

## NEWS RELEASE



### **Veridian Corporation and Whitby Hydro Energy Corporation Proceed to Seek Shareholder Approvals for Proposed Merger**

(April 3, 2018, Ontario) – Veridian Corporation (“Veridian”) and Whitby Hydro Energy Corporation (“Whitby Hydro”) are proceeding to seek shareholder approvals of a proposed merger of the two companies. The potential merger partners released public documentation today in advance of upcoming municipal council presentations.

Representatives of Veridian and Whitby Hydro will deliver initial presentations to their respective municipal shareholders this month. Public documents were released today to support those presentations. The documents are available online on both the [Veridian](#) and [Whitby Hydro](#)’s merger websites and include:

- a summary of the business case for the merger, providing details about share and dividends, electricity rates, governance, and risk/benefit analysis of the merger.
- a fairness opinion, which is an independent professional opinion that concludes the merger agreement is fair, from a financial perspective, to the municipal shareholders

“As these documents show, the new company will continue to be 100 per cent municipally owned, with dividends flowing to the municipalities for reinvestment in their communities. The merger is also expected to generate about \$90 million in savings over the next 17 years. We’re looking forward to discussing these benefits, among many others, with our shareholders in the coming weeks,” said Adrian Foster, Chair of Veridian’s Board of Directors.

The schedule for initial municipal presentations is as follows:

- |  |           |                            |
|--|-----------|----------------------------|
| • April 09, 2018                           | 4:00 p.m. | City of Belleville         |
| • April 10, 2018                           | 7:00 p.m. | Town of Whitby             |
| • April 10, 2018 ( <i>tentative, TBC</i> ) | 7:00 p.m. | City of Pickering          |
| • April 16, 2018                           | 9:30 a.m. | Municipality of Clarington |
| • April 23, 2018                           | 7:00 p.m. | Town of Ajax               |

“The management teams of both companies have jointly identified that a merger will offer greater benefits to customers, communities and shareholders than remaining as standalone utilities, and we encourage our stakeholders to review the information we’ve shared today,” said Patrick McNeil, Chair of Whitby Hydro’s Board of Directors.

Veridian and Whitby Hydro entered into a Memorandum of Understanding related to the merger on July 17, 2017. Their respective Boards of Directors endorsed the merger business case in January 2018 and, since then, efforts have been focused on due diligence and finalization of legal documentation. If the merger proposal receives municipal shareholder approval, an application to the Ontario Energy Board for regulatory approval would follow. This process could take several additional months.

The new, yet-unnamed, combined energy company would service more than 162,000 residential and business customers and be the fourth largest municipally-owned electric utility in Ontario. More information on the proposed merger is available online at: <http://learnmore.veridian.on.ca/> and <http://learnmore.whitbyhydro.on.ca/>.

-30-

#### Resources

- [Proposed Merger Business Case Summary](#)
- [Proposed Merger Fairness Opinion](#)

#### About Veridian Corporation

Veridian Corporation owns and operates Veridian Connections, a subsidiary company that distributes electricity, generates power and provides energy services to more than 121,000 customers. The City of Pickering, the Town of Ajax, the Municipality of Clarington and the City of Belleville jointly own Veridian Corporation. Please visit: <http://learnmore.veridian.on.ca/>

#### About Whitby Hydro Energy Corporation

Whitby Hydro Energy Corporation is a holding company owned by The Town of Whitby. Contained within are two separate and distinct subsidiaries - Whitby Hydro Electric Corporation and Whitby Hydro Energy Services. Whitby Hydro Electric Corporation is an electricity distributor licensed by the Ontario Energy Board to deliver electricity to homes and businesses in our service area of the Whitby, Brooklin and Ashburn communities. Whitby Hydro serves more than 41,500 customers. Please visit: <http://learnmore.whitbyhydro.on.ca/>

#### Media Contacts

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