

THE SECURITIES ACT

)

Order No. 3746

)

Section 20(1)

)

May 8, 2002

**AECON GROUP INC.**

**WHEREAS:**

(A) Application has been made by Aecon Group Inc. (the "Applicant") to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of *The Securities Act*, R.S.M. 1988, c. S50 (as amended) (the "Act") that certain trades in Special Warrants of the Applicant (the "Special Warrants") shall be exempt from sections 6 and 37 of the Act.

(B) It has been represented to the Commission by the Applicant that:

- 1 The Applicant (formerly Armbro Enterprises Inc.) was continued under the *Canada Business Corporations Act* by certificate of continuance on May 16, 1978. The Applicant's registered head office is located at 3660 Midland Avenue, Toronto, Ontario, M1V 4V3.
2. The Applicant is an international construction and infrastructure development company.
3. The authorized share capital of the Applicant consists of an unlimited number of common shares ("Common Shares"). As at May 2, 2002, the issued and outstanding share capital of the Applicant consisted of 18,739,482 Common Shares. The Common Shares are listed and posted for trading on the Toronto Stock Exchange.
4. The Applicant is a reporting issuer or the equivalent in Alberta, Ontario and Quebec.
5. The Applicant will offer the Special Warrants in Manitoba and certain other Provinces in Canada (the "Selling Jurisdictions") pursuant to exemptions from the registration and prospectus requirements contained in the securities legislation of each of the Selling Jurisdictions. Each purchaser of Special Warrants (a "Purchaser") will complete a subscription agreement (a "Subscription Agreement") which set out the terms and conditions of the Special Warrants. Each Special Warrant, upon exercise, entitles a holder, subject to adjustment, to one Common Share of the Applicant (the "Underlying Common Shares").
6. The Special Warrants will be issued pursuant to, and the exercise thereof shall be governed by, the provisions of a Special Warrant Indenture (the "Special Warrant Indenture") between the Corporation and Computershare Trust Company of Canada (the "Special Warrant Agent").

7. The Applicant intends to file a prospectus (the "Prospectus") with the Commission and in each of the other Selling Jurisdictions in order to qualify the Underlying Common Shares for primary distribution to the public in each of the Selling Jurisdictions.

8. The Special Warrants will be exercisable by the holder thereof by surrendering the Special Warrants to the Special Warrant Agent at any time until 5:00 p.m. (Toronto time) on the date (the "Expiry Date") which is the earlier of: (a) the fifth (5<sup>th</sup>) business day after the day upon which a receipt has been issued by the securities regulatory authority in each Selling Jurisdiction for the Prospectus (such date being called the "Qualification Date"); and (b) the date which is 4 months from the date of the closing of the Offering.

9. Any Special Warrants not exercised prior to 5:00 p.m. (Toronto time) on the Expiry Date shall be deemed to have been exercised immediately prior to such time without any further action being taken by the Special Warrant Agent or the holder of such Special Warrants (the "Automatic Conversion").

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

**IT IS ORDERED:**

1. **THAT**, pursuant to section 20(1) of the Act all trades in connection with the Automatic Conversion shall be exempt from sections 6 and 37 of the Act provided that no commission or other remuneration is paid or given to any person in respect of such trades except for ministerial or professional services or for services performed by a person or company registered for trading in securities under the Act.

2. **THAT** the fee for this order shall be \$1,000.00.

**BY ORDER OF THE COMMISSION**

**Deputy Director – Legal**