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For immediate release

PINNACLE RENEWABLE HOLDINGS INC. COMPLETES INITIAL PUBLIC OFFERING

February 6, 2018 – Vancouver, BC – Pinnacle Renewable Holdings Inc. (“Pinnacle”) today announced the successful closing of the initial public offering and secondary offering (the “Offering”) of its common shares (the “Common Shares”). The Offering included a treasury offering by Pinnacle and a secondary offering of Common Shares by certain existing shareholders (the “Selling Shareholders”), at a price of \$11.25 per Common Share. Pursuant to the Offering, Pinnacle sold 6,223,889 Common Shares for total gross proceeds of approximately \$70 million and the Selling Shareholders sold 7,111,111 Common Shares for total gross proceeds of approximately \$80 million.

The Common Shares will commence trading today on the Toronto Stock Exchange under the symbol “PL”.

The Offering was co-led by CIBC Capital Markets and RBC Capital Markets, together with Scotiabank and BMO Capital Markets, as joint bookrunners, and National Bank Financial Inc., GMP Securities L.P., Raymond James Ltd. and HSBC Securities (Canada) Inc., as underwriters.

The underwriters have also been granted an over-allotment option (the “Over-Allotment Option”) to purchase up to an additional 2,000,250 Common Shares from certain Selling Shareholders at a price of \$11.25 per Common Share for additional gross proceeds of approximately \$22.5 million if the Over-Allotment Option is exercised in full. The Over-Allotment Option can be exercised for a period of 30 days from the closing date of the Offering.

In connection with certain pre-closing capital changes effected immediately prior to closing of the Offering, ONCAP II L.P., ONCAP (US) II L.P., ONCAP (US) II-A L.P., ONEX Parallel Investment (ONCAP) L.P. and Biomass EI Ltd. (collectively, the “ONCAP Entities”) converted various shares and convertible debt instruments they held in Pinnacle in accordance with their terms in exchange for 14,112,787 Common Shares in aggregate.

After giving effect to these transactions, the ONCAP Entities exercise control or direction over 14,112,787 Common Shares, representing approximately 42.9% of the outstanding Common Shares. The general partner of ONCAP II L.P., ONCAP (US) II L.P., ONCAP (US) II-A L.P. and ONEX Parallel Investment (ONCAP) L.P. is ONCAP Investment Partners II L.P., which is owned by certain members of management of ONCAP. ONCAP Investment Partners II Inc. has voting control over ONCAP Investment Partners II L.P. Onex Corporation has voting control over ONCAP Investment Partners II Inc. Voting and dispositive powers with respect to the Common Shares which will be held by the ONCAP Entities upon completion of the Offering will be exercised by ONCAP Investment Partners II L.P.

The Common Shares were received by the ONCAP Entities on conversion of their prior instruments in the capital of Pinnacle, which were originally acquired for investment purposes. Subject to applicable law, the ONCAP Entities may purchase or sell Common Shares from time to time.

For further information and to obtain a copy of the early warning report to be filed under applicable Canadian securities laws in connection with the foregoing matters, please see Pinnacle's profile on SEDAR at www.sedar.com.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The Common Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws. Accordingly, the Common Shares may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Pinnacle in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Pinnacle

Pinnacle is a rapidly growing industrial wood pellet manufacturer and distributor and the third largest producer in the world. We produce renewable fuel for electricity generation in the form of industrial wood pellets, which are used by global utilities and large-scale power generators to produce renewable and reliable baseload power. We are a trusted supplier to our customers, who require reliable, high quality fuel supply to maximize utilization of their facilities. We operate six industrial wood pellet production facilities, a port terminal, and have new production facilities under development in Entwistle, Alberta and Smithers, B.C. Pinnacle has entered into long-term take-or-pay contracts with utilities in the UK, Europe and Asia that represent 100% of our production capacity through 2021 and nearly 80% of our production capacity through 2026.

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