

AECON



TAX ELECTION FILING PACKAGE

**For former holders of common shares of Lockerbie & Hole
Inc. who received Aecon Group Inc. common shares**

ARRANGEMENT OF APRIL 1, 2009

between

Lockerbie & Hole Inc.

Aecon Group Inc.

Important warning to former holders of common shares of Lockerbie & Hole Inc. in regards to the information presented in this package

The information included in this Tax Election Filing Package is provided for illustrative purposes only and is not binding on the tax authorities. Former shareholders of Lockerbie & Hole Inc. ("Lockerbie") are solely responsible for the proper completion and filing of tax election forms. The obligations of Aecon Group Inc. ("Aecon") are limited to executing tax election forms that have been provided to it on or before June 29, 2009 and returning such tax election forms to former Lockerbie shareholders for filing with the appropriate tax authorities. Aecon will not review such tax election forms for accuracy and former Lockerbie shareholders are therefore urged to consult their own tax advisors. Lockerbie, Aecon, or their respective advisors or agents shall not incur any liability in respect of the accuracy of such information.

The instructions contained in this Tax Election Filing Package are of a general nature only and are not intended to be, and should not be construed to be, legal, business or tax advice to any particular former holder of Lockerbie common shares ("Lockerbie Shares").

The tax laws are complex and contain numerous technical requirements. Former holders of Lockerbie Shares are urged to consult their own tax advisors for advice, including in respect of:

- whether or not they are Eligible Shareholders (as defined on the following page);
- whether or not they should make the federal election pursuant to subsection 85(1) or subsection 85(2) of the *Income Tax Act* (Canada) (the "Joint Tax Election"), or any other relevant provincial election, in respect of the exchange of their Lockerbie Shares with Aecon for consideration that included common shares of Aecon ("Aecon Shares");
- the proper completion, delivery and filing of the form necessary to make Joint Tax Election (the "Joint Tax Election Form"), and any other equivalent provincial forms, and any other relevant documents, including the calculation of the adjusted cost base in their Lockerbie Shares (see instruction #10 of the section "*Instructions to help you complete your Joint Tax Election Form*");
- the deadlines applicable to their own particular circumstances for filing the Joint Tax Election Form;
- whether they held any property on Valuation Day (generally, December 31, 1971) that was exchanged for Lockerbie Shares;
- whether or not their Lockerbie Shares were held by them as capital property at the time of the exchange (see instruction #5 of the section "*Instructions to help you complete your Joint Tax Election Form*"); and
- whether or not they might have acquired their Lockerbie Shares in a non-arm's length transaction for purposes of the *Income Tax Act* (Canada) (see instruction #6 of the section "*Instructions to help you complete your Joint Tax Election Form*").

As a general rule, if the adjusted cost base (i.e. your cost for tax purposes) of your Lockerbie Shares exceeds the aggregate fair market value of the Aecon Shares and any cash received upon the exchange of your Lockerbie Shares, there would normally be no benefit in making the Joint Tax Election.

Former holders of Lockerbie Shares that are corporations, trusts, estates, or partnerships should consult their own legal advisors for advice as to whether the representative signing the Joint Tax Election Form (and any other relevant provincial forms) has the proper authorization (see instruction #16 of the section "*Instructions to help you complete your Joint Tax Election Form*").

None of Lockerbie, Aecon, or their respective advisors or agents will be responsible or liable for any taxes, interests, penalties, damages or expenses resulting from the failure by anyone to properly complete or file a Joint Tax Election in the form and manner and within the time prescribed by the relevant tax laws.

April 1, 2009

To: Former holders of Lockerbie Shares who responded to the Letter of Transmittal and Election Form for registered holders of Lockerbie Shares, included in the Management Information Circular of Lockerbie dated March 4, 2009.

This Tax Election Filing Package is addressed to former holders of Lockerbie Shares, who made the election, or were deemed to have elected, to exchange part or all of their Lockerbie Shares for Aecon Shares pursuant to the Plan of Arrangement (the "Arrangement")¹ completed on April 1, 2009.

Shareholders who are "Eligible Shareholders" (explained below), who held their Lockerbie Shares as capital property and who make a Joint Tax Election with Aecon in respect of their Lockerbie Shares, may obtain a full or partial tax deferral (rollover) on any capital gain otherwise arising upon the exchange of their Lockerbie Shares with Aecon for consideration that included Aecon Shares.

Who is an Eligible Shareholder?

An "Eligible Shareholder" shall be entitled to make a Joint Tax Election in respect of the transfer of their Lockerbie Shares to Aecon.

An "Eligible Shareholder" is a former holder of Lockerbie Shares who:

- was a resident of Canada for the purposes of the *Income Tax Act* (Canada), including a partnership all of the members of which were residents of Canada for the purposes of the *Income Tax Act* (Canada);
- was not exempt from tax under Part I of the *Income Tax Act* (Canada); and
- was the registered or beneficial owner of Lockerbie Shares.

No Joint Tax Election will be made by Aecon with a former holder of Lockerbie Shares who is not an Eligible Shareholder. For the remainder of this Tax Election Filing Package, it is assumed that you are an Eligible Shareholder and that you held your Lockerbie Shares as capital property.

TAX CONSEQUENCES OF MAKING A JOINT TAX ELECTION

The amount you elect in the Joint Tax Election, referred to as the "Elected Amount", will be treated as the proceeds of disposition of your Lockerbie Shares. However, there are certain limitations in the *Income Tax Act* (Canada) regarding the Elected Amount. These limitations are discussed below at instruction #11 of the section "*Instructions to help you complete your Joint Tax Election Form*".

You should not realize a capital gain on the exchange of your Lockerbie Shares with Aecon, provided that the Elected Amount does not exceed the adjusted cost base (i.e., your cost for tax purposes) of your Lockerbie Shares immediately before the exchange. You will realize a capital gain to the extent that the Elected Amount exceeds such adjusted cost base and any reasonable costs of disposition.

¹ The Arrangement refers to the Plan of Arrangement which was approved at the special meeting of security holders of Lockerbie & Hole Inc. on March 31, 2009. The Arrangement is described in the Management Information Circular of Lockerbie & Hole Inc. dated March 4, 2009, if you need more information.

If you exchanged Lockerbie Shares with Aecon for consideration consisting solely of Aecon Shares, you do not need to file a Joint Tax Election in respect of those Lockerbie Shares to get a full "rollover" for Canadian tax purposes. In such circumstances, if you do not report any of the capital gain or capital loss in respect of the exchange on your Canadian tax return for the year in which you exchanged the Lockerbie Shares, and you do not make a Joint Tax Election, you will have an automatic "rollover" such that the adjusted cost base of the Aecon Shares received on the exchange will be equal to the adjusted cost base of the Lockerbie Shares so exchanged.

If you exchanged all of your Lockerbie Shares with Aecon for consideration consisting solely of cash, you are not entitled to make a Joint Tax Election.

For further information, please see the discussion in the Management Information Circular of Lockerbie & Hole Inc. dated March 4, 2009 under the heading "*Certain Canadian Federal Income Tax Considerations*".

PROCEDURE FOR MAKING A VALID JOINT TAX ELECTION

In the case of an Eligible Shareholder that is not a partnership, to make the Joint Tax Election, you must properly complete and execute two (2) copies of the Joint Tax Election Form (Form T2057) and ensure that such duly completed forms together with a self-addressed stamped envelope are received by Aecon at the latest on June 29, 2009. Aecon will execute the Joint Tax Election Form which appears correct and complete and return to you one copy of the executed form within 30 days following their receipt. For such Joint Tax Election to be valid, you will then be required to file such copy with the Canada Revenue Agency ("CRA").

Please note that Aecon is not obligated to sign the Joint Tax Election Forms received after June 29, 2009. You should ensure that Aecon has received the duly completed forms on or before that date.

For this purpose, you may complete on-line a partially completed Form T2057, referred to as the "Joint Tax Election Form (T2057)" on Aecon's website at www.aecon.com under the link "INVESTING IN US", and print two (2) copies of such electronically completed forms. Do not forget to sign the two (2) copies of the duly completed Joint Tax Election Form (see instruction #16 of the section "*Instructions to help you complete your Joint Tax Election Form*").

FILING OF COMPLETED AND EXECUTED JOINT TAX ELECTION FORM WITH CRA

You must file the appropriate Joint Tax Election Form duly completed and executed by you and Aecon with the CRA on or before the earliest due dates for the filing of either Aecon's or your income tax return for your taxation year which includes April 1, 2009 (the date of the Arrangement). In the absence of a transaction subsequent to the Arrangement but prior to January 1, 2010 that results in a taxation year end for Aecon the taxation year of Aecon is expected to end on December 31, 2009. Aecon's due date for filing the applicable income tax return is therefore June 30, 2010. **As a result, if you are an individual the Joint Tax Election Form must generally be received by the CRA by April 30, 2010.** However, it is strongly recommended that you proceed with the filing of the Joint Tax Election Form as soon as possible following receipt of the signed copy from Aecon. Failure to file the Joint Tax Election Form by the due date will subject you to penalties under the *Income Tax Act* (Canada). You should keep a copy of any forms so filed for your records.

PARTICULAR CIRCUMSTANCES AND PROVINCIAL TAX ELECTIONS

1) Particular circumstances - Shares held in co-ownership.

Where Lockerbie Shares were held in co-ownership and two or more of the co-owners wish to make the Joint Tax Election, a co-owner designated for such purpose must ensure receipt of the following documents by Aecon:

- a written designation signed by each co-owner, authorizing the designated co-owner to execute and file Form T2057 on behalf of that co-owner;
- two copies of Form T2057 for each co-owner signed by the designated co-owner; and
- a list containing the names, addresses and social insurance numbers or tax account numbers of each electing co-owner.

Aecon will take no action to verify the validity of any such documents or the information contained therein.

2) Particular circumstances -Shares held as partnership property

Eligible Shareholders that are partnerships must complete Form T2058 and may generally refer to the detailed instructions below regarding the completion of the Joint Tax Election Form. However, there may be some differences in the information that is required and the order of presentation of such information. Eligible Shareholders that are partnerships seeking to make the Joint Tax Election should consult with their own tax advisors for advice respecting the procedure for completing forms applicable to partnerships.

Where Lockerbie Shares were held as partnership property and the partnership wishes to make the Joint Tax Election, a partner designated by the partnership, referred to as the "Designated Partner", must ensure receipt of the following documents by Aecon:

- a written designation signed by each partner, authorizing the Designated Partner to execute and file Form T2058 - particular partnerships may have their own form of authorization;
- two copies of Form T2058 executed by the Designated Partner on behalf of all members of the partnership (moreover, the T2058 form can be obtained on the CRA's web site at www.cra-arc.gc.ca); and
- a list containing the name, address; and social insurance number or tax account numbers of each partner.

Aecon will take no action to verify the validity of any such documents or the information contained therein.

3) Provincial Tax Elections

Certain Eligible Shareholders may be required to file an equivalent provincial or territorial election form for provincial or territorial income tax purposes in addition to the Joint Tax Election. Eligible Shareholders should consult their own tax advisors in this regard.

Aecon will make a joint tax election with an Eligible Shareholder under the provisions of any relevant provincial or territorial income tax law having similar effect to Section 85 of the *Income Tax Act* (Canada). It will be the sole responsibility of each Eligible Shareholder who wishes to make such separate election to obtain the appropriate provincial or territorial election forms and to duly complete and submit such forms along with any relevant documents to Aecon by June 29, 2009.

Form T2057

**Election on disposition of property by a
taxpayer to a taxable Canadian corporation**

**Instructions to help you complete your
Joint Tax Election Form**

CAUTION: You are urged to consult your own tax advisor.

**INSTRUCTIONS
FOR COMPLETING JOINT TAX ELECTION FORM T2057**

The instructions set out below DO NOT APPLY TO YOU if you are a partnership.¹

SECTION 1 – Identification (page 1 of the form)

Name of taxpayer (transferor) (print)					Social insurance number or Business Number				
Address					Postal code				
Taxation year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office	
Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print)					Social insurance number				
Address					Postal code		Tax services office		
Name of corporation (transferor) (print) Accon Group Inc.					Business Number 100263540RC0001				
Address 20 Caulson Court, Suite 800, Toronto, ON					Postal code M9W 7K6				
Taxation year of corporation for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office	
	2	0	0	9	0	1	0	2	
Name of person to contact for additional information					Area code		Telephone number		
							-		

1. Indicate:
 - (a) your name;
 - (b) your social insurance number or business number;
 - (c) your complete address and postal code;
 - (d) your taxation year that includes April 1, 2009. For most individuals, the applicable taxation year will be January 1, 2009 to December 31, 2009; and
 - (e) your Tax Services Office (this is determined by the geographical area in which you reside; please refer to the list of CRA Tax Services Offices and Tax Centres at Schedule A).

2. Only complete this section if your Lockerbie Shares were held in co-ownership (including joint-ownership but not as partnership property). Please see additional requirements described on page 5 under "*Particular Circumstances - Shares held in co-ownership*".

3. Insert the name and telephone number of a person the CRA can contact for additional information in connection with the Joint Tax Election Form (whether your name or the name of your tax advisor or authorized representative).

¹ Holders of Lockerbie Shares that are partnerships should read the comments under "*Particular Circumstances - Shares held as partnership property*" on page 5. Such holders should complete form T2058, which can be obtained on the Canada Revenue Agency's website at www.cra-arc.gc.ca.

SECTION 2 – Penalties (page 1 of the form)

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2057 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2057 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason for why the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid at the time of submission.

Calculation of late-filing penalty:

Fair market value of property transferred	_____	
Less: agreed amount	_____	
Difference	=====	A
Amount A _____ x 1/4 x 1% x N*	= _____	B
\$100 x N*	= _____	C

*N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above

Make cheque or money order payable to the Receiver General. Specify "T2057" on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Amount enclosed _____

Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.

Do not use this area

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4. Only complete this section if you are filing the Joint Tax Election Form after its filing due date. See page 4 under the heading "Filing of Completed and Executed Joint Tax Election Form with CRA".

SECTION 3 – Information required (page 2 of the form)

Information required		
<p>On the following page, list, describe, and state the fair market value of transferred properties. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election you do not have to file the following materials: schedules supporting this designation, documentation relating to the responses to the questions below, and a brief summary of the method of evaluating the fair market value of each property transferred. However you have to keep them as the Canada Revenue Agency may ask to see them at a later date.</p>		
1 - Is there a written agreement relating to this transfer?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
2 - Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details.)	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
3 - Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee?	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
4 - Does a non-arm's length rollover exist between 2 or more corporations?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
5 - Is the taxpayer a non-resident of Canada?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
6 - Are any of the properties transferred capital properties?	<input type="checkbox"/> yes	<input type="checkbox"/> no
If yes,		
a) have they been owned continuously since Valuation-Day (V-Day)?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
b) have they been acquired after V-Day in a transaction considered not to be at arm's length?	<input type="checkbox"/> yes	<input type="checkbox"/> no
c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If yes, provide details of amounts and dates received and attach a schedule.)	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
7 - Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
a) If yes, does a formal documented V-Day value report exist?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
8 - Has an election under subsection 26(7) of the <i>Income Tax Application Rules</i> (Form T2076) been filed by or on behalf of the taxpayer?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:		
Name of corporation (print)	Business Number	Paid-up capital of shares transferred
N/A	N/A	0.00

5. Generally, you must select "yes", except if you held your Lockerbie Shares in the course of carrying on a business as defined in the IT-459². In case of doubt, consult your tax advisor.
6. Check the "yes" box if you acquired your Lockerbie Shares in a transaction considered not to be "at arm's length" for the purpose of the *Income Tax Act* (Canada); otherwise, check the "no" box. Whether your Lockerbie Shares were acquired in a non-arm's length transaction is a question of fact and law. For example, circumstances in which individuals are considered not to be dealing at arm's length is when they are connected by blood relationship, marriage or common-law partnership or adoption. In case of doubt, consult your tax advisor.

² CRA, Interpretation Bulletin IT-459 "Adventure or Concern in the Nature of Trade" (September 8, 1980).

SECTION 4 – Description of shares received (page 2 of the form)

Description of shares received					
Number of shares transferred/received	Class of shares	Par value or value per share	Is it up capital	Yield or non-voting	Are shares redeemable?
7	Common Shares	0.00	Depreciated under Section 179	Voting	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

*Redeemable means redeemable at the option of the holder.

7. Insert the number of Aeon Shares that you received in exchange for your Lockerbie Shares.

Reminder:

There were no fractional shares issued under the Arrangement. Pursuant to the terms of the Arrangement, all fractional Aeon Shares that were less than 0.50 were rounded down to the next whole number of Aeon Shares and all fractional Aeon Shares that were greater than or equal to 0.50 were rounded up to the next whole number of Aeon Shares.

SECTION 5 – Particulars of Eligible Property Disposed of and Consideration Received (page 3 of the form.)

	Property Disposed of			Fair Market Value	Adjusted Basis	Consideration Received		
	Description	Quantity	Unit			Non-share	Share	Estimated Fair Market Value
Capital Gain or Loss Excluded from Taxable Proceeds	(line 124)	8	(line 125)	1	0	8	2	0
	Common Shares of Lockerbie S. Hold. Inc.						Common Shares of Aeon Group 1	
						0		
						0		
Capital Gain or Loss Excluded from Taxable Proceeds	Joint		(Cost Amount)			0		
						0		

8. Insert the number of Lockerbie Shares that you have exchanged pursuant to the Arrangement for consideration that includes Aeon Shares.

9. Insert the fair market value (at the time of the exchange) of the Lockerbie Shares that you exchanged pursuant to the Arrangement for consideration that includes Aecon Shares.

This amount should be equal to the amount that is inserted at instruction #15, which is the aggregate value of the Aecon Shares and cash (if any) received pursuant to the exchange.

10. Insert the total adjusted cost base of the Lockerbie Shares to you (i.e. your cost for tax purposes), calculated immediately before the exchange of the Lockerbie Shares pursuant to the Arrangement.

11. Insert the Elected Amount which, subject to certain limitations contained in the *Income Tax Act* (Canada), will be treated as the proceeds of disposition of your Lockerbie Shares. The Elected Amount cannot be:

- (a) less than the amount of any cash consideration you received (see instruction #13);
- (b) less than the lesser of (i) the adjusted cost base to you of your Lockerbie Shares immediately before the exchange (amount inserted at instruction #10); and (ii) the fair market value of your Lockerbie Shares (see amount inserted at instruction #9); or
- (c) greater than the fair market value of your Lockerbie Shares (amount inserted at instruction #9).

If the Elected Amount is greater or less than the permissible maximum or minimum amount under the *Income Tax Act* (Canada), the Elected Amount is deemed under the *Income Tax Act* (Canada) to be such permissible maximum or minimum amount.

12. Insert the difference which results from subtracting the amount at instruction #10 from the amount at instruction #11. This difference is the capital gain (if any) that you must report on your income tax return for your taxation year that includes April 1, 2009.

13. Insert the amount of cash consideration received (if any) in this box.

14. Insert the number of Aecon Shares that you received for your Lockerbie Shares. Insert the same number as at instruction #7.

15. Insert the total of the fair market value (at the time of the exchange) of the Aecon Shares and the amount of any cash consideration that you received on the exchange of your Lockerbie Shares.

This amount should be equal to the amount that is inserted at instruction #9.

SCHEDULE A

LIST OF CANADA REVENUE AGENCY

TAX SERVICES OFFICES AND TAX CENTRES

Tax Services Offices	Tax Centre
British Columbia, Yukon Territory and Regina	Surrey Tax Centre 9755 King George Highway Surrey BC V3T 5E1
Alberta, Manitoba, Northwest Territories, London, Saskatoon, Thunder Bay and Windsor	Winnipeg Tax Centre 66 Stapon Road Winnipeg MB R3C 3M2
Toronto Centre, Toronto East, Toronto North, Toronto West, Barrie and Sudbury (Sudbury/Nickel Belt only) ³	Sudbury Tax Centre 1050 Notre-Dame Avenue Sudbury ON P3A 5C1
Laval, Montréal, Nunavut, Ottawa, Rouyn-Noranda, Sherbrooke and Sudbury (North-Eastern Ontario only) ⁴	Shawinigan-Sud Tax Centre PO Box 3000 Stn Main Shawinigan QC G9N 7S6
Chicoutimi, Montérégie, Rive-Sud, Outaouais, Québec, Rimouski and Trois-Rivières	Jonquière Tax Centre 2251, René-Lévesque Blvd. Jonquière QC G7S 5J1
New Brunswick, Newfoundland and Labrador, Nova Scotia, Kingston, Peterborough and St.-Catharines	St. John's Tax Centre 290 Empire Avenue St. John's NL A1B 3Z1
Prince Edward Island, Belleville, Hamilton and Kitchener/Waterloo	Summerside Tax Centre 275 Pope Road Summerside PE C1N 6A2

³ Sudbury/Nickel Belt areas include all postal codes beginning with P3A, P3B, P3C, P3E, P3G, P3L, P3N, P3P, P3Y, and all postal codes beginning with POM and ending with 1A0, 1B0, 1A0, 1E0, 1H0, 1J0, 1K0, 1L0, 1M0, 1N0, 1P0, 1R0, 1S0, 1T0, 1V0, 1W0, 1Y0, 2C0, 2E0, 2M0, 2R0, 2S0, 2X0, 2Y0, 3A0, 3B0, 3C0, 3E0 and 3H0.

⁴ North Eastern Ontario includes all areas outside of Sudbury/Nickel Belt that are served by the Sudbury Tax Services Office.