

BC Ferries Announces Commencement of Consent and Proxy Solicitation and Issues Notice of Bondholder Meeting

For Immediate Release

2025-01-06

VICTORIA, BC - British Columbia Ferry Services Inc. ("BC Ferries") announced today it has called a meeting of the holders ("Bondholders") of all its outstanding bonds (the "Bonds") issued under the master trust indenture dated May 19, 2004 (the "MTI"), and it has also commenced a solicitation of written consents and proxies to approve an amendment to the MTI (the "Consent and Proxy Solicitation").

The proposed amendment pertains to section 6.5 of the MTI, which sets out the requirements that must be satisfied in order for BC Ferries to incur additional indebtedness. BC Ferries is seeking the amendment so that it may incur additional indebtedness to fund its proposed capital program, in pursuit and in support of its stated reliability, capacity and environmental sustainability objectives. The proposed amendment also more closely aligns the requirements to incur additional indebtedness provision in the MTI to comparable provisions in the indentures of similar infrastructure issuers in the Canadian market.

The proposed amendments are described in more detail in the Consent Solicitation Statement dated January 6, 2025, a copy of which can be obtained electronically via the contacts below and which will be emailed to all Bondholders. Bondholders are urged to read and carefully consider the information contained in the Consent Solicitation Statement.

Series of obligation bonds which are subject to the Consent and Proxy Solicitation:

Description	ISIN	CUSIP	Notional Outstanding
6.250% due October 13, 2034	CA110574AC43	110574AC4	250,000,000
5.021% due March 20, 2037	CA110574AD26	110574AD2	250,000,000
5.581% due January 11, 2038	CA110574AF73	110574AF7	200,000,000
4.702% due October 23, 2043	CA110574AH30	110574AH3	200,000,000
4.289% due April 28, 2044	CA110574AJ95	110574AJ9	200,000,000
2.794% due October 15, 2049	CA110574AK68	110574AK6	250,000,000
2.474% due March 27, 2049	CA110574AL42	110574AL4	75,000,000

Pledged bonds held by BC Ferries' lender syndicate, hedge providers and other lenders will also be subject to the Consent and Proxy Solicitation.

The deadline for the written consents is 2:00 p.m. Pacific Standard Time or 5:00 p.m. Eastern Standard Time on January 17, 2025 (the "Consent Deadline").

The deadline for deposit of proxies is 10:00 a.m. Pacific Standard Time, or 1:00pm Eastern Standard Time on January 23, 2025 (the "Proxy Deadline").

Notification

If 66 2/3% of the aggregate principal amount of the Bonds deliver valid consents in favour of the proposed amendment by the Consent Deadline, the meeting of Bondholders scheduled for 10:00 a.m. Pacific Standard Time on January 27, 2025, to be held in Victoria, British Columbia will be cancelled.

The record date for determining the Bondholders entitled to vote in the Consent and Proxy Solicitation has been set as 2:00 p.m. Pacific Standard Time or 5:00 p.m. Eastern Standard Time on December 30, 2024. Obligation Bondholders as of the record date entitled to vote in the Consent and Proxy Solicitation shall have one vote for every \$1,000 of bonds held. Pledged Bondholders as of the record date entitled to vote in the Consent and Proxy Solicitation shall have one vote for every \$1,000 of principal outstanding.

If the proposed amendment to the MTI is approved via written consent or at the Bondholder Meeting, BC Ferries will pay a consent fee to all Bondholders that have validly provided their written consent and proxy by the Consent Deadline as more fully described in the Consent Solicitation Statement. No consent fee will be payable to Bondholders unless the proposed amendments are approved. BC Ferries retains the right to waive or modify the terms and conditions of the Consent and Proxy Solicitation at its sole discretion.

BC Ferries has retained RBC Dominion Securities Inc. ("RBC") as Solicitation Agent and Computershare Trust Company or Canada as Tabulation Agent in connection with the Consent and Proxy Solicitation. Questions concerning the meeting and Consent and Proxy Solicitation, or requests for assistance with participating in the meetings or the Consent and Proxy Solicitation should be directed to RBC by telephone at (416) 842-6311 or toll-free at 1 (877) 381-2099 or by email at liability.management@rbccm.com.

All figures in Canadian Dollars.

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