MEMORANDUM

To: All Employees

From: Michael Angemeer

Date: January 16, 2018

c: J. O'Neil, Unit Chair
E. Lucci, Business Rep., IBEW Local 636 Unit #40
T. Pitts, Business Rep., IBEW Local 636 Unit #40

Re: Potential Merger Update

To our valued employees:

I am pleased to provide this update to you on the status of the potential merger between Veridian Corporation ("Veridian") and Whitby Hydro Energy Corporation ("Whitby Hydro").

Following a thorough evaluation and review process, both the Veridian and Whitby Hydro corporate boards have agreed that a merger would provide benefits to our customers and shareholders, and are recommending shareholders approve the proposed merger.

Veridian and Whitby Hydro will now seek approval of the municipal councils in the coming months, after which – subject to the municipal shareholder approvals – an application will be submitted to the Ontario Energy Board for regulatory review and approval. We anticipate completing the transaction by late 2018 or early 2019. The combined utility company would service more than 162,000 residential and business customers and would become the fourth largest municipally owned electric utility in Ontario.

Our core focus remains unchanged. We are working to create an entity with local ownership that preserves local focus and input, and is responsive to the changing needs of our customers.

As this process continues and more information is available, we will update our microsite (http://learnmore.veridian.on.ca) and provide additional update memos to keep you informed.

As always, thank you for your support as we work to create a stronger company together.

Sincerely,

M. C. Angemeer

Michael Angemeer
President & CEO