This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, broker, bank manager, lawyer or other professional advisor.

AECON GROUP INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND MANAGEMENT INFORMATION CIRCULAR

Annual Meeting to be held at 9:30 a.m. (Mountain Daylight Time)
June 12, 2012

at

Hyatt Regency Calgary
700 Centre Street SE
Calgary, Alberta

Invitation to Shareholders

I am pleased to invite you, as a valued fellow shareholder of Aecon Group Inc. ("**Aecon**"), to join the Board of Directors and the senior leadership team of Aecon at our Annual Meeting (the "**Meeting**") on June 12, 2012 at 9:30 a.m. (Mountain Daylight Time) which will take place at the Hyatt Regency Calgary in Calgary, Alberta.

The Meeting is your opportunity to receive a first-hand account of Aecon's performance in 2011 and to learn about our plans for the future. I will provide a report on Aecon's affairs. Should you have questions about our past performance or future direction, this is an excellent forum to seek answers to your questions. It is also an opportunity to meet members of the Board of Directors and the senior leadership team of Aecon.

As an important and valued shareholder in Aecon we urge you, should you be unable to attend the Meeting in person, to vote your shares in advance of the Meeting on the internet or by telephone or to exercise the power of your proxy vote, all as explained in the attached Management Information Circular.

Should you require additional information, please visit our corporate website at *www.aecon.com*. Also available online is Aecon's Annual Information Form for the year ended December 31, 2011, Aecon's annual audited financial statements for the year ended December 31, 2011 and related management's discussion and analysis as well as other useful information. A copy of my address to the Meeting will also be available on our website.

Whether you elect to make your vote count on the internet, by telephone, in person or by proxy, we appreciate your participation in this important forum for our shareholders as well as your continued support.

Sincerely,

John M. Beck
Chairman and Chief Executive Officer

May 11, 2012

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of shareholders of Aecon Group Inc. (the "**Corporation**") will be held at the Hyatt Regency Calgary, 700 Centre Street SE, Calgary, Alberta, Canada, on Tuesday, June 12, 2012 at 9:30 a.m. (Mountain Daylight Time) for the following purposes:

(a) to receive the annual financial statements of the Corporation for the financial year ended December 31, 2011 and the report of the auditors thereon;

(b) to elect directors of the Corporation;

(c) to reappoint the auditors of the Corporation and to authorize the board of directors of the Corporation to fix their remuneration; and

(d) to transact such other business as may properly come before the Meeting or any adjournment thereof.

The directors of the Corporation have fixed the close of business on May 8, 2012 as the record date for the determination of the shareholders of the Corporation entitled to receive notice of and to vote at the Meeting.

DATED at Toronto, Ontario, on this 11th day of May, 2012.

BY ORDER OF THE BOARD OF DIRECTORS

L. Brian Swartz
Executive Vice President, Legal and Commercial Services
and Corporate Secretary

Shareholders are entitled to vote at the Meeting either on the internet, by telephone, in person or by proxy. If you are unable to attend the Meeting in person, please exercise your right to vote by completing and signing the enclosed form of proxy and returning it by mail or delivery to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 (fax: +1-866-249-7775 within North America or +1-416-263-9524 from all other countries). Alternatively, electronic voting is available for the Meeting on the internet at *www.investorvote.com* and telephone voting is available by contacting Computershare Investor Services Inc. at +1-866-732-8683. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the same manner as, votes cast via a paper form of proxy. Further details on the electronic and telephone voting processes are provided in the enclosed form of proxy. **Proxies to be used at the Meeting must be delivered to Computershare Investor Services Inc. so as to be received no later than 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used or delivered to the Chairman of the Meeting prior to commencement of the Meeting or any adjournment thereof, in order for the proxy to be voted. Votes cast electronically or by telephone must be submitted no later than 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.**

Q: What am I voting on?

A: Holders (“**Shareholders**”) of common shares of Aecon Group Inc. (“**Aecon**”) are voting on the election of directors to the board of directors of Aecon (the “**Board**”) until the next annual meeting of Shareholders, the reappointment of the auditors of Aecon for 2012 and the Board’s authorization to fix their remuneration and such other business as may be properly brought before the 2012 annual meeting of Shareholders (the “**Meeting**”), or any adjournment thereof.

Q: Who is entitled to vote?

A: Only Shareholders as at the close of business on May 8, 2012 are entitled to vote. Shareholders are entitled to one vote in respect of each share held on those items of business identified in the accompanying Notice of Annual Meeting of Shareholders of Aecon Group Inc. (the “**Notice of Meeting**”).

Q: How do I vote?

A: There are several ways you can vote your shares if you are a registered Shareholder. You may (i) vote in person at the Meeting; (ii) sign the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a Shareholder, to represent you as proxyholder and to attend the Meeting and to vote your shares; (iii) vote electronically on the internet at *www.investorvote.com*; or (iv) vote using a touch-tone phone by contacting Computershare Investor Services Inc. at +1-866-732-8683. If your shares are held in the name of a nominee, please see the final question and answer set out in this section for voting instructions.

Q: What if I plan to attend the Meeting and vote in person?

A: If you are a registered Shareholder and plan to attend the Meeting on June 12, 2012 and wish to vote your shares in person at the Meeting, do not complete or return the form of proxy and do not vote on the internet or by telephone. Your vote will be taken and counted at the Meeting. Please register with Aecon’s transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting. If your shares are held in the name of a nominee, please see the final question and answer set out in this section for voting instructions.

Q: Who is soliciting my proxy?

A: The enclosed form of proxy is being solicited by management of Aecon and the associated costs will be borne by Aecon. The solicitation will be made primarily by mail but may also be made by telephone, in writing or in person by employees of Aecon and/or Computershare Investor Services Inc.

Q: What if I sign the form of proxy enclosed with this circular?

A: Signing the enclosed form of proxy gives authority to John M. Beck or L. Brian Swartz, each of whom is an officer of Aecon, or to another person you have appointed in the form of proxy, to vote your shares at the Meeting.

Q: Can I appoint someone other than members of management of Aecon to vote my shares?

A: Yes. Write the name of this person, who need not be a Shareholder, in the blank space provided in the form of proxy. It is important to ensure that any other person you appoint that is attending the Meeting is aware that he or she has been appointed to vote your shares. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of Computershare Investor Services Inc. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder.

Q: What do I do with my completed proxy?

A: Return it to Aecon’s transfer agent, Computershare Investor Services Inc., in the envelope provided, or by fax to +1-866-249-7775 within Canada and the United States, or +1-416-263-9524 from all other countries, so that it is received no later than 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012. This will ensure that your vote is recorded. Alternatively, electronic voting is available for the Meeting on the internet at *www.investorvote.com* and telephone voting is available by contacting Computershare Investor Services Inc. at +1-866-732-8683. Further details on the electronic and telephone voting processes are provided in the enclosed form of proxy. If you vote using the internet or by telephone, do not complete or return the form of proxy.

Q: Can I change my vote once I have voted on the internet or by telephone or take back my proxy once I have given it?

A: Yes. If you voted on the internet or by telephone, you may vote again through such means before 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012. If you submitted a proxy and wish to revoke your proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered either to Aecon by fax at +1-416-940-2290 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or to the Chairman on the day of the Meeting, or any adjournment thereof.

Q: How will my shares be voted if I give my proxy?

A: The persons named on the form of proxy must vote for or against or withhold from voting your shares in accordance with your directions, or you can let your proxyholder decide for you. In the absence of such directions, proxies received by management will be voted FOR the election of directors to the Board and FOR the reappointment of the auditors together with the Board's authorization to fix their remuneration.

Q: What if amendments are made to these matters or if other matters are brought before the Meeting?

A: The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting. As of the time of printing of this management information circular, management of Aecon knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

Q: How many shares are entitled to vote?

A: As at May 8, 2012, there were 55,812,149 common shares of Aecon outstanding. Each registered Shareholder has one vote for each common share held at the close of business on May 8, 2012.

Q: How will the votes be counted?

A: Each question brought before the Meeting is determined by a majority of votes cast on the question.

Q: Who counts the votes?

A: Aecon's transfer agent, Computershare Investor Services Inc., counts and tabulates the votes. This is done independently of Aecon to preserve the confidentiality of individual Shareholder votes. Proxies are referred to Aecon only in cases where a Shareholder clearly intends to communicate with management, the validity of the proxy is in question or where it is necessary to do so to meet the requirements of applicable law.

Q: If I need to contact the transfer agent, how do I reach them?

A: You can contact the transfer agent by mail at:

Computershare Investor Services Inc.
9th Floor
100 University Avenue
Toronto, Ontario M5J 2Y1

or by telephone within Canada and the United States at +1-800-564-6253 and from all other countries at +1-514-982-7888.

Q: If my shares are not registered in my name but are held in the name of a nominee (a bank, trust company, securities broker, trustee or other), how do I vote my shares?

A: There are two ways you can vote your shares held by your nominee. As required by Canadian securities legislation, you will have received from your nominee (or its agent) either a request for voting instructions or a form of proxy for the number of shares you hold. For your shares to be voted for you, please follow the voting instructions provided by your nominee or its agent.

Since Aecon has limited access to the names of its non-registered (or beneficial) Shareholders, if you attend the Meeting, Aecon may have no record of your shareholdings or of your entitlement to vote unless your nominee has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions or form of proxy and return same by following the instructions provided. Do not otherwise complete the form, as your vote will be taken at the Meeting. Please register with Aecon's transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting.

AECON GROUP INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Management Information Circular (the "**Circular**") is furnished in connection with the solicitation of proxies by management of Aecon Group Inc. (the "**Corporation**" or "**Aecon**") to be used at the annual meeting (the "**Meeting**") of shareholders of the Corporation ("**Shareholders**") to be held at 9:30 a.m. (Mountain Daylight Time) on June 12, 2012 for the purposes set out in the accompanying Notice of Annual Meeting of Shareholders of Aecon Group Inc. (the "**Notice of Meeting**"). It is expected that the solicitation will be made primarily by mail, supplemented possibly by telephone or other personal contact by management or regular employees of the Corporation and/or the Corporation's transfer agent, Computershare Investor Services Inc. The cost of any such solicitation will be borne by the Corporation. The Corporation does not intend to pay any compensation for the solicitation of proxies by third parties but will pay the reasonable expenses of persons who are the registered but not beneficial owners of voting shares of the Corporation (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) for forwarding copies of the Notice of Meeting, form of proxy, Circular and related material to beneficial owners. The Corporation will provide, without cost to such persons, upon request to the Corporate Secretary of the Corporation, additional copies of the foregoing documents required for this purpose.

Appointment, Time for Deposit and Revocability of Proxy

Each of the persons named in the enclosed form of proxy is an officer of the Corporation. **A Shareholder desiring to appoint some other person (who need not be a Shareholder) to attend and act for him, her or it at the Meeting may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy**. If a Shareholder wishes to vote by proxy, the proxy to be used at the Meeting must be delivered to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 (fax: +1-866-249-7775 within North America or +1-416-263-9524 from all other countries). A proxy should be executed by the Shareholder or his or her attorney in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Proxies to be used at the Meeting must be delivered to Computershare Investor Services Inc. so as to be received no later than 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012 (or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used) or delivered to the Chairman of the Meeting prior to the commencement of the Meeting, or any adjournment thereof, in order for the proxy to be voted. As an alternative to completing and submitting a proxy for use at the Meeting, a Shareholder may vote electronically on the internet at *www.investorvote.com* or by telephone by contacting Computershare Investor Services Inc. at +1-866-732-8683. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the same manner as, votes cast via a paper form of proxy. Shareholders who wish to vote using the internet or by telephone should follow the instructions provided in the enclosed form of proxy. Votes cast electronically or by telephone must be submitted no later than 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.

A proxy given by a Shareholder may be revoked as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the registered and head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law. The registered and head office of the Corporation is located at 20 Carlson Court, Suite 800, Toronto, Ontario M9W 7K6. If a Shareholder has voted on the internet or by telephone and wishes to change such vote, such Shareholder may vote again through such means before 11:30 a.m. (Eastern Daylight Time) on Friday, June 8, 2012 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of common shares ("**Common Shares**"). On May 8, 2012, the Corporation had 55,812,149 Common Shares outstanding, each of which carries the right to one vote in respect of each of the matters properly coming before the Meeting.

The board of directors of the Corporation (the "**Board of Directors**" or the "**Board**") has fixed a record date of May 8, 2012 (the "**Record Date**") to determine Shareholders entitled to receive the Notice of Meeting. The failure of any Shareholder to receive a copy of the Notice of Meeting does not deprive the Shareholder of the right to vote at the Meeting. Only holders of Common Shares as of the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote in respect of each Common Share. Approval of each resolution that will be placed before the Meeting requires a majority of the votes cast at the Meeting on the resolution.

To the knowledge of the directors and executive officers of the Corporation, as at May 8, 2012, no person or company owned beneficially, or exercised control or direction over, directly or indirectly, securities carrying in excess of 10% of the voting rights attached to any class of outstanding voting securities of the Corporation.

EXERCISE OF DISCRETION BY HOLDERS OF PROXIES

The form of proxy provided to Shareholders with the Notice of Meeting and this Circular provides the Shareholder with an opportunity to specify that the Common Shares registered in his, her or its name shall be voted or withheld from voting in respect of certain of the matters to be considered at the Meeting. On any ballot that may be called for, the Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in respect of the election of directors and the reappointment and remuneration of auditors, in each case in accordance with the specifications made by Shareholders in the manner referred to above. **In respect of proxies in which Shareholders have not specified the manner of voting, the Common Shares represented by proxies in favour of management nominees will be voted: (i) FOR the election as directors of each of the persons listed as nominees in this Circular; and (ii) FOR the reappointment and remuneration of PricewaterhouseCoopers LLP as auditors.**

The enclosed form of proxy confers discretionary authority upon the proxy nominees with respect to amendments or variations of matters identified in the Notice of Meeting or other matters which may properly come before the Meeting. As of the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters, which are not now known to management, should properly come before the Meeting, the Common Shares represented by proxies in favour of management nominees will be voted on such matter in accordance with the best judgment of the proxy nominee.

BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Common Shares in their own name and thus are considered non-registered beneficial Shareholders. Only registered holders of Common Shares or the persons they appoint as their proxyholder are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Beneficial Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including, among others, banks, trust companies, securities dealers, brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Beneficial Holder deals with in respect of the Common Shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. Beneficial Holders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. In accordance with the requirements of the Canadian Securities Administrators, the Corporation will have distributed copies of the Notice of Meeting, this Circular and the enclosed form of proxy to the clearing agencies and Intermediaries for onward distribution to Beneficial Holders. If you are a Beneficial Holder, your Intermediary will be the entity legally entitled to vote your Common Shares at the Meeting. Common Shares held by an Intermediary can only be voted upon the instructions of the Beneficial Holder. Without specific instructions, Intermediaries are prohibited from voting Common Shares.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Holders in advance of the Meeting. Often, the form of proxy supplied to a Beneficial Holder by its Intermediary is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Holder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Corporation ("**Broadridge**"). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Holder is requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, the Beneficial Holder may call a toll-free telephone number or access the internet to provide instructions regarding the voting of Common Shares held by the Beneficial Holder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Holder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting, as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have such Common Shares voted.

Beneficial Holders should ensure that instructions respecting the voting of their Common Shares are communicated in a timely manner and in accordance with the instructions provided by their Intermediary or Broadridge, as applicable. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders in order to ensure that their Common Shares are voted at the Meeting.

Although a Beneficial Holder may not be recognized directly at the Meeting for the purpose of voting Common Shares registered in the name of their Intermediary, a Beneficial Holder may attend the Meeting as proxyholder for the Intermediary and vote the Common Shares in that capacity. **Beneficial Holders who wish to attend the Meeting and indirectly vote their Common Shares as a proxyholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them by their Intermediary and/or Broadridge, as applicable, and return the same in accordance with the instructions provided by their Intermediary and/or Broadridge, as applicable, well in advance of the Meeting.**

In any case, the purpose of the above noted procedures is to permit Beneficial Holders to direct the voting of the Common Shares which they beneficially own. Beneficial Holders should carefully follow the instructions and procedures of their Intermediary or Broadridge, as applicable, including those regarding when and where the form of proxy or voting instruction form is to be delivered.

MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of Financial Statements

The audited financial statements of the Corporation for the financial year ended December 31, 2011 and the report of the auditors thereon will be presented to the Shareholders at the Meeting.

Election of Directors

The articles of the Corporation provide for a minimum of eight and a maximum of fifteen directors. The Board of Directors has fixed the number of directors to be elected at the Meeting at eight. It is proposed that each of the persons whose name appears below be elected as a director to serve until the close of the next annual meeting of Shareholders or until his office is earlier vacated in accordance with the by-laws of the Corporation.

Management of the Corporation does not contemplate that any of the proposed nominees will be unable to serve as a director but should that occur prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

Majority Voting for Election of Directors

In 2009, the Board of Directors adopted a "majority voting" policy, pursuant to which if a nominee for election as director receives a greater number of votes "withheld" than votes "for" at a meeting of Shareholders, such nominee shall offer his or her resignation as a director to the Board of Directors promptly following the meeting of Shareholders at which the director was elected. Upon receiving such offer of resignation, the Corporate Governance, Nominating and Compensation Committee (the "**CGNC Committee**") will consider such offer and make a recommendation to the Board of Directors whether to accept it or not. The Corporation will announce the decision of the Board of Directors in a press release with respect to whether the Board has decided to accept such director's resignation, which decision will be made within 90 days following the meeting of Shareholders. The director who tendered such resignation will not be part of any deliberations of any Board committee (including the CGNC Committee if such director is a member thereof) or the Board of Directors pertaining to the resignation offer.

The foregoing policy only applies in circumstances involving an uncontested election of directors. For the purpose of the policy, an "uncontested election of directors" means that the number of nominees for election as a director is the same as the number of directors to be elected to the Board of Directors and that no proxy material is circulated in support of one or more nominees who are not named as nominees in the applicable management information circular of the Corporation.

Director Share Ownership Policy

In March, 2012, the Corporation amended its Director Share Ownership Policy to require that each director hold no less than three times the director's annual retainer in Common Shares, such shares to be acquired within five years from the later of the policy being adopted or the date upon which a director joins the Board. In determining whether each director meets the requirements of the Director Share Ownership Policy, the current fair market value of the Common Shares is used. As of the date of this Circular, each of the directors of the Corporation meets (or has time remaining to meet) the requirements of the Director Share Ownership Policy. As a management member of the Board of Directors, Mr. Beck is required to meet the Senior Executive Share Ownership Policy. Please see the section entitled "Senior Executive Share Ownership Policy" in this Circular for further details.

Board Nominees

The following summary sets forth relevant information for each person proposed to be nominated for election as a director. Certain information set out below with respect to a nominee for election as a director is not within the knowledge of the Corporation and was provided by the respective nominee individually. Information as to the number of Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, not being within the direct knowledge of the Corporation, has been furnished by the respective directors individually or obtained from the System for Electronic Disclosure by Insiders ("**SEDI**") and may include Common Shares owned or controlled by spouses and/or children of such directors and/or companies controlled by the directors or their spouses and/or children.

JOHN M. BECK
Age: 70
Toronto, Ontario
Canada

Non-Independent

Director since:
1963

Principal Occupation	Chairman and Chief Executive Officer, Aecon Group Inc.

John M. Beck is Chairman of the Board and Chief Executive Officer of Aecon and is a leader in the Canadian construction industry. Mr. Beck has been a member of the Board of Directors since 1963. Mr. Beck has also served as Chairman of the Board of the Ontario Power Authority and as a director of the Canadian Council for Public Private Partnerships. He also sits on the Board of Directors of the Macdonald-Laurier Institute for Public Policy, a leading Ottawa-based think-tank that engages in non-partisan and independent research and commentary relating to public policy matters that affect Canadians. Mr. Beck is currently a member of the Board of Directors of the Ontario Financing Authority and a member of the Canadian Council of Chief Executives. In recognition of his distinguished achievements and career-long service to the engineering profession, Mr. Beck was recently inducted as a Fellow into the Canadian Academy of Engineering. A graduate in Civil Engineering from McGill University, Mr. Beck has more than 45 years of experience in the construction industry in Canada and internationally. His background includes corporate leadership in numerous construction activities including heavy civil projects such as bridges, highways, airport infrastructure, precast concrete manufacturing as well as buildings, commercial and industrial projects, and public-private partnerships for the development of infrastructure, such as airports and toll roads.

Areas of Expertise:

Managing or Leading Growth
Financial Literacy
Senior Officer or CEO Experience
Construction Industry Experience
Government Affairs (Canadian or US)
International Business
Service on Public Company Boards
Executive Compensation
Capital Structuring and Capital Markets
Corporate Governance
Risk Management and Risk Mitigation

Meetings Attended in 2011	**#**	**%**
Board of Directors	11 of 11	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Base Salary[1]**	**Meets Senior Officer Share Ownership Requirement**
May 8, 2012	577,584[1]	7,086,956	10.4x	Yes

Value of Total Compensation Received

Year	**($)**
2011[2]	Nil

Notes:

(1) Total includes vested RSUs.
(2) As a management member of the Board, Mr. Beck does not receive an annual retainer or any other fees in respect of his participation in Board meetings. However, he does receive periodic awards of director stock options. Pursuant to the Chief Executive Officer Ownership Requirement adopted by the Board, Mr. Beck must maintain minimum ownership levels of Common Shares, RSUs and DSUs equivalent to at least three times his annual base salary. Mr. Beck has achieved such minimum ownership level.

<table>
<tr><td rowspan="14">AUSTIN C. BEUTEL
Age: 79
Toronto, Ontario
Canada

Independent

Director since:
2005

Prior Aecon service:
1997-2000
1989-1993</td><td colspan="3">Principal Occupation</td><td colspan="2">Chairman, Oakwest Corporation Limited</td></tr>
<tr><td colspan="5">Austin C. Beutel is the Chairman of Oakwest Corporation Limited, a private investment holding company. Mr. Beutel again became a member of the Board of Directors in 2005 after having served previously on the Board from 1989 to 1993 and from 1997 to 2000. Mr. Beutel retired in 1994 as Chairman of Beutel Goodman and Company Ltd., an investment counselling firm, which he co-founded in 1967. He is the non-executive Chairman of Equitable Group Inc. and a director of Astral Media Inc. Mr. Beutel has a B. Comm. from McGill University and an MBA from Harvard University. He is also a Chartered Financial Analyst.

Areas of Expertise: Financial Literacy
Senior Officer or CEO Experience
Service on Public Company Boards
Executive Compensation
Capital Structuring and Capital Markets
Corporate Governance
Risk Management and Risk Mitigation

Aecon Committee Memberships: Audit Committee

Current Public Board and Committee Memberships: Equitable Group Inc.
• Risk and Capital Committee (Chair)
• Corporate Governance Committee
Astral Media Inc.
• Audit Committee (Chair)</td></tr>
<tr><td colspan="3">Meetings Attended in 2011</td><td>#</td><td>%</td></tr>
<tr><td colspan="3">Board of Directors</td><td>10 of 11</td><td>90.9%</td></tr>
<tr><td colspan="3">Audit Committee</td><td>4 of 4</td><td>100%</td></tr>
<tr><td colspan="5">Securities Held or Controlled</td></tr>
<tr><td></td><td>Common Shares (#)</td><td>Total at Risk Value of Common Shares ($)</td><td>Multiple of Annual Retainer[(1)]</td><td>Meets Director Share Ownership Requirement</td></tr>
<tr><td>May 8, 2012</td><td>125,000</td><td>1,533,750</td><td>24.5x</td><td>Yes</td></tr>
<tr><td colspan="5">Value of Total Compensation Received</td></tr>
<tr><td>Year</td><td colspan="4">($)</td></tr>
<tr><td>2011</td><td colspan="4">192,000</td></tr>
</table>

Notes:

(1) Mr. Beutel also holds $1,000,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Beutel's debenture holdings in the Corporation.

MICHAEL A. BUTT
Age: 74
Maple, Ontario
Canada

Independent

Director since:
1994

Principal Occupation	Chairman and Chief Executive Officer, Buttcon Limited

Michael A. Butt is the Chairman and Chief Executive Officer of Buttcon Limited ("**Buttcon**"), general contractors, and is Executive Chairman of Buttcon Energy Inc. Mr. Butt also serves as the Chairman and Director of 572952 Ontario Ltd. and Britamark Investments Inc. both of which are private companies. Mr. Butt has been a member of the Board of Directors since 1994. He started his career in the construction industry in the 1960s with Mitchell Construction where he rose to managing director and was a member of the steering committee of the Mitchell Construction Kinnear Moodie Group. He founded M.A. Butt Construction Limited in 1973 and Buttcon in 1979. Mr. Butt has a Bachelor of Applied Science in Civil Engineering from the University of Toronto. Mr. Butt is a former Director of both the Ontario General Contractors Association ("**OGCA**") and the Canadian Construction Association ("**CCA**") and served as Chairman of the OGCA in 1998 and as Chairman of the CCA in 1999. Shortly after the transfer in 1996 of Pearson Airport from the Federal Government to the Greater Toronto Airports Authority, Mr. Butt was elected Chairman of the Board of Directors and remained in that capacity until December 2004. Mr. Butt was formerly a member of the Board of Governors for Trent University. Mr. Butt is a member of the Board of Trustees for the Bermuda Institute of Ocean Sciences. The Canadian Society for Civil Engineering honoured Mr. Butt with the distinction of Fellow in May 2006. In 2008 the Canadian Design Build Institute honoured Mr. Butt with the distinction of Fellow. In 2011 University of Toronto Engineering Alumni Association honoured Mr. Butt with the Hall of Distinction award.

Areas of Expertise:
Managing or Leading Growth
Financial Literacy
Senior Officer or CEO Experience
Construction Industry Experience
Government Affairs (Canadian or US)
International Business
Service on Public Company Boards
Executive Compensation
Capital Structuring and Capital Markets
Corporate Governance
Risk Management and Risk Mitigation

Aecon Committee Memberships:
Audit Committee (Chair)
Corporate Governance, Nominating and Compensation Committee

Meetings Attended in 2011	**#**	**%**
Board of Directors	10 of 11	90.9%
Audit Committee	4 of 4	100%
Corporate Governance, Nominating and Compensation Committee	15 of 15	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer(1)**	**Meets Director Share Ownership Requirement**
May 8, 2012	283,000	3,472,410	55.6x	Yes

Value of Total Compensation Received

Year	**($)**
2011	226,250

Note:

(1) Mr. Butt also holds $700,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010, and $732,000 of 7.00% unsecured subordinated convertible debentures issued by the Corporation on September 29, 2009. The Multiple of Annual Retainer calculation does not include Mr. Butt’s debenture holdings in the Corporation.

ANTHONY P. FRANCESCHINI
Age: 61
Edmonton, Alberta
Canada

Independent

Director since:
2009

Principal Occupation	Corporate Director

Anthony P. Franceschini joined the Board of Directors in March 2009. Mr. Franceschini is a graduate of the Civil Engineering program at the University of Waterloo and has established an accomplished career in the consulting, engineering and design industry. Mr. Franceschini is the retired President and Chief Executive Officer of Stantec Inc., a Toronto Stock Exchange listed issuer specializing in providing professional consulting services in, among others, planning, engineering, architecture, interior design, project management and project economics for infrastructure and facilities projects. Mr. Franceschini joined Stantec Inc. in 1978 and was instrumental in the growth of the company into a 10,000-person professional services firm, serving as President and Chief Executive Officer from June 1, 1998 to May 14, 2009. Mr. Franceschini is a director of Stantec Inc. and also serves as a director of two other publicly traded companies, Esterline Technologies Corporation, a manufacturer in the aerospace/defence market, and Chair of the Board of Directors of ZCL Composites Inc., a manufacturer of fibreglass tank systems. He also serves as a director of privately held CCI Thermal Technologies Inc., a manufacturer of industrial heating and filtration systems.

Areas of Expertise:

Managing or Leading Growth
Financial Literacy
Senior Officer or CEO Experience
Construction Industry Experience
Government Affairs (Canadian or US)
International Business
Service on Public Company Boards
Executive Compensation
Capital Structuring and Capital Markets
Corporate Governance
Risk Management and Risk Mitigation

Aecon Committee Memberships: Audit Committee

Current Public Board and Committee Memberships:

Stantec Inc.
- Corporate Governance and Compensation Committee

Esterline Technologies Corporation
- Executive Committee
- Compensation Committee
- Nominating and Corporate Governance Committee

ZCL Composites Inc.
- Governance and Compensation Committee

Meetings Attended in 2011	**#**	**%**
Board of Directors	11 of 11	100%
Audit Committee	4 of 4	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer[(1)]**	**Meets Director Share Ownership Requirement**
May 8, 2012	15,000	184,050	2.9x	Yes[(2)]

Value of Total Compensation Received

Year	**($)**
2011	192,000

Notes:

(1) Mr. Franceschini also holds $100,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010, and $100,000 of 7.00% unsecured subordinated convertible debentures issued by the Corporation on September 29, 2009. The Multiple of Annual Retainer calculation does not include Mr. Franceschini's debenture holdings in the Corporation.

(2) Pursuant to the new share ownership requirement policy instituted in 2012, Mr. Franceschini has until 2017 to meet the requirement of holding three times his annual retainer in Common Shares.

J.D. HOLE Age: 68 Edmonton, Alberta Canada **Independent** **Director since:** 2009	**Principal Occupation**	President, J.D. Hole Investments Inc.

J.D. Hole became a director of Aecon following the completion of the acquisition by Aecon of Lockerbie & Hole Inc. ("**Lockerbie**"). Mr. Hole graduated with a Bachelor of Engineering Science degree from the University of Western Ontario in 1967 and joined Lockerbie as a Project Manager in 1969. During his career with Lockerbie, Mr. Hole worked in various positions and helped lead Lockerbie into new territories and markets, including the industrial and municipal market sectors. Mr. Hole was the President and Chief Executive Officer of Lockerbie from 1994 to April 2005 and during that time played an integral part in Lockerbie's growth and prosperity. Mr. Hole also serves as a director of Wajax Corporation and the Alberta Electric System Operator.

Areas of Expertise:

- Managing or Leading Growth
- Financial Literacy
- Senior Officer or CEO Experience
- Construction Industry Experience
- Government Affairs (Canadian or US)
- International Business
- Service on Public Company Boards
- Executive Compensation
- Corporate Governance
- Risk Management and Risk Mitigation

Aecon Committee Memberships: Environmental, Health and Safety Committee (Chair)

Current Public Board and Committee Memberships: Wajax Corporation

- Governance Committee
- Human Resources and Compensation Committee

Meetings Attended in 2011[1]	**#**	**%**
Board of Directors	11 of 11	100%
Environmental, Health and Safety Committee	5 of 5	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer**[2]	**Meets Director Share Ownership Requirement**
May 8, 2012	460,178	5,646,384	90.3x	Yes

Value of Total Compensation Received

Year	**($)**
2011	212,750

Notes:

(1) Mr. Hole also served as a member of the CGNC Committee until June 30, 2011 and attended 8 of 11 CGNC Committee meetings between January 1, 2011 and June 30, 2011.

(2) Mr. Hole also holds $500,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Hole's debenture holdings in the Corporation.

ROLF KINDBOM Age: 75 Erin, Ontario Canada **Independent** **Director since:** 2000	**Principal Occupation**	President, Kindbom Consulting Inc.

Rolf Kindbom is a professional engineer and President of Kindbom Consulting Inc., a consulting company in Toronto. Mr. Kindbom has been a member of the Board of Directors since 2000. He has more than 45 years of international business and project management experience in construction, commercial real estate and infrastructure development including private public partnerships in senior executive management positions with the Skanska Group of Sweden and Cathay International Ltd. of Hong Kong. Mr. Kindbom is also a member of the Arbitration and Mediation Institute of Ontario. Mr. Kindbom has a Master of Science in Civil Engineering from the Royal Technical University in Stockholm, Sweden.

Areas of Expertise: Managing or Leading Growth
Financial Literacy
Senior Officer or CEO Experience
Construction Industry Experience
International Business
Service on Public Company Boards
Executive Compensation
Capital Structuring and Capital Markets
Risk Management and Risk Mitigation

Aecon Committee Memberships: Environmental, Health and Safety Committee

Meetings Attended in 2011	**#**	**%**
Board of Directors	11 of 11	100%
Environmental, Health and Safety Committee	5 of 5	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer[(1)]**	**Meets Director Share Ownership Requirement**
May 8, 2012	50,000	613,500	9.8x	Yes

Value of Total Compensation Received

Year	**($)**
2011	193,500

Note:

(1) Mr. Kindbom also holds $15,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Kindbom's debenture holdings in the Corporation.

<table>
<tr><td rowspan="14">THE HON.
BRIAN V.
TOBIN,
P.C., ICD.D
Age: 57
Manotick, Ontario
Canada

Independent

Director since:
2005</td><td colspan="3">Principal Occupation</td><td colspan="2">Senior Business Advisor, Fraser Milner Casgrain LLP</td></tr>
<tr><td colspan="5">The Hon. Brian V. Tobin, P.C., served as the Federal Minister of Industry from October 2000 to January 2002. Previously he served as the Premier of Newfoundland and Labrador from 1996 to 2000 and won two consecutive majority governments in provincial elections held in February 1996 and February 1999. Mr. Tobin served as a Member of Parliament from 1980 to 1996 and served as Minister of Fisheries and Oceans in the federal cabinet from 1993 to 1996. In addition to being a member of the Board of Directors since 2005, Mr. Tobin is Chairman of the board of New Flyer Industries Inc. He is a member of the board of Aurvista Gold Corporation and Calvista Gold Corporation. He is the former CEO and President of Consolidated Thompson Iron Mines Limited which was sold in 2011 to Cliffs Natural Resources Inc. In addition, Mr. Tobin is Senior Business Advisor with Fraser Milner Casgrain LLP in Toronto, is strategic advisor to a number of Canadian corporations and is ICD.D certified.

Areas of Expertise: Managing or Leading Growth
Financial Literacy
Senior Officer or CEO Experience
Government Affairs (Canadian or US)
International Business
Service on Public Company Boards
Executive Compensation
Capital Structuring and Capital Markets
Corporate Governance
Risk Management and Risk Mitigation

Aecon Committee Memberships: Corporate Governance, Nominating and Compensation Committee (Chair)
Environmental, Health and Safety Committee

Current Public Board and Committee Memberships: Aurvista Gold Corporation
• Audit Committee
Calvista Gold Corporation
• Audit Committee
New Flyer Industries Inc.</td></tr>
<tr><td colspan="3">Meetings Attended in 2011</td><td>#</td><td>%</td></tr>
<tr><td colspan="3">Board of Directors</td><td>11 of 11</td><td>100%</td></tr>
<tr><td colspan="3">Corporate Governance, Nominating and Compensation Committee(1)</td><td>13 of 15</td><td>86.7%</td></tr>
<tr><td colspan="3">Environmental, Health and Safety Committee</td><td>5 of 5</td><td>100%</td></tr>
<tr><td colspan="5">Securities Held or Controlled</td></tr>
<tr><td></td><td>Common Shares (#)</td><td>Total at Risk Value of Common Shares ($)</td><td>Multiple of Annual Retainer(2)</td><td>Meets Director Share Ownership Requirement</td></tr>
<tr><td>May 8, 2012</td><td>36,150</td><td>443,560</td><td>7.1x</td><td>Yes</td></tr>
<tr><td colspan="5">Value of Total Compensation Received</td></tr>
<tr><td>Year</td><td colspan="4">($)</td></tr>
<tr><td>2011</td><td colspan="4">222,750</td></tr>
</table>

Notes:

(1) Mr. Tobin was appointed Chair of the CGNC Committee on July 1, 2011 and attended all subsequent meetings.
(2) Mr. Tobin also holds $100,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Tobin's debenture holdings in the Corporation.

ROBERT P. WILDEBOER Age: 52 Burlington, Ontario Canada **Independent** **Director since:** 1993 **Vice Chairman since:** 1993 **Lead Director since:** 2010	**Principal Occupation**	Executive Chairman, Martinrea International Inc.

Robert P. Wildeboer is the Executive Chairman of Martinrea International Inc., a manufacturer of quality metal parts, assemblies and modules and fluid management systems focusing primarily on the automotive sector, where he focuses on the strategic direction and development of the company as a member of the Senior Executive team. He is the Vice Chairman and Lead Director of Aecon and a member of the Board of Directors since 1993. Mr. Wildeboer also serves as the Chairman of the Macdonald-Laurier Institute for Public Policy, a leading Ottawa-based think-tank that engages in non-partisan and independent research and commentary relating to public policy matters that affect Canadians. He is counsel to the law firm Wildeboer Dellelce LLP, which he co-founded in 1993. Mr. Wildeboer has extensive experience in the areas of corporate and securities law and has participated in a broad range of securities and related transactions, including public and private financings for both start-ups and mature companies, mergers and acquisitions, take-over bids, proxy fights and defences thereto, and derivative products transactions. Mr. Wildeboer has a B.A. from the University of Guelph, an LL.B. from Osgoode Hall Law School, an MBA from the Schulich School of Business, York University and an LL.M. from Harvard University. He is also a director or officer of several private charitable organizations, private companies, the Auto Parts Manufacturers Association and the Canadian Automotive Partnership Council. Mr. Wildeboer is also a member of the Science, Technology and Innovation Council of Canada, the Ontario Manufacturing Council and the Economic Advisory Council to the Minister of Finance of Canada.

Areas of Expertise:	Managing or Leading Growth Financial Literacy Senior Officer or CEO Experience Construction Industry Experience Government Affairs (Canadian or US) International Business Service on Public Company Boards Executive Compensation Capital Structuring and Capital Markets Corporate Governance Risk Management and Risk Mitigation Legal
Aecon Committee Memberships:	Corporate Governance, Nominating and Compensation Committee
Current Public Board Memberships:	Martinrea International Inc.

Meetings Attended in 2011	**#**	**%**
Board of Directors	11 of 11	100%
Corporate Governance, Nominating and Compensation Committee	15 of 15	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer[(1)]**	**Meets Director Share Ownership Requirement**
May 8, 2012	110,761	1,359,037	21.7x	Yes

Value of Total Compensation Received

Year	**($)**
2011	296,000

Note:

(1) Mr. Wildeboer also holds $100,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Wildeboer's debenture holdings in the Corporation.

Board of Directors Skills Matrix

The Corporation believes that a board of directors with a diverse set of skills is better able to oversee the wide range of issues that arise in a company of Aecon's size and complexity. The following matrix illustrates the Board's overall experience in a variety of categories that are important to Aecon's business. It also identifies which skills the Board would ideally possess and which will be considered when Aecon recruits new directors and proposes changes to the composition of the Board.

Name of Director	Managing or Leading Growth	Financial Literacy	Senior Officer or CEO Experience	Construction Industry Experience	Government Affairs (Canadian or US)	International Business	Service on Public Company Boards	Executive Compensation	Capital Structuring and Capital Markets	Corporate Governance	Risk Management and Risk Mitigation
John M. Beck	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Austin C. Beutel		✓	✓				✓	✓	✓	✓	✓
Michael A. Butt	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Anthony P. Franceschini	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
J.D. Hole	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Rolf Kindbom	✓	✓	✓	✓		✓	✓	✓	✓		✓
The Hon. Brian V. Tobin	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Robert P. Wildeboer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Director Independence

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**") set out a series of guidelines for effective corporate governance (collectively, the "**CSA Guidelines**"), including the criteria used in determining the independence of directors. The Board of Directors shall at all times be constituted of a majority of individuals who are independent within the meaning of the CSA Guidelines. Based on the information received from each director of Aecon, the Board of Directors has concluded that all directors, with the exception of John M. Beck, are independent within the meaning of the CSA Guidelines.

As shown in the following table, seven of eight nominees for election to the Board of Directors are independent:

Name of Director	Independent	Not Independent	Reason for non-Independence
John M. Beck		✓	Mr. Beck is the Chief Executive Officer of Aecon
Austin C. Beutel	✓		N/A
Michael A. Butt	✓		N/A
Anthony P. Franceschini	✓		N/A
J.D. Hole	✓		N/A
Rolf Kindbom	✓		N/A
The Hon. Brian V. Tobin	✓		N/A
Robert P. Wildeboer	✓		N/A

As at the financial year ended December 31, 2011, all of the members of the Audit Committee, CGNC Committee and EHS Committee were considered "independent" under the CSA Guidelines. Please see the section entitled "Corporate Governance Matters – Board Committees" in this Circular for additional details.

Meetings of Independent Directors and In Camera Meetings

The independent directors met on a quarterly basis during the 2011 financial year. Since January, 2011, an in camera session was held at every Board meeting. All members of the Audit Committee, CGNC Committee and EHS Committee are independent. Commencing in April, 2012, the Corporation instituted the practice of asking non-independent directors and invited management guests (if any) to exit the Board committee meeting to ensure an in camera session occurs at every Board committee meeting.

Independence of Chair and Lead Director

The Board Chair, John M. Beck, is not considered independent of the Corporation within the meaning of the CSA Guidelines. The Lead Director and Vice Chairman, Robert P. Wildeboer, is considered independent of the Corporation within the meaning of the CSA Guidelines. For a description of the mandate of the Board Chair and a description of the position of the Lead Director, please see Aecon's management proxy circular prepared in respect of Aecon's annual meeting of Shareholders held on June 14, 2011 (the "**2011 Circular**") which is available for review under Aecon's SEDAR profile at *www.sedar.com*.

Board Interlocks

The CGNC Committee has reviewed the membership of Aecon's proposed nominees to the Board of Directors on the boards of other reporting issuers. No two proposed nominees to the Board of Directors are members of the same board of directors of another reporting issuer. As such, no independence issues arise from Board interlocks.

Retirement Policy and Term Limits

The Board of Directors does not believe it is appropriate to establish fixed term limits or a mandatory retirement age for directors and, as such, it has not adopted a formal retirement policy for directors. Although having term limits and a mandatory retirement age may serve to introduce fresh ideas and viewpoints on the Board, they pose the disadvantage of losing the contribution of directors who have valuable business experience upon which to draw and have been able to develop, over a period of time, increasing insight into both Aecon's operations and the industry in which it functions and, therefore, continue to provide a significant contribution to the Board and Aecon. As such, the Board believes that, on balance, neither term limits nor a mandatory retirement age are in the best interests of the Corporation.

As an alternative, the CGNC Committee reviews the appropriateness of each director's continuation on the Board once a year, which gives each director the opportunity to confirm such director's desire to continue as a member of the Board and to continue to make the time commitment required to be an effective director. As well, once a director reaches a certain age, which shall be determined on a case by case basis having regard to a wide variety of individual specific factors, his or her continued service on the Board will be reviewed annually by both the CGNC Committee and the Board of Directors as a whole.

Upon retirement or resignation from the Board of Directors, a director is not entitled to, nor does a director receive, any form of retirement compensation from the Corporation.

For additional information regarding the Board including continuing education of directors and orientation of new directors, the Board's monitoring of ethical behaviour, key position descriptions, the director nomination process, meeting attendance records of directors and succession planning, please see the section entitled "Corporate Governance Matters" in this Circular.

Appointment and Remuneration of Auditors

The Shareholders will be asked at the Meeting to pass a resolution confirming the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, of 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2 as auditors of the Corporation. PricewaterhouseCoopers LLP were the Corporation's auditors for the financial year ended December 31, 2011.

The Board of Directors recommends a vote FOR the re-appointment of PricewaterhouseCoopers LLP as auditors of the Corporation for the financial year ending December 31, 2012 and authorizing the Board of Directors to fix the auditors' remuneration.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as at December 31, 2011, the number of securities to be issued upon exercise of outstanding options, the weighted exercise price of such outstanding options and the number of securities remaining available for future issuance under all equity plans previously approved by Shareholders. As at the financial year ended December 31, 2011, the Corporation did not have any equity plans that had not been approved by Shareholders nor are any such plans in effect as of the date of this Circular.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders			
Stock Option Plan	1,750,000 Common Shares	$13.02	2,266,666 Common Shares
Total	**1,750,000 Common Shares**	**$13.02**	**2,266,666 Common Shares**

STATEMENT OF EXECUTIVE COMPENSATION

For the financial year ended December 31, 2011, the Corporation had five named executive officers ("**NEOs**"), namely: (i) John M. Beck, Chairman and Chief Executive Officer; (ii) David Smales, Executive Vice President and Chief Financial Officer; (iii) Terrance L. McKibbon, Executive Vice President and Chief Operating Officer; (iv) Steven N. Nackan, President, Aecon Concessions; and (v) Paul P. Koenderman, Executive Vice President and Executive Chairman, Aecon Industrial.

The objective of the disclosure set out below is to communicate to Shareholders the compensation the Corporation paid to its NEOs and directors for the financial year ended December 31, 2011, to provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Corporation, and to inform Shareholders as to how decisions about executive compensation matters relating to the Corporation are made.

Compensation Discussion and Analysis

Composition of the Corporate Governance, Nominating and Compensation Committee

As of the date hereof, the CGNC Committee is comprised of three members of the Board of Directors, namely: (i) The Hon. Brian V. Tobin P.C. (Chair); (ii) Robert P. Wildeboer; and (iii) Michael A. Butt, none of whom is eligible to participate in the Corporation's executive compensation programs. Mr. Wildeboer is also the Vice Chairman and Lead Director of the Corporation. None of the members of the CGNC Committee is an officer, employee or former officer or employee of the Corporation or any of its affiliates and each is considered "independent" of the Corporation within the meaning of the CSA Guidelines.

The mandate of the CGNC Committee with respect to compensation matters includes, among other things, making recommendations to the Board of Directors on all aspects of executive compensation relating to the Corporation, particularly those regarding executive officers, including salary and salary structure for executives and employees, bonus awards, stock option grants, pension and benefit arrangements and incentive plans and policies.

Director compensation is set by the Board on the recommendation of the CGNC Committee. The CGNC Committee seeks to maintain director compensation at a level that is competitive with director compensation at comparable companies. The Corporation retained Towers Watson to provide benchmarking information in this regard and to provide information on general trends and practices in director compensation. In 2011, Towers Watson conducted a competitive review of director compensation drawing on two comparator groups which included construction and engineering companies based in Canada and the United States and Canadian companies with comparable revenue to the Corporation. Based on the results of the review, the CGNC Committee determined that the annual retainer, committee membership and chairmanship retainers and meeting attendance fees should be increased as of July 1, 2011. Moreover, the CGNC Committee determined that the Audit Committee Chair retainer should be differentiated from the annual retainer paid to Chairs of other committees in order to reflect the increased responsibility, risk and time commitment associated with serving as Chair of the Audit Committee.

The CGNC Committee is responsible for oversight of the Corporation's compensation plans, including conducting periodic reviews of the Corporation's compensation philosophy and developing and fostering a compensation policy that rewards the creation of shareholder value and reflects an appropriate balance between short and long-term performance.

Executive Compensation Experience and Expertise of the CGNC Committee

Brian V. Tobin has been a member of the CGNC Committee since its formation in 2011 and was a member of the predecessor Human Resources and Compensation Committee (the "**HRC Committee**") prior to the CGNC Committee's formation. Mr. Tobin has held a number of senior executive and chair roles with other companies, is currently the Chair of New Flyer Industries Inc. and is ICD.D certified. Robert P. Wildeboer is the Executive Chair of Martinrea International Inc. Mr. Wildeboer is the Vice Chairman and Lead Director of Aecon, has been a member of the Board of Directors since 1993, was the chair of the CGNC Committee until July 2011 and was the former chair of the HRC Committee. Michael A. Butt is the Chairman and Chief Executive Officer of Buttcon Limited. Mr. Butt has held executive positions in the construction industry over the last 40 years, has been a member of the Board of Directors since 1994, has been a member of the CGNC Committee since its formation and was a member of the predecessor HRC Committee. As such each member of the CGNC Committee has significant experience and expertise in executive compensation.

Managing Compensation Related Risk

In 2011, the CGNC Committee considered the implications of the risks associated with the Corporation's compensation policies and practices and retained Meridian Compensation Partners, an independent consulting firm, to provide advice to the CGNC Committee on compensation related risk. The CGNC Committee is actively involved in the risk oversight of the Corporation's compensation policies and practices. Managing enterprise risk is embedded in all of the Corporation's key decisions and the Board of Directors directly approves all significant projects undertaken by the Corporation.

The Corporation uses the following practices to discourage or mitigate excessive risk-taking:

- the Board approves the Corporation's strategic business plan and budgets, which are considered in the context of assessing performance and awarding incentives, before the start of each year;

- incentive awards for divisional employees are based on division-wide actual financial results, personal performance and safety records and are fixed as a percentage of operating profit;

- incentive awards for corporate employees are based on company-wide actual financial results and personal performance and are fixed as a percentage of the Corporation's earnings before taxes;

- there is an appropriate mix of pay, including fixed and performance based compensation with short and longer term performance conditions;

- the Corporation has share ownership requirements for NEOs and expressly prohibits hedging of Common Shares and share-based compensation awards;

- the Corporation has a clawback policy which allows it to require repayment of incentive compensation under certain circumstances (see the section entitled "Clawback Policy" in this Circular);

- amounts are not paid under the Corporation's annual incentive plans until achievement of the relevant financial results has been confirmed by the audited financial statements;

- the Corporation's long-term incentive programs include restricted share units ("**RSUs**") which vest over three years and deferred share units ("**DSUs**") which vest at the end of employment. The RSUs are granted annually with overlapping vesting periods. These programs ensure that executives remain exposed to the risks of their decisions and vesting periods align with risk realization periods;

- the Board of Directors is responsible for assessing and monitoring the Corporation's enterprise risks. As well, Mr. Butt is a member of both the Audit Committee (which has direct responsibility for assessing the Corporation's financial risks) and the CGNC Committee. Accordingly, the CGNC Committee has direct information respecting the Corporation's enterprise risk when making compensation decisions; and

- the CGNC Committee has discretion to adjust annual incentive payments to take into account unexpected events.

As a result of the CGNC Committee's review of its compensation plans, it has concluded that there are no identified risks arising from its compensation programs which are reasonably likely to have a material adverse effect on the Corporation.

Objectives of Executive Compensation Program and Strategy

Aecon's executive compensation philosophy ensures that total compensation for its NEOs is competitive and directly linked to the performance level of both the individual officer and the Corporation. The objective of the Corporation's compensation policy is to attract, retain and motivate highly competent individuals who can ensure the current and long-term success of the Corporation. The Corporation's NEO compensation program is designed to reward the NEOs for increasing shareholder value, achieving superior corporate performance, improving operations and executing on corporate strategy. The same approach is taken by the Corporation with respect to the compensation of management personnel other than the NEOs.

The CGNC Committee and the Board of Directors as a whole, working with management, have been successful in assembling an executive team that has driven the growth of the Corporation over the past several years. The CGNC Committee plays a key role in supporting the Board in its oversight of succession planning (see the section entitled "Corporate Governance Matters – Succession Planning" in this Circular). At the corporate level, the CGNC Committee believes that John M. Beck, Chief Executive Officer, is ably backed by a strong team of executives. On March 8, 2011, Terrance L. McKibbon was appointed Executive Vice President and Chief Operating Officer of Aecon after serving the Corporation in increasing roles over the past seventeen years.

The Corporation has several operating divisions, each of which is directed by a senior executive officer who functions, in effect, as the president or chief executive of such division. Mr. McKibbon has served as Chief Executive Officer of Aecon's Infrastructure division and Aecon's Buildings and Mining business-units as well as the Corporation's Chief Operating Officer. The objective of the Corporation's decentralized operating structure is to implement and maintain strong operating and executive teams at the divisional business-unit level. The CGNC Committee believes that this decentralized approach has worked well as evidenced by the strong operating results and growth in the Corporation's key divisions over the past decade. Further, the Corporation has established an executive committee (the "**Executive Committee**") consisting of members of management, headed by the Chief Executive Officer, as well as key divisional and corporate executives, which develops, implements and coordinates corporate goals and strategy.

Benchmarking

The CGNC Committee benchmarks compensation against a comparator group (the "**Comparator Group**"), which is comprised of construction, engineering and metal fabricating companies that are of comparable size, scope, market presence and/or complexity to the Corporation. A number of international competitors are included in the Comparator Group because of the limited number of comparable publicly traded construction and infrastructure companies in Canada.

The following table sets out the Corporation's 2011 Comparator Group companies:

Company Name	Annual Revenue ($ in millions)(1)
Bird Construction Inc.	883
Churchill Corp.	601
EMCOR Group Inc.	5,548
Flint Energy Services Ltd.	1,877
Granite Construction Incorporated	1,963
Hill International, Inc.	422
Linamar Corp.	1,676
Martinrea International Inc.	1,138
North American Energy Partners Inc.	763
Quanta Services, Inc.	3,318
Tutor Perini Corporation	5,152

Note:

(1) The annual revenues of the Comparator Group are current as of the date the benchmark report was generated in 2011.

The Corporation also reviews the compensation practices of a broader group of general industry companies, as a second point of reference in assessing executive compensation.

Elements of Compensation

Total compensation for NEOs consists of four principal components: (i) base salary; (ii) incentive bonus awards based on the Corporation's financial performance; (iii) equity participation programs; and (iv) pension plan benefits. Each component has a different function, as described in greater detail below, but all elements work together to reward the NEOs appropriately for individual and corporate performance. Base salary generally forms a significant portion of a NEO's total compensation. However, bonus awards and equity based compensation have the potential to be significant elements of a NEO's total compensation as the Corporation's profitability improves or as its Common Share price appreciates.

In making compensation recommendations to the Board in respect of the Corporation's 2011 financial year, the CGNC Committee considered the financial results achieved by the Corporation and management's performance in achieving goals and targets set by the Corporation from time to time.

In the 2011 financial year, the total compensation of the NEOs as a group was comprised, on average, of base salary as to 24.5%, performance-based cash incentive bonus awards as to 32.8%, equity participation programs as to 39.1% (comprised of long-term incentive plan awards as to 35.8% and stock option plan awards as to 3.3%), other compensation and taxable benefits as to 2.7% and pension plan benefits as to 0.9%. The CGNC Committee and the Board have discretion to reduce or increase the size of the variable portion of the total compensation in extraordinary circumstances, such as material changes in business performance, major regulatory changes or risk failures, exceptional achievements by a particular NEO or to address unique or unexpected market events.

Independent Advice

In 2011, the CGNC Committee retained independent compensation consultants, Meridian Compensation Partners ("**Meridian**") and Towers Watson to provide independent advice to the CGNC Committee in connection with matters pertaining to executive compensation. Meridian also provided advice to the CGNC Committee about director compensation and the relationship between enterprise risk and the Corporation's executive compensation programs. Towers Watson provided benchmarking information and conducted a competitive compensation review for the Chief Executive Officer, the Chief Operating Officer and the leader of the Industrial division. Any services provided by and fees paid to the compensation consultants at the request of management not related to executive compensation must be pre-approved by the CGNC Committee.

The table below reports the fees paid by the CGNC Committee to independent compensation consultants in the 2011 and 2010 financial years. Other than the services described above with respect to compensation matters, no additional services were provided to the Corporation by independent compensation consultants.

Consultant	Type of Fees	2011	2010
Meridian	Executive compensation-related fees	$5,916.68	Nil
	All other fees	Nil	Nil
Towers Watson	Executive compensation-related fees	$7,240.00	Nil
	All other fees	Nil	Nil

Base Salary

Base salaries are considered an essential element in attracting and retaining the Corporation's senior executives, including the NEOs, and rewarding them for individual and corporate performance. Base salaries for 2011 were consistent with determinations made in previous years and were determined based on the skill, ability, experience and contributions of the individual executive, the need to attract and retain executives and recommended base salary ranges applicable to executive positions (from time to time, as appropriate, the CGNC Committee has engaged third party compensation experts as an additional source of information in making its compensation recommendations). As most construction companies comparable to the Corporation are privately owned or are divisions of large public companies, there is limited comparative compensation information available to the CGNC Committee and the Board in order to assist in determining levels of compensation for the NEOs. Notwithstanding the foregoing, the CGNC Committee believes that the base salaries of the NEOs are competitive with industry norms and consistent with public companies having comparable revenues to that of the Corporation. The CGNC Committee's executive compensation philosophy has generally been to set base salaries slightly below the average for comparable positions in comparable companies and to structure performance related compensation in a manner that allows executives to increase their compensation, through superior performance, to a level above the average paid at comparable companies.

Bonus Awards

The Corporation's short-term incentive plans ("**STIPs**") provide NEOs with the opportunity to receive annual cash bonuses based on individual and corporate performance over the past financial year. If individual performance goals are met and if the Corporation achieves positive financial results, NEOs will be eligible to earn a bonus award. Under the terms of the plan, the CGNC Committee sets a profit-sharing pool for employees based on five percent of Aecon's actual earnings before tax in the most recently completed financial year. Within this profit sharing pool, each NEO is assigned a number of profit sharing points at the start of the year based on: (a) his or her role and level within Aecon; (b) individual job performance; and/or (c) years of service with Aecon. At the end of the year, each NEO's profit sharing points are adjusted up or down to reflect individual performance. The amount of profit sharing points awarded to the CEO is based as to 90% on the Corporation's financial performance and 10% on achievement of individual goals. For the other NEOs, the amount of profit sharing points awarded is based 80% on the Corporation's financial performance and 20% based on the achievement of individual goals.

At the end of the fiscal year, each NEO's bonus is based on the amount of the profit sharing pool divided by the total number of profit sharing points awarded to all employees, multiplied by the NEO's adjusted profit sharing points awarded at the end of the year. This ties the value of each NEO's annual incentive award directly to the achievement of earnings before taxes of the Corporation, which the CGNC Committee believes is an effective method to create value for Shareholders over both the short- and long-term.

Aecon's STIP program is designed to be results driven and rewards exceptional individual and corporate performance. The determination of the amount of a STIP award to any one NEO in a given financial year takes into consideration the Corporation's overall STIP allocation for key senior executives. As illustrated in the Summary Compensation Table below, the STIP awards earned by Aecon's NEOs in 2011 were generally higher than those earned in 2010. This trend was true for executives in the corporate office and across all operating segments as the Corporation's financial performance, in particular earnings before taxes, exceeded both the targets determined for management by the Board at the beginning of the year and the financial results achieved in 2010.

Clawback Policy

As part of Aecon's compensation framework for employees, which aligns compensation with the creation of long-term Shareholder value without encouraging excessive risk-taking, Aecon introduced a clawback policy effective with the 2012 incentive grants. The clawback policy applies if: (i) Aecon's financial statements are restated as a result of willful misconduct by an employee; and (ii) such employee's incentive grant was greater than it would have been had the misstatement not occurred. Under the terms of the clawback policy, upon demand from Aecon, an employee will be required to repay the total value of any cash or deferred incentive payment and any gains arising from stock options that vested and were exercised within the 12 months preceding the date on which Aecon determines the misconduct occurred.

Hedging Prohibition

The Corporation has adopted a policy prohibiting executives and directors from, among other things, entering into speculative transactions and transactions designed to hedge or offset a decrease in market value of Common Shares or share-based incentive awards. Accordingly, senior executives and directors may not sell short, buy put options or sell call options on the Common Shares or purchase financial instruments (including prepaid variable contracts, equity swaps, collars or units of exchange funds) which hedge or offset a decrease in market value of the Common Shares.

Equity Participation Programs

A critical element of executive compensation is equity participation by senior executives of the Corporation. The CGNC Committee believes that executives must be motivated not only to increase corporate profits, but also the Corporation's share price over the long-term for the benefit of Shareholders. Senior executives are required to own a significant number of Common Shares pursuant to the Senior Executive Share Ownership Policy.

Long-term incentive compensation for senior executives (including the NEOs) is provided through the Corporation's long-term incentive plan ("**LTIP**") and through stock option grants under the Corporation's stock option plan (the "**Option Plan**"), each as more fully described below.

Long-Term Incentive Plan

In 2006, Aecon commenced granting awards under its LTIP designed both to focus senior executives on the long-term financial performance of the Corporation and to serve as a retention tool for select executives by providing a financial disincentive for LTIP participants to leave the Corporation prematurely.

The LTIP, which is open to a limited number of senior executives of the Corporation, is funded based on a fixed percentage of Aecon's earnings before interest and tax over a rolling three-year period. Awards under the LTIP are made in the form of DSUs or RSUs. A significant portion of the awards are DSUs which do not vest until retirement (or other cessation of employment) with the balance of any such awards comprised of RSUs which vest over a three-year period. LTIP awards are forfeited if the executive resigns his or her employment with Aecon. The Board believes that the LTIP aligns the interests of key executives to the long-term interests of Shareholders. The Board has also created an employee retention plan ("**ERP**") designed to reward a select group of junior executives and high potential employees and to align the long-term interests of these future leaders to Aecon's interests. Approximately 35% of the LTIP pool has been set aside for the ERP. Under the terms of the ERP, half of each award is in RSUs that vest over a three-year period, and half is in DSUs that vest upon retirement or termination without cause.

Due to the phantom share nature of the LTIP awards, Aecon funds a trust account (the "**Trust**") designed to eliminate the financial risk to Aecon associated with share price appreciation between the time of grant of the award and the time of vesting. At the end of fiscal 2011, the Trust held 2,511,662 Common Shares. All Common Shares held by the Trust were purchased in the market by the Trustee.

Stock Option Plan

The CGNC Committee believes that incentive compensation in the form of stock option grants has been beneficial and is necessary to attract and retain both senior executives and managerial talent at other levels in a highly competitive industry. In 2011, stock options to acquire up to an aggregate of 150,000 Common Shares were granted to executives and employees. No options previously granted were otherwise amended, replaced or modified in 2011. All of the options granted to executives and employees in 2011 had a three-year vesting period with partial vesting commencing on the first anniversary of the date of grant.

Option awards are discretionary, as recommended by the CGNC Committee to the Board of Directors. The Chief Executive Officer has requested in the past and may request in the future that options be granted to senior executives, other executives, non-executives or new hires. The CGNC Committee considers a variety of factors in exercising its discretion, including, without limitation, the compensation philosophy and practices of the

Corporation as described herein, individual or collective management performance, level of responsibility of the individual, industry compensation practices, previous grants of options and general compensation trends.

For a summary of the principal terms of the Option Plan, please see the Corporation's management proxy circular in respect of the Corporation's annual and special meeting held on June 15, 2010 filed on the Corporation's SEDAR profile at *www.sedar.com*.

The total number of Common Shares reserved under the Stock Option Plan is 5,000,000 (9.0% of the Corporation's issued and outstanding Common Shares). The following table summarizes stock options granted over the last two years:

	2010	**2011**
Number of Stock Options Granted	50,000	350,000
Number of Employees and Directors who were Granted Stock Options	1[(1)]	11[(2)]
Number of Stock Options Outstanding as at Year End	1,843,650	1,750,000
Number of Stock Options Granted in the Year as a Percentage of Outstanding Common Shares as at Year End	0.1%	0.6%
Number of Stock Options Outstanding as a Percentage of Outstanding Common Shares as at Year End	3.2%	3.1%
Average Weighted Exercise Price of Stock Options Outstanding	$12.50	$13.02
Number of Stock Options Exercised	149,167	343,650

Notes:

(1) One senior divisional manager was granted options in 2010.
(2) Three senior executives were granted an aggregate of 150,000 options in 2011 and directors were granted an aggregate of 200,000 options in 2011.

Senior Executive Share Ownership Policy

In 2010, the Board adopted a requirement that the Chief Executive Officer acquire and hold Common Shares, RSUs and DSUs with an aggregate value of at least three times his annual base salary within five years of being appointed. As of the date of this Circular, John M. Beck, the current Chief Executive Officer, satisfies this requirement.

In March 2012, the Corporation, upon recommendation of the CGNC Committee, adopted a Senior Executive Share Ownership Policy for members of the senior executive operations team ("**EOT**"). Those members of the EOT who report directly to the Chief Executive Officer (which include all NEOs) are required to hold Common Shares, RSUs and DSUs with an aggregate value of at least one time their annual base salary within five years of being appointed. All other members of the EOT are required to hold Common Shares, RSUs and DSUs with an aggregate value of at least one-half times their annual base salary within five years of being appointed.

Pension Plan Benefits

The Corporation established a pension plan in 2001 for John M. Beck, Chief Executive Officer, to reflect then current executive compensation trends, as a reward for (at the time) over 40 years of service with the Corporation and its predecessors, and as an incentive for future long-term involvement with the Corporation. Entitlements under the plan are based on length of service from the date the plan was established and Mr. Beck's final average salary at the time he retires. Based on the foregoing, Mr. Beck's maximum pension entitlement at time of retirement, assuming a retirement age of 70, would be an amount equal to approximately 49% of his final average salary (excluding bonus).

Compensation Review

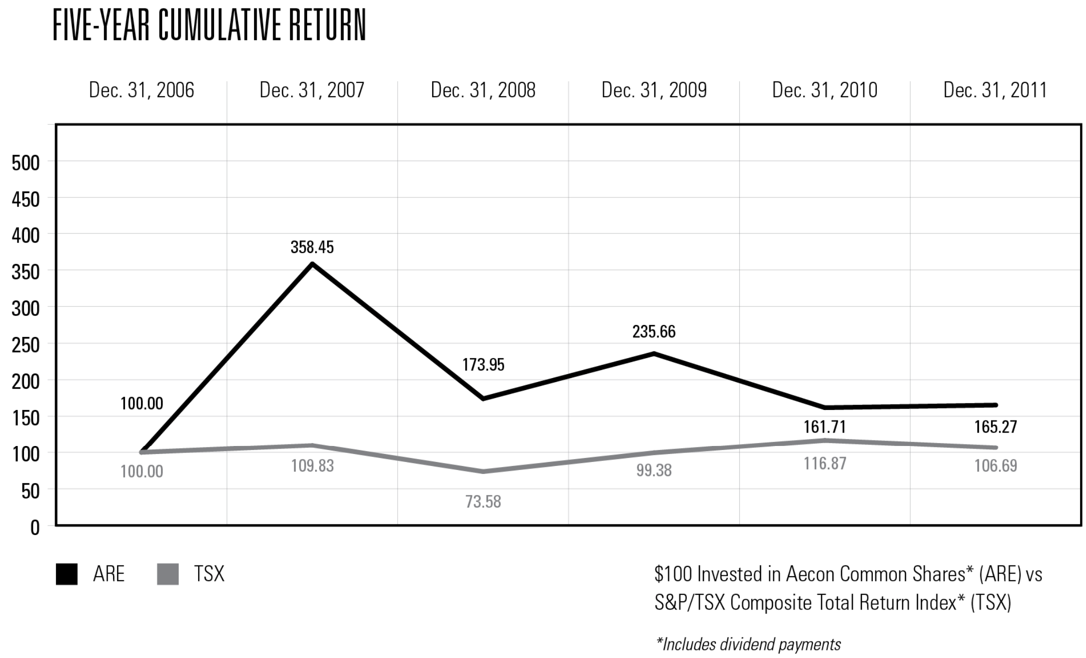
The Board believes that it has assembled and maintained an excellent management team.

The CGNC Committee met fifteen times in 2011 to review executive compensation matters and the performance of the senior executive team. The CGNC Committee determines annually the specific amount of bonus payments for each NEO. The CGNC Committee believes tying bonus payments to STIP or LTIP targets, together with discretionary equity awards allows it to accurately reflect the executive's performance during the year. In making its determinations in negotiating employment contracts and in making bonus and equity participation decisions, the CGNC Committee considers the skill, ability and experience of each individual executive and has relied in the past on, among other things, third party research, analysis of compensation surveys, first-hand knowledge of compensation levels and practices in the construction industry, and interviews with management. The CGNC Committee has concluded, after a review of industry and company-specific related criteria, that members of Aecon's senior executive team have performed exceptionally well individually and that Aecon has performed well operationally, strategically and reputationally over the past several years and with some exceptions in the Industrial and Buildings divisions in 2010, has consistently achieved corporate goals and business objectives approved by the Board of Directors.

As discussed in the section entitled "Compensation Discussion and Analysis – Elements of Compensation", the CGNC Committee has the discretion to increase or decrease the variable portion of a NEO's total compensation in extraordinary circumstances. In 2011, the CGNC Committee awarded John M. Beck a one-time special bonus comprised of a $500,000 cash incentive and RSUs valued at $104,000 under the LTIP in recognition of his extraordinary achievement and results over the life and disposition in September 2011 of the Corporation's interest in the Cross Israel Highway Project. The Cross Israel Highway Project and Aecon's stake in Derech Eretz Highways (1997) Limited spanned a period of over 15 years during which Aecon, under the leadership of Mr. Beck, played a major role in the construction and development of the Cross Israel Highway and in managing the highway operator. Aecon's role evolved into operating contracts on three other infrastructure projects in Israel. The disposition of the Corporation's interest in the Cross Israel Highway Project resulted in significant gains in addition to the profits that Aecon earned from its role in the construction and operation of the highway. The CGNC Committee thus awarded the one-time special bonus in recognition of Mr. Beck's role in identifying and shepherding this successful project.

Performance Graph

The following graph compares the cumulative shareholder return for $100.00 invested in Common Shares against the cumulative return for $100.00 on the S&P/TSX Composite Total Return Index for the five-year period from January 1, 2007 to December 31, 2011.



As noted in the graph above, in the period December 31, 2006 to December 31, 2011 the Corporation's total shareholder return increased by approximately 65.3%. The S&P/TSX composite index increased by approximately 6.7%.

As noted in the section entitled "Compensation Discussion and Analysis", Aecon's executive compensation is linked to the performance level of both individual officers and the Corporation. Compensation for NEOs is not directly linked to changes in the Corporation's total shareholder return or share price. Nevertheless, several general observations can be made. Despite a 65.3% increase in the Corporation's total shareholder return from December 31, 2006 to December 31, 2011, the base salaries of NEOs have increased approximately 40.8% during the same period as a result of raises and promotions, reflecting the CGNC Committee's conservative philosophy noted above with respect to base salaries. Awards under Aecon's STIPs which, as described above, are based on individual and corporate performance, have both increased and decreased during this period depending on performance relative to targets. Individual awards under the LTIP are awarded on the basis described above in the section entitled "Long-Term Incentive Plan" and detailed herein. The value of an LTIP award after grant will fluctuate based on the Corporation's share price, thereby aligning the interests of NEOs with those of Shareholders.

	Dec. 31, 2006	**Dec. 31, 2007**	**Dec. 31, 2008**	**Dec. 31, 2009**	**Dec. 31, 2010**	**Dec. 31, 2011**
Aecon (1)	$100.00	$358.45	$173.95	$235.66	$161.71	$165.27
S&P/TSX Composite Total Return Index (1)	$100.00	$109.83	$73.58	$99.38	$116.87	$106.69

Note:

(1) Includes share price plus dividends, if any. The closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, was $10.46. All share prices for the above table were obtained from the records of the TSX.

Summary Compensation Table

The following table sets forth the details regarding compensation earned by each NEO for the three most recently completed financial years ended December 31, 2011, 2010 and 2009.

Name and Principal Position	Year	Salary	Share-Based Awards[1]	Option-Based Awards[2]	Non-Equity Incentive Plan Compensation: Annual Incentive Plans[3]	Non-Equity Incentive Plan Compensation: Long-Term Incentive Plans	Pension Value	All Other Compensation[4]	Total Compensation
		($)	($)	($)	($)	($)	($)	($)	($)
John M. Beck, Chairman and Chief Executive Officer	2011	680,000	1,196,562	103,750[5]	1,331,268[6]	N/A	11,485	67,605	3,390,670
	2010	543,795	532,473	N/A	405,314	N/A	11,225	43,390	1,536,197
	2009	530,533	560,700	N/A	809,401	N/A	131,000[7]	17,328	2,048,962
David Smales, Executive Vice President and Chief Financial Officer	2011	375,000	318,222	207,500	307,082	N/A	18,291	30,476	1,256,571
	2010	338,250	177,491	N/A	124,744	N/A	16,809	20,410	677,704
	2009	41,250	200,000	N/A	34,357	N/A	688	101,461[8]	377,756
Paul P. Koenderman, Executive Vice President and Executive Chairman, Aecon Industrial	2011	450,000	538,184	N/A	461,816	N/A	21,215	73,815	1,545,030
	2010	347,210	192,285	N/A	Nil	N/A	17,497	41,206	598,198
	2009	338,741	196,245	N/A	370,922	N/A	11,000	29,794	946,702
Terrance L. McKibbon , Executive Vice President and Chief Operating Officer	2011	530,000	1,092,562	N/A	728,510	N/A	25,103	63,766	2,439,941
	2010	418,200	532,473	N/A	633,270	N/A	18,169	35,011	1,637,123
	2009	408,000	448,560	N/A	535,000	N/A	11,000	27,117	1,429,677
Steven N. Nackan, President, Aecon Concessions[9]	2011	300,000	275,792	N/A	300,000	N/A	14,625	24,046	914,463
	2010	270,000	147,915	N/A	350,000	N/A	12,876	18,537	799,328

Notes:

(1) Share-based awards reflect amounts awarded under the Corporation's LTIP. See "Statement of Executive Compensation – Compensation Discussion and Analysis" for additional information.
(2) Option-based awards represent the grant date fair value for option-based awards. Both the grant date fair value and accounting fair value for option-based awards are calculated using the Black-Scholes model using the assumptions described in the table under "Share Option Values and Assumptions" below. The grant date fair value of option-based awards as presented will differ from the compensation expense included for these grants in the Corporation's financial statements. In accordance with IFRS accounting standards, the fair value of each award at the grant date is amortized over the relevant vesting period to arrive at compensation expense in the financial statements.

Share Option Values and Assumptions

		2011	
Weighted average fair value per option	**$**	4.15	
Expected volatility [(1)]		56.00	%
Dividend yield		2.07	%
Risk free interest rate		2.62	%
Weighted average expected life in years		5.00	

[(1)] Expected volatility was determined using historical volatility.

(3) Bonus amounts for 2011 performance were paid at the end of the first quarter of fiscal 2012.
(4) All other compensation includes amounts such as taxable auto benefits (including vehicle allowance), employer contribution to employee share purchase plan, share units issued as a result of dividends under the LTIP and taxable benefits from the Defined Contribution Supplemental Executive Retirement Plan ("**SERP**").
(5) John M. Beck was awarded 25,000 options as a director of the Corporation which vested on March 11, 2011.
(6) The CGNC Committee awarded John M. Beck a one-time special bonus comprised of a $500,000 cash incentive and RSUs valued at $104,000 under the LTIP in recognition of his extraordinary achievement and results over the life and disposition in September 2011 of the Corporation's interest in the Cross Israel Highway Project.
(7) John M. Beck's pension value for 2009 includes a $120,000 compensatory change under his Defined Benefit SERP.
(8) David Smales was paid a cash payment of $100,000 upon joining Aecon on November 19, 2009 to compensate for lost opportunities upon leaving his former employer.
(9) Steven N. Nackan became a NEO in 2010.

Narrative Discussion

Based on the closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, the value of Common Shares held by John M. Beck, Chairman and Chief Executive Officer of Aecon was $5,656,391.44, or 8.3 times his base salary for the financial year ended December 31, 2011.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the details regarding the incentive plan awards for each NEO outstanding as at December 31, 2011.

	Option-Based Awards				Share-Based Awards		
Name	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised In-The-Money Options(1)	Number of Shares or Units of Shares That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed
	(#)	($)		($)	(#)	($)	($)
John M. Beck	100,000	14.95	August 5, 2013	Nil	297,310	3,109,863	2,416
	25,000	9.66	March 11, 2016	20,000	N/A	N/A	N/A
David Smales	50,000	9.66	March 11, 2016	40,000	64,483	674,492	Nil
Paul P. Koenderman	100,000	14.95	August 5, 2013	Nil	264,631	2,765,216	847
Terrance L. McKibbon	100,000	14.95	August 5, 2013	Nil	220,967	2,311,315	2,657
Steven N. Nackan	50,000	14.95	August 5, 2013	Nil	58,303	609,849	701

Note:

(1) Based on the closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, being $10.46 per share and the option exercise price of the stock options.

Value Vested or Earned During the Financial Year Ended December 31, 2011

The following table sets forth the details regarding the value vested or earned of incentive plan awards for each NEO for the financial year ended December 31, 2011.

Name	Option-Based Awards – Value Vested During the Year(1)	Share-Based Awards – Value Vested During the Year(2)	Non-Equity Incentive Plan Compensation – Value Earned During the Year(3)
	($)	($)	($)
John M. Beck	20,000	203,764	1,331,268
David Smales	Nil	Nil	307,082
Paul P. Koenderman	Nil	69,085	461,816
Terrance L. McKibbon	Nil	245,081	728,510
Steven N. Nackan	Nil	56,446	300,000

Notes:

(1) Based on the closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, being $10.46 per share and the option exercise price of the stock options.
(2) On December 30, 2011, the last trading day of fiscal 2011, the closing price of the Common Shares on the TSX was $10.46.
(3) The values set out in the table represent payments under the Corporation's STIP. See "Statement of Executive Compensation – Compensation Discussion and Analysis" for additional information.

Pension Plan Benefits

Defined Benefit Pension Plan

The following table sets forth the details of the defined benefit pension plan for each NEO, where applicable.

Name	Number of Years Credited Service	Annual Benefits Payable		Accrued Obligation at Start of Year	Compensatory Change	Non-Compensatory Change	Accrued Obligation at Year End
		At Year End	At Age 65				
	(#)	($)		($)	($)	($)	($)
John M. Beck	26.67	333,553	N/A	3,888,270	1,051,763	(70,324)	4,869,709

Defined Contribution Pension Plan

The following table sets forth the details of the Defined Contribution Pension Plan for each NEO.

Name	**Accumulated Value at Start of Year**	**Compensatory**	**Accumulated Value at Year End**
	($)	**($)**	**($)**
John M. Beck	464,599	11,485	488,494
David Smales	25,766	11,485	48,734
Paul P. Koenderman	175,088	11,485	198,302
Terrance L. McKibbon	375,008	11,485	383,727
Steven N. Nackan	158,875	11,485	173,608

Termination and Change of Control Benefits

The Corporation has entered into employment agreements with each of John M. Beck, Chairman and Chief Executive Officer; David Smales, Executive Vice President and Chief Financial Officer; Paul P. Koenderman, Executive Vice President and Executive Chairman, Aecon Industrial; Terrance L. McKibbon, Executive Vice President and Chief Operating Officer; and Steven N. Nackan, President, Aecon Concessions.

John M. Beck

The agreement with Mr. Beck came into effect on December 31, 1999. The agreement sets out duties and responsibilities, as well as annual compensation, benefits and incentives. Mr. Beck's agreement includes non-solicitation provisions ending two years from termination, as well as confidentiality provisions that extend beyond expiration. The agreement also provides for a severance payment equal to 36 months base salary and bonus at the then prevailing rate plus a pro rata bonus payment, in the event of permanent disability, death or termination of employment by the Corporation, if without cause. Similarly, in the event of a change of control of the Corporation, if Mr. Beck is dismissed or elects to resign during the ensuing 12 months, Mr. Beck is entitled to receive a payment equal to 36 months' salary and plus the cash incentive paid over the previous three fiscal years and the continuation of all benefits for a period of 36 months.

David Smales

The agreement with Mr. Smales came into effect on November 16, 2009. The agreement sets out Mr. Smales' duties and responsibilities as well as annual compensation, benefits and incentives. The agreement includes non-solicitation and non-competition provisions ending 12 months from termination as well as confidentiality provisions that extend beyond expiration. The agreement provides for a severance payment in the event of termination without just cause in the form of a continuation of salary and benefits including pension plan contributions for a period of 12 months, subject to any greater entitlement under Ontario law.

Paul P. Koenderman

The agreement with Mr. Koenderman came into effect on April 1, 2003. The agreement sets out Mr. Koenderman's duties and responsibilities and annual compensation, benefits and incentives. The agreement provides for a severance payment in the event of termination without just cause in the form of a continuation of salary and benefits and semi-monthly payments of one twenty-fourth (1/24) of the average annual cash incentive paid over the previous three years, all for a period of 12 months, subject to any greater entitlement under Ontario law. In the event of a change of control of the Corporation, Mr. Koenderman may elect to resign during the ensuing three months and receive a lump sum payment equal to 12 months' salary plus the average cash incentive paid over the previous three fiscal years, without continuation of benefits.

Terrance L. McKibbon

The agreement with Mr. McKibbon came into effect on May 20, 2011. The agreement sets out Mr. McKibbon's duties and responsibilities as well as annual compensation, benefits and incentives. The agreement includes non-solicitation and non-competition provisions ending 24 months following termination of employment as well as confidentiality provisions that extend beyond expiration. The agreement provides for a severance payment in the event of termination without just cause in the form of a continuation of salary and benefits including pension plan contributions for a period of 24 months, subject to any greater entitlement under Ontario law. In the event of a change of control of the Corporation, if Mr. McKibbon is dimissed or elects to resign during the ensuing 12 months, Mr. McKibbon is entitled to receive a payment equal to 24 months' salary plus the cash incentive paid over the previous two fiscal years and the continuation of all benefits for a period of 24 months.

Steven N. Nackan

The agreement with Mr. Nackan came into effect on November 11, 2005. The agreement sets out Mr. Nackan's duties and responsibilities as well as annual compensation, benefits and incentives. The agreement includes non-solicitation and non-competition provisions ending 12 months from termination as well as confidentiality provisions that extend beyond expiration. The agreement provides for a severance payment in the event of termination without just cause in the form of a continuation of salary and benefits including pension plan contributions for a period of 12 months, subject to any greater entitlement under Ontario law.

The following table reflects the estimated amount of payouts and other benefits (assuming all criteria and preconditions in each individual agreement are satisfied) for each of the NEOs in the indicated event, assuming that each event occurred on December 31, 2011. Termination entitlements would be governed by the *Employment Standards Act* (Ontario) and applicable common law.

Name	**Triggering Event**	**Cash Portion**[1]	**Value of LTIP Awards**[2][3]	**Value of Stock Options**[2][4]	**Retirement Plan Contribution**[5]	**Other**[6]	**Total**
		($)	**($)**	**($)**	**($)**	**($)**	**($)**
John M. Beck	Termination Without Cause Or Change of Control	4,085,983[7]	2,487,053[8]	20,000	553,450	117,720	7,264,206
David Smales	Termination Without Cause	590,913[9]	674,492	40,000	37,350	17,906	1,360,661
Paul P. Koenderman	Termination Without Cause or Change of Control	725,610[10]	2,101,111	Nil	23,175	19,259	2,869,155
Terrance L. McKibbon	Termination Without Cause Or Change of Control	2,324,520[11]	1,722,616	Nil	53,000	43,137	4,143,273
Steven N. Nackan	Termination Without Cause	583,333[12]	489,361	Nil	15,450	14,712	1,102,856

Notes:

(1) Amounts in this column are determined in accordance with the provisions of each individual employment agreement.
(2) Based on the closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, being $10.46 per share and the option exercise price of the stock options.
(3) Amounts represent the value of unvested DSUs as at December 31, 2011.
(4) Calculated for all outstanding options that would vest as a result of termination, assuming such options were exercised and the underlying securities sold on December 30, 2011. Unvested options vest in the case of termination without cause.
(5) For John M. Beck, retirement plan contributions include three years contribution to the Defined Benefit SERP, as well as three years contribution to the Defined Contribution Pension Plan. For David Smales, Paul P. Koenderman and Steven N. Nackan, the amounts include one year contributions to the Defined Contribution Pension Plan, employee share purchase plan and Defined Contribution SERP. For Terrance L. McKibbon, the amount includes 24 months contribution to the Defined Contribution Pension Plan and Defined Contribution SERP.
(6) For John M. Beck, the amounts include three years annual club membership and vehicle costs. For David Smales, Paul P. Koenderman and Steven N. Nackan, the amounts represent one year annual vehicle costs. For Terrance L. McKibbon, amount represents 24 months of vehicle costs.
(7) Determined based on a severance period of 36 months being comprised of $2,040,000 attributable to base salary and a bonus entitlement of $2,045,983, calculated as described herein.
(8) Amount includes the value of unvested DSUs and the value of unvested RSUs (which amount in respect of RSUs is payable for employees whose employment terminates after age 65).
(9) Determined based on a severance period of 12 months being comprised of $375,000 attributable to base salary and a bonus entitlement of $215,913, calculated as described herein.
(10) Determined based on a severance period of 12 months being comprised of $450,000 attributable to base salary and a bonus entitlement of $275,610, calculated as described herein.
(11) Determined based on a severance period of 24 months being comprised of $1,060,000 attributable to base salary and a bonus entitlement of $1,361,780.
(12) Determined based on a severance period of 12 months being comprised of $300,000 attributable to base salary and a bonus entitlement of $283,333, calculated as described herein.

Director Compensation

The following table sets forth the details regarding compensation paid to the Corporation's non-management directors during the financial year ended December 31, 2011.

Name[(1)]	Fees Earned	Share-Based Awards	Option-Based Awards[(2)]	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
	($)	($)	($)	($)	($)	($)	($)
Austin C. Beutel	88,250	Nil	103,750	Nil	Nil	Nil	192,000
Michael A. Butt	122,500	Nil	103,750	Nil	Nil	Nil	226,250
Anthony P. Franceschini	88,250	Nil	103,750	Nil	Nil	Nil	192,000
J.D. Hole	109,000	Nil	103,750	Nil	Nil	Nil	212,750
Rolf Kindbom	89,750	Nil	103,750	Nil	Nil	Nil	193,500
The Hon. Brian V. Tobin, P.C.	119,000	Nil	103,750	Nil	Nil	Nil	222,750
Robert P. Wildeboer	192,250	Nil	103,750	Nil	Nil	Nil	296,000

Notes:

(1) John M. Beck was a NEO and as such, his compensation as a director of the Corporation is included in the column entitled "Total Compensation" under the heading "Summary Compensation Table".
(2) See Note 2 to the Summary Compensation Table on page 25.

The following table sets forth the breakdown of the non-management directors' fees earned for the financial year ended December 31, 2011.

Name	Board Annual Retainer(1)	Committee Chair/Member Retainer(2)	Aggregate Board Attendance Fee(3)	Aggregate Committee Attendance Fee	Special Meeting Attendance Fee(4)	Total
	($)	($)	($)	($)	($)	($)
John M. Beck(5)	Nil	Nil	Nil	Nil	Nil	Nil
Austin C. Beutel	62,500	4,000	14,250	6,000	1,500	88,250
Michael A. Butt	62,500	17,000	14,250	28,500	1,500	123,750
Anthony P. Franceschini	62,500	4,000	15,750	6,000	Nil	88,250
J.D. Hole	62,500	11,250	15,750	19,500	1,500	110,500
Rolf Kindbom	62,500	4,000	15,750	7,500	1,500	91,250
The Hon. Brian V. Tobin, P.C.	62,500	12,250	15,750	27,000	1,500	119,000
Robert P. Wildeboer	62,500	90,000(6)	15,750	22,500	1,500	192,250

Notes:

(1) For the period from January 1, 2011 to June 30, 2011, the annual retainer was $50,000.
(2) For the period from January 1, 2011 to June 30, 2011, Chairs of each committee received an additional $6,000 per month.
(3) For the period from January 1, 2011 to June 30, 2011, directors received $1,500 for each meeting of the Board attended in person and $750 for each meeting attended by telephone.
(4) From time to time, senior management of the Corporation requests that independent members of the Board of Directors participate in various meetings in their capacities as directors in order to both take advantage of their diverse skills and experience and to provide input on behalf of the Board of Directors.
(5) As a management member of the Board of Directors, Mr. Beck did not receive fees in respect of his participation in Board meetings.
(6) Includes $85,000 as a retainer for serving as Vice Chairman and Lead Director of the Corporation in 2011.

Narrative Discussion

Each non-management director of the Corporation is remunerated at the rate of $75,000 per annum and receives $1,500 for each meeting of the Board attended. Chairs of committees of the Board are entitled to a further $12,500 per annum, except for the Chair of the Audit Committee, who receives a further $20,000 per annum, and all committee members receive $4,000 per annum. The Chair and each committee member receives $1,500 per committee meeting attended. Non-management directors do not receive share-based compensation but from time to time, upon recommendation of the CGNC Committee, they may be granted stock options as set out herein.

Incentive Plan Awards – Directors

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the details regarding the option-based incentive plan awards for each non-management director of the Corporation outstanding as at December 31, 2011. The non-management directors of the Corporation do not participate in any share-based incentive plan award programs of the Corporation.

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Options(1)
	(#)	($)		($)
Austin C. Beutel	100,000	14.95	August 5, 2013	Nil
	25,000	9.66	March 11, 2016	20,000
Michael A. Butt	100,000	14.95	August 5, 2013	Nil
	25,000	9.66	March 11, 2016	20,000
Anthony P. Franceschini	100,000	11.29	May 14, 2014	Nil
	25,000	9.66	March 11, 2016	20,000
J.D. Hole	100,000	11.29	May 14, 2014	Nil
	25,000	9.66	March 11, 2016	20,000
Rolf Kindbom	100,000	14.95	August 5, 2013	Nil
	25,000	9.66	March 11, 2016	20,000
The Hon. Brian V. Tobin, P.C.	100,000	14.95	August 5, 2013	Nil
	25,000	9.66	March 11, 2016	20,000
Robert P. Wildeboer	100,000	14.95	August 5, 2013	Nil
	25,000	9.66	March 11, 2016	20,000

Note:

(1) Based on the closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, being $10.46 per share and the option exercise price of the stock options.

Narrative Discussion – Director Option Awards

Each director of the Corporation is eligible to participate in the Option Plan. Option grants for directors are approved by the Board based on the recommendations of the CGNC Committee. The number of stock options granted is based on competitive and market conditions, including options awarded to directors of other corporations of comparable market capitalization to the Corporation. When determining whether and how many new option grants will be made, the CGNC Committee takes into account the amount and terms of any outstanding options.

Since 1998, there have been a total of four director option grants. If a director had been in place since 1998, as at December 31, 2011, he would have received a total of 300,000 options being 75,000 in 2000; 100,000 in 2006; 100,000 in 2008; and 25,000 in 2011.

The Board, on the recommendation of the CGNC Committee, has traditionally granted options to directors on the foregoing basis, although it is not bound to a specific policy that a particular number of options be granted at particular times. The CGNC Committee and the Board believe that a portion of director compensation should include equity grants for all directors, including the Chief Executive Officer (who sits on the Board), in addition to a director retainer and a stipend for meetings attended.

The grant of stock options, which has consistently been a part of Aecon's director compensation arrangements, has allowed Aecon to provide directors with competitive compensation which includes an equity component in order to align director interests with those of Shareholders. The Corporation anticipates that director compensation will continue to reflect this philosophy in the future.

Value Vested or Earned During the Financial Year Ended December 31, 2011

The following table sets forth the details regarding the value vested or earned of incentive plan awards for each non-management director of the Corporation for the financial year ended December 31, 2011.

Name	**Option-Based Awards – Value Vested During the Year**(1)	**Non-Equity Incentive Plan Compensation – Value Earned During the Year**
	($)	**($)**
Austin C. Beutel	20,000(2)	Nil
Michael A. Butt	20,000(2)	Nil
Anthony P. Franceschini	20,000(3)	Nil
J.D. Hole	20,000(3)	Nil
Rolf Kindbom	20,000(2)	Nil
The Hon. Brian V. Tobin, P.C.	20,000(2)	Nil
Robert P. Wildeboer	20,000(2)	Nil

Notes:

(1) Based on the closing price of the Common Shares on the TSX on December 30, 2011, the last trading day of fiscal 2011, being $10.46 per share and the option exercise price of the stock options.
(2) For each noted director, 25,000 options with an option exercise price of $9.66 vested on March 11, 2011 and an additional 25,000 options with an option exercise price of $14.95 vested on August 5, 2011.
(3) For each noted director, 25,000 options with an option exercise price of $9.66 vested on March 11, 2011 and an additional 25,000 options with an option exercise price of $11.29 vested on May 14, 2011.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no informed person (as such term is defined in NI 51-102) of the Corporation, nominee for election as a director of the Corporation or, to the knowledge of the directors and executive officers of the Corporation, their respective associates or affiliates, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed in this Circular, no person who has been a director or executive officer of the Corporation at any time since the beginning of its last completed financial year, no proposed nominee for election as a director of the Corporation nor any associate or affiliate of such persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

CORPORATE GOVERNANCE MATTERS

The Board of Directors is committed to fostering a healthy governance culture at the Corporation. The Corporation believes that such culture requires that directors be informed of both internal corporate and external developments that may affect the business and affairs of the Corporation and that an atmosphere of open communication, trust, candour, healthy debate and constructive dissent be part of the corporate decision making and directorial oversight process. Although mindful of evolving views with respect to governance issues, the Board believes that formulaic or structural approaches to corporate governance issues may not in and of themselves be adequate or ensure best in class governance standards. The Board examines each issue on a case-by-case basis and, in consultation with senior management and the Corporation's advisors, adopts the standard or approach it believes best protects and promotes the interests of all Aecon stakeholders. As members of an experienced Board of Directors, the directors are cognizant that they have statutory and fiduciary obligations to act honestly and in good faith with a view to the best interests of the Corporation. They also have a duty of care in making decisions, including a duty to be properly informed so they can perform the tasks their positions entail. The Board of Directors demands that these standards be met by its members at all times. The Board believes that its principled approach to corporate governance meets these standards.

The Corporation's corporate governance practices are designed to ensure that the business and affairs of the Corporation are effectively managed so as to promote and enhance shareholder value. The Board of Directors has historically been actively involved in many aspects of the Corporation's business, a trend that continued throughout 2011. Management has been able to draw assistance from individual Board members, as well as seek advice from the Board of Directors as a whole or from the independent directors collectively or individually, when appropriate.

Over the past several years, both management and the Board of Directors have closely monitored and, where appropriate, responded to Canadian regulatory developments aimed at improving corporate governance, increasing corporate and individual accountability as well as maximizing the transparency of public company disclosure.

Under the CSA Guidelines, the Corporation must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The Corporation's annual disclosure of its corporate governance practices in accordance with Form 58-101F1 *Corporate Governance Disclosure* under NI 58-101 is attached to this Circular as Appendix 1.

The Corporation is also subject to the requirements of Canadian provincial securities legislation, including those relating to the certification of financial and other information by the Corporation's chief executive officer and chief financial officer; oversight of the Corporation's external independent auditors; enhanced independence criteria for Audit Committee members; the pre-approval of permissible non-audit services to be performed by the Corporation's external independent auditors; and the establishment of procedures for the anonymous submission of employee complaints regarding the Corporation's accounting practices (the "**Whistle-Blower Policy**"). In its consideration of evolving best practices in corporate governance matters, over the past several years, among other matters discussed below and in Appendix 1, the Corporation has: (i) adopted, reviewed and/or updated a broad range of corporate policies including a code of conduct regarding specified employee behaviour (the "**Code of Conduct**"); (ii) placed a significant emphasis on training employees (both new and existing) about their obligations under key corporate policies and safety related issues; (iii) adopted a complaint and submission procedure to the Audit Committee for employee complaints regarding the Corporation's accounting practices; (iv) established policies and procedures for Audit Committee pre-approval of services provided by the Corporation's external independent auditor; (v) established a formal Disclosure Committee (as hereinafter defined) that meets at least quarterly (see "Shareholder Feedback and Communication" for additional information); (vi) created an internal audit department (see "Shareholder Feedback and Communication" for additional information); (vii) established an International Financial Reporting Standards ("**IFRS**") Steering Committee and implementation team; (viii) adopted a mandate for the Board of Directors; (ix) expanded the mandate of the former HRC Committee and reconstituted such committee as the CGNC Committee with the adoption of a Corporate Governance, Nominating and Compensation Committee Charter; (x) adopted formal mandates for the Chair of each Board committee; (xi) commencing with the Corporation's annual shareholder meeting held in 2009, elected new directors on an individual basis rather than pursuant to "slate" voting as was done in prior years; (xii) created the position of Lead Director; (xiii) consulted outside counsel on best practices with respect to corporate governance standards; and (xiv) engaged Meridian to provide independent advice to the CGNC Committee in connection with matters pertaining to executive and director compensation.

Enterprise Risk Management

Management has developed a disciplined and integrated enterprise risk management ("**ERM**") process which identifies potential events that may affect the Corporation, manages risk to be within the Corporation's risk appetite and provides reasonable assurance regarding the achievement of the Corporation's objectives.

In support of ERM, the Corporation has put in place formal policies which address project selection, contract terms, cost controls, project controls, selection of joint venture partners and negotiation of joint venture agreements, impact and delay claims, third party liability and regulatory matters.

Management believes that everyone in the Corporation has a degree of responsibility for enterprise risk management. The Project Risk Committee, chaired by the Executive Vice President, Legal and Commercial Services, meets weekly to vet significant projects prior to bid prequalifications and bid submissions. The Executive Committee meets monthly to discuss key strategic issues, financial performance, operation issues and safety matters and to review the progress of major projects. The Executive Committee also conducts quarterly financial review meetings with operating leaders to monitor the financial results and leading indicators across the Corporation. The EOT meets quarterly to review financial performance and major projects and key opportunities. The Disclosure Committee meets quarterly to review continuous disclosure obligations and documents. In addition to the formal processes described above, divisional and risk teams provide ongoing support for major projects and all personnel are expected to execute enterprise risk management in accordance with established directives and protocols.

Code of Conduct and Whistle Blower Policy

The Corporation first adopted a Code of Conduct in 2002 to guide behaviour related to company business and to ensure that Aecon maintains the standard of a highly ethical and professional public corporation. The Code of Conduct supports Aecon's corporate values, specifically to "preserve the highest standards of honesty, integrity and business ethics; promote equality of opportunity and cultural diversity within the Corporation; ensure safety in all our activities; foster protection of the environment; and maintain an open, empowering and rewarding workplace". The Code of Conduct was subsequently updated in January 2008 and employee training sessions are regularly held to remind employees of their key obligations. The Code of Conduct is available for review under the Corporation's SEDAR profile at *www.sedar.com*.

In May 2005, the Corporation approved the Whistle Blower Policy to support the Corporation's continued commitment to honesty and integrity in the conduct of its business. The Whistle Blower Policy has been updated several times since its initial adoption with a view to continuing to meet best practices. The Whistle Blower Policy was most recently updated in the second quarter of 2011 with the assistance of external counsel and is available for review under the Corporation's SEDAR profile at *www.sedar.com*. Among other features, the Whistle Blower Policy provides a mechanism for anonymous complaints to be made to the Chair of the Audit Committee or the Senior Vice President, Legal and Commercial Affairs. For additional information, see "Culture of Integrity" set out in the Board of Directors Mandate attached to the 2011 Circular, which is available under the Corporation's SEDAR profile at *www.sedar.com*. To reinforce the importance of ethical behaviour and enhance internal controls, in April 2009 the Corporation introduced a "Reporting Internal Suspicions of Fraud Policy".

Management, under the direction of the Board of Directors, has undertaken a number of initiatives to promote ethical behaviour by its employees including email updates regarding key policies, new employee seminars on key corporate policies (including the Code of Conduct and Whistle-Blower Policy) and holding an annual company-wide Safety Day. First introduced in October 2005, to reinforce to all employees, clients and stakeholders the importance of safety as a core value of the Corporation, Safety Day is a company-wide event in which all employees of the Corporation watch a "tool box" video talk by the Chief Executive Officer on safety issues and are reminded of the importance of safety in their day to day activities.

The Disclosure Committee meets at least quarterly and more often if required to discuss disclosure issues. The quarterly meeting typically involves a page by page review of the applicable management's discussion and analysis and financial statements and is attended by members of both the Disclosure Committee and senior members of the Corporation's finance department who are responsible for the preparation of the documents. The final documents filed under the Corporation's SEDAR profile reflect the consensus of such meetings. See "Shareholder Feedback and Communication" for additional information.

Internal Audit and Advisory Services Department

The Corporation's Financial Assurance and Compliance ("**FA&C**") Department was established and maintained to provide an independent and objective assurance, consulting and advisory function that is designed to add value, improve the Corporation's operations, and assist management in the effective discharge of its responsibilities. Currently, the main focus of the FA&C group is to manage the Bill 198 compliance initiative, assist senior management in the testing of internal controls over financial reporting ("**ICFR**") and provide added assurance and comfort to the CEO and CFO of the Corporation as part of their certification on the design and operating effectiveness of ICFR. In addition to this assurance function in support of the regulatory certification process, FA&C also assists management of the Corporation in examining, evaluating, reporting and recommending improvements to strengthen the effectiveness of internal controls, risk management and governance processes. Other responsibilities include reviewing the Corporation's compliance with policies, procedures, and laws and regulations and performing advisory services as requested.

Board Oversight of Corporate Governance

The Board takes an active role in promoting an ethical culture and monitoring compliance with Aecon policies. The Board and senior management believe that in the construction industry, ethical behaviour starts with "safe behaviour" as evidenced by a commitment to high safety standards by every employee on every job site. As such, the Board has provided strong support for initiatives such as Safety Day. To further monitor this key control, the Board created the Environmental, Health and Safety Committee (the "**EHS Committee**") in the fourth quarter of 2010. See "Board Committees" in this Circular for additional information.

The Board also monitors compliance with the Corporation's policies through Financial Assurance and Compliance Interim Reports prepared by the internal audit team and provided to the Audit Committee on a quarterly basis. In addition, as part of compliance with National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, the Corporation has developed a system of sub-certification pursuant to which key financial and business unit leaders are asked to verify compliance with a range of key metrics including compliance with the Code of Conduct. The Chief Financial Officer provides a report to the Board in respect of such matters on a quarterly basis.

Mandate of the Board of Directors

The mandate of the Board of Directors is to supervise the management of the business and affairs of the Corporation by its executive officers and includes, without limitation, the following duties and responsibilities:

1. ensuring a culture of integrity at the Corporation;

2. approving and monitoring the Corporation's overall strategy;

3. reviewing and approving strategic investments, acquisition opportunities, divestitures and alliances;

4. assessing and managing the principal risks inherent to the business of the Corporation;

5. overseeing and reviewing the Corporation's communication and public disclosure policies and practices;

6. approving the Corporation's internal controls and reviewing and assessing their integrity and effectiveness;

7. overseeing the Corporation's financial reporting policies and procedures;

8. reviewing and monitoring the corporate governance policies and practices of the Corporation;
9. overseeing the performance of the Chief Executive Officer and senior management and establishing their annual performance expectations, corporate goals and objectives (including setting appropriate compensation and benefits) and monitoring progress against expectations; and
10. overseeing the creation and implementation of appropriate succession plans for senior management.

A copy of the Board of Directors Mandate is attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.

Composition of the Board of Directors

The Board of Directors is currently comprised of eight members. The directors of the Corporation include community and business leaders active at the local, national and international level who provide a depth and range of experience. Please see the biographies of individual directors under "Election of Directors". The Board of Directors has determined that following the Meeting, seven out of eight or 87.5% of the directors will be considered "independent" under the CSA Guidelines. To assist the Board of Directors with its determination as to independence of its members, all directors annually complete a detailed questionnaire regarding their relationships with the Corporation. The Board of Directors believes that a sufficient number of directors are independent of the Corporation, as no material corporate decision requiring director approval can be passed without the approval of the independent directors. Notwithstanding that Mr. Beck is not "independent" within the meaning of the CSA Guidelines, the Board believes that such status has not precluded Mr. Beck from exercising independent judgment with a view to the best interests of the Corporation. See "Board Committees" below for additional details.

Position Descriptions

The Board of Directors is led by the Chairman and is comprised of experienced directors (see "Election of Directors" for additional details), whose authority is exercised in accordance with the Corporation's Articles of Incorporation, By-Laws and Corporate Governance Handbook, the *Canada Business Corporations Act* as well as other applicable laws, regulations and rules, including those adopted by the Canadian Securities Administrators ("**CSA**") and those of the TSX. The Board has appointed a Lead Director who is independent within the meaning of the CSA Guidelines.

Chief Executive Officer

The Chief Executive Officer of Aecon has full responsibility for the day-to-day activities of the Corporation's business in accordance with its strategic plan as approved by the Board of Directors. The Chief Executive Officer is accountable to the Board of Directors for the overall management of Aecon and for conformity with policies agreed upon by the Board of Directors. The approval of the Board of Directors (or appropriate committee) is required for all significant decisions outside of the ordinary course of Aecon's business. The position description for the Chief Executive Officer is attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.

On an annual basis, the Chief Executive Officer of the Corporation circulates to the Board a proposed strategic plan and budget which are discussed and, if appropriate, adopted by the Board of Directors. These form the basis of the corporate objectives which must be met by the Chief Executive Officer. The CGNC Committee reviews the performance of the Corporation and the Chief Executive Officer which review is used by the CGNC Committee in its deliberations concerning the Chief Executive Officer's annual compensation. See "Statement of Executive Compensation".

Lead Director

The Board has created the position of Lead Director. The role of Lead Director is to facilitate the functioning of the Board, to help ensure that appropriate processes are followed, to assist in fostering and seeking input of independent directors, and to ensure independent director participation in all Board decisions.

The Lead Director ensures that the Board's relationship with management functions effectively and furthers the best interests of the Corporation, including working with the committees appointed by the Board to ensure they have the proper structure and appropriate assignments. The Lead Director also regularly communicates with the Chairman and Chief Executive Officer so that he is aware of any concerns of the independent directors and any concerns communicated by Shareholders and other stakeholders. The role and responsibilities of the Lead Director are in addition to and distinct from the role of the chair of each of the committees of the Board. The mandate of the Lead Director is attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.

Committee Chair

Each of the Audit Committee, the CGNC Committee, and the EHS Committee is chaired by an independent director (each a "**Committee Chair**"). The Committee Chairs are responsible for the management and the effective performance of their respective committees. The mandate of each Committee Chair also includes taking all reasonable measures to ensure that the respective committee fully executes its mandate, including taking all reasonable steps to ensure that such committee works as a cohesive team and arranging for the availability of adequate resources and access to information and management to support the committee's work.

Board Committees

The Board of Directors has established three standing committees of directors: the CGNC Committee, the Audit Committee and the EHS Committee. Each committee regularly meets without management present. All members of each of the Audit Committee, the CGNC Committee and the EHS Committee, including their respective Chairs, are "independent" within the meaning of National Instrument 52-110 *Audit Committees* ("**NI 52-110**").

In addition, as part of its ongoing efforts to maintain high standards of corporate governance, in 2007 the Board approved and adopted written mandates for the Chairman of the Board and for each Committee Chair, each of which are attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*. From time to time, special committees of the Board of Directors may be and have been appointed to consider special issues and in particular, any issues that may involve related party transactions. Individual directors may retain outside advisors at the Corporation's expense in appropriate circumstances and with the approval of the Audit Committee. No material corporate decision or decision involving a potential conflict of interest can be approved by the Board without the approval of the independent directors.

Corporate Governance, Nominating and Compensation Committee

On May 4, 2010, the Board of Directors established the CGNC Committee which replaced the previously constituted HRC Committee. Previously, the Corporation did not have a formal governance or nominating committee, although the HRC Committee routinely performed functions that would be customary for such committees. Given the high level of importance the Board of Directors places on the Corporation's governance and nominating functions, the Board of Directors felt it was an appropriate time to formalize these roles within the reconstituted CGNC Committee. In addition to assuming the HRC Committee's mandate with respect to the Corporation's overall corporate policy relating to compensation and benefits, the CGNC Committee's mandate was expanded to include such matters as developing an effective corporate governance system for the Corporation, reviewing and assessing the Corporation's corporate governance practices and public disclosure on an ongoing basis, reviewing the Corporation's compensation policies and programs to ensure that they motivate an appropriate level of risk-taking and mitigate excessive risk-taking, identifying and recommending candidates for election to the Board and all committees of the Board, establishing and reviewing succession planning for the Chief Executive Officer and other senior executives and overseeing the administration, financial reporting and investment activities of the Corporation's pension plans.

The CGNC Committee is currently comprised of The Hon. Brian V. Tobin, P.C. (Chair), Robert P. Wildeboer and Michael A. Butt, all of who are considered independent within the meaning of the CSA Guidelines. The Chief Executive Officer of the Corporation does not participate in the selection of members of the CGNC Committee.

Current members of the CGNC Committee are all senior business leaders and executives with several years of compensation and human resources experience. Accordingly, the Board of Directors believes that the members of the CGNC Committee, collectively, have the knowledge, experience and background to fulfill its mandate.

The CGNC Committee met fifteen times in fiscal 2011. The CGNC Committee meets without the presence of directors who are not independent of the Corporation and without the presence of management.

Audit Committee

The Audit Committee is currently composed of Michael A. Butt (Chair), Austin C. Beutel and Anthony P. Franceschini, all of whom are considered to be "independent" and "financially literate" within the meaning of NI 52-110. As such, 100% of the Audit Committee members are considered independent. The Corporation believes the oversight function of the Audit Committee provides a key stewardship role in the Corporation's financial disclosure issues, internal controls, financial and operational risk management, corporate finance and related matters.

In reviewing the audited financial statements of the Corporation, the Audit Committee discusses the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosure in the financial statements. In addition, the Audit Committee discusses with the Corporation's independent external auditors the overall scope and plans for their audit. The Audit Committee meets with the auditors, with and without management present, to discuss the results of their examination and the overall quality of the Corporation's financial reporting. At least once per quarter, the members of the Audit Committee and other independent members of the Board meet with the auditors to discuss relevant issues. Neither the Board members who are part of management nor the Corporate Secretary participate in these meetings. The Audit Committee also carefully reviews evolving audit committee regulations and best practices to ensure corporate alignment with the spirit and intent of such regulations and practices. The Audit Committee also meets annually with the CGNC Committee to consider the Corporation's key business risks and how the Corporation's compensation policies and programs mitigate or promote excessive risk taking.

The Audit Committee met four times in fiscal 2011. The Audit Committee meets once per quarter before regularly scheduled Board meetings. The Audit Committee sets aside a portion of these meetings to meet without the presence of directors who are not independent of the Corporation and without the presence of management.

The Audit Committee Charter is attached to this Circular as Appendix 3.

Environmental, Health and Safety Committee

The EHS Committee is currently comprised of J.D. Hole (Chair), Rolf Kindbom and The Hon. Brian V. Tobin, P.C. The Corporation believes the mandate of the EHS Committee provides an important leadership role in supporting the Corporation's core value of "safety first". The overall purpose of the EHS Committee is to support continuous improvement of healthy and safe workplaces, founded on the principles that the effective management of health, safety, wellness and concern for the environment (collectively "**EHS**") are essential to the success of the Corporation.

The EHS Committee is responsible for reviewing and approving the Corporation's annual EHS Strategic Plan and on a quarterly basis reviewing and assessing the Corporation's EHS performance. The EHS Committee is also tasked with reviewing corporate governance principles relating to a sound EHS system comprised of strategies, programming and performance of the Corporation from time to time to ensure compliance with changing regulatory requirements and best practices. In addition, the EHS Committee plays a key role in providing continuing education of EHS issues, best practices, legal and regulatory requirements and trends to the Board.

The EHS Committee met five times in fiscal 2011. The EHS meets once per quarter before regularly scheduled Board meetings. The EHS Committee Charter is attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.

Nomination of Directors

The CGNC Committee is responsible for identifying and recommending candidates for election to the Board and all committees of the Board. As part of its mandate with respect to nominating functions, the CGNC Committee is responsible for: (i) developing the criteria, profile and qualifications for new nominees to fill vacancies on the Board and recommending same for approval of the Board; (ii) identifying, interviewing and recruiting new nominees to fill vacancies on the Board as may be required; (iii) recommending for the approval of the Board the nominees to stand for election as directors at each annual meeting of Shareholders or otherwise to be appointed by the Board to fill any vacancy on the Board from time to time; (iv) reviewing and recommending to the Board for approval, the need, composition, membership and chairmanship of all committees of the Board, ensuring they are comprised of entirely independent members; and (v) establishing an orientation program for new Board members.

In considering a potential candidate, the CGNC Committee considers both the qualities and skills that: (a) the Board, considered in its entirety, currently possesses (see "Election of Directors – Board of Directors Skills Matrix" for additional details regarding the expertise of the Board); and (b) the Board should possess. Based on the skills and experiences already represented on the Board, the CGNC Committee will consider the experiences, personal attributes and qualities that a candidate should possess in light of the anticipated growth and development of the Corporation. For example, in light of Aecon's growth in Western Canada in recent years the last two directors nominated to the Board were Alberta-based, adding valuable western Canadian perspective and experience to the Board. In assessing a candidate's suitability, the CGNC Committee also takes into consideration the existing commitments of the individual to ensure that each member has sufficient time to discharge such member's duties.

Notwithstanding that the CGNC Committee is charged with the responsibility of identifying potential new Board members, all members of the Board and senior management are eligible to put forth candidates for the CGNC Committee to consider. Once candidates have been approved by the CGNC Committee and their interest level gauged, the entire Board discusses, both formally and informally, the suitability of a particular candidate.

Orientation of New Directors

The Board of Directors is responsible for the orientation and education of new recruits to the Board and all new directors are provided with a directors' orientation manual which includes the directors' and officers' insurance policies maintained by the Corporation, a copy of key corporate policies, the Corporation's most recent significant public disclosure documents and the current business plan. Prior to or shortly after joining the Board, each new director will meet with the Chairman, the Vice Chairman and Lead Director, the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer of the Corporation. Each individual is responsible for outlining the business and prospects of the Corporation, both positive and negative, with a view to ensuring that the new director is properly informed to commence his or her duties as a director. In addition, new directors are entitled to hold exclusive meetings with members of senior management in order to familiarize themselves with the various businesses and activities of Aecon. Each new director will also be given the opportunity to meet with the Corporation's independent external auditors and legal counsel to the Corporation as well as the chair of each committee of the Board.

Continuing Education

Members of the Board of Directors are regularly updated by management on the Corporation's activities and operations. There is a significant number of committee and Board meetings, both on a formal and informal basis. Historically, topics for presentation and discussion included, among others, financial and operational reviews; overviews of legal matters, regulatory matters and legislative developments impacting the Corporation, including, for example, implementation of procedures to address workplace harassment legislation, whistle blower requirements and development of a Code of Conduct policy; acquisition and divestiture opportunities; strategic planning; director duties; internal audit; health and safety matters; specific project updates; and the implications of implementing IFRS with respect to the Corporation's accounting procedures. The Corporation believes a director must be well informed and takes a proactive approach in this regard. Typically, Board materials include information relating to current regulatory, accounting and financial issues and the directors regularly discuss these issues at the Board and committee level. The Corporation's independent external auditors and legal counsel regularly update the Corporation on recently enacted or proposed regulatory developments. In addition, Board members meet with senior management of the Corporation on an ongoing basis to review the business and affairs of the Corporation. Robert P.

Wildeboer, Vice Chairman and Lead Director of the Corporation, addresses developments in corporate governance matters as appropriate. As necessary, outside presentations are arranged for Board members and outside materials are circulated. Directors are also encouraged to participate in relevant external education seminars at Aecon's expense.

Strategic Planning

On an annual basis, the Board reviews and approves the Corporation's strategic plans. These plans include key initiatives, details of opportunities, risks, competitive position, financial projections and other key performance indicators for each of the principal business groups. The annual strategy session allows directors to gain a fuller appreciation of planning priorities and progress being made on strategic plans. Directors also give constructive feedback to management on the Corporation's strategic plans. The feedback from directors and management is a key input in planning for the next year's session. Directors also receive a strategic update on the progress of each of the principal business groups and major projects during the fiscal year.

Director Performance Review

In March 2012, the Board instituted a formal annual assessment process with respect to the effectiveness of the Board and its committees, and the performance and contribution of individual directors, which includes a peer review. Assessment of the Board consists of a survey which is approved by the Chair of the CGNC Committee and assessment of directors consists of a peer-evaluation which is based on a questionnaire approved by the Chair of the CGNC Committee. In addition, as part of the review process each committee annually evaluates its effectiveness in carrying out the duties specified in its charter. The results of the Board evaluation are analyzed and reviewed by the Lead Director (except for the peer-evaluation results in respect of the Lead Director, which are reviewed by the Chair of the CGNC Committee), who considers whether any changes to the Board's processes, composition or committee structure are appropriate. Additionally, senior management is advised of any suggestions made by directors for enhancement of processes to support the work of the Board.

Succession Planning

The Corporation's philosophy of promoting from within strengthens its values and culture and provides more options for succession. The Corporation complements this with selective external hiring to benefit from diverse experiences and fresh ideas. The Corporation holds senior leaders accountable for talent management and succession planning through a performance assessment process.

The CGNC Committee plays a key role in supporting the Board in its oversight of talent management and succession planning. Annually, the CGNC Committee reviews and discusses with management the composition of Aecon's leadership team. In December 2011, the CGNC Committee, at the Corporation's annual strategic and business plan meetings, reviewed the succession planning process and key potential succession candidates at both the corporate and divisional levels.

The Chief Executive Officer routinely discusses with the CGNC Committee the strengths and gaps of key succession candidates, development progress over the prior year and future development plans. There is also a systematic approach for the Board to meet and familiarize itself with potential succession candidates, including more junior executives.

Director Attendance

The following table summarizes the attendance of the proposed nominees for election as directors of the Corporation at Board and committee meetings held during the financial year ended December 31, 2011. The Board places a premium on active participation and attendance as evidenced by the below figures. Consideration is given to the attendance record of directors in considering the proposed nominees for election as directors to ensure that directors are able to continue to devote sufficient time to the business and affairs of the Corporation. During the financial year ended December 31, 2011, each proposed nominee for election as a director attended more than 90.9% of the Board meetings held during the period that such individual was a director of the Corporation, each member of the Audit Committee attended 100% of the Audit Committee meetings held during the period that such individual was a member of the Audit Committee, each member of the CGNC Committee who was a member of the CGNC Committee for all of 2011 attended more than 86.6% of the CGNC Committee meetings held during the period that such individual was a member of the CGNC Committee and each member of the EHS Committee attended 100% of the EHS Committee meetings held during the period that such individual was a member of the EHS Committee.

Director	Board Meetings Attended	Audit Committee Meetings Attended	CGNC Committee Meetings Attended	EHS Committee Meetings Attended	Total Meetings	Overall Meeting Attendance
John M. Beck	11/11	N/A	N/A	N/A	11/11	100%
Austin C. Beutel	10/11	4/4	N/A	N/A	14/15	93.3%
Michael A. Butt	10/11	4/4	15/15	N/A	25/26	96.2%
Anthony P. Franceschini	11/11	4/4	N/A	N/A	15/15	100%
J.D. Hole	11/11	N/A	8/11(1)	5/5	24/27	88.9%
Rolf Kindbom	11/11	N/A	N/A	5/5	16/16	100%
The Hon. Brian V. Tobin, P.C.	11/11	N/A	13/15(2)	5/5	29/31	93.5%
Robert P. Wildeboer	11/11	N/A	15/15	N/A	26/26	100%

Notes:

(1) J.D. Hole served as a member of the CGNC Committee until June 30, 2011.
(2) Brian V. Tobin was appointed Chair of the CGNC Committee on July 1, 2011 and attended all subsequent meetings.

Shareholder Feedback and Communication

The Corporation views its Shareholders and other investors as owners and partners and it has procedures in place to provide effective communications with its Shareholders and investors. Senior management (being the Chairman and Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer) together with the Vice Chairman and Lead Director are all committed to being accessible. The Corporation's disclosure committee (the "**Disclosure Committee**"), which currently consists of: (i) the Chief Financial Officer; (ii) the Executive Vice President, Legal and Commercial Services; and (iii) the Corporate Counsel. The Disclosure Committee has put in place procedures to obtain and appropriately deal with feedback from its Shareholders.

The Corporation also communicates regularly with Shareholders through annual and quarterly reports. At the Corporation's annual meeting of Shareholders, a full opportunity is afforded for Shareholders and other interested persons to ask questions concerning the Corporation's business. The Corporation endeavours to provide each Shareholder and investor inquiry with a prompt response from an appropriate officer of the Corporation. Information about the Corporation, including annual reports, interim financial reports and recent news releases, is also available on the Corporation's website at *www.aecon.com* and under the Corporation's SEDAR profile at *www.sedar.com*. Correspondence to the Corporation or any of its directors and officers can be sent to the following address: 20 Carlson Court, Suite 800, Toronto, Ontario, Canada, M9W 7K6.

Board of Directors' Expectations of Management

Management is responsible for the day-to-day operations of the Corporation and is expected to implement Board approved strategic business plans and initiatives within the context of authorized budgets and corporate policies and procedures. The information which management provides to the Board of Directors is critical. Management is expected to report regularly to the Board of Directors in a comprehensive, accurate and timely fashion in respect of the business and affairs of the Corporation. The Board of Directors monitors the nature of the information requested by the Board and otherwise provided to it so that it can effectively identify issues and opportunities for the Corporation. The Chairman, with the assistance of the Lead Director, is responsible for the management, development and effective performance of the Board in a manner that ensures the Board is adequately informed and is an effective monitor of management.

At the same time, the Board recognizes that the operations of the Corporation, its strategies and, ultimately, its success, will depend on management being successful. The Board's responsibility is to monitor and supervise, not to manage and operate the business.

Insurance

The Corporation maintains insurance for the benefit of the directors and officers of the Corporation and of its subsidiaries against liability in their respective capacities. For the period January 1, 2011 through December 31, 2011, the premium payable by the Corporation and the total amount of insurance purchased for the directors and officers as a group were $82,149 (exclusive of applicable tax) and $25,000,000, respectively. A deductible of $250,000 per wrongful act applies in respect of indemnified losses except for securities and oppressive conduct claims for which a deductible of $500,000 per wrongful act applies. The Corporation also has an excess directors' and officers' insurance policy in the amount of $10,000,000 (with a $20,650 premium (exclusive of applicable tax)). The directors and officers are not required to pay any premium in respect of the insurance.

Shareholder Proposals

In accordance with the provisions of the *Canada Business Corporations Act*, a Shareholder may be entitled to submit to the Corporation notice of any matter that the person proposes to raise at the next annual meeting of Shareholders and the Corporation shall set out such proposal and the accompanying supporting statement, if any, in the management information circular for the next annual meeting of Shareholders, provided such notice is given to the Corporation by February 13, 2013. No shareholder proposals were received by the Corporation with respect to the Meeting before the cut-off date specified in the Corporation's management proxy circular in respect of its annual meeting of Shareholders held on June 14, 2011.

AVAILABILITY OF DOCUMENTS

Additional information relating to the Corporation is available for review under the Corporation's SEDAR profile at *www.sedar.com*. Copies of the Annual Information Form and the Corporation's 2011 Annual Report containing the audited comparative financial statements (together with the auditors' report thereon) and accompanying management's discussion and analysis for the year ended December 31, 2011 are available on SEDAR or Shareholders may request copies be sent to them upon written request to the Corporate Secretary at 20 Carlson Court, Suite 800, Toronto, Ontario, Canada, M9W 7K6.

APPROVAL

The contents and the sending of this Circular have been approved by the directors of the Corporation.

L. Brian Swartz
Executive Vice President, Legal and Commercial Services
and Corporate Secretary

Dated at Toronto, Ontario
May 11, 2012

CORPORATE GOVERNANCE PRACTICES

PURSUANT TO NATIONAL INSTRUMENT 58-101

	Governance Disclosure Requirement Under NI 58-101	Comment
1. (a)	Disclose the identity of directors who are independent.	As at May 11, 2012, Messrs. Beutel, Butt, Franceschini, Hole, Kindbom, Tobin and Wildeboer are independent directors. See "Election of Directors – Director Independence" in the Circular to which this Appendix is attached.
(b)	Disclose the identity of directors who are not independent and describe the basis for that determination.	One Board member does not qualify as an independent director, namely, Mr. Beck, the Chairman of the Corporation, who has served as an executive officer of the Corporation (specifically, Chief Executive Officer) within the prior three-year period.
(c)	Disclose whether a majority of the directors are independent. If a majority of directors are not independent, describe what the Board does to facilitate its exercise of independent judgment in carrying out its responsibilities.	A majority of the directors of the Corporation (being seven of eight directors or 87.5%) are considered independent directors. For details regarding committees and independent membership, please see "Corporate Governance Matters – Board Committees" in the Circular to which this Appendix is attached.
(d)	If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	All directorships with other public entities for each of the Board members, as applicable, are set forth in the Circular to which this Appendix is attached under the heading "Election of Directors – Board Nominees".
(e)	Disclose whether the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.	For details, please see "Election of Directors – Meetings of Independent Directors" in the Circular to which this Appendix is attached.

	Governance Disclosure Requirement Under NI 58-101	Comment
(f)	Disclose whether the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.	The Chief Executive Officer of the Corporation, John M. Beck, is also the Chairman of the Board. In the view of the Board, the fact that Mr. Beck occupies both offices does not impair the ability of the Board of Directors to act independently of management. Robert P. Wildeboer, the Vice Chairman and Lead Director of the Board, who is an independent director, represents the Corporation's outside and independent directors in discussions with senior management on corporate governance issues and related matters.
(g)	Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.	The attendance record of each director for all Board and committee meetings held since the beginning of the Corporation's most recently completed financial year is set forth in the Circular to which this Appendix is attached under the heading "Corporate Governance – Director Attendance".
2.	Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.	The Board of Directors Mandate is attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.
3. (a)	Disclose whether the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.	The Board has developed a written position description for the Chairman of the Board, the Chair of each Board committee and the Lead Director, each of which is attached to the 2011 Circular which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.
(b)	Disclose whether the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.	The Board and the Chief Executive Officer have developed a written position description for the Chief Executive Officer, which is attached to the 2011 Circular, which is available for review under the Corporation's SEDAR profile at *www.sedar.com*.
4. (a)	Briefly describe what measures the Board takes to orient new members regarding (i) the role of the Board, its committees and its directors; and (ii) the nature and operation of the issuer's business.	See "Corporate Governance Matters – Orientation of New Directors, Continuing Education and Strategic Planning" in the Circular to which this Appendix is attached.

	Governance Disclosure Requirement Under NI 58-101	Comment
(b)	Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	See "Corporate Governance Matters – Orientation of New Directors, Continuing Education and Strategic Planning" in the Circular to which this Appendix is attached.
5. (a)	Disclose whether the Board has adopted a written code for the directors, officers and employees of the issuer. If the Board has adopted a written code:	The Corporation has adopted a Code of Conduct.
	(i) disclose how a person or company may obtain a copy of the code;	The Code of Conduct is available for review under the Corporation's SEDAR profile at *www.sedar.com*.
	(ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and	Please see "Corporate Governance" and, in particular, "Board Oversight of Corporate Governance" in the Circular to which this Appendix is attached.
	(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	The Board has not granted any waiver of the Code of Conduct in favour of any directors, officers or employees since its adoption by the Board. Accordingly, no material change report has been required or filed in this regard.
(b)	Describe any steps the Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.	A majority of the Corporation's directors are independent in that they are free from any interest and any business or other relationship which has materially affected or would materially affect the Corporation or any of its subsidiaries (see "Interest of Informed Persons in Material Transactions" and "Election of Directors – Director Independence" in the Circular to which this Appendix is attached). Transactions and agreements in respect of which a director or executive officer has a material interest must be reviewed and approved by the Audit Committee.
(c)	Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.	The Corporation has adopted the Code of Conduct in order to encourage, promote and require a culture of ethical business conduct. For additional steps taken by the Board, please see 5(a)(ii) above.
6. (a)	Describe the process by which the Board identifies new candidates for Board nomination.	See "Corporate Governance Matters – Nomination of Directors" in the Circular to which this Appendix is attached and see the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 2.

	Governance Disclosure Requirement Under NI 58-101	Comment
(b)	Disclose whether the Board has a Nominating Committee composed entirely of independent directors. If the Board does not have a Nominating Committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.	See "Corporate Governance Matters – Nomination of Directors" in the Circular to which this Appendix is attached and see the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 2.
(c)	If the Board has a Nominating Committee, describe the responsibilities, powers and operation of the Nominating Committee	See "Corporate Governance Matters – Nomination of Directors" in the Circular to which this Appendix is attached and see the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 2.
7. (a)	Describe the process by which the Board determines the compensation for the issuer's directors and officers.	See "Statement of Executive Compensation" in the Circular to which this Appendix is attached.
(b)	Disclose whether the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.	The CGNC Committee is currently comprised of The Hon. Brian V. Tobin, P.C. (Chair), Robert P. Wildeboer and Michael A. Butt, all of whom are considered independent.
(c)	If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	The responsibilities, powers and operation of the CGNC Committee are described in the Circular to which this Appendix is attached under the heading "Corporate Governance Matters – Corporate Governance, Nominating and Compensation Committee". See also the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 2.
(d)	If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.	Meridian Compensation Partners was retained in October, 2011 to provide independent advice to the CGNC Committee in connection with matters pertaining to executive and director compensation. For details, see "Compensation Discussion and Analysis – Elements of Compensation – Independent Advice" in the Circular to which this Appendix is attached.

	Governance Disclosure Requirement Under NI 58-101	Comment
8.	Disclose whether the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees and its individual directors are performing effectively.	Please see "Corporate Governance Matters – Director Performance Review" in the Circular to which this Appendix is attached.

CORPORATE GOVERNANCE, NOMINATING AND COMPENSATION COMMITTEE CHARTER

Overview and Purpose

The Corporate Governance, Nominating and Compensation Committee (the "**Committee**") is responsible for performing the duties set out in this Charter to enable the board of directors (the "**Board**", and each director, a "**Director**") to discharge its responsibilities and obligations with respect to:

- Developing an effective corporate governance system for Aecon Group Inc. (the "**Corporation**").
- Reviewing and assessing on an ongoing basis the Corporation's corporate governance and public disclosure.
- Identifying and recommending candidates for election to the Board and all committees of the Board.
- Developing and reviewing compensation plans, particularly those relating to executive officers, senior management, Board members and committee members, as well as providing guidance on the Corporation's overall compensation structure.
- Assessing, on an annual basis, the performance of the Board and its members.
- Managing compensation related risk.

Committee Membership

The Committee will be comprised of a minimum of three Directors provided that a majority of the Directors of the Committee shall meet the independence requirements of applicable securities laws and the listing standards of the Toronto Stock Exchange (an "**Independent Member**"). A Chair of the Committee will be appointed.

The Board will appoint the members of the Committee and the Chair annually following the annual general meeting. The independent Directors of the Board may appoint a member to fill a vacancy or remove and/or replace a member at any time.

Attendance at Meetings

The Committee shall meet as frequently as it determines necessary but not less frequently than four times each year. Meetings may be called by the Chair or by a majority of members. At least forty-eight hours prior notice of such meetings will be given to Committee members, unless otherwise agreed to by all members of the Committee.

Meetings are chaired by the Chair or, in the Chair's absence, by a member chosen by the Committee. The Chair may establish rules and procedures to be followed at meetings of the Committee. The Committee shall produce written minutes of its meetings and shall provide the Board with a report of its activities and proceedings.

A quorum for the transaction of business at any meeting of the Committee is a majority of members and the vote of a majority of the members present will be an act of the Committee. Meetings may be conducted with members physically present, or by telephone or other communication facilities which permit all persons participating in the meeting to hear or communicate with each other. A written resolution signed by all Committee members is as valid as one passed at a Committee meeting.

Directors not on the Committee may attend meetings at the invitation of the Chair. Members of the Committee may invite members of management or other outside consultants to attend Committee meetings as determined necessary or desirable.

Responsibilities and Duties

The responsibilities and duties of the Committee with respect to its mandate are set forth below. In addition, the Committee may perform such other duties as may be necessary or appropriate under applicable law, the Toronto Stock Exchange regulations or as may be delegated to the Committee by the Board from time to time.

The Committee has the authority to delegate some or all of its responsibilities to a subcommittee from time to time, provided that the subcommittee is comprised of Independent Members.

Corporate Governance

- Developing appropriate corporate governance principles and practices.
- Reviewing the corporate governance principles of the Corporation from time to time to ensure compliance with changing regulatory requirements and best practices.
- Providing continuing education of corporate governance issues, legal requirements and trends.
- Reviewing the Corporation’s key public disclosure documents including its annual report and management information circular.
- Ensuring that Directors and committee members can engage special advisors, from time to time, at the expense of the Corporation.
- Reviewing the size, duties and responsibilities of the Board, all Board committees and all position descriptions from time to time.
- Reviewing the duties and responsibilities of the CEO from time to time and to the extent necessary recommending changes for approval of the Board.
- Reviewing the Corporation’s business plan and the CEO’s objectives for each year and assessing success at meeting those objectives.

Nomination of Directors

- Developing the criteria, profile and qualifications for new nominees to fill vacancies on the Board and recommending same for approval of the Board.
- Identifying, interviewing and recruiting new nominees to fill vacancies on the Board as may be required.
- Recommending for the approval of the Board the nominees to stand for election as Directors at each annual meeting or otherwise to be appointed by the Board to fill any vacancy on the Board from time to time.
- Reviewing and recommending to the Board for approval, the need, composition, membership and chairmanship of all committees, including this Committee.
- Establishing an orientation program for new Directors.

Compensation

- Reviewing the Corporation’s compensation plans, particularly those relating to executive officers and senior management personnel, including in respect of salary and salary structure for executives and employees, bonus awards, stock option grants, pension and benefit arrangements, incentive plans and policies and making recommendations in connection therewith to the Board for approval.

- Annually reviewing the adequacy and form of compensation of the Directors and committee members to ensure it realistically reflects the responsibilities and risks involved and making appropriate recommendations to the Board for approval.

- Conducting periodic reviews of the Corporation's compensation philosophy (including the retention of outside consultants as deemed appropriate), as well as developing and fostering a compensation policy that rewards the creation of shareholder value and reflects an appropriate balance between short and long-term performance.

- Reviewing and recommending to the Board for approval a compensation report for inclusion in the Corporation's annual information circular.

- Annually meeting with the Audit Committee to consider the Corporation's key business risks and how the Corporation's compensation policies and programs mitigate or promote excessive risk.

- Annually reviewing the Corporation's compensation policies and programs to ensure that they motivate an appropriate level of risk-taking and implementing and/or amending the Corporation's policies and programs to ensure that they mitigate or do not promote excessive risk-taking.

Succession Planning

- Establishing and reviewing succession planning for the CEO and other senior executives.

Pension Plan Governance

- Overseeing the administration, financial reporting and investment activities of the Defined Benefit Pension Plan and the Defined Contribution Pension Plan (together, the "**Pension Plans**"), any successor plans and any related supplemental retirement arrangements.

- Reporting to the Board with respect to the actuarial soundness of the Pension Plans, the administrative aspects of the Pension Plans, investment policy, performance of the investment portfolios and compliance with government legislation.

- Considering amendments to the Pension Plans and making recommendations in respect thereof to the Board.

AUDIT COMMITTEE CHARTER

Appointment and Purpose

The Audit Committee is appointed by the Board of Directors (the "**Board**") to assist the Board in monitoring:

1. the integrity of the financial statements of the Corporation;
2. the compliance by the Corporation with applicable legal and regulatory requirements relating to audit and internal controls;
3. the independence, qualifications and performance of the Corporation's external auditors;
4. the Corporation's internal controls and audit function; and
5. the Corporation's key business risks.

The Audit Committee shall be responsible for the selection (subject to Board and shareholder approval), compensation and oversight over the work of the Corporation's auditors.

Composition

The Audit Committee shall be composed of three members. The Board shall appoint a Chair. The members of the Audit Committee shall meet the independence and experience requirements of the principal securities exchanges on which the Corporation's Common Shares are traded. In particular, all members shall be "unrelated" directors, who are independent of management and free from any interest and any business or other relationship which could, or be reasonably perceived to, materially interfere with the directors' ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholdings.

The members of the Audit Committee must have the requisite collective skills necessary to enable the Committee to carry out its responsibilities, as set out in this Charter. One member of the Audit Committee must be "financially literate" as may be defined from time to time by the regulatory authorities.

Authority and Responsibilities

The Audit Committee shall have the authority and responsibility to recommend to the Board the appointment or replacement of the Corporation's auditors (subject to shareholder approval), shall approve all auditing engagement fees and terms and all non-audit engagements with the Corporation's auditors and shall determine which non-audit services the Corporation's auditors are prohibited from providing. The auditors shall be accountable to the Board and the Audit Committee as representatives of the Corporation's shareholders. The Audit Committee, as a committee of the Board, shall be directly responsible for the oversight of the work of the Corporation's auditors (including resolution of disagreements between management and the auditors) for the purpose of preparing or issuing an audit report or related work, and the auditors shall report directly to the Audit Committee.

The Audit Committee shall have the authority to recommend that the Board retain special legal, accounting or other consultants to advise the Committee and to conduct or authorize investigations into any matters within the scope of its responsibilities. The Audit Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditor to attend any meeting of the Committee or to meet with any members of, or consultants to, the Committee.

While the Audit Committee has the responsibilities and powers set forth in this Charter, and its members may have financial experience, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate. This is the responsibility of management and the independent auditor.

The Audit Committee shall make regular reports to the Board. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall annually review its own performance.

In carrying out its responsibilities, the Audit Committee shall undertake such tasks and responsibilities that, in its judgment, would most effectively contribute to and implement the purposes set out above. Set out below are the principal recurring activities of the Audit Committee in carrying out its oversight responsibility.

1. Review and evaluate the effectiveness of the Corporation's process for assessing significant risks or exposures to the business, including operational and financial risks, and the steps management has taken to monitor and control such risks to the Corporation.

2. Consider and review with management and the independent auditors:

   (a) The effectiveness of, or weaknesses in, the Corporation's internal controls, including the status and adequacy of information systems and security; and

   (b) Any related significant findings and recommendations of the independent auditors together with management's responses, including the timetable for implementation of recommendations to correct weaknesses in the internal controls.

3. Instruct the independent auditors to communicate directly to the Audit Committee any material difficulties or disputes with management.

4. Determine the remuneration for the services required to support the independent auditor's opinion on the Corporation's financial statements.

5. Receive at least annually written reports from the independent auditor, discuss such reports with the auditor, and if so determined by the Audit Committee recommend that the Board take appropriate actions. Such reports from the independent auditor should include:

   (a) Outline of all existing and contemplated relationships between the independent auditor and the Corporation;

   (b) Confirmation that, in the auditor's professional judgment, it is independent of the Corporation; and

   (c) Description of the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the Corporation.

6. Evaluate the performance of the independent auditor and, if so determined by the Audit Committee, recommend that the shareholders replace the independent auditor.

7. Review and approve the planning and staffing proposed for the audit in advance of its commencement.

8. Review the annual audited and interim unaudited financial statements and accompanying Management Discussion and Analysis ("**MD&A**") with management and the independent auditor, discuss matters arising from the audit under generally accepted accounting standards, including major issues regarding accounting and auditing principles and practices, and discuss the adequacy of internal controls, that could materially affect the Corporation's financial statements, and recommend the approval of such financial statements and MD&A to the Board before they are publicly released or filed with regulators.

9. Review with the independent auditor any problems or difficulties the auditor may have encountered and any managerial letters provided by the auditor and the Corporation's response to such letters. Such review should include:

(a) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information; and

(b) Any changes required in the planned scope of the audit.

10. Meet with the independent auditor to review the independent auditor's judgements about the quality and acceptability of the Corporation's accounting principles and underlying estimates in the financial statements.

11. Prepare such reports and certifications or other evidence of review of financial information by the Audit Committee as may be required pursuant to applicable securities laws or stock exchange requirements.

12. Review the Corporation's policies and procedures regarding compliance with applicable financial and audit related laws and regulations.

13. Review and discuss with management disclosure of financial information, including earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies.

14. Meet with management to review the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures.

15. Oversee operational risk management and review the quarterly operational risk reports provided by the project controls team.

16. Review, on an annual basis or more frequently as required, with the Corporation's internal legal counsel any legal matters that could have a significant impact on the Corporation's financial statements, compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

17. Review accounting and financial human resources and succession planning related thereto with the Corporation, to the extent such matters are not dealt with by another committee.

18. Oversee the Whistle Blower policy of the Corporation, which outlines procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

19. Review major changes to the Corporation's accounting principles and practices as suggested by the independent auditor or management.

20. Discuss and review with management and the independent auditors any significant financial reporting issues and judgements made in connection with the preparation of the Corporation's financial statements, including review of analyses prepared by management or the auditors regarding significant financial reporting issues and judgements, analyses of the effects of alternative GAAP methods on the financial statements, and the effect of regulatory and accounting initiatives, and off-balance sheet structures, on the financial statements.

21. Meet separately, periodically, with management, including the Chief Financial Officer and with independent auditors.

22. Set clear hiring policies for employees or former employees of the independent auditors.

23. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting or audit matters, and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding accounting or auditing matters.

24. Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer regarding compliance with their certification obligations under applicable securities law or stock exchange requirements, if any, including in respect of the Corporation's internal controls for financial reporting and evaluations thereof, and disclosure controls and procedures.

25. Annually meet with the Corporate Governance, Nominating and Compensation Committee to consider the Corporation’s key business risks and how the Corporation’s compensation policies and programs mitigate or promote excessive risk-taking.