

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*This prospectus supplement, together with the short form base shelf prospectus dated November 9, 2016 to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference into the short form base shelf prospectus or this prospectus supplement constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

*These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

*Information has been incorporated by reference in this prospectus supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Senior Vice President and Chief Legal Officer of Superior Plus Corp. at 200 Wellington Street West, Suite 401, Toronto, Ontario, M5V 3C7, telephone (416) 345-8050, and are also available electronically at [www.sedar.com](http://www.sedar.com).*

## PROSPECTUS SUPPLEMENT

(TO A SHORT FORM BASE SHELF PROSPECTUS DATED NOVEMBER 9, 2016)

New Issue

June 1, 2018



**SUPERIOR PLUS CORP.**

**\$400,000,000**

**32,000,000 Subscription Receipts**  
**each representing the right to receive one Common Share**

This prospectus supplement qualifies for distribution (the "**Offering**") 32,000,000 subscription receipts (the "**Subscription Receipts**") of Superior Plus Corp. ("**Superior**") at a price of \$12.50 per Subscription Receipt (the "**Offering Price**"). The Subscription Receipts are being issued to finance, in part, the acquisition by Superior Plus Energy Services Inc. ("**Superior Energy Services**"), an indirect wholly-owned subsidiary of Superior, of all of the issued and outstanding membership interests of NGL Propane, LLC ("**NGL Propane**"), an indirect wholly-owned subsidiary of NGL Energy Partners LP ("**NGL LP**") (the "**Transaction**"). See "Use of Proceeds". The closing of the Transaction (the "**Transaction Closing**") is expected to occur in the third quarter of 2018 (the date on which the Transaction Closing occurs, the "**Transaction Closing Date**"), subject to customary closing conditions, including antitrust approvals in the United States. The Transaction is not subject to any due diligence or financing conditions.

Each Subscription Receipt will entitle the holder thereof to receive, for no additional consideration or action on the part of the holder: (i) one common share in the capital of Superior (each, a "**Common Share**") upon the satisfaction of the Escrow Release Conditions (as defined below) on or before the Escrow Release Deadline (as defined below); and (ii) the amounts required to pay the Dividend Equivalent Payment (as defined below), if applicable, forthwith upon the Transaction Closing, in accordance with the subscription receipt agreement governing the Subscription Receipts, as described further under "The Transaction" and "Description of the Subscription Receipts".

The gross proceeds from the sale of the Subscription Receipts, together with the gross proceeds from the sale of any Subscription Receipts sold pursuant to the exercise of the Over-Allotment Option (as defined below), less 50% of the

Underwriters' Fee (as defined below) (the "**Escrowed Funds**"), and all interest earned thereon, will be held by Computershare Trust Company of Canada, as subscription receipt escrow agent (the "**Subscription Receipt Agent**") for Superior, and invested in Permitted Investments (as defined below) pending the earlier to occur of: (i) the satisfaction of the Escrow Release Conditions and the delivery by Superior of the Release Notice (as defined below); and (ii) a Termination Event (as defined below).

If each of the conditions to the completion of the Transaction as set out in the membership interest purchase agreement dated May 30, 2018 among NGL LP, NGL Energy Operating, LLC ("**NGL Energy**") and Superior Energy Services, as may be amended or supplemented from time to time (the "**Purchase Agreement**"), have been satisfied or waived (except for the payment of the purchase price thereunder) (the "**Escrow Release Conditions**"), upon execution and delivery of a release notice by Superior to the Subscription Receipt Agent and the Lead Underwriters (as defined below) certifying that the Escrow Release Conditions have been satisfied (the "**Release Notice**"): (a) the Subscription Receipt Agent will (i) release to Superior the Escrowed Funds, together with the interest earned thereon, less an amount equal to the per-share cash dividends declared by Superior on the Common Shares to holders of record on a date during the period from and including the Offering Closing Date (as defined below) to but excluding the Transaction Closing Date, multiplied by the number of Subscription Receipts outstanding (the "**Dividend Equivalent Payment**"), as applicable, and less the remaining 50% of the Underwriters' Fee (in total, the "**Net Proceeds**"), (ii) pay to the holders of Subscription Receipts the Dividend Equivalent Payment (less any applicable withholding taxes) in accordance with the terms of the Subscription Receipt Agreement (as defined below) and (iii) remit to the Underwriters (as defined below) the remaining 50% of the Underwriters' Fee; and (b) the holders of Subscription Receipts will automatically receive, without payment of additional consideration or further action, one Common Share for each Subscription Receipt held. See "Description of the Subscription Receipts". Superior will use the Net Proceeds to finance, in part, the Transaction. See "Use of Proceeds".

In the event that (i) the Transaction Closing does not occur prior to 5:00 p.m. (Toronto time) on November 1, 2018 (the "**Escrow Release Deadline**"), (ii) the Purchase Agreement is terminated at any earlier time, or (iii) Superior delivers a notice to the Lead Underwriters and the Subscription Receipt Agent declaring that the Purchase Agreement has been terminated or Superior announces to the public by way of news release that it does not intend to proceed with the Transaction prior to the Escrow Release Deadline (each a "**Termination Event**"), and the date upon which such Termination Event occurs, the "**Termination Date**"), holders of Subscription Receipts shall, commencing on the second Business Day (as defined below) following the Termination Date, be entitled to receive from the Subscription Receipt Agent an amount equal to the Offering Price multiplied by the number of Subscription Receipts held by such holder plus their *pro rata* share of the interest earned on the Escrowed Funds and their *pro rata* share of the interest that would have been earned on 50% of the Underwriters' Fee were such fee included in the Escrowed Funds (together, "**Subscription Receipt Interest**"), calculated from and including the Offering Closing Date to but excluding the Termination Date and less any applicable withholding taxes. Superior will be required to make up any deficiency, by payment to the Subscription Receipt Agent, where the balance of the Escrowed Funds and the interest earned thereon is insufficient to satisfy the Subscription Receipt Interest. No Dividend Equivalent Payment will be made to holders of Subscription Receipts if a Termination Event occurs.

Superior's outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "SPB". On May 30, 2018, the last trading day prior to the announcement of the Offering, the closing price per Common Share on the TSX was \$13.17. On May 31, 2018, the last trading day prior to the date of this prospectus supplement, the closing price per Common Share on the TSX was \$12.37.

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**Price: \$12.50 per Subscription Receipt**

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	Price to the Public <sup>(1)</sup>	Underwriters' Fee <sup>(2)</sup>	Net Proceeds to Superior <sup>(3)</sup>
Per Subscription Receipt.....	\$12.50	\$0.50	\$12.00
Total <sup>(4)</sup> .....	\$400,000,000	\$16,000,000	\$384,000,000

(1) The Offering Price was established by negotiation between Superior and the Lead Underwriters, on behalf of the Underwriters, with reference to the market price of the Common Shares and other factors.

- (2) The Underwriters will be paid an aggregate fee of 4.0% of the gross proceeds from the issuance of the Subscription Receipts (the “**Underwriters’ Fee**”), including the proceeds realized from the sale of any Subscription Receipts (or Common Shares in lieu of Subscription Receipts, if applicable) sold pursuant to the exercise of the Over-Allotment Option. The Underwriters’ Fee is payable as to 50% on the Offering Closing Date (and, if applicable, 50% on the Over-Allotment Closing Date (as defined below)) and 50% upon the release of the Escrowed Funds to Superior. If a Termination Event occurs, the Underwriters’ Fee will be reduced to the amount payable on the Offering Closing Date (as defined below) and, if applicable, the Over-Allotment Closing Date.
- (3) Excluding (i) Superior’s expenses of the Offering and the Transaction (including the Bridge Facilities (as defined below)), estimated at approximately \$1,000,000 and \$14,000,000, respectively, which will be paid from general funds of Superior; (ii) any amounts required to pay the Dividend Equivalent Payment, if any, required to be paid at the Transaction Closing; and (iii) interest and other income earned on the Escrowed Funds (collectively, the “**Expenses**”). See “Plan of Distribution”.
- (4) Superior has granted the Underwriters an option (the “**Over-Allotment Option**”), exercisable in whole or in part at any time not later than the earlier of (i) 5:00 p.m. (Toronto time) on the 30<sup>th</sup> day following the Offering Closing Date, and (ii) the occurrence of a Termination Event, to purchase up to an additional 4,800,000 Subscription Receipts (or, if the Transaction Closing occurs prior to the closing of the Over-Allotment Option, an equivalent number of Common Shares in lieu of Subscription Receipts) on the same terms and conditions as the Offering to cover over-allocations, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Underwriters’ Fee” and “Net Proceeds to Superior” will be \$460,000,000, \$18,400,000 and \$441,600,000, respectively (excluding the Expenses). This prospectus supplement also qualifies the grant of the Over-Allotment Option and the distribution of the Subscription Receipts (or Common Shares in lieu of Subscription Receipts, if applicable) offered upon the exercise of the Over-Allotment Option. A purchaser who acquires Subscription Receipts or Common Shares forming part of the Underwriters’ over-allocation position acquires such Subscription Receipts or Common Shares under this prospectus supplement regardless of whether the Underwriters’ over-allocation position is filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.

<b>Underwriters’ Position</b>	<b>Maximum Size or Number of Securities Available</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
Over-Allotment Option	Option to purchase up to an additional 4,800,000 Subscription Receipts or Common Shares (as the case may be)	Not later than the earlier of (i) 5:00 p.m. (Toronto time) on the 30 <sup>th</sup> day following the Offering Closing Date, and (ii) the occurrence of a Termination Event	\$12.50 per Subscription Receipt or Common Share (as the case may be)

TD Securities Inc. and CIBC World Markets Inc. (together, the “**Lead Underwriters**”) and BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., AltaCorp Capital Inc., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc. and Raymond James Ltd. (together with the Lead Underwriters, the “**Underwriters**”), as principals, conditionally offer the Subscription Receipts qualified under this prospectus supplement, subject to prior sale, if, as and when issued, sold and delivered by Superior and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement (as defined below) among Superior and the Underwriters referred to under “Plan of Distribution” and subject to the approval of certain legal matters on behalf of Superior by Torys LLP and on behalf of the Underwriters by Dentons Canada LLP.

In connection with this distribution, the Underwriters have been granted the Over-Allotment Option and Superior has been advised by the Underwriters that, subject to applicable laws, the Underwriters may over-allocate or effect transactions intended to stabilize or maintain the market price of the Subscription Receipts and/or Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. After the Underwriters have made a reasonable effort to sell all of the Subscription Receipts offered under this prospectus supplement at the Offering Price, the Underwriters may reduce such price or otherwise change the selling terms from time to time. Any such reduction will not affect the proceeds to be received by Superior. See “**Plan of Distribution**”.

Subscriptions for Subscription Receipts will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Subject to certain limited exceptions, book-entry certificates representing the Subscription Receipts will be issued in registered form to CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee as registered global securities and will be deposited with CDS on the closing date of the Offering, which is expected to occur on or about June 8, 2018 or such later date as Superior and the Underwriters may agree, but in any event no later than June 22, 2018 (the “**Offering Closing Date**”). Except as otherwise stated herein, holders of beneficial interests in the Subscription Receipts held by CDS will not be entitled to receive physical certificates representing their ownership.

**There is currently no market through which the Subscription Receipts may be sold and purchasers may not be able to resell the Subscription Receipts purchased under this prospectus supplement. This may affect the pricing of the**

**Subscription Receipts in the secondary market, the transparency and availability of trading prices, the liquidity of the Subscription Receipts and the extent of issuer regulation. An investment in the Subscription Receipts is subject to a number of risks that should be considered by prospective investors. See “Risk Factors”.** The TSX has conditionally approved the listing of the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts (including the Subscription Receipts and Common Shares issuable under the Over-Allotment Option), on the TSX. Listing is subject to Superior fulfilling all of the requirements of the TSX on or before August 30, 2018, including distribution of the Subscription Receipts to a minimum number of public securityholders.

Investors should be aware that the acquisition, holding and disposition of the securities described in this prospectus supplement may have tax consequences in Canada or elsewhere depending on each particular investor’s specific circumstances. Investors should consult their own tax advisors with respect to such tax considerations. See “Certain Canadian Federal Income Tax Considerations”. Investors who are not residents of Canada for tax purposes should consult their own tax advisors concerning the consequences to them of acquiring Subscription Receipts or Common Shares under the Offering.

An investment in Subscription Receipts and Common Shares is subject to a number of risks that should be carefully considered by a prospective investor. Prospective investors should carefully review this prospectus supplement, and specifically the documents incorporated by reference herein, and the risk factors set out in each such document and herein before purchasing Subscription Receipts or Common Shares. The risk factors identified under the heading “Risk Factors” in this prospectus supplement, in the Annual MD&A (as defined below), in the Q1 2018 MD&A (as defined below) and in the AIF (as defined below) should be carefully reviewed and evaluated by prospective purchasers before making an investment decision. It is important for investors to consider the particular risk factors that may affect the industry in which they are investing, and therefore the stability of the dividends paid by Superior. An investment in Subscription Receipts and Common Shares is suitable for only those investors who are willing to risk a loss of their entire investment.

**TD Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and AltaCorp Capital Inc. are each, directly or indirectly, a wholly-owned or majority-owned subsidiary of a Canadian chartered bank or other financial institution which is a lender to certain of Superior’s wholly-owned subsidiaries, Superior Plus LP (“Superior LP”), Superior General Partner Inc., Superior Plus US Financing Inc. and Comercial e Industrial ERCO (Chile) Limitada, under variable rate revolving U.S. dollar and Canadian dollar credit facilities in the maximum amount of C\$620,000,000 (with an accordion feature that can increase total commitments up to a maximum amount of C\$920,000,000) and which mature on May 8, 2023 (the “Existing Credit Facilities”). In addition, each of TD Securities Inc. and CIBC World Markets Inc. is an affiliate of an institution that has made available to Superior’s wholly-owned subsidiaries, Superior Plus US Financing Inc. and Superior LP, the Bridge Facilities, and such institutions will receive customary fees for making such Bridge Facilities available. TD Securities Inc. and CIBC World Markets Inc. are also acting as financial advisors to Superior in connection with the Transaction and are receiving a fee for such service. Consequently, Superior may be considered to be a “connected issuer” of each of TD Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and AltaCorp Capital Inc. under applicable Canadian securities legislation. See “Plan of Distribution – Relationship Between Superior and Certain of the Underwriters”.**

This prospectus supplement does not qualify the distribution of the Subscription Receipts outside of Canada.

The registered and head office of Superior is located at 200 Wellington Street West, Suite 401, Toronto, Ontario, M5V 3C7.

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## ABOUT THIS PROSPECTUS SUPPLEMENT

Prospective investors should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus of Superior dated November 9, 2016 (the “**Base Shelf Prospectus**”). Neither Superior nor the Underwriters have authorized any other person to provide prospective investors with different information. If a prospective investor is provided with different or inconsistent information, the prospective investor should not rely on such information. The information contained in this prospectus supplement and the accompanying Base Shelf Prospectus is accurate only as of the date of this prospectus supplement or the Base Shelf Prospectus, as the case may be. If the information varies between this prospectus supplement and the accompanying Base Shelf Prospectus, the information in this prospectus supplement supersedes the information in the accompanying Base Shelf Prospectus. The information contained on Superior’s corporate website is not included or incorporated by reference in this prospectus supplement and prospective investors should not rely on such information when deciding whether or not to invest in the Subscription Receipts. Neither Superior nor the Underwriters are making an offer to sell in any jurisdiction where an offer or sale is not permitted by applicable law.

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the Subscription Receipts that Superior is currently offering. The second part is the accompanying Base Shelf Prospectus, which gives more general information, some of which may not apply to the Subscription Receipts that Superior is currently offering. Generally, the term “prospectus” refers to both parts combined.

## MEANING OF CERTAIN REFERENCES

References to dollars, “\$” or “C\$” are to Canadian currency and references to “US\$” are to United States currency. References to the “United States” or the “U.S.” are references to the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

References to “Business Day” are references to any day, other than Saturday, Sunday or any other day in the Province of Ontario or in the Province of Alberta on which banks are generally not open for business in Toronto, Ontario or Calgary, Alberta.

Unless otherwise indicated, the disclosure in this prospectus supplement assumes that the Over-Allotment Option will not be exercised.

Unless the context otherwise requires, all references in this prospectus supplement to Superior refer to Superior and its consolidated subsidiaries and any consolidated partnerships of which Superior or any of its subsidiaries are partners; and in the case of a reference to matters undertaken by a predecessor in interest to Superior or its consolidated subsidiaries or consolidated partnerships of which Superior or any of its subsidiaries are partners, include each such predecessor in interest or subsidiary entity, including the Fund (as defined below).

Notwithstanding the foregoing, for the purposes of the opinions given under the heading “Certain Canadian Federal Income Tax Considerations” and the opinion given under the heading “Eligibility for Investment”, a reference to Superior is a reference to Superior Plus Corp. only and is not a reference to any of its subsidiary entities or predecessors in interest. References to “management” in this prospectus supplement refer to Superior’s Chief Executive Officer, Chief Financial Officer and the persons who are Superior’s executive officers or who are acting in the capacities of the executive officers of Superior and are officers or employees of Superior. Any statements in this prospectus supplement made by or on behalf of management are made in such persons’ capacities as officers or employees of Superior and not in their personal capacities.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement, the accompanying base shelf prospectus and the documents incorporated by reference herein and therein contain forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information may include statements regarding the objectives, business strategies to achieve those objectives, expected financial results (including those in the area of risk management), economic or market conditions, and the outlook of or involving Superior, Superior LP and its businesses. Such information is typically identified by words such as “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “plan”, “intend”, “forecast”, “future”, “guidance”, “may”, “predict”, “project”, “should”, “strategy”, “target”, “will” or similar words or phrases suggesting future outcomes or language suggesting an outlook.

Forward-looking information in this prospectus supplement, the accompanying Base Shelf Prospectus and the documents incorporated by reference herein and therein include, but are not limited to: completion and timing of the Transaction, which may be impacted by the conditions in the Purchase Agreement as described under “The Transaction”; the impact of the Transaction on Superior’s business and current and anticipated economic conditions; estimated synergies from the Transaction and financial benefits to be derived in respect of such synergies; potential synergies with respect to Superior’s current operations and future acquisitions; acquisitions in the U.S. propane sector; organic growth opportunities that Superior intends to pursue; the Transaction being accretive to Superior’s adjusted operating cash flow (“**AOCF**”); other statements made in this prospectus supplement under “The Transaction” and “Financing of the Transaction”; future financial position and growth rates; consolidated and business segment outlooks; expected Adjusted EBITDA; expected AOCF and AOCF per share; expected accretion in respect of AOCF; expected leverage ratios and debt repayment; expectations in terms of the cost of operations; business strategy and objectives; development plans and programs; business expansion and cost structure and other improvement projects; expected product margins and sales volumes; market conditions in Canada and the United States; continued improvements in operational efficiencies and sales and marketing initiatives in Superior’s energy distribution business segment; expected synergies from the acquisition of Canwest Propane ULC, Stittco Energy Limited, Cal-Gas Inc. and Canwest Propane Partnership (collectively, the “**Canwest Acquisition**”); future economic conditions; future exchange rates, exposure to such rates and incremental earnings associated with such rates; expected weather; expectations for the global economic environment; Superior’s trading strategy and the risk involved in these strategies; the impact of certain hedges on future reported earnings and cash flows; commodity prices and costs; the impact of contracts for commodities; demand for propane, heating oil and similar products; demand for chemicals including sodium chlorate and chlor-alkali; effect of operational and technological improvements; anticipated costs and benefits of business enterprise system upgrade plans; future working capital levels; expected governmental regulatory regimes and legislation and their expected impact on regulatory and legislative compliance costs; expectations for the outcome of existing or potential legal and contractual claims; our ability to obtain financing on acceptable terms; expected life of facilities and statements regarding net working capital and capital expenditure requirements of Superior or Superior LP.

Forward-looking information is provided for the purpose of providing information about management’s expectations and plans about the future and may not be appropriate for other purposes. Forward-looking information in this prospectus supplement, the accompanying Base Shelf Prospectus and the documents incorporated by reference herein and therein is based on various assumptions and expectations that Superior believes are reasonable in the circumstances. No assurance can be given that these assumptions and expectations will prove to be correct. Those assumptions and expectations are based on information currently available to Superior, including information obtained from third party industry analysts and other third party sources, and the historic performance of Superior’s businesses and those of NGL Propane. Such assumptions include, but are not limited to, the failure to realize the anticipated benefits of the Transaction, anticipated financial performance, current business and economic trends, the amount of future dividends paid by Superior, business prospects, availability and utilization of tax basis, regulatory developments, currency, exchange and interest rates, future commodity prices relating to the oil and gas industry, future oil rig activity levels, trading data, cost estimates, Superior’s ability to obtain financing on acceptable terms, the assumptions set forth under the “Financial Outlook” sections of the Annual MD&A and Q1 2018 MD&A, organic growth of approximately 3-5% in annual EBITDA for each business, the anticipated and sustained recovery in the chlor-alkali sector within Superior’s specialty chemicals business segment, no significant divestitures or changes in the strategic direction of the business. The forward-looking information is also subject to the risks and uncertainties described under “Risk Factors” and those risks discussed in the documents incorporated by reference in this prospectus supplement.

Material factors or assumptions that were applied to draw a conclusion or make an estimate set out in forward-looking information, including *pro forma* financial information include, but are not limited to:

- the view of management regarding current and anticipated market conditions;
- industry trends remaining unchanged;
- the successful completion of the Transaction and the financing thereof;
- the financial and operating attributes of Superior and NGL Propane as at the date hereof and the anticipated future performance of Superior and NGL Propane following the Transaction Closing;
- assumptions regarding the cost of the Bridge Facilities and foreign exchange rates;
- the extent to which the Transaction is accretive, which may be impacted by final financing arrangements, the realization and timing of synergies and the operating performance of Superior and NGL Propane post-Transaction;
- assumptions regarding non-recurring transaction costs estimated to be incurred by Superior in connection with the Transaction; and

- assumptions regarding future selling, general and administrative expenses (“**SG&A**”) estimated to be incurred by Superior in connection with the running of NGL Propane by it following the Transaction Closing.

There can be no assurance that the Transaction will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized. The Transaction is subject to various conditions, including an approval under the United States *Hart-Scott-Rodino Antitrust Improvements Act of 1976* (the “**HSR Act**”) and the fulfillment of certain conditions, and there can be no assurance that any such approvals will be obtained and/or any such conditions will be met. The Transaction could be modified, restructured or terminated at any time.

By its very nature, forward-looking information involves numerous assumptions, risks and uncertainties, both general and specific. Should one or more of these risks and uncertainties materialize or should underlying assumptions prove incorrect, as many important factors are beyond Superior’s control, Superior’s or Superior LP’s actual performance and financial results may vary materially from those estimates and intentions contemplated, expressed or implied in the forward-looking information. These risks and uncertainties include risks relating to satisfaction of the conditions to, and completion of, the Transaction, as well as incorrect assessments of value when making acquisitions, material risks related to acquisitions that differ from, or are not fully identified in, pre-acquisition due diligence investigations, increases in debt service charges, the loss of key personnel, fluctuations in foreign currency and exchange rates, inadequate insurance coverage, liability for cash taxes, counterparty risk, compliance with environmental laws and regulations, reduced customer demand, operational risks involving our facilities, force majeure, labour relations matters, our ability to access external sources of debt and equity capital, and the risks identified in (i) this prospectus supplement and the accompanying Base Shelf Prospectus under the heading “Risk Factors”, (ii) the AIF, (iii) the Annual MD&A, and (iv) the Q1 2018 MD&A. The preceding list of assumptions, risks and uncertainties is not exhaustive.

When relying on our forward-looking information to make decisions with respect to Superior, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Any forward-looking information is provided as of the date of the document in which it is contained and, except as required by applicable securities laws, neither Superior nor Superior LP undertakes to update or revise such information to reflect new information, subsequent or otherwise. For the reasons set forth above, investors should not place undue reliance on forward-looking information.

#### **CAUTION REGARDING UNAUDITED *PRO FORMA* CONSOLIDATED FINANCIAL STATEMENTS**

This prospectus supplement incorporates by reference Superior’s unaudited *pro forma* consolidated statement of financial position as at March 31, 2018 and unaudited *pro forma* consolidated statements of income of Superior for the year ended December 31, 2017 and the three months ended March 31, 2018, giving effect to, among other things: (i) the Offering; (ii) the Bridge Facilities; (iii) the Transaction; (iv) the Canwest Acquisition; and (v) the exchange of the Subscription Receipts for the underlying Common Shares (collectively, the “**Pro Forma Adjustments**”), as if the Pro Forma Adjustments had been completed as at March 31, 2018 for the unaudited *pro forma* consolidated statement of financial position as at March 31, 2018, and, for the unaudited *pro forma* consolidated statement of income for the year ended December 31, 2017 and for the three months ended March 31, 2018, as if they had been completed as at January 1, 2017. Such unaudited *pro forma* consolidated financial statements have been prepared using Superior’s and NGL Propane’s respective historical financial statements as more particularly described in the notes to such unaudited *pro forma* consolidated financial statements. The historical combined financial statements of the Retail Propane Business of NGL Energy Partners LP (as defined below) as at and for the year ended March 31, 2018 are prepared in accordance with generally accepted accounting principles in the United States (“**US GAAP**”) and are presented in United States dollars. For purposes of preparation of the unaudited *pro forma* consolidated financial statements, the historical combined financial statements of the Retail Propane Business of NGL Energy Partners LP have been adjusted in order to give effect to accounting policies that comply with International Financial Reporting Standards, as adopted by the International Accounting Standards Board (“**IFRS**”) and as applied by Superior. In addition, the historical combined financial statements of the Retail Propane Business of NGL Energy Partners LP have been recast from United States dollars to Canadian dollars as described in the notes to the unaudited *pro forma* consolidated financial statements. In preparing such unaudited *pro forma* consolidated financial statements, Superior has had limited access to the books and records of NGL Propane and is not in a position to independently assess or verify the information provided by NGL Propane, including the historical financial statements of NGL Propane that were used to prepare the unaudited *pro forma* consolidated financial statements. Such unaudited *pro forma* consolidated financial statements are not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected therein occurred on the dates indicated. Actual amounts recorded upon the finalization of the purchase price allocation following the completion of the Transaction may differ from those contemplated in such unaudited *pro forma* consolidated financial statements. Any potential synergies that may be realized after completing the Transaction have been excluded from such unaudited *pro forma* consolidated financial statements. Since the unaudited *pro forma*

consolidated financial statements have been developed to retroactively show the effects of the Pro Forma Adjustments that are expected to occur at a later date, there are limitations inherent in the very nature of *pro forma* data. Undue reliance should not be placed on such unaudited *pro forma* consolidated financial statements. The historical financial information relating to the combined businesses of NGL Propane (and its wholly-owned subsidiaries) and Atlantic Propane (as defined below) (collectively, the “**Retail Propane Business of NGL Energy Partners LP**”) included or incorporated by reference in this prospectus supplement has been derived from the historical financial statements of NGL Propane and Atlantic Propane. Such financial statements may not reflect what NGL Propane’s and Atlantic Propane’s financial position, results of operations or cash flows would have been had Superior owned NGL Propane and Atlantic Propane during the historical periods presented, or what Superior’s financial position, results of operations or cash flows will be in the future. See “Risk Factors” and “Cautionary Note Regarding Forward-Looking Information”.

## MARKET AND INDUSTRY DATA

This prospectus supplement includes market and industry data that were obtained from third party sources, including industry publications and publicly available information, as well as industry data prepared by management on the basis of its knowledge of the industries in which Superior and NGL Propane operate (including management’s estimates and assumptions relating to those industries based on that knowledge). Management’s knowledge of these industries has been developed through its experience and participation in those industries. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data. Third party sources, which include the February 2018 edition of *LP Gas Magazine*, public company disclosure, and other publicly available information, generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes it to be reliable, none of Superior, NGL Propane or the Underwriters has independently verified any of the data from third party sources referred to in this prospectus supplement, ascertained the underlying economic assumptions relied upon by such sources, or analyzed or verified the underlying studies or surveys relied upon or referred to by third party sources.

## EXCHANGE RATE DATA

The following table sets forth, for each period indicated, the low and high exchange rates for Canadian dollars expressed in United States dollars, the exchange rate at the end of such period and the average of such exchange rates for each day during such period, based on the daily average exchange rate as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars:

	Year Ended December 31,		Three Months Ended March 31,	
	2016	2017	2017	2018
Low.....	0.6854	0.7276	0.7400	0.7641
High.....	0.7972	0.8245	0.7683	0.8138
Period End.....	0.7448	0.7971	0.7513	0.7756
Average.....	0.7548	0.7701	0.7555	0.7910

NGL Propane’s financial information included in this prospectus supplement has been translated to Canadian dollars at the rate of C\$1.2986 for each US\$1.00 (being the average annual rate of exchange for the year ended December 31, 2017 as reported by the Bank of Canada). In the sections entitled “The Transaction” and “Financing of the Transaction”, where both United States and Canadian dollar figures are provided together, such figures have been translated at the rate of C\$1.30 for each US\$1.00.

## NON-GAAP MEASURES

The information presented, or incorporated by reference, in this prospectus supplement with respect to Superior includes certain adjusted financial measures which are not defined under IFRS as noted below. The method of calculating such non-GAAP measures may differ from the methods used by other issuers. Therefore, these non-GAAP measures may not be comparable to similar measures presented by other issuers.

## Superior Non-GAAP Measures

“**Adjusted EBITDA**” represents earnings before taxes, depreciation, amortization, finance expense, and certain other non-cash expenses and transaction and other costs deemed to be non-recurring. Adjusted EBITDA is used by Superior and investors to assess its consolidated results and ability to service debt. Adjusted EBITDA is reconciled to net earnings before income taxes. See the “Reconciliation of Net Earnings before Income Taxes to Adjusted EBITDA” section of Superior’s Q1 2018 MD&A.

“**AOCF**” is equal to cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, other expenses, non-cash interest expense, current income taxes and finance costs. Superior may deduct or include additional items in its calculation of AOCF; these items would generally, but not necessarily, be items of a non-recurring nature. AOCF is the main performance measure used by management and investors to evaluate Superior’s ongoing performance. AOCF represents cash flow generated by Superior that is available for, but not necessarily limited to, changes in working capital requirements, investing activities and financing activities of Superior. AOCF is presented before and after transaction costs and other costs. See the “AOCF Reconciled to Net Cash Flow from Operating Activities” section of Superior’s Q1 2018 MD&A.

“**AOCF per share**” before transaction and other costs is calculated by dividing AOCF before transaction and other costs by the weighted average number of shares outstanding. AOCF per share is calculated by dividing AOCF by the weighted average number of shares outstanding.

## NGL Propane Non-GAAP Measures

“**Fiscal 2018 Adjusted EBITDA**” represents net income attributable to the Retail Propane Business of NGL Energy Partners LP as per US GAAP adjusted for depreciation and amortization, loss or gain on disposal of assets, equity-based compensation expense, interest expense and net income attributable to the 40% redeemable non-controlling interest in Atlantic Propane (defined below) to be acquired concurrently with the Transaction Closing.

“**Normalized EBITDA**” represents Fiscal 2018 Adjusted EBITDA of NGL Propane for the fiscal year ended March 31, 2018 further adjusted for the *pro forma* impact of acquisitions completed in the twelve months ending March 31, 2018.

Superior’s Non-GAAP measures being Adjusted EBITDA, AOCF and AOCF per share, and NGL Propane’s Non-GAAP measures being Fiscal 2018 Adjusted EBITDA and Normalized EBITDA (collectively, the “**Non-GAAP Measures**”) are not standard measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. These Non-GAAP Measures are supplemental measures of a company’s historical performance, which for purposes of this prospectus supplement, have also been presented on a *pro forma* basis (see “Caution Regarding Unaudited *Pro Forma* Consolidated Financial Statements”) and “*normalized pro forma*” basis, which includes certain adjustments which are not reflected in the unaudited *pro forma* consolidated financial statements included elsewhere, or incorporated by reference, in this prospectus supplement. Superior believes that the Non-GAAP Measures on both a historical basis and a *pro forma* basis are relevant for, among other things, purposes of evaluating its ability to service debt and its ability to pay dividends on the Common Shares. Reconciliations of Non-GAAP Measures to the most directly comparable measure calculated in accordance with IFRS are provided in the Q1 2018 MD&A and in this prospectus supplement under “Selected *Pro Forma* Financial Information”. Reconciliation of Superior’s Non-GAAP measures being Adjusted EBITDA, AOCF and AOCF per share, and NGL Propane’s Non-GAAP measures being Fiscal 2018 Adjusted EBITDA derived from the unaudited *pro forma* consolidated financial statements included elsewhere, or incorporated by reference, in this prospectus supplement is presented under “Selected *Pro Forma* Financial Information” in this prospectus supplement. Reconciliation of NGL Propane’s Normalized EBITDA to net earnings is included in the Investor Presentation (as defined below) incorporated by reference herein under the heading “Appendix: NGL Propane EBITDA Reconciliation”. See “Documents Incorporated by Reference”.

The Non-GAAP Measures should not be construed as alternatives to net earnings (loss), net earnings (loss) before income taxes, earnings (loss) per share or cash flows from operating activities determined in accordance with IFRS as indicators of Superior’s or NGL Propane’s performance, or as alternatives to *pro forma* net earnings and *pro forma* earnings per share, as such amounts are presented in the unaudited *pro forma* consolidated financial statements, included elsewhere, or incorporated by reference, in this prospectus supplement.

## ELIGIBILITY FOR INVESTMENT

In the opinion of Torys LLP, counsel to Superior, and Dentons Canada LLP, counsel to the Underwriters, based on the provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder (the “**Regulations**”) in force on the date hereof, the Subscription Receipts and the Common Shares issuable pursuant to the terms of the Subscription Receipts will be qualified investments at the time of acquisition by a trust governed by a registered retirement savings plan (“**RRSP**”), registered retirement income fund (“**RRIF**”), deferred profit sharing plan, registered education savings plan (“**RESP**”), registered disability savings plan (“**RDSP**”), or a tax-free savings account (“**TFSA**”), each as defined in the Tax Act (each a “**Plan**”) provided that, at the time of the acquisition by the Plan, (a) in the case of the Subscription Receipts, either (i) the Subscription Receipts are listed on a “designated stock exchange” (as defined in the Tax Act, which currently includes the TSX) at that time, or (ii) the Common Shares are listed on a designated stock exchange at that time and remain so listed until the time the Common Shares are issued pursuant to the Subscription Receipt Agreement and neither Superior nor any person with whom Superior does not deal at arm’s length is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such Plan; and (b) in the case of the Common Shares, the Common Shares are listed on a designated stock exchange at that time.

Notwithstanding that Subscription Receipts and Common Shares may be qualified investments for a Plan, the holder of a TFSA or an RDSP, the annuitant of an RRSP or RRIF, or the subscriber of an RESP, as the case may be, will be subject to a penalty tax if the Subscription Receipts, or the Common Shares, as the case may be, are a “prohibited investment” within the meaning of the Tax Act. The Subscription Receipts and the Common Shares will not be a prohibited investment for a TFSA, RRSP, RDSP, RESP or RRIF, provided the holder of a TFSA or an RDSP, the annuitant of an RRSP or RRIF, or the subscriber of an RESP, as the case may be, (i) deals at arm’s length with Superior, for purposes of the Tax Act, and (ii) does not have a “significant interest” (as defined for purposes of the prohibited investment rules in the Tax Act) in Superior.

Prospective purchasers who intend to hold Subscription Receipts or Common Shares issuable pursuant thereto in a Plan are urged to consult their own tax advisors regarding their particular circumstances.

## DOCUMENTS INCORPORATED BY REFERENCE

As of the date hereof, the following documents, filed with the various securities commissions or similar authorities in each of the provinces and territories of Canada, are specifically incorporated by reference into and form an integral part of this prospectus supplement for the purposes of the Offering:

- (a) Superior’s annual information form dated February 27, 2018 for the year ended December 31, 2017 (the “**AIF**”);
- (b) Superior’s audited consolidated financial statements and the notes thereto for the financial years ended December 31, 2017 and 2016, together with the report of the auditor thereon (the “**Annual Financial Statements**”);
- (c) management’s discussion and analysis of financial condition and results of operations of Superior for the year ended December 31, 2017 (the “**Annual MD&A**”);
- (d) Superior’s unaudited interim condensed consolidated financial statements and the notes thereto for the three months ended March 31, 2018;
- (e) management’s discussion and analysis of financial condition and results of operations of Superior for the three months ended March 31, 2018 (the “**Q1 2018 MD&A**”);
- (f) Superior’s management information circular dated February 27, 2018 prepared for Superior’s annual and special meeting of shareholders held on May 8, 2018;
- (g) the business acquisition report of Superior dated December 11, 2017 in respect of the Canwest Acquisition (the “**Canwest BAR**”);
- (h) Superior’s unaudited *pro forma* consolidated financial statements and the notes thereto for the year ended December 31, 2017 and the three months ended March 31, 2018, giving effect to the Pro Forma Adjustments;

- (i) the Retail Propane Business of NGL Energy Partners LP’s combined audited financial statements, the notes thereto and the auditor’s report thereon for the year ended March 31, 2018 and the unaudited combined financial statements and notes thereto as at and for the year ended March 31, 2017, prepared in accordance with US GAAP;
- (j) the material change report of Superior dated June 1, 2018 in respect of the Transaction;
- (k) the template version (as defined in National Instrument 41-101 – *General Prospectus Requirements* (“**NI 41-101**”) of the term sheet dated May 30, 2018 filed on SEDAR in connection with the Offering (the “**Term Sheet**”); and
- (l) the template version (as defined in NI 41-101) of the investor presentation of Superior entitled “Acquisition of NGL Propane” dated May 30, 2018 filed on SEDAR (the “**Investor Presentation**” and together with the Term Sheet, the “**Marketing Materials**”).

All material change reports (excluding confidential material change reports), annual information forms, annual financial statements and the auditors’ report thereon and related management’s discussion and analysis, interim financial statements and related management’s discussion and analysis, information circulars, business acquisition reports, any news release issued by Superior that specifically states that it is to be incorporated by reference in this prospectus supplement and any other documents as may be required to be incorporated by reference herein under applicable Canadian securities laws which are filed by Superior with a securities commission or any similar authority in Canada after the date of this prospectus supplement and prior to the termination of this distribution shall be deemed to be incorporated by reference into this prospectus supplement.

**Notwithstanding anything herein to the contrary, any statement contained in this prospectus supplement, the accompanying Base Shelf Prospectus, or in a document incorporated or deemed to be incorporated by reference herein or therein shall be deemed to be modified or superseded, for purposes of this prospectus supplement, to the extent that a statement contained herein or in the accompanying Base Shelf Prospectus or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein or in the accompanying Base Shelf Prospectus, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall thereafter neither constitute, nor be deemed to constitute, a part of this prospectus supplement, except as so modified or superseded.**

#### **MARKETING MATERIALS**

The Marketing Materials are not part of this prospectus supplement or the accompanying Base Shelf Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this prospectus supplement. Any template version of “marketing materials” (as defined in NI 41-101) filed after the date of this prospectus supplement and before termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference into this prospectus supplement.

## SUMMARY OF THE OFFERING

*The following is only a brief summary of the principal features of the Offering and is qualified in its entirety by the more detailed information appearing elsewhere in, or incorporated by reference in, this prospectus supplement. Capitalized terms used but not defined in this summary are defined elsewhere in this prospectus supplement.*

- Issuer:** Superior Plus Corp.
- The Offering:** 32,000,000 Subscription Receipts (36,800,000 Subscription Receipts assuming the exercise in full of the Over-Allotment Option) for gross proceeds of \$400,000,000 (\$460,000,000 assuming the exercise in full of the Over-Allotment Option).
- Offering Price:** \$12.50 per Subscription Receipt.
- Use of Proceeds:** The estimated net proceeds to be received by Superior from the Offering will be \$384,000,000, excluding the Expenses, but after deducting the Underwriters' Fee. The net proceeds from the sale of the Subscription Receipts (following the release of the Escrowed Funds by the Subscription Receipt Agent, the payment of any amount required to satisfy a Dividend Equivalent Payment and the payment of the balance of the Underwriters' Fee) will be used to finance, in part, the Transaction. See "Financing of the Transaction".
- If the Over-Allotment Option is exercised in full, the net proceeds to Superior, excluding the expenses of the Offering payable by Superior but after deducting the Underwriters' Fee, will be \$441,600,000. In the event that all or part of the Over-Allotment Option is exercised prior to completion of the Transaction, the net proceeds received from the exercise of the Over-Allotment Option will be used to partially finance the Transaction. If the Over-Allotment Option is exercised following completion of the Transaction, the net proceeds received from the exercise of the Over-Allotment Option will be used to pay Superior's expenses related to the Transaction and the Offering. The proceeds received from the Offering, less 50% of the Underwriters' Fee, will be held in escrow until the Transaction Closing and the satisfaction or waiver of the other conditions to the exchange of the Subscription Receipts.
- Listing and Trading:** The TSX has conditionally approved the listing of the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts (including the Subscription Receipts and Common Shares issuable under the Over-Allotment Option), on the TSX. Listing is subject to Superior fulfilling all of the requirements of the TSX on or before August 30, 2018, including distribution of the Subscription Receipts to a minimum number of public securityholders.
- Offering Closing Date:** On or about June 8, 2018, but in any event no later than June 22, 2018.
- Investment of Escrowed Funds:** The Escrowed Funds will be delivered to and held by the Subscription Receipt Agent and invested at the direction of Superior in Permitted Investments, pending the earlier to occur of (i) the satisfaction of the Escrow Release Conditions and the delivery by Superior of the Release Notice and (ii) a Termination Event.
- Release of Escrowed Funds:** Once the Escrow Release Conditions have been satisfied and Superior has delivered the Release Notice to the Subscription Receipt Agent and the Lead Underwriters: (a) the Subscription Receipt Agent will (i) release to Superior the Net Proceeds, (ii) pay to the holders of the Subscription Receipts the amounts required to pay the Dividend Equivalent Payment (less applicable withholding taxes) in accordance with the terms of the Subscription Receipt Agreement, and (iii) remit to the Underwriters the remaining 50% of the Underwriters' Fee; and (b) the holders of Subscription Receipts will automatically receive, without payment of additional consideration or further action, one Common Share for each Subscription Receipt held. To the extent that the Dividend Equivalent Payment includes cash dividends on the Common Shares for which record dates have occurred (during the period from and including the Offering Closing Date to but excluding the Transaction Closing Date) and have not yet been paid, such amounts shall not be payable to holders of Subscription Receipts, unless Superior otherwise elects, until the date that such

related cash dividends are paid to shareholders. Promptly following the Transaction Closing, Superior will issue a news release specifying that the Transaction Closing has occurred and that the Common Shares have been, or will be, issued, as applicable.

In the event of a Termination Event, Superior will promptly notify the Subscription Receipt Agent and the Lead Underwriters, and will promptly issue a news release specifying the Termination Event. Upon the occurrence of a Termination Event, the subscription evidenced by each Subscription Receipt will be automatically terminated and cancelled and holders of Subscription Receipts shall, commencing on the second Business Day following the Termination Date, be entitled to receive the Subscription Receipt Refund Amount. No Dividend Equivalent Payment will be made to holders of Subscription Receipts if a Termination Event occurs.

See “Plan of Distribution” and “Description of the Subscription Receipts”.

**Risk Factors:**

Investors should carefully review and consider certain risk factors before investing in Subscription Receipts or Common Shares. See “Risk Factors”, “Cautionary Note Regarding Forward-Looking Information”, “Caution Regarding Unaudited *Pro Forma* Consolidated Financial Statements” and “Market and Industry Data”.

## **SUPERIOR PLUS CORP.**

Superior is incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) and is the successor to Superior Plus Income Fund (the “**Fund**”). The Fund was a limited purpose, unincorporated trust established under the laws of the Province of Alberta by the Declaration of Trust dated August 2, 1996, as amended and restated most recently on December 31, 2008. On December 31, 2008, the Fund was converted to a corporation pursuant to a court sanctioned plan of arrangement under the CBCA (the “**Conversion**”) involving, among others, the Fund and Ballard Power Systems Inc. and was renamed “Superior Plus Corp.”.

Superior, directly or indirectly, holds 100% of Superior LP, a limited partnership formed between Superior General Partner Inc., as general partner, and Superior, as limited partner. Superior operates two business segments through Superior LP: (i) Energy Distribution provides distribution, wholesale procurement and propane-related services, heating oil and other refined fuels under two divisions, Canadian Propane Distribution and U.S. Propane Distribution (formerly, U.S. Refined Fuels); and (ii) Speciality Chemicals supplies sodium chlorate and technology to the pulp and paper industries and is a regional supplier of potassium and chlor-alkali products in the U.S. Midwest and Western Canada.

The Energy Distribution segment accounted for 73% of Superior’s revenue in 2017. This segment involves the purchase and sale of propane, other liquid fuels and related products in Canada and the U.S. It has 362 locations and 2,769 employees.

Canadian Propane Distribution is Canada’s largest national propane retailer with approximately 270,000 customer locations, serving residential, wholesale, commercial, agricultural, industrial and automotive markets. Canadian Propane Distribution accounted for 48% of the revenue generated by the Energy Distribution segment in 2017. Canadian Propane Distribution includes Superior Gas Liquids, a division that supplies portfolio management services primarily to the Canadian Propane Distribution business and small and medium-sized propane retailers in the U.S. and Canada.

U.S. Propane Distribution accounted for 52% of the revenue generated by the Energy Distribution segment in 2017 and distributes propane gas and liquid fuels such as heating oil in 13 states: New York, Pennsylvania, Connecticut, Rhode Island, Ohio, Virginia, New Jersey, Kentucky, Maryland, Massachusetts, Delaware, Vermont and West Virginia. It also installs, maintains and repairs heating oil and propane heating equipment. U.S. Propane Distribution’s approximately 200,000 customers are a diverse group of wholesale/dealer, commercial and retail heating oil and propane customers, including homeowners, agricultural and construction companies, municipalities and schools. More than 48% of its revenue is driven by residential use.

The Specialty Chemicals segment accounted for 27% of Superior’s revenue in 2017. It is one of North America’s largest producers and suppliers of specialty chemicals that are used mostly in the pulp and paper, water treatment and oil and gas industries. It produces three products: (i) sodium chlorate; (ii) chlor-alkali products (chlorine, sodium hydroxide, potassium hydroxide and hydrochloric acid); and (iii) sodium chlorite.

## **THE TRANSACTION**

### **Overview**

On May 30, 2018, Superior announced that Superior Energy Services had entered into the Purchase Agreement with NGL LP and NGL Energy, pursuant to which Superior Energy Services agreed to acquire all of the issued and outstanding limited liability company membership interests of NGL Propane for a cash purchase price of US\$900 million, subject to certain customary closing adjustments as set forth in the Purchase Agreement.

The acquisition of NGL Propane will significantly enhance Superior’s current Energy Distribution business segment, and, in particular, the U.S. Propane Distribution division, in support of creating a leading North American energy platform focused on the distribution of retail and wholesale propane.

The Transaction Closing is subject to customary closing conditions, including receipt of antitrust approval in the United States, and is expected to occur in the third quarter of 2018. The Transaction is not subject to any due diligence or financing conditions.

### NGL Propane Business Overview

NGL Propane’s business consists of the retail marketing, sale and distribution of propane and distillates, including the sale and lease of propane tanks, equipment and supplies, to more than 316,000 residential, agricultural, commercial and industrial customers in 22 states in the Northeast U.S., Southeast U.S. and Upper Midwest U.S. The business operates under prominent regional brands, including the following:



During the twelve months ended March 31, 2018, NGL Propane sold approximately 182 million gallons of fuel, an average of almost 500,000 gallons per day. NGL Propane generated Fiscal 2018 Adjusted EBITDA of approximately US\$85 million (C\$111 million). After adjusting for the *pro forma* impact of acquisitions completed during the twelve months ending March 31, 2018, NGL Propane’s Normalized EBITDA for the fiscal year ended March 31, 2018 is estimated to be approximately US\$90 million (C\$117 million). See “Appendix: NGL Propane EBITDA Reconciliation” in the Investor Presentation incorporated by reference herein.

In March 2018, NGL Propane sold its mid-continent and western United States retail propane operations pursuant to the DCC Agreement (as defined below). All information provided herein with respect to NGL Propane and its business, including financial information, is after giving effect to such disposition.

As of the date hereof, NGL LP owns a 60% membership interest in Atlantic Propane LLC (“**Atlantic Propane**”). On the Transaction Closing Date, but concurrently with the Transaction Closing, NGL LP will acquire the remaining 40% interest in Atlantic Propane and contribute its total ownership interest in Atlantic Propane to NGL Propane. All Non-GAAP information provided herein with respect to NGL Propane and its business is after giving effect to NGL LP’s contribution of its total ownership interest in Atlantic Propane to NGL Propane.

### Operations

NGL Propane distributes retail propane and distillates through its customer service locations. It sells propane primarily in rural areas, but it also has a number of customers in suburban areas where energy alternatives to propane, such as natural gas, are not generally available. NGL Propane owns or leases a total of 151 locations including 90 customer service locations and 61 satellite distribution locations, with aggregate propane storage capacity of 13.0 million gallons and aggregate distillate storage capacity of 5.5 million gallons. Customer service locations are staffed and operated to service a defined geographic market area and typically include a business office, product showroom, and secondary propane storage. Satellite distribution locations, which are unmanned storage tanks, allow NGL Propane’s customer service centres to serve an extended market area. NGL Propane owns approximately 60% of its 151 customer service and satellite distribution locations, with the remainder being leased.

NGL Propane owns bulk storage tanks at its customer service and satellite distribution locations, as well as stationary storage tanks at customer premises. Tank ownership at customer premises is an important component to NGL Propane's operations and customer retention. Approximately 85% of the tanks at its customer premises are owned by NGL Propane.

As of March 31, 2018, NGL Propane had a fleet of 1,009 vehicles (99% owned) consisting of 478 bulk delivery trucks, 29 semi-tractors, 27 propane transport trailers and 475 other service trucks.

Retail deliveries of propane are usually made to customers by means of NGL Propane's fleet of bulk delivery trucks. Propane is pumped from the bulk delivery truck into a storage tank at the customer's premises. NGL Propane also delivers propane to retail customers in portable cylinders. These cylinders are either picked up on a delivery route, refilled at NGL Propane's customer service locations and then returned to the retail customer, or refilled at the customer's location. Customers can also bring the cylinders to a customer service center to be refilled.

Approximately 72% of NGL Propane's residential customers currently receive their propane supply through an automatic route delivery program, which allows NGL Propane to maximize its delivery efficiency. For these customers, delivery forecasting software system utilizes a customer's historical consumption patterns combined with current weather conditions to predict the optimal time to refill the customer's tank. The delivery information is then uploaded to routing software to calculate the most cost-effective delivery route. This automatic delivery program promotes customer retention by providing an uninterrupted supply of propane and enables NGL Propane to efficiently conduct route deliveries on a regular basis. Some of NGL Propane's purchase plans, such as level payment billing, fixed price and price cap programs, further promote this automatic delivery program.

#### *Customers*

NGL Propane's retail propane and distillate customers fall into three broad categories: residential, commercial and industrial, and agricultural. As of March 31, 2018, 67% of NGL Propane's retail propane and distillate customers were residential.

#### *Employees*

As of March 31, 2018, NGL Propane had approximately 1,058 employees, approximately 4% of which were unionized.

#### *Supply*

Approximately 59% of NGL Propane's propane volumes are currently supplied by the natural gas liquids division of NGL LP, with the balance coming from four other suppliers. Three companies supply approximately 73% of NGL Propane's distillate volumes. NGL Propane will enter into a supply agreement with NGL Supply Wholesale, LLC ("**NGL Supply**") on the Transaction Closing Date pursuant to which NGL Supply and its affiliates will continue to supply NGL Propane with propane and distillates. See "Supply Agreement" below.

#### *Seasonality*

Similar to Superior's retail propane business in Canada, NGL Propane's retail propane and distillate business is seasonal due to the use of propane and distillates as heating fuels. In particular, residential and agricultural customers who use propane and distillates to heat homes and livestock buildings generally need to purchase the majority of their propane during the fall and winter heating seasons. Approximately 65% of NGL Propane's retail propane volumes are sold from October through March. Propane and distillate sales to commercial and industrial customers are not typically seasonal.

#### *Competition*

Competition with other retail propane distributors in the propane industry is highly fragmented and generally occurs on a local basis with other large full-service, multi-state propane marketers, smaller local independent marketers, and farm cooperatives. The competitive landscape of the markets that NGL Propane serves has been fairly stable. Each customer service location operates in its own competitive environment, since retailers are located in close proximity to their customers due to delivery economics. NGL Propane's customer service locations generally have an effective marketing radius of 25 to 55 miles (or approximately 40.2 to 88.5 kilometres), although in certain areas the marketing radius may be extended by

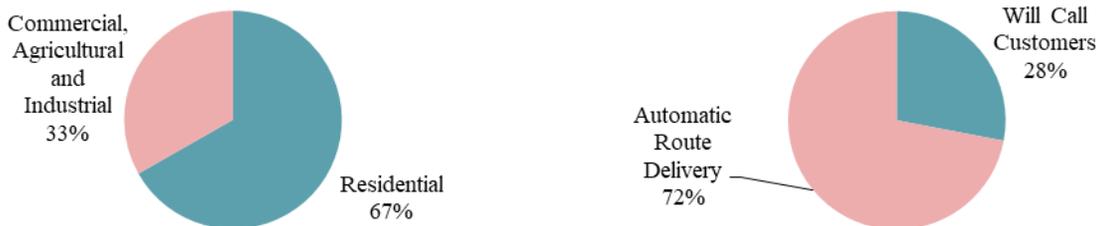
satellite distribution locations.

The primary factors on which NGL Propane competes with its competitors are price, availability of supply, reliability of service, long-term customer relationships, and brand recognition. The ability of NGL Propane to compete effectively depends on its ability to provide superior customer service, which includes reliability of supply, quality equipment, and competitive pricing and service. NGL Propane also competes with alternative energy sources, including natural gas and electricity.

### Rationale for the Transaction and Investment Highlights

#### *Aligned with Superior's Core Strategy*

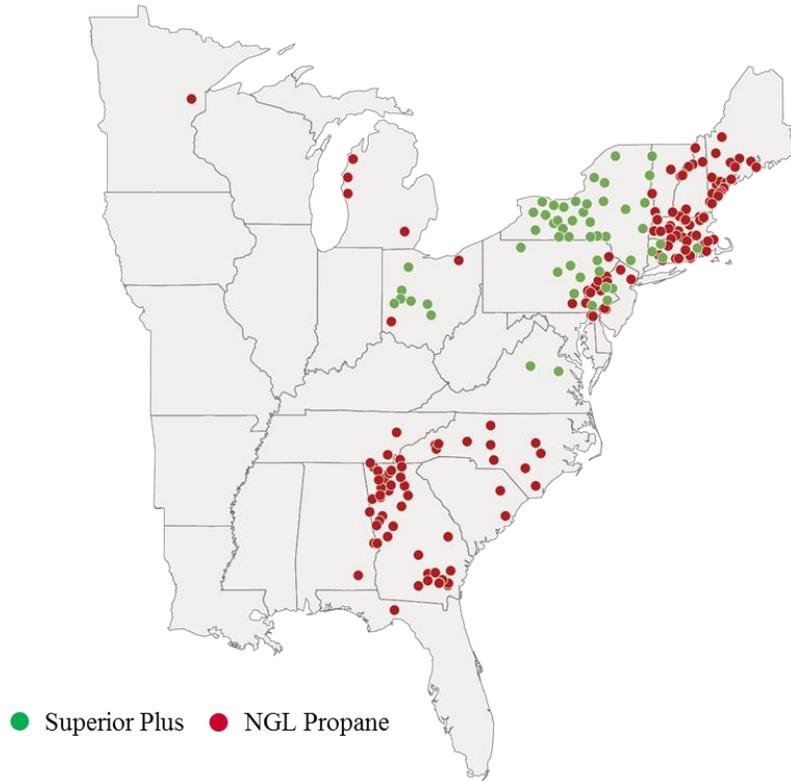
The acquisition of NGL Propane is aligned with Superior's core strategy of investing in established businesses that are in desirable geographies and generate stable free cash flow. NGL Propane sells propane and distillates to more than 316,000 residential, agricultural, commercial and industrial customers across 22 U.S. states with approximately 85% of EBITDA from its business derived from high heating degree day areas in the Northeast U.S. Approximately 67% of NGL Propane's customers are stable margin residential customers, and approximately 72% of customer deliveries for the year ended March 31, 2018 were made automatically through automatic route delivery and scheduling efficiencies. NGL Propane is comprised of a collection of well-recognized regional brands with 50-100 years of history in the industry.



#### *Expands Superior's Energy Distribution Footprint and Scale in the United States and Solidifies Superior as a Leading Retail Propane Distributor in North America*

The Transaction is consistent with Superior's stated strategy of growing its U.S. retail propane business. NGL Propane is the sixth largest propane distributor in the U.S. with approximately 182 million gallons of propane and distillates sold in fiscal 2018 and, when combined with Superior's existing U.S. propane business, will create the fourth largest retail propane distributor in the U.S. with over 260 million gallons sold in the U.S. and the second largest retail propane distributor in North America with over 625 million gallons sold (*Source: LP Gas Magazine February 2018*).

The following map illustrates Superior’s and NGL Propane’s footprint in the United States:



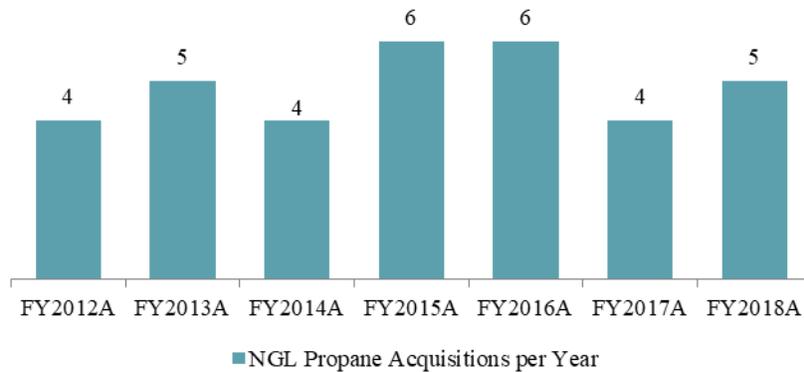
*Leverages Superior’s Existing Expertise, Integrated Platform and Operational Effectiveness into a New, Large and Complementary Customer Base*

Superior aims to leverage its integrated platform and operational effectiveness from its existing expertise across NGL Propane’s retail propane business operations following completion of the Transaction. Superior will assess and consider implementing value-added technologies and capabilities, such as online customer portals, to expand its U.S. propane distribution business and NGL Propane’s digital service offering and operating platform.

*Platform for Expansion Opportunities in the U.S.*

NGL Propane and Superior’s contiguous presence throughout the Eastern U.S. is expected to provide enhanced synergy opportunities in respect of future acquisitions. The U.S. propane sector is highly fragmented, with opportunities for growth and acquisition. Both NGL Propane and Superior have track records of consolidation, each completing a number of “tuck-in” acquisitions annually at accretive valuations. With NGL Propane’s strong industry relationships, combined with Superior’s reputation for excellence and strong balance sheet, management has identified over 1,800 attractive targets in existing and contiguous markets.

The following graph illustrates the number of acquisitions completed by NGL Propane each year since 2012:



#### *High-Quality, Stable Cash Flow and Earnings Profile*

NGL Propane has an attractive free cash flow profile derived from a business with loyal customers and consistent gross margin profile. NGL Propane’s Fiscal 2018 Adjusted EBITDA for the year ended March 31, 2018 was approximately US\$85 million (C\$111 million). NGL Propane’s Normalized EBITDA was approximately US\$90 million (C\$117 million) of annual run-rate Fiscal 2018 Adjusted EBITDA by the end of Fiscal 2018, including annualized contributions from completed acquisitions, before accounting for synergies. See “NGL Propane EBITDA Reconciliation” in the Investor Presentation incorporated by reference herein.

#### *Strong Cash Flow Accretion*

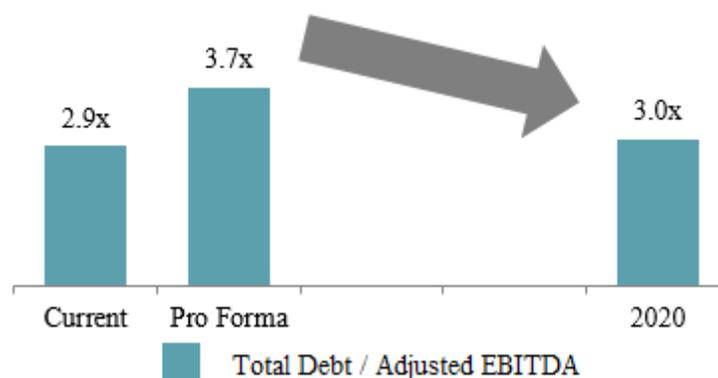
The Transaction is aligned with Superior’s financial objectives and management anticipates the Transaction to be immediately accretive to Superior’s AOCF before the realization of synergies and to produce double-digit AOCF accretion when annualized run-rate synergies are included.

#### *Expected to Generate Significant Run-Rate Synergies*

Management anticipates that the Transaction will generate run-rate synergies of between US\$20 and US\$25 million (C\$26 and C\$32 million) within 24 months of the Transaction Closing Date, mainly in the areas of cost savings, operational efficiencies, removal of SG&A overlap and optimization of supply costs and fleet. Superior has a successful track record of integrating acquisitions and will leverage its highly experienced management team in an effort to ensure a smooth integration of NGL Propane.

#### *Rapid Deleveraging Profile*

Immediately following completion of the Transaction, management anticipates that Superior’s total leverage will be 3.7x Adjusted EBITDA (including annualized run-rate synergies) and will decrease to 3.0x by the end of 2020 assuming the free cash flow generated by NGL Propane is used for debt repayment as illustrated in the graph below:



See “Non-GAAP Financial Measures” and “NGL Propane EBITDA Reconciliation” in the Investor Presentation incorporated by reference herein.

### Selected *Pro Forma* Financial Information

The selected *pro forma* consolidated financial information set forth below is based upon the audited consolidated financial statements of Superior and the notes thereto for the financial years ended December 31, 2017 and 2016, the unaudited interim condensed consolidated financial statements of Superior and the notes thereto for the three months ended March 31, 2018, the audited combined financial statements of the Retail Propane Business of NGL Energy Partners LP and the notes thereto for the year ended March 31, 2018 and the unaudited combined financial statements of the Retail Propane Business of NGL Energy Partners LP and the notes thereto for the year ended March 31, 2017, and the unaudited *pro forma* consolidated financial statements of Superior and the notes thereto for the year ended December 31, 2017 and for the three months ended March 31, 2018, each of which is incorporated by reference in this prospectus supplement, and should be read in conjunction with such historical and *pro forma* consolidated financial statements. See “Caution Regarding Unaudited *Pro Forma* Consolidated Financial Statements” and “Non-GAAP Measures”.

### *Pro Forma Consolidated Net Earnings (Loss)* *For the three months ended March 31, 2018*

(in C\$ millions, except per share amounts)

	Superior	NGL Propane <sup>(1)</sup>	<i>Pro Forma</i> Adjustments <sup>(2)</sup>	<i>Pro Forma</i> Consolidated Total
Revenues	\$874.9	\$224.0	-	\$1,098.9
Gross profit	\$289.2	\$104.1	-	\$393.3
Adjusted EBITDA	\$152.6	\$64.1 <sup>(3)</sup>	-	\$216.7
Net earnings	\$47.3	\$51.4	(\$17.9)	\$80.8
Net earnings per share (basic and diluted) <sup>(4)</sup>	\$0.33	-	-	\$0.46

Notes:

- (1) Adjustments to NGL Propane’s Financial Statements include reclassification of certain line items in order to align with the presentation used by Superior, U.S. GAAP to IFRS adjustments and foreign exchange as stated in Note 3 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (2) *Pro Forma* adjustments made to finance expense and income tax expenses as stated in Note 4(f) and 4(g) to the unaudited *pro forma* consolidated financial statements incorporation by reference herein.
- (3) Represents Fiscal 2018 Adjusted EBITDA. See “Non-GAAP Measures”.
- (4) Net earnings per share was computed assuming the issuance of 32 million Common Shares for a total of 174.8 basic and diluted Common Shares as stated in Note 5 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.

### *Pro Forma Consolidated Net Earnings (Loss)* *For the year ended December 31, 2017 (year ended March 31, 2018 for NGL Propane, and period-to-date ending September 27, 2017 for Canwest)*

(in C\$ millions, except per share amounts)

	<b>Superior</b>	<b>Canwest<sup>(1)</sup></b>	<b>NGL Propane<sup>(2)</sup></b>	<b>Pro Forma Adjustments<sup>(3)</sup></b>	<b>Pro Forma Consolidated Total</b>
Revenues	\$2,385.0	\$152.6	\$509.2	-	\$3,046.8
Gross profit	\$735.4	\$73.8	\$243.6	-	\$1,052.8
Adjusted EBITDA	\$297.6	\$25.5	\$109.6 <sup>(4)</sup>	(\$11.9)	\$420.8
Net earnings (loss)	(\$27.9)	\$10.8	\$58.1	(\$36.7)	\$4.3
Net earnings (loss) per share (basic and diluted) <sup>(5)</sup>	(\$0.20)	-	-	-	\$0.02

Notes:

- (1) *Pro forma* adjustments made to selling distribution and administrative costs as stated in Note 4(e) of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (2) Adjustments to NGL Propane's Financial Statements include reclassification of certain line items in order to align with the presentation used by Superior, U.S. GAAP to IFRS adjustments and foreign exchange as stated in Note 3 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (3) *Pro forma* adjustments made to selling distribution and administrative costs, finance expenses and income tax expenses as stated in Note 4(e), 4(f) and 4(g) of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (4) Represents Fiscal 2018 Adjusted EBITDA. See "Non-GAAP Measures".
- (5) Net earnings (loss) per share was computed assuming the issuance of 32 million Common Shares for a total of 174.8 basic and diluted Common Shares as stated in Note 5 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.

### Unaudited Pro Forma Non-GAAP Measures

#### Reconciliation of Pro Forma Net Earnings to Adjusted EBITDA

(For the year ended December 31, 2017 (year ended March 31, 2018 for NGL Propane, and period-to-date ending September 27, 2017 for Canwest))

(in C\$ millions)	<b>Superior</b>	<b>Canwest</b>	<b>NGL Propane<sup>(1)</sup></b>	<b>Pro Forma Adjustments<sup>(2)</sup></b>	<b>Pro Forma Consolidated Total</b>
	31-Dec-17	27-Sep-17	31-Mar-18		31-Dec-17
<b>Net earnings (loss) attributable to the company</b>	<b>(27.9)</b>	<b>10.8</b>	<b>56.4</b>	<b>(35.0)</b>	<b>4.3</b>
<b>Add back:</b>					
Income tax expense	143.7	-	-	11.4	155.1
Net earnings attributable to redeemable NCI	-	-	1.7	(1.7)	-
Equity-based compensation	-	-	1.8	-	1.8
Unrealized losses on derivative financial instruments	(27.7)	-	-	-	(27.7)
Depreciation included in cost of sales	52.3	-	-	-	52.3
Depreciation and amortization included in selling, distribution and administrative costs	60.6	14.7	47.4	-	122.7
Canwest depreciation, amortization and other	10.7	-	-	(10.7)	-
(Gain) loss on disposal of assets	(1.0)	-	1.8	-	0.8
Finance expense	53.8	-	0.5	24.1	78.4
Transaction, restructuring and other costs	33.1	-	-	-	33.1
<b>Adjusted EBITDA</b>	<b>297.6</b>	<b>25.5</b>	<b>109.6<sup>(3)</sup></b>	<b>(11.9)</b>	<b>420.8</b>

Notes:

- (1) Adjustments to NGL Propane's Financial Statements include reclassification of certain line items in order to align with the presentation used by Superior, U.S. GAAP to IFRS adjustments and foreign exchange as stated in Note 3 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (2) *Pro forma* adjustments made to selling, distribution and administrative costs, finance expense and income tax expenses as stated in Note 4 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (3) Represents Fiscal 2018 Adjusted EBITDA. See "Non-GAAP Measures".

**Reconciliation of Pro Forma Net Earnings to Adjusted EBITDA**  
**For the three months ended March 31, 2018**

<i>(in C\$ millions)</i>	<b>Superior</b>	<b>NGL Propane<sup>(1)</sup></b>	<b>Pro Forma Adjustments<sup>(2)</sup></b>	<b>Pro Forma Consolidated Total</b>
	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18
<b>Net earnings (loss) attributable to the company</b>	<b>47.3</b>	<b>49.8</b>	<b>(16.3)</b>	<b>80.8</b>
<b>Add back:</b>				
Income tax expense	16.2	-	11.9	28.1
Net earnings attributable to redeemable NCI	-	1.6	(1.6)	-
Equity-based compensation	-	0.4	-	0.4
Unrealized losses on derivative financial instruments	23.6	-	-	23.6
Depreciation included in cost of sales	11.9	-	-	11.9
Depreciation and amortization included in selling, distribution and administrative costs	19.8	12.0	-	31.8
(Gain) loss on disposal of assets	(0.3)	-	-	(0.3)
Finance expense	26.7	0.3	6.0	33.0
Transaction, restructuring and other costs	7.4	-	-	7.4
<b>Adjusted EBITDA</b>	<b>152.6</b>	<b>64.1<sup>(3)</sup></b>	<b>-</b>	<b>216.7</b>

Notes:

- (1) Adjustments to NGL Propane's Financial Statements include reclassification of certain line items in order to align with the presentation used by Superior, US GAAP to IFRS adjustments and foreign exchange as stated in Note 3 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (2) *Pro forma* adjustments made to selling, distribution and administrative costs, finance expense and income tax expenses as stated in Note 4 of the unaudited *pro forma* consolidated financial statements incorporated by reference herein.
- (3) Represents Fiscal 2018 Adjusted EBITDA. See "Non-GAAP Measures".

**Purchase Agreement**

Superior Energy Services has agreed to purchase from NGL Energy all of the membership interests of NGL Propane pursuant to the Purchase Agreement for a purchase price of approximately US\$900 million, subject to working capital and other adjustments and the repayment of all outstanding debt and transaction expenses. Pursuant to the Purchase Agreement, the Transaction Closing Date will occur on the seventh business day following the satisfaction or waiver of all the conditions to the closing of the Purchase Agreement (except for the payment of the purchase price thereunder and those conditions that are to be satisfied on the Transaction Closing Date). Superior, NGL LP and NGL Energy may terminate the Purchase Agreement if the Transaction Closing Date has not occurred on or before September 30, 2018. Management anticipates that the Transaction Closing Date will occur during the third quarter of 2018.

The Purchase Agreement contains representations and warranties customary for transactions of this nature negotiated between sophisticated purchasers and sellers acting at arm's length, certain of which are qualified as to materiality and knowledge and subject to reasonable exceptions. Subject to certain exceptions, the representations and warranties of NGL Energy and NGL LP in the Purchase Agreement will survive for a period of 18 months from the Transaction Closing Date. Certain representations, however, will survive the closing of the Transaction for a period of (i) ten years, with respect to certain "fundamental" representations, (ii) five years, with respect to representations and warranties relating to environmental matters, or (iii) 90 days following the applicable statute of limitations, with respect to representations and warranties relating to tax matters, employment matters and employee benefits matters. It is expected that all employees of NGL Propane and its subsidiaries will continue to be so employed following the Transaction Closing Date. NGL Energy and NGL LP have agreed to a 5 year non-compete in the territories where NGL Propane operates.

Pursuant to the Purchase Agreement, NGL Energy and NGL LP have agreed to jointly and severally indemnify Superior Energy Services and its affiliates against any loss arising from (i) a breach of a representation, warranty, or covenant

given by NGL Energy and NGL LP under the Purchase Agreement, (ii) any legal proceeding made against Superior Energy Services or any of its affiliates (including NGL Propane or any subsidiary) after the Transaction Closing Date in connection with any breach by NGL LP or any of its affiliates (which includes any breach by NGL Propane prior to the Transaction Closing Date) in connection with that certain Membership Interest Purchase Agreement, dated as of November 6, 2017, between NGL Propane and DCC LPG Holdings, Inc. (“**DCC**”), among other parties, or the transactions contemplated thereby (the “**DCC Agreement**”) relating to the sale of the NGL West propane business and (iii) certain other claims, including with respect to pre-closing taxes, environmental releases, outstanding legal claims and the disbursement schedule. The indemnity with respect to breaches of representations and warranties (other than certain specified representations and warranties) is subject to certain limitations, including that NGL Energy and NGL LP are not required to indemnify Superior Energy Services unless and until Superior Energy Services’ losses exceed US\$4,500,000, at which point NGL Energy and NGL LP will be responsible for the excess amount of such losses, up to 10% of the purchase price under the Purchase Agreement (other than certain specified representations and warranties, which shall be subject to a cap of 100% of the purchase price under the Purchase Agreement).

Superior Energy Services has also agreed to indemnify NGL Energy and NGL LP with respect to breaches of any of the non-competition covenants of NGL Propane contained in the DCC Agreement after the Transaction Closing Date. Pursuant to such covenants, NGL Propane agreed not to compete in the business of retail propane distribution and water conditioning for five years in the following territories: (i) the states of Colorado, Illinois, Indiana, Kansas, Oregon, Utah, Washington, and Wyoming and (ii) the area within 100 miles of the parcels of Hicksgas, LLC property located in Mississippi and Tennessee.

The Transaction Closing is subject to customary closing conditions, including (i) the accuracy in all material respects as of the Transaction Closing Date of the representations and warranties of the parties, (ii) the performance in all material respects of all covenants and agreements of the parties, (iii) expiration or termination of all waiting periods under the HSR Act, (iv) the absence of any proceeding by any person or entity that seeks to restrain or enjoin the transactions, (v) the acquisition by NGL Propane of 100% of the membership interests in Atlantic Propane, and (vi) delivery by each party of certain documents and agreements in connection with the transactions.

The Purchase Agreement and the transactions covered thereby can be terminated by either party in certain situations, including (i) a breach by the other party of its representations, warranties or covenants that cannot reasonably be cured by the Transaction Closing Date, (ii) the occurrence of an event between the date of the Purchase Agreement and the Transaction Closing Date that would constitute a material breach of a representation or warranty of NGL LP or NGL Energy under the Purchase Agreement, (iii) a governmental body permanently restraining or enjoining the transactions, and (iv) the Transaction Closing not occurring on or prior to September 30, 2018. The Purchase Agreement can be terminated by Superior Energy Services in the event of a material adverse effect occurring in respect of NGL Propane.

Superior LP has entered into a guaranty in favour of NGL Energy pursuant to which Superior LP has guaranteed all of the obligations of Superior Energy Services to NGL Energy under the Purchase Agreement.

### **Transition Services Agreement**

NGL Propane and NGL Energy will enter into a transition services agreement on the Transaction Closing Date (the “**Transition Services Agreement**”) pursuant to which it is expected that NGL Energy will provide certain transition services to NGL Propane relating to, among other things, human resources services, corporate finance services and internal audit and controls. The term of the Transition Services Agreement is expected to be for a period of 12 months following the Transaction Closing Date.

### **Supply Agreement**

NGL Propane and NGL Supply will enter into a supply agreement (the “**Supply Agreement**”) on the Transaction Closing Date pursuant to which NGL Supply and its affiliates will continue to supply NGL Propane with propane and distillates. The term of the Supply Agreement is expected to be for a period of 12 months following the Transaction Closing Date, with an option in favour of Superior to renew annually.

## FINANCING OF THE TRANSACTION

### General

Superior intends to finance the Transaction through approximately US\$295.4 million (approximately C\$384 million) in cash funded from the Net Proceeds and US\$604.6 million (approximately C\$786 million) from a combination of the Bridge Facilities and a draw on the Existing Credit Facilities. Prior to the Transaction Closing Date, Superior Energy Services will receive funds from the borrowers under the Bridge Facilities and the Existing Credit Facilities to consummate the Transaction pursuant to advances under inter-company debt or as consideration for the issuance of additional equity of Superior Energy Services to the borrower. Subsequent to the Offering, Superior will consider longer term debt financing alternatives to finance a portion of the purchase price for the Transaction or to repay amounts which are drawn under the Bridge Facilities or Existing Credit Facilities and utilized to fund a portion of the purchase price for the Transaction.

### Bridge Facilities

Superior's wholly-owned subsidiaries, Superior Plus US Financing Inc. and Superior LP (collectively, the "**Borrowers**"), have entered into a commitment letter with the parent banks of TD Securities Inc. and CIBC World Markets Inc., pursuant to which such lenders have committed, subject to customary conditions, to provide (i) a US\$400,000,000 senior secured bridge credit facility (the "**US Dollar Facility**") and (ii) a C\$400,000,000 12-month senior unsecured bridge credit facility (the "**Canadian Dollar Facility**" and, together with the US Dollar Facility, the "**Bridge Facilities**"). The proceeds of the US Dollar Facility will be used to partially finance the purchase price for the Transaction. Upon completion of the Offering, the Canadian Dollar Facility will be cancelled. Superior is considering implementing longer term debt financing alternatives to refinance the US Dollar Facility.

In addition to the Bridge Facilities, the Borrowers intend to utilize draws on undrawn capacity under the Existing Credit Facilities to finance the remainder of the purchase price for the Transaction.

## RECENT DEVELOPMENTS

There have been no material developments in the business of Superior since March 31, 2018, the date of Superior's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2018, which have not been disclosed in this prospectus supplement, the accompanying Base Shelf Prospectus, or in the documents incorporated by reference herein or therein.

## USE OF PROCEEDS

The estimated net proceeds to be received by Superior from the Offering will be approximately \$384 million, excluding interest and other income, if any, earned on the Escrowed Funds and the expenses of the Offering payable by Superior but after deducting the Underwriters' Fee. The net proceeds from the sale of the Subscription Receipts (following the release of the Escrowed Funds by the Subscription Receipt Agent, the payment of any amounts to satisfy a Dividend Equivalent Payment and the payment of the balance of the Underwriters' Fee) will be used to finance, in part, the Transaction. See "The Transaction" and "Financing of the Transaction". If the Over-Allotment Option is exercised in full, the net proceeds to Superior, excluding the expenses of the Offering and the Transaction (including the Bridge Facilities) payable by Superior but after deducting the Underwriters' Fee, will be approximately \$442 million. In the event that all or part of the Over-Allotment Option is exercised prior to completion of the Transaction, the net proceeds received from the exercise of the Over-Allotment Option will be used to partially finance the Transaction. If the Over-Allotment Option is exercised following completion of the Transaction, the net proceeds received from the exercise of the Over-Allotment Option will be used to pay Superior's expenses related to the Transaction and the Offering.

## CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of Superior as at March 31, 2018 before and after giving effect to the Pro Forma Adjustments. This table should be read in conjunction with the unaudited interim condensed consolidated financial statements of Superior for the three months ended March 31, 2018, together with the notes thereto, and the unaudited *pro forma* consolidated statement of financial position of Superior for the three months ended March 31, 2018, together with the notes thereto, each of which are incorporated by reference into this prospectus supplement.

Description (C\$ millions)	As at March 31, 2018 <sup>(1)</sup>	Pro forma as at March 31, 2018 (after giving effect to the Pro Forma Adjustments) <sup>(1)</sup>
Cash and Cash Equivalents .....	20.5	20.5
<b>Indebtedness</b>		
Revolving Term Credits:		
Bankers Acceptances <sup>(2)</sup> .....	25.0	307.2
Canadian Prime Rate Loan .....	5.1	5.1
LIBOR Loans .....	314.8	314.8
U.S. Base Rate Loan .....	19.4	19.4
Other Debt:		
Accounts Receivable Factoring Program .....	2.0	2.0
Deferred Consideration .....	7.6	7.6
Bridge Facilities .....	-	520.0
Finance Lease Obligations .....	56.9	56.9
Senior Unsecured Notes:		
5.25% Senior Unsecured Notes .....	400.0	400.0
5.125% Senior Unsecured Notes .....	220.0	220.0
<b>Total Indebtedness<sup>(3)</sup> .....</b>	<b>1,050.8</b>	<b>1,853.0</b>
<b>Total Shareholders' Equity<sup>(4)</sup> .....</b>	<b>700.6</b>	<b>1,077.8</b>
<b>Total Capitalization<sup>(5)</sup> .....</b>	<b>1,771.9</b>	<b>2,930.8</b>

Notes:

- (1) Stated before deferred issue costs.
- (2) Assumes costs associated with the Transaction and the Offering will be funded through Superior's Existing Credit Facilities.
- (3) NGL Propane's long-term debt of C\$7.1 million will be repaid upon completion of the Transaction and therefore is not included in Pro Forma Adjustments.
- (4) Excludes accumulated other comprehensive income.
- (5) Total capitalization excludes cash and cash equivalents.

## DESCRIPTION OF THE SUBSCRIPTION RECEIPTS

*The following is a summary of the material attributes and characteristics of the Subscription Receipts. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Subscription Receipt Agreement, which will be filed with the applicable Canadian securities regulatory authorities following closing of the Offering.*

### General

The Subscription Receipts will be issued on the Offering Closing Date (or on the Over-Allotment Closing Date, as the case may be) pursuant to the subscription receipt agreement to be dated the date of the Offering Closing Date among Superior, the Lead Underwriters and the Subscription Receipt Agent (the "**Subscription Receipt Agreement**"). The Escrowed Funds will be delivered to and held by the Subscription Receipt Agent and deposited or invested, as the case may be, in short-term obligations of, or guaranteed by, the Government of Canada, investment certificates of a Canadian bank or in one or more interest bearing trust accounts to be maintained by the Subscription Receipt Agent at one or more banks with issuer credit ratings from S&P Global Ratings, a division of S&P Global Inc. of at least A, or other approved investments as specified in the Subscription Receipt Agreement (collectively, the "**Permitted Investments**"), as directed by Superior, pending the earlier to occur of (i) the satisfaction of the Escrow Release Conditions and the receipt by the Subscription Receipt Agent of the Release Notice, and (ii) a Termination Event. The Subscription Receipt Agreement will contain customary anti-dilution provisions with respect to the Subscription Receipts. In addition, the Subscription Receipt Agreement will provide that any proposed amendment or supplement to the Purchase Agreement which would constitute a material change to Superior and which would require public disclosure thereof, or any proposed amendment to any publicly filed document of Superior relating to or caused by such proposed amendment or supplement to the Purchase Agreement, will require the prior written approval of the Lead Underwriters, such approval not to be unreasonably withheld or delayed.

If each of the conditions to the completion of the Transaction as set out in the Purchase Agreement has been satisfied or waived (except for the payment of the purchase price thereunder), upon execution and delivery of a Release Notice by Superior to the Subscription Receipt Agent and Lead Underwriters certifying that the Escrow Release Conditions

have been satisfied: (a) the Subscription Receipt Agent will (i) release to Superior the Net Proceeds, (ii) pay to the holders of Subscription Receipts the amounts required to pay the Dividend Equivalent Payment (less applicable withholding taxes) in accordance with the terms of the Subscription Receipt Agreement, and (iii) remit to the Underwriters the remaining 50% of the Underwriters' Fee; and (b) the holders of Subscription Receipts will automatically receive, without payment of additional consideration or further action, one Common Share for each Subscription Receipt held. To the extent that the Dividend Equivalent Payment includes cash dividends on the Common Shares for which record dates have occurred (during the period from and including the Offering Closing Date to but excluding the Transaction Closing Date) and have not yet been paid, such amounts shall not be payable to holders of Subscription Receipts, unless Superior otherwise elects, until the date that such related cash dividends are paid to shareholders. In the event that a Dividend Equivalent Payment is payable, such Dividend Equivalent Payment will be paid by the Subscription Receipt Agent to holders of Subscription Receipts out of interest and other income earned on the Escrowed Funds. If the interest and other income earned on the Escrowed Funds is less than the amount required to pay the Dividend Equivalent Payment, any shortfall will be deposited by Superior with the Subscription Receipt Agent or, failing which, will be satisfied out of the Escrowed Funds (that would have otherwise been paid to Superior), as a partial refund of the Offering Price. Promptly following the Transaction Closing, Superior will issue a news release specifying that the completion of the Transaction has occurred and that the Common Shares have been, or will be, issued, as applicable.

In the event of a Termination Event, Superior will promptly notify the Subscription Receipt Agent and the Lead Underwriters, and will promptly issue a news release specifying the Termination Date. Upon the occurrence of a Termination Event, the subscription evidenced by each Subscription Receipt will be automatically terminated and cancelled and holders of Subscription Receipts shall, commencing on the second Business Day following the Termination Date, be entitled to receive an amount equal to the Offering Price multiplied by the number of Subscription Receipts held by such holder plus their *pro rata* share of the Subscription Receipt Interest calculated from the Offering Closing Date to and including the Termination Date and less any applicable withholding taxes (the "**Subscription Receipt Refund Amount**"). In the event that the gross proceeds from the issuance of the Subscription Receipts are required to be remitted to purchasers of Subscription Receipts, Superior has agreed to pay the Subscription Receipt Agent an amount equal to 50% of the Underwriters' Fee such that 100% of the gross proceeds from the issuance of the Subscription Receipts would be returned to purchasers of Subscription Receipts. Further, to the extent that the Escrowed Funds are insufficient to remit the gross proceeds from the issuance of the Subscription Receipts to holders of Subscription Receipts, Superior will be required to contribute such amounts as are necessary to satisfy any shortfall. For greater certainty, despite the fact that 50% of the Underwriters' Fee will be paid by Superior to the Underwriters from the proceeds of the sale of the Subscription Receipts at the Offering Closing Date, the Subscription Receipt Interest will include the interest that would have been earned on 50% of the Underwriters' Fee were such fee included in the Escrowed Funds. No Dividend Equivalent Payment will be made to holders of Subscription Receipts if a Termination Event occurs.

#### **Holders of Subscription Receipts are Not Shareholders**

The holders of Subscription Receipts are not shareholders of Superior and will not have any voting or pre-emptive rights or other rights as shareholders, including any direct or indirect entitlement whatsoever relating to or arising from any dividends declared or paid on the Common Shares prior to the date the Subscription Receipts are exchanged into Common Shares, other than any Dividend Equivalent Payment.

#### **Amendments, Modifications or Alterations**

From time to time while the Subscription Receipts are outstanding, Superior, the Lead Underwriters and the Subscription Receipt Agent may, without the consent of the holders of the Subscription Receipts, amend or supplement the Subscription Receipt Agreement for certain purposes, including making any change that, in the opinion of the Subscription Receipt Agent, does not prejudice the rights of the holders of Subscription Receipts. The Subscription Receipt Agreement provides for other modifications and alterations thereto and to the Subscription Receipts issued thereunder by way of a special resolution. The term "special resolution" will be defined in the Subscription Receipt Agreement to mean a resolution passed by the affirmative votes of the holders of not less than 66<sup>2</sup>/<sub>3</sub>% of the number of outstanding Subscription Receipts represented and voting at a meeting of Subscription Receipt holders or an instrument or instruments in writing signed by the holders of not less than 66<sup>2</sup>/<sub>3</sub>% of the number of outstanding Subscription Receipts.

#### **Book-Entry, Delivery and Form**

Subject to certain limited exceptions, Subscription Receipts will be issued in the form of fully-registered global Subscription Receipts (the "**Global Subscription Receipts**") held by, or on behalf of, CDS or its successor (collectively, the "**Depository**"), as custodian for its Participants (as defined below).

Subject to certain limited exceptions, all Subscription Receipts will be represented in the form of Global Subscription Receipts registered in the name of the Depository or its nominee. Purchasers of Subscription Receipts represented by Global Subscription Receipts will not receive definitive Subscription Receipts. Rather, such Subscription Receipts will be represented in “book-entry” form (unless Superior, in its sole discretion, elects to prepare and deliver definitive Subscription Receipts). Beneficial interests in the Global Subscription Receipts, constituting ownership of the Subscription Receipts, will be represented through book-entry accounts of institutions (including the Underwriters) acting on behalf of beneficial owners, as direct and indirect participants of the Depository (each, a “Participant”). Each purchaser of a Subscription Receipt represented by a Global Subscription Receipt will typically receive a customer confirmation of purchase from the Underwriter or registered dealer from whom the Subscription Receipt is purchased in accordance with the practices and procedures of the selling Underwriter or registered dealer. The practices of registered dealers may vary but, generally, customer confirmations are issued promptly after execution of a customer order. The Depository will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in Subscription Receipts. If the Depository notifies Superior that it is unwilling or unable to continue as depository in connection with the Global Subscription Receipts, or if at any time the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a depository and Superior is unable to locate a qualified successor, or if Superior elects, in its sole discretion, to terminate the book-entry system, beneficial owners of Subscription Receipts represented by Global Subscription Receipts at such time will receive definitive Subscription Receipt certificates.

Subject to certain limited exceptions, Common Shares issued upon exchange of the Subscription Receipts will be issued and registered to CDS or its nominee under the book-entry system. Except in limited circumstances, no holder of a Common Share will be entitled to a certificate evidencing that person’s interest in or ownership of a Common Share, and a holder of Subscription Receipts will typically receive only a customer confirmation from the registered dealer (a Participant through which the holder’s Subscription Receipts are purchased) that Common Shares have been issued.

### **Transfer, Exchange and Pledge of Subscription Receipts**

Transfers of beneficial ownership in Subscription Receipts represented by Global Subscription Receipts will be effected through records maintained by the Depository for such Global Subscription Receipts or its nominees (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). Unless Superior elects, in its sole discretion, to prepare and deliver definitive Subscription Receipts, beneficial owners who are not Participants in the Depository’s book-entry system, but who desire to purchase, sell or otherwise transfer ownership of or other interests in Global Subscription Receipts, may do so only through Participants in the Depository’s book-entry system.

The ability of a beneficial owner of an interest in a Subscription Receipt represented by a Global Subscription Receipt to pledge such Subscription Receipt or otherwise take action with respect to such owner’s interest in a Subscription Receipt represented by a Global Subscription Receipt (other than through a Participant) may be limited due to the lack of a physical certificate. Subject to applicable laws, registered holders of definitive Subscription Receipts may transfer such Subscription Receipts upon payment of taxes or other charges incidental thereto, if any, by executing and delivering a form of transfer to the registrar for the Subscription Receipts at the principal offices of the transfer agent in Toronto, Ontario or such other city or cities as may from time to time be designated by Superior, whereupon new Subscription Receipts will be issued in authorized denominations in the same aggregate principal amount as the Subscription Receipts so transferred, registered in the names of the transferees.

Neither Superior, the Underwriters nor the Subscription Receipt Agent shall have any responsibility or liability for: (i) any aspect of the records relating to the beneficial ownership of the Subscription Receipts held by the Depository or any payments relating thereto; (ii) maintaining, supervising or reviewing any records relating to the Subscription Receipts; or (iii) any advice or representation made by, or with respect to, the Depository and contained in this prospectus supplement and relating to the rules governing the Depository or any action to be taken by the Depository or at the direction of a Participant. The rules governing the Depository provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS, and a purchaser acquiring a beneficial interest in the Subscription Receipts represented by a Global Subscription Receipt must look solely to Participants, for any payments relating to the Subscription Receipts paid by or on behalf of Superior to the Depository.

### **Contractual Right of Rescission**

Under the Subscription Receipt Agreement, original purchasers of Subscription Receipts pursuant to the Offering will have a non-assignable contractual right of rescission, exercisable against Superior following the issuance of the Common Shares to such purchaser upon the exchange of the Subscription Receipts, to receive the Offering Price paid for each such

Subscription Receipt if this prospectus supplement (including documents incorporated herein by reference) or any amendment hereto contains a misrepresentation (within the meaning of the *Securities Act* (Ontario)), provided such remedy for rescission is exercised within 180 days of the closing of the Offering, following which this contractual right of rescission will be null and void. This contractual right of rescission shall be subject to the defences, limitations and other provisions described under part XXIII of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers of Subscription Receipts under section 130 of the *Securities Act* (Ontario) or otherwise at law. For greater certainty, this contractual right of rescission under the Subscription Receipt Agreement is only in connection with a misrepresentation (within the meaning of the *Securities Act* (Ontario)) and is not a right to withdraw from an agreement to purchase securities within two business days as provided in securities legislation in certain provinces or territories of Canada. See “Statutory Rights of Withdrawal and Rescission and Contractual Rights of Rescission”.

## DESCRIPTION OF THE COMMON SHARES

The authorized share capital of Superior consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As of the close of business on May 31, 2018, there were 142,842,820 Common Shares issued and outstanding and no preferred shares outstanding. See “Our Capital Structure” in the AIF for a description of the terms and provisions of the Common Shares.

## PRIOR SALES

Superior has not issued any Common Shares, Subscription Receipts or any securities that are convertible or exchangeable into Common Shares or Subscription Receipts during the period from June 1, 2017 to June 1, 2018.

## MARKET FOR SECURITIES

The outstanding Common Shares are listed and posted for trading on the TSX under the symbol “SPB”. The following table sets forth the high and low prices at which the Common Shares were traded and the trading volumes of the Common Shares for the 12-month period before the date of this prospectus supplement, as reported by the TSX.

	<u>High</u>	<u>Low</u>	<u>Volume</u>
	(\$)	(\$)	
<b>2017</b>			
June.....	12.08	11.22	6,414,389
July.....	11.50	10.86	5,451,553
August.....	11.89	10.80	4,730,984
September.....	12.78	11.50	6,594,352
October.....	13.13	12.43	4,616,747
November.....	13.13	11.79	5,746,471
December.....	12.19	11.67	3,203,141
<b>2018</b>			
January.....	12.29	11.75	5,009,481
February.....	12.83	11.26	6,750,246
March.....	12.97	12.33	4,462,089
April.....	13.34	12.25	5,436,086
May.....	13.51	12.26	7,143,439

On May 30, 2018, the last trading day prior to the announcement of the Offering, the closing price per Common Share on the TSX was \$13.17. On May 31, 2018, the last trading day prior to the date of this prospectus supplement, the closing price per Common Share on the TSX was \$12.37.

## PLAN OF DISTRIBUTION

### General

Pursuant to an underwriting agreement dated June 1, 2018 among Superior and the Underwriters (the “**Underwriting Agreement**”), Superior has agreed to issue and sell and the Underwriters have severally agreed to purchase, as principals, on the Offering Closing Date, subject to the conditions stipulated in the Underwriting Agreement, an aggregate of 32,000,000 Subscription Receipts offered hereby at a price of \$12.50 per Subscription Receipt for total gross consideration of \$400,000,000, payable in cash to the Subscription Receipt Agent (less 50% of the Underwriters’ Fee) against

delivery by Superior of one or more certificates evidencing the Subscription Receipts. The Subscription Receipts are being offered to the public in all of the provinces and territories of Canada. The Offering Price was determined by negotiation between Superior and the Lead Underwriters, on behalf of the Underwriters, with reference to the market price of the Common Shares and other factors. The Underwriting Agreement provides that Superior will pay the Underwriters an aggregate fee of 4.0% of the gross proceeds from the issuance of the Subscription Receipts in consideration for their services in connection with the Offering. The Underwriters' Fee is payable as to 50% upon the Offering Closing Date and the remaining 50% only upon release of the Escrowed Funds to Superior.

Superior has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part at any one time not later than the earlier of (i) 5:00 p.m. (Toronto time) on the 30<sup>th</sup> day following the Offering Closing Date, and (ii) the occurrence of a Termination Event, to purchase up to an additional 4,800,000 Subscription Receipts (or, if the Transaction Closing occurs prior to the closing of the Over-Allotment Option, an equivalent number of Common Shares in lieu of Subscription Receipts) on the same terms as set forth above solely to cover over-allocations, if any, and for market stabilization purposes. This prospectus supplement also qualifies the grant of the Over-Allotment Option and the Subscription Receipts or Common Shares, as applicable, issuable upon the exercise thereof. A purchaser who acquires Subscription Receipts or Common Shares forming part of the Underwriters' over-allocation position acquires such Subscription Receipts or Common Shares under this prospectus supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The Underwriters will also be paid an aggregate fee of 4.0% of the gross proceeds realized from the sale of any Subscription Receipts or Common Shares sold pursuant to the exercise of the Over-Allotment Option. 50% of the Underwriters' Fee is payable upon closing of the exercise of the Over-Allotment Option (the "**Over-Allotment Closing Date**") and, if applicable, the remaining 50% only upon release of the Escrowed Funds to Superior. Notwithstanding the foregoing, in the event that the Over-Allotment Closing Time occurs after the satisfaction of the Escrow Release Conditions, then 100% of the Underwriting Fee payable in respect of the sale of Subscription Receipts pursuant to the Over-Allotment Option will be payable at the Over-Allotment Closing Time out of the gross proceeds realized from such sale.

If a Termination Event occurs, the Underwriters' Fee will be reduced to the amount payable on the Offering Closing Date (and the Over-Allotment Closing Date, if applicable).

The obligations of the Underwriters under the Underwriting Agreement are several and not joint nor joint and several and may be terminated at their discretion upon the occurrence of certain stated events, including in the event of certain stated material adverse changes with respect to Superior and certain stated events materially adversely affecting the financial markets in Canada. Subject to certain exceptions, the Underwriters are, however, obligated to take up and pay for all Subscription Receipts if any Subscription Receipts are purchased pursuant to the Underwriting Agreement.

There is currently no market through which the Subscription Receipts may be sold and purchasers may not be able to resell the Subscription Receipts purchased under this prospectus supplement. The TSX has conditionally approved the listing of the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts (including the Subscription Receipts and Common Shares issuable under the Over-Allotment Option), on the TSX. Listing is subject to Superior fulfilling all of the requirements of the TSX on or before August 30, 2018, including distribution of the Subscription Receipts to a minimum number of public securityholders.

The Underwriters propose to offer the Subscription Receipts initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Subscription Receipts at the Offering Price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Subscription Receipts is less than the Offering Price. Any such reduction will not affect the proceeds received by Superior.

Subject to the terms of the Underwriting Agreement, Superior has agreed to indemnify the Underwriters and their respective directors, officers, employees and agents against certain liabilities, including civil liabilities under Canadian provincial or territorial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof.

Superior has agreed that, subject to certain exceptions, during the period ending 90 days from the Offering Closing Date, it will not offer, sell or issue for sale or resale any Common Shares or financial instruments or securities convertible into, or exercisable or exchangeable for, Common Shares, without the prior consent of the Lead Underwriters, on behalf of the Underwriters, which consent may not be unreasonably withheld or delayed.

## **Price Stabilization, Short Positions and Passive Market Making**

In connection with the Offering, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Subscription Receipts and/or Common Shares at levels other than those which might otherwise prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Subscription Receipts while the Offering is in progress. These transactions may also include making short sales of the Subscription Receipts, which involve the sale by the Underwriters of a greater number of Subscription Receipts than they are required to purchase in the Offering. Short sales may be “covered short sales”, which are short positions in an amount not greater than the Over-Allotment Option, or may be “naked short sales”, which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Subscription Receipts in the open market. In making this determination, the Underwriters will consider, among other things, the price of Subscription Receipts available for purchase in the open market compared with the price at which they may purchase Subscription Receipts through the Over-Allotment Option. If, following the closing of the Offering, the market price of the Subscription Receipts decreases, the short position created by the over-allocation position in Subscription Receipts may be filled through purchases in the open market, creating upward pressure on the price of the Subscription Receipts. If, following the closing of the Offering, the market price of Subscription Receipts increases, the over-allocation position in Subscription Receipts may be filled through the exercise of the Over-Allotment Option in respect of Subscription Receipts at the Offering Price.

The Underwriters must close out any naked short position by purchasing Subscription Receipts in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Subscription Receipts in the open market that could adversely affect investors who purchase in the Offering. Any naked short position would form part of the Underwriters’ over-allocation position. A purchaser who acquires Subscription Receipts or Common Shares forming part of the Underwriters’ over-allocation position resulting from any covered short sales or naked short sales will, in each case, acquire such Subscription Receipts or Common Shares under this prospectus supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Pursuant to policy statements of the relevant securities commissions, the Underwriters may not, throughout the period of distribution under the prospectus supplement, bid for or purchase Subscription Receipts and/or Common Shares. The foregoing restriction is subject to certain exceptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of such Subscription Receipts. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSX including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made on behalf of a client where the client’s order was not solicited during the period of distribution. In connection with this Offering, the Underwriters may, subject to the foregoing and applicable law, over-allot or effect transactions that are intended to stabilize or maintain the market price of the Subscription Receipts and/or Common Shares at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts have not been and will not be registered under the 1933 Act or any state securities laws of the United States and, subject to certain exceptions, may not be offered or sold in the United States. The Underwriters have agreed that they will not offer or sell the Subscription Receipts within the United States except to qualified institutional buyers (as defined in Rule 144A under the 1933 Act) in transactions that comply with the exemption from registration provided by Rule 144A. In addition, until 40 days after the commencement of the Offering, an offer or sale of Subscription Receipts (or Common Shares issuable upon exchange thereof) within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made otherwise than in accordance with Rule 144A or another applicable exemption under the 1933 Act.

## **Relationship Between Superior and Certain of the Underwriters**

TD Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and AltaCorp Capital Inc. are each, directly or indirectly, a wholly-owned or

majority-owned subsidiary of a Canadian chartered bank or other financial institution which is a lender to certain of Superior's wholly-owned subsidiaries (the "**Lenders**") under the Existing Credit Facilities. In addition, each of TD Securities Inc. and CIBC World Markets Inc. is an affiliate of an institution that has made available to Superior's wholly-owned subsidiaries, Superior Plus US Financing Inc. and Superior LP, the Bridge Facilities, and such institutions will receive customary fees for making such Bridge Facilities available. Each of TD Securities Inc. and CIBC World Markets Inc. are also acting as financial advisors to Superior in connection with the Transaction and are receiving a fee for such service. Consequently, Superior may be considered to be a "connected issuer" of each of TD Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and AltaCorp Capital Inc. under applicable securities legislation.

As of the date hereof, \$246.6 million was owed to the Lenders under the Existing Credit Facilities. Superior and its subsidiaries party thereto are in compliance with all material terms of the agreements governing the Existing Credit Facilities and none of the Lenders has waived any material breach by Superior or its subsidiaries of such agreements since their execution. Neither the financial position of Superior nor the value of the security under the Existing Credit Facilities has changed substantially and adversely since the indebtedness under each of the facilities was incurred. The indebtedness under the Existing Credit Facilities is secured by a general charge over all of the assets of Superior LP.

The decision to distribute the Subscription Receipts offered hereunder and the determination of the terms of the distribution were made through negotiations between Superior and the Lead Underwriters, on behalf of the Underwriters. The lenders under the Existing Credit Facilities and the Bridge Facilities did not have any involvement in such decision or determination but have been advised of the issuance and terms thereof. As a consequence of this issuance, TD Securities Inc., CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and AltaCorp Capital Inc. will receive their respective share of the Underwriters' Fee.

#### **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

In the opinion of Torys LLP and Dentons Canada LLP, the following summary describes the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable to a holder (i) who acquires Subscription Receipts pursuant to this Offering, (ii) who, for purposes of the Tax Act and at all relevant times, holds the Subscription Receipts and Common Shares (the "**Offered Securities**") as capital property, and (iii) who deals at arm's length and is not affiliated with Superior, the Underwriters or any subsequent purchaser of the Subscription Receipts or of the Common Shares (a "**Holder**"). Generally, Offered Securities will be considered to be capital property to a Holder provided the Holder does not hold the Offered Securities in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder (i) that is a "financial institution" (as defined in the Tax Act for the purposes of the mark-to-market rules), (ii) an interest in which would be a "tax shelter investment" (as defined in the Tax Act), (iii) that is a "specified financial institution" (as defined in the Tax Act), (iv) who makes or has made a functional currency reporting election pursuant to section 261 of the Tax Act, (v) who would receive dividends on the Common Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act), (vi) that has entered into a "synthetic disposition arrangement" or "derivative forward agreement", each as defined in the Tax Act, with respect to the Holder's Subscription Receipts or Common Shares, or (vii) that is a corporation and is, or becomes, or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, as part of a transaction or event or series of transactions or events that include the acquisition of Offered Securities, controlled by a non-resident corporation for the purposes of section 212.3 of the Tax Act. **Any such Holder should consult its own tax advisor with respect to an investment in the Offered Securities.** In addition, this summary does not address the deductibility of interest by an investor who has borrowed money to acquire Subscription Receipts under this Offering.

This summary is based upon the provisions of the Tax Act and the Regulations in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance prior to the date hereof (the "**Proposed Amendments**") and counsels' understanding of the current administrative practices and assessing policies of the Canada Revenue Agency published in writing by it prior to the date hereof. This summary assumes the Proposed Amendments will be enacted in the form proposed, however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed, if at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law, whether by legislative, governmental or judicial decision or action, nor does it take into account other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

**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 to any particular Holder or prospective Holder of Offered Securities, and no representations with respect to the income tax consequences to any Holder or prospective Holder are made. Consequently, prospective Holders of Subscription Receipts should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring Subscription Receipts pursuant to this Offering, having regard to their particular circumstances.**

## **Holders Resident in Canada**

The following discussion applies to a Holder who, at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a “**Canadian Holder**”). Certain Canadian Holders who might not otherwise be considered to hold their Common Shares as capital property may, in certain circumstances, be entitled to have such Common Shares, and all other “Canadian securities” (as defined in the Tax Act) owned by such Canadian Holders, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This election is not available in respect of Subscription Receipts.

## **Taxation of Canadian Holders of Subscription Receipts**

### *Acquisition of Common Shares pursuant to terms of the Subscription Receipts*

A Canadian Holder of Subscription Receipts will not realize any capital gain or capital loss upon the acquisition of Common Shares pursuant to the terms of Subscription Receipts.

The cost to a Canadian Holder of a Common Share received pursuant to a Subscription Receipt will be the Offering Price thereof, plus the Canadian Holder’s *pro rata* share of any Subscription Receipt Interest earned on the Escrowed Funds that is included in the Canadian Holder’s income and remitted to Superior upon the acquisition of the Common Share pursuant to the Subscription Receipt Agreement, less any reduction as a consequence of the receipt of a Dividend Equivalent Payment, if any, as described under “Taxation of Canadian Holders of Subscription Receipts — Dividend Equivalent Payment”. The adjusted cost base to a Canadian Holder of Common Shares at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base immediately before that time of any other Common Shares owned by the Canadian Holder as capital property at such time.

### *Other Dispositions of Subscription Receipts*

A disposition or deemed disposition by a Canadian Holder of a Subscription Receipt (other than on the acquisition of a Common Share pursuant to the terms of the Subscription Receipts as discussed above) will generally result in the Canadian Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition exceed (or are exceeded by) the aggregate of the adjusted cost base to the Canadian Holder thereof and any reasonable costs of disposition. The cost to a Canadian Holder of a Subscription Receipt will generally be the amount paid to acquire the Subscription Receipt plus any reasonable cost of acquisition. Such capital gain (or capital loss) will be subject to the tax treatment described below under “Taxation of Canadian Holders of Common Shares — Taxation of Capital Gains and Capital Losses”.

In the event that a Canadian Holder becomes entitled to the repayment of the issue price of a Subscription Receipt as a consequence of a Termination Event, any amount that is paid to the holder by Superior as, or on account of, interest and that is included in the Canadian Holder’s income, will be excluded from the holder’s proceeds of disposition of the Subscription Receipt.

### *Repayment of Offering Price and Pro Rata Share of Interest*

As described above under “Description of the Subscription Receipts”, in the event that a Termination Event occurs, holders of Subscription Receipts shall, commencing on the second Business Day following the Termination Date, be entitled to receive from the Subscription Receipt Agent an amount equal to the full Offering Price thereof plus their *pro rata* share of Subscription Receipt Interest. A Canadian Holder will not generally realize any income, gain or loss on the receipt of the amount that is in respect of the Offering Price.

A Canadian Holder will be subject to tax on its *pro rata* share of Subscription Receipt Interest whether on a Termination Event or otherwise.

A Canadian Holder that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year the amount of any such Subscription Receipt Interest accrued or deemed to have accrued to the Canadian Holder to the end of the Canadian Holder's taxation year, or that is receivable or received by the Canadian Holder before the end of that taxation year, except to the extent that such Subscription Receipt Interest was included in computing the Canadian Holder's income for a preceding taxation year.

Any other Canadian Holder, including an individual, will be required to include in computing income for a taxation year any Subscription Receipt Interest that is receivable or received by the Canadian Holder in that taxation year, depending upon the method regularly followed by the Canadian Holder in computing income, to the extent that such interest was not included in computing the Canadian Holder's income for a preceding taxation year.

A Canadian Holder that is, throughout the relevant taxation year, a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay a refundable tax on its "aggregate investment income", which is defined in the Tax Act to include interest income. Canadian Holders that are "Canadian-controlled private corporations" should consult their own tax advisors regarding their particular circumstances.

#### *Dividend Equivalent Payment*

As described above under "Description of the Subscription Receipts", if each of the conditions to the completion of the Transaction as set out in the Purchase Agreement has been satisfied or waived, and if a dividend is declared by Superior on the Common Shares to holders of record on a date during the period from the Offering Closing Date to the Transaction Closing Date, the holders of Subscription Receipts will be entitled to receive an amount equal to the amount of such dividend.

The Dividend Equivalent Payment, if any, will be paid by way of a *pro rata* share of interest earned on the Escrowed Funds. The amount of such interest will generally be included in computing the Canadian Holder's income as described under "Taxation of Canadian Holders of Subscription Receipts — Repayment of Offering Price and *Pro rata* Share of Interest". If the amount of this interest is less than the Dividend Equivalent Payment, an amount will be deposited by Superior or paid by the Subscription Receipt Agent out of the Escrowed Funds to the Canadian Holder up to the amount of any shortfall as a partial refund of the Offering Price. Such refund amount generally will reduce the cost to the Canadian Holder of the Common Shares acquired on the exchange of the Subscription Receipts.

For greater certainty, no part of the Dividend Equivalent Payment will benefit from the gross-up and dividend tax credit rules normally applicable in respect of "taxable dividends" received by individuals from "taxable Canadian corporations" (each as defined in the Tax Act). Where the Dividend Equivalent Payment is received by a corporation, the amount will not be deductible in computing the corporation's taxable income and will not result in the requirement to pay the refundable Part IV tax.

### **Taxation of Canadian Holders of Common Shares**

#### *Disposition of Common Shares*

A disposition or a deemed disposition of a Common Share by a Canadian Holder (except to Superior) will generally result in the Canadian Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Common Share exceed (or are exceeded by) the aggregate of the adjusted cost base to the Canadian Holder thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described under "Taxation of Canadian Holders of Common Shares — Taxation of Capital Gains and Capital Losses".

#### *Taxation of Capital Gains and Capital Losses*

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Canadian Holder in a taxation year must be included in the Canadian Holder's income for the year. One-half of any capital loss (an "**allowable capital loss**") realized by a Canadian Holder in a taxation year must be deducted from taxable capital gains realized by the Canadian Holder in the year of disposition. Allowable capital losses in excess of taxable capital gains realized in a taxation year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year, to the extent and under the circumstances described in the Tax Act.

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

A Canadian Holder that is, throughout the relevant taxation year, a Canadian-controlled private corporation may be liable to pay a refundable tax on its “aggregate investment income”, which is defined in the Tax Act to include taxable capital gains. Canadian Holders that are Canadian-controlled private corporations should consult their own tax advisors regarding their particular circumstances.

Capital gains realized by a Canadian Holder who is an individual (other than certain trusts) may result in such Canadian Holder being liable for alternative minimum tax under the Tax Act. Canadian Holders who are individuals should consult their own tax advisors in this regard.

#### *Receipt of Dividends on Common Shares*

Dividends received or deemed to be received on Common Shares held by a Canadian Holder will be included in computing the Canadian Holder’s income for the purposes of the Tax Act.

Such dividends received by a Canadian Holder who is an individual (other than certain trusts) will be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by Superior as “eligible dividends”. There may be limitations on the ability of Superior to designate dividends as “eligible dividends.”

Taxable dividends received by a Canadian Holder who is an individual (other than certain trusts) may result in such Canadian Holder being liable for alternative minimum tax under the Tax Act. Canadian Holders who are individuals should consult their own tax advisors in this regard.

A Canadian Holder that is a corporation will include such dividends in computing its income and generally will be entitled to deduct the amount of such dividends in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Canadian Holder that is a corporation as proceeds of a disposition or a capital gain. A Canadian Holder that is a “private corporation” or “subject corporation” (as such terms are defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing the Canadian Holder’s taxable income.

### **Holders Not Resident in Canada**

The following discussion applies to a Holder who, at all relevant times, for purposes of the Tax Act, (i) is neither resident nor deemed to be resident in Canada, and (ii) does not, and is not deemed to, use or hold Offered Securities, in a business carried on in Canada (a “**Non-Canadian Holder**”). In addition, this discussion does not apply to: (i) an insurer who carries on an insurance business in Canada and elsewhere; or (ii) a Non-Canadian Holder that is, or does not deal at arm’s length with, a “specified shareholder” (as defined in subsection 18(5) of the Tax Act) of Superior. A “specified shareholder” for these purposes generally includes a person who (either alone or together with persons with whom that person is not dealing at arm’s length for the purposes of the Tax Act) owns or has the right to acquire or control 25% or more of Superior’s shares determined on a votes or fair market value basis.

### **Taxation of Non-Canadian Holders of Subscription Receipts**

#### *Acquisition of Common Shares pursuant to terms of the Subscription Receipts*

A Non-Canadian Holder of Subscription Receipts will not realize any capital gain or capital loss upon the acquisition of Common Shares pursuant to the terms of Subscription Receipts.

#### *Other Dispositions of Subscription Receipts*

On a disposition of a Subscription Receipt (other than on the acquisition of a Common Share pursuant to the terms of Subscription Receipts as discussed above), a Non-Canadian Holder will not be subject to tax under the Tax Act in respect

of any capital gain realized by such Non-Canadian Holder, unless the Subscription Receipt constitutes “taxable Canadian property” (as defined in the Tax Act) of the Non-Canadian Holder at the time of disposition and the holder is not entitled to relief under an applicable income tax convention.

As long as the Common Shares are listed on a designated stock exchange (which currently includes the TSX) at the time of the disposition, the Subscription Receipts will generally not constitute taxable Canadian property of a Non-Canadian Holder, unless at any time during the 60-month period immediately preceding the disposition of the Subscription Receipt: (i) (a) the Non-Canadian Holder, (b) persons with whom the Non-Canadian Holder did not deal at arm’s length, (c) partnerships in which the Non-Canadian Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships, or (d) any combination of the persons and partnerships described in (a) through (c), owned 25% or more of the issued shares of any class of the capital stock of Superior, and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of: (w) real or immovable property situated in Canada; (x) Canadian resource properties; (y) timber resource properties; and (z) options in respect of, or interests in or for civil law rights in, property described in (w) to (y) (the “**TCP Conditions**”). A Non-Canadian Holder contemplating a disposition of Subscription Receipts that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.

#### *Repayment of Offering Price and Pro Rata Share of Interest*

As described above under “Description of the Subscription Receipts”, in the event that a Termination Event occurs, holders of Subscription Receipts shall, commencing on the second Business Day following the Termination Date, be entitled to receive from the Subscription Receipt Agent an amount equal to the full Offering Price thereof plus their *pro rata* share of Subscription Receipt Interest. A Non-Canadian Holder will generally not be subject to Canadian tax under the Tax Act on receipt of the amount that is in respect of the Offering Price. A Non-Canadian Holder will generally not be subject to Canadian withholding tax in respect of amounts paid or credited or deemed to have been paid or credited by Superior as, on account or in lieu of payment of, or in satisfaction of, any Subscription Receipt Interest.

#### *Dividend Equivalent Payment*

As described above under “Description of the Subscription Receipts”, if each of the conditions to the completion of the Transaction as set out in the Purchase Agreement has been satisfied or waived, and if a dividend is declared by Superior on the Common Shares to holders of record on a date during the period from the Offering Closing Date to the Transaction Closing Date, the holders of Subscription Receipts will be entitled to receive an amount equal to the amount of such dividend. The Dividend Equivalent Payment, if any, will be paid first by way of a *pro rata* share of interest earned on the Escrowed Funds. The amount of such interest payable to a Non-Canadian Holder will not be subject to tax under the Tax Act provided that such interest is not “participating debt interest” (within the meaning of the Tax Act). If such interest is considered to be participating debt interest, the amount paid to a Non-Canadian Holder would be subject to Canadian withholding tax at the statutory rate of 25% (subject to reduction under an applicable income tax convention between Canada and the Non-Canadian Holder’s country of residence). In this respect, it is uncertain whether or not such interest would constitute “participating debt interest” for purposes of the Tax Act. Management of Superior has advised legal counsel that it intends to withhold at the statutory rate of 25% (subject to reduction under an applicable income tax convention between Canada and the Non-Canadian Holder’s country of residence) on the portion of any Dividend Equivalent Payment which is paid by way of a *pro rata* share of interest earned on the Escrowed Funds that is paid to a Non-Canadian Holder.

If the amount of this interest is less than the Dividend Equivalent Payment, an amount will be deposited by Superior or paid by the Subscription Receipt Agent out of the Escrowed Funds to the Non-Canadian Holder up to the amount of any shortfall as a partial refund of the Offering Price. Such shortfall amount generally will reduce the cost to the Non-Canadian Holder of the Common Shares acquired on the exchange of the Subscription Receipts and will not be subject to Canadian withholding tax.

Non-Canadian Holders are advised to consult their own tax advisors regarding the tax consequences of the receipt of a Dividend Equivalent Payment.

### **Taxation of Non-Canadian Holders of Common Shares**

#### *Dividends on Common Shares*

Any dividends paid or credited, or deemed to be paid or credited, on the Common Shares to a Non-Canadian Holder will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced

under the provisions of an applicable income tax convention, which the Non-Canadian Holder is entitled to the benefits of, between Canada and the Non-Canadian Holder's country of residence. For instance, where the Non-Canadian Holder is a resident of the United States that is entitled to full benefits under the Canada-United States Income Tax Convention (1980), as amended, and is the beneficial owner of the dividends, the rate of Canadian withholding tax applicable to dividends is generally reduced to 15%.

#### *Disposition of Common Shares*

A Non-Canadian Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Canadian Holder on a disposition of a Common Share issuable pursuant to the terms of the Subscription Receipts, unless the Common Shares constitute taxable Canadian property (as defined in the Tax Act) of the Non-Canadian Holder at the time of disposition and the Non-Canadian Holder is not entitled to relief under an applicable income tax convention.

As long as the Common Shares are listed on a designated stock exchange (which currently includes the TSX) at the time of disposition, the Common Shares generally will not constitute taxable Canadian property of a Non-Canadian Holder, unless at any time during the 60-month period immediately preceding the disposition of the Common Shares the TCP Conditions are met. A Non-Canadian Holder contemplating a disposition of Common Shares that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.

### **RISK FACTORS**

*An investment in the Subscription Receipts and Common Shares is subject to certain risks. Investors should carefully consider the risks described below, the risk factors described in the AIF, Annual MD&A and Q1 2018 MD&A and other information elsewhere in this prospectus supplement, the accompanying Base Shelf Prospectus and the documents incorporated by reference herein and therein, prior to making an investment decision. If any of such or other risks occur, Superior's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that case, the trading price of the Subscription Receipts and Common Shares could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described in, or incorporated by reference in, this prospectus supplement or other unforeseen risks.*

#### **Risks Related to the Offering**

##### *No Prior Public Market for the Subscription Receipts*

Prior to the Offering, no public market existed for the Subscription Receipts. There can be no assurance that an active and liquid market for the Subscription Receipts will develop following the completion of the Offering, or if developed, that such a market will be sustained. If an active public market does not develop or is not maintained, investors may have difficulty selling their Subscription Receipts. The TSX has conditionally approved the listing of the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts (including the Subscription Receipts and Common Shares issuable under the Over-Allotment Option), on the TSX. Listing is subject to Superior fulfilling all of the requirements of the TSX on or before August 30, 2018, including distribution of the Subscription Receipts to a minimum number of public securityholders. The Offering Price for the Subscription Receipts was determined by negotiation between Superior and the Lead Underwriters, on behalf of the Underwriters, and may not be indicative of the price at which the Subscription Receipts or Common Shares will trade following the completion of the Offering. Superior cannot assure investors that the market price of the Subscription Receipts or Common Shares will not materially decline below the initial offering prices.

##### *Volatile Market Price for the Subscription Receipts*

The market price of the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts may be volatile. The volatility may affect the ability of holders to sell the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts at an advantageous price. Market price fluctuations in the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts may be due to Superior's operating results failing to meet the expectations of securities analysts or investors, Superior failing to achieve the anticipated benefits of the Transaction, downward revision in securities analysts' estimates, sale of additional Common Shares, governmental regulatory action, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by Superior or its competitors, along with a variety of additional factors, including, without limitation, those set forth under the heading "Cautionary Note Regarding Forward-Looking Information". In addition, the market price for securities on stock markets, including the TSX, is subject to significant price and trading

fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may materially adversely affect the market price of the Subscription Receipts and the Common Shares issuable upon exchange of the Subscription Receipts.

#### *Satisfaction of Escrow Release Conditions*

There can be no assurance that the Escrow Release Conditions will be satisfied prior to the occurrence of a Termination Event. Each subscriber's subscription proceeds will be held in escrow pending the satisfaction of the Escrow Release Conditions or the occurrence of a Termination Event and, accordingly, subscribers will not be able to use such funds for other investment opportunities that occur prior to the satisfaction of the Escrow Release Conditions or the occurrence of a Termination Event nor to participate in any growth in the trading price of the Common Shares if the Escrow Release Conditions are not satisfied before the occurrence of a Termination Event. Holders of Subscription Receipts have only the rights described under "Description of the Subscription Receipts" and as set out in the Subscription Receipt Agreement.

#### *Dilutive Effects on Holders of Common Shares*

The issuance of the Common Shares in connection with the exchange of the Subscription Receipts may have a dilutive effect on the existing holders of Common Shares and Superior may issue additional Common Shares in subsequent offerings. While Superior cannot predict the size or timing of future issuances of securities, any future issuance of Common Shares may have a dilutive effect on those purchasers who receive Common Shares issuable pursuant to Subscription Receipts.

### **Risks Related to the Transaction and NGL Propane**

*The risks related to the business and structure of Superior discussed in the AIF, Annual MD&A and Q1 2018 MD&A remain unchanged; however, below is a discussion of the risks related to the Transaction and the business of NGL Propane.*

#### *Possible Delay or Failure to Complete the Transaction*

Completion of the Transaction is subject to normal commercial risk that the Transaction may not be completed on the terms negotiated or at all and the satisfaction of certain closing conditions, including the obtaining of certain regulatory approvals. As such, there is no assurance that the Transaction will be completed or, if completed, will be on terms that are substantially the same as those described herein, and it is possible that the completion of the Transaction could be delayed. If the conditions to the Transaction are not satisfied, Superior will not benefit from the Transaction and will have incurred significant management time and expenses.

#### *Risks Related to the Integration of NGL Propane into Superior's Business*

In order to achieve the anticipated benefits of the Transaction, Superior will rely upon its ability to successfully retain staff, consolidate functions and integrate operations, procedures and personnel in a timely and efficient manner and to realize the anticipated growth opportunities from combining NGL Propane and related operations with those of Superior. The integration of NGL Propane and related operations requires the dedication of management effort, time and resources, which may divert management's focus and resources away from other strategic opportunities and from operational matters during the integration process. The integration process may result in the disruption of ongoing business and customer relationships that may materially adversely affect Superior's ability to achieve the anticipated benefits of the Transaction. The challenges involved in the integration may include, among other things: the necessity of coordinating both geographically disparate and geographically overlapping organizations; retaining key personnel during the period between execution of the Purchase Agreement and the Transaction Closing, including addressing the uncertainties of key employees regarding their future; integration of information technology systems and resources; integrating NGL Propane into Superior's accounting system and adjusting Superior's internal control environment to cover NGL Propane's operations; and performance shortfalls relative to expectations at one or both of the businesses as a result of the diversion of management's attention to the Transaction and integration.

### *Assumption of NGL Propane's Liabilities and Counter Party Risk*

Under the terms of the Purchase Agreement, Superior will effectively assume all of NGL Propane's liabilities following completion of the Transaction. Superior may assume unknown liabilities that could be significant. There may be liabilities that Superior failed to discover or was unable to quantify during its pre-Transaction due diligence and Superior may not be indemnified for any of these liabilities under the Purchase Agreement. The subsequent discovery or quantification of material liabilities could have a material adverse effect on Superior's business, financial condition or future prospects. The representations and warranties contained in the Purchase Agreement, and related indemnification, may not apply or be sufficient so as to fully indemnify Superior for such liabilities.

Superior is relying on NGL LP and NGL Energy to fulfill their obligations, including extensive indemnity obligations, under the Purchase Agreement. There is a risk that NGL LP and NGL Energy may, now or in the future, not have sufficient financial resources to meet their obligations including their obligations under the Purchase Agreement. Under such circumstances, since Superior has effectively assumed all of NGL Propane's liabilities, Superior may be liable for these obligations which could have a material adverse effect on Superior's business, financial condition or future prospects.

### *Risks Related to Change of Control Provisions*

NGL Propane may be a party to agreements that contain change of control or similar provisions that may be triggered following completion of the Transaction. The operation of these change of control or similar provisions, if triggered, could result in unanticipated expenses and/or cash payments following the consummation of the Transaction or adversely affect NGL Propane's results of operations and financial condition.

### *Possible Failure to Realize Expected Returns on, and Benefits of, the Transaction*

Business combinations such as the Transaction involve risks that could materially and adversely affect Superior's business plan, including the failure of the Transaction to realize the results Superior expects. There can be no assurance that management of Superior will be able to fully realize some or all of the expected benefits of the Transaction, including, among other things, those described under "The Transaction — Rationale for the Transaction and Investment Highlights". The ability to realize these anticipated benefits will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as on the ability to realize growth opportunities (including organic growth of NGL Propane) and potential synergies from integrating NGL Propane with Superior's existing business following the Transaction Closing. There is a risk that some or all of the expected benefits will fail to materialize, or may not occur within the time periods anticipated by management and there is a risk that Superior may incur unexpected costs related to the Transaction. The realization of some or all of such benefits may be affected by a number of factors, many of which are beyond the control of Superior.

### *Possible Failure to Achieve the Full Amount of Anticipated Synergies*

Management estimates run-rate synergies of between US\$20 – US\$25 million (C\$26 – C\$32 million) and expects these synergies to be achieved over a 24-month period following Transaction Closing, mainly in the areas of cost savings, operational efficiencies, removal of SG&A overlap and optimization of supply costs and fleet. Inclusion of the estimated synergies in this prospectus supplement, however, should not be viewed as a representation that Superior will in fact achieve these synergies over a 24-month period or at all. Superior continues to evaluate its estimates of the synergies to be realized from the Transaction and to refine them and, as such, the actual synergies could differ materially from management's current estimates. In addition, expenses required to realize the synergies and the sources of the synergies could differ materially from these estimates and Superior cannot assure investors that it will achieve the full amount of anticipated synergies or at all. In light of these significant uncertainties, investors should not place undue reliance on Superior's estimates of synergies.

### *Foreign Exchange Risk*

A significant majority of NGL Propane's operations are conducted in United States dollars. Furthermore, Superior is partially financing the Transaction through the US Dollar Facility and the Existing Credit Facilities and the proceeds thereof will be in United States dollars. As a result, fluctuations in the United States dollar against the Canadian dollar could have a material adverse effect on Superior's business, financial condition, results of operations and cash flow, share price and its ability to satisfy debt service obligations and to make dividend payments to shareholders as well as the returns it expects to realize from the Transaction.

### *Availability of Alternative Sources of Funding*

It is currently contemplated that the US Dollar Facility may be cancelled, reduced or repaid through the implementation of longer term debt financing alternatives. There can be no assurance that Superior will be able to effect any of these actions on satisfactory terms, or at all. The inability to access such alternate sources of funding to cancel, reduce or repay the US Dollar Facility may negatively impact the financial performance of Superior, including the extent to which the Transaction is accretive.

### *Leverage Risk*

Superior's degree of leverage could have material adverse consequences for Superior, including: limiting Superior's ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; restricting Superior's flexibility and discretion to operate its business; limiting Superior's ability to declare dividends on its shares; having to dedicate a portion of Superior's cash flows from operations to the payment of interest on Superior's existing indebtedness and not having such cash flows available for other purposes, including operations, capital expenditures and future business opportunities; exposing Superior to increased interest expense on borrowings at variable rates (including the Bridge Facilities); limiting Superior's ability to adjust to changing market conditions; placing Superior at a competitive disadvantage compared to its competitors that have incurred less debt; making Superior more vulnerable during a downturn in general economic conditions; and making Superior unable to make capital expenditures that are important to its growth and strategies.

### *Assumption of NGL Propane's Liabilities*

Under the terms of the Purchase Agreement, Superior will effectively assume all of NGL Propane's liabilities post-closing. Superior may assume unknown liabilities that could be significant. There may be liabilities that Superior failed to discover or was unable to quantify during its pre-Transaction due diligence and Superior may not be indemnified for any of these liabilities under the Purchase Agreement. The subsequent discovery or quantification of material liabilities could have a material adverse effect on Superior's business, financial condition or future prospects. The representations and warranties contained in the Purchase Agreement, and related indemnification, may not apply or be sufficient so as to fully indemnify Superior for such liabilities.

### *Dependence on Key Personnel*

Superior intends to retain key personnel of NGL Propane following completion of the Transaction to continue to manage and operate NGL Propane. Superior will compete with other potential employers for employees, and it may not be successful in keeping the services of the executives and other employees that may be needed to allow Superior to realize the anticipated benefits of the Transaction. Superior's failure to retain key personnel as part of the management team of NGL Propane in the period following the Transaction Closing could have a material adverse effect on NGL Propane's business and, therefore, Superior's results of operations.

### *Information Provided by NGL Propane*

All information relating to NGL Propane contained in this prospectus supplement has been provided to Superior by NGL Propane or derived from the historical financial statements of NGL Propane. Although Superior has conducted what it believes to be a prudent and thorough level of investigation in connection with NGL Propane, an unavoidable level of risk remains regarding the accuracy and completeness of such information. While Superior has no reason to believe that the information provided by NGL Propane is misleading, untrue or incomplete in any material respect, Superior has not verified the accuracy or completeness of such information. Furthermore, the financial information contained or incorporated by reference in this prospectus supplement relating to NGL Propane may not reflect what NGL Propane's financial position, results of operations or cash flows would have been had Superior owned NGL Propane during the periods presented, or what Superior's financial position, results of operations or cash flows will be in the future. Superior has not made adjustments to such historical financial information to reflect changes that may occur in NGL Propane's cost structure, financing and operations as a result of the Transaction.

### *Risks Related to Potential Asset Sales*

Superior may be required as a result of anti-trust review to divest of assets or facilities of NGL Propane on or following the Transaction Closing Date. Should any such disposition be required, there can be no assurance as to the price which Superior would receive in any such disposition or the impact on NGL Propane's financial position, results of operations or cash flows.

### *Other Risk Factors*

As NGL Propane's business is substantially similar to Superior's Canadian and U.S. propane distribution divisions, many of the risks applicable to Superior as described in the AIF will be applicable to NGL Propane's business. See "Risks associated with our business" in the AIF.

## **LEGAL MATTERS**

The matters referred to under "Eligibility for Investment" and "Certain Canadian Federal Income Tax Considerations", as well as certain other legal matters relating to the issue and sale of the Subscription Receipts, will be passed upon on behalf of Superior by Torys LLP and on behalf of the Underwriters by Dentons Canada LLP. As at the date of this prospectus supplement, the partners and associates of Torys LLP beneficially own, directly and indirectly, less than 1% of the outstanding securities of Superior. As at the date of this prospectus supplement, the partners and associates of Dentons Canada LLP beneficially own, directly and indirectly, less than 1% of the outstanding securities of Superior.

## **AUDITORS, TRANSFER AGENT, REGISTRAR AND SUBSCRIPTION RECEIPT AGENT**

Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, is the auditor of Superior and has confirmed that it is independent of Superior within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. Ernst & Young LLP was appointed the auditor of Superior on February 16, 2018.

Deloitte LLP, Chartered Professional Accountants, Licensed Public Accountants, audited the Annual Financial Statements incorporated by reference herein and issued an independent auditors' report dated February 14, 2018 in respect of the Annual Financial Statements. As of February 14, 2018, and throughout the period covered by the Annual Financial Statements, Deloitte LLP was independent of Superior within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

Grant Thornton LLP, Independent Certified Public Accountants, is the auditor of the Retail Propane Business of NGL Energy Partners LP who has issued an independent auditors' report dated May 30, 2018 in respect of the combined audited financial statements for the year ended March 31, 2018 which is incorporated by reference herein. Grant Thornton LLP has confirmed that it is independent of the Retail Propane Business of NGL Energy Partners LP within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in the United States and any applicable legislation or regulations.

PricewaterhouseCoopers LLP, Chartered Professional Accountants, was the auditor of Canwest Propane ULC who has issued an independent auditors' report dated April 13, 2017 in respect of the audited combined consolidated financial statements of Canwest Propane ULC, Stittco Energy Limited and their respective subsidiaries as at December 31, 2016, December 31, 2015 and January 1, 2015 and for the years ended December 31, 2016 and 2015, which is included in the Canwest BAR incorporated by reference herein.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Calgary, Alberta.

The Subscription Receipt Agent, transfer agent and registrar for the Subscription Receipts will be Computershare Trust Company of Canada, at its principal office in Calgary, Alberta.

## AGENT FOR SERVICE OF PROCESS

Patrick Gottschalk, a director of Superior, resides outside of Canada and has appointed the following agent for service of process.

<u>Name of Person or Company</u>	<u>Name and Address of Agent</u>
Patrick Gottschalk	Superior Plus Corp. 200 Wellington Street West, Suite 401, Toronto, Ontario, M5V 3C7

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

### STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION AND CONTRACTUAL RIGHTS OF RESCISSION

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

Under the Subscription Receipt Agreement, original purchasers of Subscription Receipts pursuant to the Offering will have a non-assignable contractual right of rescission, exercisable against Superior following the issuance of the Common Shares to such purchaser upon the exchange of the Subscription Receipts, to receive the Offering Price paid for each such Subscription Receipt upon surrender of the Common Shares received following the exchange of such Subscription Receipts if this prospectus supplement (including documents incorporated herein by reference) or any amendment hereto contains a misrepresentation (within the meaning of the *Securities Act* (Ontario)), provided such remedy for rescission is exercised within 180 days of the closing of the Offering, following which this contractual right of rescission will be null and void. This contractual right of rescission shall be subject to the defences, limitations and other provisions described under Part XXIII of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers of Subscription Receipts under section 130 of the *Securities Act* (Ontario) or otherwise at law. For greater certainty, this contractual right of rescission under the Subscription Receipt Agreement is only in connection with a misrepresentation (within the meaning of the *Securities Act* (Ontario)) and is not a right to withdraw from an agreement to purchase securities within two business days as provided in securities legislation in certain provinces or territories of Canada.

Original purchasers of Subscription Receipts in the Offering are advised that in an offering of convertible securities, such as the Subscription Receipts, the statutory right of action for damages for a misrepresentation contained in a prospectus is, under the securities legislation of certain provinces or territories, limited to the price at which the convertible security was offered to the public under the prospectus offering. Accordingly, any further payment made at the time of conversion of the security may not be recoverable in a statutory action for damages in such provinces or territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this statutory right of action for damages, or consult with a legal adviser.

## CERTIFICATE OF THE UNDERWRITERS

Dated: June 1, 2018

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of all provinces and territories of Canada.

**TD SECURITIES INC.**

By: (Signed) John Kroeker

**CIBC WORLD MARKETS INC.**

By: (Signed) Chris Folan

**BMO NESBITT BURNS INC.**

By: (Signed) Jeff Watchorn

**NATIONAL BANK FINANCIAL INC.**

By: (Signed) Iain Watson

**RBC DOMINION  
SECURITIES INC.**

By: (Signed) Claire Sturgess

**SCOTIA CAPITAL INC.**

By: (Signed) Sean McIntyre

**ALTACORP CAPITAL INC.**

By: (Signed) Michael W. de Carle

**CANACCORD GENUITY  
CORP.**

By: (Signed) Steve Winokur

**DESJARDINS SECURITIES  
INC.**

By: (Signed) William Tebbutt

**INDUSTRIAL ALLIANCE  
SECURITIES INC.**

By: (Signed) Trevor Conway

**RAYMOND JAMES  
LTD.**

By: (Signed) Glenn Gatcliffe