



## SHAREHOLDER IMPACT - TELUS ACQUISITION OF CLEARNET

(All dollar amounts in Canadian Dollars unless otherwise specified)

The following, by way of examples, show Clearnet shareholders how the acquisition affected your shareholdings. The Offers were as follows:

- 1) Cdn\$70.00 in cash for each Class A Non-Voting Share, Class C Subordinate Voting Share or Class D Subordinate Voting Share or Cdn\$0.70 in cash for each Class B Share;
- 2) 1.636 TELUS Non-Voting Shares for each Class A Non-Voting Share, Class C Subordinate Voting Share or Class D Subordinate Voting Share or 0.01636 TELUS Non-Voting Share for each Class B Share; or
- 3) a combination of the foregoing;

**subject to proration** and to 50% of the total consideration for the Offers being satisfied by the payment of cash and 50% of the total consideration for the Offers being satisfied by the issue of TELUS Non-Voting Shares.

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### OCTOBER 20, 2000 TAKE UP DATE (ORIGINAL OFFER)

**Overall Proration Factor:** 68.9557%. This factor will be applied to the cash portion of all cash, or cash and share combination elections.

**Fractional Share Payout:** \$37.3103

Example: if you had 100 Clearnet shares and elected as follows, this is what you would receive:

Election chosen	Calculation	Consideration received
100 shares for cash	<ul style="list-style-type: none"> <li>❖ Cash: 100 Clearnet shares x 68.9557% proration factor = 68.9557 shares x \$70 = \$4,826.90</li> <li>❖ Shares: 100 Clearnet shares – 68.9557 shares paid in cash = 31.0443 shares x 1.636 exchange ratio = 50.788475 TELUS Non-Voting Shares</li> <li>❖ Fractional Share: 0.788475 share valued at \$37.3103* per share = \$29.42 cash</li> </ul>	<ul style="list-style-type: none"> <li>❖ TELUS Non-Voting share certificate for 50 shares</li> <li>❖ Cheque for \$4,856.32 (\$4,826.90 + \$29.42)</li> </ul>
100 shares for TELUS Non-Voting Shares	<ul style="list-style-type: none"> <li>❖ Shares: 100 shares x 1.636 exchange ratio = 163.6 shares</li> <li>❖ Fractional Share: 0.6 share valued at \$37.3103* per share = \$22.39 cash</li> </ul>	<ul style="list-style-type: none"> <li>❖ TELUS Non-Voting share certificate for 163 shares</li> <li>❖ Cheque for \$22.39</li> </ul>
Combination: 50 shares for cash and 50 shares for TELUS Non-Voting Shares	<p><b>Cash portion:</b></p> <ul style="list-style-type: none"> <li>❖ 50 Clearnet shares x 68.9557% proration factor = 34.47785 shares x \$70 = \$2,413.45</li> <li>❖ 50 Clearnet shares – cash portion of 34.47785 shares = 15.52215 shares x 1.636 exchange ratio = 25.394237 TELUS Non-Voting Shares</li> <li>❖ Fractional share 0.394237 share valued at \$37.3103* per share = \$14.71</li> </ul>	<ul style="list-style-type: none"> <li>❖ TELUS Non-Voting share certificate for 25 shares</li> <li>❖ Cheque for \$2,428.16 (\$2,413.45 + \$14.71)</li> </ul>
	<p><b>Share portion:</b></p> <ul style="list-style-type: none"> <li>❖ 50 Clearnet shares x 1.636 exchange ratio = 81.8 TELUS Non-Voting Shares</li> <li>❖ Fraction share 0.8 share valued at \$37.3103* per share = \$29.85 cash</li> </ul>	

\* the simple average of the weighted average trading price from October 11 to October 17 on the Toronto Stock Exchange

**Fair Market Value of TELUS Non-Voting Shares:** \$38.70 – for cost basis purposes at the time of sale (Oct 20/00). For additional information on income tax considerations for both Canada and United States, please see the Offers to Purchase Circular, pages 55-61.

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**JANUARY 12, 2001 TAKE UP DATE (COMPULSORY ACQUISITION)**

**Overall Proration Factor:** 67.5335% - applied to the cash portion of all cash, or cash and share combination elections.

**Fractional Share Payout:** \$38.1725

Example: if you had 100 Clearnet shares and elected as follows, this is what you would receive:

<b>Election chosen</b>	<b>Calculation</b>	<b>Consideration received</b>
100 shares for cash	<ul style="list-style-type: none"> <li>❖ Cash: 100 Clearnet shares x 67.5335% proration factor = 67.5335 shares x \$70 = \$4,727.35</li> <li>❖ Shares: 100 Clearnet shares – 67.5335 shares paid in cash = 32.4665 shares x 1.636 exchange ratio = 53.115194 TELUS Non-Voting Shares</li> <li>❖ Fractional Share: 0.115194 share valued at \$38.1725* per share = \$4.40 cash</li> </ul>	<ul style="list-style-type: none"> <li>❖ TELUS Non-Voting share certificate for 53 shares</li> <li>❖ Cheque for \$4,731.75 (\$4,727.35 + \$4.40)</li> </ul>
100 shares for TELUS Non-Voting Shares	<ul style="list-style-type: none"> <li>❖ Shares: 100 shares x 1.636 exchange ratio = 163.6 shares</li> <li>❖ Fractional Share: 0.6 share valued at \$38.1725* per share = \$22.90 cash</li> </ul>	<ul style="list-style-type: none"> <li>❖ TELUS Non-Voting share certificate for 163 shares</li> <li>❖ Cheque for \$22.90</li> </ul>
Combination: 50 shares for cash and 50 shares for TELUS Non-Voting Shares	<p><b>Cash portion:</b></p> <ul style="list-style-type: none"> <li>❖ 50 Clearnet shares x 67.5335% proration factor = 33.76675 shares x \$70 = \$2,363.67</li> <li>❖ 50 Clearnet shares – cash portion of 33.76675 shares = 16.23325 shares x 1.636 exchange ratio = 26.557597 TELUS Non-Voting Shares</li> <li>❖ Fractional share 0.557597 share valued at \$38.1725* per share = \$21.28</li> </ul>	<ul style="list-style-type: none"> <li>❖ TELUS Non-Voting share certificate for 26 shares</li> <li>❖ Cheque for \$2,384.95 (\$2,363.67 + \$21.28)</li> </ul>
	<p><b>Share portion:</b></p> <ul style="list-style-type: none"> <li>❖ 50 Clearnet shares x 1.636 exchange ratio = 81.8 TELUS Non-Voting Shares</li> <li>❖ Fraction share 0.8 share valued at \$38.1725* per share = \$30.54 cash</li> </ul>	

\* the simple average of the weighted average trading price from January 3 to January 9 on the Toronto Stock Exchange

**Fair Market Value of TELUS Non-Voting Shares:** \$38.05 – for cost basis purposes at the time of sale (Jan 12/01). For additional information on income tax considerations for both Canada and United States, please see the Offers to Purchase Circular, pages 55-61.

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**OTHER DATES**

**Overall Proration Factor:** 50% cash and 50% TELUS Non-Voting Shares

If you did not tender your shares under either of the above offering dates, your share certificate(s) were cancelled on January 12, 2001, pending the deposit of your share certificate to the Transfer Agent, Computershare (formerly Montreal Trust). Since the remaining shares will be deposited from time to time, there is no pooling of preferences possible, hence each deposit will receive the original offer of 50% cash and 50% TELUS Non-Voting Shares.

**Fractional Payout:** \$38.1725

Example: if you had 100 Clearnet shares you would receive:

<b>Calculation</b>	<b>Consideration received</b>
❖ Cash: 100 Clearnet shares x 50% proration factor = 50 shares x \$70 = \$3,500.00	❖ TELUS Non-Voting share certificate for 81 shares
❖ Shares: 100 Clearnet shares x 50% proration factor = 50 shares x 1.636 exchange ratio = 81.8 TELUS Non-Voting Shares	❖ Cheque for \$3,530.54 (\$3,500.00 + \$30.54)
❖ Fractional Share: 0.8 share valued at \$38.1725* per share = \$30.54 cash	

\* the simple average of the weighted average trading price from January 3 to January 9 on the Toronto Stock Exchange

**Fair Market Value of TELUS Non-Voting Shares:** \$38.05 – for cost basis purposes at the time of sale (Jan 12/01). For additional information on income tax considerations for both Canada and United States, please see the Offers to Purchase Circular, pages 55-61:

[http://www.telus.com/clearnet/pdfs/telus\\_offer\\_purchase.pdf](http://www.telus.com/clearnet/pdfs/telus_offer_purchase.pdf)