BIRD CONSTRUCTION INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

and

MANAGEMENT INFORMATION CIRCULAR

MARCH 12, 2013

BIRD
CONSTRUCTION INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

to be held on May 13, 2013

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of the holders ("**Shareholders**") of shares ("**Shares**") of Bird Construction Inc. (the "**Company**" or "**Bird**") will be held at **The Fairmont Royal York Hotel, 100 Front St. W., Toronto, Ontario** on **Monday, May 13, 2013 at 1:00 p.m.** (Eastern time) for the following purposes:

(a) to receive the consolidated financial statements of Bird Construction Inc. for the year ended December 31, 2012 and the report of the auditors on those statements;

(b) to elect eight Directors of the Company (the "**Directors**") for the ensuing year;

(c) to appoint auditors for the ensuing year and to authorize the Directors to fix the remuneration to be paid to the auditors; and

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

Only holders of record of Shares at the close of business on March 19, 2013 will be entitled to vote at the Meeting, or any adjournment(s) or postponement(s) thereof.

Registered holders of Shares who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and return it, in the envelope provided, to the Company's transfer agent, Computershare Investor Services, by delivering the proxy to Proxy Department, Computershare Investor Services (i) by mail to 100 University Ave., 9th floor, Toronto, Ontario, M5J 2Y1; or (ii) by phone at 1-866-732-VOTE (8683) Toll Free, or (iii) online at www.investorvote.com, so that it is received by 12:00 noon (Eastern time) on Thursday, May 9, 2013 (or at least 48 hours prior to the commencement of any reconvened meeting in the event of any adjournment(s) or postponement(s) thereof).

If you are a non-registered holder of Shares and received these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form, as the case may be, provided to you in accordance with the instructions provided by your broker or intermediary, as applicable.

DATED at Toronto, Ontario, this 12th day of March 2013.

By Order of the Directors
of Bird Construction Inc.

(signed) “Paul A. Charette”

Paul A. Charette
Chair of the Board of Directors

BIRD CONSTRUCTION INC.

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY MATTERS

Solicitation of Proxies

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by or on behalf of management of Bird Construction Inc. (the "Company" or "Bird"). References in this Circular to the annual meeting of the Company's shareholders ("**Shareholders**") to be held on Monday, May 13, 2013 (the "**Meeting**") include any adjournment(s) or postponement(s) thereof. Solicitations of proxies will be made primarily by mail, but may also be made by newspaper publication, in person or by telephone, fax or oral communication by directors, officers, employees or agents of the Company or its Subsidiaries who will be specifically remunerated therefore. All costs of solicitation will be borne by the Company.

For meetings of shareholders after March 1, 2013, reporting issuers may, but are not required to, use a new notice-and-access mechanism to send proxy-related materials to registered holders and beneficial owners of securities. Under this system, meeting materials would not be sent to shareholders and would instead be available online. The Company will not be relying on this new notice-and-access mechanism to send proxy-related materials to registered holders and beneficial owners of securities in respect of the Meeting.

Appointment of Proxies

Accompanying this Circular is a form of proxy for registered holders of common shares of the Company ("**Shares**"). The persons named in the enclosed form of proxy are representatives of the Directors and/or officers of the Company. **A Shareholder wishing to appoint a person (who need not be a Shareholder) to represent such Shareholder at the Meeting other than the persons designated in the accompanying form of proxy may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, returning it in accordance with the instructions contained on the form of proxy.** A form of proxy must be received by Computershare Investor Services Inc. (the "**Transfer Agent**") at or prior to 12:00 noon (Eastern time) on Thursday, May 9, 2013, or if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned meeting. Failure to so deposit a form of proxy shall result in its invalidation.

Only registered holders of Shares, or the persons they appoint as their proxies, are permitted to vote at the Meeting. However, in many cases, Shares beneficially owned by a holder (a "Non-Registered Holder") are registered either:

(i) in the name of an intermediary that the Non-Registered Holder deals with in respect of the Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or

(ii) in the name of a clearing depository (such as CDS Clearing and Depository Services Inc. or "CDS").

In accordance with Canadian securities law, the Company has distributed copies of the Notice of Meeting, this Circular, the form of proxy, and the 2012 Annual Report (collectively, the "**meeting materials**") to CDS and intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, intermediaries will use a service company (such as Broadridge Investor Communications Solutions or "Broadridge") to forward the meeting materials to Non-Registered Holders.

Non-Registered Holders who have not waived the right to receive meeting materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive:

(i) **Voting Instruction Form**. In most cases, a Non-Registered Holder will receive, as part of the meeting materials, a voting instruction form. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholder's behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through the internet at www.proxyvotecanada.com. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholder's behalf), the Non-Registered Holder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered Holder; or

(ii) **Form of Proxy**. Less frequently, a Non-Registered Holder will receive, as part of the meeting materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholder's behalf), the Non-Registered Holder must complete the form of proxy and deposit it with Broadridge as described above. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Shareholder's behalf), the Non-Registered Holder must strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided.

Non-Registered Holders should follow the instructions on the forms they receive and contact their intermediaries promptly if they need assistance.

Revocation of Proxies

A registered Shareholder who has given a proxy may revoke the proxy by:

(a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent as described above; or

(b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing: (i) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of the Meeting, at which the proxy is to be used, or (ii) with the Chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment of the Meeting; or

(c) in any other manner permitted by law.

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive materials and to vote that is not received by the Intermediary at least seven days prior to the Meeting.

The Board of Directors has fixed the record date for the Meeting as the close of business on **March 19, 2013** (the "**Record Date**"). Each holder of record of Shares as at the Record Date is entitled to receive notice of, to attend and to one vote at the Meeting, or any adjournments or postponements thereof, in respect of each Share held on all matters proposed to come before the Meeting.

Signature of Proxy

A form of proxy must be executed by the Shareholder or his attorney authorized in writing, or if the Shareholder is a corporation, the form of proxy should be signed in its corporate name under its corporate seal by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney or in some other representative capacity should reflect such person's capacity following his signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Company).

Voting of Proxies

The persons designated in the enclosed form of proxy will vote or withhold from voting the Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **In the absence of any specification, the Shares represented by properly completed and executed proxies in favour of the management proxy nominees named in the form of proxy will be voted "FOR" each of the matters to be voted on by Shareholders as follows:**

- **"FOR"** the election of the eight nominees as Directors for the ensuing year; and
- **"FOR"** the appointment of KPMG LLP as the auditors of the Company for the ensuing year and the authorization of the Directors to fix their remuneration.

The persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. In the event that amendments or variations to the matters identified in the Notice of Meeting are properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on the matter or business. At the time of printing this Circular, the Directors knew of no such amendment, variation, or other matter.

Voting Shares and Principal Holders Thereof

As at March 19, 2013, 42,516,853 shares were issued and outstanding. Each share may be exercised for one vote relating to all matters to come before the meeting.

To the knowledge of the Directors and as of the date of this Circular, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to the Shares of the Company.

Procedure and Votes Required

The vote required at the Meeting to approve (i) the appointment of auditors of the Company and authorization of the Directors to fix the remuneration to be paid to the auditors; and (ii) the election of the Directors is the affirmative vote of the holders of not less than a majority of the Shares represented at the Meeting, whether in person or represented by proxy.

MATTERS TO BE ACTED UPON AT THE MEETING

Financial Statements

The audited consolidated financial statements of Bird Construction Inc. for the year ended December 31, 2012 and the auditor's report on those statements were mailed to the Shareholders with the Notice of Meeting and this Circular and will be presented at the Meeting.

Election of Directors

The Board of Directors has determined that the number of Directors of the Company will be fixed at eight. The eight nominees proposed for election as directors (**"Directors"**) are all current Directors and are listed below. All nominees have established their eligibility and willingness to serve as Directors. Directors will be elected for a term ending at the Company's next annual meeting or until their successors are elected or appointed.

Unless otherwise indicated, the persons designated in the form of proxy intend to vote for the election of the nominees listed below. If for any reason at the time of the Meeting any of the nominees are unable to serve, and unless otherwise specified, it is intended that the persons designated in the form of proxy will vote in their discretion for a substitute nominee or nominees.

Policy on Majority Voting

On November 8, 2010, the Directors approved the implementation of a majority voting policy in respect of the election of Directors. Accordingly, if any nominee for election as a Director receives, from the Shares voted at the Meeting in person or by proxy, a greater number of Shares withheld than Shares voted in favour of his or her election (a "**Majority Withheld Vote**"), the Director must promptly tender his or her resignation to the Chair, to take effect on acceptance by the Board.

The Human Resources, Safety and Governance Committee (the "**HRS&G Committee**") of the Board will expeditiously consider the Director's offer to resign and make a recommendation to the Board whether to accept it. Within 90 days of the Meeting, the Board will consider the recommendation of the HRS&G Committee and, in so doing, may take into account the factors considered relevant by the HRS&G Committee and such additional information and factors that the Board considers to be relevant. Following the decision of the Board, the Board shall promptly disclose, by way of press release, its decision whether to accept or reject the Director's resignation, including the reasons for rejecting the resignation, if applicable.

This policy does not apply to a contested election of Directors, that is, where the number of nominees exceeds the number of Directors to be elected. Any Director who tenders his or her resignation will not participate in the deliberations of the Committee or the Board regarding whether the resignation should be accepted.

Nominees for Election to Board of Directors

The following individuals are proposed as nominees for election as Directors until the next annual meeting of Shareholders or until such Director resigns or is replaced in accordance with the Company's by-laws and applicable law. A majority of the following nominees for election as Directors are independent. The information set out below includes the number of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by each Director. The information concerning shareholdings has been provided by each of the nominees. For additional information regarding the experience of each Director and biographical information, see "Corporate Governance" below.

Name and Municipality of Residence	**Position**	**Principal Occupation**[(1)]	**Director Since** [(4)]	**Shares Beneficially Owned or Controlled**
J. Richard Bird Calgary, Alberta Canada	Director [(2)] [(3)]	Executive Vice President, Chief Financial Officer and Corporate Development, Enbridge Inc., an energy transportation company	1987	820,989
Paul A. Charette Oakville, Ontario Canada	Director [(2)] [(3)] Chair of the Board of Directors	Chair of the Board	1991	150,000
D. Greg Doyle Winnipeg, Manitoba Canada	Director [(2)] [(3)] Audit Committee Chair	Corporate Director	2003	55,500
Bonnie D. DuPont Calgary, Alberta Canada	Director [(2)] [(3)]	Corporate Director	2011	8,000
Ron D. Munkley Toronto, Ontario Canada	Director [(2)] [(3)]	Corporate Director	2011	10,000
Paul R. Raboud Toronto, Ontario Canada	Director Vice Chair of Bird Construction Inc.	Vice Chair of Bird Construction Inc.	2008	210,648
Tim J. Talbott Woodbridge, Ontario Canada	Director President and Chief Executive Officer of Bird Construction Inc.	President and Chief Executive Officer of Bird Construction Inc.	2010	675,666
Arni C. Thorsteinson Winnipeg, Manitoba Canada	Director [(2)] [(3)]	President, Shelter Canadian Properties Limited, a real estate development and management company	1991	103,500

Notes:

(1) Each of the above-named Directors are considered to be independent of management of the Company, except Paul R. Raboud who holds the position of Vice Chair of Bird Construction Inc. effective June 30, 2010, and Tim J. Talbott who was appointed President and Chief Executive Officer of Bird Construction Inc. effective June 30, 2010. A majority of the Directors are independent.

(2) Member of the Audit Committee (Chair - D. Greg Doyle).

(3) Member of the HRS&G Committee (Chair –Bonnie D. DuPont).

(4) Includes period of time served as a Trustee of Bird Construction Income Fund and as a Director of Bird Construction Company Limited, the predecessors to the Company.

The Board of Directors has a Human Resources, Safety and Governance ("HRS&G") Committee. The committee members' names are listed in the above table (see footnote 3).

The Board of Directors has an Audit Committee. The Audit Committee mandate is included in the appendices to the Company's Annual Information Form dated March 12, 2013. The committee members' names are listed in the above table (see footnote 2). The Company's Audit Committee has also established a policy on the scope of services that may be provided by the Company's external auditors and a hiring policy with respect to persons previously employed by the Company's external auditors.

Appointment of Auditor

The Board of Directors and management of the Company recommend that KPMG LLP be re-appointed as auditors of the Company for the 2013 fiscal year at remuneration to be fixed by the Directors. KPMG LLP has served as auditors of the Company or one of its predecessors for over 40 years. **In the absence of contrary instructions, the Directors and/or officers named as proxyholders in the enclosed proxy intend to vote FOR the appointment of KPMG LLP as auditors, to hold office for a one-year term at remuneration to be fixed by the Directors.**

Information regarding the audit committee and its members is contained in the Company's Annual Information Form dated March 12, 2013. Specifically, please refer to the sections in the Annual Information Form entitled "Directors and Executive Officers", "Audit Committee Information" and "Appendix B – Audit Committee Charter".

CORPORATE GOVERNANCE

The Board of Directors of the Company is elected by the Shareholders and is responsible for the stewardship of the investments and affairs of the Company in accordance with obligations under the Company's articles of incorporation, by-laws and applicable law.

Within its stewardship responsibility, the Board of Directors' role is to preserve and enhance the viability of the Company and to ensure that it is managed with a view to the best interests of the Company. The Board of Directors delegates the responsibility for the day-to-day conduct of business to the management of the Company, through its Chief Executive Officer, within a policy and budget framework established by the Board of Directors. In executing their responsibilities, each of the members of the Board of Directors is entitled to rely in good faith on the advice, reports and opinions of management of the Company.

The Board of Directors has adopted, as their approach to corporate governance, the guidelines set out in National Policy 58-201 "Corporate Governance Guidelines". Also see Schedule A — *Corporate Governance Guidelines and Board of Directors Mandate*.

Prior to January 1, 2011, Bird Construction Income Fund (the "**Fund**") was the publicly-listed parent entity of the Bird group of companies. Pursuant to a plan of arrangement completed on January 1, 2011, the Fund converted to a corporate structure under the Company. For ease of reference, the terms Board of Directors and Directors are used throughout this Circular; however, in relation to periods prior to January 1, 2011, these references should be construed to mean the Board of Trustees and Trustees of the Fund.

Director Biographies

Brief biographies of the current Directors follow:

> ***J. Richard Bird*** is Executive Vice President, Chief Financial Officer and Corporate Development of Enbridge Inc. where he is responsible for all financial affairs of the company and corporate planning, mergers and acquisitions, and corporate development. Prior to his current appointment at Enbridge, Mr. Bird served as Vice President and Treasurer, followed by Senior Vice President, Corporate Planning and Development, followed by Group Vice President, Transportation, followed by Group Vice President, Transportation North, followed by Executive Vice President, Liquids Pipelines. Mr. Bird joined Enbridge in 1995 after holding senior financial and corporate development executive positions at a number of other public companies. Mr. Bird is also on the Board of Directors or Trustees of the following public companies: Enbridge Pipelines Inc., Enbridge Gas Distribution Inc., Enbridge Income Fund Holdings Inc., Enbridge Energy Partners L.P. and Gaz Metro Inc. Mr. Bird was named Canada's CFO of the Year for 2010. Mr. Bird holds a Bachelor of Arts degree from the University of Manitoba, and a Masters of Business Administration and Ph.D. from the University of Toronto.

Paul A. Charette is the Chair of the Board of Directors. He joined Bird in 1976 as a Project Coordinator and progressed to President and Chief Operating Officer in 1988 and to President and Chief Executive Officer in 1991. Mr. Charette was also appointed as Chair of the Board in 2001. In September 2008, Mr. Charette retired from his position as Chief Executive Officer of Bird. He is a director of the Association of Canadian Community Colleges and a director of Sheridan College Institute of Technology and Advanced Learning, and he is the past chair of the Canadian Construction Association ("CCA"). In 2004, Mr. Charette was named the Ontario Entrepreneur of the year in Real Estate/Construction by Ernst & Young LLP. In 2010, Mr. Charette was chosen as CCA's Person of the Year. Mr. Charette has a diploma in Civil Technology from Red River College in Winnipeg, Manitoba.

D. Greg Doyle is a former partner of KPMG LLP. He joined KPMG LLP (formerly Peat Marwick) in 1974, was elected as a Partner in 1982 and Managing Partner of the Winnipeg office in 1985. In 1997, Mr. Doyle transferred to Warsaw, Poland and served as Senior Partner at KPMG Polska until he retired in 2003. During his time in Poland, Mr. Doyle also served as the member of the Board of KPMG Europe and the management committee of KPMG Central and Eastern Europe. He is also a director of Huntingdon Capital Corp. and Chair of their audit committee. Mr. Doyle holds a Bachelor of Science and Bachelor of Commerce from the University of Manitoba and is a Chartered Accountant (Manitoba Institute).

Bonnie D. DuPont was appointed as a Director effective January 1, 2011. Ms. DuPont is retired from Enbridge Inc. where she served for 12 years as the senior executive responsible for information technology, human resources, public and government affairs, corporate governance matters, and corporate social responsibility (CSR). She holds a Bachelor's degree (Great Distinction) from the University of Regina and earned her Master's degree at the University of Calgary. She is a member of the Institute of Corporate Directors, and a 2006 graduate of the ICD Corporate Directors' Education Program. She is also a Certified Human Resources Professional (CHRP) and is a member of the International Women's Forum (IWF). Ms. DuPont was named to the Top 100 Most Powerful Women in Canada list each year from 2001 to 2006 and in 2007 was inducted into the Top 100 Hall of Fame. In 2008, she was presented with an Honorary Doctor of Laws from the University of Regina and in 2011 was presented with an Honorary Bachelors Degree in Technology by the Southern Alberta Institute of Technology. Ms. DuPont also serves on the board of SilverWillow, a TSX-V listed company, where she chairs the Governance and Compensation Committee, and the University of Calgary, where she is currently the Chair of the Board of Governors. Ms. DuPont lectures in the Directors' Education Program and provides executive coaching services to several large Canadian organizations. She also serves on the Joint Public Advisory Council to the Commission on Environmental Cooperation, formed under NAFTA. She was also recently appointed to the board of NavCanada.

Ronald D. Munkley was appointed as a Director in October 2011. He retired in 2009 as Vice Chair and Head of the Power and Utility Business of CIBC World Markets where he had acted as advisor on most Canadian utility and independent power transactions since joining CIBC World Markets in 1998. Mr. Munkley was named as a top Global Investment Banker by Brendan Wood International in 2008/9. Prior to 1998, Mr. Munkley was employed at Enbridge Consumers Gas for 27 years, culminating as Chair, President and Chief Executive Officer. He led Consumers Gas through deregulation and restructuring in the 1990s. Mr. Munkley is also a Director of Fortis Inc. and he is the Lead Director at Greystone Capital Management Inc. He holds a B.Sc. Hons. (Eng.) from Queens University and PDO certification from the Canadian Securities Institute.

Paul R. Raboud is the Vice Chair of Bird Construction Inc. Mr. Raboud was appointed as a Director in September 2008. He obtained a Bachelor of Science in Civil Engineering from the University of Alberta where he was awarded the gold medal in civil engineering. He earned a Masters of Science in Civil Engineering from the University of Washington and an MBA from the University of Alberta. He is a registered Professional Engineer with the Association of Professional Engineers of Ontario. Mr. Raboud joined Bird in 1984 in the Toronto office. He progressed through Bird as a field engineer, estimator, project manager and assistant branch manager. In 1990, he was appointed manager of the Vancouver Branch, and in 2000, returned to the corporate office in Toronto as Executive Vice President. He was appointed President and Chief Operating Officer in March 2006 and appointed Chief Executive Officer in September 2008. In June 2010, Mr. Raboud stepped down from his position as Chief Executive Officer into the role of Vice Chair of the Company. Mr. Raboud is a director of the Ontario General Contractors Association and Stephenson's Holdings Inc.

Tim J. Talbott is the President and Chief Executive Officer of Bird Construction Inc. Mr. Talbott was appointed as a Director in May 2010. He obtained a Bachelor of Science in Civil Engineering at the University of Alberta in 1981. He joined Bird in 1982 and has progressed through the positions of project coordinator, project manager, production manager, assistant branch manager, branch manager and vice president to the position he currently holds. He is a registered Professional Engineer with the Association of Professional Engineers of Manitoba. Mr. Talbott is past Vice Chair of the Construction Labour Relations Association of Manitoba and a past director of the Winnipeg Construction Association. He is also a member of the Canadian Society of Civil Engineers.

Arni C. Thorsteinson has been the President of Shelter Canadian Properties Limited, a diversified real estate development and management company, since 1990. He joined a predecessor company in 1976. He is also a director or trustee of Lanesborough Real Estate Investment Trust, Temple Hotels Inc. and Onex Corporation. Mr. Thorsteinson holds a Bachelor of Commerce (Honours) and a Doctor of Laws, *honoris causa*, from the University of Manitoba and a Chartered Financial Analyst designation.

Corporate Cease Trade Orders or Bankruptcies

Except as outlined below, to the knowledge of the Company, within the past 10 years, no proposed Directors or executive officers of Bird Construction Inc. have (a) served as a director, chief executive officer or chief financial officer of any company that was subject to a "cease trade" or similar order, or an order denying the relevant company access to any exemption under securities legislation, which remained in effect for more than 30 consecutive days (an "**Order**"), and that was issued (i) while the proposed nominee was acting as director, chief executive officer or chief financial officer, or (ii) after the proposed nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the proposed nominee was a director, chief executive officer or chief financial officer, (b) served as a director or executive officer of any company that, while the proposed nominee was acting in that capacity, or within a year after the proposed nominee ceased to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the company's assets, or (c) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Mr. Thorsteinson is now and has in the past ten years been a chief executive officer of certain non-publicly-traded limited partnerships and other entities that were the subject of cease trade orders issued by securities regulatory authorities in certain provinces of Canada, including Alberta, British Columbia, Ontario and Quebec, resulting generally from a failure to file financial statements or a failure to comply with disclosure obligations. Certain entities against which these orders were issued are now no longer active or, in other cases, Mr. Thorsteinson's involvement with such entities has ceased. In other cases, certain of these entities have now been able to obtain discretionary relief from filing requirements; however, this relief does not apply to prior transgressions, and therefore, in some cases, these orders remain in force. To obtain information regarding cease trade orders issued by a particular securities regulatory authority, investors should contact the securities regulatory authorities that issued the orders.

The foregoing information, not being within the knowledge of Bird Construction Inc., has been furnished by the respective proposed and current Directors and executive officers of Bird Construction Inc.

Penalties or Sanctions

Except as outlined above under "Corporate Cease Trade Orders or Bankruptcies", to the knowledge of the Company, no proposed director or executive officer of Bird Construction Inc., nor any personal holding company thereof owned or controlled by them; (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

To the knowledge of the Company, in the last ten years, no proposed Director or executive officer of Bird Construction Inc., nor any personal holding company thereof owned or controlled by them, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, has become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets or the assets of his or her holding company.

Meetings of the Board of Directors

The Board of Directors meets at least once in each quarter, with additional meetings held when appropriate. Meetings of the Board may be held by teleconference or other electronic means, as needed to discharge their responsibilities, but in most instances these meetings are in person. The Board of Directors also meets annually to review and approve the business plan of the Company.

Time is allocated at each Board of Directors meeting for the independent Directors to meet without management of Bird present. The Audit Committee and the HRS&G Committee follow a similar practice at each of their meetings. During 2012, seven (7) Board of Directors meetings were held, four (4) Audit Committee meetings were held and four (4) HRS&G

Committee meetings were held and at each such meeting, time was allocated for the independent Directors to meet without management present.

Chair

The Chair of the Board of Directors, Paul A. Charette, became an independent Director effective September 2, 2011, as he retired as Chief Executive Officer of the Company on September 2, 2008.

The duties and responsibilities for the position of Chair include the following:

i. Establishing procedures to govern the Board's work including the location and time of meetings of the Board and the procedures to be followed with respect to meetings of the Board, including determining who may be present at such meetings in addition to the Directors and the Corporate Secretary;

ii. Ensuring the Board has adequate resources, especially by way of full, timely and relevant information to support its decision-making requirements;

iii. Working with the chairs of the Board committees to coordinate the schedule of meetings for such committees;

iv. Ensuring that delegated committee functions are carried out and reported to the Board;

v. Attending, as required, all meetings of Board committees;

vi. Meeting periodically with the Corporate Secretary to review governance issues including the level of communication between management and the Board; and

vii. Carrying out such other duties as may be reasonably requested by the Board as a whole, depending on its evolving needs and circumstances.

Meeting Attendance

During the year ended December 31, 2012, the Directors had the following attendance record at Board and committee meetings:

Director	**Board of Directors Meetings Attended**	**Audit Committee Meetings Attended**	**Human Resources, Safety & Governance Committee Meetings Attended**
Total meetings in 2012	7	4	4
J. Richard Bird	7	4	4
Paul A. Charette	7 (Chair)	4	4
D. Greg Doyle	7	4 (Chair)	4
Bonnie D. DuPont	7	4	4 (Chair)
Ronald D. Munkley	7	4	4
Timothy J. Talbott	7	not applicable	not applicable
Arni C. Thorsteinson	7	4	4
Paul R. Raboud	7	not applicable	not applicable

At each of the above Board of Directors' meetings, time was set aside to permit members who are considered independent of management of the business to meet without the presence of management.

Position Description

The Board of Directors has developed written position descriptions for the Chair of the Board, the Chair of each committee and the Chief Executive Officer.

Board of Directors Mandate

For details regarding the Board of Directors mandate see Schedule A — *Corporate Governance Guidelines and Board of Directors Mandate*.

Orientation and Continuing Education

The responsibility for the orientation and continuing education of the Directors is delegated to the HRS&G Committee. New Directors are provided with full orientation on the Company's organizational structure, the structure and role of the Board and its committees including duties and responsibilities, the Company's corporate policies and by-laws, the Code of Ethics, and the Company's current business plan. On an ongoing basis, presentations are made and reports are provided to the Board and each committee on various aspects of the Company's operations. The objective is to ensure that new Directors fully understand the role of the Board and its committees, as well as the contribution individual Directors are expected to make (including, in particular, the commitment of time and resources that the Company expects from its Directors) and understand the nature and operation of the Company's affairs and business.

All Directors are encouraged to attend educational programs to enhance their Board membership, as they feel appropriate, and the costs of each program will be paid by the Company.

Ethical Business Conduct

The Company and its Board are committed to conducting their activities in accordance with the highest standards of business ethics. These standards are intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. The Board of Directors has developed a written Director Code of Ethics. A copy of this code may be obtained by making a request in writing to the Company. The Board of Directors has developed a written Employee Code of Ethics applicable to employees of the Company. Compliance with the codes is monitored by the HRS&G Committee of the Company. Management reports violations of the code at each Board meeting and immediately reports any significant violations to the Chair of the HRS&G Committee. The codes address conflicts of interest, use of corporate assets, confidentiality and compliance with laws and regulations. The codes also describe a process to disclose any potential conflict of interest and to ensure independent judgment regarding Board discussions and decision making. In situations of conflict of interest, the Director will be excused from that portion of the meeting where the matter involving the conflict is being discussed, and the Director will not be in attendance and will not cast a vote when the matter is voted on. In camera sessions are held during each regularly scheduled Board meeting and as required at special Board meetings, where only independent Directors meet, with and without the Chief Executive Officer (“**CEO**”) of the Company in attendance, to discuss issues of concern.

The Company has a Whistleblower Policy which gives employees the opportunity to report complaints about accounting, internal controls and auditing matters, including any perceived unethical business conduct, directly to the Company’s Audit Committee Chair, on a confidential basis.

Nomination of Directors

The HRS&G Committee of the Company is responsible for the identification of new candidates for Board nomination. The Committee has written terms of reference which describe its duties and responsibilities with respect to Board nomination and Board effectiveness. It outlines a process to consider what competencies and skills the Board as a whole should possess; to evaluate the characteristics of the existing Board with a view to determining areas that could be strengthened through new Board members; and to approach potential candidates.

Other Board Committees

The Board of Directors has no standing committees other than its Audit Committee and HRS&G Committee. A copy of the Company’s Audit Committee Charter can be found in the appendices to the Company’s Annual Information Form (“**AIF**”).

Assessments

In 2011, the Board of Directors developed the framework for an evaluation of the effectiveness of the Board, including a detailed evaluation of the performance of the Board, the Chair of the Board, the Audit Committee and the HRS&G Committee. With this framework, an evaluation of the Board and committees was conducted in 2011 and will periodically be conducted in the future as required when determined by the Board. In the interim, between formal evaluations, the Board conducts informal assessments of the Board and committees, including the individual members, by way of observations and discussions with each member to ensure that the respective performances of the Board, committees and members are satisfactory.

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion and Analysis

Objectives of the Executive Compensation Program
The goal of Bird's Executive Compensation Program ("**Executive Compensation Program**") is to attract and retain high-level performing executives and provide incentives for them to earn profits for the Shareholders of the Company similar to the incentive resulting from holding an ownership interest in the Company. The Executive Compensation Program was designed under the direction of the HRS&G Committee. This committee's responsibilities pertaining to executive compensation include:

- Recommending the CEO's salary and profit sharing distribution to the Board of Directors.
- Reviewing and approving salaries and profit sharing distributions recommended by the CEO for other Executive Officers.
- Conducting a review of the design and the competitiveness of the Executive Compensation Program at a minimum of once per year.

Design of the Executive Compensation Program
The Executive Compensation Program emphasizes pay-for-performance and is designed to provide incentives to management to increase the amount of income and cash available to Shareholders of the Company. This pay-for-performance mandate results in a compensation program that:

- Aligns the interest of Bird's executive officers (the "**Executive Officers**") with both the short and long-term interests of the Shareholders;
- Provides pay that varies depending on financial performance; and
- Can be easily understood by the Executive Officers and the Company's Shareholders.

Elements of the Executive Compensation Program
Compensation for the Executive Officers currently consists of five elements:

1. Base salaries;
2. Annual cash profit sharing pursuant to the profit sharing plan ("**Profit Sharing Plan**");
3. Amounts payable under the medium-term incentive plan ("**MTIP**");
4. Amounts earned under the stock option plan (the "**Plan**"); and
5. Benefits.

Compensation Review
Prior to 2012, the last time the HRS&G Committee undertook a detailed review of executive compensation was in 2010. During 2011, the HRS&G Committee reviewed that prior work and concluded that no significant changes were needed in respect of 2012 compensation. During 2012, a sub-committee of the HRS&G Committee was tasked with conducting a Total Compensation Review of the Company. Part of this assignment was to evaluate the reasonableness of the Executive Compensation Plan. After an evaluation of proposals received from a number of industry leading compensation consultants, the sub-committee entered into an agreement with Mercer (the "**Consultant**") to conduct the Total Compensation Review with the guidance of the sub-committee. A detailed terms of reference including the required deliverables at the conclusion of the project was developed for the Consultant by the sub-committee. The Total Compensation Review was also undertaken to evaluate the current status of the Executive Compensation Plan and make recommendations, if any, that the Consultant felt were reasonable for consideration by the sub-committee. In doing so, the Consultant evaluated the Company's compensation range for executive officers against a benchmark of related industry comparator companies as follows:

<u>Related Industry Comparator Group</u>

Aecon Group Inc.
The Churchill Corporation
Flint Energy Services Ltd.
Genivar Inc.
Newalta Inc.
North American Energy Partners Inc.
SNC-Lavalin Group Inc.
Stantec Inc.
Trican Well Services Ltd.
Vicwest Inc.

The Related Industry Comparator Group was selected because these organizations represent a reasonable cross section of similar publicly-traded construction, engineering and related companies that have executives in positions that could readily be compared to the Executive Officers at Bird. The Related Industry Comparator Group was proposed to and accepted by the sub-committee during the development of the terms of reference for the Consultant.

An analysis of the Company's Executive Officer compensation showed that the Company's three-year average and most recent year total direct compensation fell within the 75^{th} percentile range of the comparator group, which was determined previously by the Board to be the benchmark total direct compensation for each Executive Officer based on the financial performance achieved by the Company. Total direct compensation is currently determined based on the achievement of financial and non-financial performance objectives which determine payouts under Bird's Profit Sharing Plan and MTIP. Based on these findings, the Consultant did not make any substantive recommendations for modification to the compensation structure for the Executive Officers. Some minor comments about the compensation program were provided by the Consultant and discussed with the sub-committee.

Base Salaries

Base salaries are a component of the overall compensation program for the Executive Officers. As such, base salaries, in conjunction with the other elements of the compensation program, are structured so that the total direct compensation of the Executive Officers falls within the benchmark total direct compensation as established by the Company's Board of Directors. Based on the review by the Consultant as noted above, the Company's Executive Officers all have base salaries that fall within an appropriate range such that the total direct compensation is within the range established by the Board. Annual adjustments to base salaries may be considered taking into account the aforementioned benchmark and other data of similar organizations within the construction industry, including the Related Industry Comparator Group, in order to determine the reasonableness of contemplated adjustments.

Profit Sharing Plan

A profit sharing pool for executives of Bird, including the Named Executive Officers ("**NEO**"), is established for each fiscal year provided that Corporate Shareable Profit (as defined in the Profit Sharing Plan text and as described below) exceeds a minimum threshold. The minimum threshold is determined by the Board of Directors at the commencement of each fiscal year. If Corporate Shareable Profit falls below the minimum threshold, the amount of the Corporate Shareable Profit Pool is nil. The Corporate Shareable Profit Pool is calculated by applying a pre-determined percentage to the amount by which actual Corporate Shareable Profit exceeds target thresholds. The percentages applied at each threshold decrease as Corporate Shareable Profit increases. The percentages range from 30% at the lower end, after the minimum threshold is attained, to 5% at the higher end. This structure provides for a sharing of profit between the Company's Shareholders and Bird's executives, including the NEOs. Should the Corporate Shareable Profit Pool be nil in a fiscal year, Executive Officers may still be eligible for profit sharing from the total discretionary fund at the discretion of the Board of Directors.

Corporate Shareable Profit means the sum of the profits produced by each profit centre, both positive and negative, and then subtracting the calculated profit sharing amount to be allocated to the respective profit centres and a discretionary fund, as defined in the Profit Sharing Plan text. Each NEO's profit sharing amount represents a percentage of the Corporate Shareable Profit amount.

The amount of profit sharing that each Executive Officer is eligible to earn from the Corporate Shareable Profit Pool is based on the relative contribution of each position within the Executive Officer group as approved by the Board of Directors. The eligible amount of profit sharing calculated for each Executive Officer is split into two amounts with 75% (80% for the Chief Executive Officer) of the award being earned based on financial performance of the executive group as outlined above and 25% (20% for the Chief Executive Officer) being established as the target award for each Executive Officer based on evaluation of their individual performance related to other non-financial objectives established each year. Non-financial performance objectives for the Executive Officers with operational responsibilities may include, without limitation, conditions relating to work-site safety, client satisfaction, employee turnover, succession planning, strategic planning, and employee development and training.

In 2012, the non-financial performance objectives for the CEO related to the achievement of targeted safety objectives, the formulation and execution of a new strategic plan, the establishment of and update to Bird's succession plan, ongoing integration of H.J. O'Connell, Limited ("O'Connell"), which was acquired in 2011, employee development and training, development and compliance with risk management programs and timely and accurate financial and operational reporting. The non-financial performance objectives of the Chief Financial Officer ("CFO") in 2012 included the preparation of timely and accurate financial reporting, the maintenance of internal controls over financial reporting and disclosure controls, the financial integration of O'Connell, the establishment of accounting policies for the Company with respect to new International Financial Reporting Standards ("IFRS") and assistance with the formulation and execution of the Company's strategic plan.

In 2012, all of the non-financial performance objectives were achieved by Executive Officers, entitling them to full payment under the Profit Sharing Plan for this component of profit sharing.

Upon the determination of each Executive Officer's annual profit sharing amount from the Corporate Shareable Profit Pool as calculated above, two-thirds of the amount is paid to the Executive Officer in cash. The remaining one-third of the profit sharing amount is withheld and notionally invested in phantom shares of the Company under the MTIP.

MTIP

The MTIP is intended to reward Executive Officers for performance of the business over the medium-term. The price of each phantom share and the number of phantom shares awarded is based on the weighted average closing price of Shares of the Company during the 10-day trading period immediately preceding the award date. Payouts do not vest with the Executive Officer until November 30 of the third calendar year following the year to which the profit sharing award relates. During the unvested period, phantom shares will be deemed to earn dividends (“**Dividends**”) equivalent to those that would have been earned had they been Shares of the Company. These Dividends will be notionally reinvested in phantom shares of the Company based on the 10-day weighted average trading price immediately prior to the Dividend payout date.

Upon vesting, the Executive Officer will receive a cash payment equal to the number of phantom shares times the weighted average closing price of the Shares during the 10-day trading period immediately preceding the vesting date. During the unvested period, the interests of the Executive Officers are aligned with those of the Shareholders, as their compensation related to the MTIP is tied to the performance of the Shares.

In the event of an Executive Officer's involuntary termination resulting from disability, death, termination without cause, retirement or a resignation within 180 days of a direct or indirect change of control of the Company, any phantom shares held on behalf of the Executive Officer will immediately vest. If an Executive Officer voluntarily resigns, or is terminated for cause, their entitlements under the MTIP are forfeited.

Stock Option Plan

The Company’s Stock Option Plan is a component of the compensation program that is designed to provide key employees, including Executive Officers, with a long-term incentive that will benefit both the Shareholders and the selected employees. The number of options that may be awarded in any year, if any, to an employee is based on a percentage of that employee’s salary, subject to review of both the CEO and the Board. The percentage will vary depending on the employee’s role in the Company.

The Plan was approved by the Company’s shareholders at the annual general meeting held on May 6, 2011. The Plan is intended to supplement the Executive Compensation Program by providing Executive Officers with additional incentive to increase the value of the Company’s Shares over the longer-term. Previously, only the MTIP provided a longer-term incentive to increase the value of the Company’s Shares. After conferring with a compensation consultant in 2010 to evaluate the then existing Executive Compensation Program, the Board accepted the compensation consultant’s recommendation that a component of compensation be added to the Executive Compensation Program to deal with longer-term compensation incenting executives to build long-term value for the Company. The compensation consultant also found that all of the Company’s comparator group had similar plans with which to compensate their executive officers. With the addition of the Plan, the compensation consultant found that the Company’s total compensation for Executive Officers would remain within the range of the comparator group as established by the Board.

The purpose of the Company’s stock option plan is to provide the Company and its subsidiaries with a share-related mechanism designed to develop and increase the interest in the growth and development of the Company and its subsidiaries of those employees, officers and consultants of the Company and its subsidiaries as may from time to time be granted options under the Plan by providing to them the opportunity to acquire a proprietary interest in the Company through the purchase of Shares. Non-employee Directors of the Company are not eligible to participate in the Plan.

The number of Shares issued to insiders pursuant to the Plan and all other security-based compensation arrangements (as defined in the Company Manual of the TSX), within any one-year period, shall not exceed 10% of the number of outstanding Shares and the number of Shares issuable to insiders, at any time, pursuant to the Plan and all other security-based compensation arrangements, shall not exceed 10% of the number of outstanding Shares. Furthermore, the aggregate number of Shares reserved for issuance pursuant to all options granted to any one optionee shall not exceed 5% of the number of Shares outstanding on a non-diluted basis at the time of such grant.

The exercise price of the options is fixed by the Board at the date of grant and may not be less than the "market price" on the date of grant, as determined in accordance with the Plan and applicable TSX rules. Options will vest at the discretion of the Board, which vesting schedule will generally be fixed at the time of grant by the Board. Options granted under the Plan may have a term of up to 10 years, subject to extension for an additional seven trading days in the event the option would otherwise terminate during or within seven trading days following a trading blackout. The award of options in any year may take into account the number of options previously awarded to any employee.

Options granted under the Plan are personal to each optionee and are not assignable, except to "permitted assigns", as defined in National Instrument 45-106 – Prospectus and Registration Exemptions.

The Plan provides that in the event that an optionee ceases to be an employee, officer or consultant of the Company or its subsidiary (other than due to a termination for cause or voluntary resignation, other than retirement), the optionee may exercise any unexercised options which had vested and were exercisable within a period of 90 days following such cessation, subject to the earlier expiry of the options, and provided that no options may be exercised beyond the expiry of the maximum term permitted under the Plan. In the event that the optionee is terminated for cause or voluntarily resigns (other than due to retirement), the options granted to him or her will terminate immediately. In the event of the death of an optionee, the personal representatives of the optionee may exercise any unexercised options which had vested and were exercisable within a period of one year following such death, subject to the earlier expiry of the options, and provided that no options may be exercised beyond the expiry of the maximum term permitted under the Plan.

Director and Senior Executive Common Share Ownership Policy

In 2012, the Board of Directors approved the implementation of minimum equity ownership requirements for the Directors, the President and Chief Executive Officer, Executive Officers, Senior Vice Presidents and Vice Presidents, including all of the NEOs.

These minimum equity ownership requirements are intended to encourage members of the senior management of the Company to have meaningful equity ownership in the Company and thereby more effectively align the interests of senior management with those of the shareholders. Common share ownership can be met through direct or indirect ownership of common shares, MTIP phantom shares and Deferred Share Units (DSUs). Compliance with the policy will be determined within three years from the date of appointment to the position or within three years of the implementation of this policy which will be deemed to be September 1, 2012.

The minimum equity ownership requirements are as follows:

- *Directors* - Six times annual retainer and other basic fees excluding expenses
- *President and CEO* - Six times base salary
- *Chief Financial Officer, Executive Vice President, Senior Vice President and Vice-Chair* - Three times base salary
- *Vice Presidents* - One times base salary.

Benefits

The benefits program offered to Executive Officers are substantially the same as those offered to all employees of the Company. The benefit program provides for health and dental coverage, life insurance, accidental death and disability programs and long-term income disability protection. The cost of the accidental death and disability and income protection programs are paid entirely by the respective Executive Officer.

Risk Assessment

Bird's Human Resources, Safety and Governance Committee of the Board of Directors has actively been involved in the design of the Company's Executive Compensation Program including the establishment of base salaries, the form and amount of profit sharing, the amount of the MTIP program and the amount of options granted under the Company's stock option plan.

The purpose of the Human Resources, Safety & Governance Committee (the "HRS&G Committee") is to assist the Board of Directors of Bird Construction Inc. in fulfilling its obligations relating to human resources, compensation, safety and governance matters and to establish a plan of continuity and development of senior management.

All changes to both salary and the amount of the annual profit sharing awards for each executive are reviewed by the HRS&G Committee and subject to Board of Directors' approval. The amount of MTIP is a prescribed amount of the NEO's profit sharing award. Any changes to the Company's stock option plan is at the discretion of the Board of Directors, subject to shareholder approval where required.

Bird's HRS&G Committee of the Board of Directors reviews and manages potential risks associated with the Company's executive compensation program through regular oversight of the Company's compensation policies and practices combined with regular review of the Company's financial results. The following are practices used by the Committee to manage and mitigate potential risks associated with the Company's executive compensation program:

- At each quarterly financial review, selected members of the Board and Audit Committee review the project profit and loss reports of the Company, assessing the reasonableness of significant changes in the amount of project revenues and gross margins covering the reporting periods during the life of the construction project. The results of this review are shared with the members of HRS&G Committee and the Board of Directors.
- At the conclusion of every fiscal year, the Board, including members of the HRS&G Committee, receives a report summarizing any significant changes to the amount of gross margins reported for projects which were completed at the prior year end, obtaining explanations for any significant variances.

- All construction projects which have risks outside the norm (i.e. Public Private Partnership projects) are subject to Board approval prior to executing the construction contract and the financial performance relating to these projects is reviewed on a quarterly basis.
- All acquisitions are subject to Board of Directors' approval prior to executing any agreements relating to the transaction.
- Any significant dispositions of Company assets are subject to Board approval.
- All portfolio investments are governed by Board of Directors' sanctioned investment guidelines. All portfolio investment transactions are summarized for the Board on a quarterly basis.
- As a matter of Audit Committee routine, the Board enquires for regulatory compliance, and the nature and extent of any provisions and contingencies or any other accounting adjustments which are considered outside the norm.
- A review of whistleblower activity is a quarterly Board agenda item.

By engaging in these activities, the Board and the HRS&G Committee can identify any areas where the Executive Officers may be taking undesired risks in the expectation of obtaining short-term gain that may not be beneficial to the Company as a whole. Furthermore, the performance objectives established under the Profit Sharing Plan are designed, as a general rule, to reward Company-wide performance and there is little incentive to engage in behaviour that may produce short-term profit at the expense of other objectives such as safety and strategic planning.

Exposure to Compensation Risk
The HRS&G Committee of the Board has not identified any specific risks arising from the Company's executive compensation policies and procedures that could have a material adverse affect on the Company. The Board of Directors' current philosophy and basis for the current executive compensation program has been in existence for many years. Over the years, aside from the adoption of the Stock Option Plan, changes to the executive compensation program have been minor in nature. The NEO compensation program applies to all executives, albeit the allocation of the profit sharing pool will be different. The amount of the profit sharing pool is typically a similar percentage of operating contribution over time. In the HRS&G Committee's view, the allocation between short and longer-term compensation is appropriate.

The NEOs and Directors are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly by the NEO or Director.

Composition of Human Resources, Safety and Governance Committee:

Director	*Independent*	*Expertise / Experience*
J. Richard Bird	yes	Mr. Bird contributes to the committee as a result of his 25-year history as an executive officer of a public company dealing regularly with HR and compensation matters.
Paul A. Charette	yes	Mr. Charette contributes to the committee as a result of his 20-year history as an executive officer of a public company dealing regularly with HR and compensation matters.
D. Greg Doyle	yes	Mr. Doyle contributes to the committee as a result of his 20-year history as a senior partner of an international firm of accountants dealing regularly with human resources and compensation matters.
Bonnie D. DuPont (1)	yes	Ms. DuPont holds a Certified Human Resources Professional (CHRP) designation and recently chaired the Human Resources and Compensation Committees of the Bank of Canada, SilverBirch Energy Corporation, the University of Calgary, and Viterra Inc. She is a former Vice President responsible for human resources at Enbridge Inc.
Ronald D. Munkley	yes	Mr. Munkley contributes to the committee as a result of his operational and functional responsibility for executive compensation as the COO and CEO of a large public company as well as his experience on the compensation committees of two other commercial Boards where he is currently chair of one of those committees.
Arni C. Thorsteinson	yes	Mr. Thorsteinson contributes to the committee as a result of his 20-year history as an executive officer of a public company dealing regularly with HR and compensation matters.

(1) Chair of the HRS&G Committee since May 10, 2012.

Summary Compensation Table

The following table sets forth compensation information for 2012, 2011 and 2010 fiscal years for the CEO, the CFO and three Senior Vice Presidents being the NEOs of Bird who served as Executive Officers of Bird during the fiscal year ended December 31, 2012.

		Annual Compensation					
Name and Principal Position	**Year**	**Salary ($)**	**Share-based awards ($) [3]**	**Option-based awards ($) [5]**	**Annual Profit Sharing ($) [1]**	**All Other Compensation ($) [2]**	**Total Compensation**
Tim J. Talbott							
President & Chief Executive Officer [4]	2012	302,000	844,616	211,250	1,689,258	0	3,047,124
	2011	280,500	494,925	0	989,849	0	1,765,274
	2010	240,000	491,678	0	983,357	0	1,715,035
Stephen R. Entwistle							
Chief Financial Officer and Assistant Secretary	2012	244,700	106,693	0	213,389	0	564,782
	2011	238,700	71,739	0	143,477	0	453,916
	2010	234,000	108,718	0	217,437	0	560,155
Ken W. McClure							
Senior Vice President	2012	214,200	299,311	97,500	598,631	0	1,209,642
	2011	204,000	169,637	0	339,273	0	712,910
	2010	200,000	192,788	0	385,582	0	778,370
Jim J. Brennan							
Senior Vice President	2012	198,645	299,311	97,500	598,631	0	1,194,087
	2011	193,800	171,695	0	343,389	0	708,884
	2010	190,000	258,206	0	516,411	0	964,617
Ian J. Boyd							
Senior Vice President	2012	193,500	299,311	162,500	598,631	0	1,253,942
	2011	178,500	157,519	0	315,043	0	651,062
	2010	197,591	170,281	0	465,563	0	833,435

(1) The figures disclosed hereunder represent the annual amounts allocated to the individuals pursuant to Bird's cash settled Profit Sharing Plan for the fiscal year indicated. The cash payment of the allocated amounts occurs after the close of the fiscal year. Refer to the table below for MTIP awards that have not yet vested under Medium Term Incentive Program.

(2) Other compensation, including perquisites and other personal benefits, for each NEO does not exceed $50,000 or 10% of total salary and profit sharing.

(3) This amount represents the amount of the MTIP awards made to the NEO in the applicable year. These awards vest three years after the date of grant. The amount of MTIP cash settled in the fiscal year for each of the NEOs is reported in the table below; Incentive Plan Awards - Value vested and earned in 2012.

(4) Tim J. Talbott was appointed President and Chief Executive Officer effective June 30, 2010 and previously held the position of President and Chief Operating Officer.

(5) Option-based awards represent the grant date fair value of the options granted to the NEO during the year. The fair value of the option-based award is calculated using the Black-Scholes valuation model using the assumptions described in the table below. The grant date fair value of option-based awards presented in the compensation table will differ from the compensation expense included for these grants in the Company's financial statements. IFRS accounting standards require the fair value of options awarded to be amortized over the vesting period of the award to arrive at compensation expense in the financial statements.

Stock Options - Values and Assumptions

Weighted Average fair value of the options granted	$3.25
Weighted Average exercise price of options outstanding	$13.98
Expected Volatility	39.70%
Dividend Yield	5.00%
Risk Free Interest Rate	1.60%
Weighted Average Expected life in years	4.75

Outstanding Share-based Awards

During fiscal 2006, the Board of Trustees of the Fund approved a recommendation made by the HRS&G Committee that the MTIP be established. The MTIP is intended to reward management for successful performance of the business over the medium term. Upon completion of the conversion of the Fund to a corporate structure, the Company adopted an MTIP on substantially the same terms as the Fund's MTIP and phantom units under the Fund's MTIP were effectively converted into phantom shares under the Company's MTIP and the terms of outstanding awards otherwise remained unchanged.

The MTIP applies to certain members of the management team of the Company, including Executive Officers, commencing in the 2007 fiscal year.

Upon determination of the profit sharing award amount from the Corporate Shareable Profit Pool for each Executive Officer (to be awarded after audited financial results are available early in the following year), one-third of the profit sharing amount will be withheld and notionally invested in phantom shares of the Company. The price of each phantom share and the number of phantom shares awarded will be based on the weighted average closing price of Shares of the Company during the 10-day trading period immediately preceding the award. Payouts will not vest with the Executive Officer until November 30 of the third calendar year following the year in which the services to which the profit sharing award relates. During the unvested period, phantom shares will be deemed to earn Dividends equivalent to those that would have been earned had they been Shares of the Company. These Dividends will be notionally invested in phantom shares of the Company based on the 10-day weighted average trading price immediately prior to the Dividend payout date.

Upon vesting, the Executive Officer will receive a payment equal to the number of phantom shares times the weighted average closing price awarded during the prior 10-day trading period immediately preceding the vesting date. No actual Shares will be issued under the MTIP.

In the event of a participant’s involuntary termination, termination without cause, retirement, or a participant's resignation within 180 days of a direct or indirect change of control of the Company, any phantom shares held on behalf of the participant will immediately vest. If a participant voluntarily resigns, or is terminated for cause, the participant's entitlements under the MTIP are forfeited.

In 2011, the Company’s shareholders approved the Company’s stock option plan. See “Compensation Discussion and Analysis – Stock Option Plan” for a description of the key terms of the plan.

On March 12, 2013, the Directors approved an award of $1,849,242 to NEOs under the MTIP in respect of the 2012 fiscal year of the Company. The amounts shown in the table below include the 2012 award plus the unvested awards relating to Bird’s 2010 and 2011 fiscal years. The number of notional shares issued for 2012 was determined using the weighted average trading price of Bird common shares on the TSX for the 10 trading days prior to March 12, 2013. The market value of the shares not vested was based on closing price of the Company’s common shares on the TSX at December 31, 2012.

	Share-based Awards		Option-based Awards			
Name	Number of shares or fraction of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Number of shares underlying unexercised options (#)	Option exercise price ($)	Option expiry date	Value of unexercised In-the-Money options (1) ($)
Tim J. Talbott President and Chief Executive Officer	144,008.073	1,903,786.73	65,000	$13.98	March 19, 2019	nil
Stephen R. Entwistle Chief Financial Officer and Assistant Secretary	23,072.215	305,014.68	-	$13.98	March 19, 2019	-
Ken W. McClure Senior Vice President	52,220.871	690,359.92	30,000	$13.98	March 19, 2019	nil
Jim J. Brennan Senior Vice President	58,199.607	769,398.81	30,000	$13.98	March 19, 2019	nil
Ian J. Boyd Senior Vice President	49,249.913	651,083.86	50,000	$13.98	March 19, 2019	nil

(1) Based on the closing price of the common shares listed on the TSX on December 31, 2012 being $13.22.

On March 12, 2013, the Directors awarded no additional stock options pursuant to the Company’s Stock Option Plan.

Incentive Plan Awards – value vested or earned during 2012

The following table shows the amounts of option-based awards under the Stock Option Plan and the amounts of share-based awards under the MTIP that vested during 2012 and the amounts earned by each of the NEOs in 2012 under non-equity incentive plans, which includes only the Profit Sharing Plan. The Stock Option Plan was approved in 2011, however, no awards were made under that plan in 2011. As a result, no options vested in 2012.

Name	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)	Option-based awards - Value vested during the year ($)
Tim J. Talbott President and Chief Executive Officer	692,080.74	1,689,258	Nil
Stephen R. Entwistle Chief Financial Officer and Assistant Secretary	170,883.98	213,389	Nil
Ken W. McClure Senior Vice President	295,705.95	598,631	Nil
Jim J. Brennan Senior Vice President	389,295.48	598,631	Nil
Ian J. Boyd Senior Vice President	294,734.61	598,631	Nil

Stock-Based Compensation

The following table provides information on the Company's stock-based compensation plans under which equity securities of the Company are authorized for issuance as at December 31, 2012. The Company does not have equity compensation plans that have not been approved by its Shareholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities to be issued upon exercise of outstanding options)
Equity compensation plan approved by security holders (Stock Option Plan)	625,000 (1.48% of the currently outstanding Shares)	$13.98	3,590,385

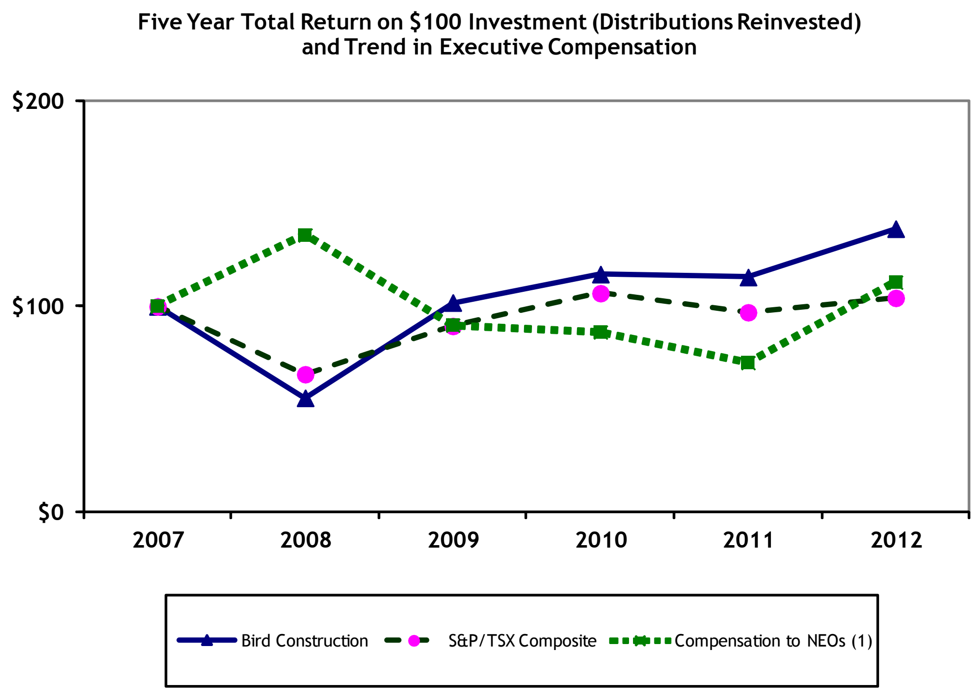
General Summary Table	
Total Number of Common Shares Reserved Under the Stock Option Plan	4,215,385
	2012
Number of Stock Options Granted	625,000
Number of Employees Granted Stock Options	30
Number of Stock Options Granted in the year as a Percentage of Outstanding common shares at December 31	1.48%
Number of Stock Options Outstanding as a Percentage of Outstanding common shares at December 31	1.48%
Average Weighted Exercise Price of Stock Options Outstanding	$13.98
Number of Stock Options exercised in the year	0

Employment Contracts

Mr. Brennan's and Mr. Entwistle's employment contracts contain provisions for the payment of one year and six months' salary, respectively, in the event of termination without cause. Should either of these provisions be triggered, they would result in the payment of $198,645 and $122,350 to Mr. Brennan and Mr. Entwistle, respectively, based on their 2012 salaries. None of the other Executive Officers have employment contracts. Mr. Brennan's employment contract was negotiated at the time of the acquisition of Rideau Construction and Mr. Entwistle's contract was executed upon his hiring in March of 2008.

PERFORMANCE GRAPH

The following graph compares the Company's total Shareholder return (assuming an investment of $100 purchased on December 31, 2007 and adjusted for the 3 for 1 exchange of Bird Shares for Fund Units) on the Shares/Units of the Company during the period December 31, 2007 to December 31, 2012 with the cumulative total return of the S&P/TSX Composite Total Return Index, assuming reinvestment of all distributions and dividends.



	2007	2008	2009	2010	2011	2012
Bird Construction	$100.00	$55.51	$101.86	$115.67	$114.24	$137.77
S&P/TSX Composite	$100.00	$67.00	$90.48	$106.41	$97.14	$104.13
Compensation to NEOs (1)	$100.00	$134.69	$90.87	$87.51	$72.61	$111.76

(1) The amount of total compensation paid to NEOs for the 2007 fiscal year has been attributed $100 and the value disclosed in the performance graph for each of the following fiscal years has been calculated by multiplying the total compensation paid to the NEOs in each fiscal year by $100 and dividing by the total compensation paid to the NEOs in 2007.

The trend shown in the above performance graph illustrates an increase in the cumulative total return on an investment in the common shares of the Company from 2007 through 2012, with the exception of 2008. The Company believes that the decline in 2008 is attributable to the general decline in the stock market in 2008, resulting from the onset of an economic recession at that time. Since that time, the market has recovered and the price of the Company's shares has increased. The trend in total compensation paid to NEOs is below the upward trend in the cumulative total return on investment in common shares of Bird. The compensation trend line tracks the net income reported by the Company in the previous years reflecting the alignment of the profit sharing plan with the earnings reported by the Company.

COMPENSATION OF DIRECTORS

On an annual basis, the HRS&G Committee of Bird reviews compensation practices for Directors and directors of other public issuers and from time-to-time makes recommendations to the Board of Directors. The HRS&G Committee is composed of independent Directors. Each Director, who is not an officer of the Company or any of its affiliates, or an employee of Bird, is entitled to receive the following fees:

	Annual Retainer	Meeting Fees[(1) (2)]
Directors	$ 29,750	$ 1,600
Audit Committee Members	$ 5,300	--
Human Resources, Safety and Governance Committee Members	$ 5,300	--
Audit Committee Chair Honorarium	$ 11,750	--
Human Resources, Safety and Governance Committee Chair	$ 6,900	--
Chair Stipend	$ 110,725	--

(1) Plus applicable meeting expenses.

(2) Directors travelling from out of province to a meeting receive an additional meeting fee of $1,000.

In respect of the year ended December 31, 2012, non-management Directors received total compensation of $451,743. The non-management Directors were also reimbursed $35,566 for travel and accommodation expenses incurred in order to attend Board and applicable committee meetings.

Name	Fees earned	All other compensation	Total
J. Richard Bird	$ 56,950	-	$ 56,950
Paul A. Charette	$ 123,376	$ 1,192 (1)	$ 124,568
D. Greg Doyle	$ 67,750	-	$ 67,750
Bonnie D. DuPont	$ 59,450	-	$ 59,450
J. Urban Joseph (2)	$ 29,875	$ 4,500 (3)	$ 34,375
Ronald D. Munkley	$ 52,700	-	$ 52,700
Arni C. Thorsteinson	$ 55,950	-	$ 55,950

(1) Medical benefits plan premiums paid on behalf of Chair of the Board.

(2) J. Urban Joseph retired from the Board effective May 10, 2012.

(3) Value of gift given to J.U. Joseph upon his retirement from the Board.

Deferred Share Unit Plan

On November 12, 2012, the Board of Directors approved the implementation of a Deferred Share Unit Plan ("DSU Plan") providing for the issuance of Deferred Share Units ("DSUs") to the directors of the Company. The DSU Plan is effective commencing on January 1, 2013.

The DSU Plan was established to allow directors of the Company to participate in the long-term success of the Company and to promote a greater alignment of the interests between the directors and the Shareholders of the Company.

Under the terms of the plan, each director will be credited with DSUs in satisfaction of 50% of their director fees. The remaining balance of a Director's fee will continue to be paid in cash. The number of DSUs awarded will be determined by dividing the applicable amount of their director's fee by the volume weighted average trading price of the Company's common shares for the five trading days prior to the applicable date. Directors can elect to receive up to 100% of their fees in the form of DSUs. Each Director's DSU account will be credited with dividend equivalents in the form of additional DSUs on any dividend payment date in respect of which cash dividends are paid on the common shares of the Company. The DSUs will be redeemed by the Company for cash at the time a director ceases to be a director of the Company. The cash settlement amount will equal the number of DSUs held by the director, multiplied by the volume weighted average trading price of the Company's common shares for the five trading days prior to the redemption date.

Each DSU will be an unfunded unsecured obligation of the Company.

INDEBTEDNESS OF DIRECTORS, OFFICERS AND EMPLOYEES

The Company, including its subsidiaries, does not provide financial assistance to Directors, officers or employees for the purchase of Shares or for any other purpose. As of March 12, 2013, there was no indebtedness owing to the Company or its subsidiaries by any Director, Executive Officer or senior officer of the Company or its subsidiaries.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company indemnifies the directors and officers against losses arising from claims against them for their acts, errors or omissions as the Company maintains liability insurance for its directors and officers in the event they are sued in relation to the performance of their duties as directors or officers of the Company and its subsidiaries including legal defense costs.

The policy element for such liability and indemnification was $25 million in 2012 ($25 million — 2011). The premium paid in 2012 was $76,375 and there is nil retention/deductible for claims against individual directors or officers.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

During 2012, Bird was involved in several construction contracts with Shelter Canadian Properties Limited or companies affiliated with them. Shelter Canadian Properties Limited is controlled by the family of Mr. Thorsteinson, a Director of the Company. All contracts with Shelter Canadian Properties Limited or companies affiliated with them were completed on construction terms typical in the industry.

ADDITIONAL INFORMATION

A comprehensive description of the Company as well as a summary of risk factors applicable to the Company are set out in the Company's latest available Annual Information Form ("AIF") and latest available MD&A. Copies of the AIF and the Company's consolidated annual financial statements and management's discussion and analysis of results of operations for the year ended December 31, 2012 and any interim consolidated financial statements of the issuer that have been filed for any period after the end of the Company's most recently completed financial year, are available to anyone, upon request, from the Corporate Secretary of the Company at 5700 Explorer Drive, Suite 400, Toronto, Ontario L4W 5K6. Such copies will be sent to any shareholders without charge. Additional information relating to the Company is available on SEDAR at www.sedar.com and financial information relating to the Company is provided in the Company's consolidated financial statements and managements' discussion and analysis of results of operations and financial position for the year ended December 31, 2012.

APPROVAL BY THE BOARD OF DIRECTORS

The contents of this Circular and its sending to the Shareholders have been unanimously approved by the Board of Directors. A copy of this Circular has been sent to each Director of the Company, each Shareholder entitled to notice of the Meeting and the Company's auditors.

March 12, 2013

By order of the Board of Directors

(Signed) "Paul A. Charette"

Paul A. Charette
Chair of the Board of Directors

SCHEDULE A

CORPORATE GOVERNANCE GUIDELINES AND BOARD OF DIRECTORS MANDATE

The Board of Directors (the "Board") of Bird Construction Inc. (the "Company" or "Bird") is elected by the Company's Shareholders (the "Shareholders") and is responsible for the stewardship of the investments, affairs and business of the Company in accordance with obligations under the articles of incorporation, by-laws and applicable law.

Within its stewardship responsibility, the Board's role is to preserve and enhance the viability of the Company and to ensure that it is managed with a view to the best interests of the Company. The Board delegates the responsibility for the day-to-day conduct of business to management of the Company, through its Chief Executive Officer ("CEO"), within a policy and budget framework established by the Board. In executing their responsibilities, each of the members of the Board is entitled to rely in good faith on the advice, reports and opinions of management of the Company.

CORE RESPONSIBILITIES

Board of Directors

The core responsibilities of the Board include stewardship and oversight in the following areas:

i. *Strategic Planning and Annual Business Plan*

   The Board ensures that the Company adopts a strategic and annual planning process to guide its activities. The Board meets periodically to review the plans. In addition, at each regular meeting, the Board reviews the Company's overall business strategies, its business plan, as well as major strategic initiatives to evaluate whether the Company's proposed actions are generally in accordance with its objectives.

ii. *Identification of Principal Risks*

   The Board, directly and through the Audit and the Human Resources, Safety and Governance Committees, reviews the principal risks of the Company's business and the appropriateness of the systems put in place to manage these risks.

iii. *Selection and Remuneration of the CEO and the Senior Management Team*

   The Board is responsible for selecting the CEO and for approving the selection of the members of the senior management team. Communication with the management team is through the CEO and the Board is responsible for judging the effectiveness of the CEO. The Board is also responsible for providing an effective system of remuneration. These functions are performed with the benefit of advice from the Human Resources, Safety and Governance Committee.

iv. *Succession Planning*

   On a regular basis, the Board reviews a succession plan, developed by management, addressing the policies and principles for selecting a successor to the CEO and other key senior management positions, both in an emergency situation and in the ordinary course of business. The succession plan should include an assessment of the experience, performance, skills and planned career paths for possible successors to the CEO currently in the Company's senior management.

v. *Financial Reporting and Internal Controls*

   The Board, acting through the Audit Committee, oversees the financial reporting and disclosures of the Company. This includes;

   a. Approval of the quarterly earnings press releases and related disclosure documents;

   b. Monitoring the implementation of appropriate internal control systems to ensure the accuracy and timeliness of the information;

   c. Monitoring and administration of the Whistleblower Policy, which provides for an anonymous method of delivering complaints with respect to accounting, internal control and auditing matters.

vi. Financial Planning and Investments

a. Business Plan
Review and approve the Company's Annual Business Plan, including the annual Operating and Capital Budgets. Review periodic financial forecasts.

b. Investment Opportunities
Review and assess investment opportunities of a value exceeding management's authority, in accordance with procedures established by the Board from time-to-time.

c. Guidelines and Policies
Review and approve guidelines and policies for the investing of cash in money market products and marketable securities and review reports from management on the results of such investments against established policies and benchmarks.

d. Additional Funds for Investment
Review and assess management's plans with respect to raising additional funds, whether through debt or capital, in accordance with procedures established by the Board from time-to-time.

BOARD COMPOSITION

Board Composition
The composition of the Board should balance the following goals:

i. The size of the Board should facilitate substantive discussions of the whole Board in which each Director ("Director") can participate meaningfully;

ii. The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity of opinion and contacts relevant to the affairs and business of the Company; and

iii. Membership on the Board shall include an appropriate number of members whom the Board has determined have no material relationship with the Company or the Company's principal Shareholders and who are otherwise considered independent as contemplated by the corporate governance guidelines published by the Canadian Securities Administrators (the "CSA Guidelines") and under the rules of the Toronto Stock Exchange ("TSX").

Selection of Directors
The Human Resources, Safety and Governance Committee is responsible for recommending to the Board, from time-to-time, a list of potential Directors meeting the Company's general criteria for Board membership, as well as suitable nominees to fill specific vacancies occurring between annual meetings of Shareholders. The processes used by the committee as well as the basis for its recommendations are outlined in the terms of reference for the Human Resources, Safety and Governance Committee. The Board is responsible for selecting nominees for election to membership on the Board for presentation at the annual meeting of Shareholders.

Orientation and Continuing Education
The Human Resources, Safety and Governance Committee is responsible for the continuing education of Directors as outlined in the committee's terms of reference.

BOARD COMMITTEES

Committees
The standing committees of the Board are the Audit Committee and the Human Resources, Safety and Governance Committee. Each of these committees has written terms of reference (acting as a form of committee charter) satisfying at a minimum, applicable legislative and TSX rules.

All Directors, whether members of specific committees or not, may request attendance at any committee meeting and may make suggestions to committee Chairs for additions to the agenda of the committee or to request that an item from a committee agenda be considered by the Board. Each committee Chair will give periodic reports of the committee's activities to the Board.

Assignment of Committee Members
The Board is responsible for recommending the assignment of Board members to its committees and the selection of the committee Chairs.

BOARD MEETING PROCEDURES

Frequency of Meetings
The Board holds regularly scheduled meetings on a quarterly basis as well as additional special meetings to consider particular issues. Special meetings may be called from time-to-time as determined by the needs of the Company.

Selection of Agenda Items for Board Meetings
The Chair establishes the agendas for Board meetings. Any Board member, however, may recommend the inclusion of specific agenda items. The agenda is distributed in advance of a meeting to each Director.

Board Materials Distributed in Advance
Information, data and presentation materials that are important to the Board's understanding of the affairs and business of the Company are distributed in writing to the Board before each meeting. Management of the Company should provide materials that are as concise as possible while giving Directors sufficient information, and time for review (subject to availability of time sensitive materials), to make informed decisions. Under certain circumstances, written materials may be unavailable to Directors in advance of a meeting, and certain items to be discussed at Board meetings may be of a sensitive nature such that the distribution of materials on these matters prior to the Board meeting would not be appropriate.

Management at Meetings
The Board invites members of management of the Company, in addition to the President and Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), to attend Board meetings and to make presentations and provide additional insight into the various issues brought before the Board.

In Camera Meetings
To encourage free and open discussion and communication among the independent members of the Board, the Directors meet during, or at the end of each regularly scheduled Board meeting or as required at each special Board meeting, without non-independent Directors and members of management present.

EXPECTATIONS OF DIRECTORS

Commitment and Attendance
All Directors should make every effort to attend all meetings of the Board and meetings of committees of which they are members. Although attendance in person is encouraged, members may attend by telephone or videoconference to mitigate schedule conflicts.

Participation in Meetings
Each Director should be sufficiently familiar with the affairs and business of the Company, including its financial statements and capital structure, and the risks it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves.

Financial Knowledge
One of the most important roles of the Board is to monitor financial performance. A Director must know how to read financial statements, and should understand the use of financial ratios and other indices for evaluating financial performance.

Ethical Business Conduct
The Company has adopted a written code of ethics. All Directors are made aware that they are expected to exhibit high standards of personal integrity, honesty and ethical business conduct, disclose any potential conflict of interest and abide by the Company's trading blackout period policies.

Other Directorships
The Company values the experience Directors bring from other Boards on which they serve, but recognizes that those Boards may also present demands on a Director's time and availability, and may also present conflicts or legal issues. Directors should advise the Chair of the Human Resources, Safety and Governance Committee before accepting any new membership on other Boards of directors or trustees or any other significant commitment involving an affiliation with other related businesses or governmental units.

Contact with Management
All Directors are invited to contact the CEO at any time to discuss any aspect of the affairs or business of the Company. While respecting organizational relationships and lines of communication, Directors have complete access to other

members of management. There will be frequent opportunities for Directors to meet with the CEO, CFO and other members of management of the Company in Board and committee meetings and in other formal or informal settings.

Confidentiality
The proceedings and deliberations of the Board and its committees are confidential. Each Director shall maintain the confidentiality of information received in connection with his or her services.

BOARD COMPENSATION

The Board, acting through the Human Resources, Safety and Governance Committee, conducts a review on a regular basis of the components and amount of Board compensation in relation to other similar companies.

CHAIR OF THE BOARD

General Functions
The Chair of the Board (the "Chair") shall provide leadership to the Board with respect to its functions as described in these guidelines and as otherwise may be appropriate. The Chair shall act as chair of meetings of the Board and, for such purpose, shall determine the agenda for each meeting of the Board in consultation with the Corporate Secretary.

The Chair shall oversee the preparation for and management of, and he or she shall preside over, meetings of the Shareholders of the Company.

Additional Responsibilities
The duties and responsibilities for the position of Chair shall also include the following:

i. Establishing procedures to govern the Board's work including the location and time of meetings of the Board and the procedures to be followed with respect to meetings of the Board, including determining who may be present at such meetings in addition to the Directors and the Corporate Secretary;

ii. Ensuring the Board has adequate resources, especially by way of full, timely and relevant information to support its decision-making requirements;

iii. Working with the Chairs of the Board committees to coordinate the schedule of meetings for such committees;

iv. Ensuring that delegated committee functions are carried out and reported to the Board;

v. Attending, as required, all meetings of Board committees;

vi. Meeting periodically with the Corporate Secretary to review governance issues including the level of communication between management and the Board; and

vii. Carrying out such other duties as may be reasonably requested by the Board as a whole, depending on its evolving needs and circumstances.

Appointment
The Chair shall be appointed by the Board after consideration of the recommendation of the Human Resources, Safety and Governance Committee. He or she shall hold office until the first meeting of the Directors following the Annual Meeting of Shareholders.

Resources
The Chair shall have sufficient resources to discharge the responsibilities of the Chair. The Chair shall be empowered to engage outside advisors, as may be appropriate from time-to-time, to provide advice with respect to his or her or the Board's duties and responsibilities and to approve the fees and retention terms for such outside advisors.

Lead Director
The Lead Director will assume the role of Chair of the Board in the absence of the Chair or when the Chair has a conflict of interest.