

INFORMATION FOR ALLOCATING THE ADJUSTED COST BASE OF PRE-SPINOFF TOROMONT SHARES TO POST-SPINOFF TOROMONT AND ENERFLEX SHARES

For Canadian tax purposes, Toromont shareholders are required to allocate the total adjusted cost base of the Toromont common shares held prior to the spinoff to their post-spinoff Toromont common shares and Enerflex common shares. The allocation of the adjusted cost base should be based on the relative fair market value of Toromont and Enerflex at the effective time of the arrangement.

Toromont's estimate of this allocation is:

Post-spinoff Toromont common shares 56.4%

Post-spinoff Enerflex common shares 43.6%

For example, if a shareholder held 100 Toromont shares immediately prior to the spinoff with an aggregate original cost of \$2,000, the adjusted cost base per share immediately prior to the spinoff would be \$20. This is based on the Income Tax Act requirement to use an average when determining the adjusted cost base of identical properties. Following the spinoff the shareholder would hold 100 post-spinoff Toromont shares and 100 post-spinoff Enerflex shares. The aggregate adjusted cost base of the Toromont shares would be \$1,128 ($\$2,000 \times 56.4\%$) and the adjusted cost base of each individual Toromont share would be \$11.28 ($\$1,128 / 100$). The aggregate adjusted cost base of the Enerflex shares would be \$872 ($\$2,000 \times 43.6\%$) and the adjusted cost base of each Enerflex share would be \$8.72 ($\$872 / 100$).

Please note that this allocation is not binding on the Canada Revenue Agency or on any particular Toromont shareholder. However, it is recommended that the allocation made by Toromont shareholders for Canadian tax purposes be consistent with that estimated by Toromont.

The foregoing is provided for the general information of shareholders and is not legal or tax advice. Shareholders are encouraged to consult their own tax advisors for advice with respect to the allocation of their adjusted cost base in pre-spinoff Toromont shares.