

**Frequently Asked Questions ("FAQ") about Aecon's 5.5% Convertible Unsecured Subordinated  
Debentures issued November 27, 2013 (the "Debentures")**

**1. What is the ticker symbol and CUSIP number of the Debentures?**

The Debentures trade under the symbol ARE.DB.B on the Toronto Stock Exchange ("TSX"). The CUSIP number is CUSIP 00762VAE9.

**2. Where can I find the Trust Indenture and Short Form Prospectus providing for the issue of the Debentures?**

The Trust Indenture dated September 29, 2009 (the "Trust Indenture") and the Second Supplemental Trust Indenture dated November 27, 2013, (the "Second Supplemental Indenture"), each between Aecon and Computershare Trust Company of Canada (the "Trustee"), can be found under Aecon's SEDAR profile at [www.sedar.com](http://www.sedar.com). The Trust Indenture was filed on Aecon's SEDAR profile on September 29, 2009 under the filing type « Other ». The Second Supplemental Indenture was filed under Aecon's SEDAR profile on November 28, 2013 under the filing type « Other material contract(s) ».

The Short Form Prospectus dated November 20, 2013 (the "Short Form Prospectus") for the Debentures can also be found under Aecon's SEDAR Profile. The Short Form Prospectus was filed on Aecon's SEDAR Profile on November 20, 2013 under the filing type « Final short form prospectus - English ».

All capitalized terms used and not otherwise defined in this FAQ have the meanings ascribed to such terms in the Trust Indenture and Second Supplemental Indenture, which can be found on SEDAR as described above.

**3. Is there a secondary market to trade the convertible debentures?**

Yes, the Debentures trade on the TSX under the symbol ARE.DB.B.

**4. What is the maturity date of these Debentures?**

The Debentures mature on December 31, 2018 (the "Maturity Date").

**5. How do I get repaid for the Debentures on the Maturity Date?**

Unless a maturity notice has been provided by Aecon on or before November 22, 2018 that it has elected to effect repayment of the principal amount in Aecon common shares (the "Common Shares"), upon surrender of the Debentures by the holder thereof, Aecon will pay the principal amount plus any accrued and unpaid interest to the Trustee who will in turn remit the funds to the applicable holder of the Debentures (each, a "Debentureholder"). The payment on maturity is conducted in the same manner as payment of interest.

If Aecon has issued a maturity notice on or before November 22, 2018, the principal repayment on maturity can be paid in Common Shares issued at 95% of the volume weighted average trading price ("VWAP") of Common Shares traded on the TSX for the 20 prior consecutive trading days ending on the fifth trading day preceding the Maturity Date; however, Debentureholders would still have the right to convert the Debentures at any time prior to the close of business on the Maturity Date.

## **6. What is the conversion price of the Debentures?**

The Debentures were issued with a conversion price (a "Conversion Price") of \$20.00 per Common Share or approximately 50.0000 Common Shares per \$1,000 face value of Debentures, subject to adjustment in accordance with the Trust Indenture, as supplemented by the Second Supplemental Indenture. Pursuant to the adjustment provisions contained in Section 6.5 of the Trust Indenture and Section 2.1(f) of the Second Supplemental Indenture, the Conversion Price of the Debentures was adjusted on September 23, 2016 to \$19.71 per Common Share, resulting in a conversion rate of approximately 50.7357 Common Shares per \$1,000 principal amount of Debentures.

In September 2017, we determined that, based on our review of the provisions of the Trust Indenture and the Second Supplemental Indenture, no further adjustment to the Conversion Price of the Debentures was required.

## **7. When can the Debentures be converted from the Debentureholder's standpoint?**

The Debentures will be convertible into fully paid and non-assessable Common Shares at the option of the holder thereof at any time prior to the close of business on the earlier of the Maturity Date and the Business Day immediately preceding the date specified by Aecon for redemption of the Debentures at a Conversion Price of \$19.71 per Common Share, resulting in a conversion rate of 50.7357 Common Shares per \$1,000 principal amount of Debentures. Upon conversion, Debentureholders will not be entitled to any interest accrued since the last Interest Payment Date (or the date of closing of the Arrangement (as defined below) if an Interest Payment Date has not occurred) unless such Debentureholders convert their Debentures on an Interest Payment Date, in which case they will be entitled to receive such interest payment.

## **8. How can the Debentures be converted by a Debentureholder?**

The Debentures may be converted in whole or in part by delivering a completed conversion notice in the form attached as Schedule "B" to the Second Supplemental Indenture to the Trustee. In addition, CDS & Co., the sole registered holder of the Debentures, and the broker, dealer, trust company or other nominee holding Debentures on behalf of a Debentureholder, have certain procedures that must be followed in order to allow beneficial Debentureholders to properly convert their Debentures into Common Shares. If you wish to convert your Debentures, you should contact your broker, dealer, trust company or other nominee to ensure that their procedures are complied with.

## **9. What is the interest coupon on the Debentures and at which frequency is the interest paid?**

The Debentures bear a 5.50% annual coupon which is payable semi-annually on May 31 and November 30 (each, an "Interest Payment Date").

## **10. What happens in regards to the payment of interest if I trade a Debenture between two Interest Payment Dates?**

Interest payments are made to the Debentureholders registered at close of business on the seventh Business Day prior to an Interest Payment Date (May 31 and November 30).

## **11. Can Aecon redeem/force the conversion of the Debentures before the Maturity Date?**

The Debentures may be redeemed at the option of Aecon prior to December 31, 2017 at a price equal to the principal amount of such Debentures plus accrued and unpaid interest up to the date of redemption, provided that the VWAP of the Common Shares for 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of redemption is given is at least 125% of the Conversion Price at that time.

The Debentures may be redeemed, at the option of Aecon, on and after December 31, 2017 and prior to the Maturity Date, in whole or in part from time to time, at a price equal to the principal amount of such Debentures plus accrued and unpaid interest up to the date of redemption. Aecon shall provide not less than 30 and not more than 60 days' prior notice if it chooses to exercise its redemption option.

## **12. Aecon announced on October 26, 2017 that it has entered into a definitive agreement with CCCC International Holding Limited ("CCCI") pursuant to which a wholly-owned subsidiary of CCCI will acquire all of the issued and outstanding common shares of Aecon for cash consideration of \$20.37 per share pursuant to a statutory plan of arrangement (the "Arrangement"). What impact will the Arrangement have on Debentureholders?**

The Debentures are not being redeemed, converted or otherwise arranged in connection with the Arrangement. As described in question 7 above, the Debentures are convertible at the holder's option at any time on and after December 31, 2017 and prior to the Maturity Date at a Conversion Price of \$19.71 per Common Share, subject to adjustment in accordance with the Trust Indenture. The Debentures may be redeemed, at Aecon's option, on or after December 31, 2017, at a price equal to the principal amount of such Debentures plus accrued and unpaid interest thereon. Aecon shall provide not less than 30 and not more than 60 days' prior notice if it chooses to exercise its redemption option. As of the date of this FAQ, Aecon does not intend to redeem the outstanding Debentures prior to the date of closing of the Arrangement.

Within 30 days following the completion of the Arrangement, Aecon will be required to make a change of control offer in writing to purchase all of the Debentures then outstanding at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon. For clarity, the accrued and unpaid interest would only be up to the purchase date. The change of control offer must remain open for between 35 to 60 days following the date on which the offer is delivered. Debentureholders are entitled to accept the offer in respect of all or only a portion of their Debentures. In addition, under the terms of the Trust Indenture, as supplemented by the Second Supplemental Indenture, the Debentures will be convertible at a discounted Conversion Price if the Arrangement closes prior to December 31, 2017. However, as the Arrangement is not expected to close before December 31, 2017, the discounted Conversion Price will likely not apply.

Upon completion of the Arrangement, Aecon will be an indirect subsidiary of CCCI and any Debentures that remain outstanding will be subject to (i) Aecon's right to redeem the Debentures in accordance with their terms, and (ii) the change of control offer Aecon is required to make in accordance with the terms of the Debentures. If, as a result of the exercise of Aecon's redemption right or the change of control offer, Aecon acquires all of the Debentures then outstanding, Aecon will apply to have the Debentures delisted from the TSX.

Holders of Debentures that remain outstanding following the completion of the Arrangement who do not accept the above-referenced change of control offer following the closing of the Arrangement and elect to exercise the conversion rights under the Debentures after the closing of the Arrangement and prior to any redemption of the Debentures by Aecon will be entitled to receive only the amount of cash equal to the

amount that they would have been entitled to receive under the Arrangement if they had been the registered holders of the applicable number of Common Shares on the date of closing of the Arrangement following the conversion of the Debentures held by such Debentureholder at the Conversion Price set out in the Trust Indenture (which is currently \$19.71 per Common Share). Upon conversion, Debentureholders will not be entitled to interest accrued since the last Interest Payment Date unless they convert their Debentures on an Interest Payment Date.

For more information on the effect of the Arrangement on the Debentures, please see the Management Information Circular with respect to the proposed Arrangement, filed under Aecon's SEDAR profile on November 21, 2017 and posted on our website ([www.aecon.com/investing](http://www.aecon.com/investing)) under Shareholder Meeting Materials.

**13. Do the Debentures convert to unrestricted common stock of Aecon?**

Yes, the Debentures are convertible into Common Shares of Aecon. The Common Shares are listed on the TSX under the symbol ARE.TO.

**14. Can Aecon elect to satisfy the conversion entitlement in cash or stock or a combination of cash and stock at its option?**

The Debentures are convertible at the holder's option into fully tradeable and non-assessable Common Shares at any time prior to the close of business on the earlier of the Maturity Date and the Business Day immediately preceding the date specified by Aecon for redemption. Aecon has the right to satisfy the conversion entitlement in either cash or Common Shares, or a combination thereof, unless the Debentureholder expressly elects in their conversion notice to receive the conversion entitlement solely in Common Shares. No fractional Common Shares will be issued on any conversion, but in lieu thereof Aecon will satisfy fractional interests by a cash payment equal to the market price of any fractional interest. Any accrued and unpaid interest at conversion will be paid in cash.

At maturity, Aecon has the right to satisfy the principal repayment, or a portion thereof, in Common Shares issued at 95% of the VWAP for the 20 prior consecutive trading days ending on the fifth trading day prior to maturity provided Aecon has issued a maturity notice prior to November 22, 2018 making this election; however, holders have the right to convert at the most recent Conversion Price per share up to the Maturity Date.

**15. If a Debentureholder converts or transfers its Debenture between an interest record date and Interest Payment Date, does that Debentureholder forfeit such payment upon conversion?**

Accrued and unpaid interest is payable to a holder of record of Debentures at the close of business on the seventh Business Day prior to the applicable Interest Payment Date. However, a Debentureholder who surrenders its Debentures for conversion forfeits its right to receive accrued and unpaid interest in respect of the period from the last Interest Payment Date to the date of conversion, unless the conversion occurs on an Interest Payment Date.

**16. What are the tax consequences of holding the Debentures?**

Each situation should be analyzed within the tax situation of the holder. For this reason, Aecon declines to comment on any specific tax issues concerning the Debentures. Specific questions should be directed to your tax advisor.

**17. Who is the trustee responsible for handling questions about the Debentures?**

Computershare Trust Company of Canada. Questions with regards to these Debentures should be directed to Computershare at 1-800-564-6253 or 514-982-7555, or by email at [service@computershare.com](mailto:service@computershare.com).

**18. Who is in charge of investor relations at Aecon and how can I reach that person?**

Investors questions can be directed to Stephen King, Director, Corporate Development and Investor Relations. You can reach Stephen by phone at 416-297-2600 ex. 3825 or by email at [sking@aecon.com](mailto:sking@aecon.com).

**The foregoing Frequently Asked Questions are for informational purposes only and cannot be relied upon. Neither management nor the Board of Directors of Aecon are making any recommendation to the holders of the Debentures as to how they should deal with their Debentures as a result of the proposed Arrangement. Debentureholders are cautioned to rely on the Trust Indenture and urged to seek the assistance of professional legal or financial advisors to understand their rights as holders of Debentures.**