20,359	2,529	(2,490)	-	20,398
Mats	6,593	1,747	(1,642)	-	6,698
Furniture, fixtures & other equipment	3,557	526	(116)	-	3,967
Asset retirement obligations	367	696	-	-	1,063
Assets under construction	-	-	-	-	-
	$ 148,156	$ 25,265	$ (6,493)	$ 9	$ 166,937

Carrying Amounts *(000's)*	Balance December 31 2013	Balance June 30 2014
Camp facilities, setup & installation	$ 284,046	$ 295,615
Marine equipment	741	681
Land & Buildings	22,528	38,021
Automotive & trucking equipment	17,474	23,798
Mats	3,532	4,849
Furniture, fixtures & other equipment	3,292	3,015
Asset retirement obligations	4,949	4,253
Assets under construction	12,690	24,336
	$ 349,252	$ 394,568

5. Loans and Borrowings

(000's)		June 30, 2015		December 31, 2014
Committed credit facility	$	114,235	$	146,370
Notes payable		4,824		4,824
Vehicle and equipment financing		-		2,844
	$	119,059	$	154,038
Less current portion		(4,824)		(7,668)
	$	114,235	$	146,370

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

The Corporation's committed credit facility ("credit facility") has an available limit of $200,000,000 and is secured by a $400,000,000 first fixed and floating charge debenture over all assets of the Corporation and its wholly owned subsidiaries. The interest rate is calculated on a grid pricing structure based on the Corporation's debt to EBITDAS ratio. Debt to EBITDAS is calculated as at the quarter end for the most recently completed calendar quarter and for the 12 months ended on such date. Amounts drawn on the credit facility incur interest at bank prime rate plus 0.50% to 1.75% or the Bankers' Acceptance rate plus 1.50% to 2.75%. The credit facility has a standby fee ranging from 0.34% to 0.62%. Amounts borrowed under the facility become due on March 31, 2018, the maturity date of the facility. The credit facility is subject to the following financial covenants:

	Debt Covenants
Maximum Consolidated Senior debt (1) to Consolidated EBITDAS ratio (3)(4)	3.00:1.00 or less
Maximum Consolidated Total debt (2) to Consolidated EBITDAS ratio (3)(5)	4.25:1.00 or less
Minimum Consolidated Interest coverage ratio(6)	3.00:1.00 or more

(1) Senior debt is calculated as the sum of current and long-term portions of loans and borrowings less vehicle and equipment financing.
(2) Total debt is calculated as the sum of current and long-term portions of loans and borrowings.
(3) EBITDAS (Earnings before interest, taxes, depreciation, amortization, gain/loss on disposal of property, plant and equipment, and share based compensation) is not a recognized measure under IFRS. Management believes that in addition to net earnings, 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.
(4) Senior debt to EBITDAS is calculated as the ratio of senior debt to trailing 12 months EBITDAS.
(5) Total debt to EBITDAS is calculated as the ratio of total debt to trailing 12 months EBITDAS.
(6) Interest coverage is calculated as the ratio of trailing 12 months EBITDAS to 12 months trailing interest expense on loans and borrowings.

As at June 30, 2015, the Corporation was in compliance with all financial and non-financial covenants related to the credit 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:

	Three months ended June 30				Six months ended June 30			
(000's)		2015		2014		2015		2014
Earnings (loss) before income taxes	$	(5,052)	$	934	$	9,065	$	11,364
Combined federal and provincial income tax rate(1)		26.0%		25.0%		26.0%		25.0%
Expected income tax provision (recovery)	$	(1,314)	$	234	$	2,357	$	2,841
Future rate differential		2,231		-		2,111		-
Non-deductible share based compensation		98		112		267		239
Revisions to prior year tax estimates		-		(31)		269		(31)
Differences in jurisdictional tax rates		(26)		(85)		(67)		96
Non-taxable portion of capital gain		(42)		(34)		(76)		(239)
Other		(41)		58		(120)		60
	$	906	$	254	$	4,741	$	2,966

(1) The Alberta Government increased the corporate income tax rate to 12% from 10% with a blended corporate rate of 11% for the year ended December 31, 2015 which was substantively enacted in June 2015.

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, 2013	110,084,884	$ 183,851
Share options exercised	416,767	1,741
Balance at December 31, 2014	110,501,651	$ 185,592
Share options exercised	600,000	2,799
Balance at June 30, 2015	111,101,651	$ 188,391

(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 3.6 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, 2015		Year ended December 31, 2014	
	Outstanding options	Weighted average exercise price	Outstanding options	Weighted average exercise price
Balance, beginning of period	5,319,987	$ 6.47	3,711,955	$ 5.46
Granted	3,350,000	2.33	2,383,518	7.54
Forfeited	(623,583)	5.27	(358,719)	7.14
Exercised	(600,000)	3.35	(416,767)	3.10
Balance, end of period	7,446,404	$ 4.96	5,319,987	$ 6.47

7. Share Capital (continued)

(c) Stock option plan (continued)

	Six months ended June 30, 2015		Year ended December 31, 2014	
	Exercisable options	Weighted average exercise price	Exercisable options	Weighted average exercise price
Balance, beginning of period	2,043,706	$ 5.41	1,395,876	$ 4.06
Vested	1,603,213	6.79	1,087,929	6.27
Forfeited	(103,716)	6.92	(23,332)	6.25
Exercised	(600,000)	3.35	(416,767)	3.10
Balance, end of period	2,943,203	$ 6.53	2,043,706	$ 5.41

The exercise prices for options outstanding at June 30, 2015 are as follows:

	Total options outstanding			Exercisable options	
Exercise price per share	Number	Weighted average exercise price per share	Weighted average remaining contractual life in years	Number	Weighted average exercise price per share
$2.30 to $2.83	3,002,500	$ 2.30	4.7	-	$ -
$2.84 to $6.20	384,667	4.84	3.0	204,333	5.27
$6.21 to $6.27	1,916,836	6.25	1.8	1,916,836	6.25
$6.28 to $7.29	245,000	6.76	2.8	150,832	6.76
$7.30 to $9.01	1,897,401	7.64	3.9	671,202	7.64
	7,446,404	$ 4.96	3.6	2,943,203	$ 6.53

For the three and six months ended June 30, 2015, share based compensation for stock options included in net earnings amounted to $350,000 and $1,026,000 respectively (June 30, 2014 - $447,000 and $956,000).

8. Dividends

On April 29, 2015, the Corporation's Board of Directors declared the 2015 second quarter dividend of $0.08 per common voting share. For the three and six months ended June 30, 2015, the Corporation paid dividends totaling $8,840 and $17,680 respectively (June 30, 2014 - $8,817 and $15,697).

(000's except per share amounts)	**2015**		**2014**	
Record Date	Amount per share	Total dividend amount	Amount per share	Total dividend amount
March 31	$ 0.08	$ 8,840	$ 0.08	$ 8,817
June 30	0.08	8,888	0.08	8,825
September 30 (1)	0.08	10,609	0.08	8,825
December 31	-	-	0.08	8,840
	$ 0.24	$ 28,337	$ 0.32	$ 35,307

(1) Included in the dividends declared for the third quarter of 2015 are the 21,505,000 common shares issued through the bought deal equity financing disclosed in Note 12 of the condensed consolidated interim financial statements.

On June 17, 2015, the Corporation's Board of Directors declared a dividend for the third quarter of 2015 at $0.08 per share. The dividend is payable to shareholders of record at the close of business on September 30, 2015 to be paid on October 15, 2015.

9. Earnings Per Share

The calculation of basic earnings per share for the three and six months ended June 30, 2015 was based on the total profit (loss) attributable to common shareholders of ($5,958,000) and $4,324,000 respectively (June 30, 2014 – $680,000 and $8,398,000).

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	
	2015	2014	2015	2014
Number of common shares, beginning of period	110,501,651	110,215,098	110,501,651	110,084,884
Weighted average effect of stock options exercised	72,527	66,897	36,464	141,577
Weighted average common shares outstanding – basic	110,574,178	110,281,995	110,538,115	110,226,461
Effect of share purchase options[(1)]	-	927,084	345,797	951,566
Weighted average common shares outstanding – diluted	110,574,178	111,209,079	110,883,912	111,178,027

(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, 2015, 5,424,877 and 4,443,904 share purchase options, respectively (June 30, 2014 – 2,389,418 and 2,389,418) were excluded from the calculation of weighted average common shares outstanding - diluted as the result would be anti-dilutive.

10. Operating segments

The Corporation operates in Canada and the United States through two business segments: Camps & Catering and Matting. The Camps & Catering segment includes camp rental and catering services, 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 is included below. Inter-segment pricing is determined on an arm's length basis.

Three months ended June 30, 2015 *(000's)*	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	$ 73,561	$ 11,608	$ -	$ (281)	$ 84,888
EBITDAS[(1)]	9,713	3,890	(3,510)	-	10,093
Depreciation and amortization	10,943	2,289	227	(46)	13,413
Loss on disposal of assets	364	-	-	-	364
Share based compensation	170	59	121	-	350
Operating earnings (loss)	(1,764)	1,542	(3,858)	46	(4,034)
Total assets	453,932	32,549	3,469	-	489,950
Capital expenditures	9,951	2,779	220	-	12,950

Three months ended June 30, 2014 *(000's)*	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	$ 79,746	$ 16,750	$ -	$ (402)	$ 96,094
EBITDAS[(1)]	15,047	3,734	(3,285)	-	15,496
Depreciation and amortization	11,951	1,625	171	(49)	13,698
(Gain) on disposal of assets	(503)	(17)	-	-	(520)
Share based compensation	205	39	203	-	447
Operating earnings (loss)	3,394	2,087	(3,659)	49	1,871
Total assets	468,686	40,989	3,385	-	513,060
Capital expenditures	43,630	4,441	275	-	48,346

(1) EBITDAS (Earnings before interest, taxes, depreciation, amortization, gain/loss on disposal of property, plant and equipment, and share based compensation) is not a recognized measure under IFRS. Management believes that in addition to net earnings, 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.

10. Operating segments (continued)

Six months ended June 30, 2015 *(000's)*	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	$ 196,385	$ 23,177	$ -	$ (706)	$ 218,856
EBITDAS(1)	40,028	5,968	(6,489)	-	39,507
Depreciation and amortization	22,017	4,381	448	(93)	26,753
Loss on disposal of assets	323	-	-	-	323
Share based compensation	473	134	419	-	1,026
Operating earnings (loss)	17,215	1,453	(7,356)	93	11,405
Total assets	453,932	32,549	3,469	-	489,950
Capital expenditures	18,578	9,289	271	-	28,138

Six months ended June 30, 2014 *(000's)*	Camps & Catering	Matting	Corporate	Inter-segment Eliminations	Total
Revenue	$ 186,443	$ 32,730	$ -	$ (868)	$ 218,305
EBITDAS(1)	39,452	6,452	(6,858)	-	39,046
Depreciation and amortization	23,564	3,079	358	(97)	26,904
Loss (gain) on disposal of assets	(2,140)	25	-	-	(2,115)
Share based compensation	461	80	415	-	956
Operating earnings (loss)	17,567	3,268	(7,631)	97	13,301
Total assets	468,686	40,989	3,385	-	513,060
Capital expenditures	63,939	9,442	536	2,307	76,224

(1) EBITDAS (Earnings before interest, taxes, depreciation, amortization, gain/loss on disposal of property, plant and equipment, and share based compensation) is not a recognized measure under IFRS. Management believes that in addition to net earnings, 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.

11. 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.

12. Subsequent event

On July 8, 2015, the Corporation closed a bought deal equity financing agreement with a syndicate of underwriters that purchased 21,505,000 common shares of the Corporation for resale to the public, including overallotment, at a price of $3.75 per common share for gross proceeds of $80,643,750 and net proceeds of $76,611,562.