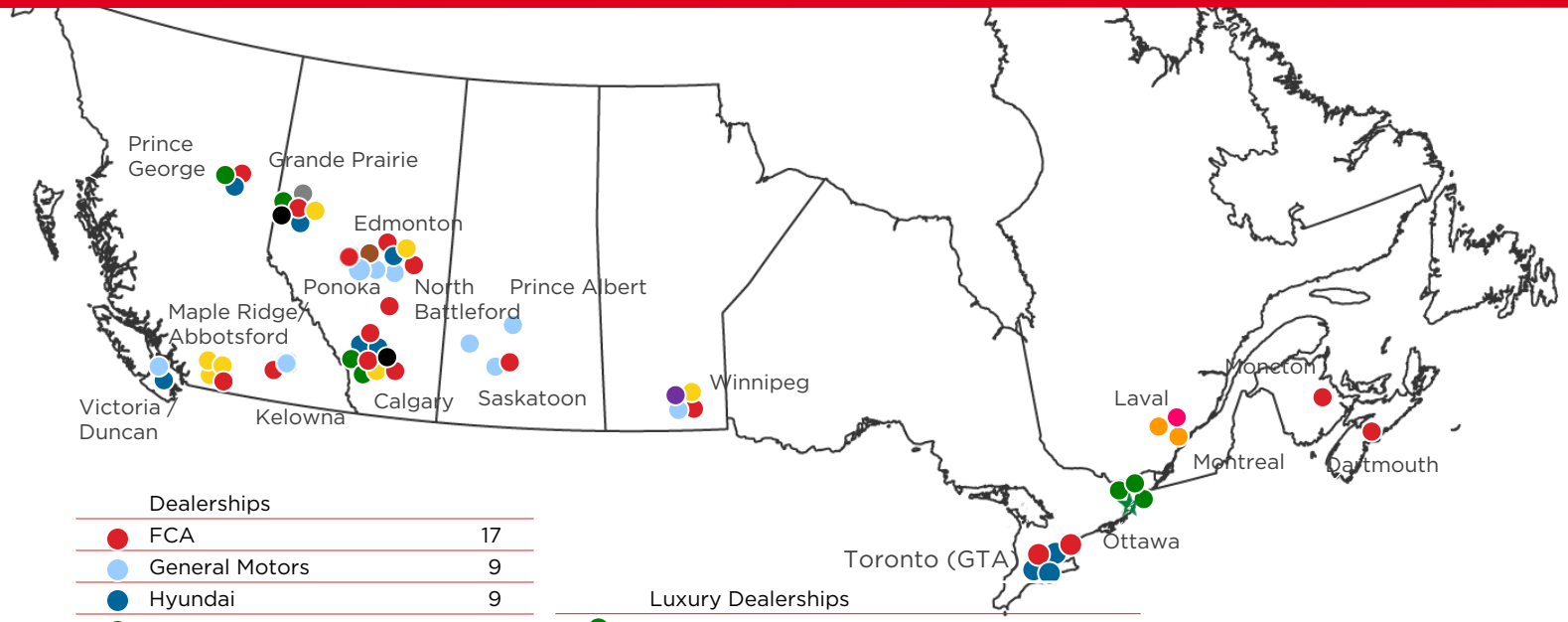
AutoCanada

Annual General Meeting

May 5, 2017

Certain information contained in this presentation looks forward in time and deals with other than historical or current facts for AutoCanada Inc. ("AutoCanada" or the "Company"). The use of any of the words "could", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. In particular, forward-looking statements in this presentation include, but are not limited to, references to: the Company's general strategic plans and growth strategies; future sales and revenue; future dealership acquisitions and open point dealerships; the Company's targets relating to return on investment and financial ratios; dividend payout policies; future intentions relating to financial leverage; and the retail automotive industry. Although the Company believes that the expectations reflected by the forward-looking statements presented in this presentation are reasonable, these statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Actual future results may differ materially. The Company's annual information form for the year ended December 31, 2016 and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) describe the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

AUTOCANADA OWNS SOME OF THE TOP PERFORMING DEALERSHIPS



Dealerships	
FCA	17
General Motors	9
Hyundai	9
Nissan	5
Volkswagen	7
Mitsubishi	2
Subaru	1
Kia	1
Total	**51**

Luxury Dealerships	
Infiniti	2
Cadillac	2
Audi	1
BMW / MINI	2
Mercedes	1
Total	**8**

Dealership Locations & Brands

Dealerships	57
OEMs	10
Brands	20
’16 Total Revenue	$2.9B
New Vehicles Sold	40,032
Used Vehicles Sold	19,561

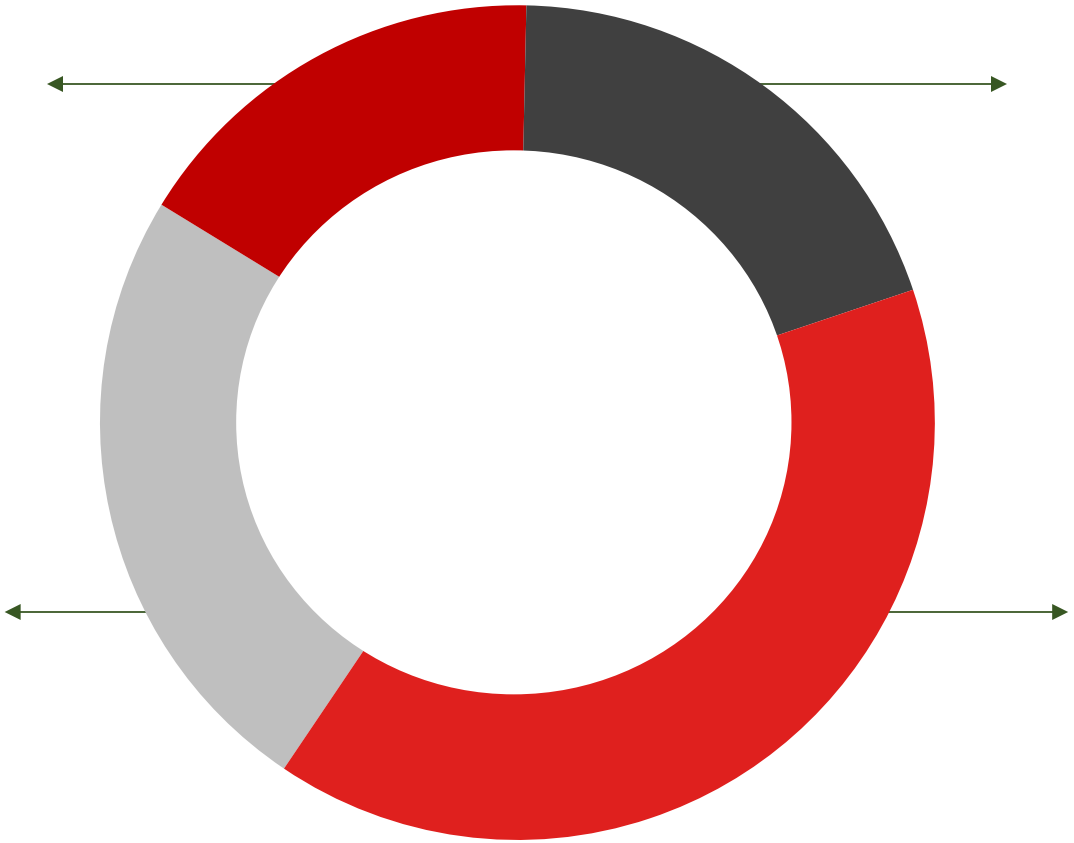
Sales Platform Mix

European Import
16.6%

MINI, BMW, Audi, VW

Asian Import
24.3%

KIA, NISSAN, SUBARU, HYUNDAI, MITSUBISHI MOTORS, INFINITI



General Motors
19.5%

Cadillac, CHEVROLET, GMC, BUICK

FCA
39.6%

CHRYSLER, Jeep, FIAT, DODGE, RAM

FOCUS ON IMPROVING BALANCE

Our Focus

Strategic Levers

OPERATIONAL EXCELLENCE

- Dealership Performance
- Same Store Metrics
- Improved Margins
- New Technologies

ACQUISITION & GROWTH STRATEGY

- Diversification Across Canada
- Brand Portfolio Balance
- Accretion
- Dealer Clusters in Key Markets

COST CONTROL & BALANCE SHEET

- Variable Expenses as % of Gross Profit
- Interest Expense
- Manage Debt & Capital Expenditures

Key Themes

Improving Vehicle Sales in Canada	• Auto retail sector performed well in 2016; new vehicle sales increased by 2.7%, surpassing the all-time record • In March 2017, Canadian light vehicle sales increase 7.1% Y/Y to 187,540 units • Advances in technology, styling and safety expected to drive long-term new vehicle sales gains
Auto Retail Sector is a Key Part of the Economy	• Annual spending of $143 billion in 2016 up 9.3% compared to 2015 • Greater than any other Canadian retail segment
Market Highly Fragmented but Continuing to Consolidate	• Canadian dealer market is fragmented with approximately 3,300 dealerships with approximately 2,000 owners • Industry shifting from "mom & pop" dealerships to larger dealer groups • AutoCanada is well positioned to capitalize on this industry consolidation
Succession Planning Opportunity Leading to Significant Ownership Turnover	• A significant proportion of dealers will be retiring in the next five years creating a "succession planning opportunity" • Over 70% of dealers want to be semi-retired or completely out of the business in five years and fully retired within 10 years[1] • Dealership owners are facing increasing facility capital requirements for OEM branding programs
Public Ownership Evolving in Canada	• OEM acceptance of publicly-listed companies is growing in Canada • As evidenced by AutoCanada's acquisition of Mercedes-Benz Rive-Sud in May 2017

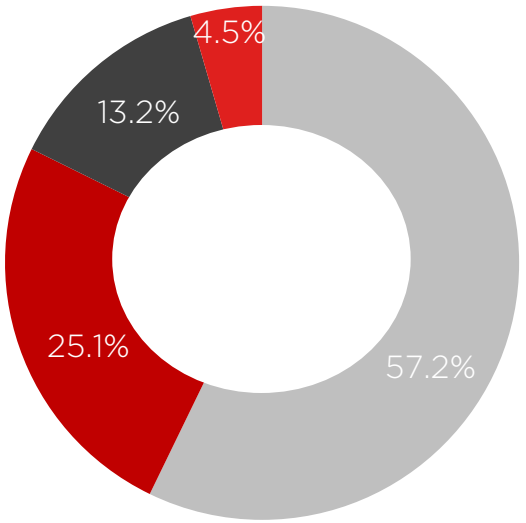
(1) Source: PricewaterhouseCooper's Automotive Trendsetter Report 2012

As at December 31,	2015	2016	% Change
New vehicles (units)	42,457	40,032	-5.7%
Used vehicles (units)	20,342	19,561	-3.8%
Parts, service, and collision repair	$194M	$201M	3.6%
Adjusted net income	$39.9M	$40.3M	1.0%
Gross profit %	16.8%	16.8%	0%
Basic adjusted earnings per share	$1.64	$1.46	-0.18%
Adjusted free cash flow	$38.8M	$68.6M	76.8%

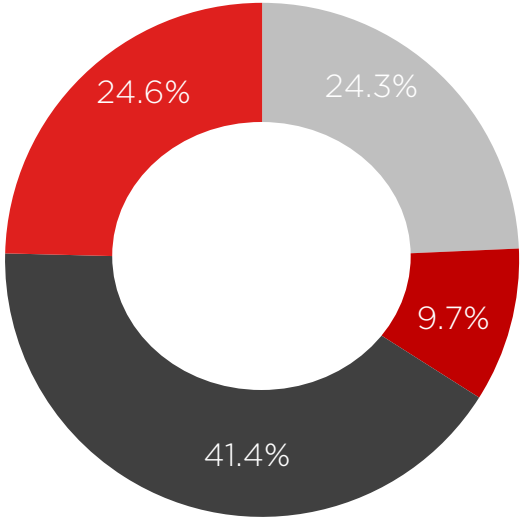
DIVERSIFIED REVENUE SUPPORTS STRONG BUSINESS MODEL

- The auto dealer business model is resilient in adverse market conditions
- Well-established and accepted dealership model has existed for 50+ years in the Canadian marketplace
  - OEMs committed to dealership success and profitability
- Four business segments provide diversified and stable revenue
- Dealerships have a variable cost structure, with the parts & service business covering most of the fixed costs of the entire dealership
  - Parts & service business is a counter-cyclical and stable recurring revenue stream

2016
Revenue



2016
Gross Profit



New Vehicle Sales
Used Vehicle Sales
Parts, Services & Collison Repair
Finance and Insurance

Wellington Motors
Guelph Ont.

- The transaction closed October 1, 2016
- Expands AutoCanada's Ontario platform
- Annual revenue of $46 million

Guelph Hyundai
Guelph Ont.

- The transaction closed December 19, 2016
- Expands AutoCanada's Ontario platform
- Annual revenue of $31 million

Sherwood Park Volkswagen
Sherwood Park Ab.

- Opened February 1, 2017

Mercedes-Benz Rive-Sud

- The transaction closed May 1, 2017
- Expands AutoCanada's brand offering to 20
- 2016 annual revenue of $90 million

Audi Winnipeg
Winnipeg Mb.

- Construction in progress
  – expected completion Q4 2017 or early 2018

AutoCanada

Thank You