

NOTICE OF CHANGE OF AUDITOR

- TO:** Ernst & Young LLP, Chartered Professional Accountants, Vancouver, British Columbia, Canada ("**E&Y**")
- AND TO:** KPMG LLP, Chartered Professional Accountants, Vancouver, British Columbia, Canada ("**KPMG**")
- AND TO:** British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
The Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Nova Scotia Securities Commission
Financial and Consumer Services Commission (New Brunswick)
Office of the Superintendent of Securities (Prince Edward Island)
Office of the Superintendent of Securities Service Newfoundland and Labrador

E&Y has resigned, effective as of September 6, 2018, as auditor for Tree Island Steel Ltd. (the "**Corporation**"). KPMG has been appointed by the board of directors of the Corporation to fill E&Y's vacancy effective as of September 6, 2018.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), the Corporation reports that:

1. E&Y has resigned, upon the Corporation's request, as auditor of the Corporation effective September 6, 2018;
2. the change of auditor and the recommendation to appoint KPMG was considered by the audit committee of the Corporation and approved by the board of directors of the Corporation;
3. there have been no adverse or qualified opinions or denials of opinion or similar reservations contained in E&Y's report on any financial information or financial statement of the Corporation in the two most recent completed fiscal years preceding the date of this notice; and
4. there are no "reportable events" as such term is defined in NI 51-102.

DATED this 6th day of September, 2018.

TREE ISLAND STEEL LTD.

"Nancy Davies" (signed)

Nancy Davies
Chief Financial Officer