

The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed. This Letter of Transmittal is for depositing your Common Shares in connection with the Redemption being carried out as part of the Going Private Transaction involving Seaway Energy Services Inc. and its common shareholders.

**LETTER OF TRANSMITTAL**  
**FOR COMMON SHARES OF**  
**SEAWAY ENERGY SERVICES INC.**

This Letter of Transmittal is for use by holders (“**Minority Shareholders**”) of common shares (“**Common Shares**”) of Seaway Energy Services Inc. (“**Seaway**” or the “**Company**”) whose common shares are being redeemed by the Company (the “**Redemption**”) as part of the Company’s going private transaction (the “**Going Private Transaction**”). Minority Shareholders are referred to the Notice of Meeting and the Management Information Circular dated January 6, 2012 (the “**Circular**”) prepared in connection with the Meeting that accompanies this Letter of Transmittal for additional details regarding the Redemption and the Going Private Transaction. Capitalized terms used but not defined in this Letter of Transmittal have the meanings set out in the Circular. **You are encouraged to carefully review the Circular in its entirety.**

**Completion of the Redemption is subject to a number of conditions, some of which are beyond the control of Seaway.** A Minority Shareholder (other than Dissenting Shareholders) who holds Common Shares will, upon the Redemption becoming effective, be entitled to receive payment of his, her or its entitlement of Cdn.\$0.040 per Common Share (the “**Consideration**”).

**In order to receive Consideration that a Minority Shareholder is entitled to receive after the Effective Date, such Minority Shareholder is required to deposit the certificates representing Common Shares registered under his, her or its name with Equity Financial Trust Company (the “Depository”).** Minority Shareholders holding Common Shares which are registered in the name of a broker, investment dealer, bank, trust company or other nominee must contact their nominee holder to arrange for surrender of their Common Shares to the Depository. This Letter of Transmittal, properly completed and duly executed, together with all other required documents, must accompany all Common Share certificates deposited with the Depository pursuant to the Redemption.

**Minority Shareholders who do not deliver their Common Share certificates and all other required documents to the Depository on or before the date which is three years after the Effective Date shall lose their right to receive Consideration for their Common Shares.**

**TO: EQUITY FINANCIAL TRUST COMPANY, at the office set out herein**

**AND TO: SEAWAY ENERGY SERVICES INC.**

**Please read the Circular and the instructions set out below carefully before completing this Letter of Transmittal. Delivery of this Letter of Transmittal to an address other than as set forth herein will not constitute a valid delivery. If Common Shares are registered in different names, a separate Letter of Transmittal must be submitted for each different registered owner. See Instruction 2.**

In connection with the Redemption, the undersigned hereby deposits with the Depository the enclosed certificate(s) representing Common Shares, details of which are as follows:

Certificate Number(s)	Name(s) in which Registered	Number of Common Share(s) Deposited
<i>(Please print or type. If space is insufficient, please attach a list to this Letter of Transmittal in the above form.)</i>		<b>TOTAL:</b>

It is understood that, upon receipt of this Letter of Transmittal duly completed and signed and of the certificate(s) representing the Common Shares deposited herewith (the “**Deposited Shares**”) and following the Effective Time, the Depository will deliver to the undersigned the Consideration for such Deposited Shares that the undersigned is entitled to receive pursuant to the Redemption, or hold such Consideration for pick-up in accordance with the instructions set out below, and the certificate(s) representing the Deposited Shares shall forthwith be cancelled. It is understood that all payments will be net of any amounts required to be withheld by law including in respect of any applicable withholding taxes.

The undersigned holder of Deposited Shares represents and warrants in favour of Seaway that: (i) the undersigned is the registered holder of the Deposited Shares; (ii) such Deposited Shares are owned by the undersigned free and clear of all mortgages, liens, charges, encumbrances, security interests and adverse claims; (iii) the undersigned has full power and authority to execute and deliver this Letter of Transmittal and to deposit, sell, assign, transfer and deliver the Deposited Shares and that, when the Consideration is paid, none of Seaway or any successor thereto will be subject to any adverse claim in respect of such Deposited Shares; (iv) the Deposited Shares have not been sold, assigned or transferred, nor has any agreement been entered into to sell, assign or transfer any such Deposited Shares, to any other person; (v) the surrender of the Deposited Shares complies with applicable laws; (vi) all information inserted by the undersigned into this Letter of Transmittal is accurate, and (vii) unless the undersigned shall have revoked this Letter of Transmittal by notice in writing given to the Depositary prior to the Effective Date, the undersigned will not, prior to such time, transfer or permit to be transferred any of such Deposited Shares. These representations and warranties shall survive the completion of the Redemption.

Except for any proxy deposited with respect to the vote on the Pre-Redemption Amendment Resolution in connection with the Meeting, the undersigned revokes any and all authority, other than as granted in this Letter of Transmittal, whether as agent, attorney-in-fact, proxy or otherwise, previously conferred or agreed to be conferred by the undersigned at any time with respect to the Deposited Shares and no subsequent authority, whether as agent, attorney-in-fact, proxy or otherwise, will be granted with respect to the Deposited Shares.

The undersigned will, upon request, execute any signature guarantees or additional documents deemed by the Depositary to be reasonably necessary or desirable to complete the transfer of the Deposited Shares.

The undersigned acknowledges that all authority conferred or agreed to be conferred by the undersigned in this Letter of Transmittal is, to the greatest extent permitted by the applicable laws, irrevocable and may be exercised during any subsequent legal incapacity of the undersigned and shall, to the greatest extent permitted by the applicable laws, survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

The undersigned instructs Seaway and the Depositary to mail the cheque(s) representing the Consideration that the undersigned is entitled to receive pursuant to the Redemption representing payment for the Deposited Shares promptly after the Effective Time, by first-class mail, postage prepaid, to the undersigned, or to hold such cheque(s) for pick-up, in accordance with the instructions given below. If no such address is specified by the undersigned, the applicable cheque(s) will be sent to the address of the undersigned as shown on the register of Shareholders maintained by Seaway or the registrar and transfer agent of Seaway. Cheque(s) mailed in accordance with this paragraph will be deemed to be delivered at the time of mailing.

All payments of Consideration will be made in Canadian dollars, unless the Minority Shareholder depositing Common Shares with the Depositary elects to receive payment in U.S. dollars by checking the appropriate box provided in Box "D". The amount payable in U.S. dollars will be determined on the exchange rate available to the Depositary at its typical banking institution on the date the funds are converted. A Minority Shareholder electing to have the Consideration paid in U.S. dollars will have further acknowledged and agreed that any change to the currency exchange rates of the United States or Canada will be at the sole risk of such Minority Shareholder.

If the Redemption is not completed or proceeded with, the enclosed certificate(s) and all other ancillary documents will be returned forthwith to the undersigned at the address set out below in Box "A" or "B", as applicable or, failing such address being specified, to the undersigned at the last address of the undersigned as it appears on the securities register of Seaway.

The undersigned acknowledges that there shall be no duty or obligation on Seaway, the Depositary or any other person to give notice of any defect or irregularity in any deposit and no liability shall be incurred by any of them for failure to give such notice.

It is understood that under no circumstances will interest accrue or be paid on the Consideration payable in respect of the Deposited Shares in connection with the Redemption.

By reason of the use by the undersigned of an English language Letter of Transmittal, the undersigned shall be deemed to have required that any contract in connection with the delivery of the cheque(s) representing the Consideration that the undersigned is entitled to receive under the Redemption through this Letter of Transmittal, as well as all documents related thereto, be drawn exclusively in the English language. En raison de l'utilisation d'une lettre d'envoi en langue anglaise par le soussigné, le soussigné et les destinataires sont présumés avoir requis que tout contrat attesté par ceci et son acceptation au moyen de la présente lettre d'envoi, de même que tous les documents qui s'y rapportent, soient rédigés exclusivement en langue anglaise.

**SEAWAY SHAREHOLDER INFORMATION AND INSTRUCTIONS**

Before signing this Letter of Transmittal, please review carefully and complete the following boxes, as appropriate.

<b>BOX A</b>
<input type="checkbox"/> DELIVER CHEQUE(S) REPRESENTING THE CONSIDERATION IN THE NAME OF: (please print or type)
_____
(Name)
_____
(Street Address and Number)
_____
(City and Province or State)
_____
(Country and Postal (Zip) Code)
_____
(Telephone – Business Hours)
_____
(Social Insurance, Social Security Number or Tax Identification Number)

<b>BOX B</b>
<b>SPECIAL DELIVERY INSTRUCTIONS</b>
To be completed ONLY if cheque(s) representing the Consideration to which the undersigned is entitled under the Redemption are to be sent to someone other than the person shown in Box A or to an address other than the address shown in Box A, unless Box C is checked.
<input type="checkbox"/> Same address as Box A; or
_____
(Name)
_____
(Street Address and Number)
_____
(City and Province or State)
_____
(Country and Postal (Zip) Code)

<b>BOX C – SPECIAL PICK UP INSTRUCTIONS</b>
<input type="checkbox"/> HOLD CHEQUE(S) REPRESENTING THE CONSIDERATION FOR PICK-UP AT THE OFFICE OF THE DEPOSITARY

<b>BOX D</b>
<b>CURRENCY OF PAYMENT INSTRUCTIONS</b>
Unless the box below is checked, Consideration will be made in Canadian funds.
<input type="checkbox"/> U.S. Funds.

<b>BOX E</b>	
TO BE COMPLETED BY ALL SHAREHOLDERS BY SELECTING ONE BOX BELOW.	
<input type="checkbox"/>	The undersigned is a resident in Canada for tax purposes.
OR	
<input type="checkbox"/>	The undersigned is <b><u>not</u></b> a resident in Canada for tax purposes.

<b>BOX F – SIGNATURE GUARANTEE</b>	
Signature guaranteed by <i>(if required under Instruction 3):</i>	
Authorized Signature	
Name of Guarantor <i>(please print or type)</i>	
Address <i>(please print or type)</i>	
Area Code and Telephone Number	

<b>BOX G – SIGNATURE</b>	
Dated: _____	
(Signature of Seaway Shareholder or authorized representative)	
(Signature of any joint holder)	
(Name of Shareholder)	
(Name of Authorized representative)	
(Area Code and Daytime Telephone Number)	

## **INSTRUCTIONS**

### **1. Use of Letter of Transmittal**

- (a) Shareholders should read the accompanying Circular prior to completing this Letter of Transmittal.
- (b) This Letter of Transmittal duly completed and signed (or an originally signed facsimile copy thereof) together with accompanying certificates representing the Common Shares and all other required documents must be sent or delivered to the Depository at the addresses set out on the back of this Letter of Transmittal.
- (c) The method used to deliver this Letter of Transmittal and any accompanying certificates representing Common Shares and all other required documents is at the option and risk of the Minority Shareholder, and delivery will be deemed effective only when such documents are actually received. Seaway recommends that this Letter of Transmittal and the necessary documentation be hand delivered to the Depository at the address set out on the back of this Letter of Transmittal, and a receipt obtained; otherwise the use of registered mail with return receipt requested, properly insured, is recommended. It is also recommended that this Letter of Transmittal and the necessary documentation be received by the Depository at its office prior to 4:00 p.m. (Toronto time) on February 1, 2012. Minority Shareholders whose Common Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in depositing those Common Shares. Delivery to an office other than to the specified office does not constitute delivery for this purpose.
- (d) Seaway reserves the right if it so elects in its absolute discretion to instruct the Depository to waive any defect or irregularity contained in any Letter of Transmittal received by it.

### **2. Signatures**

This Letter of Transmittal must be completed and signed by the holder of Common Shares or by such holder's duly authorized representative (in accordance with paragraph 4 below of these Instructions).

- (a) If this Letter of Transmittal is signed by the registered owner(s) of the accompanying certificate(s), such signature(s) on this Letter of Transmittal must correspond with the name(s) as registered or as written on the face of such certificate(s) without any change whatsoever, and the certificate(s) need not be endorsed. If such deposited certificate(s) are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.
- (b) If this Letter of Transmittal is signed by a person other than the registered owner(s) of the accompanying certificate(s), or if a certificate(s) representing Common Shares is to be issued to a person other than the registered owner(s):
  - (i) such deposited certificate(s) must be endorsed or be accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered owner(s); and
  - (ii) the signature(s) on such endorsement or share transfer power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the certificate(s) and must be guaranteed as noted in paragraph 3 below of these Instructions.

### **3. Guarantee of Signatures**

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Common Shares or if the payment is to be issued in a name other than the registered owner(s), such signature must be guaranteed by an Eligible Institution (see below), or in some other manner satisfactory to the Depository (except that no guarantee is required if the signature is that of an Eligible Institution). An "Eligible Institution" means a Canadian Schedule I chartered bank, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Dealers Association of Canada, members of the National Association of Securities Dealers or banks and trust companies in the United States.

### **4. Fiduciaries, Representatives and Authorizations**

Where this Letter of Transmittal is executed by a person as an executor, administrator, trustee or guardian, or on behalf of a corporation, partnership or association or is executed by any other person acting in a representative capacity, this Letter of Transmittal must be accompanied by satisfactory

evidence of the authority to act. Seaway or the Depository, at their discretion, may require additional evidence of authority or additional documentation.

## **5. Delivery Instructions**

All cheque(s) to be issued in exchange for the Deposited Shares will be issued in the name of the person indicated in Box "A" on this Letter of Transmittal and delivered to the address indicated in Box "A" (unless Box "B" on this Letter of Transmittal has been completed). If any cheque(s) are to be held for pick-up at the offices of the Depository, complete Box "C" on this Letter of Transmittal. If neither Box "A" nor Box "B" is completed, any cheque(s) issued in exchange for the Deposited Shares will be issued in the name of the registered holder of the Deposited Shares and will be mailed to the address of the registered holder of the Deposited Shares as it appears on the register of Seaway or its registrar and transfer agent. Any cheque(s) mailed in accordance with this Letter of Transmittal will be deemed to be delivered at the time of mailing.

## **6. Lost Certificates**

If a certificate representing Common Shares has been lost or destroyed or stolen, this Letter of Transmittal should be completed as fully as possible and forwarded, together with a letter describing the loss, to the Depository. The undersigned may be required to complete and submit certain documents, including a bond and/or indemnity. The Depository and/or the registrar and transfer agent for the Common Shares will respond with replacement requirements (which may include bonding requirement) for payment of the Consideration.

## **7. Return of Certificates**

If the Redemption does not proceed for any reason, any certificate(s) for Common Shares received by the Depository will be returned to you forthwith in accordance with your delivery instructions in Box "A" or "B", as applicable, on this Letter of Transmittal, or failing such address being specified, to the undersigned at the last address of the undersigned as it appears on the securities register of Seaway.

## **8. Privacy Notice**

Equity Financial Trust Company is committed to protecting your personal information. In the course of providing services to you and our corporate clients, we receive non public personal information about you – from transactions we perform for you, forms you send us, other communications we have with you or your representatives, etc. This information could include your name, address, social insurance number, securities holdings and other financial information. We use this to administer your account, to better serve your and our clients' needs and for other lawful purposes relating to our services. We have prepared a Privacy Statement to tell you more about our information practices and how your privacy is protected. It is available at our website, [www.equityfinancialtrust.com](http://www.equityfinancialtrust.com), or by writing us at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1. Equity Financial Trust Company will use the information you are providing on this form in order to process your request and will treat your signature(s) on this Letter of Transmittal as your consent to the above.

## **9. Miscellaneous**

- (a) If the space on this Letter of Transmittal is insufficient to list all certificates for Deposited Shares, additional certificate numbers and number of Shares may be included on a separate signed list affixed to this Letter of Transmittal.
- (b) If Deposited Shares are registered in different forms (e.g., "John Doe" and "J. Doe") a separate Letter of Transmittal should be signed for each different registration.
- (c) No alternative, conditional or contingent deposits of Deposited Shares will be accepted.
- (d) All questions as to the validity, form, eligibility (including timely receipt) and acceptance of Common Shares deposited pursuant to the Redemption will be determined by Seaway in its sole discretion. Holders of Deposited Shares agree that such determination shall be final and binding. Seaway reserves the absolute right to reject any and all deposits which it determines not to be in proper form or which may be unlawful to accept under the laws of any jurisdiction. Seaway reserves the absolute right to waive any defects or irregularities in the deposit of any Common Shares. There shall be no duty or obligation of Seaway, the Depository, or any other person to give notice of any defects or irregularities of any deposit and no liability shall be incurred by any of them for failure to give any such notice. Seaway's interpretation of the terms and conditions of the Support Agreement, the Circular and this Letter of Transmittal will be final and binding.
- (e) Additional copies of the Circular and Letter of Transmittal may be obtained from the Depository at the address set out on the back of this Letter of Transmittal.

- (f) It is strongly recommended that prior to completing this Letter of Transmittal, the undersigned read the accompanying Circular and discuss any questions with a tax advisor.
- (g) Any questions should be directed to the Depositary at 416-361-0152 or by e-mail to [investor@equityfinancialtrust.com](mailto:investor@equityfinancialtrust.com).

**(This page intentionally left blank)**



**The office of the Depositary is:**

**By Mail**

Equity Financial Trust Company  
200 University Avenue, 4th Floor  
Toronto, Ontario M5H 4H1

Attention: Corporate Actions

**By Registered Mail, Hand or by Courier to the attention of Corporate Actions as follows:**

***Toronto***

Equity Financial Trust Company  
200 University Avenue, 4th Floor  
Toronto, Ontario M5H 4H1

**Inquiries**

Toll Free: 1-866-393-4891 (North America)

Phone: 416-361-0152 (Overseas)

Email: [corporateactions@equityfinancialtrust.com](mailto:corporateactions@equityfinancialtrust.com)

Any questions and requests for assistance may be directed by Shareholders to the Depositary at the telephone number and locations set out above.