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

AECON

AECON GROUP INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND MANAGEMENT PROXY CIRCULAR

Annual Meeting to be held at 11:00 a.m. (Eastern Daylight Time)
June 14, 2011

at

The Design Exchange
234 Bay Street
Toronto, Ontario

Invitation to Shareholders

I am pleased to invite you, as a valued fellow Shareholder of Aecon Group Inc. ("**Aecon**"), to join the Board of Directors and the senior leadership team of Aecon at our Annual Meeting (the "**Meeting**") on June 14, 2011 at 11:00 a.m. (Eastern Daylight Time) which will take place at The Design Exchange in downtown Toronto.

The Meeting is your opportunity to receive a first-hand account of Aecon's performance in 2010 and to learn about our plans for the future. I will provide a report on Aecon's affairs. Should you have questions about our past performance, recent acquisitions or future direction, this is an excellent forum to seek answers to your questions. It is also an opportunity to meet members of the Board of Directors and the senior leadership team of Aecon.

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

Should you require additional information, please visit our corporate website at *www.aecon.com*. Also available online is Aecon's Annual Information Form for the year ended December 31, 2010, Aecon's annual audited financial statements for the year ended December 31, 2010 and related management's discussion and analysis as well as other useful information. A copy of my address to the Meeting will also be available on our website.

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

Sincerely,

John M. Beck
Chairman and Chief Executive Officer

May 19, 2011

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of shareholders of Aecon Group Inc. (the "**Corporation**") will be held at The Design Exchange, 234 Bay Street, Toronto, Ontario, Canada, on Tuesday, June 14, 2011 at 11:00 a.m. (Eastern Daylight Time) for the following purposes:

(a) to receive the annual financial statements of the Corporation for the financial year ended December 31, 2010 and the report of the auditors thereon;

(b) to elect directors of the Corporation;

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

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

The directors of the Corporation have fixed the close of business on May 10, 2011 as the record date for the determination of the shareholders of the Corporation entitled to receive notice of and to vote at the Meeting.

DATED at Toronto, Ontario, on this 19th day of May, 2011.

BY ORDER OF THE BOARD OF DIRECTORS

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

Shareholders are entitled to vote at the Meeting either through the internet, by telephone, in person or by proxy. If you are unable to attend the Meeting in person, please exercise your right to vote by completing and signing the enclosed form of proxy and returning it by mail or delivery to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 (fax: 1-866-249-7775 within North America or +1-416-263-9524 from all other countries). Alternatively, electronic voting is available for the Meeting through the internet at *www.investorvote.com* and telephone voting is available by contacting Computershare Investor Services Inc. at 1-866-732-8683. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the same manner as, votes cast via a paper form of proxy. Further details on the electronic and telephone voting processes are provided in the enclosed form of proxy. **Proxies to be used at the Meeting must be delivered to Computershare Investor Services Inc. so as to be received no later than 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used or delivered to the Chairman of the Meeting prior to commencement of the Meeting or any adjournment thereof, in order for the proxy to be voted. Votes cast electronically or by telephone must be submitted no later than 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.**

Q: What am I voting on?

A: Holders ("**Shareholders**") of common shares of Aecon Group Inc. ("**Aecon**") are voting on the election of directors to the board of directors of Aecon (the "**Board**") until the next annual meeting of Shareholders, the reappointment of the auditors of Aecon for 2011 and the Board's authorization to fix their remuneration and such other business as may be properly brought before the 2011 annual meeting of Shareholders (the "**Meeting**"), or any adjournment thereof.

Q: Who is entitled to vote?

A: Only Shareholders as at the close of business on May 10, 2011 are entitled to vote. Shareholders are entitled to one vote in respect of each share held on those items of business identified in the accompanying Notice of Annual Meeting of Shareholders of Aecon Group Inc. (the "**Notice of Meeting**").

Q: How do I vote?

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

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

A: If you are a registered Shareholder and plan to attend the Meeting on June 14, 2011 and wish to vote your shares in person at the Meeting, do not complete or return the form of proxy and do not vote through the internet or by telephone. Your vote will be taken and counted at the Meeting. Please register with Aecon's transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting. If your shares are held in the name of a nominee, please see the final question and answer set out in this section for voting instructions.

Q: Who is soliciting my proxy?

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

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

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

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

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

Q: What do I do with my completed proxy?

A: Return it to Aecon's transfer agent, Computershare Investor Services Inc., in the envelope provided, or by fax to 1-866-249-7775 within Canada and the United States, or +1-416-263-9524 from all other countries, so that it is received no later than 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011. This will ensure that your vote is recorded. Alternatively, electronic voting is available for the Meeting through the internet at *www.investorvote.com* and telephone voting is available by contacting Computershare Investor Services Inc. at 1-866-732-8683. Further details on the electronic and telephone voting processes are provided in the enclosed form of proxy. If you vote using the internet or by telephone, do not complete or return the form of proxy.

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

A: Yes. If you voted through the internet or by telephone, you may vote again through such means before 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011. If you submitted a proxy and wish to revoke your proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered either to Aecon by fax at +1-940-2290 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or to the Chairman on the day of the Meeting, or any adjournment thereof.

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

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

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

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

Q: How many shares are entitled to vote?

A: As of May 10, 2011, there were 57,044,849 common shares of Aecon outstanding. Each registered Shareholder has one vote for each common share held at the close of business on May 10, 2011.

Q: How will the votes be counted?

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

Q: Who counts the votes?

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

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

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

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

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

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

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

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

AECON GROUP INC.

MANAGEMENT PROXY CIRCULAR

SOLICITATION OF PROXIES

This Management Proxy Circular (the "**Circular**") is furnished in connection with the solicitation of proxies by management of Aecon Group Inc. (the "**Corporation**" or "**Aecon**") to be used at the annual meeting (the "**Meeting**") of shareholders of the Corporation ("**Shareholders**") to be held at 11:00 a.m. (Eastern Daylight Time) on June 14, 2011 for the purposes set out in the accompanying Notice of Annual Meeting of Shareholders of Aecon Group Inc. (the "**Notice of Meeting**"). It is expected that the solicitation will be made primarily by mail, supplemented possibly by telephone or other personal contact by management or regular employees of the Corporation and/or the Corporation's transfer agent, Computershare Investor Services Inc. The cost of any such solicitation will be borne by the Corporation. The Corporation does not intend to pay any compensation for the solicitation of proxies by third parties but will pay the reasonable expenses of persons who are the registered but not beneficial owners of voting shares of the Corporation (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) for forwarding copies of the Notice of Meeting, form of proxy, Circular and related material to beneficial owners. The Corporation will provide, without cost to such persons, upon request to the Corporate Secretary of the Corporation, additional copies of the foregoing documents required for this purpose.

Appointment, Time for Deposit and Revocability of Proxy

Each of the persons named in the enclosed form of proxy is an officer of the Corporation. **A Shareholder desiring to appoint some other person (who need not be a Shareholder) to attend and act for him, her or it at the Meeting may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy**. If a Shareholder wishes to vote by proxy, the proxy to be used at the Meeting must be delivered to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 (fax: 1-866-249-7775 within North America or +1-416-263-9524 from all other countries). A proxy should be executed by the Shareholder or his or her attorney in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Proxies to be used at the Meeting must be delivered to Computershare Investor Services Inc. so as to be received no later than 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011 (or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used) or delivered to the Chairman of the Meeting prior to the commencement of the Meeting, or any adjournment thereof, in order for the proxy to be voted. As an alternative to completing and submitting a proxy for use at the Meeting, a Shareholder may vote electronically through the internet at *www.investorvote.com* or by telephone by contacting Computershare Investor Services Inc. at 1-866-732-8683. Votes cast electronically or by telephone are in all respects equivalent to, and will be treated in the same manner as, votes cast via a paper form of proxy. Shareholders who wish to vote using the internet or by telephone should follow the instructions provided in the enclosed form of proxy. Votes cast electronically or by telephone must be submitted no later than 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.

A proxy given by a Shareholder may be revoked as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the registered and head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law. The registered and head office of the Corporation is located at 20 Carlson Court, Suite 800, Toronto, Ontario M9W 7K6. If a Shareholder has voted through the internet or by telephone and wishes to change such vote, such Shareholder may vote again through such means before 11:00 a.m. (Eastern Daylight Time) on Friday, June 10, 2011 or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of common shares ("**Common Shares**"). On May 10, 2011, the Corporation had 57,044,849 Common Shares outstanding, each of which carries the right to one vote in respect of each of the matters properly coming before the Meeting.

The board of directors of the Corporation (the "**Board of Directors**" or the "**Board**") has fixed a record date of May 10, 2011 (the "**Record Date**") to determine Shareholders entitled to receive the Notice of Meeting. The failure of any Shareholder to receive a copy of the Notice of Meeting does not deprive the Shareholder of the right to vote at the Meeting. Only holders of Common Shares as of the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote in respect of each Common Share. Approval of each resolution that will be placed before the Meeting requires a majority of the votes cast at the Meeting on the resolution.

To the knowledge of the directors and executive officers of the Corporation, as at May 10, 2011, no person or company owns beneficially, or exercises control or direction over, directly or indirectly, securities carrying in excess of 10% of the voting rights attached to any class of outstanding voting securities of the Corporation.

EXERCISE OF DISCRETION BY HOLDERS OF PROXIES

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

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

BENEFICIAL SHAREHOLDERS

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

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

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

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

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

MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of Financial Statements

The audited financial statements of the Corporation for the financial year ended December 31, 2010 and the report of the auditors thereon, copies of which accompany this Circular, will be presented to the Shareholders at the Meeting.

Election of Directors

The articles of the Corporation provide for a minimum of eight and a maximum of 15 directors. The Board of Directors has fixed the number of directors to be elected at the Meeting at eight. It is proposed that each of the persons whose name appears below be elected as a director to serve until the close of the next annual meeting of shareholders of the Corporation or until his office is earlier vacated in accordance with the by-laws of the Corporation. **Common Shares represented by proxies in favour of management will be voted FOR the election of each of the persons listed as directors of the Corporation, unless a Shareholder has specified in his, her or its proxy that his, her or its Common Shares are to be withheld from voting in connection with the election of directors**.

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

Majority Voting for Election of Directors

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

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

Director Share Ownership Requirements

Early in 2007, the Corporation, upon recommendation of the CGNC Committee, adopted a director share ownership requirement that each director should hold no less than 10,000 Common Shares (the "**Minimum Requirement**"), such shares to be acquired within 24 months from the policy being adopted (or the date upon which a director joined the Board). As of the date of this Circular, each of the directors of the Corporation holds at least the Minimum Requirement. Based on the closing price of the Common Shares on the Toronto Stock Exchange (the "**TSX**") on May 10, 2011 and the Minimum Requirement, six of the seven non-management directors held a total at risk value of Common Shares of at least nine times the annual Board retainer of $50,000 for the financial year ended December 31, 2010. As a management member of the Board of Directors, Mr. Beck does not receive an annual retainer or any other fees in respect of his participation in Board meetings.

Chief Executive Officer Ownership Requirement

In 2010, the Board adopted a policy whereby the Chief Executive Officer is required to hold Common Shares, restricted share units ("**RSUs**") and deferred share units ("**DSUs**") with an aggregate value of at least three times the amount of his or her annual base salary within three years of being appointed (or such appropriate period as established by the CGNC Committee). As described elsewhere in this Circular, John M. Beck, the current Chief Executive Officer, satisfies this requirement.

Board Nominees

The following summary sets forth, for each person proposed to be nominated for election as a director, the following information:

- name;
- age;
- place of residence;
- whether he qualifies as "independent" of the Corporation;
- year in which he was first appointed to the Board;
- whether the nominee meets, as at May 10, 2011, the Minimum Requirement;
- principal occupation (including any office with Aecon or any of its affiliates);
- biography;
- areas of expertise;
- memberships on Aecon board committees, if applicable;

- membership on boards of other public companies, if applicable;
- number of Board of Directors and Aecon board committee meetings attended in 2010;
- aggregate shareholdings (direct and indirect) as at May 10, 2011;
- total at risk value of Common Shares held as at May 10, 2011 (based on the $9.09 closing price of the Common Shares on the TSX on May 10, 2011) and the corresponding multiple in relation to the annual Board retainer of $50,000; and
- total compensation received as a director for 2010.

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

JOHN M. BECK
Age: 69
Toronto, Ontario
Canada

Non-Independent

Director since:
1963

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

John M. Beck is Chairman of the Board and Chief Executive Officer of Aecon and is a leader in the Canadian construction industry. Mr. Beck has been a member of the Board of Directors since 1963. Mr. Beck has also served as Chairman of the Board of the Ontario Power Authority and as a director of the Canadian Council for Public Private Partnerships. He also sits on the Board of Directors of the Macdonald-Laurier Institute for Public Policy. A graduate in Civil Engineering from McGill University, Mr. Beck has more than 45 years of experience in the construction industry in Canada and internationally. His background includes corporate leadership in numerous construction activities including heavy civil projects such as bridges, highways, airport infrastructure, precast prestressed concrete manufacturing as well as buildings, commercial and industrial projects, and public-private partnerships for the development of infrastructure, such as airports and toll roads. Mr. Beck was recently named a Fellow of the Canadian Academy of Engineering and will be inducted on June 2, 2011.

Areas of Expertise:

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

Meetings Attended in 2010	**#**	**%**
Board of Directors	12 of 12	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Base Salary(1)**	**Meets Minimum Requirement**
May 10, 2011	559,859(2)	5,089,118	9.4x	Yes

Value of Total Compensation Received

Year	**($)**
2010(1)	0

Notes:

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

AUSTIN C. BEUTEL
Age: 78
Toronto, Ontario
Canada

Independent

Director since:
2005

Prior Aecon service:
1997-2000
1989-1993

Principal Occupation	Chairman, Oakwest Corporation Limited

Austin C. Beutel is the Chairman of Oakwest Corporation Limited, a private investment holding company. Mr. Beutel again became a member of the Board of Directors in 2005 after having served previously on the Board from 1989 to 1993 and from 1997 to 2000. Mr. Beutel retired in 1994 as Chairman of Beutel Goodman and Company Ltd., an investment counseling firm, which he co-founded in 1967. He is the non-executive Chairman of Equitable Group Inc. and a director of Astral Media Inc. and Opta Minerals Inc. Mr. Beutel has a B. Comm. from McGill University and an MBA from Harvard University. He is also a Chartered Financial Analyst.

Areas of Expertise:	Financial Literacy Senior Officer or CEO Experience Service on Public Company Boards Executive Compensation Capital Structuring and Capital Markets Corporate Governance Risk Management and Risk Mitigation
Aecon Committee Memberships:	Audit Committee
Current Public Board Memberships:	Equitable Group Inc. Astral Media Inc. Opta Minerals Inc.

Meetings Attended in 2010	**#**	**%**
Board of Directors	11 of 12	92%
Audit Committee	4 of 4	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer[(1)]**	**Meets Minimum Requirement**
May 10, 2011	125,000	1,136,250	22.7x	Yes

Value of Total Compensation Received

Year	**($)**
2010	75,000

Notes:

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

MICHAEL A. BUTT	Principal Occupation	Chairman and Chief Executive Officer, Buttcon Limited

MICHAEL A. BUTT
Age: 73
Maple, Ontario
Canada

Independent

Director since:
1994

Principal Occupation: Chairman and Chief Executive Officer, Buttcon Limited

Michael A. Butt is the Chairman and Chief Executive Officer of Buttcon Limited ("**Buttcon**"), general contractors. Mr. Butt has been a member of the Board of Directors since 1994. He started his career in the construction industry in the 1960s with Mitchell Construction where he rose to managing director and was a member of the steering committee of the Mitchell Construction Kinear Moodie Group. He founded M.A. Butt Construction Limited in 1973 and Buttcon in 1979. Mr. Butt has a Bachelor of Applied Science in Civil Engineering from the University of Toronto. Mr. Butt is a former Director of both the Ontario General Contractors Association ("**OGCA**") and the Canadian Construction Association ("**CCA**") and served as Chairman of the OGCA in 1998 and as Chairman of the CCA in 1999. Shortly after the transfer in 1996 of Pearson Airport from the Federal Government to the Greater Toronto Airports Authority, Mr. Butt was elected Chairman of the Board of Directors and remained in that capacity until December 2004. Mr. Butt was appointed a member of the Board of Governors for Trent University in July 2005. Mr. Butt was appointed a member of the Board of Trustees for the Bermuda Institute of Ocean Sciences in May 2006 and is Chairman of its Facilities Committee. The Canadian Society for Civil Engineering honoured Mr. Butt with the distinction of Fellow in May 2006.

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

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

Meetings Attended in 2010	#	%
Board of Directors	12 of 12	100%
Audit Committee	4 of 4	100%
Corporate Governance, Nominating and Compensation Committee	6 of 6	100%

Securities Held or Controlled

	Common Shares (#)	Total at Risk Value of Common Shares ($)	Multiple of Annual Retainer[1]	Meets Minimum Requirement
May 10, 2011	283,000	2,572,470	51.5x	Yes

Value of Total Compensation Received

Year	($)
2010	96,750

Notes:

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

ANTHONY P. FRANCESCHINI
Age: 60
Edmonton, Alberta
Canada

Independent

Director since:
2009

Principal Occupation	Corporate Director

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

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

Meetings Attended in 2010	**#**	**%**
Board of Directors	12 of 12	100%
Audit Committee	4 of 4	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer[(1)]**	**Meets Minimum Requirement**
May 10, 2011	10,000	90,900	1.8x	Yes

Value of Total Compensation Received

Year	**($)**
2010	75,750

Notes:

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

<table>
<tr><td rowspan="14">J.D. HOLE
Age: 67
Edmonton, Alberta
Canada

Non-Independent[(1)]

Director since:
2009</td>
<td colspan="2">Principal Occupation</td><td colspan="3">President, J.D. Hole Investments Inc.</td></tr>
<tr><td colspan="5">J.D. Hole became a director of Aecon following the completion of the Lockerbie Acquisition (as hereinafter defined). Mr. Hole graduated with a Bachelor of Engineering Science degree from the University of Western Ontario in 1967 and joined Lockerbie as a Project Manager in 1969. During his career with Lockerbie, Mr. Hole worked in various positions and helped lead Lockerbie into new territories and markets, including the industrial and municipal market sectors. Mr. Hole was the President and Chief Executive Officer of Lockerbie from 1994 to April 2005 and during that time played an integral part in Lockerbie's growth and prosperity. Mr. Hole also serves as a director of Wajax Corporation and the Alberta Electric System Operator.

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

Aecon Committee Memberships: Corporate Governance, Nominating and Compensation Committee
Environmental, Health and Safety Committee (Chair)[(2)]

Current Public Board Memberships: Wajax Corporation</td></tr>
<tr><td colspan="3">Meetings Attended in 2010</td><td>#</td><td>%</td></tr>
<tr><td colspan="3">Board of Directors</td><td>11 of 12</td><td>92%</td></tr>
<tr><td colspan="3">Corporate Governance, Nominating and Compensation Committee</td><td>6 of 6</td><td>100%</td></tr>
<tr><td colspan="5">Securities Held or Controlled</td></tr>
<tr><td></td><td>Common Shares
(#)</td><td>Total at Risk Value of Common Shares
($)</td><td>Multiple of Annual Retainer[(3)]</td><td>Meets Minimum Requirement</td></tr>
<tr><td>May 10, 2011</td><td>460,178</td><td>4,183,018</td><td>83.7x</td><td>Yes</td></tr>
<tr><td colspan="5">Value of Total Compensation Received</td></tr>
<tr><td>Year</td><td colspan="4">($)</td></tr>
<tr><td>2010</td><td colspan="4">76,500</td></tr>
</table>

Notes:

(1) By virtue of his role as the Chairman of Lockerbie & Hole Inc. ("**Lockerbie**") prior to the completion of the Lockerbie Acquisition, Mr. Hole is not considered to be independent of the Corporation within the meaning of the CSA Guidelines (as hereinafter defined); however, at all relevant times that Mr. Hole was the Chairman of Lockerbie, Lockerbie was not an affiliate of the Corporation. Further, following the completion of the Lockerbie Acquisition, Mr. Hole ceased to be an officer of Lockerbie. Accordingly, the Board is of the view that Mr. Hole's status as a non-independent director within the meaning of the CSA Guidelines is technical in nature and does not and will not interfere with his ability to exercise independent judgment with a view to the best interests of the Corporation.
(2) The Environmental, Health and Safety Committee was constiuted in the fourth quarter of 2010 and held its first meeting in January 2011.
(3) Mr. Hole also holds $500,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Hole's debenture holdings in the Corporation.

ROLF KINDBOM Age: 74 Erin, Ontario Canada **Independent** **Director since:** 2000	**Principal Occupation**		President, Kindbom Consulting Inc.		
	Rolf Kindbom is a professional engineer and President of Kindbom Consulting Inc., a consulting company in Toronto. Mr. Kindbom has been a member of the Board of Directors since 2000. He has more than 45 years of international business and project management experience in construction, commercial real estate and infrastructure development including private-public partnerships in senior executive management positions with the Skanska Group of Sweden and Cathay International Ltd. of Hong Kong. Mr. Kindbom is also a member of the Arbitration and Mediation Institute of Ontario. Mr. Kindbom has a Master of Science in Civil Engineering from the Royal Technical University in Stockholm, Sweden. *Areas of Expertise*: Managing or Leading Growth Financial Literacy Senior Officer or CEO Experience Construction Industry Experience International Business Service on Public Company Boards Executive Compensation Capital Structuring and Capital Markets Risk Management and Risk Mitigation *Aecon Committee Memberships:* Environmental, Health and Safety Committee(1)				
	Meetings Attended in 2010			**#**	**%**
	Board of Directors			12 of 12	100%
	Securities Held or Controlled				
		Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer(2)**	**Meets Minimum Requirement**
	May 10, 2011	50,000	454,500	9.1x	Yes
	Value of Total Compensation Received				
	Year	**($)**			
	2010	64,250			

Note:

(1) The Environmental, Health and Safety Committee was constituted in the fourth quarter of 2010 and held its first meeting in January 2011.
(2) Mr. Kindbom also holds $15,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Kindbom's debenture holdings in the Corporation.

THE HON. BRIAN V. TOBIN, P.C., ICD.D
Age: 56
Manotick, Ontario
Canada

Independent

Director since:
2005

Principal Occupation	Executive Chairman, Consolidated Thompson Iron Mines Limited

The Hon. Brian V. Tobin, P.C., ICD.D, served as the Federal Minister of Industry from October 2000 to January 2002. Previously he served as the Premier of Newfoundland and Labrador from 1996 to 2000 and won two consecutive majority governments in provincial elections held in February 1996 and February 1999. Mr. Tobin served as a Member of Parliament from 1980 to 1996 and served as Minister of Fisheries and Oceans in the federal cabinet from 1993 to 1996. In addition to being a member of the Board of Directors since 2005, Mr. Tobin is Executive Chairman of Consolidated Thompson Iron Mines Limited (CLM-T) and Chairman of the board of New Flyer Industries Inc. (NFI-UN-T). Mr. Tobin is also Senior Business Advisor with the law firm of Fraser Milner Casgrain LLP in Toronto and is strategic advisor to a number of Canadian corporations.

Areas of Expertise:	Managing or Leading Growth Financial Literacy Senior Officer or CEO Experience Government Affairs (Canadian or US) International Business Service on Public Company Boards Executive Compensation Capital Structuring and Capital Markets Corporate Governance Risk Management and Risk Mitigation
Aecon Committee Memberships:	Corporate Governance, Nominating and Compensation Committee Environmental, Health and Safety Committee(1)
Current Public Board Memberships:	Consolidated Thompson Iron Mines Limited New Flyer Industries Inc.

Meetings Attended in 2010	**#**	**%**
Board of Directors	12 of 12	100%
Corporate Governance, Nominating and Compensation Committee	6 of 6	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer(2)**	**Meets Minimum Requirement**
May 10, 2011	61,150	555,854	11.1x	Yes

Value of Total Compensation Received

Year	**($)**
2010	80,250

Note:

(1) The Environmental, Health and Safety Committee was constituted in the fourth quarter of 2010 and held its first meeting in January 2011.
(2) Mr. Tobin also holds $100,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Tobin's debenture holdings in the Corporation.

ROBERT P. WILDEBOER Age: 51 Burlington, Ontario Canada **Independent** **Director since:** 1993 **Vice Chairman since:** 1993 **Lead Director since:** 2010	**Principal Occupation**	Executive Chairman, Martinrea International Inc.

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

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

Meetings Attended in 2010	**#**	**%**
Board of Directors	12 of 12	100%
Corporate Governance, Nominating and Compensation Committee	6 of 6	100%

Securities Held or Controlled

	Common Shares (#)	**Total at Risk Value of Common Shares ($)**	**Multiple of Annual Retainer[(1)]**	**Meets Minimum Requirement**
May 10, 2011	110,761	1,006,817	20.1x	Yes

Value of Total Compensation Received

Year	**($)**
2010	96,750

Note:

(1) Mr. Wildeboer also holds $300,000 of 6.25% unsecured subordinated convertible debentures issued by the Corporation on October 8, 2010. The Multiple of Annual Retainer calculation does not include Mr. Wildeboer's debenture holdings in the Corporation.

Board of Directors Skills Matrix

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

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

Director Independence

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

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

Name of Director	**Independent**	**Not Independent**	**Reason for non-Independence**
John M. Beck		✓	Mr. Beck is the Chief Executive Officer of Aecon
Austin C. Beutel	✓		N/A
Michael A. Butt	✓		N/A
Anthony P. Franceschini	✓		N/A
J.D. Hole		✓	Mr. Hole has been, within the last three years, an executive of a subsidiary of Aecon
Rolf Kindbom	✓		N/A
The Hon. Brian V. Tobin	✓		N/A
Robert P. Wildeboer	✓		N/A

The Board of Directors has determined that John M. Beck is not independent because he is the Chief Executive Officer of Aecon. By virtue of his role as the Chairman of Lockerbie prior to the completion of the acquisition by the Corporation of Lockerbie on April 1, 2009 (the "**Lockerbie Acquisition**"), Mr. Hole is not considered to be independent of the Corporation within the meaning of the CSA Guidelines; however, at all relevant times that Mr. Hole was the Chairman of Lockerbie, Lockerbie was not an affiliate of the Corporation. Further, following the completion of the Lockerbie Acquisition, Mr. Hole ceased to be an officer of Lockerbie. Accordingly, the Board is of the view that Mr. Hole's status as a non-independent director within the meaning of the CSA Guidelines is technical in nature and does not and will not interfere with his ability to exercise independent judgment with a view to the best interests of the Corporation.

All of the other directors, namely Austin C. Beutel, Michael A. Butt, Anthony P. Franceschini, Rolf Kindbom, The Hon. Brian V. Tobin and Robert P. Wildeboer, are "independent" directors within the meaning of the CSA Guidelines in that each of them has no material relationship with Aecon and, in the reasonable opinion of the Board of Directors, is independent under the applicable laws, regulations and listing requirements to which Aecon is subject. As such, six of eight directors or 75% of the Board are considered independent.

As at the financial year ended December 31, 2010, all of the members of the Audit Committee were considered "independent" under the CSA Guidelines. Please see the section entitled "Corporate Governance Matters – Board Committees" in this Circular for additional details.

Meetings of Independent Directors

The independent directors met on a quarterly basis during the 2010 financial year. Any independent director is also entitled to ask any member of management or non-independent director to excuse himself from all or part of a Board meeting so that the independent directors can meet on an ad-hoc basis. Members of the Audit Committee and CGNC Committee often take advantage of the ability to excuse management, guests and non-independent management directors from Board meetings in order for such committee to more freely discuss and debate a variety of issues.

Independence of Chair and Lead Director

The Board Chair, John M. Beck, is not considered independent of the Corporation within the meaning of the CSA Guidelines. For a description of the mandate of the Board Chair, please see Appendix 3 attached to this Circular. The Lead Director, Robert P. Wildeboer, is considered independent of the Corporation within the meaning of the CSA Guidelines. For a description of the position of the Lead Director, please see Appendix 5 attached to this Circular.

Directorships with Other Reporting Issuers

The following nominees for election as directors of the Corporation currently serve on the board of directors of reporting issuers (or the equivalent in a jurisdiction outside of Canada), other than the Corporation, as listed below.

Name of Director	**Company**	**Stock Exchange:Symbol**
Austin C. Beutel	Astral Media Inc.	TSX:ACM
	Equitable Group Inc.	TSX:ETC
	Opta Minerals Inc.	TSX:OPM
Anthony P. Franceschini	Stantec Inc.	TSX, NYSE:STN
	ZCL Composites Inc.	TSX:ZCL
	Esterline Technologies Corporation	NYSE:ESL
J.D. Hole	Wajax Corporation	TSX:WJX
The Hon. Brian V. Tobin, P.C.	Consolidated Thompson Iron Mines Limited	TSX:CLM
	New Flyer Industries Inc.	TSX:NFI
Robert P. Wildeboer	Martinrea International Inc.	TSX:MRE

Board Interlocks

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

Retirement Policy and Term Limits

The Board of Directors does not believe it is appropriate to establish term limits and, as such, has not adopted a formal mandatory retirement age for directors. Although having term limits may serve to introduce fresh ideas and viewpoints on the Board, they pose the disadvantage of losing the contribution of directors who have valuable business experience upon which to draw and have been able to develop, over a period of time, increasing insight into both Aecon's operations and the industry in which it functions and, therefore, continue to provide a significant contribution to the Board and Aecon. As such, the Board believes that, on balance, a mandatory retirement age is not in the best interests of the Corporation.

As an alternative to term limits, the CGNC Committee will review the appropriateness of his or her continuation on the Board once a year, which will also give each director the opportunity to confirm his or her desire to continue as a member of the Board and to continue to make the time commitment required to be an effective director. Although the Board has not adopted a formal retirement age for directors, it believes that once a director reaches a certain age, which shall be determined on a case by case basis having regard to a wide variety of individual specific factors, his or her continued service on the Board should be reviewed annually by both the CGNC Committee and the Board of Directors as a whole.

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

Cease Trade Orders, Bankruptcies and Penalties and Sanctions

To the knowledge of the Corporation, no proposed management nominee for election as a director of the Corporation is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or chief executive officer or chief financial officer of any company (including the Corporation) that: (a) was the subject of an order (as defined in Form 51-102F5 under National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**")) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Corporation, no proposed director of the Corporation: (a) is, or within 10 years before the date hereof, has been a director or executive officer of a corporation that while that person was acting in that capacity, or within a year of that person ceasing 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 its assets; or (b) has within the 10 years before the date hereof, 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 the assets of the proposed director.

No proposed director of the Corporation has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder in deciding whether to vote for the proposed director.

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

Appointment and Remuneration of Auditors

The Shareholders will be asked at the Meeting to pass a resolution confirming the reappointment of PricewaterhouseCoopers LLP, Chartered Accountants, of 5700 Yonge Street, Suite 1900, Toronto, Ontario, Canada M2M 4K7 as auditors of the Corporation. PricewaterhouseCoopers LLP were the Corporation's auditors for the financial year ended December 31, 2010.

The Board of Directors recommends a vote FOR the re-appointment of PricewaterhouseCoopers LLP as auditors of the Corporation for the financial year ending December 31, 2011 and authorizing the Board of Directors to fix the auditors' remuneration. Below is a breakdown of the fees paid to the Corporation's auditor for services rendered in 2010:

Description	2010
Audit Fees	$1,098,000
Audit Related Fees	$585,000
Tax Fees	$65,000
All Other Fees	$204,000
Total Fees	**$1,952,000**

Subject to the foregoing, unless such authority is withheld, the persons named in the enclosed proxy intend to vote FOR the reappointment of PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the directors to fix their remuneration. A majority of the votes cast by Shareholders at the Meeting is required to approve the reappointment of the auditors and to authorize the directors to fix their remuneration.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as of December 31, 2010, the number of securities to be issued upon exercise of outstanding options, the weighted exercise price of such outstanding options and the number of securities remaining available for future issuance under all equity plans previously approved by the Corporation's shareholders. As at the financial year ended December 31, 2010, the Corporation did not have any equity plans that had not been approved by the Corporation's shareholders nor are any such plans in effect as of the date of this Circular.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders			
Stock Option Plan	1,843,650 Common Shares	$12.50	2,516,666 Common Shares
Total	**1,843,650 Common Shares**	**$12.50**	**2,516,666 Common Shares**

STATEMENT OF EXECUTIVE COMPENSATION

In this Circular, a "Named Executive Officer" ("**NEO**") means: (i) the Corporation's Chief Executive Officer; (ii) the Corporation's Chief Financial Officer; (iii) the Corporation's three most highly compensated executive officers at the end of the financial year ended December 31, 2010; and (iv) each individual other than the Chief Executive Officer and Chief Financial Officer who would be a NEO but for the fact that the individual was neither an executive officer of the Corporation, nor serving in a similar capacity, at the end of the financial year ended December 31, 2010.

For the financial year ended December 31, 2010, the Corporation had five NEOs, namely: (i) John M. Beck, Chairman and Chief Executive Officer; (ii) David Smales, Executive Vice President and Chief Financial Officer; (iii) Scott C. Balfour (formerly the President of the Corporation); (iv) Terrance L. McKibbon, Chief Operating Officer; and (v) Steven N. Nackan, President, Aecon Concessions. Paul K. Koenderman, Executive Chairman, Aecon Industrial, was not an NEO for the financial year ended December 31, 2010; however, the Corporation has elected to include disclosure in this Circular relating to Mr. Koenderman as if he were an NEO due to the fact that Mr. Balfour is no longer an officer of the Corporation. References in this Circular to "NEO" shall include Mr. Koenderman nothwithstanding that he was not an NEO for the financial year ended December 31, 2010.

The objective of the disclosure set out below is to communicate to shareholders the compensation arrangements the Board of Directors intended the Corporation to pay to its NEOs and directors for the financial year ended December 31, 2010, to provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Corporation and to inform Shareholders as to how decisions about executive compensation matters relating to the Corporation are made.

<u>Compensation Discussion and Analysis</u>

Composition of the Corporate Governance, Nominating and Compensation Committee

As of the date hereof, the CGNC Committee is comprised of four members of the Board of Directors, namely: (i) Robert P. Wildeboer (Chair); (ii) Michael A. Butt; (iii) J.D. Hole; and (iv) The Hon. Brian V. Tobin P.C., none of whom is eligible to participate in the Corporation's executive compensation programs. Mr. Wildeboer is also the Vice Chairman and Lead Director of the Corporation. None of Messrs. Wildeboer, Butt or Tobin is an officer, employee or former officer or employee of the Corporation or any of its affiliates and each is considered "independent" of the Corporation within the meaning of the CSA Guidelines. As previously noted, by virtue of his role as the Chairman of Lockerbie prior to the completion of the Lockerbie Acquisition, Mr. Hole is not considered to be independent of the Corporation within the meaning of the CSA Guidelines; however, the Board is of the view that Mr. Hole's status as a non-independent director within the meaning of the CSA Guidelines is technical in nature and does not and will not interfere with his ability to exercise independent judgment with a view to the best interests of the Corporation.

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

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

Objectives of Executive Compensation Program and Strategy

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

The CGNC Committee and the Board of Directors as a whole, working with management, have been successful in assembling an executive team that has driven the growth of the Corporation over the past several years. To date, the CGNC Committee has not adopted a formal succession planning process for management but has generally attempted to ensure that executive teams are strengthened at both the corporate and divisional level. At the corporate level, the CGNC Committee believes that John M. Beck, Chief Executive Officer, is ably backed by a strong team of executives. Terrance L. McKibbon was recently appointed, on March 8, 2011, as Chief Operating Officer of Aecon after serving the Corporation in increasing roles over the past sixteen years. On November 19, 2009, the Corporation hired David Smales, Executive Vice President and Chief Financial Officer of the Corporation, after an executive search and interview process led by the CGNC Committee.

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

Elements of Compensation

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

In making compensation recommendations to the Board in respect of the Corporation's 2010 financial year, several factors were considered relevant by the CGNC Committee, including the financial results achieved by the Corporation and management's performance in achieving goals and targets set by the Corporation from time to time. As well, the Corporation has had bonus and other incentive arrangements in place for several years that have, in the view of the CGNC Committee, worked well in meeting the objectives of the Corporation's compensation program in the past and continued to do so in 2010.

In the 2010 financial year, the total compensation of the NEOs as a group was comprised, on average, of base salary as to 36.3%, performance-based cash incentive bonus awards as to 22.9%, equity participation programs as to 35.7% (comprised of long-term incentive plan awards as to 35.7% and stock option plan awards as to 0%), other compensation and taxable benefits as to 3.2% and pension plan benefits as to 1.8%. Aecon does not disclose financial performance targets or performance goals in respect of specific qualitative or quantitative performance related factors on the basis that such information is confidential and commercially sensitive and that such disclosure would prejudice the Corporation's business interests.

Base Salary

Base salaries are considered an essential element in attracting and retaining the Corporation's senior executives, including the NEOs, and rewarding them for individual and corporate performance. Base salaries for 2010 were consistent with determinations made in previous years and were determined based on the skill, ability, experience and contributions of the individual executive, the need to attract and retain executives and recommended base salary ranges applicable to executive positions (from time to time, as appropriate, the CGNC Committee has engaged third party compensation experts as an additional source of information in making its compensation recommendations). As most construction companies comparable to the Corporation are privately owned or are divisions of large public companies, there is limited comparative compensation information available to the CGNC Committee and the Board in order to assist in determining levels of compensation for the NEOs. Notwithstanding the foregoing, the CGNC Committee believes that the base salaries of the NEOs are competitive with industry norms and consistent with public companies having comparable revenues to that of the Corporation. In the 2010 financial year, the CGNC Committee did not retain any compensation consultants. The CGNC Committee's executive compensation philosophy has generally been to set base salaries slightly below the average for comparable positions in comparable companies and to structure performance related compensation in a manner that allows executives to increase their compensation, through superior performance, to a level above the average paid at comparable companies.

Bonus Awards

The Corporation's short-term incentive plans ("**STIPs**") provide NEOs with the opportunity to receive annual cash bonuses based on individual and corporate performance over the past financial year. If individual performance goals are met and if the Corporation meets its performance objectives, NEOs will be eligible to earn a STIP award in any given year, although in 2004 and 2005, years in which the Corporation incurred losses, in most cases the NEOs (as determined in accordance with applicable securities laws at the relevant time) received no STIP award at the corporate level. Between 2006 and 2009, financial performance levels increased dramatically and significant STIP payments were earned and awarded. Challenges on certain projects in 2010 led to lower STIP awards in business units that failed to meet expectations and at the corporate level, where bonuses decreased as a result of the underperformance of business units.

Aecon's STIP plans are designed to reward exceptional individual and corporate performance. The determination of the amount of a STIP award to any one NEO in a given financial year takes into consideration the Corporation's overall STIP allocation for key senior executives. As illustrated in the Summary Compensation Table below, the STIP awards earned by Aecon's NEOs in 2010 were generally lower than those earned in 2009. This trend was true for executives in the corporate office and, in particular, segments of the Industrial division which recorded an operating loss in 2010 due to challenges on one particular project. Generally, corporate bonuses earned in 2010 were half the level earned in 2009. The majority of individuals in the Industrial division received significantly reduced bonuses (depending on individual business unit performance) with some members of Aecon's Industrial division receiving no bonuses, including Industrial's Chief Executive Officer, Paul Koenderman. In contrast, executives in the Concessions division, which completed the sale of the Corporation's interest in Derech Eretz Highways (1997) Ltd., the company holding the concession rights for the Cross Israel Toll Highway Project, and successfully completed the renegotiation of Aecon's Quito Airport Project (please see "Concessions – Financial Highlights" in the Corporation's 2010 Annual Report available under the Corporation's SEDAR profile at *www.sedar.com*), received a significant increase in STIP awards compared to 2009 which resulted in Steven N. Nackan, President of Aecon Concessions, being a NEO in 2010. This transaction represented the realization of significant value to the Corporation that had been accruing over a period of time but for which no profits had been previously realized.

In 2009, Aecon introduced an amended corporate STIP program. Under the terms of the plan, the CGNC Committee set a profit-sharing pool for corporate officers based on a fixed percentage of Aecon's earnings before tax. Within this bonus pool, each employee is assigned a number of points based on: (a) his or her role and level with Aecon; (b) individual job performance; and (c) years of service with Aecon. For senior level employees, item (a) will constitute between 70% and 90% of an individual STIP award with items (b) and (c) representing, collectively, the remaining portion.

Equity Participation Programs

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

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

Long Term Incentive Plan

In 2006, Aecon commenced granting awards under its LTIP designed both to focus senior executives on the long-term financial performance of the Corporation and to serve as a retention tool for select executives by providing a financial disincentive for LTIP participants to leave the Corporation prematurely. The LTIP was continued in 2010.

The LTIP, which is open only to a limited number of select executives of the Corporation, is funded based on Aecon's financial performance over a rolling three-year period and awards are made in the form of deferred or restricted Common Shares (commonly referred to as "**phantom shares**"). A significant portion of the awards do not vest until retirement (or termination for convenience) with the balance of any such awards vesting thereafter over a three-year period. LTIP awards are forfeited if the executive resigns from his or her employment with Aecon. The Board believes that these features assist in aligning the long-term interests of key executives to those of the Corporation. The Board has also created an employee retention plan ("**ERP**") designed to reward a select group of junior executives and high potential employees and to align the long term interests of these future leaders to Aecon's interests. Approximately 35% of the LTIP pool has been set aside for the ERP. Under the terms of the ERP, half of each award consists of RSUs that vest over a three year period, and half of each grant consists of DSUs that vest upon retirement or termination without cause.

Due to the phantom share nature of the LTIP awards, Aecon funds a trust account (the "**Trust**") designed to eliminate the financial risk to Aecon associated with share price appreciation between the time of grant of the award and the time of vesting. At the end of fiscal 2010, the Trust held 2,203,940 Common Shares. All Common Shares held by the Trust were purchased in the market by the Trustee.

Stock Option Plan

The CGNC Committee believes that incentive compensation in the form of stock option grants has been beneficial and is necessary to attract and retain both senior executives and managerial talent at other levels in a highly competitive industry. In 2010, stock option grants were made only to a single individual. A total of 50,000 options were granted to a senior divisional manager in 2010. No options previously granted were otherwise amended, replaced or modified in 2010. All of the options granted in 2010 had a four year vesting period with vesting commencing on the first anniversary of the date of grant.

Option awards are discretionary, as recommended by the CGNC Committee to the Board of Directors. Any executive may request consideration for an option grant. The Chief Executive Officer has requested in the past and may request in the future that options be granted to senior executives, other executives, non-executives or new hires. The CGNC Committee considers a variety of factors in exercising its discretion, including, without limitation, the compensation philosophy and practices of the Corporation as described herein, individual or collective management performance, level of responsibility of the individual, industry compensation practices, previous grants of options and general compensation trends.

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

The following table presents information concerning the stock options of the Corporation granted over the last two years**:**

	2009	2010
Number of Stock Options Granted	300,000[(1)]	50,000
Number of Employees and Directors who were Granted Stock Options	6[(2)]	1[(3)]
Number of Stock Options Outstanding as at Year End	1,942,817	1,843,650
Number of Stock Options Granted in the year as a percentage of Outstanding Common Shares as at Year End	0.5%	0.1%
Number of Stock Options Outstanding as a percentage of Outstanding Common Shares as at Year End	3.4%	3.2%
Average Weighted Exercise Price of Stock Options Outstanding	$12.00	$12.50
Number of Stock Options Exercised	339,001	149,167

Notes:

(1) 100,000 were subsequently cancelled in connection with the departure of a senior employee.
(2) Two directors and four senior employees were granted options in 2009.
(3) One senior divisional manager was granted options in 2010.

Pension Plan Benefits

Upon the recommendation of the Human Resources and Compensation Committee (the "**HRC Committee**") at the time, the Corporation established a pension plan in 2001 for John M. Beck, Chief Executive Officer, to reflect then current executive compensation trends, as a reward for (at the time) over 40 years of service with the Corporation and its predecessors and as an incentive for future long-term involvement with the Corporation. Entitlements under the plan are based on length of service from the date the plan was established and Mr. Beck's final average salary at the time he retires. Based on the foregoing, Mr. Beck's maximum pension entitlement at time of retirement, assuming a retirement age of 69, would be an amount equal to approximately 47% of his final average salary (excluding bonus).

Compensation Review

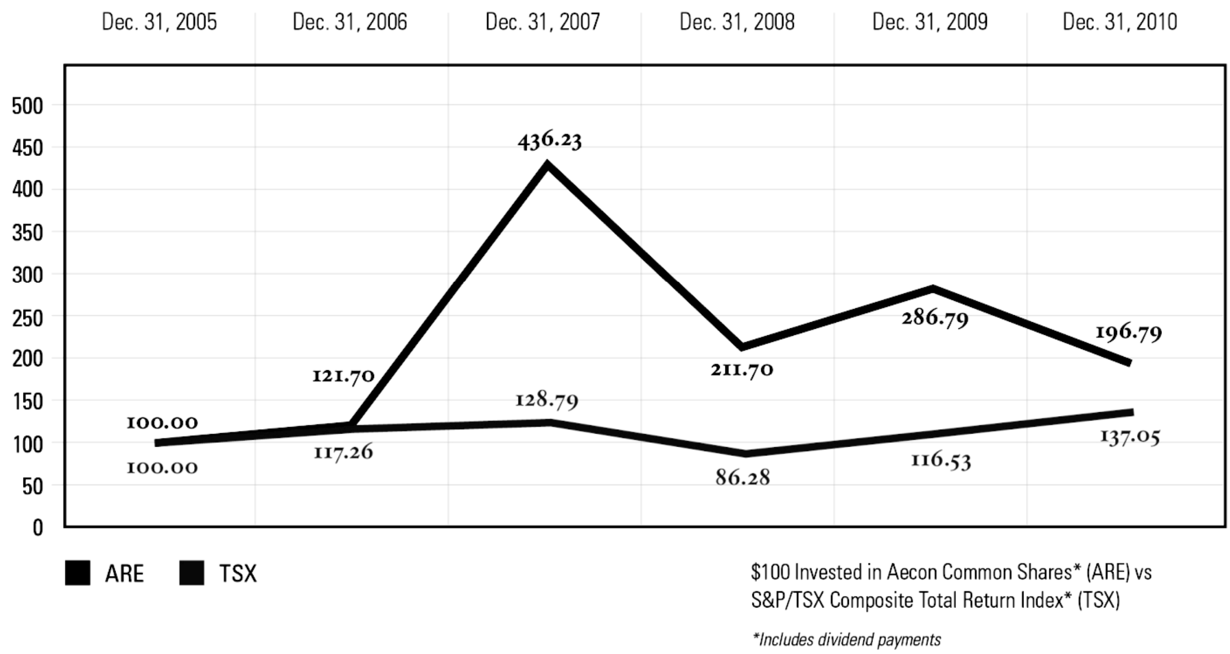
The Board believes that it has assembled and maintained an excellent management team.

The CGNC Committee met frequently over the past several years to review executive compensation matters and the performance of its senior executive team. While the CGNC Committee does not determine annually the specific amount of bonus payments for each NEO, it is of the view that tying bonus payments to STIP or LTIP targets, together with discretionary equity awards, accurately reflects the executive's performance during the year. In making its determinations in negotiating employment contracts and in making bonus and equity participation decisions, the CGNC Committee considers the skill, ability and experience of each individual executive and has relied in the past on, among other things, third party research, analysis of compensation surveys, first-hand knowledge of compensation levels and practices in the construction industry and interviews with management. The CGNC Committee has concluded, after a review of industry and company-specific related criteria, that members of Aecon's senior executive team have performed exceptionally well individually and that Aecon has performed well operationally, strategically and reputationally over the past several years and with some exceptions in the Industrial and Buildings divisions in 2010, has consistently achieved corporate goals and business objectives approved by the Board of Directors.

Performance Graph

The following graph compares the cumulative shareholder return for $100 invested in Common Shares against the cumulative return for $100 on the S&P/TSX Composite Total Return Index for the five-year period from January 1, 2006 to December 31, 2010.

FIVE-YEAR CUMULATIVE RETURN



As noted in the graph above, as at December 31, 2010 the Corporation's total shareholder return increased by approximately 96.8% since December 31, 2005 while the S&P/TSX composite index increased by approximately 37.1% over the same period.

As noted above under the heading "Compensation Discussion and Analysis", Aecon's executive compensation is linked to the performance level of both individual officers and the Corporation. Compensation for NEOs is not directly linked to changes in the Corporation's total shareholder return or share price. Nevertheless, several general observations can be made. Despite a 96.8% increase in the Corporation's total shareholder return from December 31, 2005 to December 31, 2010, the base salaries of NEOs have increased approximately 24% during the same period as a result of raises and promotions, reflecting the CGNC Committee's conservative philosophy noted above with respect to base salaries. Awards under Aecon's STIPs which, as described above, are based on individual and corporate performance, have both increased and decreased during this period depending on performance relative to targets. Individual awards under the LTIP are awarded on the basis described above under the subheading "Long Term Incentive Plan" and detailed herein. Like other forms of NEO compensation, the growth of LTIP awards is not influenced by increases or decreases in the price of the Common Shares although the value of an LTIP award after grant will fluctuate based on the Corporation's share price, thereby aligning the interests of NEOs with those of other stakeholders.

	Dec. 31, 2005	**Dec. 31, 2006**	**Dec. 31, 2007**	**Dec. 31, 2008**	**Dec. 31, 2009**	**Dec. 31, 2010**
Aecon (1)	$100	$121.70	$436.23	$211.70	$286.79	$196.79
S&P/TSX Composite Total Return Index (1)	$100	$117.26	$128.79	$86.28	$116.53	$137.05

Note:

(1) Includes share price plus dividends, if any. The closing price of the Common Shares on the TSX on December 31, 2010 was $10.23. All share prices for the above table were obtained from the records of the TSX.

Summary Compensation Table

The following table sets forth the details regarding compensation earned by each NEO for the three most recently completed financial years ended December 31, 2010, 2009 and 2008.

Name and Principal Position	Year	Salary	Share-Based Awards[1]	Option-Based Awards[2]	Non-Equity Incentive Plan Compensation		Pension Value	All Other Compensation[4]	Total Compensation
					Annual Incentive Plans[3]	Long-Term Incentive Plans			
		($)	($)	($)	($)	($)	($)	($)	($)
John M. Beck, Chairman and Chief Executive Officer	2010	543,795	532,473	N/A	405,314	N/A	11,225	43,390	1,536,197
	2009	530,533	560,700	N/A	809,401	N/A	131,000[5]	17,328	2,048,962
	2008	515,732	384,670	302,250	997,088	N/A	343,970[6]	32,240	2,575,950
David Smales, Executive Vice President and Chief Financial Officer	2010	338,250	177,491	N/A	124,744	N/A	16,809	20,410	677,704
	2009	41,250	200,000	N/A	34,357	N/A	688	101,461[7]	377,756
Paul P. Koenderman, Executive Chairman, Aecon Industrial	2010	347,210	192,285	N/A	Nil	N/A	17,497	41,206	598,198
	2009	338,741	196,245	N/A	370,922	N/A	11,000	29,794	946,702
	2008	329,681	103,565	302,250	1,249,674	N/A	10,500	34,202	2,029,872
Terrance L. McKibbon , Chief Operating Officer	2010	418,200	532,473	N/A	633,270	N/A	18,169	35,011	1,637,123
	2009	408,000	448,560	N/A	535,000	N/A	11,000	27,117	1,429,677
	2008	377,500	436,720	302,250	585,090	N/A	10,500	32,072	1,744,132
Steven N. Nackan, President, Aecon Concessions[8]	2010	270,000	147,915	N/A	350,000	N/A	12,876	18,537	799,328
Scott C. Balfour, Former President[9]	2010	479,407	776,085	N/A	Nil	N/A	43,733	51,662	1,350,888
	2009	467,714	728,910	N/A	709,637	N/A	22,000	56,393	1,984,654
	2008	454,667	384,670	302,250	879,028	N/A	21,000	69,791	2,111,406

Notes:

(1) Share-based awards reflect amounts awarded under the Corporation's LTIP. See "Statement of Executive Compensation – Compensation Discussion and Analysis" for additional information.
(2) No NEOs were granted stock options in 2010. The Corporation has adopted fair value accounting for options granted under the Option Plan using the Black-Scholes fair value option pricing method.
(3) Bonus amounts for 2010 performance were paid at the end of the first quarter of fiscal 2011.
(4) All other compensation includes amounts such as taxable auto benefits (including vehicle allowance), employer contribution to employee share purchase plan, share units issued as a result of dividends under the LTIP and taxable benefits from the Defined Contribution Supplemental Executive Retirement Plan ("**SERP**").
(5) John M. Beck's pension value for 2009 includes a $120,000 compensatory change under his Defined Benefit SERP.
(6) John M. Beck's pension value for 2008 includes a $333,470 compensatory change under his Defined Benefit SERP.
(7) David Smales was paid a cash payment of $100,000 upon joining Aecon on November 19, 2009 to compensate for lost opportunities upon leaving his former employer.
(8) Steven N. Nackan became a NEO in 2010.
(9) Scott C. Balfour ceased to be an officer of the Corporation effective January 31, 2011.

Narrative Discussion

Based on the closing price of the Common Shares on the TSX on December 31, 2010, the number of Common Shares held by John M. Beck, Chairman and Chief Executive Officer of Aecon, resulted in a value of such number of Common Shares at such date equal to greater than three times his base salary for the financial year ended December 31, 2010. As of December 31, 2010 the value of John M. Beck's direct and indirect shareholdings in Aecon was approximately $5,645,000 (excluding the value of any vested or unvested LTIP awards).

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the details regarding the incentive plan awards for each NEO outstanding as of December 31, 2010.

	Option-Based Awards				Share-Based Awards	
Name	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Options[(1)]	Number of Shares or Units of Shares That Have Not Vested	Market or Payout Value of Share-Based Awards That Have Not Vested[(1)]
	(#)	($)		($)	(#)	($)
John M. Beck	100,000	14.95	August 5, 2013	Nil[(2)]	200,323	2,049,304
David Smales	Nil	N/A	N/A	N/A	33,033	337,928
Paul P. Koenderman	100,000	14.95	August 5, 2013	Nil[(2)]	215,386	2,203,399
Terrance L. McKibbon	100,000	14.95	August 5, 2013	Nil[(2)]	141,043	1,442,870
Steven N. Nackan	50,000	14.95	August 5, 2013	Nil	37,603	384,679
Scott C. Balfour	100,000[(3)]	6.25	March 27, 2011	398,000	193,812	1,982,697
	100,000[(4)]	14.95	August 5, 2013	Nil[(2)]		

Notes:

(1) On December 31, 2010, the closing price of the Common Shares on the TSX was $10.23.
(2) For each noted NEO, 25,000 of the stated number of options had vested as at the financial year ended December 31, 2010.
(3) Scott Balfour ceased to be an officer of the Corporation effective January 31, 2011. Under the terms of the plan, his options were to expire within 90 days of the cessation of his employment. The options were subsequently exercised.
(4) As the exercise price for the options was higher than the Common Share price during the 90-day exercise period, these options expired without exercise.

Value Vested or Earned During the Financial Year Ended December 31, 2010

The following table sets forth the details regarding the value vested or earned of incentive plan awards for each NEO for the financial year ended December 31, 2010.

Name	Option-Based Awards – Value Vested During the Year[1]	Share-Based Awards – Value Vested During the Year[2]	Non-Equity Incentive Plan Compensation – Value Earned During the Year[3]
	($)	($)	($)
John M. Beck	Nil	114,689	405,314
David Smales	Nil	Nil	124,744
Paul P. Koenderman	Nil	41,933	Nil
Terrance L. McKibbon	Nil	163,895	633,270
Steven N. Nackan	Nil	21,565	350,000
Scott C. Balfour[4]	Nil	313,151	Nil

Notes:

(1) The aggregate dollar value of options that vested during 2010 is calculated by using the closing market price of the underlying securities at the date of vesting and the exercise price of the stock options. The options noted above vested on August 5, 2010. The closing price of the Common Shares on the TSX on August 5, 2010 was $11.50, which was below the exercise price of the vesting options.
(2) On December 31, 2010, the closing price of the Common Shares on the TSX was $10.23.
(3) The values set out in the table represent payments under the Corporation's STIP. See "Statement of Executive Compensation – Compensation Discussion and Analysis" for additional information.
(4) Scott Balfour ceased to be an officer of the Corporation effective January 31, 2011.

Pension Plan Benefits

Defined Benefit Pension Plan

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

Name	Number of Years Credited Service	Annual Benefits Payable At Year End	Annual Benefits Payable At Age 65	Accrued Obligation at Start of Year	Compensatory Change	Non-Compensatory Change	Accrued Obligation at Year End
	(#)	($)		($)	($)	($)	($)
John M. Beck	25.67	253,626	N/A	3,667,080	103,526	117,664	3,888,270

Defined Contribution Pension Plan

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

Name	Accumulated Value at Start of Year	Compensatory	Non-Compensatory	Accumulated Value at Year End
	($)	($)	($)	($)
John M. Beck	389,361	11,225	11,225	464,599
David Smales	688	11,225	11,225	25,766
Paul P. Koenderman	141,567	11,225	11,225	175,088
Terrance L. McKibbon	328,375	11,225	11,225	375,008
Steven N. Nackan	125,333	11,225	11,225	158,875
Scott C. Balfour	333,251	22,530	Nil	384,443

Termination and Change of Control Benefits

The Corporation has entered into employment agreements with each of John M. Beck, Chairman and Chief Executive Officer; David Smales, Executive Vice President and Chief Financial Officer; Paul P. Koenderman, Executive Chairman, Aecon Industrial; Terrance L. McKibbon, Chief Operating Officer; and Steven N. Nackan, President, Aecon Concessions. The Corporation had entered into an employment agreement with Scott C. Balfour, the former President, which came into effect on September 1, 2005 and ended with the cessation of his employment effective January 31, 2011.

John M. Beck

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

David Smales

The agreement with Mr. Smales came into effect on November 19, 2009. The agreement sets out Mr. Smales' duties and responsibilities as well as annual compensation, benefits and incentives. The agreement includes non-solicitation and non-competition provisions ending 12 months from termination as well as confidentiality provisions that extend beyond expiration. The agreement provides for a severance payment in the event of termination without just cause in the form of a continuation of salary and benefits including pension plan contributions for a period of 12 months, subject to any greater entitlement under Ontario law.

Paul P. Koenderman

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

Terrance L. McKibbon

The agreement with Mr. McKibbon came into effect on November 1, 2005 upon his appointment to the position of President, Aecon Civil and Utilities Group, and supersedes his original employment agreement dated May 13, 1996. The agreement sets out Mr. McKibbon's duties and responsibilities as well as annual compensation, benefits and incentives. The agreement includes non-solicitation and non-competition provisions ending 18 months following termination of employment as well as confidentiality provisions that extend beyond expiration. The agreement provides for a severance payment in the event of termination without just cause in the form of a continuation of salary and benefits including pension plan contributions for a period of three months, plus one month per year of service to a maximum of 18 months, subject to any greater entitlement under Ontario law.

Steven N. Nackan

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

Scott C. Balfour

Scott C. Balfour was a NEO as at the end of the December 31, 2010 financial year. In connection with the cessation of his employment effective January 31, 2011, Mr. Balfour received a payment of $4,350,000 and agreed to certain obligations with respect to non-competition, confidentiality and future assistance.

The following table reflects the estimated amount of payouts and other benefits (assuming all criteria and preconditions in each individual agreement are satisfied) for each of the NEOs (other than Scott C. Balfour who ceased to be an officer of the Corporation effective January 31, 2011) in the indicated event, assuming that each event occurred on December 31, 2010. Termination entitlements would be governed by the *Employment Standards Act* (Ontario) and applicable common law.

Name	Triggering Event	Cash Portion(1)	Value of LTIP Awards(2)(3)	Value of Stock Options(2)(4)	Retirement Plan Contribution(5)	Other(6)	Total
		($)	($)	($)	($)	($)	($)
John M. Beck	Termination Without Cause or Change of Control	3,836,574(7)	2,049,304(8)	Nil	468,075	102,882	6,456,835
David Smales	Termination Without Cause	462,994(9)	337,928	Nil	19,515	18,648	839,085
Paul P. Koenderman	Termination Without Cause or Change of Control	840,801(10)	2,018,246	Nil	24,743	19,140	2,902,930
Terrance L. McKibbon	Termination Without Cause	1,506,721(11)	741,266	Nil	29,813	30,150	2,307,949
Steven N. Nackan	Termination Without Cause	507,671(12)	201,961	Nil	13,648	17,690	740,970

Notes:

(1) Amounts in this column are determined in accordance with the provisions of each individual employment agreement.
(2) Based on the closing price of the Common Shares on the TSX on December 31, 2010 being $10.23 per share.
(3) Amounts represent the value of unvested Deferred Share Units as at December 31, 2010.
(4) Calculated for all outstanding options that would vest as a result of termination, assuming such options were exercised and the underlying securities sold on December 31, 2010. Unvested options vest in the case of termination without cause.
(5) For John M. Beck, retirement plan contributions include three years contribution to the Defined Benefit SERP, as well as three years contribution to the Defined Contribution Pension Plan. For David Smales, the amounts include one year contributions to the Defined Contribution Pension Plan, employee share purchase plan and Defined Contribution SERP. For Terrance L. McKibbon, the amount includes 18 months contribution to the Defined Contribution Pension Plan and Defined Contribution SERP.
(6) For John M. Beck, the amounts include three years annual club membership and vehicle costs. For David Smales, the amount represents one year annual vehicle costs. For Terrance L. McKibbon, amount represents 18 months of vehicle costs.
(7) Determined based on a severance period of 36 months being comprised of $1,631,385 attributable to base salary and a bonus entitlement of $2,205,189, calculated as described herein.
(8) Amount includes the value of unvested Deferred Share Units and the value of unvested Restricted Share Units (which amount in respect of Restricted Share Units is payable for employees whose employment terminates after age 65).
(9) Determined based on a severance period of 12 months being comprised of $338,250 attributable to base salary and a bonus entitlement of $124,744, calculated as described herein.
(10) Determined based on a severance period of 12 months being comprised of $347,210 attributable to base salary and a bonus entitlement of $493,591, calculated as described herein.
(11) Determined based on a severance period of 18 months being comprised of $627,300 attributable to base salary and a bonus entitlement of $879,421.
(12) Determined based on a severance period of 12 months being comprised of $270,000 attributable to base salary and a bonus entitlement of $237,671, calculated as described herein.

Director Compensation

The following table sets forth the details regarding compensation paid to the Corporation's non-management directors during the financial year ended December 31, 2010.

Name[(1)]	Fees Earned	Share-Based Awards	Option-Based Awards[(2)]	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
	($)	($)	($)	($)	($)	($)	($)
Austin C. Beutel	75,000	Nil	Nil	Nil	Nil	Nil	75,000
Michael A. Butt	96,750	Nil	Nil	Nil	Nil	Nil	96,750
Anthony P. Franceschini	75,750	Nil	Nil	Nil	Nil	Nil	75,750
J.D. Hole	79,500	Nil	Nil	Nil	Nil	Nil	76,500
Rolf Kindbom	64,250	Nil	Nil	Nil	Nil	Nil	64,250
The Hon. Brian V. Tobin, P.C.	80,250	Nil	Nil	Nil	Nil	Nil	80,250
Robert P. Wildeboer	96,750	Nil	Nil	Nil	Nil	Nil	96,750

Notes:

(1) John M. Beck and Scott C. Balfour were NEOs and as such, compensation as a director of the Corporation for each of them is included in the column entitled "Total Compensation" under the heading "Summary Compensation Table".
(2) There were no grants of options to directors during the fiscal year ended December 31, 2010.

The following table sets forth the breakdown of the non-management directors' fees earned for the financial year ended December 31, 2010.

Name	Board Annual Retainer	Committee Chair/Member Retainer	Aggregate Board Attendance Fee	Aggregate Committee Attendance Fee	Special Meeting Attendance Fee[(1)]	Total
	($)	($)	($)	($)	($)	($)
John M. Beck[(2)]	Nil	Nil	Nil	Nil	Nil	Nil
Austin C. Beutel	50,000	4,000	13,500	7,500	Nil	75,000
Michael A. Butt	50,000	10,000	14,250	16,500	Nil	90,750
Anthony P. Franceschini	50,000	4,000	14,250	7,500	Nil	75,750
J.D. Hole	50,000	4,000	13,500	9,000	Nil	76,500
Rolf Kindbom	50,000	Nil	14,250	Nil	Nil	64,250
The Hon. Brian V. Tobin, P.C.	50,000	4,000	14,250	9,000	Nil	77,250
Robert P. Wildeboer	50,000	16,000[(3)]	14,250	9,000	Nil	89,250
Scott C. Balfour[(2)(4)]	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) From time to time, senior management of the Corporation requests that independent members of the Board of Directors participate in various meetings in their capacities as directors in order to both take advantage of their diverse skills and experience and to provide input on behalf of the Board of Directors.
(2) As management members of the Board of Directors, Messrs. Balfour and Beck did not receive fees in respect of their participation in Board meetings.
(3) Includes $10,000 as a retainer for serving as Vice Chairman and Lead Director of the Corporation.
(4) Mr. Balfour ceased to be a director of the Corporation effective January 31, 2011.

Narrative Discussion

Each non-management director of the Corporation is remunerated at the rate of $50,000 per annum and receives $1,500 for each meeting of the Board attended in person and $750 for each meeting attended by telephone. Chairs of committees of the Board are entitled to a further $6,000 per annum and all committee members receive $4,000 per annum. The Chair and each committee member receives $1,500 per committee meeting attended. Non-management directors do not receive share-based compensation but from time to time, upon recommendation of the CGNC Committee, they may be granted stock options as set out herein.

Incentive Plan Awards – Directors

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the details regarding the option-based incentive plan awards for each non-management director of the Corporation outstanding as of December 31, 2010. The non-management directors of the Corporation do not participate in any share-based incentive plan award programs of the Corporation.

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Options(1)
	(#)	($)		($)
Austin C. Beutel	12,500	6.25	March 27, 2011(2)	49,750
	100,000	14.95	August 5, 2013	Nil
Michael A. Butt	90,000	6.25	March 27, 2011	358,200
	100,000	14.95	August 5, 2013	Nil
Anthony P. Franceschini	100,000	11.29	May 14, 2014	Nil
J.D. Hole	100,000	11.29	May 14, 2014	Nil
Rolf Kindbom(2)	60,000	6.25	March 27, 2011(2)	238,800
	100,000	14.95	August 5, 2013	Nil
The Hon. Brian V. Tobin, P.C. (2)	51,500	6.25	March 27, 2011(2)	204,970
	100,000	14.95	August 5, 2013	Nil
Robert P. Wildeboer(2)	50,000	6.25	March 27, 2011(2)	199,000
	100,000	14.95	August 5, 2013	Nil

Notes:

(1) On December 31, 2010, the closing price of the Common Shares on the TSX was $10.23.
(2) All options were exercised subsequent to December 31, 2010 and prior to the expiration date.

Narrative Discussion – Director Equity Ownership

The Corporation encourages its directors to have an equity position in Aecon. The Corporation requires that each director hold no less than 10,000 Common Shares and each director is in compliance with this policy. See “Election of Directors – Board Nominees” for individual totals.

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

Since 1998, there have been a total of three director option grants. If a director had been in place since 1998, as of December 31, 2010, he would have received a total of 275,000 options being 75,000 in 2000; 100,000 in 2006; and 100,000 in 2008. In each case, an aggregate of 25,000 options vested yearly (25,000 immediately and 25,000 on each anniversary date).

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

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

Value Vested or Earned During the Financial Year Ended December 31, 2010

The following table sets forth the details regarding the value vested or earned of incentive plan awards for each non-management director of the Corporation for the financial year ended December 31, 2010.

Name	**Option-Based Awards – Value Vested During the Year[1]**	**Non-Equity Incentive Plan Compensation – Value Earned During the Year**
	($)	**($)**
Austin C. Beutel	193,750[2]	Nil
Michael A. Butt	193,750[2]	Nil
Anthony P. Franceschini	3,000[3]	Nil
J.D. Hole	3,000[3]	Nil
Rolf Kindbom	193,750[2]	Nil
The Hon. Brian V. Tobin, P.C.	193,750[2]	Nil
Robert P. Wildeboer	193,750[2]	Nil

Notes:

(1) The aggregate dollar value of options that vested during 2010 is calculated by using the closing market price of the underlying securities at the date of vesting and the exercise price of the stock options.
(2) For each noted director, 25,000 options vested on March 27, 2010 and an additional 25,000 options vested on August 5, 2010. On March 27, 2010 the closing price of the Common Shares on the TSX was $14.00 (with an option exercise price of $6.25 per share) and on August 5, 2010 the closing price of the Common Shares on the TSX was $11.50 (with an option exercise price of $14.95 per share).
(3) For each noted director, 25,000 options vested on May 14, 2010. On May 14, 2010 the closing price of the Common Shares on the TSX was $11.41 (with an option exercise price of $11.29).

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

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

CORPORATE GOVERNANCE MATTERS

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

The Corporation's corporate governance practices have attempted to ensure that the business and affairs of the Corporation are effectively managed so as to promote and enhance shareholder value. The Board of Directors has historically been actively involved in many aspects of the Corporation's business, a trend that continued throughout 2010. Management has been able to draw assistance from individual Board members, as well as seek advice from the Board of Directors as a whole or the independent directors collectively or individually, when appropriate.

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

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

The Corporation is also subject to the requirements of Canadian provincial securities legislation, including those relating to the certification of financial and other information by the Corporation's chief executive officer and chief financial officer; oversight of the Corporation's external independent auditors; enhanced independence criteria for Audit Committee members; the pre-approval of permissible non-audit services to be performed by the Corporation's external independent auditors; and the establishment of procedures for the anonymous submission of employee complaints regarding the Corporation's accounting practices (the "**Whistle-Blower Policy**"). In its consideration of evolving best practices in corporate governance matters, over the past several years, among other matters discussed below and in Appendix 1, the Corporation has: (i) adopted, reviewed and/or updated a broad range of corporate policies including a code of conduct regarding specified employee behaviour (the "**Code of Conduct**"); (ii) placed a significant emphasis on training employees (both new and existing) about their obligations under key corporate policies and safety related issues; (iii) adopted a complaint and submission procedure to the Audit Committee for employee complaints regarding the Corporation's accounting practices; (iv) established policies and procedures for Audit Committee pre-approval of services provided by the Corporation's external independent auditor; (v) established a formal Disclosure Committee (as hereinafter defined) that meets at least quarterly (see "Shareholder Feedback and Communication" for additional information); (vi) established a Bill 198 Steering Committee and project implementation team; (vii) created an internal audit department (see "Shareholder Feedback and Communication" for additional information); (viii) established an International Financial Reporting Standards ("**IFRS**") Steering Committee and implementation team; (ix) adopted a mandate for the Board of Directors; (x) expanded the mandate of the former HRC Committee and reconstituted such committee as the CGNC Committee with the adoption of a Corporate Governance, Nominating and Compensation Committee Charter; (xi) adopted formal mandates for the Chair of each Board committee; (xii) commencing with the Corporation's annual shareholder meeting held in 2009, elected new directors on an individual basis rather than pursuant to "slate" voting as was done in prior years; (xiii) created the position of Lead Director; and (xiv) consulted outside counsel on best practices with respect to corporate governance standards.

Code of Conduct and Whistle Blower Policy

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

In May 2005, the Corporation approved the Whistle Blower Policy in light of its continued commitment to honesty and integrity in the conduct of its business. The Whistle Blower Policy has been updated several times since its initial adoption with a view to continuing to meet best practices. The Whistle Blower Policy was most recently updated in the second quarter of 2011 with the assistance of external counsel and is available under the Corporation's SEDAR profile at *www.sedar.com*. Amongst other features, the Whistle Blower Policy provides a mechanism for anonymous complaints to be made to the Chair of the Audit Committee or the Senior Vice President, Legal and Commercial Affairs. For additional information, please see "Culture of Integrity" set out in the Board of Directors Mandate attached hereto as Appendix 2. To reinforce the importance of ethical behaviour and enhance internal controls, in April 2009 the Corporation introduced a "Reporting Internal Suspicions of Fraud Policy".

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

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

Internal Audit and Advisory Services Department

In 2007, the Corporation created an Internal Audit and Advisory Services Department ("**Internal Audit**") to provide an independent and objective assurance, consulting and advisory function that is designed to add value, improve the Corporation's operations, and assist management in the effective discharge of their responsibilities. The function of Internal Audit is to help the Corporation accomplish its financial and operating objectives by examining, evaluating, reporting and then recommending improvements to strengthen the effectiveness of risk management, control and governance processes. Responsibilities include: (i) reviewing the Corporation's compliance with policies, procedures, and laws and regulations; (ii) helping ensure that the Corporation's network of risk management, control, and governance processes is adequate and functioning properly; (iii) managing the Bill 198 compliance initiative and assisting with management's testing of internal controls over financial reporting; and (iv) performing advisory services as requested.

Board Oversight of Corporate Governance

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

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

Prohibition on Hedging and Trading in Derivatives

The Board of Directors has adopted a prohibition on hedging and trading in derivatives policy applicable to the Corporation's insiders (which include, among others, the Corporation's directors and NEOs).

Mandate of the Board of Directors

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

1. ensuring a culture of integrity at the Corporation;

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

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

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

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

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

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

8. reviewing and monitoring the corporate governance policies and practices of the Corporation;

9. overseeing the performance of the Chief Executive Officer and senior management and establishing their annual performance expectations, corporate goals and objectives (including setting appropriate compensation and benefits) and monitoring progress against expectations; and

10. overseeing the creation and implementation of appropriate succession plans for senior management.

A copy of the Board of Directors Mandate is attached to this Circular as Appendix 2.

Composition of the Board of Directors

The Board of Directors is currently comprised of eight members. The directors of the Corporation include community and business leaders active at the local, national and international level who provide a depth and range of experience. Please see the biographies of individual directors under "Election of Directors". The Board of Directors has determined that following the Meeting, six out of eight or 75% of the directors will be considered "independent" under the CSA Guidelines. To assist the Board of Directors with its determination as to independence of its members, all directors annually complete a detailed questionnaire regarding their relationships with the Corporation. The Board of Directors believes that a sufficient number of directors are independent of the Corporation, as no material corporate decision requiring director approval can be passed without the approval of the independent directors. Notwithstanding that certain directors of the Corporation are not "independent" within the meaning of the CSA Guidelines, the Board believes that such status has not precluded such directors from exercising independent judgment with a view to the best interests of the Corporation. See "Board Committees" below for additional details.

Position Descriptions

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

Chief Executive Officer

The Chief Executive Officer of Aecon has full responsibility for the day-to-day activities of the Corporation's business in accordance with its strategic plan as approved by the Board of Directors. The Chief Executive Officer is accountable to the Board of Directors for the overall management of Aecon and for conformity with policies agreed upon by the Board of Directors. The approval of the Board of Directors (or appropriate committee) is required for all significant decisions outside of the ordinary course of Aecon's business. The position description for the Chief Executive Officer is attached as Appendix 6 to this Circular.

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

Lead Director

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

The Lead Director ensures that the Board's relationship to management functions effectively and furthers the best interests of the Corporation, including working with the committees appointed by the Board to ensure they have the proper structure and appropriate assignments. The Lead Director also regularly communicates with the Chairman and Chief Executive Officer so that he is aware of any concerns of the independent directors and any concerns communicated by Shareholders and other stakeholders. The role and responsibilities of the Lead Director are in addition to and distinct from the role of the chair of each of the committees of the Board. The mandate of the Lead Director is attached as Appendix 5 to this Circular.

Committee Chair

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

Board Committees

The Board of Directors has established three standing committees of directors: the CGNC Committee, the Audit Committee and, in 2010, the EHS Committee. Each committee regularly meets without management present. All members of the Audit Committee, including the Chair, are "independent" within the meaning of National Instrument 52-110 *Audit Committees* ("**NI 52-110**") and, consequently, within the meaning of the CSA Guidelines. Other than J.D. Hole, all of the members of the CGNC Committee and the EHS Committee are "independent" within the meaning of the CSA Guidelines. For a discussion of the Board's position regarding Mr. Hole's independence, please see "Election of Directors – Director Independence". All members of the EHS Committee are independent within the meaning of the CSA Guidelines.

In addition, as part of its ongoing efforts to maintain high standards of corporate governance, in 2007 the Board approved and adopted written mandates for the Chairman of the Board of Directors (attached as Appendix 3 to this Circular) and for each Committee Chair (attached as Appendix 4 to this Circular). From time to time, special committees of the Board of Directors may be and have been appointed to consider special issues and in particular, any issues that may involve related party transactions. Individual directors may retain outside advisors at the Corporation's expense in appropriate circumstances and with the approval of the Audit Committee. No material corporate decision or decision involving a potential conflict of interest can be approved by the Board without the approval of the independent directors.

Corporate Governance, Nominating and Compensation Committee

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

The CGNC Committee is currently comprised of Robert P. Wildeboer (Chair), Michael A. Butt, J.D. Hole and The Hon. Brian V. Tobin, P.C. Seventy-five percent of the members of the CGNC Committee are considered independent. None of Messrs. Wildeboer, Butt or Tobin are officers, employees or former officers or employees of the Corporation or any of its affiliates and are considered independent of the Corporation within the meaning of the CSA Guidelines. Please see "Election of Directors – Director Independence" for a discussion of Mr. Hole's status as a non-independent director. The Chief Executive Officer of the Corporation does not participate in the selection of members of the CGNC Committee.

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

The CGNC Committee met six times in fiscal 2010. The CGNC Committee meets without the presence of directors who are not independent of the Corporation, save for J.D. Hole, and without the presence of management.

Audit Committee

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

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

The Audit Committee met four times in fiscal 2010. The Audit Committee meets once per quarter before regularly scheduled Board meetings. The Audit Committee sets aside a portion of these meetings to meet without the presence of directors who are not independent of the Corporation and without the presence of management.

The Audit Committee Charter is attached as Appendix 9 to this Circular.

Environmental, Health and Safety Committee

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

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

The EHS Committee was formed in the fourth quarter of 2010 and held its first meeting in January 2011. The EHS will meet quarterly before regularly scheduled Board meetings. The EHS Committee Charter is attached as Appendix 7 to this Circular.

Nomination of Directors

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

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

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

Orientation of New Directors

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

Continuing Education

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

Strategic Planning

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

Director Performance Review

The Board, its committees and individual directors are not regularly assessed with respect to effectiveness and contribution through formal assessments. Nevertheless, the Board of Directors periodically considers and assesses its performance relating to its effectiveness, size, compensation policies and evaluation of management performance. As required, each individual director is free to meet with the Chairman or Lead Director to discuss any concerns or issues regarding Board effectiveness. The Board's standards and expectations for director participation and performance are set out above. As appropriate, the Board, through the CGNC Committee, considers procedural or substantive changes to increase the effectiveness of the Board and its committees or to respond to evolving governance standards. These discussions have led to a number of developments including the adoption of individual as opposed to slate voting, the adoption of a majority voting policy and the introduction of the EHS Committee in late 2010. The Corporation believes the atmosphere created by the Board encourages candour and constructive dissent and the Board currently deems the use of written director surveys unnecessary. A more formal assessment process will be instituted as, if and when the Board, based on a recommendation of the CGNC Committee, considers appropriate.

Succession Planning

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

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

The Chief Executive Officer routinely discusses the strengths and gaps of key succession candidates, development progress over the prior year and future development plans. There is also a systematic approach for the Board to meet and familiarize itself with potential succession candidates, including more junior executives. The Corporation has no plans at the current time to replace the position of President, and has instead recently appointed a Chief Operating Officer (see "Statement of Executive Compensation – Objectives of Executive Compensation Program and Strategy" for additional details).

Director Attendance

The following table summarizes the attendance of the proposed nominees for election as directors of the Corporation at Board and committee meetings held during the financial year ended December 31, 2010. The Board places a premium on active participation and attendance as evidenced by the below figures. Consideration is given to the attendance record of directors in considering the proposed nominees for election as directors to ensure that directors are able to continue to devote sufficient time to the business and affairs of the Corporation. During the financial year ended December 31, 2010, each proposed nominee for election as a director attended more than 90% of the Board meetings held during the period that such individual was a director of the Corporation, each member of the Audit Committee attended 100% of the Audit Committee meetings held during the period that such individual was a member of the Audit Committee and each member of the CGNC Committee attended 100% of the CGNC Committee meetings held during the period that such individual was a member of the CGNC Committee.

Director	Board Meetings Attended	Audit Committee Meetings Attended	CGNC Committee Meetings Attended	Total Meetings	Overall Meeting Attendance
John M. Beck	12/12	N/A	N/A	12/12	100%
Austin C. Beutel	11/12	4/4	N/A	15/16	94%
Michael A. Butt	12/12	4/4	6/6	22/22	100%
Anthony P. Franceschini	12/12	4/4	N/A	16/16	100%
J.D. Hole	11/12	N/A	6/6	17/18	94%
Rolf Kindbom	12/12	N/A	N/A	12/12	100%
The Hon. Brian V. Tobin, P.C.	12/12	N/A	6/6	18/18	100%
Robert P. Wildeboer	12/12	N/A	6/6	18/18	100%

Shareholder Feedback and Communication

The Corporation views its shareholders and other investors as owners and partners, and senior management (being the Chairman and Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer) together with the Vice Chairman and Lead Director are all committed to being accessible. The Corporation's disclosure committee (the "**Disclosure Committee**"), which currently consists of: (i) the Chief Financial Officer; (ii) the Senior Vice President, Legal and Commercial Services; (iii) the Vice President, Corporate Affairs; and (iv) the Assistant Corporate Secretary, consistently monitors all communications.

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

20 Carlson Court
Suite 800
Toronto, Ontario
Canada
M9W 7K6

Board of Directors' Expectations of Management

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

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

Indebtedness of Directors and Officers

No individual who is, or at any time during the most recent completed financial year of the Corporation was, a director or officer of the Corporation, no proposed nominee for election as a director of the Corporation, or any associate of any of them is, or at any time since the beginning of the most recent completed financial year of the Corporation has been, indebted to the Corporation or any of its subsidiaries (other than in respect of amounts which would constitute routine indebtedness) or was indebted to another entity, which indebtedness is, or was at any time during the most recent completed financial year of the Corporation, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

Insurance

The Corporation maintains insurance for the benefit of the directors and officers of the Corporation and of its subsidiaries against liability in their respective capacities. For the period January 1, 2010 through December 31, 2010, the premium payable by the Corporation and the total amount of insurance purchased for the directors and officers as a group were $106,299 (exclusive of applicable tax) and $25,000,000, respectively. A deductible of $250,000 per wrongful act applies in respect of indemnified losses except for securities and oppressive conduct claims for which a deductible of $500,000 per wrongful act applies. The Corporation also has an excess directors' and officers' insurance policy in the amount of $10,000,000 (with a $27,443 premium (exclusive of applicable tax)). The directors and officers are not required to pay any premium in respect of the insurance.

Shareholder Proposals

In accordance with the provisions of the *Canada Business Corporations Act*, a Shareholder may be entitled to submit to the Corporation notice of any matter that the person proposes to raise at the next annual meeting of shareholders and the Corporation shall set out such proposal and the accompanying supporting statement, if any, in the management proxy circular for the next annual meeting of shareholders, provided such notice is given to the

Corporation by February 9, 2012. No shareholder proposals were received by the Corporation with respect to the Meeting before the cut-off date specified in the Corporation's management proxy circular in respect of its annual meeting of shareholders held on June 15, 2010.

NORMAL COURSE ISSUER BID

On March 14, 2011, the Corporation announced its intention to make a normal course issuer bid (the "**NCIB**") commencing on March 16, 2011 and expiring March 15, 2012. During the period, the Corporation is permitted to acquire up to 5,527,277 Common Shares being approximately 10 percent of the issued and outstanding Common Shares at the time of announcement of the NCIB. From March 16, 2011 to May 10, 2011, the Corporation acquired an aggregate of 192,200 Common Shares, all of which were subsequently cancelled.

The Board believes that, at certain times, the market price of the Common Shares may not adequately reflect the value of current and future business prospects. As a result, the Board believes that the purchase by the Corporation of outstanding Common Shares may, at such times, represent an appropriate and desirable use of available funds which will enhance shareholder value and reduce the overall cost of capital.

Purchases have been and will be made through the facilities of the TSX, in accordance with its bylaws, rules and policies. The Corporation has paid and will pay the market price for any Common Shares acquired and intends to cancel all such acquired shares.

To obtain a copy of the Notice of Intention to Make a Normal Course Issuer Bid that was filed with the TSX, please contact the Corporation at 20 Carlson Court, Suite 800, Toronto, Ontario, Canada M9W 7K6.

AVAILABILITY OF DOCUMENTS

Additional information relating to the Corporation is available under the Corporation's SEDAR profile at *www.sedar.com*. Copies of the Annual Information Form and the Corporation's 2010 Annual Report containing the audited comparative financial statements (together with the auditors' report thereon) and accompanying management's discussion and analysis for the year ended December 31, 2010 are available on SEDAR or shareholders may request copies be sent to them upon written request to the Corporate Secretary at 20 Carlson Court, Suite 800, Toronto, Ontario M9W 7K6.

APPROVAL

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

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

Dated at Toronto, Ontario
May 19, 2011

CORPORATE GOVERNANCE PRACTICES

PURSUANT TO NATIONAL INSTRUMENT 58-101

	Governance Disclosure Requirement Under NI 58-101	**Comment**
1. (a)	Disclose the identity of directors who are independent.	As at May 19, 2011, six of eight members (or 75%) of the Board qualify as independent directors under the CSA Guidelines, namely Messrs. Beutel, Butt, Franceschini, Kindbom, Tobin and Wildeboer. See "Election of Directors – Director Independence" " in the Circular to which this Appendix is attached.
(b)	Disclose the identity of directors who are not independent and describe the basis for that determination.	Two Board members do not qualify as independent directors under the CSA Guidelines, namely: Messrs. Beck and Hole. Mr. Beck, the Chairman of the Corporation, has served as an executive officer of the Corporation (specifically, Chief Executive Officer) within the prior three-year period. Mr. Hole is not considered independent of the Corporation within the meaning of the CSA Guidelines as he has been in the last three financial years of the Corporation the Chairman of Lockerbie, which became a wholly-owned subsidiary of the Corporation as of April 1, 2009. However, at all relevant times that Mr. Hole was Chairman of Lockerbie, Lockerbie was not an affiliate of the Corporation. Further, following the completion of the Lockerbie Acquisition, Mr. Hole ceased to be an officer of Lockerbie. Accordingly, the Board is of the view that Mr. Hole's status as a non-independent director within the meaning of the CSA Guidelines does not and will not interfere with his ability to exercise independent judgment with a view to the best interests of the Corporation.
(c)	Disclose whether a majority of the directors are independent. If a majority of directors are not independent, describe what the Board does to facilitate its exercise of independent judgment in carrying out its responsibilities.	A majority of the directors of the Corporation (being six of eight directors or 75%) are considered independent directors under the CSA Guidelines. For details regarding committees and independent membership, please see "Corporate Governance Matters – Board Committees" in the Circular to which this Appendix is attached.
(d)	If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	All directorships with other public entities for each of the Board members, as applicable, are set forth in the Circular under the heading "Election of Directors – Directorships with Other Reporting Issuers".

	Governance Disclosure Requirement Under NI 58-101	Comment
(e)	Disclose whether the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.	For details, please see "Election of Directors – Meetings of Independent Directors" " in the Circular to which this Appendix is attached.
(f)	Disclose whether the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.	The Chief Executive Officer of the Corporation, John M. Beck, is also the Chairman of the Board. In the view of the Board, the fact that Mr. Beck occupies both offices does not impair the ability of the Board of Directors to act independently of management. Robert P. Wildeboer, the Vice Chairman and Lead Director of the Corporation, who is an independent director, represents the Corporation's outside and independent directors in discussions with senior management on corporate governance issues and related matters. Mr. Wildeboer is also the Chairman of the CGNC Committee.
(g)	Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.	The attendance record of each director for all Board and committee meetings held since the beginning of the Corporation's most recently completed financial year is set forth in the Circular under the heading "Corporate Governance – Director Attendance".
2.	Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.	The Board of Directors Mandate is attached to this Circular as Appendix 2.
3. (a)	Disclose whether the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.	The Board has developed a written position description for the Chairman of the Board (attached to this Circular as Appendix 3), the Chair of each Board committee (attached to this Circular as Appendix 4) and the Lead Director (attached to this Circular as Appendix 5).

	Governance Disclosure Requirement Under NI 58-101	**Comment**
(b)	Disclose whether the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.	The Board and the Chief Executive Officer have developed a written position description for the Chief Executive Officer (attached to this Circular as Appendix 6).
4. (a)	Briefly describe what measures the Board takes to orient new members regarding (i) the role of the Board, its committees and its directors; and (ii) the nature and operation of the issuer's business.	See "Corporate Governance Matters – Orientation of New Directors, Continuing Education and Strategic Planning" in the Circular to which this Appendix is attached.
(b)	Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	See "Corporate Governance Matters – Orientation of New Directors, Continuing Education and Strategic Planning" in the Circular to which this Appendix is attached.
5. (a)	Disclose whether the Board has adopted a written code for the directors, officers and employees of the issuer. If the Board has adopted a written code:	The Corporation has adopted a Code of Conduct.
	(i) disclose how a person or company may obtain a copy of the code;	The Code of Conduct is available under the Corporation's SEDAR profile at *www.sedar.com*.
	(ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and	Please see "Corporate Governance" and in particular "Board Oversight of Corporate Governance" in the Circular to which this Appendix is attached.
	(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	The Board has not granted any waiver of the Code of Conduct in favour of any directors, officers or employees since its adoption by the Board. Accordingly, no material change report has been required or filed in this regard.

	Governance Disclosure Requirement Under NI 58-101	Comment
(b)	Describe any steps the Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.	A majority of the Corporation's directors are independent in that they are free from any interest and any business or other relationship which has materially affected or would materially affect the Corporation or any of its subsidiaries (see "Interest of Informed Persons in Material Transactions" and "Election of Directors – Director Independence" " in the Circular to which this Appendix is attached). Transactions and agreements in respect of which a director or executive officer has a material interest must be reviewed and approved by the Audit Committee. Since the beginning of the Corporation's most recently completed financial year, there has been no such transaction.
(c)	Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.	The Corporation has adopted the Code of Conduct in order to encourage, promote and require a culture of ethical business conduct. For additional steps taken by the Board, please see 5(a) (ii) above.
6. (a)	Describe the process by which the Board identifies new candidates for Board nomination.	See "Corporate Governance Matters – Nomination of Directors" in the Circular to which this Appendix is attached and see the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 8.
(b)	Disclose whether the Board has a Nominating Committee composed entirely of independent directors. If the Board does not have a Nominating Committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.	See "Corporate Governance Matters – Nomination of Directors" in the Circular to which this Appendix is attached and see the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 8.
(c)	If the Board has a Nominating Committee, describe the responsibilities, powers and operation of the Nominating Committee	See "Corporate Governance Matters – Nomination of Directors" in the Circular to which this Appendix is attached and see the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 8.
7. (a)	Describe the process by which the Board determines the compensation for the issuer's directors and officers.	See "Statement of Executive Compensation" in the Circular to which this Appendix is attached.

	Governance Disclosure Requirement Under NI 58-101	Comment
(b)	Disclose whether the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.	The CGNC Committee is currently comprised of Robert P. Wildeboer (Chair), Michael A. Butt, J.D. Hole and The Hon. Brian V. Tobin, P.C. Messrs. Wildeboer, Butt and Tobin are considered independent within the meaning of the CSA Guidelines. Mr. Hole is not considered to be independent under the CSA Guidelines. Please see "Director Independence" " in the Circular to which this Appendix is attached for details regarding the Board's position that Mr. Hole's status does not compromise the independence of the CGNC Committee.
(c)	If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	The responsibilities of the CGNC Committee, including with respect to its responsibilities, powers and operation, are described in the Circular under the heading "Corporate Governance Matters – Corporate Governance, Nominating and Compensation Committee" in the Circular to which this Appendix is attached. See also the Corporate Governance, Nominating and Compensation Committee Charter attached to this Circular as Appendix 8.
(d)	If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.	No compensation consultant was retained by the Corporation during the financial year ended December 31, 2010.
8.	Disclose whether the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees and its individual directors are performing effectively.	Please see "Corporate Governance Matters – Director Performance Review" in the Circular to which this Appendix is attached.

BOARD OF DIRECTORS MANDATE

Purpose

The Board of Directors (the "**Board**") is responsible for the stewardship of Aecon as well as the supervision of the management of its business and affairs. The objective of the Board is to improve corporate performance and thereby shareholder value.

Although management is responsible for the day-to-day operations of Aecon, the Board regularly assesses and monitors management's performance.

In spite of the fact that directors may be elected by the shareholders to bring a special expertise or point of view to Board deliberations, they are not chosen to represent a particular constituency. All decisions of each Board member must be made in the best interests of Aecon.

Members

The majority of the directors shall be resident Canadians. From time to time, the Board or a committee thereof will review the size, composition and experience of the Board to ensure that it continues to have the proper mix of skills and backgrounds to ensure proper stewardship of Aecon in the construction industry.

Responsibilities and Duties

The Board shall, either directly or through its committees, be responsible for performing the duties set out in this Board Mandate and shall perform such other duties as may be necessary or appropriate in order for it to fulfill its stewardship responsibilities. In carrying out its duties, the Board shall take into account the recommendations of its committees, as applicable.

Culture of Integrity

The Board is responsible for ensuring a culture of integrity at Aecon and in fulfilling this responsibility shall:

- satisfy itself as to the integrity of the Chief Executive Officer (the "**CEO**") and other executive officers;
- ensure that Aecon and its management maintain the highest standards of safety in the workplace;
- approve the policies that comprise the code of business conduct and ethics, including Aecon's statement of Vision, Mission and Values as well as appropriate policies including the Code of Conduct, Whistle Blower and Disclosure policies (collectively, the "**Code**"); and
- ensure that management monitors compliance with the Code and amends the Code from time to time to adopt and conform to evolving "best practices" of corporate governance.

Strategic Planning

The Board is responsible for overseeing Aecon's strategic planning and in fulfilling this responsibility shall:

- approve Aecon's strategic plan;
- approve all strategic corporate decisions in accordance with established procedures and protocols; and
- monitor the implementation and effectiveness of Aecon's approved strategic and operating plans.

Identification and Management of Risks

The Board is responsible for overseeing the identification and management of the principal risks associated with Aecon's business and in fulfilling this responsibility shall:

- identify the principal risks faced by Aecon and ensure the implementation of appropriate systems and/or controls to manage or mitigate risk; and
- ensure that appropriate action is taken to ensure compliance with applicable legal requirements.

Internal Controls

The Board is responsible for overseeing Aecon's internal controls and in fulfilling this responsibility shall:

- approve Aecon's internal control systems and monitor their integrity and effectiveness; and
- ensure that appropriate action is taken to ensure compliance with applicable legal requirements.

Evaluation of Management Performance

The Board is responsible for overseeing the performance of the CEO and senior management and in fulfilling this responsibility shall:

- establish annual performance expectations and corporate goals and objectives for the CEO and monitor progress against said expectations; and
- determine the appropriate compensation and benefits of the CEO and senior management.

Financial Matters

The Board is responsible for overseeing Aecon's financial reporting and in fulfilling this responsibility shall:

- review and approve Aecon's financial objectives, plans and actions, including significant capital allocations and expenditures;
- review the general content of, and the Audit Committee's report on the financial aspects of, Aecon's Management Proxy Circular, Management's Discussion and Analysis, prospectuses and any other documents required to be disclosed or filed by Aecon before their public disclosure or filing with regulatory authorities;
- monitor the integrity and quality of Aecon's financial statements and the appropriateness of their disclosure; and
- determine dividend policies and procedures.

Oversight of Communications and Public Disclosure

The Board is responsible for overseeing communication and public disclosure and in fulfilling this responsibility shall:

- approve Aecon's communication policy;
- ensure that Aecon's public disclosure continues to meet all applicable legal and regulatory requirements and guidelines; and
- monitor feedback received by Aecon from stakeholders.

Corporate Governance

The Board is responsible for overseeing Aecon's corporate governance policies and practices and in fulfilling this responsibility shall:

- develop Aecon's approach to corporate governance, including maintaining a culture that promotes and encourages high ethical standards and a culture of integrity;
- approve the process for the orientation and continuing education of new directors;
- establish Board committees and define their mandates to assist the Board in carrying out its duties and responsibilities;
- take all reasonable measures to ensure an appropriate level of performance for the Board, Board committees, Board and committee chairs and individual directors;
- review on a regular basis, appropriate corporate governance structures and procedures, including the identification of decisions requiring approval of the Board and, where appropriate, measures for receiving stakeholder feedback; and
- review and recommend changes to the Board policies and, where appropriate, Aecon's corporate policies.

Succession Planning

The Board is responsible for overseeing the creation and implementation of appropriate succession plans for senior management, and in fulfilling this responsibility shall:

- Approve Aecon's overall senior management succession planning process;
- Ensure that this process is updated on a regular basis; and
- Approve, on a regular basis, the substance of Aecon's succession management plan for the positions of Chief Executive Officer, Chief Operating Officer and Chief Financial Officer.

Director Expectations and Responsibilities

Each director must act honestly and in good faith with a view to the best interests of Aecon and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The duties and responsibilities set out below are a framework to guide directors in the execution of their duties, thereby enabling the Board as a whole to discharge its mandate and fiduciary obligations.

The duties and responsibilities of an Aecon director include:

- the stewardship, in conjunction with the other members of the Board, of the management of the business and affairs of Aecon;
- understanding Aecon's Vision, Mission and Values;
- becoming knowledgeable about Aecon's business and the industry segments and markets in which it operates;
- promoting a culture of safety and ethical conduct including compliance with the Code;
- understanding Aecon's current corporate governance policies and practices, Board policies, mandates and committee charters (as applicable);
- exercising an appropriate level of oversight on senior management;
- preparing thoroughly for each Board and committee meeting by reviewing the materials provided and requesting, as appropriate, clarification or additional information in order to fully participate in Board deliberations and make informed business judgments;
- taking responsibility, as a member of the Board, for doing their part to ensure compliance with the Board Mandate;
- attending all Board and committee meetings and actively participating in deliberations and decisions, and informing themselves of significant matters dealt with at meetings not attended; and
- preventing personal interests from conflicting with, or appearing to conflict with, the interests of Aecon and disclosing potential conflicts and, where necessary recuse themselves from portions of meetings dealing with such matters and to refrain from voting.

Director Attributes

The Board believes that the following characteristics, qualifications and attributes are required to effectively discharge the duties and obligations of a director. As such, the Board expects that in regard to each of the categories identified below, the directors shall:

Integrity and Accountability

- understand the role, responsibilities, expectations and legal duties of a director;
- demonstrate high ethical and moral standards in their personal, business and professional dealings; and
- be willing to be accountable for and be bound by Board decisions.

Informed Judgment

- provide input and informed counsel on a broad spectrum of issues, through a combination of business knowledge and experience;
- be able to think strategically about complex issues;
- proactively apply their own knowledge, experience and expertise to issues; and
- have a track record of achievement and of making good business decisions.

Financial Literacy

- members of the Audit Committee are required to demonstrate a high level of financial literacy, including the ability to read financial statements.

Independence

- be able to act in the best interests of Aecon; and
- where necessary advocate a position contrary to prevailing opinion or orthodoxy.

Communication Skills

- be willing to listen and keep an open mind in decision making;
- take initiative to raise tough questions and encourage open discussion;
- demonstrate leadership; and
- communicate in a concise and reasoned manner.

Teamwork

- work effectively with others and manage conflict constructively.

BOARD OF DIRECTORS

MANDATE OF THE BOARD CHAIR

The Board of Directors (the "**Board**") is chaired by the Chairman with assistance from the Vice Chairman and Lead Director. The Vice Chairman and Lead Director is currently an independent director. The Chairman, with the co-operation and assistance of the Vice Chairman and Lead Director, is responsible for the management, the development and the effective performance of the Board. The Chairman is charged with taking all reasonable measures to ensure that the Board fully executes its mandate.

RESPONSIBILITIES

The Chairman has the following responsibilities:

With Respect to Board Effectiveness

(1) Taking all reasonable steps to ensure that the Board works as a cohesive team and providing the leadership essential to achieve cohesiveness.
(2) Arranging for adequate resources being made available to the Board (in particular timely and relevant information) to support its work.
(3) Taking all reasonable steps to ensure that the Board has the information and access to management necessary to fulfill its mandate.

With Respect to Board Management

(1) Chairing meetings of the Board.
(2) Setting the agenda of each Board meeting, in consultation with both the Chief Operating Officer and Chief Financial Officer and the Senior Vice President, Legal and Commercial Services.
(3) Taking all reasonable steps to ensure that the conduct of Board meetings facilitates discussion and provides sufficient time for proper analysis and discussion of the business under consideration.
(4) Adopting procedures to ensure that the Board conducts its work in an effective and efficient manner.
(5) Ensuring that the Board fulfills its mandate and responsibilities.
(6) Taking all reasonable steps to ensure that, where responsibilities are delegated to committees or individual directors, said responsibilities are carried out and results are reported to the Board.
(7) Taking all reasonable steps to ensure that independent directors meet periodically without management and the other non-independent directors being present.
(8) Along with the Vice Chairman and Lead Director, approaching potential Board candidates, once identified by other members of the Board and senior management, and approved by the Corporate Governance, Nominating and Compensation Committee, to explore their interest in joining the Board.
(9) Taking steps to ensure that the behaviour and actions of the Board conform to the Vision, Mission and Core Values of Aecon.

With Respect to Relationships Between the Board and Management, Shareholders and other Stakeholders

(1) Taking all reasonable steps to ensure that the expectations of the Board toward management, and the expectations of management toward the Board, are clearly expressed, understood and respected.
(2) Acting as liaison between the Board and senior management including taking the necessary steps to ensure that Aecon is building a healthy governance culture and striving for best practices.
(3) Setting the "ethical tone at the top" by becoming the personification of the Vision, Mission and Core Values of Aecon.
(4) Taking the steps necessary to ensure that senior management adheres to the Vision, Mission and Core Values of Aecon.
(5) Chairing annual and special meetings of the shareholders.
(6) Along with the Vice Chairman and Lead Director, representing Aecon to external groups such as shareholders and other stakeholders, including local community groups and governments.

BOARD OF DIRECTORS

MANDATE OF THE COMMITTEE CHAIR

The chair of each of the Audit Committee and the Corporate Governance, Nominating and Compensation Committee of the Board of Directors of Aecon (the "**Board**") is chaired by an outside director (each a "**Committee Chair**"). The Committee Chairs are each responsible for the management and the effective performance of their respective committees. The mandate of each Committee Chair also includes taking all reasonable measures to ensure that his or her respective committee fully executes its mandate.

RESPONSIBILITIES

Each Committee Chair has the following responsibilities:

<u>With Respect to Committee Effectiveness</u>

(1) Taking all reasonable steps to ensure that his/her committee works as a cohesive team and providing the leadership and support essential to achieve this goal.
(2) Arranging for adequate resources being available to the committee (in particular timely and relevant information) to support its work.
(3) Taking all reasonable steps to ensure that their respective committees have the information and access to management necessary to fulfill their respective mandates.

<u>With Respect to Committee Management</u>

(1) Chairing committee meetings.
(2) Setting the agenda of each committee meeting, in consultation with the Chairman of the Board.
(3) Taking all reasonable steps to ensure that the conduct of committee meetings facilitates discussion and provides sufficient time for the analysis and discussion of the business under consideration.
(4) Adopting procedures to ensure that the committee conducts its work effectively and efficiently.
(5) Overseeing and ensuring that their respective committees fully discharge their responsibilities and mandates.
(6) Ensuring that the behaviour and actions of their respective committees and of the Board conform to the Mission, Vision and Core Values of Aecon.

Committee Chairs report to the Board on the deliberations of their respective committee and on any decisions or recommendations of the committee.

POSITION DESCRIPTION FOR THE LEAD DIRECTOR

FUNCTION:

The prime responsibility of the Lead Director is to facilitate the functioning of the Board of Directors (the "**Board**") of Aecon Group Inc. (the "**Corporation**") and to facilitate its exercise of independent judgment in carrying out its responsibilities. Critical to meeting this accountability is the relationship between the Board and management. The Lead Director must oversee that the Board's relationship to management functions effectively and furthers the best interests of the Corporation.

The Lead Director shall be an independent director and is appointed by the Board. The Lead Director holds office until such time as he or resigns or is replaced by a majority vote of the independent directors.

SPECIFIC RESPONSIBILITIES:

In fulfilling his responsibility, the Lead Director will:

1. together with the Chairman of the Board of Directors (the "**Chair**"), oversee the Board's discharge of its duties assigned to it by law, in the constating documents of the Corporation and the Corporate Governance Guidelines;

2. together with the Chair, work with the Committees appointed by the Board, so that they have a proper structure and appropriate assignments;

3. together with the Chair, oversee the responsibilities and functions delegated to the Committees, including, but not limited to, compensation, performance evaluations and internal control systems;

4. together with the Chair, take steps to foster the Board's understanding of its responsibilities and boundaries with management;

5. act as a leader for the independent directors;

6. serve as an independent contact for directors on matters deemed to be inappropriate to be discussed initially with the Chair or in other situations where the Chair is not available;

7. hold one-on-one discussions with the directors when the Corporate Governance, Nomination and Compensation Committee or the Board so requests;

8. communicate with the Chair and CEO of the Corporation so that he is aware of concerns of the independent directors, shareholders and other stakeholders;

9. be available to counsel the Chair on matters appropriate for review in advance of discussion with the full Board;

10. organize and present agenda for in camera independent director meetings based on input from directors and management;

11. preside over in camera independent director meetings and conduct the meetings in an efficient, effective and focussed manner;

12. oversee the distribution of information to independent directors for purposes of in camera independent directors meetings in a manageable form, sufficiently in advance of the meeting; and

13. perform other functions as may be reasonably requested by the Board.

POSITION DESCRIPTION FOR THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of Aecon shall have full responsibility for the day-to-day operations of the Corporation's business in accordance with its strategic plan as approved by the Board of Directors.

The Chief Executive Officer is accountable to the Board of Directors for the overall management of Aecon and for conformity with policies agreed upon by the Board of Directors.

The approval of the Board of Directors (or appropriate committee) shall be required for all significant decisions outside of the ordinary course of Aecon's business.

More specifically, the primary responsibilities of the Chief Executive Officer include the following:

1. developing, for the Board of Directors' approval, a strategic direction and positioning to ensure the Corporation's success;

2. ensuring the day-to-day business affairs of Aecon are appropriately managed by developing and implementing processes that will ensure the achievement of Aecon's financial and operating goals and objectives;

3. fostering a corporate culture that promotes professionalism, integrity, performance, customer focus and service;

4. keeping the Board of Directors aware of Aecon's performance and events affecting its business, including opportunities in the marketplace and adverse or positive developments;

5. recruiting, developing and maintaining competent and productive management teams and establishing the organizational structure within Aecon and its subsidiaries; and

6. ensuring, in cooperation with the Board of Directors, that there is an effective succession plan in place for the Chief Executive Officer position

ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE

CHARTER

Overview and Purpose

The Environmental, Health and Safety Committee (the "Committee") is responsible for performing the duties set out in this Charter to enable the board of directors (the "Board") to discharge its responsibilities and obligations with respect to:

- Supporting continuous improvement of healthy and safe workplaces, founded on the principles that the effective management of health, safety, wellness and concern for the environment (collectively "EHS") are essential to the successful operation of Aecon Group Inc. (the "Company").
- Reviewing and assessing on an ongoing basis the Company's EHS performance and Strategic Initiatives.
- Reducing EHS risks wherever possible by providing leadership, focus and guidance to Management.
- Subscribing to the principle that nothing is more important than the health, safety and well being of employees, contractors, visitors and the surrounding community.
- Meeting as required with the Company Safety Council with the goal of supporting the continuous improvement of EHS strategies, programming and performance.

Committee Membership

The Committee will be comprised of a minimum of three members. A Chair of the Committee will be appointed.

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

Attendance at Meetings

The Committee shall meet as frequently as it determines necessary. Meetings may be called by the Chair or by a majority of members. At least forty-eight hours prior notice of such meetings will be given to Committee members, unless otherwise agreed to by all members of the Committee.

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

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

Directors not on the Committee may attend meetings at the invitation of the Chair.

Members of the Committee may invite members of management including the senior safety officer of the Corporation or other outside consultants to attend Committee meetings as determined necessary or desirable, particularly on matters relating to the EHS Strategic Plan and EHS performance or any of the responsibilities and duties outlined below.

Responsibilities and Duties

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

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

- Reviewing and approving annually the EHS Strategic Plan.
- Reviewing and assessing on a quarterly basis, the EHS performance of the Company.
- Reviewing the corporate governance principles relating to a sound EHS system comprised of strategies, programming and performance of the Company from time to time to ensure compliance with changing regulatory requirements and best practices.
- Providing continuing education of EHS issues, best practices, legal requirements and trends to the Board.

CORPORATE GOVERNANCE, NOMINATING AND COMPENSATION COMMITTEE CHARTER

Overview and Purpose

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

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

Committee Membership

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

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

Attendance at Meetings

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

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

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

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

Responsibilities and Duties

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

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

Corporate Governance

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

Nomination of Directors

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

Compensation

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

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

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

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

Succession Planning

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

AUDIT COMMITTEE CHARTER

Appointment and Purpose

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

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

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

Composition

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

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

Authority and Responsibilities

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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