



WHISTLER BLACKCOMB

WHISTLER BLACKCOMB HOLDINGS INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

and

MANAGEMENT INFORMATION CIRCULAR

Meeting to be held on October 5, 2016

VOTE YOUR SHARES TODAY

If you have questions or require assistance with voting, you may contact our proxy solicitation agent:

LAUREL HILL ADVISORY GROUP

North American Toll-Free Number: 1-877-452-7184

Collect Calls Outside North America: 416-304-0211

Email: assistance@laurelhill.com

WHISTLER BLACKCOMB HOLDINGS INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held October 5, 2016

NOTICE IS HEREBY GIVEN that, pursuant to an order of the Supreme Court of British Columbia (the “**Court**”) dated August 31, 2016 (the “**Interim Order**”), a special meeting (the “**Shareholder Meeting**”) of holders (“**Whistler Shareholders**”) of common shares (“**Whistler Shares**”) of Whistler Blackcomb Holdings Inc. (“**Whistler**”) will be held at the Fairmont Waterfront, Cheakamus Room, 900 Canada Place Way, Vancouver, British Columbia, Canada, V6C 3L5 on Wednesday, October 5, 2016 at 1:00 p.m. (Vancouver time), for the following purposes:

1. to consider and, if thought advisable, to pass a special resolution (the “**Arrangement Resolution**”), the full text of which is set forth in Appendix B to the accompanying management information circular (the “**Circular**”), approving an arrangement (the “**Arrangement**”) pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving, among other things, the acquisition by 1068877 B.C. Ltd. (“**Exchangeco**”), a wholly-owned subsidiary of Vail Resorts, Inc. (“**Vail Resorts**”), of all of the outstanding Whistler Shares, all as more particularly described in the Circular, which resolution, to be effective, must be passed by an affirmative vote of at least two-thirds of the votes cast at the Shareholder Meeting in person or by proxy by Whistler Shareholders; and
2. to transact such further and other business as may properly be brought before the Shareholder Meeting or any postponement or adjournment thereof.

Specific details of the matters proposed to be put before the Shareholder Meeting are set forth in the Circular which accompanies this Notice of Meeting. A copy of the arrangement agreement dated August 5, 2016 between Whistler, Vail Resorts and Exchangeco is available for inspection by Whistler Shareholders on SEDAR at www.sedar.com under Whistler’s SEDAR profile and at Whistler’s records office at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2 during statutory business hours until the date of the Shareholder Meeting.

The record date for determining the Whistler Shareholders entitled to receive notice of and vote at the Shareholder Meeting is the close of business on Monday, August 29, 2016 (the “**Record Date**”). Only Whistler Shareholders whose names have been entered in the register of Whistler Shareholders as of the close of business on the Record Date are entitled to receive notice of and to vote at the Shareholder Meeting.

Whether or not you are able to attend the Shareholder Meeting in person, you are encouraged to provide voting instructions in accordance with the instructions on the enclosed form of proxy or voting instruction form provided to you by your broker, investment dealer or other intermediary as soon as possible. To be included at the Shareholder Meeting, your voting instructions must be received by Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, in the enclosed envelope, by mail or by hand delivery, by 1:00 p.m. (Vancouver time) on Monday, October 3, 2016 (or if the Shareholder Meeting is postponed or adjourned, at least 48 hours (excluding non-business days) prior to the date of the postponed or adjourned Shareholder Meeting). Please note, if you received a voting instruction form, you hold your shares through a broker, investment dealer or other intermediary and consequently must provide your instructions to your broker, investment dealer or other intermediary as specified in the voting instruction form and by the deadline set out therein (which may be an earlier time than set out above). Whistler reserves the right to accept late proxies and to waive the proxy cut-off, with or without notice, but is under no obligation to accept or reject any particular late proxy.

Whistler Shareholders who are planning to return the form of proxy or voting instruction form are encouraged to review the Circular carefully before submitting such form.

Pursuant to the Interim Order, registered Whistler Shareholders have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of their Whistler Shares in accordance with the provisions of Sections 237 to 247 of the BCBCA, as modified by the Interim Order and the plan of arrangement (“**Plan of Arrangement**”). In accordance with the Interim Order, 50% of any such payment of fair value will be satisfied in cash and the remaining 50% will be satisfied in shares of Vail Resorts common stock (“**Vail Shares**”) with the value of such Vail Shares being based on the Canadian dollar equivalent (using the

USD/CAD noon exchange rate posted by the Bank of Canada on the last trading day preceding the day that the Arrangement Resolution is passed) of the volume weighted average price of the Vail Shares on the New York Stock Exchange for the five trading days preceding the day that the Arrangement Resolution is passed. A registered Whistler Shareholder wishing to exercise rights of dissent with respect to the Arrangement must send to Whistler a written objection to the Arrangement Resolution, which written objection must be received by Whistler at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2, Attention: Thierry Keable, General Counsel and Corporate Secretary with a copy to Farris, Vaughan, Wills & Murphy LLP at 2500-700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3, Attention: Teresa Tomchak, not later than 4:00 p.m. (Vancouver time) two Business Days (as defined in the Circular) immediately preceding the date of the Shareholder Meeting, and must otherwise strictly comply with the dissent procedures prescribed by the BCBCA, as modified by the Interim Order and the Plan of Arrangement. A Whistler Shareholder's right to dissent is more particularly described in the Circular under the heading "Rights of Dissenting Whistler Shareholders". Copies of the Plan of Arrangement, the Interim Order and the text of Sections 237 to 247 of the BCBCA are set forth in Appendix A, Appendix C and Appendix G respectively, to the Circular.

Persons who are beneficial owners of Whistler Shares registered in the name of a broker, investment dealer, custodian, nominee or other intermediary who wish to dissent should be aware that only registered Whistler Shareholders are entitled to dissent. Accordingly, a beneficial owner of Whistler Shares desiring to exercise this right must make arrangements for the Whistler Shares beneficially owned by such Whistler Shareholder to be registered in the Whistler Shareholder's name prior to the time the written objection to the Arrangement Resolution is required to be received by Whistler or, alternatively, make arrangements for the registered holder of such Whistler Shares to dissent on the Whistler Shareholder's behalf.

Failure to strictly comply with the requirements set forth in Sections 237 to 247 of the BCBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent.

It is strongly suggested that any Whistler Shareholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the BCBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of such Whistler Shareholder's right to dissent.

If you have any questions, please contact Laurel Hill, our proxy solicitation agent, by telephone at 1-877-452-7184 toll-free in North America or at 416-304-0211 for collect calls outside of North America or by email at assistance@laurelhill.com.

DATED at Whistler, British Columbia this 31st day of August, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Graham Savage"

Graham Savage

Chairman of the Board of Directors

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MANAGEMENT INFORMATION CIRCULAR

This management information circular (this “Circular”) is furnished in connection with the solicitation of proxies by management of Whistler Blackcomb Holdings Inc. (“Whistler”) for use at the special meeting of Whistler Shareholders (the “Shareholder Meeting”) to be held at the date, time and place and for the purposes set forth in the attached Notice of Meeting.

NOTICE REGARDING INFORMATION

NO CANADIAN SECURITIES REGULATORY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MANAGEMENT INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Whistler has not authorized any Person to give any information or to make any representation in connection with the Arrangement or any other matters to be considered at the Shareholder Meeting other than those contained in this Circular. If any such information or representation is given or made, such information or representation should not be relied upon as having been authorized or as being accurate. For greater certainty, to the extent that any information provided on Whistler’s website or by Whistler’s proxy solicitation agent is inconsistent with this Circular, the information provided in this Circular should be relied upon.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Whistler Shareholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own legal, tax, financial or other professional advisors.

The information concerning Vail Resorts and Exchangeco incorporated by reference or contained in this Circular has been publicly filed or provided by Vail Resorts. Although Whistler has no knowledge that would indicate that any statements contained herein taken from or based upon such documents, records or sources are untrue or incomplete, Whistler does not assume any responsibility for the accuracy or completeness of the information taken from or based upon such documents, records or sources, or for any failure by Vail Resorts, any of its affiliates or any of their respective representatives to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Whistler. In accordance with the Arrangement Agreement, Vail Resorts provided Whistler with all necessary information concerning Vail Resorts and Exchangeco that is required by law to be included in this Circular and ensured that such information does not contain any misrepresentations (as such term is defined in the Arrangement Agreement).

All summaries of, and references to, the Arrangement Agreement and the Plan of Arrangement in this Circular are qualified in their entirety by, in the case of the Arrangement Agreement, the complete text of the Arrangement Agreement, a copy of which is available on SEDAR at www.sedar.com, and in the case of the Plan of Arrangement, the complete text of the Plan of Arrangement, a copy of which is attached at Appendix A to this Circular. Whistler Shareholders are urged to read carefully the full text of the Plan of Arrangement and the Arrangement Agreement.

This Circular is dated August 31, 2016. Information contained in this Circular is given as of August 31, 2016, unless otherwise specifically stated and except for information contained in documents incorporated by reference herein, which is given as at the respective dates stated in such documents.

DEFINED TERMS

This Circular contains defined terms. For a glossary of defined terms used herein, see Appendix I to this Circular.

REPORTING CURRENCY AND FINANCIAL INFORMATION

Except as otherwise indicated in this Circular, references to “dollars” and “\$” are to the currency of Canada.

All financial statements and financial data derived therefrom included or incorporated by reference in this Circular pertaining to Whistler have been prepared in accordance with IFRS as issued by the International Accounting Standards Board, and are audited in accordance with Canadian generally accepted auditing standards and all financial statements and financial data derived therefrom included or incorporated by reference in this Circular pertaining to Vail Resorts, including the unaudited *pro forma* condensed combined financial statements of Vail Resorts, have been prepared and presented in accordance with U.S. GAAP. Accordingly, the presentation of the consolidated financial statements of Vail Resorts and the unaudited *pro forma* condensed combined financial statements of Vail Resorts may vary in a material way from financial statements prepared in accordance with IFRS. Management has reviewed the consolidated financial statements of Vail Resorts and the unaudited *pro forma* condensed combined financial statements of Vail Resorts included in this Circular and has determined that there are material U.S. GAAP to IFRS measurement differences applicable to such financial statements. For further details, see the notes to the unaudited *pro forma* condensed combined financial statements of Vail Resorts set out in Appendix H to this Circular.

Pro forma financial information included in this Circular is for informational purposes only and is unaudited. All unaudited *pro forma* financial information contained in this Circular has been derived from underlying financial statements prepared and adjusted in accordance with U.S. GAAP to illustrate the effect of the Arrangement. The *pro forma* financial information set forth in this Circular should not be considered to be what the actual financial position or other results of operations would have necessarily been had Vail Resorts and Whistler operated as a single combined company as, at, or for the periods stated.

EXCHANGE RATE INFORMATION

The following table sets forth, for the periods indicated, the high, low, average and period-end noon rates of exchange for US\$1.00, expressed in Canadian Dollars, posted by the Bank of Canada:

	Year Ended December 31		
	2015	2014	2013
	(\$)	(\$)	(\$)
Highest rate during the period	1.3990	1.1643	1.0697
Lowest rate during the period	1.1728	1.0614	0.9839
Average rate for the period	1.2787	1.1045	1.0299
Rate at the end of the period	1.3840	1.1601	1.0636

On August 30, 2016, the noon rate of exchange posted by the Bank of Canada for conversion of U.S. Dollars into Canadian Dollars was US\$1.00 equals \$1.3076.

Unless otherwise indicated, in this Circular, references to U.S. dollars when discussing the aggregate cash and share components of the Consideration are based upon the noon rates of exchange posted by the Bank of Canada for August 30, 2016.

FORWARD-LOOKING STATEMENTS

Certain statements in this Circular, including the documents incorporated by reference herein, are forward-looking statements. Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future, and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Whistler, Vail Resorts or the Combined Company. Forward-looking statements are typically identified by words such as “expect”, “anticipate”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “strive”, “will”, “may” and “should” and similar expressions. Forward-looking statements reflect current estimates, beliefs and assumptions, which are based on Vail Resorts’ and Whistler’s

perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Vail Resorts' and Whistler's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Vail Resorts and Whistler can give no assurance that such estimates, beliefs and assumptions will prove to be correct. In particular, certain statements included in the sections entitled "The Arrangement — Reasons for the Recommendations" and "Information Related to the Combined Company" are forward-looking statements.

This Circular, including the documents incorporated by reference herein, contains forward-looking statements concerning:

- expectations regarding whether the Arrangement will be consummated, including whether conditions to the consummation of the Arrangement will be satisfied, or the anticipated timing for the closing of the Arrangement;
- expectations regarding receipt of all necessary approvals and the expiration of relevant waiting periods;
- the anticipated value of the Consideration to be received by the Whistler Shareholders, which may fluctuate in value due to trading prices of the Vail Shares forming part of the Consideration;
- the number of Vail Shares or Exchangeable Shares issuable to Whistler Shareholders, which may be determined based on the U.S. dollar/Canadian dollar exchange rate on the day that is three Business Days preceding the Election Deadline;
- expectations regarding Whistler's ability to successfully renew the Development Agreements and master plans in a timely manner and on commercially reasonable terms;
- expectations that the Arrangement would allow the Combined Company to benefit from significant geographic diversification and economies of scale and to provide Whistler with increased marketing exposure and guest relationships;
- expectations for the effects of the Arrangement or the Combined Company's financial position, cash flow and growth prospects;
- anticipated tax treatment of the Arrangement for Whistler Shareholders; and
- anticipated future results and financial information relating to the Combined Company.

Certain material factors or assumptions are applied in making forward-looking statements. With respect to the Arrangement and this Circular, the expectations and assumptions expressed or implied in the forward-looking statements, include, but are not limited to the ability of the parties to receive, in a timely manner and on satisfactory terms, Whistler Shareholder Approval, Regulatory Approvals and stock exchange and Court approvals for the Arrangement, the ability of the parties to satisfy, in a timely manner, the conditions to the closing of the Arrangement and other expectations and assumptions concerning the Arrangement and expectations and assumptions concerning availability of capital resources, guest visitation patterns, ski visitations and non-ski visitations mix, Whistler's ability to successfully renew the Development Agreements and master plans in a timely manner and on commercially reasonable terms, economic and financial conditions, Whistler's ability to develop new facilities and activities and the performance of such facilities and activities.

The forward-looking statements contained in this Circular, including documents incorporated by reference herein, are subject to inherent risks and uncertainties and other factors which could cause actual results to differ materially from those anticipated by the forward-looking statements. The factors which could cause results to differ from current expectations include, but are not limited to:

- there can be no assurance that the Arrangement will occur or that the anticipated strategic benefits and operational, competitive and cost synergies will be realized;
- the Arrangement is subject to various regulatory approvals, including approvals under the Investment Canada Act and the Competition Act, and the fulfillment of certain conditions, and there can be no assurance that any such approvals will be obtained and/or any such conditions will be met. The Arrangement could be modified, restructured or terminated by each of Whistler and Vail Resorts in certain circumstances, and as such, the market price of Whistler Shares or the business and operations of Whistler may be materially adversely affected;
- the exchange ratio is fixed, subject to the Exchange Rate Adjustment and there can be no assurance that the market value of the Vail Shares and/or Exchangeable Shares that the holders of Whistler Shares may receive

on the Effective Date will equal or exceed the market value of the Whistler Shares held by such Whistler Shareholders prior to the Effective Date;

- changes in tax laws, regulations or future assessments;
- failure to realize anticipated results, including revenue growth, anticipated cost savings or operating efficiencies from the Combined Company's major initiatives, including those from restructuring; and
- assumptions and estimates required for the preparation of the *pro forma* financial statements may be materially different from the Combined Company's actual results and experience in the future.

The foregoing risks or other risks arising in connection with the failure of the Arrangement, including the diversion of management attention from conducting the business of Whistler, may have a material adverse effect on Whistler's business operations, financial results and share price.

Readers are cautioned that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to Vail Resorts and Whistler or that Vail Resorts and Whistler presently believe are not material could also cause actual results or events to differ materially from those expressed in the forward-looking statements contained herein.

Additional information on these and other factors that could affect the operations or financial results of Vail Resorts, Whistler or the Combined Company are included in reports filed by Vail Resorts and Whistler with applicable securities regulatory authorities and may be accessed through the SEC's website (www.sec.gov) and the SEDAR website (www.sedar.com), respectively. These risks and other factors are also discussed in more detail in this Circular under "Risks Factors", "Information Relating to Whistler — Risk Factors", "Information Relating to Vail Resorts — Risk Factors" and "Information Relating to the Combined Company". Readers are encouraged to read such sections in detail.

The forward-looking statements contained in this Circular, including the documents incorporated by reference herein, are expressly qualified in their entirety by this cautionary statement. Whistler and Vail Resorts cannot guarantee that the results or events expressed or implied in any forward-looking statement and information will materialize, and accordingly, readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Vail Resorts' and Whistler's expectations only as of the date of this Circular (or in the case of forward-looking statements in a document incorporated by reference herein, as of the date indicated in such document). Vail Resorts and Whistler disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

NOTICE TO WHISTLER SHAREHOLDERS IN THE UNITED STATES

THE VAIL SHARES AND THE EXCHANGEABLE SHARES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY IN ANY STATE IN THE UNITED STATES, NOR HAVE THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE IN THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The Vail Shares and the Exchangeable Shares to be issued under the Arrangement will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. Such securities will be issued in reliance upon the exemption from registration provided by section 3(a)(10) of the U.S. Securities Act on the basis of the approval of the Court, which will consider, among other things, the fairness of the Arrangement to the persons affected. See "The Arrangement — Court Approval". The Vail Shares and the Exchangeable Shares to be issued under the Arrangement will not be subject to resale restrictions under the U.S. Securities Act, except for restrictions imposed by the U.S. Securities Act on the resale of Vail Shares or Exchangeable Shares received pursuant to the Arrangement by persons who are, or within three months before the resale were, "affiliates" of Vail Resorts or Exchangeco. See "Regulatory Matters – U.S. Securities Law Matters".

Whistler Shareholders who are citizens or residents of the United States should be aware that the Arrangement described herein may have both U.S. and Canadian tax consequences to them which may not be fully described in this Circular. For a general discussion of the Canadian and U.S. federal income tax consequences to investors who are resident in the United States, see "Certain Canadian Federal Income Tax Considerations — Holders Not Resident in

Canada” and “Certain U.S. Federal Income Tax Considerations”. U.S. holders are urged to consult their own tax advisors with respect to such U.S. and Canadian income tax consequences and the applicability of any federal, state, local, foreign and other tax laws.

Whistler is a “foreign private issuer” within the meaning of Rule 3b-4 of the U.S. Exchange Act, and this solicitation of proxies is not subject to the proxy requirements of section 14(a) of the U.S. Exchange Act. Accordingly, the solicitation of proxies contemplated herein is made in accordance with Canadian corporate and securities laws, and this Circular has been prepared in accordance with the disclosure requirements of Canadian securities laws. Whistler Shareholders located or resident in the United States should be aware that, in general, such Canadian disclosure requirements are different from those applicable to proxy statements, prospectuses or registration statements prepared in accordance with U.S. laws. The financial statements of Whistler incorporated by reference herein have been prepared in accordance with IFRS and have been subject to Canadian generally accepted auditing standards. Accordingly, the financial statements of Whistler may not be comparable to financial statements prepared in accordance with U.S. GAAP. The principal differences between IFRS and U.S. GAAP as they apply to Whistler are summarized in the notes to the unaudited *pro forma* condensed combined financial statements of Vail Resorts that give effect to the Arrangement, which are set forth in Appendix H to this Circular.

The enforcement by investors of civil liabilities under U.S. Securities Laws may be affected adversely by the fact that Whistler and Exchangeco are organized under the laws of a jurisdiction outside the United States, that their officers and directors include residents of countries other than the United States, that some or all of the experts named in this Circular may be residents of countries other than the United States, or that all or a substantial portion of the assets of Whistler, Exchangeco and such persons are located outside the United States. As a result, it may be difficult or impossible for shareholders in the United States to effect service of process within the United States on Whistler, Exchangeco or such persons, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the securities laws of the United States. In addition, the shareholders in the United States should not assume that the courts of Canada: (a) would enforce judgments of U.S. courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States.

SUMMARY

The following is a summary of certain information contained elsewhere in, or incorporated by reference into, this Circular, including the Appendices hereto. Certain capitalized terms used in this summary are defined in the Glossary of Defined Terms found in Appendix I of this Circular. This summary is qualified in its entirety by the more detailed information appearing elsewhere, or incorporated by reference, in this Circular.

Purpose of the Shareholder Meeting

The purpose of the Shareholder Meeting is for Whistler Shareholders to consider and, if thought advisable, approve, with or without variation, the Arrangement Resolution with respect to the Arrangement pursuant to the BCBCA involving, among other things, the acquisition by Exchangeco, a wholly-owned subsidiary of Vail Resorts, of all of the outstanding Whistler Shares (other than those held by Vail Resorts, Exchangeco or any of their respective affiliates) pursuant to the Arrangement Agreement.

Date, Time and Place

The Shareholder Meeting will be held at the Fairmont Waterfront, Cheakamus Room, 900 Canada Place Way, Vancouver, British Columbia, Canada, V6C 3L5 on Wednesday, October 5, 2016 at 1:00 p.m. (Vancouver time).

Record Date

The record date for determining the Whistler Shareholders entitled to receive notice of and to vote at the Shareholder Meeting is Monday, August 29, 2016. Only Whistler Shareholders of record as of the close of business (Vancouver time) on the Record Date are entitled to receive notice of and to vote at the Shareholder Meeting.

Background to the Arrangement

On August 5, 2016, Whistler and Vail Resorts entered into the Arrangement Agreement, which sets out the terms and conditions for implementing the Arrangement. The Arrangement Agreement is the result of extensive arm's length negotiations conducted since March 2015 among representatives of Whistler and Vail Resorts and their respective legal and financial advisors.

See "The Arrangement – Background to the Arrangement".

Whistler Shareholder Approval

The Whistler Board recommends that Whistler Shareholders vote FOR the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of at least two-thirds of the votes cast on the Arrangement Resolution by Whistler Shareholders, present in person or represented by proxy at the Shareholder Meeting.

See "The Arrangement — Whistler Shareholder Approval".

Effects of the Arrangement

If the Arrangement Resolution is passed and all other conditions to closing of the Arrangement are satisfied, Vail Resorts will acquire, through its wholly-owned subsidiary, Exchangeco, all of the issued and outstanding Whistler Shares.

Under the Arrangement and subject to the following paragraph, each Whistler Shareholder (other than Vail Resorts, Exchangeco, and their respective affiliates and Dissenting Holders) will receive, for each Whistler Share held, \$17.50 in cash and 0.0998 Vail Shares. The share component of the Consideration is subject to a currency adjustment if the Canadian dollar is above or below US\$0.7765 six Business Days before the closing of the Arrangement. Based upon exchange rates as of August 30, 2016, Whistler Shareholders would receive, for each Whistler Share held, \$17.50 per share in cash and 0.0983 Vail Shares.

A Whistler Shareholder who is an Eligible Holder will have the opportunity (i) to elect to receive, for each Whistler Share, the share component of the Consideration in the form of Exchangeable Shares, and (ii) where such Whistler Shareholder has validly elected to receive Exchangeable Shares as the share component of the Consideration, to make a valid joint tax election with Exchangeco to obtain a full or partial Canadian tax deferral of any capital gain that would otherwise arise on an exchange of their Whistler Shares.

See “The Arrangement — Description of the Arrangement”, “The Arrangement — Election and Exchange Procedure” and “Certain Canadian Federal Income Tax Considerations”.

Whistler

Whistler is a company continued into British Columbia and existing under the BCBCA with its principal business office located in Whistler, British Columbia. Whistler is a four season mountain resort that features two adjacent and integrated mountains, Whistler Mountain and Blackcomb Mountain, with 200 marked runs, over 8,000 acres of skiable terrain, 14 alpine bowls and three glaciers and is located adjacent to Whistler Village.

See “Information Relating to Whistler”.

Vail Resorts

Vail Resorts, Inc., a U.S. corporation organized under the laws of the State of Delaware was organized as a holding company in 1997 and is headquartered in Broomfield, Colorado. Vail Resorts’ operations are grouped into three business segments: Mountain, Lodging and Real Estate, which represented approximately 79%, 18% and 3%, respectively, of Vail Resorts’ net revenue for the fiscal year ended July 31, 2015.

Vail Resorts’ Mountain segment operates nine mountain resorts: Vail Mountain, Beaver Creek, Breckenridge and Keystone in Colorado; Heavenly, Northstar and Kirkwood in the Lake Tahoe area of California and Nevada; Park City in Utah; and Perisher in New South Wales, Australia. Vail Resorts also operates three urban ski areas: Afton Alps in Minnesota, Mt. Brighton in Michigan and Wilmot in Wisconsin. Vail Resorts’ mountain segment also includes lift tickets, ski and snowboard school, dining and retail/rental businesses.

Vail Resorts’ Lodging segment owns and/or manages a portfolio of luxury hotels under the RockResorts brand, a number of hotels and condominiums located in proximity to its mountain resorts, certain National Park Service concessionaire properties, including Grand Teton Lodge Company, a Colorado resort ground transportation company and several mountain resort golf courses.

Vail Resorts’ Real Estate segment owns, develops and sells real estate in and around its resort communities.

See “Information Relating to Vail Resorts”.

Exchangeco

Exchangeco is a company incorporated under the BCBCA on March 17, 2016. Exchangeco currently has no material assets other than 170,900 Whistler Shares, and to date, Exchangeco has not carried on any business other than the acquisition of such Whistler Shares, and otherwise except in accordance with its role as a party to the Arrangement Agreement. Exchangeco is a wholly-owned Subsidiary of Vail Resorts.

See “Information Relating to Exchangeco”.

Recommendation of the Special Committee

The Whistler Board established the Special Committee comprised of certain independent directors to review, consider and evaluate the terms of strategic alternatives proposed to Whistler and other alternatives and to make recommendations to the Whistler Board with respect thereto.

The Special Committee, having undertaken a thorough review of, and having carefully considered, information concerning Whistler, Vail Resorts and the Arrangement, and after consulting with Greenhill, Farris and Osler, has

unanimously determined that the Arrangement is in the best interests of Whistler and is fair. **Accordingly, the Special Committee unanimously resolved to recommend to the Whistler Board that the Whistler Board approve the Arrangement and make a recommendation to Whistler Shareholders to vote in favour of the Arrangement Resolution.**

See “The Arrangement – Recommendation of the Special Committee”.

Recommendation of the Whistler Board

After careful consideration, and following the unanimous recommendation of the Special Committee, the Whistler Board unanimously determined that the Arrangement is in the best interests of Whistler and is fair. **The Whistler Board unanimously recommends that Whistler Shareholders vote FOR the Arrangement Resolution.**

See “The Arrangement – Recommendation of the Whistler Board”.

Reasons for the Recommendations

In making their respective recommendations, the Special Committee and the Whistler Board consulted with Whistler’s management, Greenhill, Osler and Farris, reviewed a significant amount of information and considered a number of factors, including those listed below.

- **Premium to Whistler Shareholders.** The Arrangement values the equity of Whistler at \$36.00 per Whistler Share (based on the closing price of the Vail Shares and currency exchange rates on August 5, 2016). This represents a premium of approximately 42.6% over Whistler’s 30-day volume-weighted average trading price through August 5, 2016, the last trading day prior to the public announcement by Whistler and Vail Resorts of the Arrangement. In addition, based on the closing price of the Vail Shares and currency exchange rates on August 30, 2016, the Arrangement values each Whistler Share at \$37.91, representing a premium of approximately 53.9% over Whistler’s 30-day volume-weighted average trading price through August 5, 2016.
- **Diversification.** The broader ski industry faces unique challenges due to the unpredictability of year-to-year regional weather patterns. Whistler, with its substantial acreage of high alpine terrain and glacier bowls, is well positioned, but by no means immune to these challenges. Partnering with the geographically diversified Vail Resorts and extending Vail Resorts’ Epic Pass products to Whistler are customer-focused ways of securing the long-term future of Whistler.
- **Investment in the resort experience.** Vail Resorts provides significant financial strength to Whistler, has a track record of successful acquisitions and has agreed to invest substantially in Whistler’s mountain infrastructure and growth plans, including continuing to build community and stakeholder support for the recently announced Renaissance Project, a transformational investment which will diversify the local tourism economy by providing new four-season, weather-independent activities. Being a part of the Combined Company will also provide Whistler with increased marketing exposure and guest relationships.
- **Support for Renewal of Development Agreements.** Vail Resorts recognizes that Whistler Blackcomb is in the Squamish and Lil’wat First Nations’ traditional territories and has agreed to support and continue the ongoing efforts to negotiate the renewal of the Development Agreements with anticipated significant long-term benefits to the Squamish and Lil’wat First Nations, the Province of British Columbia, the Resort Municipality of Whistler and to the Combined Company.
- **Local leadership.** Whistler will continue to have principally local Canadian leadership, with critical day-to-day mountain operations residing at the resort, including ongoing primary responsibility for relationships with the local community, governments and First Nations. Mr. Brownlie will continue leading Whistler as the resort’s chief operating officer and will become a member of the senior leadership team of Vail Resorts’ mountain division, bringing both stability and years of experience to the Combined Company.

- **Maintain local employment.** Vail Resorts intends to retain the vast majority of Whistler employees, while only impacting a few select areas where there may be duplication in corporate functions. This transaction will not change the day-to-day operations at the resort, community engagement or the input of local management in shaping Whistler's future.
- **Common values on community and environmental sustainability.** Consistent with Vail Resorts' core values, Whistler will continue its community involvement through the Whistler Blackcomb Foundation as well as its significant environmental and sustainability commitments. Vail Resorts also will support Whistler's continued engagement with organizations such as Tourism Whistler, Destination BC, Canada West Ski Areas Association, and the Whistler Chamber of Commerce.
- **Review of Alternatives.** The Special Committee and the Whistler Board, with the assistance of Greenhill, considered the identity and potential strategic interest of other industry and financial counterparties for a potential transaction with Whistler and determined that it was unlikely any of those parties would make an acquisition proposal that was superior to the proposed transaction with Vail Resorts. The Special Committee and the Whistler Board also considered Whistler's standalone business strategy and the potential acquisition of a number of mountain resorts and concluded that the proposed transaction with Vail Resorts provided greater value to Whistler Shareholders.
- **Advice from Greenhill.** Based upon and subject to the limitations and assumptions stated in the Greenhill Fairness Opinion and such other matters as Greenhill considered relevant, Greenhill was of the opinion that, as of the date of such opinion, the consideration to be received by Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement was fair, from a financial point of view, to such holders. See "The Arrangement — Greenhill Fairness Opinion" and Appendix E to this Circular "Greenhill Fairness Opinion".
- **Support and Voting Agreements.** The Supporting Shareholders, who include Whistler's largest shareholder and who together hold or exercise control and direction over approximately 25% of the outstanding Whistler Shares, entered into the Support and Voting Agreements pursuant to which the Supporting Shareholders agreed, among other things, to vote the subject securities in favour of the Arrangement Resolution. The Support and Voting Agreements will terminate if the Arrangement Agreement is terminated, including if the Arrangement Agreement is terminated by Whistler to enter into a binding written agreement with respect to a Superior Proposal. See "The Arrangement — Support and Voting Agreements".
- **Participation by Whistler Shareholders in Future Growth.** Whistler Shareholders who receive Vail Shares or Exchangeable Shares pursuant to the Arrangement will have the opportunity to participate in any future increase in value of the Combined Company. The Combined Company is expected to benefit from significant geographic diversification and economies of scale. On completion of the Arrangement, Whistler Shareholders will own approximately 10% of the common shares of the Combined Company.
- **Tax Deferred Rollover.** Whistler Shareholders who are Eligible Holders will have the opportunity to elect to receive consideration that includes Exchangeable Shares and to make a valid tax election with Exchangeco to defer all or part of the Canadian income tax on any capital gain that would otherwise arise on an exchange of their Whistler Shares.

The Special Committee's and the Whistler Board's reasons contain forward-looking information, and are subject to various risks and assumptions. See "Forward-Looking Statements".

In making their respective determinations and recommendations, the Special Committee and the Whistler Board also observed that a number of procedural safeguards were and are present to permit the Special Committee and the Whistler Board to effectively represent the interests of Whistler, the securityholders of Whistler and Whistler's other stakeholders, including, among others:

- **Role of the Special Committee.** The evaluation and negotiation process was supervised by the Special Committee, comprised of certain independent directors of the Whistler Board who have no financial interest in the Arrangement that is different from that of the Whistler Shareholders. The Special Committee met

regularly with Whistler's advisors and management and retained its own independent legal and financial advisors.

- **Ability to Respond to Superior Proposals.** Notwithstanding the limitations contained in the Arrangement Agreement on Whistler's ability to solicit interest from third parties, the Arrangement Agreement allows the Whistler Board to engage in discussions or negotiations with respect to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Whistler Shareholders and after the Whistler Board determines, in good faith after consultation with its outside financial and legal advisors, that such Acquisition Proposal could reasonably be expected to lead to a Superior Proposal. See "The Arrangement Agreement — Covenants — Whistler Non-Solicitation".
- **Shareholder and Court Approvals.** The Arrangement is subject to the following securityholder and Court approvals, which protect securityholders of Whistler:
 - The Arrangement Resolution must be approved by the affirmative vote of 66⅔% of the votes cast on the Arrangement Resolution by Whistler Shareholders present in person or represented by proxy at the Shareholder Meeting.
 - The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to securityholders of Whistler.
- **Dissent Rights.** The availability of rights of dissent to registered Whistler Shareholders with respect to the Arrangement.

The Special Committee and the Whistler Board also considered a number of uncertainties, risks and other potential negative factors associated with the transaction, including the following:

- **Non-Completion.** The risks and costs to Whistler if the Arrangement is not completed, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and stakeholder relationships.
- **Conduct of Business Restrictions.** The restrictions on the conduct of Whistler's business prior to the completion of the Arrangement, requiring Whistler to conduct its business in the ordinary course, subject to specific exceptions, which may delay or prevent Whistler from undertaking business opportunities that may arise pending completion of the Arrangement.
- **Vail Termination Fee.** The potential payment of the Vail Termination Fee, being \$60 million, may not be sufficient to adequately compensate Whistler in the event of, *inter alia*, a failure to obtain the Investment Canada Act Approval.
- **Whistler Termination Fee.** The potential payment of the Whistler Termination Fee, being \$45 million, by Whistler under certain circumstances specified in the Arrangement Agreement, and that such Whistler Termination Fee may act as deterrent to the emergence of a Superior Proposal.
- **Fees and Expenses.** The fees and expenses associated with the Arrangement, a significant portion of which will be incurred regardless of whether the Arrangement is consummated.
- **Other Risks.** The other risks associated with the Arrangement and the business of Whistler, Vail Resorts and the Combined Company described under "Information Relating to Whistler - Risk Factors", "Information Relating to Vail Resorts – Risk Factors" and "Risk Factors".

Greenhill Fairness Opinion

Greenhill was engaged by the Special Committee pursuant to an engagement letter dated September 11, 2015 as its financial advisor in connection with the review of expressions of interest and, more generally, exploring strategic alternatives for Whistler, including with respect to the Arrangement, and, if appropriate, providing an opinion as to

the fairness, from a financial point of view, of the financial consideration to be received in respect of any such transaction. Greenhill delivered its opinion to the Special Committee to the effect that, based upon and subject to the limitations and assumptions stated in the Greenhill Fairness Opinion and such other matters as Greenhill considered relevant, Greenhill was of the opinion that, as of the date of such opinion, the Consideration to be received by Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement was fair, from a financial point of view, to such holders.

This summary of the Greenhill Fairness Opinion is qualified in its entirety by reference to the full text of the Greenhill Fairness Opinion. A copy of the Greenhill Fairness Opinion, which sets forth the assumptions made, general procedures followed, matters considered and limitations on the review undertaken by Greenhill, is attached as Appendix E to this Circular.

See “The Arrangement – Greenhill Fairness Opinion”.

Letter of Transmittal and Election Form

A Letter of Transmittal and Election Form has been mailed, together with this Circular, to each person who was a registered holder of Whistler Shares on the Record Date. Each registered Whistler Shareholder must forward a properly completed and signed Letter of Transmittal and Election Form, with accompanying Whistler Share certificate(s) and all other required documents, in order to receive the Consideration to which such Whistler Shareholder is entitled under the Arrangement. It is recommended that Whistler Shareholders complete, sign and return the Letter of Transmittal and Election Form with accompanying Whistler Share certificate(s) to the Depositary as soon as possible.

The payments of the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable) to Whistler Shareholders will be denominated in Canadian dollars. However, a Whistler Shareholder can also elect to receive such amounts in U.S. dollars by checking the appropriate box in the Letter of Transmittal and Election Form, in which case such Whistler Shareholder will have acknowledged and agreed that, in respect of the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable), the exchange rate for one Canadian dollar expressed in U.S. dollars will be based on the exchange rate available to the Depositary at its typical banking institution on the date the funds are converted. The Depositary may earn a commercially reasonable spread between the exchange rate used to convert payment amounts and the rate used by any counterparty from which it may purchase any elected currency.

Any Letter of Transmittal and Election Form, once deposited with the Depositary, shall be irrevocable and may not be withdrawn by a Whistler Shareholder except that all Letters of Transmittal and Election Forms will be automatically revoked if the Depositary is notified in writing by Whistler, Vail Resorts and Exchangeco that the Arrangement Agreement has been terminated. If a Letter of Transmittal and Election Form is automatically revoked, the certificate(s) for the Whistler Shares received with the Letter of Transmittal and Election Form will be promptly returned to the Whistler Shareholder submitting the same to the address specified in the Letter of Transmittal and Election Form.

See “The Arrangement — Letter of Transmittal and Election Form”.

Election Procedure

Each registered Eligible Holder will have the right to elect in the Letter of Transmittal and Election Form to receive the form of Consideration set out below. Each Whistler Shareholder who is not an Eligible Holder will not have the right to make an election. Each Whistler Shareholder who is not an Eligible Holder will receive at the Effective Time of the Arrangement, for each Whistler Share, such fraction of a Vail Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash.

Eligible Holders whose Whistler Shares are registered in the name of an Intermediary should contact that Intermediary for instructions and assistance in delivery of the share certificate(s) representing those Whistler Shares and making, if applicable, an election with respect to the form of the share component of the Consideration they wish to receive.

If you are a registered Eligible Holder, to make a valid election as to the form of the share component of the Consideration that you wish to receive under the Arrangement, you must sign and return the Letter of Transmittal and Election Form and make a proper election thereunder and return it with accompanying Whistler Share certificate(s) to the Depositary prior to the Election Deadline, being 2:00 p.m. (Vancouver time) on the Business Day which is three (3) Business Days preceding the Effective Date. Whistler shall provide at least two (2) Business Days' notice of the Election Deadline to Whistler Shareholders by means of a news release.

Only Eligible Holders may elect to receive, for each Whistler Share, such fraction of an Exchangeable Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash. **Whistler Shareholders who are Eligible Holders wishing to jointly file a section 85 election under the Tax Act (in order to obtain a full or partial tax deferral in respect of the transfer of their Whistler Shares) must elect to receive Exchangeable Shares as part of the Consideration in respect of such transfer. See “– Tax Elections” and “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada”.**

An election will have been properly made by registered Eligible Holders only if the Depositary has received, by the Election Deadline, a Letter of Transmittal and Election Form properly completed and signed and accompanied by the certificate(s) for the Whistler Shares to which the Letter of Transmittal and Election Form relates, properly endorsed or otherwise in proper form for transfer, together with all other required documents.

The determination of Whistler, Vail Resorts and Exchangeco as to whether elections have been properly made and when elections were received by the Depositary will be binding. **ELIGIBLE HOLDERS WHO DO NOT MAKE AN ELECTION PRIOR TO THE ELECTION DEADLINE, OR FOR WHOM WHISTLER, VAIL RESORTS AND EXCHANGE CO DETERMINE THAT THEIR ELECTION WAS NOT PROPERLY MADE WITH RESPECT TO ANY WHISTLER SHARES, WILL BE DEEMED TO HAVE ELECTED TO RECEIVE, FOR EACH WHISTLER SHARE, SUCH FRACTION OF A VAIL SHARE AS IS EQUAL TO THE PRODUCT, ROUNDED TO SIX DECIMAL PLACES, OF 0.0998 MULTIPLIED BY THE EXCHANGE RATE ADJUSTMENT, AND \$17.50 IN CASH.** The Depositary may, with the agreement of Whistler, Vail Resorts and Exchangeco, make such rules as are consistent with the Arrangement for the implementation of the elections contemplated by the Arrangement and as are necessary or desirable to fully effect such elections.

See “The Arrangement — Election and Exchange Procedure”.

No Fractional Shares and Rounding of Cash Consideration

In no event shall any Whistler Shareholder be entitled to a fractional Vail Share or a fractional Exchangeable Share. Where the aggregate number of Vail Shares or Exchangeable Shares, to be issued to a Whistler Shareholder as Consideration under the Arrangement would result in a fraction of a Vail Share or an Exchangeable Share, being issuable, the number of Vail Shares or Exchangeable Shares, as the case may be, to be received by such Whistler Shareholder shall be rounded down to the nearest whole Vail Share or Exchangeable Share, as the case may be. In lieu of any such fractional Vail Share or Exchangeable Share such Whistler Shareholder will be entitled to receive a cash payment equal to such fractional interest multiplied by the Vail Reference Price (as defined in the Plan of Arrangement), rounded down to the nearest cent.

In any case where the aggregate cash consideration payable to a particular Whistler Shareholder under the Arrangement would, otherwise include a fraction of a cent, the Consideration payable shall be rounded down to the nearest cent.

See “The Arrangement – Election and Exchange Procedure – No Fractional Shares and Rounding of Cash Consideration”.

The Arrangement Agreement

The Arrangement Agreement provides for the Arrangement and matters related thereto. Under the Arrangement Agreement, Whistler has agreed to, among other things, call the Shareholder Meeting to seek the approval of Whistler Shareholders for the Arrangement Resolution and, if approved, apply to the Court for the Final Order. The following is a summary of certain terms of the Arrangement Agreement and is qualified

in its entirety by the full text of the Arrangement Agreement, a copy of which is available on SEDAR at www.sedar.com under Whistler's SEDAR profile.

See "The Arrangement Agreement".

Covenants, Representations and Warranties

The Arrangement Agreement contains customary covenants and representations and warranties for an agreement of this type, which are summarized in this Circular.

See "The Arrangement Agreement — Covenants" and "The Arrangement Agreement — Representations and Warranties".

Conditions to the Arrangement

The obligations of Whistler, Vail Resorts and Exchangeco to complete the Arrangement are subject to the satisfaction or waiver of certain conditions set out in the Arrangement Agreement which are summarized in this Circular. These conditions include the receipt of Whistler Shareholder Approval, receipt of the Final Order, Regulatory Approvals and the absence of a Whistler Material Adverse Effect with respect to Whistler or a Vail Material Adverse Effect with respect to Vail Resorts. The closing of the Arrangement is not subject to a financing condition of Vail Resorts.

See "The Arrangement Agreement — Conditions Precedent to the Arrangement".

Non-Solicitation Provisions

Whistler is subject to restrictions on its ability to solicit proposals from third parties with respect to Acquisition Proposals, to provide non-public information to, or to participate or engage in discussions or negotiations with third parties or take certain other actions regarding any Acquisition Proposal, with customary exceptions for unsolicited Acquisition Proposals that the Whistler Board determines in good faith are, or could reasonably be expected to lead to, a Superior Proposal.

See "The Arrangement Agreement — Covenants — Whistler Non-Solicitation".

Termination of the Arrangement Agreement

The Arrangement Agreement contains certain termination rights, including, among others, (a) the right of either Whistler or Vail Resorts to terminate the Arrangement Agreement if the Whistler Shareholders fail to approve the Arrangement, (b) the right of either Whistler or Vail Resorts to terminate the Arrangement Agreement if the Arrangement is not completed on or prior to the Outside Date, subject to certain conditions, (c) the right of either Whistler or Vail Resorts to terminate the Arrangement Agreement if there is a final and non-appealable law or order that makes consummation of the Arrangement illegal or otherwise prohibits Whistler or Vail Resorts from consummating the Arrangement, subject to certain conditions, (d) the right of Vail Resorts to terminate the Arrangement Agreement if the Whistler Board fails to recommend or changes its recommendation in favour of the Arrangement or accepts an Acquisition Proposal, subject to certain conditions, or breach by Whistler of its non-solicitation covenants under the Arrangement Agreement, (e) the right of Whistler to terminate the Arrangement Agreement if it wishes to enter into an agreement providing for a Superior Proposal, provided that such termination right expires after receipt of Whistler Shareholder Approval, and (f) the right of either Whistler or Vail Resorts to terminate the Arrangement Agreement due to a material breach by the other party of its representations, warranties or covenants contained in the Arrangement Agreement or the occurrence of a material adverse effect with respect to the other party, in each case, subject to certain conditions.

See "The Arrangement Agreement — Termination of the Arrangement Agreement".

Whistler Termination Fee

Whistler must pay the Whistler Termination Fee of \$45 million to Vail Resorts in certain circumstances, including in the event that the Arrangement Agreement is terminated (a) by Vail Resorts because the Whistler Board or any

committee of the Whistler Board has changed its recommendation in favor of the Arrangement, subject to certain conditions, (b) by Whistler to enter into an agreement providing for a Superior Proposal, or (c) by either Whistler or Vail Resorts because the Arrangement is not completed by the Outside Date or Whistler Shareholder Approval is not obtained, or by Vail Resorts due to a material breach by Whistler of its representations, warranties or covenants as described above, in each case of this clause (c), if (i) prior to such termination, a bona fide Acquisition Proposal was made for Whistler and (ii) prior to the 12-month anniversary of the termination of the Arrangement Agreement, Whistler or its subsidiaries enters into a definitive agreement in respect of an Acquisition Proposal, and such Acquisition Proposal is subsequently consummated or an Acquisition Proposal has been consummated (provided that the term “Acquisition Proposal” in this paragraph has the meaning given to such term in this Circular except that a reference to “20 per cent” should instead refer to “50 per cent”).

See “The Arrangement Agreement — Whistler Termination Fee”.

Vail Termination Fee

Vail Resorts must pay the Vail Termination Fee of \$60 million to Whistler in the event that, *inter alia*, the Arrangement Agreement is terminated by Whistler or Vail Resorts because the Arrangement is not completed by the Outside Date due to the failure to obtain Investment Canada Act Approval, subject to certain conditions.

See “The Arrangement Agreement — Vail Termination Fee”.

Procedure for the Arrangement to Become Effective

The Arrangement will be implemented by way of a Court approved Plan of Arrangement under Division 5 of Part 9 of the BCBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

- the Arrangement must be approved by the Whistler Shareholders in the manner set forth in the Interim Order; and
- the Court must grant the Final Order approving the Arrangement;

In addition the Arrangement will only become effective if all other conditions precedent to the Arrangement set out in the Arrangement Agreement, including approvals under the Investment Canada Act and the Competition Act, have been satisfied or waived by the appropriate party. For a description of the other conditions precedent see “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

See “The Arrangement – Procedure for the Arrangement to Become Effective”.

Court Approval

The Arrangement requires approval by the Court under Division 5 of Part 9 of the BCBCA. Prior to the mailing of this Circular, Whistler obtained the Interim Order providing for the calling and holding of the Shareholder Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached hereto as Appendix C. A copy of the notice of hearing of petition in respect of the hearing of Whistler’s application for the Final Order is attached hereto as Appendix D.

Subject to the approval of the Arrangement Resolution by Whistler Shareholders at the Shareholder Meeting, the hearing of Whistler’s application for the Final Order is scheduled to take place on October 7, 2016 at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Any Whistler Shareholder or holder of Whistler Options, Whistler RSUs or Whistler Performance Awards who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a Response to Petition and satisfy the other requirements of the Court, as directed in the Interim Order appended hereto as Appendix C and as the Court may direct in the future. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those persons having previously served a Response to Petition in compliance with the Interim Order will be given notice of the new date. Participation in the hearing of Whistler’s

application for the Final Order, including who may participate and present evidence or argument and the procedure for doing so, is subject to the terms of the Interim Order and any subsequent direction of the Court.

At the hearing, the Court will consider, among other things, the fairness and reasonableness of the Arrangement and the rights of every person affected. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. If the Court approves the Arrangement with amendments, depending on the nature of the amendments, Whistler, Vail Resorts and Exchangeco may agree not to complete the transaction contemplated by the Arrangement Agreement.

See “The Arrangement – Court Approval”.

Treatment of Outstanding Whistler Equity-Based Compensation

All outstanding Whistler Options, Whistler RSUs and Whistler Performance Awards issued under the Whistler Omnibus Incentive Plan will vest at the Effective Time and holders thereof will receive Whistler Shares in exchange for them, in each case, on the terms set in this Circular. The Whistler Shares will then be acquired by Vail Resorts under the Arrangement. See also “The Arrangement – Description of the Arrangement”.

All holders of Whistler Options, Whistler RSUs and Whistler Performance Awards have given their irrevocable consent, in writing, to the treatment of such securities as contemplated in the Plan of Arrangement.

See “The Arrangement – Treatment of Outstanding Whistler Equity-Based Compensation”.

Dissent Rights

Under the Interim Order, registered holders of Whistler Shares are entitled to Dissent Rights only if they follow the procedures specified in the BCBCA, as modified by the Interim Order and the Plan of Arrangement. Persons who are beneficial owners of Whistler Shares registered in the name of an Intermediary who wish to dissent should be aware that only registered Whistler Shareholders are entitled to Dissent Rights. Accordingly, a beneficial owner of Whistler Shares desiring to exercise this right must make arrangements for the Whistler Shares beneficially owned by such Whistler Shareholder to be registered in the Whistler Shareholder’s name prior to the time the written objection to the Arrangement Resolution is required to be received by Whistler or, alternatively, make arrangements for the registered holder of such Whistler Shares to dissent on the Whistler Shareholder’s behalf.

If you wish to exercise Dissent Rights, you should review the requirements summarized in this Circular carefully and consult with your legal advisor. See “Rights of Dissenting Whistler Shareholders” and Appendix G of this Circular.

Stock Exchange Listing and Reporting Issuer Status

The Vail Shares currently trade on the NYSE under the symbol “MTN”. Vail Resorts will apply to list the Vail Shares issuable under the Arrangement on the NYSE and it is a condition of closing that Vail Resorts will have obtained approval for this listing (subject to customary conditions).

Vail Resorts and Exchangeco intend to apply to list the Exchangeable Shares on the TSX and it is a condition to closing that Exchangeco will have obtained approval for the listing (subject to customary conditions). TSX listing of the Exchangeable Shares will be subject to Exchangeco fulfilling all of the requirements of the TSX, including the distribution of the Exchangeable Shares to a minimum number of public shareholders.

If the Arrangement is completed, Vail Resorts and Exchangeco intend to have the Whistler Shares delisted from the TSX. In addition, it is expected that Whistler will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Upon completion of the Arrangement, Vail Resorts and Exchangeco will each become a reporting issuer in all of the provinces and territories of Canada by virtue of the completion of the Arrangement with Whistler. Each of Vail Resorts and Exchangeco will be exempted from Canadian statutory financial and other continuous and timely reporting

requirements. See “Regulatory Matters – Stock Exchange Listings and Approvals” and “Regulatory Matters – Canadian Securities Law Matters”.

Certain Canadian Federal Income Tax Considerations

Whistler Shareholders should read carefully the information in the Circular under “Certain Canadian Federal Income Tax Considerations” which qualifies the information set out below and should consult their own tax advisors.

Whistler Shareholders who are residents of Canada for purposes of the Tax Act (including Eligible Holders that do not make a valid tax election as discussed below) will generally realize a taxable disposition of their Whistler Shares under the Arrangement.

Whistler Shareholders who are Eligible Holders may elect to receive Consideration that includes Exchangeable Shares. Such an Eligible Holder who elects to receive Exchangeable Shares and makes a valid tax election with Exchangeco may generally defer all or part of the Canadian income tax on any capital gain that would otherwise arise on the exchange of such holder’s Whistler Shares under the Arrangement.

Whistler Shareholders who are not residents of Canada for purposes of the Tax Act and that do not hold their Whistler Shares as “taxable Canadian property” will generally not be subject to tax under the Tax Act on the disposition of their Whistler Shares under the Arrangement.

Certain U.S. Federal Income Tax Considerations

The exchange of Whistler Shares for cash and Vail Shares pursuant to the Arrangement is expected to be a taxable transaction to U.S. Holders of Whistler Shares for U.S. federal income tax purposes.

A Non-U.S. Holder of Whistler Shares generally will not be subject to U.S. federal income tax in respect of the exchange of Whistler Shares for cash and Vail Shares or Exchangeable Shares unless (i) the gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business, or, if required by an applicable tax treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder, in the United States or (ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met, unless an applicable income tax treaty provides otherwise.

See “Certain U.S. Federal Income Tax Considerations” for a general summary of certain U.S. federal income tax considerations relevant to Whistler Shareholders.

Risk Factors

There are a number of risk factors relating to the Arrangement, the business of Whistler, the business of Vail Resorts, the business of the Combined Company, the Vail Shares and the Exchangeable Shares, all of which should be carefully considered by Whistler Shareholders.

See “Risk Factors – Risks Related to the Arrangement”, “Information Relating to Whistler – Risk Factors”, “Information Relating to Vail Resorts – Risk Factors”, “Risk Factors – Risks Related to the Combined Company” and “Risk Factors – Risks Related to the Exchangeable Shares”.

United States Securities Law Matters

Exemptions from U.S. Registration

The Vail Shares and Exchangeable Shares issuable in connection with the Arrangement will be issued in reliance upon the exemption from registration provided by section 3(a)(10) of the U.S. Securities Act and exemptions provided under the securities laws of each state of the United States in which Whistler Shareholders reside. Section 3(a)(10) of the U.S. Securities Act exempts from registration a security that is issued in exchange for outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by Law to grant such approval. The Final Order will,

if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Vail Shares and Exchangeable Shares issued in connection with the Arrangement. Prior to the hearing of the Final Order, the Court will be advised that the Vail Shares and Exchangeable Shares will be issued in reliance upon the section 3(a)(10) exemption.

Resale of Vail Shares and Exchangeable Shares in the United States

Whistler Shareholders who are not “affiliates” of Vail Resorts, and have not been affiliates of Vail Resorts within 90 days of the date of the proposed resale, may resell Vail Shares and Exchangeable Shares issued to them upon closing of the Arrangement in the United States without restriction under the U.S. Securities Act. As defined in Rule 144 under the U.S. Securities Act, an “affiliate” of an issuer is a person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Typically, persons who are officers, directors or 10% or greater shareholders of an issuer are considered to be its “affiliates”.

Whistler Shareholders who are affiliates of Vail Resorts after the Arrangement would not be able to resell their Vail Shares or Exchangeable Shares that they receive in connection with the Arrangement in the absence of registration under the U.S. Securities Act. However, Rule 144 under the U.S. Securities Act provides a safe harbour such that any affiliates that sell Vail Shares or Exchangeable Shares in compliance with Rule 144 would not need to register such sales.

Registration of Vail Shares issued upon exchange of the Exchangeable Shares

The Vail Shares to be issued upon exchange of the Exchangeable Shares are not covered by the section 3(a)(10) exemption from registration referenced above and are subject to the registration requirements of the U.S. Securities Act. Pursuant to the Exchangeable Share Support Agreement, Vail Resorts has agreed to use its commercially reasonable efforts to file a registration statement on Form S-3 in order to register under the U.S. Securities Act the Vail Shares issued upon exchange of the Exchangeable Shares from time to time after the Effective Time, to cause such registration statement to become effective at or prior to the Effective Time, and to maintain the effectiveness of such registration for the period that the Exchangeable Shares remain outstanding.

The foregoing discussion is only a general overview of the requirements of the U.S. Securities Laws that may be applicable to the resale of Vail Shares or Exchangeable Shares received pursuant to the Arrangement. Recipients of Vail Shares and Exchangeable Shares are urged to obtain legal advice to ensure that their resale of such securities complies with applicable U.S. Securities laws. Further information applicable to U.S. Whistler Shareholders is disclosed in this Circular under “Regulatory Matters – U.S. Securities Law Matters”.

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

Q: What am I voting on?

A: You are being asked to consider and, if thought advisable, approve the Arrangement involving, among other things, the acquisition by Exchangeco, a wholly-owned subsidiary of Vail Resorts, of all of the outstanding Whistler Shares (other than Whistler Shares owned by Vail Resorts, Exchangeco or their respective affiliates) pursuant to the Arrangement Agreement dated August 5, 2016 between Whistler, Vail Resorts and Exchangeco.

Q: Does the Whistler Board support the Arrangement?

A: Yes. The Whistler Board has unanimously determined that the Arrangement is in the best interests of Whistler and recommends that Whistler Shareholders vote FOR the Arrangement Resolution.

In making its recommendation, the Whistler Board considered a number of factors as described in this Circular under “The Arrangement — Reasons for the Recommendations”, including the unanimous recommendation of the Special Committee that was created for the purpose of reviewing, considering and evaluating strategic alternatives proposed to Whistler and other alternatives, and the opinion from Greenhill to the effect that, as of the date of such opinion, based upon and subject to the limitations and assumptions set out therein and such other matters as Greenhill considered relevant, the Consideration to be received by Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement was fair, from a financial point of view, to Whistler Shareholders. See “The Arrangement— Background to the Arrangement” and “The Arrangement – Greenhill Fairness Opinion” and Appendix E to this Circular.

Q: What will I receive for my Whistler Shares under the Arrangement?

A: Under the Arrangement and subject to the following paragraph, each Whistler Shareholder (other than Vail Resorts and its affiliates) will receive, for each Whistler Share held, \$17.50 in cash and 0.0998 Vail Shares. The share component of the Consideration is subject to a currency adjustment if the Canadian dollar is above or below US\$0.7765 six Business Days before the closing of the Arrangement. Based upon the closing price of the Vail Shares and currency exchange rates as of August 30, 2016, Whistler Shareholders would receive, for each Whistler Share held, \$17.50 per share in cash and 0.0983 Vail Shares, which values each Whistler Share at \$37.91 and represents a premium of approximately 53.9% over Whistler’s 30-day volume-weighted average trading price through August 5, 2016, the last trading day prior to the public announcement by Whistler and Vail Resorts of the Arrangement.

A Whistler Shareholder who is an Eligible Holder will have the opportunity (i) to elect to receive, for each Whistler Share, the share component of the Consideration in the form of Exchangeable Shares, and (ii) where such Whistler Shareholder has validly elected to receive Exchangeable Shares as the share component of the Consideration, to make a valid joint tax election with Exchangeco to obtain a full or partial Canadian tax deferral of any capital gain that would otherwise arise on an exchange of their Whistler Shares. See “The Arrangement — Description of the Arrangement”, “The Arrangement — Election and Exchange Procedure” and “Certain Canadian Federal Income Tax Considerations”.

Q: What approvals are required by Whistler Shareholders at the Shareholder Meeting?

A: To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of at least two-thirds of the votes cast on the Arrangement Resolution by Whistler Shareholders, present in person or represented by proxy at the Shareholder Meeting. See “The Arrangement — Whistler Shareholder Approval”.

Q: What other approvals are required for the Arrangement?

A: The Arrangement is subject to approval under the Investment Canada Act and the Competition Act. See “Regulatory Matters — Investment Canada Act Approval” and “Regulatory Matters — Competition Act Approval”.

The Arrangement must also be approved by the Court. The Court will be asked to make an order approving the Arrangement and to determine that the Arrangement is fair and reasonable. Whistler will apply to the Court for this order if the Whistler Shareholders approve the Arrangement at the Shareholder Meeting. See “The Arrangement — Court Approval”.

Q: When will the Arrangement become effective?

A: Subject to obtaining the Court and regulatory approvals described above, as well as the satisfaction of all other conditions precedent, if Whistler Shareholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed in fall 2016.

Q: What will happen to Whistler if the Arrangement is completed?

A: If the Arrangement is completed, Exchangeco will acquire all of the Whistler Shares and Whistler will become a wholly-owned indirect subsidiary of Vail Resorts. Vail Resorts and Exchangeco intend to have the Whistler Shares delisted from the TSX. In addition, it is expected that Whistler will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Q: Are the Vail Shares and Exchangeable Shares listed on a stock exchange?

A: The Vail Shares currently trade on the NYSE under the symbol “MTN”. Vail Resorts will apply to list the Vail Shares issuable under the Arrangement on the NYSE and it is a condition of closing that Vail Resorts will have obtained approval for this listing (subject to customary conditions). Vail Resorts and Exchangeco also intend to apply to list the Exchangeable Shares issuable under the Arrangement on the TSX and it is a condition of closing that Exchangeco will have obtained approval for this listing (subject to customary conditions). The listing of the Exchangeable Shares on the TSX will be subject to Exchangeco fulfilling all of the requirements of the TSX, including the distribution of the Exchangeable Shares to a minimum number of public shareholders. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

Q: How do I elect to receive my Consideration under the Arrangement?

A: Each registered Whistler Shareholder who is an Eligible Holder will have the right to elect to receive his, her or its preferred form of the share component of the Consideration (either Vail Shares or Exchangeable Shares), by delivering his, her or its duly completed Letter of Transmittal and Election Form to the Depositary prior to the Election Deadline, being 2:00 p.m. (Vancouver time) on the Business Day which is three (3) Business Days preceding the Effective Date. Whistler shall provide at least two (2) Business Days’ notice of the Election Deadline to Whistler Shareholders by means of a news release.

Whistler Shareholders whose Whistler Shares are registered in the name of an Intermediary should contact that Intermediary for instructions on making an election with respect to the form of the share component of the Consideration they wish to receive. See “The Arrangement — Election and Exchange Procedure”.

An “Eligible Holder” is a Whistler Shareholder that is (i) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act or (ii) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

Each Whistler Shareholder who is not an Eligible Holder will not have the right to make an election. Each Whistler Shareholder who is not an Eligible Holder will receive at the Effective Time of the Arrangement, for each Whistler Share, such fraction of a Vail Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash.

Q: What happens if I do not make an election in respect of the Consideration I wish to receive under the Arrangement?

A: Eligible Holders of Whistler Shares who do not make an election prior to the Election Deadline, or for whom Whistler, Vail Resorts and Exchangeco determine that their election was not properly made with respect to any Whistler Shares, will be deemed to have elected, in respect of each Whistler Share, to receive \$17.50 in cash and 0.0998 Vail Shares, subject to a currency adjustment. See “The Arrangement — Election and Exchange Procedure”.

Q: What are the Canadian federal income tax consequences of the elections that I make with respect to the Arrangement?

A: Only Eligible Holders may elect to receive Consideration consisting of Exchangeable Shares and cash in connection with the Arrangement. Furthermore, only such an Eligible Holder who validly elects (or for whom the registered holder validly elects) to receive Exchangeable Shares as part of the Consideration, prior to the Election Deadline will also be entitled to make a joint election (with Exchangeco) pursuant to section 85 of the Tax Act with respect to its transfer of its Whistler Shares to Exchangeco and receipt of the Consideration in respect thereof. All other Whistler Shareholders (including Eligible Holders who do not validly elect, prior to the Election Deadline, to receive Exchangeable Shares as part of the Consideration) will receive Consideration consisting of Vail Shares and cash in connection with the Arrangement and will not be entitled to make a joint election pursuant to section 85 of the Tax Act.

Generally, an Eligible Holder who validly makes a joint election under section 85 of the Tax Act may obtain a full or partial tax deferral of any capital gain that would otherwise arise on the exchange of such Eligible Holder’s Whistler Shares. The exchange of Whistler Shares for Consideration consisting of Exchangeable Shares and cash will generally be a taxable event to an Eligible Holder who receives Exchangeable Shares and who does not validly make a joint election under section 85 of the Tax Act. Such Eligible Holder will generally realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of its Whistler Shares (i.e., the fair market value of the Consideration) net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such Eligible Holder of its Whistler Shares. Similarly, the exchange of Whistler Shares for Consideration consisting of Vail Shares and cash will generally be a taxable event to any other Whistler Shareholder who is a resident in Canada for purposes of the Tax Act (including Eligible Holders who do not validly elect to receive Exchangeable Shares as part of the Consideration prior to the Election Deadline). Such a Canadian resident holder will generally realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of its Whistler Shares, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such Canadian resident holder of its Whistler Shares.

The Canadian tax consequences of receiving or holding Exchangeable Shares may differ significantly from the Canadian tax consequences of receiving or holding Vail Shares, depending upon the particular circumstances of an Eligible Holder. Careful consideration should be given by Eligible Holders to the tax consequences in determining whether or not an election should be made to receive Exchangeable Shares in connection with the Arrangement. Furthermore, Eligible Holders wishing to make the section 85 election should consult their own tax advisors. See “Certain Canadian Federal Income Tax Considerations” for further details.

Q: What are the U.S. federal income tax consequences of the Arrangement?

A: For Whistler Shareholders who are U.S. Holders, the exchange of Whistler Shares for cash and Vail Shares is expected to be a taxable transaction for U.S. federal income tax purposes.

Whistler Shareholders who are Non-U.S. Holders generally will not be subject to U.S. federal income tax on the disposition of their Whistler Shares under the Arrangement regardless of whether they receive Exchangeable Shares or Vail Shares in addition to cash unless (i) the gain realized is effectively connected with the conduct by the Non-U.S. Holder of a trade or business, or, if required by an applicable tax treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder, in the United States or (ii) the

Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met, unless an applicable income tax treaty provides otherwise.

See “Certain U.S. Federal Income Tax Considerations” for the definitions of U.S. Holder and Non-U.S. Holder and a general summary of certain U.S. federal income tax consequences relating to the Arrangement.

Q: Are Whistler Shareholders entitled to Dissent Rights?

A: Yes. Under the Interim Order, registered holders of Whistler Shares are entitled to Dissent Rights only if they follow the procedures specified in the BCBCA, as modified by the Interim Order and the Plan of Arrangement. Persons who are beneficial owners of Whistler Shares registered in the name of an Intermediary who wish to dissent should be aware that only registered Whistler Shareholders are entitled to Dissent Rights. Accordingly, a beneficial owner of Whistler Shares desiring to exercise this right must make arrangements for the Whistler Shares beneficially owned by such Whistler Shareholder to be registered in the Whistler Shareholder’s name prior to the time the written objection to the Arrangement Resolution is required to be received by Whistler or, alternatively, make arrangements for the registered holder of such Whistler Shares to dissent on the Whistler Shareholder’s behalf.

If you wish to exercise Dissent Rights, you should review the requirements summarized in this Circular carefully and consult with your legal advisor. See “Rights of Dissenting Whistler Shareholders”.

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. In certain circumstances, Whistler will be required to pay to Vail Resorts a termination payment of \$45 million in connection with such termination, or Vail Resorts will be required to pay to Whistler a termination payment of \$60 million in connection with such termination. If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of Whistler Shares may be materially adversely affected. Whistler’s business, financial condition or results of operations could also be subject to various material adverse consequences, including that Whistler would remain liable for costs relating to the Arrangement. See “The Arrangement Agreement — Termination of the Arrangement Agreement” and “Risk Factors – Risks Related to the Arrangement”.

Q: How do I vote on the Arrangement Resolution?

A: You should carefully read and consider the information contained in this Circular. Registered Whistler Shareholders should then vote by completing the enclosed form of proxy or, alternatively, by telephone, or over the internet, in each case in accordance with the enclosed instructions. A proxy will not be valid for use at the Shareholder Meeting unless the completed form of proxy is deposited at the offices of Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, in the enclosed envelope, by mail or by hand delivery by 1:00 p.m. (Vancouver time) on Monday, October 3, 2016 (or if the Shareholder Meeting is postponed or adjourned, at least 48 hours (excluding non-business days) prior to the date of the postponed or adjourned Shareholder Meeting). Whistler reserves the right to accept late proxies and to waive the proxy cut-off, with or without notice, but is under no obligation to accept or reject any particular late proxy. See “General Information About the Meeting and Voting — Registered Whistler Shareholders”.

If you hold your Whistler Shares through an Intermediary, please follow the instructions on the voting instruction form provided by such Intermediary to ensure that your vote is counted at the Shareholder Meeting and contact your Intermediary for instructions and assistance in delivering the share certificate(s) representing those shares and, if applicable, making an election with respect to the form of Consideration you wish to receive. See “General Information About the Meeting and Voting — Beneficial Whistler Shareholders”.

Q: Should I send in my proxy now?

A: Yes. To ensure your vote is counted, you need to complete and submit the enclosed form of proxy or, if applicable, provide your Intermediary with voting instructions. You are encouraged to vote well in advance of the proxy cut-off at 1:00 p.m. (Vancouver time) on Monday, October 3, 2016 (or if the Shareholder Meeting is postponed or adjourned, at least 48 hours (excluding non-business days) prior to the date of the postponed or adjourned Shareholder Meeting).

Q: Should I send in my Letter of Transmittal and Election Form and Whistler Share certificates now?

A: Yes. It is recommended that all registered holders of Whistler Shares complete, sign and return the Letter of Transmittal and Election Form with accompanying Whistler Share certificate(s) to the Depositary as soon as possible. If you are an Eligible Holder, to make a valid election as to the form of the share component of the Consideration that you wish to receive under the Arrangement, you must sign the Letter of Transmittal and Election Form and make a proper election thereunder and return it with accompanying Whistler Share certificate(s) to the Depositary prior to the Election Deadline, being 2:00 p.m. (Vancouver time) on the Business Day which is three (3) Business Days preceding the Effective Date. Whistler shall provide at least two (2) Business Days' notice of the Election Deadline to Whistler Shareholders by means of a news release. If you fail to make a proper election by the Election Deadline, you will be deemed to have elected to receive, as the share component of the Consideration, Vail Shares in respect of your Whistler Shares. Please be sure to use the Letter of Transmittal and Election Form. See "The Arrangement — Election and Exchange Procedure".

Q: If my Whistler Shares are held by an Intermediary, will they vote my Whistler Shares or make an election for me?

A: An Intermediary will vote the Whistler Shares held by you, or make an election on your behalf, only if you provide instructions to such Intermediary on how to vote or which election to make. If you fail to give proper instructions, those Whistler Shares will not be voted and no election will be made on your behalf. Whistler Shareholders should instruct their Intermediaries to vote their Whistler Shares and make an election on their behalf by following the directions on the voting instruction form provided to them by their Intermediaries. Unless your Intermediary gives you its proxy to vote the Whistler Shares at the Shareholder Meeting, you cannot vote those Whistler Shares owned by you at the Shareholder Meeting. See "General Information About the Meeting and Voting — Beneficial Whistler Shareholders".

An Eligible Holder who fails to make a proper election by the Election Deadline will be deemed to have elected to receive, in respect of each Whistler Share, \$17.50 in cash and 0.0998 Vail Shares, subject to a currency adjustment. Please be sure to use the Letter of Transmittal and Election Form. See "The Arrangement — Election and Exchange Procedure".

Q: When will I receive the Consideration payable to me under the Arrangement for my Whistler Shares?

A: You will receive the Consideration due to you under the Arrangement as soon as practicable after the Arrangement becomes effective and your Letter of Transmittal and Election Form and Whistler Share certificate(s) and all other required documents are properly completed and received by the Depositary. It is anticipated that the Arrangement will be completed in fall 2016 assuming the Arrangement Resolution is approved, all Court and all other approvals have been obtained, and all other conditions of closing have been satisfied or waived. See "The Arrangement — Procedure for the Arrangement to Become Effective".

Q: What happens if I send in my Whistler Share certificate(s) and the Arrangement Resolution is not approved or the Arrangement is not completed?

A: If the Arrangement Resolution is not approved or if the Arrangement is not otherwise completed, your Whistler Share certificate(s) will be returned promptly to you by the Depositary.

Q: Can I revoke my vote after I have voted by proxy?

A: Yes. A Whistler Shareholder executing the enclosed form of proxy has the right to revoke it by providing a new proxy dated as at a later date, provided that the new proxy is received by Computershare Investor Services Inc. before 1:00 p.m. (Vancouver time) on Monday, October 3, 2016 (or if the Shareholder Meeting is postponed or adjourned, at least 48 hours (excluding non-business days) prior the date of the postponed or adjourned Shareholder Meeting). A registered Whistler Shareholder may also revoke any prior proxy without providing new voting instructions by clearly indicating in writing that such Whistler Shareholder wants to revoke his, her or its proxy and delivering this written document to (i) the registered office of Whistler at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2, at any time up to and including the last business day preceding the day of the Shareholder Meeting, or any adjournment of the Shareholder Meeting, or (ii) the Chair of the Shareholder Meeting at the Shareholder Meeting or any postponement or adjournment thereof and prior to the vote in respect of the Arrangement Resolution or in any other way permitted by law.

If you hold your shares through an Intermediary, the methods to revoke your proxy may be different and you should carefully follow the instructions provided to you by your Intermediary. See “General Information About the Meeting and Voting — Revocation of Proxies”.

Q: Who can help answer my questions?

A: If you have any questions about this Circular or the matters described in this Circular, please contact your professional advisor. Whistler Shareholders who would like additional copies, without charge, of this Circular or have additional questions about the procedures for voting Whistler Shares or making an election, should contact their Intermediary or Laurel Hill by email, or at one of the numbers below.

North American Toll-Free Number:	1-877-452-7184
Outside of North America Collect Calls Number:	416-304-0211
By Email:	assistance@laurelhill.com

GENERAL INFORMATION ABOUT THE MEETING AND VOTING

Date, Time and Place

The Shareholder Meeting will be held at the Fairmont Waterfront, Cheakamus Room, 900 Canada Place Way, Vancouver, British Columbia, Canada, V6C 3L5 on Wednesday, October 5, 2016 at 1:00 p.m. (Vancouver time).

Record Date

The record date for determining the Whistler Shareholders entitled to receive notice of and to vote at the Shareholder Meeting is Monday, August 29, 2016. Only Whistler Shareholders of record as of the close of business (Vancouver time) on the Record Date are entitled to receive notice of and to vote at the Shareholder Meeting.

Solicitation of Proxies

This Circular is furnished by management of Whistler in connection with the solicitation of proxies for use at the Shareholder Meeting to be held on Wednesday, October 5, 2016 at 1:00 p.m. (Vancouver time) at the Fairmont Waterfront, Cheakamus Room, 900 Canada Place Way, Vancouver, British Columbia, Canada, V6C 3L5, and at any postponements or adjournments of the Shareholder Meeting.

The solicitation of proxies by this Circular is being made by or on behalf of management of Whistler. It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited by telephone, over the internet, in writing or in person. In addition, Whistler has retained the services of Laurel Hill to solicit proxies for a fee of approximately \$45,000, and Whistler has also agreed to reimburse out-of-pocket expenses of Laurel Hill and to indemnify it against certain liabilities arising out of or in connection with such engagement. The cost of the solicitation will be borne by Whistler.

Quorum

The quorum for the Shareholder Meeting is two or more shareholders or proxyholders holding or representing not less than 25% of the Whistler Shares entitled to be voted at the Shareholder Meeting.

Persons Entitled to Vote

Only registered Whistler Shareholders are entitled to vote at the Shareholder Meeting. Each registered Whistler Shareholder has one vote for each Whistler Share held at the close of business on the Record Date. As of the Record Date, there were 38,159,729 Whistler Shares outstanding. To the knowledge of the directors and executive officers of Whistler, the only person that as of the date hereof beneficially owned, or controlled or directed, directly or indirectly, Whistler Shares carrying more than 10% of the voting rights of Whistler was:

Whistler Shareholder	Number of Whistler Shares ⁽²⁾	Percentage of Whistler Shares
KSL Capital Partners III GP, LLC ⁽¹⁾	9,092,500	23.83%

Notes:

- (1) The Whistler Shares are held through Monroe CA BC (Alternative), LP, Monroe CA BC Investment, SARL and Monroe CA BC Investment II, SARL.
- (2) The information as to the number of Whistler Shares beneficially owned, or controlled or directed, directly or indirectly, has been based solely upon reports filed on the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

Registered Whistler Shareholders

If you are a registered Whistler Shareholder, there are two ways in which you can vote your Whistler Shares. You can either vote in person at the Shareholder Meeting or you can vote by proxy. As indicated on the form of proxy, you may vote your Whistler Shares by mail, phone or Internet following the instructions provided.

Voting by Proxy

If you do not plan to come to the Shareholder Meeting, you can have your vote counted by appointing someone who will attend at the Shareholder Meeting as your proxyholder. In the proxy, you can either direct your proxyholder as to how you want your Whistler Shares to be voted or you can let your proxyholder choose for you. If you appoint a proxyholder, you may revoke your proxy if you decide to attend the Shareholder Meeting and wish to vote your Whistler Shares in person (see “Revocation of Proxies” below).

Voting in Person

Registered Whistler Shareholders who wish to attend the Shareholder Meeting and to vote their Whistler Shares in person do not need to complete a proxy form. Your vote will be taken and counted at the Shareholder Meeting. Please register with the transfer agent, Computershare Investor Services Inc., upon your arrival at the Shareholder Meeting.

Beneficial Whistler Shareholders

These meeting materials are being sent to both registered and non-registered Whistler Shareholders. If you are a non-registered Whistler Shareholder and Whistler or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

Whistler Shareholders whose Whistler Shares are not registered in their own name are referred to in this Circular as “**beneficial Whistler Shareholders**”. There are two kinds of beneficial Whistler Shareholders: those who have objected to their name being made known to Whistler (called “**OBOs**” for Objecting Beneficial Owners) and those who have not objected (called “**NOBOs**” for Non-Objecting Beneficial Owners).

Whistler can request and obtain a list of their NOBOs from Intermediaries via its transfer agent and can use this NOBO list for distribution of proxy-related materials directly to NOBOs. Whistler has decided not to directly send proxy-related materials to its NOBOs. If you are a NOBO, your Intermediary will have provided to you a voting instruction form. Please return your instructions as specified in the voting instruction form. NOBOs that wish to attend the Shareholder Meeting and vote in person (or appoint someone else to attend the Shareholder Meeting and vote on such NOBOs’ behalf) can appoint themselves (or someone else) as a proxyholder by following the applicable instructions on the voting instruction form.

Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, the majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails its voting instruction form, which may be scanned, in lieu of the form of proxy. Beneficial Whistler Shareholders will be requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, beneficial Whistler Shareholders can call a toll free telephone number or access the internet to vote. The toll free number and website will be provided by Broadridge on its voting instruction form. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Whistler Shares to be represented at the Shareholder Meeting. A beneficial Whistler Shareholder cannot use a voting instruction form to vote Whistler Shares directly at the Shareholder Meeting, as the voting instruction form must be returned as directed by Broadridge in advance of the Shareholder Meeting in order to have the Whistler Shares voted.

Additionally, Whistler may utilize Broadridge’s QuickVote™ service to assist Whistler Shareholders with voting their Whistler Shares. Certain beneficial Whistler Shareholders who have not objected to knowing who they are (NOBOs) may be contacted by Laurel Hill to conveniently obtain a vote directly over the phone.

Whistler will arrange for copies of its meeting materials for the Shareholder Meeting to be delivered to OBOs and is responsible for paying the fees and costs of Intermediaries for their services in delivering proxy-related materials to OBOs in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*. Applicable regulatory policy requires Intermediaries to whom meeting materials have been sent to seek voting instructions from OBOs in advance of the Shareholder Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs in order to ensure that their Whistler Shares are voted at the Shareholder Meeting. Often, the form of proxy supplied to an OBO by its

Intermediary is identical to that provided to registered Whistler Shareholders. However, its purpose is limited to instructing the registered Whistler Shareholder how to vote on behalf of the OBO. OBOs are requested to complete and return the voting instruction form in accordance with the instructions set out on that form. The voting instruction form must be returned as directed well in advance of the Shareholder Meeting in order to have the Whistler Shares voted. OBOs that wish to attend the Shareholder Meeting and vote in person (or appoint someone else to attend the Shareholder Meeting and vote on such OBOs' behalf) can appoint themselves (or someone else) as proxyholder by following the applicable voting instructions.

Beneficial Whistler Shareholders are not entitled, as such, to vote at the Shareholder Meeting in person or to deliver a form of proxy. Beneficial Whistler Shareholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Whistler Shares voted at the Shareholder Meeting.

Proxies

A proxy is a document that authorizes someone else to attend the Shareholder Meeting and cast the votes for a registered Whistler Shareholder. Registered Whistler Shareholders are being sent a form of proxy for the Shareholder Meeting permitting them to appoint a person to attend and act as proxyholder at the Shareholder Meeting. Registered Whistler Shareholders may use the enclosed form of proxy or any other valid proxy form to appoint a proxyholder. The enclosed form of proxy authorizes the proxyholder to vote and otherwise act for a registered Whistler Shareholder at the Shareholder Meeting, including any continuation after postponement or adjournment of the Shareholder Meeting.

Appointment of Proxyholders

The persons named in the enclosed form of proxy are Michele Romanow, a director of Whistler, and David Brownlie, an officer and director of Whistler. **A Whistler Shareholder has the right to appoint a person (who need not be a Whistler Shareholder) to represent the Whistler Shareholder at the Shareholder Meeting other than the persons designated in the form of proxy. You may exercise such right by inserting the name in full of the desired person in the blank space provided in the form of proxy. If you leave the space on the proxy form blank, the directors and officers of Whistler named in the enclosed form of proxy are appointed to act as your proxyholder.**

To be valid, a proxy must be signed by a Whistler Shareholder or Whistler Shareholder's attorney authorized in writing or, if a Whistler Shareholder is a corporation, by a duly authorized officer or attorney. Proxies must be received by Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, in the enclosed envelope, by mail or by hand delivery by 1:00 p.m. (Vancouver time) on Monday, October 3, 2016 (or if the Shareholder Meeting is postponed or adjourned, at least 48 hours (excluding non-business days) prior the date of the postponed or adjourned Shareholder Meeting). **Failure to properly complete or deposit a proxy may result in its invalidation. The time limit for the deposit of proxies may be waived by the Board at its discretion without notice.**

Voting of Proxies

If you have properly filled out, signed and delivered your proxy, then your proxyholder can vote your Whistler Shares for you at the Shareholder Meeting. The Whistler Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Whistler Shareholder on any ballot that may be called for and, if the Whistler Shareholder specifies a choice with respect to any matter to be acted upon, the Whistler Shares will be voted accordingly. **If a choice is not so specified with respect to any such matter, and the persons named in the enclosed form of proxy have been appointed as proxyholder, the Whistler Shares represented by such proxy will be voted IN FAVOUR of the approval of the Arrangement Resolution.**

The enclosed form of proxy confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Shareholder Meeting. If any such amendments or variations are proposed to the matters described in the Notice of Meeting or if any other matters properly come before the Shareholder Meeting, the proxyholder may vote your Whistler Shares as he or she considers best. The Board is not currently aware of any amendments to the matters to be

presented for action at the Shareholder Meeting or of any other matters to be presented for action at the Shareholder Meeting.

Revocation of Proxies

In addition to revocation in any other manner permitted by Law, a Whistler Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date and by delivering it to Computershare Investor Services Inc. c/o Proxy Department at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 before 1:00 p.m. (Vancouver time) on Monday, October 3, 2016, or at least 48 hours (excluding non-business days) prior to any reconvened Shareholder Meeting in the event of an adjournment of the Shareholder Meeting; or
- (b) executing a valid notice of revocation and delivering such notice to (i) the registered office of Whistler at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2, at any time up to and including the last business day preceding the day of the Shareholder Meeting, or any adjournment of the Shareholder Meeting, or (ii) the Chair of the Shareholder Meeting at the Meeting prior to the commencement of voting in respect of the Arrangement Resolution.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

THE ARRANGEMENT

Background to the Arrangement

On August 5, 2016, Whistler and Vail Resorts entered into the Arrangement Agreement, which sets out the terms and conditions for implementing the Arrangement. The Arrangement Agreement is the result of extensive arm's length negotiations among representatives of Whistler and Vail Resorts and their respective legal and financial advisors. The following is a summary of the principal events leading up to the execution and public announcement of the Arrangement Agreement.

Since the time of its initial public offering in November 2010, Whistler has regularly reviewed its overall corporate strategy and, from time to time, has considered various strategic options that might accelerate the achievement of its business plan or otherwise be in the best interests of Whistler.

In early March 2015, Mr. Robert Katz, Chairman and Chief Executive Officer of Vail Resorts, contacted Mr. David Brownlie, Chief Executive Officer of Whistler, regarding Vail Resorts' interest in pursuing a business combination of Whistler and Vail Resorts. Mr. Graham Savage, Chairman of the Whistler Board, subsequently spoke with Mr. Katz regarding these matters. No transaction terms were discussed at this time.

Mr. Brownlie and Mr. Savage shared the details of these conversations with the Whistler Board on March 11, 2015. The Whistler Board considered this unsolicited inquiry and determined that it would not be in the best interests of Whistler to commence a process to explore strategic alternatives for Whistler at that time. Mr. Savage contacted Mr. Katz to inform him of the Whistler Board's determination.

On May 5, 2015, management of Whistler provided an update on Whistler's growth strategy to the Whistler Board, including reinvesting in the Whistler Blackcomb resort as well as strategic acquisitions of other mountain resorts located in Canada and the United States. The strategic rationale underlying an acquisition growth strategy was to increase shareholder value, reduce Whistler's exposure to weather-related risks through geographic diversification across western Canada and the western United States, and reduce Whistler's exposure to general business risks associated with having all of Whistler's revenues generated from one asset. Management provided the Whistler Board with a review of the status of discussions with regard to six potential mountain resort acquisitions in Canada and the United States. The Whistler Board expressed its support for management's continuing review of potential mountain resort acquisitions.

Between May 2015 and June 2016, management of Whistler conducted exploratory discussions and due diligence in connection with nine potential mountain resort acquisition targets with a view to completing one or more acquisitions before the opening of the 2016/2017 ski season.

In early August 2015, Vail Resorts contacted Mr. Savage to request that Mr. Savage canvass the other independent directors of the Whistler Board regarding the possibility of Whistler and Vail Resorts entering into discussions regarding a business combination. The independent directors of the Whistler Board confirmed their position that entering into such discussions with Vail Resorts was not in the best interests of Whistler at that time.

On August 31, 2015, Vail Resorts sent a non-binding letter (the “**First Expression of Interest**”) to Mr. Savage outlining the terms upon which Vail Resorts was prepared to make an offer to acquire all of the issued and outstanding Whistler Shares on the basis of a share-for-share transaction pursuant to which the Whistler Shareholders would receive 0.1742 Vail Shares for each Whistler Share. At the time, the First Expression of Interest represented a price of approximately \$25.00 per Whistler Share (based on the closing price of Vail Shares the previous day) and an 18.6% premium over Whistler’s 30 day trading average and a 12.4% premium to Whistler’s 52 week high. Vail Resorts also indicated that it was prepared to consider a cash component to the transaction.

On September 3, 2015, the Whistler Board established a special committee (the “**Special Committee**”) of independent directors, consisting of Graham Savage, John Furlong, Russell Goodman (Chair), Scott Hutcheson and Michele Romanow. The mandate of the Special Committee empowered it to, among other things: consider any potential transaction as well as alternatives to such transaction or continuing with the current strategic direction of Whistler; supervise the process of considering, and any negotiations relating to, any potential transaction; assess, consider, evaluate and review the terms of any potential transaction and, if necessary or appropriate, propose changes or alternatives to any potential transaction; update the Whistler Board from time to time concerning the work of the Special Committee; make recommendations to the Whistler Board with respect to the acceptance or rejection of any potential transaction; consider all legal and regulatory requirements applicable to any potential transaction; review any documentation and public disclosure related to any potential transaction; and consult with the Whistler Board, management and Whistler’s legal counsel. In carrying out its mandate, the Special Committee was, among other things, empowered to retain legal counsel and financial advisors of its choosing at Whistler’s expense. A Special Committee meeting was held later the same day at which the Special Committee decided to retain Greenhill as independent financial advisor to the Special Committee, and Farris, Vaughan, Wills & Murphy LLP (“**Farris**”), as independent legal counsel to the Special Committee.

On September 11, 2015, the Special Committee held its initial meeting with representatives of Greenhill and Farris. At that meeting, the Special Committee reviewed and discussed its mandate and was briefed by representatives of Farris with regard to the duties and responsibilities of the members of the Special Committee in reviewing and evaluating a proposed transaction, among other things. The Special Committee also received advice regarding the legal considerations relating to the structure of the First Expression of Interest. The Special Committee also reviewed management’s updated forecast for fiscal year 2015, management’s updated financial outlook for 2016, and other operational and growth plans related to Whistler’s strategic direction.

On September 20, 2015, the Special Committee met to receive and review a report from Greenhill regarding Whistler’s positioning in the public markets, an assessment of Whistler’s financial plan and its industry, outlook, growth initiatives, partners and potential challenges, a preliminary valuation of Whistler, a profile of Vail Resorts and the impact of a potential acquisition of Whistler on Vail Resorts, and a preliminary review of other potential counterparties to a strategic transaction with Whistler. The Special Committee also received a further briefing from Farris with regard to the duties and responsibilities of the members of the Special Committee in reviewing and evaluating a proposed transaction.

Following extensive discussion, the Special Committee concluded that pursuing the transaction contemplated in the First Expression of Interest was not in the best interests of Whistler at that time. The Special Committee also determined that Whistler should continue to focus on executing its standalone business strategy, with a view to progressing the Renaissance Project, a transformational investment intended to diversify the local tourism economy by providing new four-season, weather-independent activities, as well as the negotiations with the Province of British Columbia and the Squamish and Lil’Wat First Nations with respect to the renewal of the Development Agreements (the “**Development Agreement Negotiations**”).

On October 1, 2015, the Whistler Board met and discussed a proposal Whistler received for a strategic combination with a U.S. mountain resort that, together with Whistler's own acquisition growth strategy, could potentially create greater shareholder value than the First Expression of Interest. This proposal was not ultimately pursued. The Whistler Board also affirmed the Special Committee's earlier conclusions regarding the First Expression of Interest. The Whistler Board's decision was communicated verbally to Vail Resorts later that day.

Also on October 1, 2015, the Special Committee met to consider the various actions that could be undertaken by Whistler to ensure Whistler was prepared to respond to a renewed acquisition proposal from Vail Resorts or other third parties, and subsequently instructed management and the Special Committee's independent financial and legal advisors to undertake certain actions in this regard.

In December 2015, management provided the Whistler Board with an update regarding the status of the Development Agreement Negotiations, the Renaissance Project and the potential acquisition of several mountain resorts. The Whistler Board expressed its support for management's efforts and instructed management to continue to pursue such acquisitions. At that time, KSL Capital Partners, LLC's ("**KSL**") representatives on the Whistler Board also advised that KSL would consider selling the approximately 24% interest of its affiliated funds in Whistler to a third party. As a result, the Special Committee considered the implications of KSL independently selling such interest to a third party and what steps Whistler might take in this regard. In addition, the Special Committee also considered potential alternatives not involving a sale of Whistler if Vail were to attempt to acquire Whistler without the approval of the Whistler Board. Following deliberation, the Special Committee determined to provide certain third parties with access to confidential Whistler information, conditional upon such third parties entering into satisfactory confidentiality agreements, to facilitate exploring alternatives to the sale of Whistler.

On December 20, 2015, a third party ("**Counterparty 1**") entered into a non-disclosure and non-use agreement and was subsequently provided with access to limited confidential information of Whistler with a view to exploring a joint venture or partnership targeted at destination skiers. Whistler management also continued its active consideration of strategic alternatives, including another third party's interest in an acquisition of Whistler, the acquisition of other mountain resorts by Whistler, and potential partnerships or joint ventures with other mountain resorts. In late February 2016, Whistler ceased discussions with Counterparty 1 given the technical difficulties, the uncertain creation of shareholder value and the execution risks associated with a joint venture or partnership.

In January 2016, Vail Resorts contacted Mr. Savage to inquire whether Whistler would consider a combination with Vail Resorts.

On January 27, 2016, the Special Committee met and received an update from management regarding Whistler's acquisition growth plan. The Special Committee also received an updated report from Greenhill as well as comments from Greenhill about the potential acquisition growth plan. Greenhill was directed to work with management to further refine the acquisition growth plan. The Special Committee also received an update as to the status of the Development Agreement Negotiations and Renaissance Project and determined, in light of such status as well as the possibility of potential acquisitions, that the Special Committee would revisit whether to commence an auction process or enter into discussions with Vail Resorts on an exclusive basis in respect of Whistler in several months' time when further information would be available as to the progress on the Development Agreement Negotiations, the Renaissance Project and potential strategic alternatives.

On February 9, 2016, the Special Committee met and reviewed the status of the Development Agreement Negotiations and, together with Greenhill, discussed several potential acquisition targets under consideration by management, including the impact of any such transaction on a potential acquisition of Whistler by a third party.

On March 17, 2016, the Whistler Board met to review the status of the Development Agreement Negotiations and consider and discuss the potential announcement of Whistler's Renaissance Project. The Whistler Board, Whistler's management and Greenhill also discussed the status of various potential mountain resort acquisitions.

On April 5, 2016, Whistler publicly announced the Renaissance Project.

On April 29, 2016, the Whistler Board met to review the status of various potential mountain resort acquisitions.

In early May 2016, Mr. Katz contacted Mr. Savage to request a meeting. The Special Committee met on May 9, 2016, to consider such request and directed Mr. Savage to meet with Mr. Katz on May 11, 2016. The Special Committee revisited the First Expression of Interest, including the associated premium and transaction structure, in light of recent developments and the status of the Development Agreement Negotiations.

On May 9, 2016, the Whistler Board also met and considered and discussed, among other things, the status of the Development Agreement Negotiations and the status of various potential mountain resort acquisitions.

On May 11, 2016, Mr. Savage met with Mr. Katz. Mr. Katz advised Mr. Savage that Vail Resorts remained interested in entering into discussions with Whistler regarding a business combination of the two companies.

On May 16, 2016, the Whistler Board met to review the status of various potential mountain resort acquisitions.

On May 19, 2016, Vail Resorts sent a non-binding letter (the “**Second Expression of Interest**”) outlining the terms upon which Vail Resorts was prepared to make an offer to acquire all of the issued and outstanding Whistler Shares on the basis of a share-for-share transaction pursuant to which the Whistler Shareholders would receive 0.1826 Vail Shares for each Whistler Share. At the time, the Second Expression of Interest represented a price of approximately \$30.00 per Whistler Share (based on the closing price of Vail Shares the previous day) and a 14.0% premium over Whistler’s 30 day trading average and a 7.0% premium to Whistler’s 52 week high.

On May 20, 2016, the Special Committee met with management as well as representatives of Greenhill and Farris to consider the Second Expression of Interest. The Special Committee received a report from Greenhill regarding the Second Expression of Interest, including the premium being offered by Vail Resorts and the type of consideration proposed by Vail Resorts, Whistler’s strategic value to Vail Resorts, and Vail Resorts’ leverage ratio and financing capability. The Special Committee also received an update from management regarding the Development Agreement Negotiations and the status of various potential mountain resort acquisitions by Whistler. The Special Committee revisited its previous conclusion that the First Expression of Interest did not provide a basis upon which to enter into discussions with Vail Resorts and reconsidered this in light of new circumstances, and directed Greenhill to work with management to update Whistler’s acquisition growth plan.

On May 30, 2016, the Special Committee met to further consider the Second Expression of Interest with its financial and legal advisors. Management and Greenhill provided an update regarding Whistler’s growth plan and management provided an update regarding the status of various potential mountain resort acquisitions by Whistler. Farris provided an update on directors’ duties applicable when faced with an unsolicited offer. The Special Committee, with the benefit of advice from Greenhill, considered the Second Expression of Interest at length and determined that the Second Expression of Interest was not in the best interests of Whistler at that time. On May 31, 2016, the Whistler Board met and affirmed the Special Committee’s conclusions.

On May 31, 2016, Whistler wrote to Vail Resorts advising that the Whistler Board had concluded that the Second Expression of Interest was not in the best interests of Whistler and that Whistler was not prepared to enter into discussions with Vail Resorts at such time. Whistler also advised Vail Resorts that it remained focussed on executing its standalone business strategy, including progressing the Renaissance Project as well as the Development Agreement Negotiations.

On June 10, 2016, Vail Resorts sent a non-binding letter (the “**First Proposal**”) advising that Vail Resorts was prepared to make an offer to acquire all of the issued and outstanding Whistler Shares on the basis of a share-for-share transaction pursuant to which the Whistler Shareholders would receive 0.1826 Vail Shares for each Whistler Share, but with up to 33% of the aggregate consideration to be paid in cash. At the time, the First Proposal represented a price of approximately \$34.10 per Whistler Share (based on the closing price of Vail Shares the previous day) and a 32.9% premium over Whistler’s 30 day trading average and a 21.6% premium to Whistler’s 52 week high.

On June 13, 2016, the Special Committee met with representatives of Greenhill and Farris to discuss the First Proposal. The Special Committee received an update from management as to current status of the Development Agreement Negotiations and Greenhill advised the Special Committee on the terms of the First Proposal as well as on potential terms for a business combination of Whistler and Vail Resorts. The Special Committee resolved to recommend to the Whistler Board to respond to the First Proposal made by Vail Resorts, by setting out terms upon which it would agree to consider a potential business combination. The Whistler Board discussed the Special Committee’s recommendation

and KSL confirmed that it was not pursuing, contemplating or proposing an alternative proposal to Vail Resorts' and that it was no longer interested in selling its 24% interest other than through the sale of all of Whistler. The Whistler Board passed a resolution similar to that of the Special Committee later that day and appointed a negotiation team of directors comprised of Mr. Eric Resnick of KSL and two Special Committee members, Mr. Russell Goodman (the Chair of the Special Committee) and Mr. John Furlong (the "**Negotiating Team**") to assist in the further conduct of discussions with Vail Resorts. Mr. Goodman was asked to lead the Negotiating Team. On June 14, 2016, Whistler sent a letter to Vail Resorts outlining the importance of the ongoing Development Agreement Negotiations but advising that it was prepared to move forward with discussing a possible combination of Vail Resorts and Whistler on the basis of a \$37.50 all cash proposal.

On June 15, 2016, Counterparty 1 contacted Mr. Brownlie in order to engage in strategic discussions. Following discussions between Counterparty 1 and Greenhill, it became evident that Counterparty 1 was interested in pursuing a potential joint venture transaction and not a change of control transaction like the First Proposal. After deliberation, the Special Committee concluded that a potential joint venture with Counterparty 1 was unlikely to provide greater value to Whistler Shareholders than the First Proposal. The Special Committee then instructed Greenhill to solicit Counterparty 1's interest in pursuing a change of control transaction with Whistler. On June 17, 2016, Greenhill contacted Counterparty 1 and indicated that the Whistler Board would consider a change of control transaction proposal that met certain conditions and that time was of the essence.

On June 17, 2016, Vail Resorts responded to Whistler's June 14 letter with a non-binding letter (the "**Second Proposal**") to Whistler indicating that Vail Resorts was prepared to make an offer to acquire all of the issued and outstanding Whistler Shares on the basis of a share exchange ratio of 0.1938 Vail Shares per Whistler Share, and that up to 50% of the aggregate consideration would be payable in cash. At the time, the Second Proposal represented a price of approximately \$34.00 per Whistler Share (based on the closing price of Vail Shares the previous day) and a 33.7% premium over Whistler's 30 day trading average and a 21.3% premium to Whistler's 52 week high.

On June 18, 2016, certain members of the Negotiating Team spoke with Vail Resorts by telephone regarding the Second Proposal and proposed a price of \$35.00 per Whistler Share, a floating exchange ratio (which would provide certainty around price) on the 50% stock component of Vail Resorts' proposal, and confirming Vail Resorts' earlier offer to nominate one director from the Whistler Board to the Vail Board as Vail Shares were to form a portion of the consideration. Following such call, Mr. Katz clarified certain terms of the Second Proposal via email. Also on June 18, 2016, Counterparty 1 advised Greenhill that it did not intend to pursue a change of control transaction with Whistler at such time.

On June 19, 2016, Vail Resorts sent certain members of the Negotiating Team an email (the "**Third Proposal**") advising that Vail Resorts was prepared to increase its offer to \$17.50 in cash plus 0.0998 Vail Shares per Whistler Share for an aggregate value of \$35.00 (based on the closing price of Vail Shares the previous day). At the time, the Third Proposal represented a 38.2% premium over Whistler's 30 day trading average and a 24.8% premium to Whistler's 52 week high. Vail Resorts also confirmed that it was prepared to nominate one director from the Whistler Board to the Vail Board. Vail Resorts stated that it was not prepared to adjust the share exchange ratio based on movements in the price of Vail Shares, as the Negotiating Team had requested, but that it would be prepared to include an exchange rate adjustment should the Canadian/US dollar exchange rate change from the exchange rate on June 19, 2016.

Later on June 19, 2016, the Whistler Board met to discuss the terms of the Third Proposal. Following this meeting the Whistler Board sought clarification from Vail Resorts regarding certain other outstanding matters.

On June 20, 2016, the Whistler Board met to consider the clarification of certain terms of the Third Proposal and also received advice regarding the regulatory approvals that would be required in connection with the proposed transaction. The Whistler Board also determined, with the benefit of advice from Greenhill, that it was unlikely that Counterparty 1 or any other third party would make an acquisition proposal that was superior to the Third Proposal. In addition, the Whistler Board approved the retention of Osler, Hoskin & Harcourt LLP ("**Osler**") as counsel to Whistler in connection with the proposed transaction.

Later on June 20, 2016, the Negotiating Team responded to the Third Proposal and sought clarification from Vail Resorts regarding certain aspects of the Third Proposal, including the possibility of a price collar, the approach to obtaining regulatory approvals, foreign currency issues, tax implications and the use of an exchangeable share

structure. Whistler also requested that Vail Resorts enter into a mutual non-disclosure agreement and standstill agreement and provided a desired form of agreement.

On June 21, 2016, discussions were held between Whistler, Vail Resorts and their respective advisors regarding the matters with respect to which Whistler had sought clarification.

On June 23, 2016, a call was held between certain members of the Negotiating Team and Vail Resorts. Following the call, a revised and more limited non-disclosure agreement was circulated by Whistler for purposes of facilitating further discussions.

Over the course of June 24 to 28, 2016, representatives of Osler, with input from Farris, and Stikeman Elliott LLP (“**Stikeman**”), counsel to Vail Resorts, engaged in discussions regarding the terms of the non-disclosure agreement.

On June 27, 2016, the Negotiating Team met to discuss the status of negotiations and to instruct the Negotiating Team, management and Osler with respect to the conduct of further negotiations.

On June 28, 2016, a call was held between certain members of the Negotiating Team and Vail Resorts regarding, among other matters, the terms of a non-disclosure agreement. Later that day, Vail Resorts circulated a revised non-disclosure agreement that the parties subsequently entered into later that day, which contemplated the sharing of limited confidential information in an effort to advance the negotiations. The parties agreed that if negotiations continued to progress, they would enter into a subsequent confidentiality agreement including, among other things, standstill provisions to permit the exchange of more extensive confidential information.

On June 29, 2016, following a discussion among members of the Negotiating Team, management, Whistler’s advisors and representatives of KSL, Whistler provided Vail Resorts with an outline of certain transaction terms.

Between June 30 and July 4, 2016, the Negotiating Team, management and Osler, with input from Farris, engaged in ongoing negotiations with Vail Resorts and Stikeman.

On July 3, 2016, the Negotiating Team held a conference call with management and representatives of Greenhill, Osler and Farris to discuss the status of negotiations with Vail Resorts and whether to provide Vail Resorts with a draft of the Arrangement Agreement, as Vail Resorts had requested, in order to advance negotiations. The Negotiating Team agreed that negotiations with Vail Resorts should continue, and that Whistler was authorized to provide Vail Resorts with a draft of the Arrangement Agreement.

On July 6, 2016, the Special Committee met with representatives of Greenhill, Osler and Farris to receive an update as to the status of negotiations with Vail Resorts and the Development Agreement Negotiations. The Special Committee was informed of the current agreement on financial consideration, the non-disclosure agreement entered into by the parties on June 28, 2016, and the proposed approach to obtaining regulatory approvals. The Special Committee also received an update on the timetable for next steps, the proposed communications strategy, and the draft Arrangement Agreement. Finally, the Special Committee received an update regarding discussions with Counterparty 1. Later on July 6, 2016, an initial draft of the Arrangement Agreement was circulated by Whistler to Vail Resorts.

Between July 7 and July 8, 2016, negotiations continued between the parties with respect to various transaction terms, as well as the terms of a more robust non-disclosure agreement with standstill provisions to enable the parties to conduct reciprocal due diligence.

On July 8, 2016, Whistler and Vail Resorts executed an amended non-disclosure agreement that included a mutual standstill undertaking. During the following week, Vail Resorts commenced business and financial due diligence on Whistler.

On July 11, 2016, Mr. Brownlie and Mr. Katz met in person in Vancouver to discuss, among other things, the proposed transaction and the status of the Development Agreement Negotiations. On July 12, 2016, a further call was held between Whistler and Vail Resorts and their respective advisors to discuss due diligence and the status of the Development Agreement Negotiations. Negotiations continued through the balance of the week. In connection with these negotiations, several subsequent drafts of the Arrangement Agreement were exchanged.

On July 26, 2016, Vail Resorts provided a form of support and voting agreement to be entered into by the KSL Shareholders, and on July 30, 2016, Vail Resorts provided a form of support and voting agreement to be entered into by the Supporting Shareholders. The terms of the Support and Voting Agreements were negotiated alongside the remaining transaction agreements.

On July 27, 2016, senior management of both Whistler and Vail Resorts and certain members of the Negotiating Team, along with representatives of Greenhill, Osler, Farris and Stikeman, met in person in Vancouver. An oral due diligence session was held at which senior management of Vail Resorts responded to questions about Vail Resorts' business and operations. The parties also continued negotiations on the terms of the proposed transaction. A member of the Negotiating Team also met with Mr. Katz in person to discuss the status of the Development Agreement Negotiations.

On July 28, 2016, the general counsels of Whistler and Vail Resorts, together with representatives of Osler, Farris and Stikeman, met in person to undertake further negotiations.

Over the course of the week of July 31, 2016, representatives of Whistler and Vail Resorts, assisted by their respective legal advisors, continued to negotiate the outstanding terms of the transaction agreements. The last material term was agreed upon on August 5, 2016.

On the afternoon of August 5, 2016, the Special Committee and the Whistler Board met to receive an update as to the status of the transaction negotiations and the Development Agreement Negotiations. The Special Committee and the Whistler Board received an overview on the terms and conditions of the Arrangement Agreement and on the duties and responsibilities of the Special Committee and the Whistler Board in considering the Arrangement Agreement and Greenhill provided a verbal opinion to the Special Committee that the consideration to be offered under the Third Proposal was fair, from a financial point of view, to Whistler Shareholders. The Special Committee unanimously determined that the Arrangement was in the best interests of Whistler and was fair. Accordingly, the Special Committee unanimously resolved to recommend to the Whistler Board that the Whistler Board approve the Arrangement and make a recommendation to Whistler Shareholders to vote in favour of the Arrangement Resolution. In determining whether to recommend to the Whistler Board that it approve the Arrangement, the Special Committee considered, among other things, the other factors set forth herein and the reasons for the Arrangement as set forth under "— Reasons for the Arrangement".

Following receipt of a recommendation from the Special Committee, the Whistler Board unanimously determined that the Arrangement was in the best interests of Whistler, approved the entering into of the Arrangement Agreement, and resolved to recommend that Whistler Shareholders vote for the Arrangement Resolution. In determining whether to approve the Arrangement, the Whistler Board considered, among other things, the other factors set forth herein and the reasons for the Arrangement as set forth under "— Reasons for the Arrangement". The Whistler Board also instructed the Negotiating Team to finalize an appropriate announcement press release with Vail Resorts.

Later in the evening of Friday, August 5, 2016, Whistler and Vail Resorts executed the Arrangement Agreement and each of the Supporting Shareholders entered into a support and voting agreement with Vail Resorts. At the time, based on the closing price of the Vail Shares on that day, the Third Proposal represented an aggregate value of \$36.00, a premium of 43% to the closing price of the Whistler Shares on August 5, 2016, and a 46.2% premium over Whistler's 30 day volume-weighted average trading price. The Negotiating Team, together with the Special Committee's and Whistler's advisors, finalized the announcement press release with Vail Resorts over the course of the weekend. A press release announcing the Arrangement was disseminated before the opening of financial markets on Monday, August 8, 2016.

Recommendation of the Special Committee

The Whistler Board established the Special Committee comprised of certain independent directors to review, consider and evaluate the terms of strategic alternatives proposed to Whistler and other alternatives and to make recommendations to the Whistler Board with respect thereto. The Special Committee retained Greenhill to act as independent financial advisor to the Special Committee and to provide the Greenhill Fairness Opinion. Greenhill has given an opinion to the effect that, based upon and subject to the limitations and assumptions stated in the Greenhill Fairness Opinion and such other matters Greenhill considered relevant, Greenhill was of the opinion that, as of the

date of such opinion, the Consideration to be received by the Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement was fair, from a financial point of view, to such holders.

The Special Committee, having undertaken a thorough review of, and having carefully considered, information concerning Whistler, Vail Resorts and the Arrangement, and after consulting with Greenhill, Farris and Osler, has unanimously determined that the Arrangement is in the best interests of Whistler and is fair. Accordingly, the Special Committee unanimously resolved to recommend to the Whistler Board that the Whistler Board approve the Arrangement and make a recommendation to Whistler Shareholders to vote in favour of the Arrangement Resolution.

Recommendation of the Whistler Board

After careful consideration, and following the unanimous recommendation of the Special Committee, the Whistler Board unanimously determined that the Arrangement is in the best interests of Whistler and is fair. **The Whistler Board unanimously recommends that Whistler Shareholders vote FOR the Arrangement Resolution.**

Reasons for the Recommendations

In making their respective recommendations, the Special Committee and the Whistler Board consulted with Whistler's management, Greenhill, Osler and Farris, reviewed a significant amount of information and considered a number of factors, including those listed below.

- **Premium to Whistler Shareholders.** The Arrangement values the equity of Whistler at \$36.00 per Whistler Share (based on the closing price of the Vail Shares and currency exchange rates on August 5, 2016). This represents a premium of approximately 42.6% over Whistler's 30-day volume-weighted average trading price through August 5, 2016, the last trading day prior to the public announcement by Whistler and Vail Resorts of the Arrangement. In addition, based on the closing price of the Vail Shares and currency exchange rates on August 30, 2016, the Arrangement values each Whistler Share at \$37.91, representing a premium of approximately 53.9% over Whistler's 30-day volume-weighted average trading price through August 5, 2016.
- **Diversification.** The broader ski industry faces unique challenges due to the unpredictability of year-to-year regional weather patterns. Whistler, with its substantial acreage of high alpine terrain and glacier bowls, is well positioned, but by no means immune to these challenges. Partnering with the geographically diversified Vail Resorts and extending Vail Resorts' Epic Pass products to Whistler are customer-focused ways of securing the long-term future of Whistler.
- **Investment in the resort experience.** Vail Resorts provides significant financial strength to Whistler, has a track record of successful acquisitions and has agreed to invest substantially in Whistler's mountain infrastructure and growth plans, including continuing to build community and stakeholder support for the recently announced Renaissance Project, a transformational investment which will diversify the local tourism economy by providing new four-season, weather-independent activities. Being a part of the Combined Company will also provide Whistler with increased marketing exposure and guest relationships.
- **Support for Renewal of Development Agreements.** Vail Resorts recognizes that Whistler Blackcomb is in the Squamish and Lil'wat First Nations' traditional territories and has agreed to support and continue the ongoing efforts to negotiate the renewal of the Development Agreements with anticipated significant long-term benefits to the Squamish and Lil'wat First Nations, the Province of British Columbia, the Resort Municipality of Whistler and to the Combined Company.
- **Local leadership.** Whistler will continue to have principally local Canadian leadership, with critical day-to-day mountain operations residing at the resort, including ongoing primary responsibility for relationships with the local community, governments and First Nations. Mr. Brownlie will continue leading Whistler as the resort's chief operating officer and will become a member of the senior leadership team of Vail Resorts' mountain division, bringing both stability and years of experience to the Combined Company.

- **Maintain local employment.** Vail Resorts intends to retain the vast majority of Whistler employees, while only impacting a few select areas where there may be duplication in corporate functions. This transaction will not change the day-to-day operations at the resort, community engagement or the input of local management in shaping Whistler's future.
- **Common values on community and environmental sustainability.** Consistent with Vail Resorts' core values, Whistler will continue its community involvement through the Whistler Blackcomb Foundation as well as its significant environmental and sustainability commitments. Vail Resorts also will support Whistler's continued engagement with organizations such as Tourism Whistler, Destination BC, Canada West Ski Areas Association, and the Whistler Chamber of Commerce.
- **Review of Alternatives.** The Special Committee and the Whistler Board, with the assistance of Greenhill, considered the identity and potential strategic interest of other industry and financial counterparties for a potential transaction with Whistler and determined that it was unlikely any of those parties would make an acquisition proposal that was superior to the proposed transaction with Vail Resorts. The Special Committee and the Whistler Board also considered Whistler's standalone business strategy and the potential acquisition of a number of mountain resorts and concluded that the proposed transaction with Vail Resorts provided greater value to Whistler Shareholders.
- **Advice from Greenhill.** Based upon and subject to the limitations and assumptions stated in the Greenhill Fairness Opinion and such other matters as Greenhill considered relevant, Greenhill was of the opinion that, as of the date of such opinion, the Consideration to be received by Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement was fair, from a financial point of view, to such holders. See "The Arrangement — Greenhill Fairness Opinion" and Appendix E to this Circular "Greenhill Fairness Opinion".
- **Support and Voting Agreements.** The Supporting Shareholders, who include Whistler's largest shareholder and who together hold or exercise control and direction over approximately 25% of the outstanding Whistler Shares, entered into the Support and Voting Agreements pursuant to which the Supporting Shareholders agreed, among other things, to vote the subject securities in favour of the Arrangement Resolution. The Support and Voting Agreements will terminate if the Arrangement Agreement is terminated, including if the Arrangement Agreement is terminated by Whistler to enter into a binding written agreement with respect to a Superior Proposal. See "The Arrangement — Support and Voting Agreements".
- **Participation by Whistler Shareholders in Future Growth.** Whistler Shareholders who receive Vail Shares or Exchangeable Shares pursuant to the Arrangement will have the opportunity to participate in any future increase in value of the Combined Company. The Combined Company is expected to benefit from significant geographic diversification and economies of scale. On completion of the Arrangement, Whistler Shareholders will own approximately 10% of the common shares of the Combined Company.
- **Tax Deferred Rollover.** Whistler Shareholders who are Eligible Holders will have the opportunity to elect to receive consideration that includes Exchangeable Shares and to make a valid tax election with Exchangeco to defer all or part of the Canadian income tax on any capital gain that would otherwise arise on an exchange of their Whistler Shares.

The Special Committee's and the Whistler Board's reasons contain forward-looking information, and are subject to various risks and assumptions. See "Forward-Looking Statements".

In making their respective determinations and recommendations, the Special Committee and the Whistler Board also observed that a number of procedural safeguards were and are present to permit the Special Committee and the Whistler Board to effectively represent the interests of Whistler, the securityholders of Whistler and Whistler's other stakeholders, including, among others:

- **Role of the Special Committee.** The evaluation and negotiation process was supervised by the Special Committee, comprised of certain independent directors of the Whistler Board who have no financial interest in the Arrangement that is different from that of the Whistler Shareholders. The Special Committee met

regularly with Whistler's advisors and management and retained its own independent legal and financial advisors.

- **Ability to Respond to Superior Proposals.** Notwithstanding the limitations contained in the Arrangement Agreement on Whistler's ability to solicit interest from third parties, the Arrangement Agreement allows the Whistler Board to engage in discussions or negotiations with respect to an unsolicited written bona fide Acquisition Proposal at any time prior to the approval of the Arrangement Resolution by Whistler Shareholders and after the Whistler Board determines, in good faith after consultation with its outside financial and legal advisors, that such Acquisition Proposal could reasonably be expected to lead to a Superior Proposal. See "The Arrangement Agreement — Covenants — Whistler Non-Solicitation".
- **Shareholder and Court Approvals.** The Arrangement is subject to the following securityholder and Court approvals, which protect securityholders of Whistler:
 - The Arrangement Resolution must be approved by the affirmative vote of 66⅔% of the votes cast on the Arrangement Resolution by Whistler Shareholders present in person or represented by proxy at the Shareholder Meeting.
 - The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to securityholders of Whistler.
- **Dissent Rights.** The availability of rights of dissent to registered Whistler Shareholders with respect to the Arrangement.

The Special Committee and the Whistler Board also considered a number of uncertainties, risks and other potential negative factors associated with the transaction, including the following:

- **Non-Completion.** The risks and costs to Whistler if the Arrangement is not completed, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and stakeholder relationships.
- **Conduct of Business Restrictions.** The restrictions on the conduct of Whistler's business prior to the completion of the Arrangement, requiring Whistler to conduct its business in the ordinary course, subject to specific exceptions, which may delay or prevent Whistler from undertaking business opportunities that may arise pending completion of the Arrangement.
- **Vail Termination Fee.** The potential payment of the Vail Termination Fee, being \$60 million, may not be sufficient to adequately compensate Whistler in the event of, *inter alia*, a failure to obtain the Investment Canada Act Approval.
- **Whistler Termination Fee.** The potential payment of the Whistler Termination Fee, being \$45 million, by Whistler under certain circumstances specified in the Arrangement Agreement, and that such Whistler Termination Fee may act as deterrent to the emergence of a Superior Proposal.
- **Fees and Expenses.** The fees and expenses associated with the Arrangement, a significant portion of which will be incurred regardless of whether the Arrangement is consummated.
- **Other Risks.** The other risks associated with the Arrangement and the business of Whistler, Vail Resorts and the Combined Company described under "Information Relating to Whistler - Risk Factors", "Information Relating to Vail Resorts – Risk Factors" and "Risk Factors".

The foregoing summary of the information and factors considered by the Special Committee and the Whistler Board is not intended to be exhaustive, but includes the material information and factors considered by the Special Committee and the Whistler Board in their consideration of the Arrangement. In reaching their conclusion and recommendation, the Special Committee and the Whistler Board did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered. The conclusion and recommendation of the

Special Committee and the Whistler Board were made after consideration of all of the above-noted factors and in light of their own knowledge of the business, financial condition and prospects of Whistler and was based upon the advice of the financial advisors and legal advisors of Whistler and the Special Committee. In addition, individual members of the Whistler Board may have assigned different weights to different factors.

Greenhill Fairness Opinion

Greenhill & Co. Canada Ltd. (“**Greenhill**”) was engaged by the Special Committee pursuant to an engagement letter dated September 11, 2015 as its financial advisor in connection with the review of expressions of interest and, more generally, exploring strategic alternatives for Whistler, including with respect to the Arrangement, and, if appropriate, providing an opinion as to the fairness, from a financial point of view, of the financial consideration to be received in respect of any such transaction.

Greenhill is a subsidiary of Greenhill & Co., Inc. (“**Greenhill & Co.**”), a leading independent investment bank that provides financial advice on significant mergers and acquisitions, divestitures, restructurings, financings, capital raising and other transactions to a diverse client base, including corporations, partnerships, institutions and governments around the world. Greenhill & Co. is an independent firm listed on the NYSE. Greenhill focuses exclusively on advisory services, and has no research, trading, lending, underwriting, investment management or related activities.

The Special Committee requested that Greenhill provide an opinion to the Special Committee as to whether, as of the date of such opinion, the Consideration to be received by Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement is fair, from a financial point of view, to such Whistler Shareholders.

On August 5, 2016, at a meeting of the Special Committee, Greenhill delivered an oral opinion to the Special Committee, subsequently confirmed by delivery of a written opinion, dated August 5, 2016 (the “**Greenhill Fairness Opinion**”), to the effect that, based upon and subject to the limitations and assumptions stated in the Greenhill Fairness Opinion and such other matters as Greenhill considered relevant, Greenhill was of the opinion that, as of the date of such opinion, the Consideration to be received by Whistler Shareholders (other than Vail Resorts and Exchangeco) pursuant to the Arrangement was fair, from a financial point of view, to such holders. The Greenhill Fairness Opinion was approved by Greenhill’s fairness committee.

In rendering the Greenhill Fairness Opinion, Greenhill assumed and relied upon, without independent verification, the completeness, accuracy and fair presentation of all financial and other information, projections, data, advice, opinions and representations obtained by Greenhill from public sources or provided to Greenhill by Whistler and its advisors and Vail Resorts and its advisors. The Greenhill Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of such information. The Greenhill Fairness Opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Greenhill as of, the date of the Greenhill Fairness Opinion. It should be understood that subsequent developments may affect the Greenhill Fairness Opinion, and Greenhill does not have any obligation to update, revise or reaffirm the Greenhill Fairness Opinion.

The Greenhill Fairness Opinion was not a recommendation to the members of the Special Committee as to whether to approve the Arrangement and is not a recommendation to any Whistler Shareholder as to whether or not to vote in favour of the Arrangement or take any other action in respect of its Whistler Shares, or any other matter. Greenhill was not requested to opine as to, and its opinion did not in any manner address, the underlying business decision to proceed with or effect the Arrangement. The Special Committee and the Whistler Board urges Whistler Shareholders to read the Greenhill Fairness Opinion carefully and in its entirety.

The full text of the Greenhill Fairness Opinion, which sets forth the assumptions made, general procedures followed, matters considered and limitations on the review undertaken by Greenhill, is reproduced as Appendix E to this Circular. This summary of the Greenhill Fairness Opinion is qualified in its entirety by reference to the full text of the Greenhill Fairness Opinion.

Greenhill will be paid a fee for its services as financial advisor to the Special Committee, a portion of which is contingent on the consummation of the Arrangement. In addition, Whistler has agreed to indemnify Greenhill for certain liabilities that may arise out of its engagement.

Description of the Plan of Arrangement

The following summary of certain transaction steps of the Plan of Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Appendix A to this Circular.

The Arrangement is being implemented pursuant to a plan of arrangement under the laws of the Province of British Columbia. The purpose of the Plan of Arrangement is to facilitate a series of transactions which will occur in a specific sequence and as a consequence of which Exchangeco, a wholly owned subsidiary of Vail Resorts, will acquire all of the Whistler Shares.

If approved, the Arrangement will become effective at the Effective Time (which is expected to be at 12:01 a.m. (Vancouver time) on the date upon which Whistler and Vail Resorts agree in writing as the Effective Date or, in the absence of such agreement, five Business Days following the satisfaction or waiver of all conditions to completion of the Arrangement set out in Article 6 of the Arrangement Agreement, excluding any conditions that, by their terms, cannot be satisfied until the Effective Date).

Pursuant to the Arrangement, commencing at the Effective Time, the following events or transactions shall be deemed to occur in the following sequence, except where noted, without any further act or formality:

- (a) at the Effective Time, each Whistler RSU having a grant date of January 31, 2013 outstanding immediately prior to the Effective Time shall, and shall be deemed to, vest with respect to such number of Whistler Shares as is equal to one half of the number of Retention Shares (as defined in the agreement for such Whistler RSU) that would have vested if Target (as defined in the agreement for such Whistler RSU) was achieved in the Retention Fiscal Year (as defined in the relevant agreement for such Whistler RSU), and Whistler shall issue to the holder of such Whistler RSU such number of Whistler Shares in settlement of such Whistler RSU, the holder of such Whistler RSU shall be and shall be deemed to be the holder of such number of Whistler Shares, and the central securities register of Whistler shall be deemed to be revised accordingly, but the holder of such Whistler RSU shall not be entitled to a certificate or other document representing the Whistler Shares so issued (for greater certainty, a Whistler RSU is only outstanding after September 30, 2016 to the extent that the Retention Shares vested under the terms of such Whistler RSU on September 30, 2016 but the Whistler Shares in respect thereof have not been issued prior to the Effective Time);
- (b) concurrently with the preceding step, each Whistler Performance Award outstanding immediately prior to the Effective Time shall, and shall be deemed to, vest with respect to such number of Whistler Shares as is equal to its Whistler Performance Award Vesting Number (as defined in the Plan of Arrangement), and Whistler shall issue to the holder of such Whistler Performance Award in settlement of such Whistler Performance Award such number of Whistler Shares, the holder of such Whistler Performance Award shall be and shall be deemed to be the holder of such number of Whistler Shares, and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly, but the holder of such Whistler Performance Award shall not be entitled to a certificate or other document representing the Whistler Shares so issued;
- (c) concurrently with the preceding step, each Whistler Option outstanding immediately prior to the Effective Time shall be, and shall be deemed to be, fully vested and surrendered and transferred to Whistler in consideration for the issuance by Whistler of that number of Whistler Shares (“**Net Surrender Shares**”) equal to, rounded down to the nearest whole share, (i) the number of Whistler Shares subject to such Whistler Option immediately prior to the Effective Time minus (ii) the number of whole and partial (computed to the nearest four decimal places) Whistler Shares that, when multiplied by the Fair Market Value of a Whistler Share is equal to the aggregate exercise price of such Whistler Option, and the holder of such Whistler Option shall be and shall be deemed to be the holder of such number of Net Surrender Shares and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly, but the holder of such Whistler Option shall not be entitled to a certificate or other document representing the Net Surrender Shares so issued;

- (d) immediately following the preceding step, all outstanding Whistler Options, Whistler RSUs and Whistler Performance Awards shall, and shall be deemed to be, terminated (and all rights thereunder shall expire) and be of no further force or effect;
- (e) immediately following the preceding step, each Dissent Share shall be deemed to be transferred and assigned by such Dissenting Holder, without any further act or formality on its part, to Exchangeco (free and clear of any Liens) in accordance with, and for the Consideration contemplated in, Article 4 of the Plan of Arrangement and:
 - (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Dissent Share and the name of such registered holder shall be deemed to be removed from the register of Whistler Shareholders in respect of each such Dissent Share, and at such time each Dissenting Holder will have the rights set out in Section 4.1 of the Plan of Arrangement;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Dissent Share; and
 - (iii) Exchangeco shall be and shall be deemed to be the holder of all of the outstanding Dissent Shares and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly;
- (f) immediately following the preceding step, each Whistler Share (other than any Whistler Share held by Vail Resorts, Exchangeco or any of their respective affiliates and any Dissent Share) shall be transferred and assigned, without any further act or formality on its part, to Exchangeco (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the Consideration, in each case in accordance with the election or deemed election of such Whistler Shareholder pursuant to Section 3.2 of the Plan of Arrangement, subject to Section 3.4 and Section 3.5 of the Plan of Arrangement, and
 - (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Whistler Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Whistler Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Whistler Share; and
 - (iii) Exchangeco shall be and shall be deemed to be the holder of all of the outstanding Whistler Shares and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly;
- (g) concurrently with the preceding step:
 - (i) Vail Resorts, Callco and Exchangeco shall execute the Exchangeable Share Support Agreement, and
 - (ii) Vail Resorts, Exchangeco and the Voting and Exchange Trustee shall execute the Voting and Exchange Trust Agreement; and
- (h) at any time after the completion of the share exchange set out in Section 3.1(f) of the Plan of Arrangement, as promptly as possible after all conditions therefor have been met, Whistler shall file the prescribed form of election under the Tax Act with the Canada Revenue Agency electing to cease being a public corporation for the purposes of the Tax Act,

it being expressly provided that the events provided for above will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

Tax Election

A Whistler Shareholder who is an Eligible Holder and who validly elects to receive Exchangeable Shares as the share component of the Consideration will have the opportunity to make a joint election with Exchangeco under section 85 of the Tax Act. Assuming a valid election is made, such an Eligible Holder may obtain a full or partial tax deferral of any capital gain otherwise arising on the exchange of its Whistler Shares. See “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of Whistler Shares for Exchangeable Share and Cash – Section 85 Election” for further information in this respect.

Deposit of Arrangement Consideration

Following receipt of the Final Order and prior to the Effective Time, Vail Resorts or Exchangeco shall deliver or cause to be delivered to the Depositary sufficient funds and certificates representing Vail Shares and Exchangeable Shares to satisfy the aggregate Consideration payable to the Whistler Shareholders in accordance with the Plan of Arrangement plus sufficient funds to satisfy any aggregate cash payment in lieu of fractional Vail Shares or Exchangeable Shares, which cash, Vail Share certificates and Exchangeable Share certificates shall be held by the Depositary as agent and nominee for such former Whistler Shareholders for distribution to such former Whistler Shareholders in accordance with the provisions of the Plan of Arrangement.

Cancellation of Rights after Six Years

To the extent that a former Whistler Shareholder shall not have complied with the provisions of the Plan of Arrangement for the exchange of Whistler Shares for the Consideration on or before the date that is six years after the Effective Date (the “**Final Proscription Date**”), then the Consideration that such former Whistler Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the Consideration to which such former Whistler Shareholder was entitled, shall be delivered to Vail Resorts or Exchangeco, as applicable, by the Depositary and the Vail Shares and Exchangeable Shares forming part of the Consideration shall be deemed to be cancelled, and the interest of the former Whistler Shareholder in such Vail Shares and Exchangeable Shares (and any dividend or other distribution made after the Effective Time in respect of such shares) to which it was entitled shall be terminated as of such Final Proscription Date, and the certificates formerly representing Whistler Shares shall cease to represent a right or claim of any kind or nature as of such Final Proscription Date. Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the Final Proscription Date shall cease to represent a right or claim of any kind or nature and the right of any Whistler Shareholder to receive the Consideration for Whistler Shares pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to Exchangeco.

Paramountcy

From and after the Effective Time: (i) the Plan of Arrangement shall take precedence and priority over any and all Whistler Shares issued prior to the Effective Time; (ii) the rights and obligations of the registered holders of Whistler Shares (other than Vail Resorts, Exchangeco or any of their respective affiliates), and of Whistler, Vail Resorts, Exchangeco, the Depositary and any transfer agent or other depositary in relation thereto, shall be solely as provided for in the Plan of Arrangement and the Arrangement Agreement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Whistler Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth in the Plan of Arrangement.

Amendments to the Plan of Arrangement

Vail Resorts and Whistler reserve the right to amend, modify and/or supplement the Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification or supplement must be agreed to in writing by each of Whistler and Vail Resorts and filed with the Court, and, if made following the Shareholder Meeting, then: (i) approved by the Court, and (ii) if the Court directs, approved by the Whistler

Shareholders and communicated to the Whistler Shareholders if and as required by the Court, and in either case in the manner required by the Court. Subject to the provisions of the Interim Order, any amendment, modification or supplement to the Plan of Arrangement, if agreed to by Whistler and Vail Resorts, may be proposed by Whistler and Vail Resorts at any time prior to or at the Shareholder Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Shareholder Meeting shall become part of the Plan of Arrangement for all purposes. Any amendment, modification or supplement to the Plan of Arrangement that is approved or directed by the Court following the Shareholder Meeting will be effective only if it is agreed to in writing by each of Whistler and Vail Resorts and, if required by the Court, by some or all of the Whistler Shareholders voting in the manner directed by the Court. Any amendment, modification or supplement to the Plan of Arrangement may be made by Whistler and Vail Resorts without the approval of or communication to the Court or the Whistler Shareholders, provided that it concerns a matter which, in the reasonable opinion of Whistler and Vail Resorts is of an administrative or ministerial nature required to better give effect to the implementation of the Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the Whistler Shareholders. The Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the Arrangement Agreement.

Procedure for the Arrangement to Become Effective

The Arrangement will be implemented by way of a Court approved Plan of Arrangement under Division 5 of Part 9 the BCBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

- the Arrangement must be approved by the Whistler Shareholders in the manner set forth in the Interim Order; and
- the Court must grant the Final Order approving the Arrangement;

In addition the Arrangement will only become effective if all other conditions precedent to the Arrangement set out in the Arrangement Agreement, including approvals under the Investment Canada Act and Competition Act, have been satisfied or waived by the appropriate party. For a description of the other conditions precedent see – “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

Whistler Shareholder Approval

The Whistler Board recommends that Whistler Shareholders vote FOR the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of at least two-thirds of the votes cast on the Arrangement Resolution by Whistler Shareholders present in person or represented by proxy at the Shareholder Meeting.

Support and Voting Agreements

On August 5, 2016, concurrently with the execution of the Arrangement Agreement, Vail Resorts and Exchangeco entered into support and voting agreements (collectively, the “**Support and Voting Agreements**”) with certain directors and senior officers of Whistler as well as the KSL Shareholders (collectively, the “**Supporting Shareholders**”).

The Supporting Shareholders beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, Whistler Shares representing approximately 25% of the outstanding Whistler Shares as of the date of this Circular and have agreed, subject to the terms of the Support and Voting Agreements, to, *inter alia*, vote their Whistler Shares in favour of the Arrangement and any other matters necessary for the consummation of the Arrangement.

The following is a summary of the principal terms of the Support and Voting Agreements. This summary does not purport to be complete and is qualified in its entirety by the complete text of the Support and Voting Agreements, copies of each which are available on SEDAR at www.sedar.com.

KSL Shareholders

Under the Support and Voting Agreement entered into between Vail Resorts, Exchangeco and the KSL Shareholders (the “**KSL Support and Voting Agreement**”), the KSL Shareholders have agreed, *inter alia*:

- (a) at the Shareholder Meeting (including in connection with any separate vote of any sub-group of securityholders of Whistler that may be required to be held and of which sub-group the KSL Shareholders form part) or at any adjournment thereof or in any other circumstances upon which a vote, consent or other approval (including by written consent in lieu of a meeting) with respect to the Arrangement Resolution is sought, the KSL Shareholders shall cause the 9,092,500 Whistler Shares owned by the KSL Shareholders (the “**KSL Shares**”) to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) the KSL Shares and any other Whistler Shares which they may then beneficially own (i) in favour of the approval of the Arrangement Resolution, and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement;
- (b) at any meeting of securityholders of Whistler (including in connection with any separate vote of any sub-group of securityholders of Whistler that may be required to be held and of which sub-group the KSL Shareholders form part) or at any adjournment thereof or in any other circumstances upon which a vote, consent or other approval of all or some of the Whistler securityholders is sought (including by written consent in lieu of a meeting), the KSL Shareholders shall cause their KSL Shares to be counted as present for purposes of establishing quorum and shall vote (or cause to be voted) their KSL Shares and any other Whistler Shares which they may then beneficially own against any (i) Acquisition Proposal and/or any matter that could reasonably be expected to delay, prevent or frustrate the successful completion of the Arrangement, or (ii) action or agreement (including, without limitation, any amendment of any agreement) that would result in a breach of any representation, warranty, covenant, agreement or other obligation of the KSL Shareholders in the KSL Support and Voting Agreement;
- (c) as soon as practicable following the mailing of the Circular and in any event no later than ten Business Days prior to the date of the Shareholder Meeting, the KSL Shareholders shall deliver or cause to be delivered to Whistler, with a copy to Vail Resorts and Exchangeco concurrently, a duly executed proxy or proxies directing those individuals as may be designated by Exchangeco to vote (i) in favour of the approval of the Arrangement Resolution, and (ii) in favour of any other matter necessary for the consummation of transactions contemplated by the Arrangement Agreement, and each such proxy or proxies shall not be revoked without the written consent of Vail Resorts and Exchangeco unless the KSL Support and Voting Agreement is terminated in accordance with its terms prior to the exercise of such proxy;
- (d) to, and to cause their affiliates to, immediately cease and cause to be terminated any existing solicitation, discussion or negotiation, if any, with any person (other than Vail Resorts, Exchangeco and their respective affiliates) by the KSL Shareholders or, if applicable, any of the officers, directors, employees, representatives, agents or affiliates of the KSL Shareholders with respect to any potential Acquisition Proposal;
- (e) to promptly notify Vail Resorts and Exchangeco, at first orally and then in writing, of any Acquisition Proposal received after August 5, 2016 by the KSL Shareholders or any inquiry, proposal or offer made by a third party to the KSL Shareholders regarding a potential Acquisition Proposal, whether received by the KSL Shareholders directly or through any officer, director, employee, representative or agent of the KSL Shareholders or affiliates of the KSL Shareholders; and
- (f) to promptly notify Vail Resorts and Exchangeco of the amount of any equity or debt securities of Whistler acquired by the KSL Shareholders, to the extent they are permitted to do so, after August 5, 2016. Any such securities or other interests shall be subject to the terms of the KSL Support and Voting Agreement as though owned by the KSL Shareholders on the date of the agreement and shall be included in the definition of “KSL Shares”.

Pursuant to the KSL Support and Voting Agreement, the KSL Shareholders have agreed not to:

- (a) directly or indirectly, or, if applicable, through any officer, director, employee, representative or agent of the KSL Shareholders or affiliates of the KSL Shareholders:
 - (i) solicit, assist, initiate, encourage or facilitate (including, without limitation, by way of furnishing non-public information, entering into any form of written or oral agreement, arrangement or understanding or soliciting proxies) any inquiries, proposals or offers regarding an Acquisition Proposal;
 - (ii) engage in or facilitate any discussions or negotiations regarding, or provide any confidential information with respect to, any Acquisition Proposal;
 - (iii) approve or recommend, or propose publicly to approve or recommend, any Acquisition Proposal;
 - (iv) tender or cause to be tendered any of their KSL Shares to any Acquisition Proposal;
 - (v) withdraw support, or propose publicly to withdraw support, from the transactions contemplated by the Arrangement Agreement;
 - (vi) make any public comments or statements, written or verbal, which are inconsistent with the obligations of the KSL Shareholders under the KSL Support and Voting Agreement;
 - (vii) enter, or propose publicly to enter, into any agreement related to any Acquisition Proposal; and
 - (viii) join in the requisition of any meeting of the securityholders of Whistler for the purpose of considering any resolution related to any Acquisition Proposal and/or any matter that could reasonably be expected to delay, prevent or frustrate the successful completion of the Arrangement or any of the transactions contemplated by the Arrangement Agreement;
- (b) directly or indirectly, without the prior written consent of Vail Resorts and Exchangeco (such consent not to be unreasonably withheld or delayed): (i) sell, transfer, gift, assign, grant a participation interest in, option, pledge, hypothecate, grant a security or voting interest in or otherwise convey or encumber (each, a “**Transfer**”), or enter into any agreement, option or other arrangement (including any profit sharing arrangement) with respect to the Transfer of any of their KSL Shares to any person, other than pursuant to the Arrangement Agreement, (ii) grant any proxies or power of attorney, deposit any of their KSL Shares into any voting trust or enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to their KSL Shares, other than pursuant to the KSL Support and Voting Agreement or (iii) agree to take any of the actions described in the foregoing clauses (i) and (ii); provided that (x) the KSL Shareholders shall be permitted to Transfer up to an aggregate of 2,727,750 KSL Shares following the Record Date, without the requirement to obtain the consent of Vail Resorts or Exchangeco, to the extent that the KSL Shareholders retain the right to vote the KSL Shares (and do not grant to the purchasers or other counterparty to such Transfer a power of attorney or proxy allowing such purchasers or counterparties to vote the KSL Shares) at the Shareholder Meeting, and (y) each KSL Shareholder shall be permitted to Transfer its respective KSL Shares (including through liquidation of such KSL Shareholder) to the record owner of such KSL Shareholder; provided, that such transferee shall execute and deliver to Vail Resorts and Exchangeco a counterparty to the KSL Support and Voting Agreement and agree to bound by the terms and provisions thereof; and
- (c) exercise any rights of appraisal or rights of dissent provided under any applicable Laws or otherwise in connection with the Arrangement or the transactions contemplated by the Arrangement Agreement considered at the Shareholder Meeting in connection therewith.

The KSL Support and Voting Agreement will automatically terminate upon the earlier of (a) the termination of the Arrangement Agreement in accordance with its terms and (b) the Effective Time. The KSL Support and Voting Agreement may also be terminated by notice in writing: (i) at any time prior to the Effective Time, by mutual agreement of the parties; (ii) by Vail Resorts or Exchangeco if (X) any of the KSL Shareholders breaches or is in default of any of the covenants or obligations of such KSL Shareholder under the KSL Support and Voting Agreement and such breach or such default has or may reasonably be expected to have an adverse effect on the consummation of the transactions contemplated by the Arrangement Agreement, or (Y) any of the representations or warranties of any of the KSL Shareholders under the KSL Support and Voting Agreement were as at August 5, 2016, or subsequently become, untrue or incorrect in any material respect, subject to certain cure conditions; (iii) by the KSL Shareholders if (X) either of Vail Resorts or Exchangeco breaches or is in default of any of the covenants or obligations of Vail Resorts or Exchangeco under the KSL Support and Voting Agreement and such breach or such default has or may reasonably be expected to have an adverse effect on the consummation of the transactions contemplated by the Arrangement Agreement or (Y) any of the representations or warranties of Vail Resorts or Exchangeco under the agreement were at August 5, 2016, or subsequently become, untrue or incorrect in any material respect, except to the extent any such failure to be true or correct would not have a material adverse effect on Vail Resorts or Exchangeco's ability to consummate the Arrangement, subject to certain cure conditions; (iv) by any of Vail Resorts, Exchangeco or the KSL Shareholders if the Effective Date has not occurred by the Outside Date; or (v) by the KSL Shareholders if, without the KSL Shareholders' prior written consent (such consent not to be unreasonably withheld, conditioned or delayed), the Arrangement Agreement is amended in a manner that would result (X) in a decrease in the Consideration set out in the Arrangement Agreement, (Y) in a modification to the type (cash or stock) of Consideration set out in the Arrangement Agreement, or (Z) in an extension of the Outside Date beyond the ultimate Outside Date contemplated in the Arrangement Agreement.

Directors and Certain Senior Officers of Whistler

Under the Support and Voting Agreements entered into between Vail Resorts, Exchangeco and the directors and certain senior officers of Whistler (the "**D&O Support and Voting Agreements**"), such directors and senior officers of Whistler have each agreed, *inter alia*:

- (a) to vote or to cause to be voted, all of his or her Whistler Shares, any other Whistler Options, Whistler Performance Awards or Whistler RSUs (collectively, the "Holder Securities") entitled to be voted in respect of the Arrangement and any other securities of Whistler directly or indirectly acquired by or issued to such relevant Supporting Shareholder after the date of the applicable D&O Support and Voting Agreement, if any (i) in favour of the Arrangement Resolution and any other matter necessary for the consummation of the Arrangement at the Shareholder Meeting, and (ii) against any proposed action or agreement which could impede, interfere with, delay or otherwise adversely affect the consummation of the Arrangement;
- (b) if requested by either Vail Resorts or Exchangeco, acting reasonably, to deliver or to cause to be delivered to Whistler duly executed proxies or voting information forms, such proxies or voting information forms (i) instructing the holder thereof to vote in favour of the Arrangement Resolution, and (ii) naming those individuals as may be designated by Whistler in the management proxy circular in connection with the Shareholder Meeting at which the Arrangement Resolution will be voted on;
- (c) not to exercise any rights to dissent or rights of appraisal in connection with the Arrangement;
- (d) except in his or her capacity as director or officer to the extent permitted by the Arrangement Agreement, not to, directly or indirectly, make or participate in or take any action that would reasonably be expected to facilitate or result in an Acquisition Proposal, or engage in any discussion, negotiation or inquiries relating thereto or accept any Acquisition Proposal; and
- (e) not to, directly or indirectly, sell, transfer, pledge or assign or agree to sell, transfer, pledge or assign any of the Holder Securities or any interest therein without either Vail Resorts or Exchangeco's prior written consent, other than pursuant to the Arrangement Agreement.

The D&O Support and Voting Agreements will terminate upon the earlier of: (a) the parties agreeing in writing; (b) the termination of the Arrangement Agreement in accordance with its terms; (c) the decrease by Vail Resorts or Exchangeco of the amount of the Consideration set out in the Arrangement Agreement without the applicable Supporting Shareholder's consent; (d) the Effective Time; or (e) the Outside Date (taking into account any extensions thereof agreed to between Whistler, Vail Resorts and Exchangeco).

The D&O Support and Voting Agreements also provide that the Supporting Shareholders thereunder, in their respective capacity as director or officer of Whistler, shall not be limited or restricted in any way whatsoever in the exercise of their fiduciary duties as director or officer of Whistler.

Financing the Transaction

Vail Resorts currently intends to finance the cash component of the consideration for the Arrangement, currently estimated to be approximately \$676 million (US\$517 million based on the USD/CAD noon exchange rate as of August 30, 2016), under a new US\$360 million term loan (for which it has received commitments from its lenders), and additional borrowings from remaining available capacity under its existing US\$400 million revolving credit facility. Obtaining financing is not a condition to completion of the Arrangement.

Court Approval

The Arrangement requires approval by the Court under Division 5 of Part 9 of the BCBCA. Prior to the mailing of this Circular, Whistler obtained the Interim Order providing for the calling and holding of the Shareholder Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached hereto as Appendix C. A copy of the notice of hearing of petition in respect of the hearing of Whistler's application for the Final Order is attached hereto as Appendix D.

Subject to the approval of the Arrangement Resolution by Whistler Shareholders at the Shareholder Meeting, the hearing of Whistler's application for the Final Order is scheduled to take place on October 7, 2016 at 9:45 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Any Whistler Shareholder or holder of Whistler Options, Whistler RSUs or Whistler Performance Awards who wishes to participate, appear, to be represented, and to present evidence or arguments at the hearing must file and serve a response to petition (a "**Response to Petition**") and satisfy the other requirements of the Court, as directed in the Interim Order appended hereto as Appendix C and as the Court may direct in the future. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further direction of the Court, only those persons having previously served a Response to Petition in compliance with the Interim Order will be given notice of the new date. Participation in the hearing of Whistler's application for the Final Order, including who may participate and present evidence or argument and the procedure for doing so, is subject to the terms of the Interim Order and any subsequent direction of the Court.

At the hearing, the Court will consider, among other things, the fairness and reasonableness of the Arrangement and the rights of every person affected. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. If the Court approves the Arrangement with amendments, depending on the nature of the amendments, Whistler, Vail Resorts and Exchangeco may agree not to complete the transaction contemplated by the Arrangement Agreement.

The Court has been advised that the Final Order granted by the Court will constitute the basis for the exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) thereof with respect to the Vail Shares and Exchangeable Shares to be issued pursuant to the Arrangement. See "Regulatory Matters – U.S. Securities Law Matters".

Letter of Transmittal and Election Form

A Letter of Transmittal and Election Form has been mailed, together with this Circular, to each person who was a registered holder of Whistler Shares on the Record Date. Each registered Whistler Shareholder must forward a properly completed and signed Letter of Transmittal and Election Form, with accompanying Whistler Share certificate(s), in order to receive the Consideration to which such Whistler Shareholder is entitled under the Arrangement. It is recommended that Whistler Shareholders complete, sign and return the Letter of Transmittal and

Election Form with accompanying Whistler Share certificate(s) to the Depositary as soon as possible. If you are an Eligible Holder, to make a valid election as to the form of the share component of the Consideration that you wish to receive under the Arrangement, you must sign and return the Letter of Transmittal and Election Form and make a proper election thereunder and return it with accompanying Whistler Share certificate(s) to the Depositary prior to the Election Deadline, being 2:00 p.m. (Vancouver time) on the Business Day which is three (3) Business Days preceding the Effective Date. Whistler shall provide at least two (2) Business Days' notice of the Election Deadline to Whistler Shareholders by means of a news release. See "The Arrangement — Election and Exchange Procedure".

Any use of the mail to transmit a certificate for Whistler Shares and a related Letter of Transmittal and Election Form is at the risk of the Whistler Shareholder. If these documents are mailed, it is recommended that registered mail, with return receipt requested, properly insured, be used.

Whether or not Whistler Shareholders forward the certificate(s) representing their Whistler Shares, upon completion of the Arrangement on the Effective Date, Whistler Shareholders will cease to be Whistler Shareholders as of the Effective Date and will only be entitled to receive the cash and that number of Vail Shares or Exchangeable Shares to which they are entitled under the Arrangement or, in the case of Whistler Shareholders who properly exercise Dissent Rights, the right to receive fair value for their Whistler Shares in accordance with the dissent procedures. See "Rights of Dissenting Whistler Shareholders".

The payments of the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable) to Whistler Shareholders will be denominated in Canadian dollars. However, a Whistler Shareholder can also elect to receive such amounts in U.S. dollars by checking the appropriate box in the Letter of Transmittal and Election Form, in which case such Whistler Shareholder will have acknowledged and agreed that, in respect of the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable), the exchange rate for one Canadian dollar expressed in U.S. dollars will be based on the exchange rate available to the Depositary at its typical banking institution on the date the funds are converted. Shareholders electing to have the payment of the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable) for their Whistler Shares paid in U.S. dollars will have further acknowledged and agreed that any change to the currency exchange rates of the United States or Canada will be at the sole risk of the Whistler Shareholder. The Depositary may earn a commercially reasonable spread between the exchange rate used to convert payment amounts and the rate used by any counterparty from which it may purchase any elected currency. If a Whistler Shareholder wishes to receive the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable) payable in U.S. dollars, the box captioned "Currency of Payment" in the Letter of Transmittal and Election Form must be completed. Otherwise, the cash component of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable) will be paid in Canadian dollars.

The instructions for making elections, exchanging certificates representing Whistler Shares and depositing such share certificates with the Depositary are set out in the Letter of Transmittal and Election Form and should be reviewed carefully. The Letter of Transmittal and Election Form also provides instructions with regard to lost certificates. See "The Arrangement — Election and Exchange Procedure".

Any Letter of Transmittal and Election Form, once deposited with the Depositary, shall be irrevocable and may not be withdrawn by a Whistler Shareholder except that all Letters of Transmittal and Election Forms will be automatically revoked if the Depositary is notified in writing by Whistler, Vail Resorts and Exchangeco that the Arrangement Agreement has been terminated. If a Letter of Transmittal and Election Form is automatically revoked, the certificate(s) for the Whistler Shares received with the Letter of Transmittal and Election Form will be promptly returned to the Whistler Shareholder submitting the same to the address specified in the Letter of Transmittal and Election Form.

Election and Exchange Procedure

Election for Exchangeable Shares and Procedure

Each registered Eligible Holder will have the right to elect in the Letter of Transmittal and Election Form to receive the form of Consideration set out below. Eligible Holders whose Whistler Shares are registered in the name of an Intermediary should contact that Intermediary for instructions and assistance in delivery of the share certificate(s)

representing those Whistler Shares and making, if applicable, an election with respect to the form of the share component of the Consideration they wish to receive.

Each Whistler Shareholder who is not an Eligible Holder will not have the right to make an election. Each Whistler Shareholder who is not an Eligible Holder will receive at the Effective Time of the Arrangement, for each Whistler Share, such fraction of a Vail Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash.

If you are a registered Eligible Holder, to make a valid election as to the form of the share component of the Consideration that you wish to receive under the Arrangement, you must sign and return the Letter of Transmittal and Election Form and make a proper election thereunder and return it with accompanying Whistler Share certificate(s) to the Depositary prior to the Election Deadline, being 2:00 p.m. (Vancouver time) on the Business Day which is three (3) Business Days preceding the Effective Date. Whistler shall provide at least two (2) Business Days' notice of the Election Deadline to Whistler Shareholders by means of a news release.

Only Eligible Holders may elect to receive, for each Whistler Share, such fraction of an Exchangeable Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash. **Whistler Shareholders who are Eligible Holders wishing to jointly file a section 85 election under the Tax Act (in order to obtain a full or partial tax deferral in respect of the transfer of their Whistler Shares) must elect to receive Exchangeable Shares as part of the Consideration in respect of such transfer. See “– Tax Elections” and “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada”.**

An election will have been properly made by registered Eligible Holders only if the Depositary has received, by the Election Deadline, a Letter of Transmittal and Election Form properly completed and signed and accompanied by the certificate(s) for the Whistler Shares to which the Letter of Transmittal and Election Form relates, properly endorsed or otherwise in proper form for transfer, together with all other required documents.

The determination of Whistler, Vail Resorts and Exchangeco as to whether elections have been properly made and when elections were received by the Depositary will be binding. **ELIGIBLE HOLDERS WHO DO NOT MAKE AN ELECTION PRIOR TO THE ELECTION DEADLINE, OR FOR WHOM WHISTLER, VAIL RESORTS AND EXCHANGECO DETERMINE THAT THEIR ELECTION WAS NOT PROPERLY MADE WITH RESPECT TO ANY WHISTLER SHARES, WILL BE DEEMED TO HAVE ELECTED TO RECEIVE, FOR EACH WHISTLER SHARE, SUCH FRACTION OF A VAIL SHARE AS IS EQUAL TO THE PRODUCT, ROUNDED TO SIX DECIMAL PLACES, OF 0.0998 MULTIPLIED BY THE EXCHANGE RATE ADJUSTMENT, AND \$17.50 IN CASH.** The Depositary may, with the agreement of Whistler, Vail Resorts and Exchangeco, make such rules as are consistent with the Arrangement for the implementation of the elections contemplated by the Arrangement and as are necessary or desirable to fully effect such elections.

All questions as to the validity, form, eligibility (including timely receipt) and acceptance of Whistler Shares deposited pursuant to the Arrangement will be determined by Whistler, Vail Resorts and Exchangeco in their sole discretion. Whistler Shareholders agree that such determination shall be final and binding. Whistler, Vail Resorts and Exchangeco reserve the right, if they so determine, to waive any defect or irregularity contained in any Letter of Transmittal and Election Form received by the Depositary. There shall be no duty or obligation of Whistler, Vail Resorts or Exchangeco to give notice of any defects or irregularities of any deposit and no liability shall be incurred by any of them for failure to give any such notice.

Exchange Procedure

Following receipt of the Final Order and prior to the Effective Time, Vail Resorts or Exchangeco shall deliver or cause to be delivered to the Depositary sufficient funds and certificates representing Vail Shares and Exchangeable Shares to satisfy the aggregate Consideration payable to the Whistler Shareholders in accordance with Section 3.1 of the Plan of Arrangement plus sufficient funds to satisfy any aggregate cash payment in lieu of fractional Vail Shares or Exchangeable Shares, which cash, Vail Share certificates and Exchangeable Share certificates shall be held by the Depositary as agent and nominee for such former Whistler Shareholders for distribution to such former Whistler Shareholders in accordance with the provisions of Article 5 of the Plan of Arrangement.

Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Whistler Shares (other than Whistler Shares held by Vail Resorts, Exchangeco or their respective affiliates and any Dissent Shares), together with a duly completed and executed Letter of Transmittal and Election Form, and such additional documents and instruments as the Depositary may reasonably require, the registered holder of the Whistler Shares represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Whistler Shareholder, the Consideration that such Whistler Shareholder has the right to receive under the Arrangement for such Whistler Shares, less any amounts withheld pursuant to Section 5.3 of the Plan of Arrangement, and any certificate so surrendered shall forthwith be cancelled. Under no circumstances will interest accrue or be paid by Vail Resorts, Exchangeco, Whistler or the Depositary in respect of the cash portion of the Consideration (and any cash in lieu of fractional Vail Shares or Exchangeable Shares, as applicable), regardless of any delay in making such payment.

Any exchange or transfer of Whistler Shares pursuant to the Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

Tax Elections

A Whistler Shareholder who is an Eligible Holder and who validly elects to receive Exchangeable Shares as the share component of the Consideration will have the opportunity to make a joint election with Exchangeco under section 85 of the Tax Act. Assuming a valid election is made, such an Eligible Holder may obtain a full or partial tax deferral of any capital gain otherwise arising on the exchange of its Whistler Shares. See “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of Whistler Shares for Exchangeable Share and Cash – Section 85 Election” for further information in this respect.

No Fractional Shares and Rounding of Cash Consideration

In no event shall any Whistler Shareholder be entitled to a fractional Vail Share or a fractional Exchangeable Share. Where the aggregate number of Vail Shares or Exchangeable Shares, to be issued to a Whistler Shareholder as Consideration under the Arrangement would result in a fraction of a Vail Share or an Exchangeable Share, being issuable, the number of Vail Shares or Exchangeable Shares, as the case may be, to be received by such Whistler Shareholder shall be rounded down to the nearest whole Vail Share or Exchangeable Share, as the case may be. In lieu of any such fractional Vail Share or Exchangeable Share such Whistler Shareholder will be entitled to receive a cash payment equal to such fractional interest multiplied by the Vail Reference Price (as defined in the Plan of Arrangement), rounded down to the nearest cent.

In any case where the aggregate cash consideration payable to a particular Whistler Shareholder under the Arrangement would, otherwise include a fraction of a cent, the Consideration payable shall be rounded down to the nearest cent.

Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Whistler Shares (other than Whistler Shares held by Vail Resorts, Exchangeco or their respective affiliates and any Dissent Shares) shall have been lost, stolen or destroyed upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration deliverable in accordance with such holder’s duly completed and executed Letter of Transmittal and Election Form. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such Consideration, give a bond satisfactory to Vail Resorts and the Depositary (acting reasonably) in such sum as Vail Resorts may direct, or otherwise indemnify Vail Resorts, Exchangeco and Whistler in a manner satisfactory to Vail Resorts, Exchangeco and Whistler, acting reasonably, against any claim that may be made against Vail Resorts, Exchangeco and Whistler with respect to the certificate alleged to have been lost, stolen or destroyed.

Cancellation of Rights after Six Years

To the extent that a former Whistler Shareholder shall not have complied with the provisions of the Plan of Arrangement for the exchange of Whistler Shares for the Consideration on or before the Final Proscription Date, then

the Consideration that such former Whistler Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the Consideration to which such former Whistler Shareholder was entitled, shall be delivered to Vail Resorts or Exchangeco, as applicable, by the Depositary and the Vail Shares and Exchangeable Shares forming part of the Consideration shall be deemed to be cancelled, and the interest of the former Whistler Shareholder in such Vail Shares and Exchangeable Shares (and any dividend or other distribution made after the Effective Time in respect of such shares) to which it was entitled shall be terminated as of such Final Proscription Date, and the certificates formerly representing Whistler Shares shall cease to represent a right or claim of any kind or nature as of such Final Proscription Date. Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the Final Proscription Date shall cease to represent a right or claim of any kind or nature and the right of any Whistler Shareholder to receive the Consideration for Whistler Shares pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to Exchangeco.

Withholding Rights

Vail Resorts, Exchangeco, Callco, Whistler, the Depositary or the Voting and Exchange Trustee shall be entitled to deduct and withhold, or direct Vail Resorts, Whistler, Exchangeco, Callco or the Depositary to deduct and withhold on their behalf, from any amount payable to any Person under the Plan of Arrangement (an “**Affected Person**”), such amounts as Vail Resorts, Exchangeco, Callco, Whistler, the Depositary or the Voting and Exchange Trustee determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under the Tax Act, the Code or any provision of any other Law (a “**Withholding Obligation**”) but, for greater certainty, the number of Whistler Shares issued to the holders of Whistler Options, Whistler Performance Awards and Whistler RSUs in settlement of such holder’s Whistler Options, Whistler Performance Awards or Whistler RSUs, as the case may be, shall not be reduced to satisfy any such Withholding Obligation. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes of the Plan of Arrangement as having been paid to the Affected Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Vail Resorts, Exchangeco, Callco, Whistler, the Depositary and the Voting and Exchange Trustee shall also have the right to:

- (a) withhold and sell, or direct Vail Resorts, Whistler, Exchangeco, Callco or the Depositary to deduct and withhold and sell on their behalf, on their own account or through a broker (the “**Broker**”), and on behalf of any Affected Person; or
- (b) require the Affected Person to irrevocably direct the sale through a Broker and irrevocably direct the Broker pay the proceeds of such sale to Vail Resorts, Exchangeco, Callco, Whistler, the Depositary or the Voting and Exchange Trustee as appropriate (and, in the absence of such irrevocable direction, the Affected Person shall be deemed to have provided such irrevocable direction),

such number of Vail Shares or Exchangeable Shares (or the Vail Shares exchanged therefor) delivered or deliverable to such Affected Person pursuant to the Plan of Arrangement or the Exchangeable Share Provisions as is necessary to produce sale proceeds (after deducting commissions payable to the Broker and other costs and expenses) sufficient to fund any Withholding Obligations. Any Exchangeable Shares to be sold in accordance with the withholding rights provisions of the Plan of Arrangement shall first be exchanged for Vail Shares in accordance with their terms and the Vail Shares delivered in respect of such shares shall be sold. Any such sale of Vail Shares shall be affected on a public market and as soon as practicable following the Effective Date. None of Vail Resorts, Exchangeco, Callco, Whistler, the Depositary, the Voting and Exchange Trustee or the Broker will be liable for any loss arising out of any sale of such Vail Shares, including any loss relating to the manner or timing of such sales, the prices at which the Vail Shares are sold or otherwise.

Non-Registered Shareholders

Whistler Shareholders whose Whistler Shares are registered in the name of a broker, investment dealer or other intermediary should contact that broker, investment dealer or other intermediary for instructions and assistance in delivery of the share certificate(s) representing those Whistler Shares and making an election with respect to the form of Consideration they wish to receive.

No Dividends or Distributions with respect to Unsurrendered Share Certificates

No dividend or other distribution declared or made after the Effective Time with respect to Vail Shares or Exchangeable Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Whistler Shares unless and until the holder of such certificate shall have complied with the provisions of the Plan of Arrangement relating to the surrender of certificates or lost certificates. Subject to applicable Law and to the provisions of the Plan of Arrangement regarding withholding, at the time of such compliance, there shall, in addition to the delivery of Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Vail Shares or Exchangeable Shares.

Treatment of Outstanding Whistler Equity-Based Compensation

All holders of Whistler Options, Whistler RSUs and Whistler Performance Awards have given their irrevocable consent, in writing, to the treatment of such securities as contemplated in the Plan of Arrangement.

All outstanding Whistler Options, Whistler RSUs and Whistler Performance Awards issued under the Whistler Omnibus Incentive Plan will vest at the Effective Time and holders thereof will receive Whistler Shares in exchange for them, in each case, on the terms set out below. The Whistler Shares will then be acquired by Vail Resorts under the Arrangement. See also “The Arrangement – Description of the Arrangement”.

Pursuant to the Arrangement Agreement, Whistler has agreed to take such action as is reasonably necessary or desirable under the terms of the Whistler Omnibus Incentive Plan to facilitate the surrender and termination of all Whistler Options, Whistler RSUs and Whistler Performance Awards at or prior to the Effective Time on the terms contemplated in the Plan of Arrangement. Accordingly, pursuant to the Whistler Omnibus Incentive Plan, the Whistler Board has amended the terms of the Whistler Options, Whistler RSUs and Whistler Performance Awards to provide that they will be treated as contemplated in the Plan of Arrangement. Pursuant to the Arrangement Agreement, Vail Resorts has also acknowledged and agreed that Vail Resorts, Whistler or any other Person that makes a payment to a holder of Whistler Options in connection with the surrender or termination of the Whistler Options will forego any deduction under the Tax Act with respect to such payment and will comply with the requirements described in subsection 110(1.1) of the Tax Act.

If the Effective Date were August 30, 2016, the aggregate Consideration to which holders of Whistler Options, Whistler RSUs and Whistler Performance Awards would be entitled, based on the CAD/USD noon exchange rate posted by the Bank of Canada on August 30, 2016 and assuming that all such holders received Vail Shares as the share component of the Consideration, would be 51,303 Vail Shares and \$9,134,177 in cash.

Whistler Options

At the Effective Time, each Whistler Option outstanding immediately prior to the Effective Time shall be, and shall be deemed to be, fully vested and surrendered and transferred to Whistler in consideration for the issuance by Whistler of that number of Whistler Shares equal to, rounded down to the nearest whole share:

- (a) the number of Whistler Shares subject to such Whistler Option immediately prior to the Effective Time minus
- (b) the number of whole and partial (computed to the nearest four decimal places) Whistler Shares that, when multiplied by the Fair Market Value of a Whistler Share is equal to the aggregate exercise price of such Whistler Option,

and the holder of such Whistler Option shall be and shall be deemed to be the holder of such number of Whistler Shares but the holder of such Whistler Option shall not be entitled to a certificate or other document representing the Whistler Shares so issued.

Whistler Performance Awards and Whistler RSUs

At the Effective Time, each Whistler Performance Award outstanding immediately prior to the Effective Time shall, and shall be deemed to, vest with respect to such number of Whistler Shares as is equal to its Whistler Performance Award Vesting Number (as defined in the Plan of Arrangement), and Whistler shall issue to the holder of such Whistler Performance Award in settlement of such Whistler Performance Award such number of Whistler Shares, the holder of such Whistler Performance Award shall be and shall be deemed to be the holder of such number of Whistler Shares, but the holder of such Whistler Performance Award shall not be entitled to a certificate or other document representing the Whistler Shares so issued.

At the Effective Time, each Whistler RSU having a grant date of January 31, 2013 outstanding immediately prior to the Effective Time shall, and shall be deemed to, vest with respect to such number of Whistler Shares as is equal to one half of the number of Retention Shares (as defined in the agreement for such Whistler RSU) that would have vested if Target (as defined in the agreement for such Whistler RSU) was achieved in the Retention Fiscal Year (as defined in the relevant agreement for such Whistler RSU), and Whistler shall issue to the holder of such Whistler RSU such number of Whistler Shares in settlement of such Whistler RSU, the holder of such Whistler RSU shall be and shall be deemed to be the holder of such number of Whistler Shares, but the holder of such Whistler RSU shall not be entitled to a certificate or other document representing the Whistler Shares so issued (for greater certainty, a Whistler RSU is only outstanding after September 30, 2016 to the extent that the Retention Shares vested under the terms of such Whistler RSU on September 30, 2016 but the Whistler Shares in respect thereof have not been issued prior to the Effective Time). All of the outstanding Whistler RSUs will vest in accordance with their terms on or before September 30, 2016.

Stock Exchange Listing

Vail Resorts will apply to list the Vail Shares issuable under the Arrangement on the NYSE and it is a condition of closing that Vail Resorts will have obtained approval for this listing. Vail Resorts and Exchangeco also intend to apply to list the Exchangeable Shares issuable under the Arrangement on the TSX and it is a condition of closing that Exchangeco will have obtained approval for this listing (subject to customary conditions). The listing of the Exchangeable Shares on the TSX will be subject to Exchangeco fulfilling all of the requirements of the TSX, including the distribution of the Exchangeable Shares to a minimum number of public shareholders. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

If the Arrangement is completed, Vail Resorts and Exchangeco intend to have the Whistler Shares delisted from the TSX. In addition, it is expected that Whistler will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Interest of Certain Parties in the Arrangement

In considering the recommendation of the Whistler Board with respect to the Arrangement, Whistler Shareholders should be aware that certain members of the Whistler Board and of Whistler’s management have interests in connection with the transactions contemplated by the Arrangement that may create actual or potential conflicts of interest in connection with such transactions as described below. The Whistler Board is aware of these interests and considered them along with the other matters described above in “The Arrangement — Reasons for the Recommendations”.

Ownership of Whistler Shares, Whistler Options, Whistler Performance Awards and Whistler RSUs

The directors and executive officers of Whistler hold the following Whistler Shares, Whistler Options, Whistler Performance Awards and Whistler RSUs which will be affected by the Arrangement as described under “The Arrangement — Description of the Plan of Arrangement”.

Securities of Whistler Beneficially Owned, Directly or Indirectly over which Control or Direction is Exercised⁽¹⁾⁽⁴⁾

Name and Province or State and Country of Residence	Positions(s)/Title	Whistler Shares	Whistler Options	Whistler Performance Awards⁽²⁾	Whistler RSUs
Jeremy Black British Columbia, Canada	Senior Vice President and Chief Financial Officer	23,593	97,144	12,914	2,500
Dave Brownlie British Columbia, Canada	President, CEO and Director	114,682 ⁽³⁾	228,094	31,795	7,410
Thierry Keable British Columbia, Canada	General Counsel and Corporate Secretary	1,655	28,184	3,495	Nil
Stuart Rempel British Columbia, Canada	Senior Vice President, Marketing and Sales	21,670	59,020	7,114	2,000
John Furlong British Columbia, Canada	Director	5,000	Nil	Nil	Nil
Russell Goodman Québec, Canada	Director	10,000	Nil	Nil	Nil
Scott Hutcheson Alberta, Canada	Director	6,000	Nil	Nil	Nil
Peter McDermott ⁽⁵⁾ Colorado, United States of America	Director	Nil	Nil	Nil	Nil
Eric Resnick ⁽⁵⁾ Colorado, United States of America	Director	Nil	Nil	Nil	Nil
Michele Romanow Ontario, Canada	Director	2,991	Nil	Nil	Nil
Graham Savage Ontario, Canada	Chairman, Director	5,000	Nil	Nil	Nil

Notes:

- (1) Information as to securities of Whistler beneficially owned, or over which control or direction is exercised, not being within the knowledge of Whistler, has been furnished by the respective directors and officers.
- (2) If the Effective Date were August 30, 2016 and based on the CAD/USD noon exchange rate posted by the Bank of Canada on August 30, 2016 (i) in respect of Whistler Performance Awards granted in the aggregate on February 6, 2014 to the above-noted individuals, a number of Whistler Shares equal to 25,554 awards multiplied by 1.531 (taking into account an adjustment for dividends) shall be deemed to vest; (ii) in respect of the Whistler Performance Awards granted in the aggregate on December 15, 2014 to the above-noted individuals, a number of Whistler Shares equal to 23,321 awards multiplied by 1.384 (taking into account an adjustment for dividends) shall be deemed to vest; and (iii) in respect of the Whistler Performance Awards granted in the aggregate on December 16, 2015 to the above-noted individuals, a number of Whistler Shares equal to 27,561 awards multiplied by 1.333 (taking into account an adjustment for dividends) shall be deemed to vest.
- (3) The number of Whistler Shares held by Mr. Brownlie includes 73,368 Whistler Shares held in the name of Mr. Brownlie's wife.
- (4) See also "Treatment of Outstanding Whistler Equity-Based Compensation" for further details.
- (5) Mr. Resnick and Mr. McDermott, directors of Whistler, are also an officer and member, respectively, of KSL Capital Partners III GP, LLC. Certain affiliates of KSL Capital Partners III GP, LLC have voting ownership over approximately 24% of the Whistler Shares. See "General Information About the Meeting and Voting – Persons Entitled to Vote".

On August 5, 2016, concurrently with the execution of the Arrangement Agreement, certain directors and senior officers of Whistler entered into support and voting agreements with Vail Resorts and Exchangeco. See "The Arrangement – Support and Voting Agreements".

Termination and Change of Control Benefits

Mr. David Brownlie, Mr. Jeremy Black, Mr. Stuart Rempel and one other member of senior management of Whistler have change of control agreements with Whistler that may result in payments being made to such individuals as a result of certain events.

The employment agreements with each of Mr. Brownlie, Mr. Black and Mr. Rempel discussed below provide for a “double trigger” for the change of control benefits. A “double trigger” means that change of control benefits require the occurrence of both (1) a change of control and (2) either termination of such employee’s employment or the employee suffers an adverse material change in his employment status within six or twelve months (as the case may be) following a change of control.

In the event of termination without cause or resignation for Good Reason (as defined below) within 12 months of a change of control, Mr. Brownlie and Mr. Black are entitled to receive: (1) for Mr. Brownlie, an amount equivalent to 18 months base salary, and for Mr. Black, an amount equivalent to 12 months base salary, increasing by one month up to an aggregate of 18 months for every full year of employment, in each case less statutory withholdings; (2) an amount equal to three months of Whistler’s contributions to the executive’s benefit plan; (3) a lump-sum payment equal to the sum of all accrued and unpaid base salary and earned and unused vacation pay; (4) reimbursement of reasonable business expenses incurred up to the date of termination; (5) a payment under the terms of Whistler’s annual incentive award program, on a pro-rata basis, for the portion of the year worked, based on the performance-based criteria at that time; and (6) a payment of the amounts to which he would have earned under the terms of the then-current short term incentive plan during the change of control severance period, calculated as if the target amount was achieved for that particular fiscal period. In addition, all unvested awards shall vest.

Mr. Rempel is entitled to receive, *inter alia*, a lump-sum payment equal to his accrued and unpaid base salary and earned and unused vacation pay and continued semi-monthly payments of his base salary for a period of 12 months following termination without cause or resignation for Good Reason within six months of a change of control.

The employment agreements for each of Mr. Brownlie, Mr. Black and Mr. Rempel define “Good Reason” as, *inter alia*: (i) a reduction in the base salary, (ii) a relocation of the executive’s place of employment to a location more than fifty miles from the executive’s place of employment prior to the change of control or (iii) a material adverse change to the nature or status of the executive responsibilities from those in effect immediately prior to the change of control.

The grant agreements for the Whistler Options and Whistler Performance Awards awarded to certain executive officers in fiscal 2014, 2015 and 2016 provide that, in the event of a change of control and Whistler is no longer publicly traded following such change of control, all of the options and the target number of Whistler Performance Awards shall immediately vest.

The Arrangement will constitute a change of control of Whistler for the purposes of the employment and grant agreements described above.

The aggregate expected amount of severance payments that may become payable as a result of completion of the Arrangement is \$2,472,797.

Retention Payments

On August 5, 2016, the Compensation Committee of the Whistler Board approved, in connection with the Arrangement and to ensure the continued services of certain employees of Whistler who are expected to be integral to the Arrangement (other than the President and Chief Executive Officer and the Chief Financial Officer of Whistler), the payment of retention payments totalling an aggregate of \$400,000, with the identity of, and amount to be allocated to, each such employee to be determined by the President and Chief Executive Officer of Whistler, which payments will become payable upon the closing of the Arrangement. In addition, to ensure the continued services of Mr. Thierry Keable, General Counsel of Whistler, the Compensation Committee of the Whistler Board approved a retention payment to Mr. Keable of \$15,000 per month, payable in arrears each three months for the period beginning May 1, 2016 until: (i) the closing of the Arrangement; or (ii) the termination of the Arrangement Agreement.

Vail Board

Pursuant to the terms of the Arrangement Agreement, upon the closing of the Arrangement, the size of the Vail Board will be increased by one to include one director identified by Whistler and agreed upon by Whistler and Vail Resorts (acting reasonably), provided that the individual identified by Whistler is a “resident Canadian” (as that term is defined in the *Canada Business Corporations Act*) and was a member of the Whistler Board on the date of the Arrangement Agreement.

Insurance and Indemnification of Directors and Officers

Pursuant to the Arrangement Agreement, Whistler has agreed to purchase, prior to the Effective Time customary “tail” policies of directors’ and officers’ liability insurance from a reputable and financially sound insurance carrier and containing terms and conditions no less favourable in the aggregate to the protection provided by the policies maintained by Whistler and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Time and, from and after the Effective Date, Vail Resorts will cause Whistler and its Subsidiaries to, maintain such tail policies in effect without any reduction in scope or coverage for six years from the Effective Time; provided, that Whistler and its Subsidiaries shall not be required, to pay any amounts in respect of such coverage prior to the Effective Time and provided further that, the cost of such policies shall not exceed 300% of Whistler’s current annual aggregate premium for policies currently maintained by Whistler or its Subsidiaries.

Pursuant to the Arrangement Agreement, Vail Resorts has agreed that all rights to indemnification or exculpation now existing in favour of present and former officers and directors of Whistler and its Subsidiaries shall survive the completion of the Arrangement and shall continue in full force and effect for a period of not less than six years from the Effective Date, subject to certain limitations.

Depositary

Whistler and Vail Resorts have retained the services of the Depositary for the receipt of the Letters of Transmittal and Election Forms and the certificates representing Whistler Shares and for the delivery and payment of the Consideration payable for the Whistler Shares under the Arrangement. The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain reasonable out-of-pocket expenses and will be indemnified against certain liabilities, including liabilities under securities laws and expenses in connection therewith.

INFORMATION RELATING TO WHISTLER

Overview

Whistler is a four season mountain resort that features two adjacent and integrated mountains, Whistler Mountain and Blackcomb Mountain, with 200 marked runs, over 8,000 acres of skiable terrain, 14 alpine bowls and three glaciers and is located adjacent to Whistler Village.

Additional information regarding Whistler is included in documents incorporated by reference into this Circular. See “ – Whistler Documents Incorporated by Reference”.

Trading Price and Volume of Whistler Shares; Dividends

The Whistler Shares are listed on the TSX under the symbol “WB”. The following table sets out the high and low trading prices and trading volumes for Whistler Shares on a monthly basis for the period from March 1, 2015 to August 26, 2016, as well as the dividends paid per Whistler Share, are as follows:

Month	High	Low	Volume	Cash Dividends Paid Per Share
March 2015	\$20.46	\$17.92	990,808	-
April 2015	\$18.90	\$17.67	1,646,548	-

Month	High	Low	Volume	Cash Dividends Paid Per Share
May 2015	\$19.89	\$17.90	1,721,997	\$0.24375
June 2015	\$20.25	\$19.17	769,315	-
July 2015	\$20.85	\$19.01	1,424,765	-
August 2015	\$22.50	\$20.40	1,056,578	\$0.24375
September 2015	\$22.38	\$21.42	1,552,451	-
October 2015	\$22.46	\$19.95	740,402	-
November 2015	\$22.01	\$20.01	476,359	-
December 2015	\$25.37	\$20.22	1,723,617	\$0.24375
January 2016	\$25.21	\$21.51	4,580,048	-
February 2016	\$25.60	\$22.18	2,031,647	\$0.24375
March 2016	\$27.42	\$24.06	2,901,058	-
April 2016	\$28.04	\$25.87	2,165,118	-
May 2016	\$27.78	\$24.80	1,544,624	\$0.24375
June 2016	\$25.85	\$23.50	2,505,227	-
July 2016	\$25.69	\$23.60	4,110,335	-
August 2016	\$37.43	\$23.82	20,849,027	\$0.24375

Prior Sales

The following table summarizes the issuances and grants of Whistler Shares, Whistler Options and Whistler Performance Awards by Whistler during the 12-month period before the date of this Circular:

Date of Grant	Security Issued/Granted	Number of Securities	Price per Security (\$)
December 16, 2015	Whistler Performance Awards	29,614	\$20.81
December 16, 2015 ⁽¹⁾	Whistler Options	220,411	\$23.21
December 16, 2015 ⁽²⁾	Whistler Shares	57,048	\$15.45
December 16, 2015 ⁽²⁾	Whistler Shares	4,115	\$20.45
July 18, 2015 ⁽³⁾	Whistler Shares	2,991	\$24.88
August 21, 2016 ⁽²⁾	Whistler Shares	5,000	\$15.45

Notes:

- (1) Price per Security refers to the exercise price of the Whistler Options.
- (2) Whistler Shares issued upon the exercise of Whistler Options. Price per Security refers to the exercise price of such Whistler Options.
- (3) Whistler Shares issued upon the settlement of Whistler RSUs.

Whistler has not granted any Whistler RSUs during the 12-month period before the date of this Circular.

Available Information

Whistler files reports and other information with applicable securities regulatory authorities in each of the provinces and territories of Canada. These reports and information are available to the public free of charge on SEDAR at www.sedar.com.

Risk Factors

Whether or not the Arrangement is completed, Whistler will continue to face many of the risks that it currently faces with respect to its business and affairs. Certain of these risk factors have been disclosed, starting on page 26, in the management's discussion and analysis of the activities, results of operations, and the financial condition of Whistler

for the year ended September 30, 2015 and starting on page 17, in the annual information form of Whistler dated December 11, 2015, both of which are incorporated by reference into this Circular and have been filed on SEDAR at www.sedar.com. Upon request, a Whistler Shareholder will be provided with a copy of such documents free of charge.

Whistler Documents Incorporated by Reference

The following documents, filed by Whistler with the applicable securities regulatory authorities in each of the provinces and territories of Canada, are specifically incorporated by reference into, and form an integral part of, this Circular:

- (a) annual information form of Whistler dated December 11, 2015 for the fiscal year ended September 30, 2015;
- (b) consolidated annual financial statements of Whistler for the fiscal years ended September 30, 2015 and September 30, 2014, together with the notes thereto and the independent auditor's report thereon;
- (c) management's discussion and analysis of the financial condition and results of operations for Whistler for three and twelve month periods ended September 30, 2015;
- (d) unaudited condensed interim consolidated financial statements of Whistler for the three and nine month periods ended June 30, 2016 and June 30, 2015;
- (e) management's discussion and analysis of the financial condition and results of operations for Whistler for the three and nine month periods ended June 30, 2016 and June 30, 2015;
- (f) management proxy circular of Whistler attached to the Notice of Annual General Meeting dated December 18, 2015 prepared in connection with Whistler's annual meeting of shareholders held on February 10, 2016; and
- (g) the material change report of Whistler dated August 8, 2016, relating to the Arrangement.

All material change reports (other than confidential reports), audited annual financial statements and management's discussion and analysis and all other documents of the type referred to in section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by Whistler with the applicable securities regulatory authorities in each of the provinces and territories of Canada on SEDAR at www.sedar.com after the date of this Circular and before the Shareholder Meeting are deemed to be incorporated by reference into this Circular.

Any statement contained in this Circular or in any other document incorporated or deemed to be incorporated by reference in this Circular shall be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is deemed to be incorporated by reference in this Circular modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Circular except as so modified or superseded.

INFORMATION RELATING TO VAIL RESORTS

Overview

Vail Resorts, Inc., a U.S. corporation organized under the laws of the State of Delaware was organized as a holding company in 1997 and is headquartered in Broomfield, Colorado. Vail Resorts' operations are grouped into three

business segments: Mountain, Lodging and Real Estate, which represented approximately 79%, 18% and 3%, respectively, of Vail Resorts' net revenue for the fiscal year ended July 31, 2015.

Vail Resorts' Mountain segment operates nine mountain resorts: Vail Mountain, Beaver Creek, Breckenridge and Keystone in Colorado; Heavenly, Northstar and Kirkwood in the Lake Tahoe area of California and Nevada; Park City in Utah; and Perisher in New South Wales, Australia. Vail Resorts also operates three urban ski areas: Afton Alps in Minnesota, Mt. Brighton in Michigan and Wilmot in Wisconsin. Vail Resorts' mountain segment also includes lift tickets, ski and snowboard school, dining and retail/rental businesses.

Vail Resorts' Lodging segment owns and/or manages a portfolio of luxury hotels under the RockResorts brand, a number of hotels and condominiums located in proximity to its mountain resorts, certain National Park Service concessionaire properties, including Grand Teton Lodge Company, a Colorado resort ground transportation company and several mountain resort golf courses.

Vail Resorts' Real Estate segment owns, develops and sells real estate in and around its resort communities.

As of July 31, 2016, Vail Resorts employed approximately 5,200 year-round employees. During the height of its operating seasons, Vail Resorts employs approximately 21,800 additional seasonal employees. In addition, Vail Resorts employs approximately 300 year-round employees and 100 seasonal employees on behalf of the owners of its managed hotel properties.

Additional information regarding Vail Resorts and its Subsidiaries is included in documents incorporated by reference into this Circular. See "– Vail Resorts Documents Incorporated by Reference".

Description of Vail Shares

The following summary description of the Vail Shares is based on the provisions of Vail Resorts' Amended and Restated Certificate of Incorporation ("**Vail Certificate**") and Amended and Restated By-Laws ("**Vail By-Laws**") and the applicable provisions of the General Corporation Law of the State of Delaware ("**Delaware Law**"). This information may not be complete in all respects and is qualified entirely by reference to the provisions of the Vail Certificate, Vail By-Laws and Delaware Law. For information on how to obtain copies of the Vail Certificate and Vail By-Laws, see "Vail Documents Incorporated by Reference".

Common Stock

Vail Resorts' authorized capital stock consists of 100,000,000 Vail Shares, par value US\$0.01 per share, and 25,000,000 shares of preferred stock, par value US\$0.01 per share. As of August 5, 2016, there were 36,179,664 Vail Shares outstanding. All outstanding Vail Shares are validly issued, fully paid and non-assessable. Subject to the prior rights of the holders of any preferred stock, the holders of outstanding Vail Shares are entitled to receive dividends rateably, on a share-for-share basis, out of assets legally available therefor at such times and in such amounts as the Vail Board may from time to time determine. In the event of Vail Resorts' liquidation, dissolution, winding up or distribution of Vail Resorts' assets, the Vail Shareholders are entitled to receive pro rata the assets which are legally available for distribution, after payment of all debts and other liabilities and subject to the prior rights of any holders of preferred stock, if any, then outstanding. Each outstanding Vail Share is entitled to vote on all matters submitted to a vote of stockholders.

Preferred Stock

As at the date of this Circular, there are no shares of Vail Resorts preferred stock outstanding. On the closing of the Arrangement, one share of preferred stock of Vail Resorts, the Special Voting Share, will be issued to the Voting and Exchange Trustee, as trustee for and on behalf of the holders of Exchangeable Shares (other than Vail Resorts or affiliates of Vail Resorts). The holder of the Special Voting Share will vote together with the holders of the Vail Shares, as a single class (except as otherwise required under applicable Law), with respect to all meetings of the stockholders of Vail Resorts at which the holders of the Vail Shares are entitled to vote and with respect to any written consents sought by Vail Resorts from the holders of Vail Shares. The Special Voting Share entitles the Voting and Exchange Trustee to cast the number of votes equal to the number of Exchangeable Shares outstanding as of the record date for such vote (other than those owned by Vail Resorts or affiliates of Vail Resorts) for which it has received

voting instructions from the holders of such Exchangeable Shares in accordance with the Voting and Exchange Trust Agreement.

The holder of the Special Voting Share is not entitled to receive any dividends declared and paid by Vail Resorts and, upon any liquidation, dissolution or winding up of Vail Resorts, whether voluntary or involuntary, shall rank senior to the Vail Shares, and junior to all classes or series of preferred stock of Vail Resorts, and is entitled to receive, prior to the holders of the Vail Shares, an amount equal to US\$1.00.

Delaware Law and Certain Provisions of the Vail Certificate, Vail By-Laws and Statutory Provisions

Vail Resorts is a Delaware corporation and is subject to Section 203 of Delaware Law. In general, Section 203 prevents an “interested stockholder” (defined generally as a person owning 15% or more of a corporation’s outstanding voting stock) from engaging in a “business combination” (as defined by Delaware Law) with a Delaware corporation for three years following the time such person became an interested stockholder, subject to certain exceptions. For more information see “Comparison of Rights of Whistler Shareholders and Vail Resorts Stockholders – Special Vote Required for Combinations with Interested Shareholders” in Appendix F.

Directors Liability and Indemnification

The Vail Certificate provides that to the fullest extent permitted by Delaware Law or other applicable Law, directors shall not be liable to Vail Resorts or Vail Resorts’ stockholders for monetary damages for breach of fiduciary duty as a director. Current Delaware Law restricts the ability to limit the liability of a director. The effect of the provision of the Vail Certificate is to eliminate Vail Resorts’ rights and Vail Resorts’ stockholders’ rights (through stockholders’ derivative suits on Vail Resorts’ behalf) to recover monetary damages against a director for breach of the fiduciary duty of care as a director (including breaches resulting from negligent or grossly negligent behavior) except in the situations described in clauses (i) through (iv) above. This provision does not limit or eliminate Vail Resorts’ rights or any right of Vail Resorts’ stockholders to seek non-monetary relief such as an injunction or rescission in the event of a breach of a director’s duty of care. For a description of the restrictions on the ability to limit the liability of a director under current Delaware law, see “Comparison of Rights of Whistler Shareholders and Vail Resorts Stockholders – Limited Liability of Directors” in Appendix F to this Circular.

In addition, the Vail By-Laws provide that Vail Resorts will indemnify Vail Resorts’ directors, officers and employees to the fullest extent permitted by applicable Law. Insofar as indemnification for liabilities arising under the U.S. Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, Vail Resorts has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the U.S. Securities Act and is therefore unenforceable.

Advance Notice Provisions for Stockholder Nominations and Stockholder Proposals

The Vail By-Laws establish an advance notice procedure for stockholders to make nominations of candidates for election as director, or to bring other business before an annual meeting of Vail Resorts’ stockholders (the “**Stockholder Notice Procedure**”). For a description of the restrictions on the Stockholder Notice Procedure, see “Comparison of Rights of Whistler Shareholders and Vail Resorts Stockholders – Advance Notification requirements for Proposals of Shareholders” in Appendix F to this Circular.

By requiring advance notice of nominations by stockholders, the Stockholder Notice Procedure affords the Vail Board an opportunity to consider the qualifications of the proposed nominees and, to the extent deemed necessary or desirable by the Vail Board, to inform stockholders about such qualifications. By requiring advance notice of other proposed business, the Stockholder Notice Procedure also provides a more orderly procedure for conducting annual meetings of stockholders and, to the extent deemed necessary or desirable by the Vail Board, provides Vail Resorts’ board with an opportunity to inform stockholders, prior to such meetings, of any business proposed to be conducted at such meetings, together with any recommendations as to Vail Resorts’ board’s position regarding action to be taken with respect to such business, so that stockholders can better decide whether to attend such a meeting or to grant a proxy regarding the disposition of any such business.

Although the Vail By-Laws do not give the Vail Board any power to approve or disapprove stockholder nominations for the election of directors or proposals for action, the Stockholder Notice Procedure may have the effect of precluding

a contest for the election of directors or the consideration of stockholder proposals if the proper procedures are not followed, and of discouraging or deferring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal, without regard to whether consideration of such nominees or proposals might be harmful or beneficial to Vail Resorts and Vail Resorts' stockholders.

Certain Effects of Authorized but Unissued Stock

As of August 5, 2016, there were 58,385,359 Vail Shares authorized but unissued, 5,434,977 Vail Shares issued but held in treasury, and 25,000,000 shares of preferred stock authorized but unissued, for future issuance without additional stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future offerings to raise additional capital or to facilitate corporate acquisitions.

The issuance of preferred stock could have the effect of delaying or preventing a change in Vail Resorts' control. The issuance of preferred stock could decrease the amount of earnings and assets available for distribution to the Vail Shareholders or could adversely affect the rights and powers, including voting rights, of the Vail Shareholders. In certain circumstances, such issuance could have the effect of decreasing the market price of the Vail Shares.

One of the effects of the existence of unissued and unreserved common stock or preferred stock may be to enable Vail Resorts' board to issue shares to persons friendly to current management, which could render more difficult or discourage an attempt to obtain control of Vail Resorts by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of management. Such additional shares also could be used to dilute the stock ownership of persons seeking to obtain control of Vail Resorts.

Trading Price and Volume of Vail Shares; Dividends

The Vail Shares are listed on the NYSE under the symbol "MTN". Vail Resorts pays quarterly dividends with respect to the Vail Shares. Information regarding the high and low trading prices and trading volumes for Vail Shares on a monthly basis for the period from March 1, 2015 to August 26, 2016, as well as the quarterly dividends paid per Vail Share, are as follows. All references to "\$" in the following table are to United States dollars.

Month	High (US\$)	Low (US\$)	Volume	Cash Dividends Paid Per Share (US\$)
March 2015	\$104.11	\$84.56	6,926,581	-
April 2015	\$108.29	\$99.03	4,930,498	\$0.6225
May 2015	\$106.50	\$98.45	4,101,819	-
June 2015	\$110.43	\$102.54	5,135,755	-
July 2015	\$112.34	\$106.29	3,712,331	\$0.6225
August 2015	\$111.25	\$103.94	3,456,425	-
September 2015	\$110.14	\$100.50	5,573,937	-
October 2015	\$116.52	\$102.65	4,860,972	\$0.6225
November 2015	\$121.90	\$112.75	3,399,951	-
December 2015	\$133.59	\$118.29	7,948,903	-
January 2016	\$127.04	\$116.43	5,829,282	\$0.6225
February 2016	\$129.97	\$114.87	4,671,176	-
March 2016	\$135.98	\$124.47	7,988,190	-
April 2016	\$133.69	\$126.57	5,229,236	\$0.8100
May 2016	\$132.55	\$124.00	3,820,523	-
June 2016	\$143.09	\$130.83	11,617,936	-
July 2016	\$145.38	\$137.38	6,258,246	\$0.8100
August 2016	\$160.88	\$142.04	8,388,499	-

Available Information

Vail Resorts files with or furnishes to the SEC reports, including its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports pursuant to Section 13(a) or 15(d) of the U.S. Exchange Act. These reports, proxy statements and other information are available free of charge on its corporate website www.vailresorts.com as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. You may also obtain these documents by requesting them in writing or by telephone from Vail Resorts at 390 Interlocken Boulevard, Broomfield, Colorado, 80021, or at (303) 404-1800.

Materials filed with or furnished to the SEC are also made available on its website at www.sec.gov. Copies of any materials Vail Resorts files with the SEC can be obtained at www.sec.gov or at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the public reference room is available by calling the SEC at 1-800-SEC-0330.

Risk Factors

The business and operations of Vail Resorts are subject to risks. In addition to considering the other information in this Circular, Whistler Shareholders should consider carefully the risk factors and other disclosures set forth in documents filed by Vail Resorts with the SEC, including Vail Resorts' Annual Report on Form 10-K for its fiscal year ended July 31, 2015, which are available at www.sec.gov. As set forth below, certain of these filings are incorporated by reference herein.

Selected Historical Consolidated Financial Data of Vail Resorts

The following table sets forth Vail Resorts' selected historical consolidated financial data for each of the periods indicated. The selected historical consolidated financial data has been derived from Vail Resorts' consolidated financial statements for the periods indicated. The financial data for the year ended July 31, 2015, the year ended July 31, 2014 and the year ended July 31, 2013 and as of July 31, 2015 and 2014 should be read in conjunction with the consolidated financial statements, related notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Vail Resorts' Annual Report on Form 10-K for the fiscal year ended July 31, 2015, which is incorporated by reference herein. The financial data for the year ended July 31, 2012 and July 31, 2011 are derived from Vail Resorts' accounting records. The table presented below is unaudited. The data presented below are in thousands, except for diluted net income per share attributable to Vail Resorts, Inc., cash dividends declared per share, effective ticket price ("ETP"), average daily rates ("ADR") and revenue per available room ("RevPar") amounts. The following financial data as of April 30, 2016, and for the nine-month period then ending have been derived from Vail Resorts' unaudited consolidated financial statements and should be read in conjunction with Vail Resorts' Quarterly Report on Form 10-Q for the fiscal quarter ending April 30, 2016, which is incorporated herein by reference. Operating results for the nine months ended April 30, 2016 are not necessarily indicative of the results that may be expected for the year ending July 31, 2016.

	Nine Months Ended April 30,			Year Ended July 31,			
	2016	2015	2015 ⁽¹⁾	2014 ⁽¹⁾	2013 ⁽¹⁾	2012 ⁽¹⁾	2011 ⁽¹⁾
Statement of Operations Data:							
Net revenue:							
Mountain	\$ 1,206,610	\$ 1,022,968	\$ 1,104,029	\$ 963,573	\$ 867,514	\$ 766,608	\$ 752,191
Lodging	200,026	185,180	254,553	242,287	210,974	210,623	214,658
Real estate	14,766	29,694	41,342	48,786	42,309	47,163	200,197
Total net revenue	1,421,402	1,237,842	1,399,924	1,254,646	1,120,797	1,024,394	1,167,046
Segment operating expense:							
Mountain	729,382	645,593	777,147	712,785	639,706	568,578	540,366
Lodging	176,170	166,407	232,877	225,563	198,813	204,270	205,903
Real estate	17,043	35,513	48,408	55,826	58,090	63,170	205,232
Total segment operating expense	922,595	847,513	1,058,432	994,174	896,609	836,018	951,501
Depreciation and amortization	(120,713)	(111,587)	(149,123)	(140,601)	(132,688)	(127,581)	(117,957)
Gain on sale of real property	1,810	151	151	—	6,675	—	—
Gain on litigation settlement	—	16,400	16,400	—	—	—	—

	Nine Months Ended April 30,			Year Ended July 31,			
	2016	2015	2015 ⁽¹⁾	2014 ⁽¹⁾	2013 ⁽¹⁾	2012 ⁽¹⁾	2011 ⁽¹⁾
Change in fair value of contingent consideration	—	4,550	3,650	(1,400)	—	—	—
Mountain equity investment income, net	992	396	822	1,262	891	878	1,342
Interest expense, net	(31,905)	(41,110)	(51,241)	(63,997)	(38,966)	(33,586)	(33,641)
Loss on extinguishment of debt	—	—	(11,012)	(10,831)	—	—	(7,372)
Income before provision for income taxes	346,351	258,432	149,328	44,072	59,229	27,092	55,520
Net income	214,738	184,778	114,610	28,206	37,610	16,391	34,422
Net loss attributable to noncontrolling interests	289	118	144	272	133	62	67
Net income attributable to Vail Resorts, Inc.	\$ 215,027	\$ 184,896	\$ 114,754	\$ 28,478	\$ 37,743	\$ 16,453	\$ 34,489
Diluted net income per share attributable to Vail Resorts, Inc.	\$ 5.76	\$ 4.95	\$ 3.07	\$ 0.77	\$ 1.03	\$ 0.45	\$ 0.94
Cash dividends declared per share	\$ 2.055	\$ 1.4525	\$ 2.075	\$ 1.245	\$ 0.79	\$ 0.675	\$ 0.15
Other Data:							
Mountain							
Skier visits ⁽²⁾	9,705	8,189	8,466	7,688	6,977	6,144	6,991
ETP ⁽³⁾	\$ 66.22	\$ 64.05	\$ 63.37	\$ 58.18	\$ 56.02	\$ 55.75	\$ 48.99
Lodging							
ADR ⁽⁴⁾	\$ 303.40	\$ 297.27	\$ 270.84	\$ 257.14	\$ 253.91	\$ 255.21	\$ 238.45
RevPAR ⁽⁵⁾	\$ 136.37	\$ 125.26	\$ 112.67	\$ 100.57	\$ 91.76	\$ 88.68	\$ 91.43
Real Estate							
Real estate held for sale and investment ⁽⁶⁾	\$ 116,874	\$ 137,740	\$ 129,825	\$ 157,858	\$ 195,230	\$ 237,668	\$ 273,663
Other Balance Sheet Data							
Cash and cash equivalents ⁽⁷⁾	\$ 68,565	\$ 125,214	\$ 35,459	\$ 44,406	\$ 138,604	\$ 46,053	\$ 70,143
Total assets	\$ 2,521,300	\$ 2,419,505	\$ 2,489,621	\$ 2,173,849	\$ 2,308,297	\$ 1,927,614	\$ 1,946,236
Long-term debt (including long-term debt due within one year)	\$ 629,178	\$ 636,749	\$ 816,830	\$ 626,622	\$ 796,922	\$ 490,765	\$ 491,743
Total Vail Resorts, Inc. stockholders' equity	\$ 965,663	\$ 963,490	\$ 866,568	\$ 820,843	\$ 823,868	\$ 802,311	\$ 829,723

Footnotes to Selected Historical Financial Data for Vail Resorts:

- (1) Vail Resorts has made several acquisitions which impact comparability between years during the periods presented. The more significant of those include: Perisher (acquired in June 2015); Park City (acquired in September 2014); Canyons transaction (entered into in May 2013); Urban ski areas (acquired in January 2016 and December 2012); Kirkwood (acquired in April 2012); Skiinfo (acquired February 2012); and Northstar (acquired in October 2010).
- (2) A skier visit represents a person utilizing a ticket or pass to access a mountain resort or Urban ski area for any part of one day during a winter ski season, and includes both paid and complimentary access.
- (3) ETP is calculated by dividing lift revenue by total skier visits during the respective periods.
- (4) ADR is calculated by dividing total room revenue (includes both owned room and managed condominium unit revenue) by the number of occupied rooms during the respective periods. ADR for all years presented above have been adjusted to exclude resort fee revenue from total room revenue for the calculation of ADR, as stipulated by the Uniform System of Accounts for the Lodging Industry, Eleventh Revised Edition.
- (5) RevPAR is calculated by dividing total room revenue (includes both owned room and managed condominium unit revenue) by the number of rooms that are available to guests during the respective periods. RevPAR for all years presented above have been adjusted to exclude resort fee revenue from total room revenue for the calculation of RevPAR, as stipulated by the Uniform System of Accounts for the Lodging Industry, Eleventh Revised Edition.
- (6) Real estate held for sale and investment includes all land, development costs and other improvements associated with real estate held for sale and investment.
- (7) Cash and cash equivalents exclude restricted cash.

Vail Resorts Documents Incorporated by Reference

Information regarding Vail Resorts has been incorporated by reference in this Circular from documents filed by Vail Resorts with the SEC. The documents listed below, which contain important information about Vail Resorts, its business and its financial condition, and which were previously filed by Vail Resorts with the SEC, are specifically incorporated by reference into, and form an integral part of, this Circular:

- (a) Vail Resorts' Annual Report on Form 10-K for the fiscal year ended July 31, 2015;

- (b) Vail Resorts' Quarterly Reports on Form 10-Q for the fiscal quarters ended October 31, 2015, January 31, 2016 and April 30, 2016;
- (c) the portions of Vail Resorts' Definitive Proxy Statement on Schedule 14A filed on October 22, 2015, that are incorporated by reference into Part III of Vail Resorts' Annual Report on Form 10-K for the fiscal year ended July 31, 2015;
- (d) Vail Resorts' Current Reports on Form 8-K filed with the SEC on September 28, 2015 (the second Form 8-K only, Film No.: 151127668), December 7, 2015 (the second Form 8-K only, Film No.: 151271760), March 24, 2016 and August 8, 2016 (except for information furnished under Item 7.01 and Exhibit 99.1 thereof); and
- (e) Vail Resorts' Registration Statement on Form 8-A with respect to the Vail Shares, filed on July 3, 1996.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein that bears a date earlier than the date of this Circular shall be deemed to be modified or superseded, for the purposes of this Circular, to the extent that a statement contained herein, modifies or supersedes such statement. Any future filings made by Vail Resorts with the SEC under Section 13(a), 13(c), 14, or 15(d) of the U.S. Exchange Act after the date of this Circular but before the Shareholder Meeting will be automatically incorporated by reference into this Circular. Any statement contained in a document incorporated by reference herein that bears a date later than the date of this Circular shall be deemed to modify or supersede, for the purposes of this Circular, any statement contained or incorporated by reference herein to the extent that a statement contained therein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed to be an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, in its unmodified or non-superseded form, to constitute a part of this Circular.

INFORMATION RELATING TO EXCHANGECO

Exchangeco is a company incorporated under the BCBCA on March 17, 2016. Exchangeco currently has no material assets other than 170,900 Whistler Shares, and to date, Exchangeco has not carried on any business other than the acquisition of such Whistler Shares, and otherwise except in accordance with its role as a party to the Arrangement Agreement. Exchangeco is a wholly-owned Subsidiary of Vail Resorts.

INFORMATION RELATING TO THE COMBINED COMPANY

General

On completion of the Arrangement, Vail Resorts will continue to be a corporation governed by the laws of the State of Delaware, and Exchangeco and Whistler will continue to be companies governed by the BCBCA. After the Effective Date, Vail Resorts will indirectly own all of the outstanding Whistler Shares.

At the Effective Time, the Vail Board will be increased to include a director identified by Whistler and agreed upon by Whistler and Vail Resorts (acting reasonably), who will be an individual identified by Whistler who is a "resident Canadian" (as that term is defined in the *Canada Business Corporations Act*) and who was a member of the Whistler Board on August 5, 2016. Except for the appointment of this additional director, there will be no changes in the composition of the Vail Board or Vail Resorts' corporate officers resulting from the Arrangement, and Whistler's operations will be managed and operated as a Subsidiary of Vail Resorts.

Unaudited Pro Forma Condensed Combined Financial Information and Per Share Data

Summary Unaudited Pro Forma Condensed Combined Financial Information

The following table shows summary selected unaudited *pro forma* condensed combined financial information (the “**Summary Pro Forma Information**”) about the financial condition and results of operations of Vail Resorts as at and for the periods indicated below after giving effect to the Arrangement. The following Summary Pro Forma Information is based on the historical consolidated financial statements of Vail Resorts and the historical consolidated financial statements of Whistler, and has been prepared to reflect the Arrangement and the financing structure established to fund the Arrangement. The Summary Pro Forma Information is presented for illustrative purposes only and does not necessarily reflect the results of operations or the financial position of Vail Resorts that actually would have resulted had the Arrangement occurred at the date indicated, nor project the results of operations or financial position of Vail Resorts for any future date or period.

The Summary Pro Forma Information should be read in conjunction with the unaudited *pro forma* condensed combined financial statements of Vail Resorts that give effect to the Arrangement included as Appendix H to this Circular, the historical consolidated financial statements and related notes of Vail Resorts in its Annual Report on Form 10-K for the year ended July 31, 2015, and its Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2016, as well as the consolidated annual financial statements of Whistler for the fiscal years ended September 30, 2015 and September 30, 2014, together with the notes thereto and the independent auditor’s report thereon and the unaudited condensed interim consolidated financial statements of Whistler for the three and nine month periods ended June 30, 2016 and June 30, 2015 which are incorporated by reference into this Circular and the information under “Risk Factors”.

Whistler’s historical consolidated financial statements were prepared in accordance with IFRS which differ in certain respects from U.S. GAAP. Adjustments were made to Whistler’s historical financial statements to estimate the conversion from IFRS to U.S. GAAP as well as reclassifications to conform Whistler’s historical presentation to Vail Resorts’ accounting presentation. All references to “\$” in the table below are to United States dollars.

Selected Pro Forma Condensed Combined Statement of Earnings Data

	For the nine months ended April 30, 2016	For the fiscal year ended July 31, 2015
(U.S.\$ in thousands, except per share amounts)		
Net revenue:		
Mountain	\$ 1,413,411	\$ 1,315,360
Lodging	202,656	257,573
Real estate	14,766	41,342
Total net revenue	<u>\$ 1,630,833</u>	<u>\$ 1,614,275</u>
Segment operating expense:		
Mountain	\$ 849,850	\$ 913,397
Lodging	177,680	234,826
Real estate	17,043	48,408
Total segment operating expense	<u>\$ 1,044,573</u>	<u>\$ 1,196,631</u>
Income from operations	\$ 427,421	\$ 234,049
Interest expense	\$ (42,276)	\$ (67,532)
Net income	\$ 247,800	\$ 121,212
Net loss (income) attributable to noncontrolling interests	(11,241)	(3,418)
Net income attributable to Vail Resorts, Inc.	<u>\$ 236,559</u>	<u>\$ 117,794</u>
Per share amounts:		
Basic net income per share attributable to Vail Resorts, Inc.	\$ 5.90	\$ 2.94
Diluted net income per share attributable to Vail Resorts, Inc.	\$ 5.76	\$ 2.86

Selected Pro Forma Combined Balance Sheet Data

(U.S.\$ in thousands)	April 30, 2016
Total assets	\$ 4,069,053
Long-term debt	\$ 1,276,138
Total liabilities	\$ 2,311,888
Total stockholders' equity	\$ 1,757,165

Equivalent and Comparative Per Share Information

The following tables set forth (i) selected per share information for Vail Shares on a historical basis for the nine months ended April 30, 2016 and the year ended July 31, 2015, (ii) selected per share information for Vail Shares on a *pro forma* combined basis for the nine months ended April 30, 2016 and the year ended July 31, 2015, (iii) selected per share information for Whistler Shares on a historical basis for the nine months ended June 30, 2016 and the year ended September 30, 2015, and (iv) selected per share information for Whistler Shares on a *pro forma* equivalent basis for the nine months ended June 30, 2016 and the year ended September 30, 2015. Except for the historical information for Vail Resorts as of and for the year ended July 31, 2015 and for Whistler as of and for the year ended September 30, 2015, the information in the table is unaudited.

The *pro forma* information below is presented for illustrative purposes only and does not necessarily reflect the results of operations or the financial position of Vail Resorts that actually would have resulted had the Arrangement occurred as of the beginning of the periods presented, nor is it necessarily indicative of the future operating results or financial position of the Combined Company.

The following information should be read in conjunction with the unaudited *pro forma* condensed combined financial statements of Vail Resorts that give effect to the Arrangement included as Appendix H to this Circular, the historical consolidated financial statements and related notes of Vail Resorts in its Annual Report on Form 10-K for the year ended July 31, 2015, and its Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2016, as well as the consolidated annual financial statements of Whistler for the fiscal years ended September 30, 2015 and September 30, 2014, together with the notes thereto and the independent auditor's report thereon and the unaudited condensed interim consolidated financial statements of Whistler for the three and nine month periods ended June 30, 2016 and June 30, 2015 which are incorporated by reference into this Circular and the information under "Risk Factors".

Vail Resorts' *pro forma* combined earnings (basic and diluted) and book value per share were calculated by dividing Vail Resorts' *pro forma* combined earnings per share from continuing operations (basic and diluted) and stockholders' equity, respectively, by the *pro forma* equivalent of common shares outstanding (giving effect to the anticipated issuance of an estimated 3,769,647 Vail Shares, either directly or underlying the Exchangeable Shares, at completion of the Arrangement, based on an estimated exchange ratio of 0.0975 Vail Shares per Whistler Share as of August 5, 2016). Whistler's *pro forma* equivalent per share amounts were calculated by multiplying Vail Resorts' *pro forma* combined per share amounts by such estimated exchange ratio of 0.0975. The per share amounts for Whistler Shares were converted from Canadian dollars to U.S. dollars using the average daily closing exchange rate for the nine months ended June 30, 2016 and the average daily closing exchange rate for the year ended September 30, 2016 earnings per share data, and the closing exchange rate as of June 30, 2016 and September 30, 2015 for book value and dividends data.

Vail Resorts – Historical and Pro Forma Combined Data	For the nine months ended April 30, 2016		For the fiscal year ended July 31, 2015	
	Historical	Pro Forma Combined	Historical	Pro Forma Combined
(US\$)				
Basic earnings per share attributable to Vail Resorts stockholders from continuing operations	\$ 5.92	\$ 5.90	\$ 3.16	\$ 2.94
Diluted earnings per share to Vail Resorts stockholders from continuing operations	\$ 5.76	\$ 5.76	\$ 3.07	\$ 2.86
Book value per share	\$ 26.71	\$ 37.77	\$ 23.73	N/A
Cash dividends per share	\$ 2.05500	N/A	\$ 2.07500	N/A

Whistler – Historical and Pro Forma Equivalent	For the nine months ended June 30, 2016		For the fiscal year ended September 30, 2015	
	Historical	Pro Forma Equivalent	Historical	Pro Forma Equivalent
(US\$)				
Basic earnings per share attributable to Whistler Shareholders from continuing operations	\$ 0.82	\$ 0.58	\$ 0.44	\$ 0.29
Diluted earnings per share to Whistler Shareholders from continuing operations	\$ 0.81	\$ 0.56	\$ 0.43	\$ 0.28
Book value per share	\$ 7.29	\$ 3.68	\$ 6.99	N/A
Cash dividends per share	\$ 0.54956	N/A	\$ 0.79591	N/A

Principal Holders of Vail Shares

The following table sets forth a list of the beneficial owners of Vail Shares who currently hold greater than 5% of the Vail Shares and/or are expected to hold greater than 5% of the Vail Shares following completion of the Arrangement. Shareholdings after giving effect to the Arrangement include holdings by these stockholders of Whistler Shares, to the extent known to Vail Resorts based on public filings.

Name of Beneficial Owner	<u>Before giving effect to the Arrangement⁽¹⁾</u>		<u>After giving effect to the Arrangement⁽²⁾</u>	
	Shares	Percent of Class⁽³⁾	Shares	Percent of Class⁽³⁾
Ronald Baron/Baron Capital Group, Inc.	5,044,380	13.9%	5,176,874	13.0%
T. Rowe Price Associates, Inc.	3,304,530	9.1%	3,552,063	8.9%
The Vanguard Group, Inc.	2,492,694	6.9%	2,492,694	6.2%
FMR LLC	2,180,291	6.0%	2,180,291	5.5%

Notes:

- (1) Derived from the Schedule 13G filed by current Vail Resorts stockholders with the SEC on EDGAR.
- (2) Includes approximately 1,358,700 Whistler Shares held by Ronald Baron/Baron Capital Group, Inc. and 2,538,800 Whistler Shares held by T. Rowe Price Associates, Inc. identified in Form N-CSRs for such shareholders filed on EDGAR.
- (3) Applicable percentages are based on 36,179,664 shares outstanding as of August 5, 2016, and giving effect to the anticipated issuance of an estimated 3,769,647 Vail Shares, either directly or underlying the Exchangeable Shares, at completion of the Arrangement, based on an exchange ratio of 0.0975 Vail Shares per Whistler Share as of the date the Arrangement Agreement was executed (August 5, 2016).

THE ARRANGEMENT AGREEMENT

The following is a summary of the principal terms of the Arrangement Agreement. This summary does not purport to be complete and is qualified in its entirety by, in the case of the Arrangement Agreement, the complete text of the Arrangement Agreement, a copy of which is available on SEDAR at www.sedar.com, and in the case of the Plan of Arrangement, the complete text of the Plan of Arrangement, a copy of which is attached at Appendix A to this Circular.

On August 5, 2016, Whistler entered into the Arrangement Agreement with Vail Resorts and Exchangeco, pursuant to which Vail Resorts and Whistler agreed that, subject to the terms and conditions set forth in the Arrangement Agreement, Vail Resorts will acquire, through its wholly owned Subsidiary, Exchangeco, 100 percent of the Whistler Shares pursuant to a plan of arrangement under the BCBCA. Upon completion of the Arrangement, Whistler Shareholders will receive, for each Whistler Share held, \$17.50 in cash and 0.0998 Vail Shares. Whistler Shareholders that are Eligible Holders will be able to elect to receive, for each Whistler Share held, 0.0998 Exchangeable Shares instead of the Vail Shares to which they would otherwise be entitled. Each whole Exchangeable Share will be

exchangeable for one Vail Share (subject to customary adjustments for stock splits or other reorganizations). The share component of the Consideration is subject to a currency adjustment if the Canadian dollar is above or below US\$0.7765 six Business Days before the closing of the transaction. The terms of the Arrangement Agreement are the result of arm's length negotiation between Whistler and Vail Resorts and their respective advisors.

Representations and Warranties

Except for its status as the contractual document that establishes and governs the legal relations among Whistler, Vail Resorts and Exchangeco with respect to the Arrangement, Whistler does not intend for the Arrangement Agreement to be a source of factual, business or operational information about Whistler or Vail Resorts. The Arrangement Agreement contains representations and warranties made by Whistler to Vail Resorts and Exchangeco, and representations and warranties made by Vail Resorts to Whistler. Those representations and warranties were made as of specific dates solely for the purposes of the Arrangement Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms. Moreover, some of the representations and warranties contained in the Arrangement Agreement are subject to a contractual standard of materiality (including, in the case of Whistler, a Whistler Material Adverse Effect and in the case of Vail Resorts, a Vail Material Adverse Effect) that may be different from that considered material to Whistler Shareholders, or that may have been used for the purpose of allocating risk between the parties to the Arrangement Agreement rather than for the purpose of establishing facts. Information concerning the subject matter of the representations and warranties may have changed since the date of the Arrangement Agreement. For the foregoing reasons, you should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The representations and warranties provided by Whistler in favour of Vail Resorts and Exchangeco relate to, among other things: (a) the due continuance, existence and power and authority of Whistler to own its assets and conduct its business; (b) the corporate power and authority of Whistler to enter into the Arrangement Agreement and perform its obligations thereunder; (c) the execution and delivery of the Arrangement Agreement by Whistler, and the performance by it of its obligations thereunder and the completion of the Arrangement not resulting in a violation, conflict or default under Whistler's or its Subsidiaries' constating documents; (d) Whistler's ownership of its Subsidiaries; (e) Whistler and its Subsidiaries' compliance with Laws and their respective constating documents; (f) Authorizations obtained by Whistler and its Subsidiaries in connection with carrying on their business; (g) the capitalization of Whistler and the listing on the TSX of the Whistler Shares; (h) the absence of any shareholder, pooling, voting trust or similar agreement; (i) reporting issuer status and compliance with the requirements of the TSX; (j) U.S. Securities Laws matters; (k) Whistler's timely and accurate filing of public documents; (l) the absence of outstanding or unresolved comments with respect to Whistler's public filings and no ongoing review or investigation by the securities commissions or the TSX; (m) Whistler's financial statements and financial reporting controls; (n) the absence of undisclosed liabilities; (o) real property and personal property matters; (p) First Nations matters; (q) environmental matters; (r) rights to intellectual property; (s) employment matters; (t) the absence of certain changes or events and the absence of a Whistler Material Adverse Effect; (u) litigation matters; (v) tax related matters; (w) maintenance of books and records; (x) Whistler's insurance policies; (y) the absence of undisclosed non-arm's length transactions; (z) Whistler's benefit plans; (aa) restrictions on business activities; (bb) performance under material contracts; (cc) Whistler's compliance with corrupt practices legislation; (dd) brokers and other expenses; (ee) no "collateral benefit" provided to related parties of Whistler; and (ff) delivery of the Greenhill Fairness Opinion and due authorization for the inclusion of the Greenhill Fairness Opinion in the Circular.

The representations and warranties provided by Vail Resorts in favour of Whistler relate to, among other things: (a) the due incorporation, existence, and power and authority of Vail Resorts to own its assets and conduct its business; (b) the corporate power and authority of Vail Resorts to enter into the Arrangement Agreement and perform its obligations thereunder; (c) the execution and delivery of the Arrangement Agreement by Vail Resorts, and the performance by it of its obligations thereunder not resulting in a violation, conflict or default under Vail Resorts' constating documents; (d) Vail Resorts and its Subsidiaries' compliance with Laws and Vail Resorts' compliance with its constating documents; (e) Authorizations obtained by Vail Resorts and its Subsidiaries in connection with carrying on its business; (f) the capitalization of Vail Resorts and the reservation and valid issuance by Vail Resorts of the Vail Shares to be issued in connection with the Arrangement; (g) Vail Resorts' registrant status under U.S. Securities Laws and compliance with requirements of the NYSE; (h) U.S. Securities Law matters; (i) Vail Resorts' status as a WTO investor; (j) Vail Resorts' timely and accurate filing of public documentation; (k) Vail Resorts' financial statements and financial reporting controls; (l) the absence of undisclosed liabilities; (m) litigation matters; (n) Vail Resorts'

ownership of Whistler Shares; (o) tax related matters; (p) restrictions on business activities; (q) Vail Resorts' compliance with corrupt practices legislation; (r) brokers and other expenses; (s) Exchangeco matters and the valid issuance of the Exchangeable Shares to be issued in connection with the Arrangement; (t) Vail Resorts' financing arrangements; and (u) the freely tradeable status of the Vail Shares and Exchangeable Shares to be issued in connection with the Arrangement.

The representations and warranties of Whistler and Vail Resorts contained in the Arrangement Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which the Arrangement Agreement is terminated in accordance with its terms. However, notwithstanding the termination of the Arrangement Agreement and the expiration of the representations and warranties, the parties to the Arrangement Agreement may be liable for any liabilities or damages arising out of its wilful or material breach of any provision of the Arrangement Agreement.

Conditions Precedent to the Arrangement

Mutual Conditions

The obligations of Whistler, Vail Resorts and Exchangeco to complete the Arrangement are subject to the fulfilment of each of the following conditions precedent on or before the Effective Time, each of which may only be waived in whole or in part with the mutual consent of the parties:

- (a) the Arrangement Resolution having been approved and adopted by Whistler Shareholders at the Shareholder Meeting in accordance with the Interim Order;
- (b) the Interim Order and the Final Order each having been obtained on terms consistent with the Arrangement Agreement and in form and substance acceptable to each of Vail Resorts and Whistler, acting reasonably, and not having been set aside or modified in a manner unacceptable to either Whistler or Vail Resorts, each acting reasonably, on appeal or otherwise;
- (c) no Governmental Entity having enacted, issued, promulgated, enforced or entered any Order or Law which is then in effect and has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement;
- (d) the receipt of all Regulatory Approvals;
- (e) the Vail Shares to be issued pursuant to the Arrangement or upon the exchange of Exchangeable Shares having been approved for listing on the NYSE, subject to customary conditions;
- (f) the Exchangeable Shares to be issued pursuant to the Arrangement Agreement having been approved for listing on the TSX, subject to customary conditions; and
- (g) the Vail Shares and the Exchangeable Shares to be issued pursuant to the Arrangement being exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof.

Additional Conditions in Favour of Vail Resorts

The obligation of Vail Resorts and Exchangeco to complete the Arrangement is subject to the fulfillment of each of the following additional conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of Vail Resorts and Exchangeco and may be waived by Vail Resorts and Exchangeco, in whole or in part, at any time):

- (a) the representations and warranties of Whistler in respect of (i) organization and qualification and authority relative to the Arrangement Agreement being true and correct in all respects as of the Effective Time as if made as at and as of such time; (ii) the representations and warranties of Whistler with respect to its Subsidiaries and capitalization and listing being true and correct in all respects (except for *de minimis* inaccuracies) as of the date of the Arrangement Agreement; and (iii) all other representations and warranties of Whistler set forth in the Arrangement Agreement, other

than those to which (i) and (ii) apply, being true and correct in all respects (disregarding for purposes of this paragraph, any materiality or Whistler Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of the Arrangement Agreement or another date being true and correct in all respects as of such date), except in the case of this clause (iii) where the failure to be so true and correct in all respects, individually and in the aggregate, has not had a Whistler Material Adverse Effect, and Whistler will have provided to Vail Resorts and Exchangeco a certificate of two senior officers of Whistler certifying (on Whistler's behalf and without personal liability) the foregoing dated the Effective Date;

- (b) Whistler having complied in all material respects with its covenants in the Arrangement Agreement and Whistler having provided to Vail Resorts and Exchangeco a certificate of two senior officers of Whistler certifying (on Whistler's behalf and without personal liability) compliance with such covenants dated the Effective Date;
- (c) since the date of the Arrangement Agreement, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public), a Whistler Material Adverse Effect and Whistler shall have provided to Vail Resorts and Exchangeco a certificate of two senior officers of Whistler to that effect (on Whistler's behalf and without personal liability); and
- (d) Dissent Rights having not been exercised (or, if exercised, remain unwithdrawn) with respect to more than 10% of the issued and outstanding Whistler Shares.

Additional Conditions in Favour of Whistler

The obligation of Whistler to complete the Arrangement is subject to the fulfillment of each of the following additional conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of Whistler and may be waived by Whistler in whole or in part at any time):

- (a) the representations and warranties of Vail Resorts in respect of (i) organization and qualification and authority relative to the Arrangement Agreement being true and correct in all respects as of the Effective Time as if made as at and as of such time; (ii) the representations and warranties of Vail Resorts with respect to capitalization and listing being true and correct in all respects (except for *de minimis* inaccuracies) as of the date of the Arrangement Agreement; and (iii) all other representations and warranties of Vail Resorts set forth in the Arrangement Agreement, other than those to which (i) and (ii) apply, being true and correct in all respects (disregarding for purposes of this paragraph, any materiality or Vail Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Time as if made at and as of such time (except that any such representation and warranty that by its terms speaks specifically as of the date of the Arrangement Agreement or another date being true and correct in all respects as of such date), except in the case of this clause (iii) where the failure to be so true and correct in all respects, individually and in the aggregate, has not had a Vail Material Adverse Effect, and Vail Resorts will have provided to Whistler a certificate of two senior officers of Vail Resorts certifying (on Vail Resorts' behalf and without personal liability) the foregoing dated the Effective Date;
- (b) each of Vail Resorts and Exchangeco having complied in all respects with its covenants regarding payment of the Consideration and in all material respects with its other covenants in the Arrangement Agreement and Vail Resorts having provided to Whistler a certificate of two senior officers of Vail Resorts certifying (on Vail Resorts' behalf and without personal liability) compliance with such covenants dated the Effective Date; and
- (c) since the date of the Arrangement Agreement, there will not have occurred, or have been disclosed to the public (if previously undisclosed to the public) any Vail Material Adverse Effect, and Vail Resorts shall have provided to Whistler a certificate of two senior officers of Vail Resorts to that effect (on Vail Resorts' behalf and without personal liability).

Covenants

General

In the Arrangement Agreement, each of Whistler, Vail Resorts and Exchangeco has agreed to certain covenants, including customary covenants relating to the operation of their respective businesses in the ordinary course, and to use commercially reasonable efforts to satisfy the conditions precedent to their respective obligations under the Arrangement Agreement and the Plan of Arrangement.

Vail Board

The Arrangement Agreement provides that upon the completion of the Arrangement, Vail Resorts shall take all necessary actions to ensure that the Vail Board shall include one director identified by Whistler and agreed upon by Vail Resorts, Exchangeco and Whistler (each acting reasonably), provided that the individual identified by Whistler is a “resident Canadian” (as that term is defined in the *Canada Business Corporations Act*) and is a member of the Whistler Board on the date of the Arrangement Agreement.

Blue-Sky Laws

The Arrangement Agreement provides that Vail Resorts shall use its commercially reasonable efforts to ensure that the Vail Shares and the Exchangeable Shares to be issued pursuant to the Arrangement shall, at the Effective Time, either be registered or qualified under all applicable U.S. state securities laws, or exempt from such registration and qualification requirements.

Whistler Incentive Awards

The Arrangement Agreement provides that, at the request of Vail Resorts, Whistler shall take such action as is reasonably necessary or desirable under the terms of the Whistler Omnibus Incentive Plan, to facilitate the surrender and termination of all Whistler RSUs, Whistler Performance Awards and the Whistler Options at or prior to the Effective Time on the terms contemplated in the Plan of Arrangement. Vail Resorts acknowledges and agrees that Vail Resorts, Whistler or any other Person that makes a payment to a holder of Whistler Options in connection with the surrender or termination of the Whistler Options will forego any deduction under the Tax Act with respect to such payment and will comply with the requirements described in subsection 110(1.1) of the Tax Act.

Regulatory Approvals

Whistler and Vail Resorts have agreed to certain steps in furtherance of obtaining Regulatory Approvals, including:

- (a) Each of Vail Resorts and Whistler shall, within 15 Business Days after the date of the Arrangement Agreement, file their respective Part IX notification under the Competition Act in respect of the transactions contemplated by the Arrangement Agreement.
- (b) Vail Resorts shall, as soon as reasonably possible, file an application for an Advance Ruling Certificate or No-Action Letter under the Competition Act in respect of the transactions contemplated by the Arrangement Agreement.
- (c) Vail Resorts shall, within 15 Business Days after the date of the Arrangement Agreement, file an application for review under the Investment Canada Act with the Investment Review Division of Innovation, Science and Economic Development Canada and the Cultural Sector Investment Review Division of Department of Canadian Heritage.
- (d) Each of Vail Resorts and Whistler shall file, as promptly as practicable after the date of the Arrangement Agreement, any other filings or notifications under any other applicable federal, provincial, state or foreign Law required to obtain any Regulatory Approvals.
- (e) All filing fees (including any Taxes thereon) in respect of any filing made to any Governmental Entity in respect of any Regulatory Approvals shall be the sole responsibility of Vail Resorts.

- (f) With respect to obtaining the Regulatory Approvals, each of Vail Resorts and Whistler shall:
- (i) not extend or consent to any extension of any applicable waiting or review period or enter into any agreement with a Governmental Entity to not consummate the transactions contemplated by the Arrangement Agreement, except upon the prior consent of the other Party;
 - (ii) promptly notify the other Party of written or oral communications of any nature from a Governmental Entity relating to any Regulatory Approval and provide the other Party with copies thereof, except to the extent of competitively or commercially sensitive information in respect of any Regulatory Approval, which competitively sensitive and/or commercially sensitive information will be provided only to the external legal counsel or external expert of the other and shall not be shared by such counsel or expert with any other Person;
 - (iii) subject to clauses (ii), (iv) and (v) herein, respond as promptly as reasonably possible to any inquiries or requests received from a Governmental Entity in respect of any Regulatory Approval;
 - (iv) permit the other Party to review in advance any proposed written communications of any nature with a Governmental Entity in respect of any Regulatory Approval, and provide the other Party with final copies thereof except in respect of competitively or commercially sensitive information, which competitively and/or commercially sensitive information will be redacted from the draft written communications to be shared with the other Party pursuant to this paragraph and will be provided (on an unredacted basis) only to the external legal counsel or external expert of the other and shall not be shared by such counsel or expert with any other Person; and
 - (v) not participate in any meeting or discussion (whether in person, by phone or otherwise) with a Governmental Entity in respect of any Regulatory Approval unless it consults with the other Party in advance and gives the other Party the reasonable opportunity to attend and participate thereat (subject to section (h) below).
- (g) In order to permit and cause the Effective Time to occur as soon as possible and prior to the Outside Date, each of Vail Resorts and Whistler shall use its commercially reasonable efforts to, or cause to be done, all commercially reasonable things necessary, proper or advisable to obtain the Competition Act Approval prior to the Outside Date.
- (h) Notwithstanding any other provision of the Arrangement Agreement, Vail Resorts will use its commercially reasonable efforts to secure Investment Canada Act Approval. To the extent that Whistler attends or participates in any meeting or discussion in connection with obtaining the Investment Canada Act Approval, Whistler will cooperate with, and be supportive of, Vail Resorts in such meeting or discussion.
- (i) Notwithstanding any other provision of the Arrangement Agreement, each of Vail Resorts and Whistler shall not, and shall cause their respective Subsidiaries not to, enter into, or agree to enter into, any agreement to acquire any Canadian ski resort (or any interest therein) (other than the acquisition of Whistler pursuant to the Arrangement Agreement), whether directly or indirectly, after the date of the Arrangement Agreement until the earlier of the termination of the Arrangement Agreement or the Effective Date, that would be reasonably likely to (i) materially delay the obtaining of, or result in not obtaining, any Regulatory Approval necessary to be obtained prior to the Effective Date, (ii) materially increase the risk of any Governmental Entity undertaking a materially more significant or longer review of the transactions contemplated by the Arrangement Agreement or entering an Order prohibiting the consummation of the transactions contemplated by the Arrangement Agreement, including the Arrangement, (iii) materially increase the risk of not being able to have vacated, lifted, reversed or overturned any such Order on appeal or otherwise, or (iv) otherwise prevent or materially delay the consummation of the transactions contemplated by

the Arrangement Agreement, including the Arrangement; provided that, the foregoing shall not require any Party to waive any of the conditions precedent described above under “ – Conditions Precedent to the Arrangement”.

Whistler Non-Solicitation

Pursuant to the Arrangement Agreement, Whistler has agreed to not directly or indirectly, through any officer, director, employee, representative (including any financial or other advisor) or agent of Whistler or any of its Subsidiaries (collectively, the “**Representatives**”):

- (a) solicit, assist, initiate, knowingly encourage or otherwise facilitate (including by way of furnishing confidential information or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal;
- (b) enter into, engage in, continue or otherwise participate in any discussions or negotiations with any Person (other than Vail Resorts and its Subsidiaries or affiliates) in respect of any inquiry, proposal or offer that constitutes or may reasonably be expected to lead to an Acquisition Proposal, it being acknowledged and agreed that, provided Whistler is then in compliance with its non-solicitation obligations under the Arrangement Agreement, Whistler may (i) advise a Person who has submitted a written Acquisition Proposal of the restrictions in the Arrangement Agreement, or (ii) advise a Person who has submitted a written Acquisition Proposal that their Acquisition Proposal does not constitute a Superior Proposal;
- (c) approve or recommend, or publicly propose to approve or recommend, or take no position or remain neutral with respect to, any publicly announced Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than seven Business Days following the public announcement of such Acquisition Proposal will not be considered to be in violation of this paragraph provided the Whistler Board has rejected such Acquisition Proposal and affirmed the Whistler Board Recommendation by press release before the end of such seven Business Day period or in the event that the Shareholder Meeting is scheduled to occur within such seven Business Day period, prior to the third Business Day prior to the date of the Shareholder Meeting) and further provided that Whistler shall provide Vail Resorts and its outside legal counsel with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendments to such press release as requested by Vail Resorts and its counsel;
- (d) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, arrangement or undertaking relating to any Acquisition Proposal (other than a confidentiality agreement described herein); or
- (e) make a Whistler Change in Recommendation.

Whistler has agreed that it shall, and shall cause its Subsidiaries and Representatives to, immediately cease any existing solicitation, discussions, negotiations or other activities commenced prior to the date of the Arrangement Agreement with any Person (other than Vail Resorts and its Subsidiaries or affiliates) conducted by Whistler or any of its Subsidiaries or Representatives with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and, in connection therewith, Whistler will discontinue access to and disclosure of its and its Subsidiaries’ confidential information (and not allow access to or disclosure of any such confidential information, or any data room, virtual or otherwise) and shall as soon as possible request, and exercise all rights it has (or cause its Subsidiaries to exercise any rights that they have) to require the return or destruction of all confidential information regarding Whistler and its Subsidiaries previously provided in connection therewith to any Person other than Vail Resorts to the extent such information has not already been returned or destroyed.

Whistler has agreed to provide notice as soon as practicable, and in any event, within 24 hours, to Vail Resorts if it receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected

to constitute or lead to an Acquisition Proposal, of such Acquisition Proposal, inquiry, proposal or offer, including the identity of the Person making such Acquisition Proposal, inquiry, proposal or offer and the material terms and conditions thereof and copies of all material or substantive documents received in respect of, from or on behalf of any such Person. Whistler shall keep Vail Resorts promptly and fully informed of the status of developments and discussions and negotiations with respect to such Acquisition Proposal, inquiry, proposal or offer, including any material changes, modifications or other amendments thereto.

Notwithstanding any other provision of the Arrangement Agreement or any standstill, confidentiality, non-disclosure, business purpose, use or similar agreement or restriction between Whistler and any other Person, if at any time following the date of the Arrangement Agreement and prior to the Whistler Shareholder Approval having been obtained, Whistler receives a request for material non-public information, or to enter into discussions, from a Person that proposes to Whistler an unsolicited bona fide written Acquisition Proposal that did not result from a breach of the non-solicitation provisions of the Arrangement Agreement (and which has not been withdrawn) and the Whistler Board determines, in good faith after consultation with its outside financial and legal advisors, that such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal (disregarding, for the purposes of such determination, any due diligence access condition to which such Acquisition Proposal is subject), then, and only in such case, Whistler may:

- (a) provide the Person making such Acquisition Proposal with, or access to, information regarding Whistler and its Subsidiaries, but only to the extent that Vail Resorts had previously been, or is concurrently, provided with, or access to, the same information; and/or
- (b) enter into, participate in, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist, the Person making such Acquisition Proposal, regardless of whether such Person was restricted from making such Acquisition Proposal pursuant to an existing standstill, confidentiality, non-disclosure, business purpose, use or similar restriction and regardless of the non-solicitation provisions in the Arrangement Agreement,

provided that Whistler has entered into a confidentiality agreement on terms no less favourable in aggregate to Whistler than the Confidentiality Agreement; and Whistler has been, and continues to be, in compliance in all material respects with the non-solicitation provisions of the Arrangement Agreement.

Whistler shall not accept, approve or enter into any agreement, understanding or arrangement with respect to an Acquisition Proposal (a “**Proposed Agreement**”), other than a confidentiality agreement as contemplated by the Arrangement Agreement, unless:

- (a) the Whistler Board determines that the Acquisition Proposal constitutes a Superior Proposal;
- (b) the Whistler Shareholder Approval has not been obtained;
- (c) Whistler has been, and continues to be, in compliance in all material respects with the non-solicitation provisions of the Arrangement Agreement;
- (d) Whistler has provided Vail Resorts with a notice in writing that there is a Superior Proposal together with all documentation related to and detailing the Superior Proposal, including a copy of any Proposed Agreement relating to such Superior Proposal;
- (e) five Business Days (the “**Response Period**”) shall have elapsed from the date Vail Resorts received the notice and documentation from Whistler and, if Vail Resorts has proposed to amend the terms of the Arrangement in accordance with the Arrangement Agreement, the Whistler Board shall have determined, in good faith, after consultation with its outside financial and legal advisors, that the Acquisition Proposal is a Superior Proposal compared to the proposed amendment to the terms of the Arrangement by Vail Resorts;
- (f) prior to entering into such definitive agreement, understanding or arrangement Whistler terminates the Arrangement Agreement in accordance with its terms and concurrently pays to Vail Resorts the termination fee required to be paid pursuant to the terms of the Arrangement Agreement; and

- (g) Whistler enters into a definitive agreement, understanding or arrangement with respect to such Acquisition Proposal within five Business Days after the expiry of the Response Period.

Whistler has acknowledged and agreed that, during the Response Period or such longer period as Whistler may approve for such purpose, Vail Resorts shall have the opportunity, but not the obligation, to propose to amend the terms of the Arrangement Agreement, including an increase in, or modification of, the Consideration. The Whistler Board will review any such proposal to determine in good faith whether Vail Resorts' proposal to amend the Arrangement Agreement would result in the Acquisition Proposal ceasing to be a Superior Proposal. If the Whistler Board determines that the Acquisition Proposal is not a Superior Proposal as compared to the proposed amendments to the terms of the Arrangement Agreement, it will promptly advise Vail Resorts and enter into an amended agreement with Vail Resorts reflecting such proposed amendments. Each successive modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for the purposes of the non-solicitation provisions of the Arrangement Agreement and Vail Resorts shall be afforded a new Response Period in respect of each such Acquisition Proposal from the date on which Vail Resorts received the notice and documentation in respect of such new Superior Proposal from Whistler.

In circumstances where Whistler provides Vail Resorts with notice of a Superior Proposal and all related documentation on a date that is less than seven Business Days prior to the Shareholder Meeting, Whistler may, or if and as requested by Vail Resorts, Whistler shall, either proceed with or postpone the Shareholder Meeting to a date that is not more than seven Business Days after the scheduled date of such Shareholder Meeting, as directed by Vail Resorts, provided, however, that the Shareholder Meeting shall not be adjourned or postponed to a date later than the seventh Business Day prior to the Outside Date.

Nothing in the Arrangement Agreement prohibits the Whistler Board from making a Whistler Change in Recommendation or from making any other disclosure to any securityholders prior to the Whistler Shareholder Approval having been obtained, if, in the good faith judgment of the Whistler Board, after consultation with outside legal counsel, failure to take such action would be inconsistent with the Whistler Board's exercise of its fiduciary duties or such action is otherwise required under applicable Law (including by responding to an Acquisition Proposal under a directors' circular or otherwise as required under applicable Securities Laws); provided that:

- (a) no Whistler Change in Recommendation may be made in relation to an Acquisition Proposal unless Whistler complies with the non-solicitation provisions of the Arrangement Agreement; and
- (b) prior to making a Whistler Change in Recommendation, Whistler shall give to Vail Resorts not less than 48 hours' notice of its intention to make such a Whistler Change in Recommendation.

Whistler has agreed to advise its Subsidiaries and its Representatives of the non-solicitation provisions in the Arrangement Agreement and has agreed to be responsible for any breach of the non-solicitation provisions of the Arrangement Agreement by its Subsidiaries or Representatives.

Financing Assistance

The Arrangement Agreement provides that Whistler shall provide, and shall use its commercially reasonable efforts to cause its Representatives to provide, to Vail Resorts, cooperation reasonably requested by Vail Resorts in connection with any financing entered into in connection with the Arrangement, compliance with or modifications to or waivers of the provisions of any indebtedness of Whistler or its Subsidiaries and/or the replacement, retirement, satisfaction or discharge of any indebtedness of Whistler or its Subsidiaries (collectively, the "**Financing**"), including:

- (a) furnishing Vail Resorts and its proposed lenders, as promptly as reasonably practicable, with such financial and other reasonably required information regarding Whistler and its Subsidiaries, provided that competitively sensitive information may be provided only to external counsel of Vail Resorts or its proposed lender;
- (b) using its commercially reasonable efforts to facilitate the pledging of collateral in connection with the Financing (subject to the occurrence of the Effective Time) including facilitating the execution and delivery of any customary collateral documents and other customary certificates and documents as may reasonably be requested by Vail Resorts ;

- (c) assisting Vail Resorts and the proposed lenders in the preparation of bank information memoranda and other marketing and rating agency materials for the Financing;
- (d) cooperating with Vail Resorts to obtain customary corporate and facilities ratings including for Whistler and the Financing; and
- (e) obtaining customary payoff letters, redemption notices, releases of Liens and instruments of termination or discharge,

provided that: (A) such requested co-operation is made on reasonable notice and does not unreasonably interfere with the ongoing operations of Whistler; (B) such requested co-operation shall not impede, delay or prevent the receipt of any Regulatory Approvals or the satisfaction of any other conditions set forth in the Arrangement Agreement; (C) such requested co-operation shall not impede, delay or prevent the consummation of the Arrangement; (D) such requested co-operation is not, in the opinion of Whistler or Whistler's counsel, acting reasonably, prejudicial to the Whistler Shareholders, Whistler or any of Whistler's Subsidiaries; (E) such requested co-operation shall not require Whistler to obtain the approval of the Whistler Shareholders and shall not require Vail Resorts to obtain the approval of its shareholders; (F) Vail Resorts shall pay all of the cooperation costs and all direct or indirect costs and liabilities, fees, damages, penalties and Taxes that may be incurred as a consequence of such requested cooperation or Financing, including actual out-of-pocket costs and expenses for external counsel and auditors which may be incurred, provided that neither Whistler nor any of its Subsidiaries shall be required by Vail Resorts to pay any commitment, consent or other similar fee or incur any other liability in connection with any such financing prior to the Effective Time; (G) such requested cooperation does not require the directors, officers, employees or agents of Whistler or its Subsidiaries to take any action in any capacity other than as a director, officer or employee or agent; (H) Whistler shall not be required to provide, or cause any of its Subsidiaries to provide, cooperation that involves any binding commitment by Whistler or its Subsidiaries, which commitment is not conditional on the completion of the Arrangement and does not terminate without liability to Whistler or its Subsidiaries upon the termination of the Arrangement Agreement and (I) no such requested cooperation or financing shall be considered to constitute a breach of the representations, warranties or covenants of Whistler under the Arrangement Agreement or be capable of impairing or preventing the satisfaction of any condition set forth in the Arrangement Agreement.

Pre-Acquisition Reorganization

Whistler will, upon request by Vail Resorts, effect such reorganizations of its business, operations and assets or such other transactions as Vail Resorts may reasonably request (a "**Pre-Acquisition Reorganization**"), subject to applicable laws and certain conditions contained in the Arrangement Agreement. Vail Resorts has agreed to, among other things, be responsible for all reasonable costs and expenses associated with any Pre-Acquisition Reorganization to be carried out at its request and will indemnify and save harmless Whistler from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgement and penalties suffered or incurred by them in connection with or as a result of any Pre-Acquisition Reorganization and has agreed that any Pre-Acquisition Reorganization will not be considered in determining whether a representation or warranty of Whistler under the Arrangement Agreement has been breached.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time:

- (a) by mutual written agreement of Whistler and Vail Resorts;
- (b) by either Whistler or Vail Resorts, if:
 - (i) the Effective Time shall not have occurred on or before the Outside Date, provided that this right to terminate cannot be exercised by a Party whose failure to fulfill any of its obligations or breach of any of its representations and warranties under the Arrangement Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by such Outside Date;

- (ii) after the date of the Arrangement Agreement, there shall be enacted or made any applicable Law or Order that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins Whistler or Vail Resorts from consummating the Arrangement and such Law, Order or injunction shall have become final and non-appealable provided the Party seeking to terminate the Arrangement Agreement has used commercially reasonable efforts to appeal or overturn any such Law or Order pursuant to the Arrangement Agreement; or
 - (iii) the Whistler Shareholder Approval shall not have been obtained at the Shareholder Meeting.
- (c) by Vail Resorts, if:
 - (i) prior to the Effective Time: (1) the Whistler Board or any committee thereof: (i) fails to recommend or withdraws, amends, modifies or qualifies, in a manner adverse to Vail Resorts or fails to publicly reaffirm (without qualification) the Whistler Board Recommendation, or its recommendation of the Arrangement within five Business Days (and in any case prior to the Shareholder Meeting) after having been requested in writing by Vail Resorts to do so (acting reasonably), or (ii) accepts, approves, endorses or recommends an Acquisition Proposal (or publicly proposes to do so), or (iii) takes no position or a neutral position with respect to an Acquisition Proposal for more than seven Business Days after the public announcement of such Acquisition Proposal; or (2) the Whistler Board or a committee thereof shall have resolved or proposed to take any of the foregoing actions ((1) or (2) each a “**Whistler Change in Recommendation**”) or (3) Whistler shall have breached the non-solicitation provisions of the Arrangement Agreement in any material respect;
 - (ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Whistler set forth in the Arrangement Agreement shall have occurred that would cause the conditions precedent in the Arrangement Agreement in favour of Vail Resorts and Exchangeco that relate to the accuracy of Whistler’s representations and warranties, and Whistler’s compliance with its covenants, not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date, as reasonably determined by Vail Resorts and provided that Vail Resorts is not then in breach of the Arrangement Agreement so as to cause the conditions precedent in the Arrangement Agreement in favour of Whistler that relate to the accuracy of Vail Resorts’ representations and warranties, and Vail Resorts’ and Exchangeco’s compliance with their covenants not to be satisfied; or
 - (iii) a Whistler Material Adverse Effect event occurs as a result of which the conditions to closing are not capable of being satisfied by the Outside Date; or
- (d) by Whistler, if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Vail Resorts or Exchangeco set forth in the Arrangement Agreement shall have occurred that would cause certain conditions in the Arrangement Agreement in favour of Whistler not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date as reasonably determined by Whistler and provided that Whistler is not then in breach of the Arrangement Agreement so as to cause certain conditions in favour of Vail Resorts not to be satisfied;
 - (ii) prior to obtaining the Whistler Shareholder Approval, it wishes to enter into a binding written agreement with respect to a Superior Proposal (other than a confidentiality agreement permitted by the Arrangement Agreement), subject to compliance with the Arrangement Agreement in all material respects and provided that no termination under

this paragraph is effective until Whistler has paid to Vail Resorts the termination fee payable pursuant to the Arrangement Agreement; or

- (iii) a Vail Material Adverse Effect event occurs as a result of which the conditions to closing are not capable of being satisfied by the Outside Date.

Whistler Termination Fees

Whistler is required to pay Vail Resorts the Whistler Termination Fee as liquidated damages at the time determined in accordance with the Arrangement Agreement in the event of any of the following terminations of the Arrangement Agreement:

- (a) by Vail Resorts, in circumstances where prior to the Effective Time, a Whistler Change in Recommendation occurs (but not including a termination by Vail Resorts in such circumstances where the Whistler Change in Recommendation resulted from the occurrence of a Vail Material Adverse Effect); or
- (b) by Whistler if it wishes to enter into a binding written agreement with respect to a Superior Proposal in accordance with the Arrangement Agreement;
- (c) by either Party if the Effective Time has not occurred prior to the Outside Date or Whistler Shareholder Approval has not been obtained; or by Vail Resorts, as a result of a breach by Whistler of the non-solicitation provisions or breach of representation, warranties or covenants that would cause the conditions precedent in the Arrangement Agreement in favour of Vail Resorts and Exchangeco that relate to the accuracy of Whistler's representations and warranties, and Whistler's compliance with its covenants, to be incapable of being satisfied by the Outside Date, as reasonably determined by Vail Resorts and provided that Vail Resorts is not then in breach of the Arrangement Agreement so as to cause the conditions precedent in the Arrangement Agreement in favour of Whistler that relate to the accuracy of Vail Resorts' representations and warranties, and Vail Resorts' and Exchangeco's compliance with their covenants not to be satisfied; but only if, in these termination events, (X) prior to such termination, a bona fide Acquisition Proposal for Whistler shall have been made or publicly announced by any Person other than Vail Resorts and (Y) within 12 months following the date of such termination, (A) Whistler or one or more of its Subsidiaries enters into a definitive agreement in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in paragraph (X) above) and such Acquisition Proposal is later consummated (whether or not within 12 months after such termination) or (B) an Acquisition Proposal shall have been consummated (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in paragraph (X) above), provided that the term "Acquisition Proposal" in this paragraph has the meaning given to such term in this Circular except that a reference to "20 per cent" should instead refer to "50 per cent".

Vail Termination Fees

Vail Resorts is required to pay Whistler the Vail Termination Fee as liquidated damages at the time determined in accordance with the Arrangement Agreement in the event of any of the following terminations of the Arrangement Agreement:

- (a) by either Party, if the Effective Time has not occurred prior to the Outside Date if all of the other mutual conditions precedent and conditions precedent for the benefit of Vail Resorts and Exchangeco have been satisfied or waived by Vail Resorts, (i) other than (1) the condition that no Governmental Entity shall have enacted, issued, promulgated, enforced or entered any Order or Law which has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement, only if the applicable Law or Order, as the case may be, is pursuant to or related to the Investment Canada Act, or (2) the condition for receipt of all Regulatory Approvals, due to the failure to obtain Investment Canada Act Approval, and (ii) other than those conditions that by their terms are to be satisfied at the Effective Time and that are capable of being satisfied;

- (b) by Vail Resorts, if after the date of the Arrangement Agreement, there shall be enacted or made any applicable Law or Order that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins Whistler or Vail Resorts from consummating the Arrangement and such Law, Order or injunction shall have become final and non-appealable provided the Party seeking to terminate the Arrangement Agreement has used commercially reasonable efforts to appeal or overturn any such Law or Order pursuant to the Arrangement Agreement; only if the applicable Law or Order, as the case may be, is pursuant to or related to the Investment Canada Act,
- (c) by Whistler, if after the date of the Arrangement Agreement, there shall be enacted or made any applicable Law or Order that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins Whistler or Vail Resorts from consummating the Arrangement and such Law, Order or injunction shall have become final and non-appealable if all of the mutual conditions precedent and conditions precedent for the benefit of Vail Resorts have been satisfied or waived by Vail Resorts other than the mutual condition that there is no Law or Order prohibiting or enjoining the consummation of the Arrangement but only if the applicable Law or Order, as the case may be, is pursuant to or related to the Investment Canada Act, or the condition for receipt of all Regulatory Approvals, due to the failure to obtain Investment Canada Act Approval, and other than those conditions that by their terms are to be satisfied at the Effective Time and that are capable of being satisfied.

Guarantee

Under the Arrangement Agreement, Vail Resorts has unconditionally and irrevocably guaranteed the due and punctual performance by Exchangeco of each and every obligation of Exchangeco arising under the Arrangement Agreement, including, without limitation, the due and punctual payment of the Consideration pursuant to the Arrangement Agreement.

Governing Law

The Arrangement Agreement is governed, including as to validity, interpretation and effect, by the Laws of the Province of British Columbia and the Laws of Canada applicable therein. Each of Whistler, Vail Resorts and Exchangeco has irrevocably attorned to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under and in relation to the Arrangement Agreement and the Arrangement and has waived any defences to the maintenance of an action in the Courts of the Province of British Columbia.

Amendment

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Shareholder Meeting but not later than the Effective Time, be amended by mutual written agreement of Whistler, Vail Resorts and Exchangeco, without further notice to or authorization on the part of Whistler Shareholders, subject to the Interim Order, the Plan of Arrangement and applicable Laws.

DESCRIPTION OF EXCHANGEABLE SHARES AND RELATED AGREEMENTS

Description of Exchangeable Shares

The Exchangeable Shares will be issued by Exchangeco (a company governed by the BCBCA) and will carry, as nearly as reasonably practicable, equivalent economic entitlements to those of the Vail Shares, for which they are exchangeable. There are possible disadvantages or risks of holding Exchangeable Shares. See “Risks Factors — Risks Related to the Exchangeable Shares”.

Whistler Shareholders who are Eligible Holders may wish to elect to receive Exchangeable Shares rather than Vail Shares in order to take advantage of a full or partial tax deferral available under the Tax Act. The Canadian tax consequences of receiving or holding Exchangeable Shares may differ significantly from the Canadian tax consequences of receiving or holding Vail Shares depending upon the particular circumstances of an Eligible Holder. Careful consideration should be given by Eligible Holders to the tax consequences in determining whether or not an election should be made to receive Exchangeable Shares. See “Certain Canadian Federal Income Tax Considerations”.

The following summary description of certain material provisions of the Exchangeable Share Provisions, is not comprehensive and is qualified in its entirety by reference to the complete text thereof which is attached as Annex A to the Plan of Arrangement, which forms part of Appendix A of this Circular and by reference, in relevant part, to the Plan of Arrangement attached to this Circular as Appendix A.

Ranking

The Exchangeable Shares shall be entitled to a preference over the common shares of Exchangeco and any other shares ranking junior to the Exchangeable Shares with respect to (i) the payment of dividends or other distributions, and (ii) the distribution of assets in the event of the liquidation, dissolution or winding-up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs.

Dividends and Other Distributions

A holder of an Exchangeable Share shall be entitled to receive and the board of directors of Exchangeco shall, subject to applicable law, on each date (a “**Vail Dividend Declaration Date**”) on which the Vail Board declares any dividend or other distribution on the Vail Shares, declare a dividend or other distribution on each Exchangeable Share:

- (a) in case of a cash dividend or other distribution declared on the Vail Shares, in an amount in cash for each Exchangeable Share equal to the Canadian Dollar Equivalent of the cash dividend or other distribution declared on each Vail Share on the Vail Dividend Declaration Date;
- (b) in the case of a stock or share dividend or other distribution declared on the Vail Shares to be paid in Vail Shares, by the issue or transfer by Exchangeco of such number of Exchangeable Shares for each Exchangeable Share as is equal to the number of Vail Shares to be paid on each Vail Share; provided that Exchangeco may, in lieu of such stock or share dividend or other distribution, elect to effect a contemporaneous and economically equivalent (as determined by the board of directors of Exchangeco) subdivision of the outstanding Exchangeable Shares on the terms set out in the Exchangeable Share Provisions; or
- (c) in the case of a dividend or other distribution declared on the Vail Shares in property other than cash or Vail Shares, in such type and amount of property for each Exchangeable Share as is the same as or economically equivalent (as determined by the board of directors of Exchangeco) to the type and amount of property declared as a dividend or other distribution on each Vail Share.

Such dividends or other distributions shall be paid out of money, assets or property of Exchangeco properly applicable to the payment of dividends or other distributions, out of authorized but unissued shares of Exchangeco, or through the subdivision of outstanding Exchangeable Shares as applicable. The holders of Exchangeable Shares shall not be entitled to any dividends or other distributions other than or in excess of the foregoing.

The record date for the determination of the holders of Exchangeable Shares entitled to receive payment of, and the payment date for, any dividend or other distribution declared on the Exchangeable Shares will be the same dates as the record date and payment date, respectively, for the corresponding dividend or other distribution declared on the Vail Shares.

If on any payment date for any dividends or other distributions declared on the Exchangeable Shares, the dividends or other distributions are not paid in full on all of the Exchangeable Shares then outstanding, any such dividends or other distributions that remain unpaid will be paid on a subsequent date or dates determined by the board of directors of Exchangeco on which Exchangeco shall have sufficient monies, assets or property properly applicable to the payment of such dividends or other distributions.

The board of directors of Exchangeco is required to determine, in good faith and in its sole discretion (with the assistance of such financial or other advisors as the board of directors of Exchangeco may determine), “economic equivalence” for the purposes of the Exchangeable Shares and each such determination will be conclusive and binding on Exchangeco and its shareholders. In making each such determination, a number of factors set out in the

Exchangeable Share Provisions shall, without excluding other factors determined by the board of directors of Exchangeco to be relevant, be considered by the board of directors of Exchangeco.

Certain Restrictions

So long as any of the Exchangeable Shares are outstanding, Exchangeco shall not at any time without, but may at any time with, the approval of the holders of the Exchangeable Shares:

- (a) pay any dividends or other distributions on the common shares of Exchangeco or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or other distributions, other than stock or share dividends payable in common shares of Exchangeco or any such other shares ranking junior to the Exchangeable Shares, as the case may be;
- (b) redeem or purchase or make any capital distribution in respect of common shares of Exchangeco or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding-up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs;
- (c) redeem or purchase or make any capital distribution in respect of any other shares of Exchangeco ranking equally with the Exchangeable Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding-up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs; or
- (d) issue any Exchangeable Shares or any other shares of Exchangeco ranking equally with, or superior to, the Exchangeable Shares, other than, in each case, by way of stock or share dividend to the holders of such Exchangeable Shares or pursuant to a shareholder rights plan adopted by Whistler.

The restrictions listed in (a), (b), (c) and (d) above shall not apply if all dividends or other distributions on the outstanding Exchangeable Shares corresponding to dividends or other distributions declared and paid on the Vail Shares shall have been declared and paid in full on the Exchangeable Shares prior to or as at the date of any such event referred to in (a), (b), (c) and (d) above.

Distribution on Liquidation and Associated Call Right

Subject to applicable laws and the due exercise by Vail Resorts or Callco of the Liquidation Call Right (as defined below) (which shall itself be subject to the sale and purchase contemplated by the Automatic Exchange Right), in the event of the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, a holder of Exchangeable Shares shall be entitled to receive from the assets of Exchangeco in respect of each Exchangeable Share held by such holder on the Liquidation Date, before any distribution of any part of the assets of Exchangeco among the holders of the common shares of Exchangeco or any other shares ranking junior to the Exchangeable Share with respect to dividends or other distributions, an amount per share (the “**Liquidation Amount**”) equal to the Exchangeable Share Price on the last Business Day prior to the Liquidation Date, which price shall be satisfied in full by Exchangeco delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Liquidation Amount.

Vail Resorts and Callco will each have the overriding right (the “**Liquidation Call Right**”), in the event of and notwithstanding the proposed liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs and subject to the sale and purchase contemplated by the Automatic Exchange Right, to purchase from all but not less than all of the holders of Exchangeable Shares (other than Vail Resorts or an affiliate of Vail Resorts) on the Liquidation Date all but not less than all of the Exchangeable Shares held by each such holder on payment by Vail Resorts or Callco, as the case may be, to each such holder of an amount per share (the “**Liquidation Call Purchase Price**”) equal to the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) on the last Business Day prior to the Liquidation Date. The Liquidation Call Purchase Price shall be satisfied in full by Vail Resorts or Callco depositing or causing to be deposited with the Transfer Agent, on or before the Liquidation Date, the Exchangeable Share

Consideration representing the aggregate Liquidation Call Purchase Price less any amounts withheld on account of taxes. In the event of the exercise of the Liquidation Call Right by Vail Resorts or Callco, as the case may be, each such holder (other than Vail Resorts or an affiliate of Vail Resorts) shall be obligated to sell all of the Exchangeable Shares held by the holder to Vail Resorts or Callco, as the case may be, on the Liquidation Date on payment by Vail Resorts or Callco, as the case may be, to the holder of the Liquidation Call Purchase Price for each such share, and Exchangeco shall have no obligation to pay any Liquidation Amount to the holders of such shares so purchased.

Callco shall only be entitled to exercise the Liquidation Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail Resorts has not exercised the Liquidation Call Right. To exercise the Liquidation Call Right, Vail Resorts or Callco must notify the Transfer Agent, as agent for the holders of Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a voluntary liquidation, dissolution or winding-up of Exchangeco or any other voluntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least 30 days before the Liquidation Date, or (ii) in the case of an involuntary liquidation, dissolution or winding-up of Exchangeco or any other involuntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least five Business Days before the Liquidation Date. The Transfer Agent will notify the holders of Exchangeable Shares as to whether or not Vail Resorts and/or Callco has exercised the Liquidation Call Right forthwith after the expiry of the period during which the same may be exercised by Vail Resorts or Callco. If Vail Resorts and/or Callco exercises the Liquidation Call Right, then on the Liquidation Date, Vail Resorts and/or Callco, as the case may be, will purchase and the holders of the Exchangeable Shares (other than Vail Resorts or an affiliate of Vail Resorts) will sell, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Liquidation Call Purchase Price (payable in the form of the Exchangeable Share Consideration).

Retraction of Exchangeable Shares and Associated Call Right

Subject to applicable laws and the due exercise by Vail Resorts or Callco of the Retraction Call Right (as defined below), a holder of Exchangeable Shares shall be entitled at any time to require Exchangeco to redeem any or all Exchangeable Shares registered in the name of such holder and for an amount per share equal to the Exchangeable Share Price on the last Business Day prior to the Retraction Date (the “**Retraction Price**”), which price shall be satisfied in full by Exchangeco delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Retraction Price. A holder of Exchangeable Shares must give notice of a request to redeem by presenting and surrendering to Exchangeco or the Transfer Agent the certificate(s) representing the Exchangeable Shares that the holder desires to have Exchangeco redeem, together with (i) such other documents and instruments as may be required to effect a transfer of the Exchangeable Shares under the BCBCA and the articles of Exchangeco, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and Exchangeco may reasonably require and (ii) a duly executed Retraction Request: (A) specifying that the holder desires to have all or any number specified therein of the Exchangeable Shares represented by such certificate(s) (the “**Retracted Shares**”) redeemed by Exchangeco; (B) stating the Business Day on which the holder desires to have Exchangeco redeem the Retracted Shares (the “**Retraction Date**”), provided that the Retraction Date shall not be less than 10 Business Days nor more than 15 Business Days after the date on which the Retraction Request is received by Exchangeco and further provided that, in the event that no such Business Day is specified by the holder in the Retraction Request, the Retraction Date shall be deemed to be the 15th Business Day after the date on which the Retraction Request is received by Exchangeco; and (C) acknowledging the overriding Retraction Call Right of Vail Resorts and Callco to purchase all but not less than all the Retracted Shares directly from the holder and that the Retraction Request shall be deemed to be a revocable offer by the holder to sell the Retracted Shares to Vail Resorts or Callco in accordance with the Retraction Call Right on the Retraction Date for the Retraction Call Right Purchase Price.

In the event that a holder of Exchangeable Shares delivers a Retraction Request, Vail Resorts and Callco shall have the overriding right (the “**Retraction Call Right**”), notwithstanding the proposed redemption of the Exchangeable Shares, to purchase from such holder on the Retraction Date all but not less than all of the Retracted Shares held by such holder on payment by Vail Resorts or Callco, as the case may be, of an amount per share equal to the Exchangeable Share Price applicable on the last Business Day prior to the Retraction Date (the “**Retraction Call Right Purchase Price**”), which price shall be satisfied in full by Vail Resorts or Callco, as the case may be, delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Retraction Call Right Purchase Price less any amounts withheld on account of taxes. Upon the exercise of the Retraction Call Right by Vail Resorts or Callco (provided that the applicable Retraction Request has not been revoked in the manner described

below), the holder of such Retracted Shares shall be obligated to sell all of such Retracted Shares to Vail Resorts or Callco, as the case may be, on the Retraction Date on payment by Vail Resorts or Callco, as the case may be, of the aggregate Retraction Call Right Purchase Price in respect of such shares less any amounts withheld on account of taxes.

Upon receipt by Exchangeco of a Retraction Request, Exchangeco shall immediately notify Vail Resorts and Callco thereof and shall provide Vail Resorts and Callco with a copy of the Retraction Request. Callco shall only be entitled to exercise the Retraction Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail Resorts has not exercised the Retraction Call Right. To exercise its Retraction Call Right, Vail Resorts or Callco, as the case may be, must notify Exchangeco in writing of its determination to do so within five Business Days after Exchangeco notifies Vail Resorts and Callco of the Retraction Request. If neither Vail Resorts nor Callco so notifies Exchangeco within such five Business Day period, Exchangeco shall notify the holder as soon as possible thereafter that neither Vail Resorts nor Callco will exercise the Retraction Call Right. Provided that the aggregate Retraction Call Right Purchase Price has been so deposited with the Transfer Agent, the closing of the purchase and sale of the Retracted Shares pursuant to the Retraction Call Right shall be deemed to have occurred as at the close of business on the Retraction Date and, for greater certainty, no redemption by Exchangeco of such Retracted Shares shall take place on the Retraction Date.

A holder of Exchangeable Shares who has made a Retraction Request may, by notice in writing given by the holder to Exchangeco before the close of business on the Business Day immediately preceding the Retraction Date, withdraw such Retraction Request, in which event such Retraction Request will be null and void and the revocable offer constituted by the Retraction Request to sell such Exchangeable Shares to Vail Resorts or Callco pursuant to the exercise of the Retraction Call Right will be deemed to have been revoked.

Redemption of Exchangeable Shares and Associated Call Right

Subject to applicable laws and the due exercise by Vail Resorts or Callco of the Redemption Call Right (as defined below), Exchangeco shall on the Redemption Date (as defined below) redeem all but not less than all of the then outstanding Exchangeable Shares (other than Exchangeable Shares held by Vail Resorts and its affiliates) for an amount per share (the “**Redemption Price**”) equal to the Exchangeable Share Price on the last Business Day prior to the Redemption Date, which price shall be satisfied in full by Exchangeco delivering or causing to be delivered to each holder of Exchangeable Shares the Exchangeable Share Consideration for each Exchangeable Share held by such holder.

The “**Redemption Date**” is the date, if any, established by the board of directors of Exchangeco for the redemption by Exchangeco of all but not less than all of the outstanding Exchangeable Shares, which date shall be no earlier than the seventh anniversary of the Effective Date, unless:

- (a) the aggregate number of Exchangeable Shares issued and outstanding (other than Exchangeable Shares held by Vail Resorts and its subsidiaries) is less than 5% of the number of Exchangeable Shares issued on the Effective Date (as such number of shares may be adjusted as deemed appropriate by the board of directors of Exchangeco in certain circumstances set forth in the Exchangeable Share Provisions), in which case the board of directors of Exchangeco may accelerate such Redemption Date to such date as it may determine, upon at least 30 days’ prior written notice to the holders of the Exchangeable Shares and the Voting and Exchange Trustee;
- (b) a Vail Control Transaction is proposed, in which case, provided that the board of directors of Exchangeco determines in good faith, that it is not practicable to substantially replicate the terms and conditions of the Exchangeable Shares in connection with such Vail Control Transaction or that the redemption of all but not less than all of the outstanding Exchangeable Shares (other than Exchangeable Shares held by Vail Resorts and its affiliates) is necessary to enable the completion of such Vail Control Transaction in accordance with its terms, the board of directors of Exchangeco may accelerate such Redemption Date to such date as it may determine, upon such number of days’ prior written notice to the holders of the Exchangeable Shares and the Voting and Exchange Trustee as the board of directors of Exchangeco may determine to be reasonably practicable in such circumstances;

- (c) an Exchangeable Share Voting Event is proposed and (A) the holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as applicable, the Exchangeable Share Voting Event, and (B) the board of directors of Exchangeco has determined, in good faith and in its sole discretion, that it is not reasonably practicable to accomplish the business purpose (which business purpose must be bona fide and not for the primary purpose of causing the occurrence of the Redemption Date) intended by the Exchangeable Share Voting Event in a commercially reasonable manner that does not result in an Exchangeable Share Voting Event, in which case the Redemption Date shall be the Business Day following the day on which the later of the events described in (A) and (B) above occurs; or
- (d) an Exempt Exchangeable Share Voting Event is proposed and holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as applicable, the Exempt Exchangeable Share Voting Event, in which case the Redemption Date shall be the Business Day following the day on which the holders of the Exchangeable Shares failed to take such action.

Vail Resorts and Callco shall each have the overriding right (the “**Redemption Call Right**”), notwithstanding the proposed redemption of the Exchangeable Shares by Exchangeco, to purchase from all but not less than all of the holders of Exchangeable Shares (other than Vail Resorts or an affiliate of Vail Resorts) on the Redemption Date all but not less than all of the Exchangeable Shares held by each such holder on payment by Vail Resorts or Callco, as the case may be, of an amount per share (the “**Redemption Call Purchase Price**”) equal to the Exchangeable Share Price on the last Business Day prior to the Redemption Date. The Redemption Call Purchase Price shall be satisfied in full by Vail Resorts or Callco depositing or causing to be deposited with the Transfer Agent, on or before the Redemption Date, the Exchangeable Share Consideration representing the aggregate Redemption Call Purchase Price less any amounts withheld on account of taxes. In the event of the exercise of the Redemption Call Right by Vail Resorts or Callco, as the case may be, each holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to Vail Resorts or Callco, as the case may be, on the Redemption Date on payment by Vail Resorts or Callco, as the case may be, to the holder of the Redemption Call Purchase Price for each such share, and Exchangeco shall have no obligation to redeem, or pay the Redemption Price, in respect of the shares so purchased.

Callco shall only be entitled to exercise the Redemption Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail Resorts has not exercised the Redemption Call Right. To exercise the Redemption Call Right, Vail Resorts or Callco must notify the Transfer Agent, as agent for the holders of Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a redemption occurring as a result of a Vail Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event, on or before the Redemption Date, and (ii) in any other case, at least 30 days before the Redemption Date. The Transfer Agent will notify the holders of Exchangeable Shares as to whether or not Vail Resorts and/or Callco has exercised the Redemption Call Right forthwith after the expiry of the period during which the same may be exercised by Vail Resorts or Callco. If Vail Resorts and/or Callco exercises the Redemption Call Right, Vail Resorts and/or Callco, as the case may be, will purchase and the holders of the Exchangeable Shares (other than Vail Resorts or an affiliate of Vail Resorts) will sell, on the Redemption Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Redemption Call Purchase Price (payable in the form of the Exchangeable Share Consideration).

Change of Law Call Right

Vail Resorts and Callco shall each have the overriding right (the “**Change of Law Call Right**”), in the event of a Change of Law, to purchase from all but not less than all of the holders of Exchangeable Shares (other than Vail Resorts or an affiliate of Vail Resorts) on the Change of Law Call Date all but not less than all of the Exchangeable Shares held by each such holder on payment by Vail Resorts or Callco, as the case may be, of an amount per share (the “**Change of Law Call Purchase Price**”) equal to the Exchangeable Share Price applicable on the last Business Day prior to the date on which Vail Resorts or Exchangeco acquires the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right (the “**Change of Law Call Date**”), which shall be satisfied in full by Vail Resorts or Callco depositing or causing to be deposited with the Transfer Agent, on or before the Change of Law Call Date, the Exchangeable Share Consideration representing the total Change of Law Call Purchase Price less any amounts withheld on account of taxes. In the event of the exercise of the Change of Law Call Right by Vail Resorts or Callco,

as the case may be, each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to Vail Resorts or Callco, as the case may be, on the Change of Law Call Date upon payment by Vail Resorts or Callco, as the case may be, to such holder of the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).

Callco shall only be entitled to exercise the Change of Law Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail Resorts has not exercised the Change of Law Call Right. To exercise the Change of Law Call Right, Vail Resorts or Callco must notify the Transfer Agent, as agent for the holders of Exchangeable Shares, and Exchangeco of its intention to exercise such right at least 30 days before the Change of Law Call Date. The Transfer Agent will notify the holders of Exchangeable Shares that Vail Resorts and/or Callco has exercised the Change of Law Call Right forthwith after receiving notice of such exercise. If Vail Resorts and/or Callco exercises the Change of Law Call Right, Vail Resorts and/or Callco will purchase, and the holders of the Exchangeable Shares will sell, on the Change of Law Call Date, all of the Exchangeable Shares then outstanding for a price per share equal to the Change of Law Call Purchase Price.

Voting Rights

Except as required by applicable law and in respect of certain matters as further described in the Exchangeable Share Provisions, the holders of the Exchangeable Shares shall not be entitled as such to receive notice of or to attend any meeting of the shareholders of Exchangeco or to vote at any such meeting. Without limiting the generality of the foregoing, the holders of the Exchangeable Shares shall not be entitled to class votes except as required by applicable law.

Amendment and Approval

Any approval required to be given by the holders of the Exchangeable Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Exchangeable Shares or any other matter requiring the approval or consent of the holders of the Exchangeable Shares in accordance with applicable law shall be deemed to have been sufficiently given if it has been given in accordance with applicable law, subject to a minimum requirement that such approval be evidenced by a resolution passed by not less than two-thirds of the votes cast on such resolution at a meeting of holders of Exchangeable Shares duly called and held at which the holders of at least 10% of the outstanding Exchangeable Shares at that time are present in person or represented by proxy.

Voting and Exchange Trust Agreement

The following is a summary description of certain material provisions of the Voting and Exchange Trust Agreement, is not comprehensive and is qualified in its entirety by reference to the complete text of the Voting and Exchange Trust Agreement, which is attached as Schedule D to the Arrangement Agreement, which has been filed on SEDAR at www.sedar.com.

The purpose of the Voting and Exchange Trust Agreement is to create a trust for the benefit of the registered holders from time to time of Exchangeable Shares (other than Vail Resorts or affiliates of Vail Resorts) (the “**Beneficiaries**”). The Voting and Exchange Trustee will hold the Special Voting Share in order to enable the Voting and Exchange Trustee to exercise the voting rights attached thereto and will hold the Exchange Right and the Automatic Exchange Right (as such terms are defined in the Voting and Exchange Trust Agreement) in order to enable the Voting and Exchange Trustee to exercise or enforce such rights, in each case as trustee for and on behalf of the Beneficiaries.

Voting Rights

Pursuant to the Voting and Exchange Trust Agreement, Vail Resorts will issue to and deposit with the Voting and Exchange Trustee the Special Voting Share to be held of record by the Voting and Exchange Trustee as trustee for and on behalf of, and for the use and benefit of, the Beneficiaries and in accordance with the provisions of the Voting and Exchange Trust Agreement.

Under the Voting and Exchange Trust Agreement, the Voting and Exchange Trustee shall be entitled to exercise all of the voting rights, including the right to vote in person or by proxy, attaching to the Special Voting Share on any

matters, question, proposal or proposition that may properly come before the Vail Shareholders at a meeting of Vail Shareholders or in connection with a Vail Consent.

With respect to all meetings of shareholders of Vail Resorts at which Vail Shareholders are entitled to vote and with respect to all Vail Consents, each Beneficiary shall be entitled to instruct the Voting and Exchange Trustee to cast and exercise, in the manner instructed, the number of votes to which a holder of one Vail Share is entitled with respect to such matter, proposition or question for each Exchangeable Share owned of record by such Beneficiary at the close of business on the record date established by Vail Resorts or by applicable law.

The aggregate voting rights attached to the Special Voting Share at a meeting of shareholders of Vail Resorts at which shareholders of Vail Resorts are entitled to vote shall consist of a number of votes equal to one vote per outstanding Exchangeable Share from time to time not owned by Vail Resorts and its affiliates on the record date established by Vail Resorts, and for which the Voting and Exchange Trustee shall have received voting instructions from the holder of the Exchangeable Share.

The Voting and Exchange Trustee will exercise each vote attached to the Special Voting Share only as directed by the relevant holder and, in the absence of instructions from a holder as to voting, the Voting and Exchange Trustee will not exercise voting rights with respect to such Exchangeable Share. A holder may, upon instructing the Voting and Exchange Trustee, obtain a proxy from the Voting and Exchange Trustee entitling the holder to vote directly at the relevant meeting the votes attached to the Special Voting Share to which the holder is entitled.

The Voting and Exchange Trustee will send to the Beneficiaries the notice of each meeting or Vail Consent at which the Vail Shareholders are entitled to vote, together with the related meeting materials and a statement as to the manner in which the holder may instruct the Voting and Exchange Trustee to exercise the votes attaching to the Special Voting Share, at the same time as Vail Resorts sends such notice and materials to the Vail Shareholders. The Voting and Exchange Trustee will also send to the holders of Exchangeable Shares copies of all information statements, interim and annual financial statements, reports and other materials sent by Vail Resorts to the Vail Shareholders at the same time as such materials are sent to the Vail Shareholders. To the extent such materials are provided to the Voting and Exchange Trustee by Vail Resorts, the Voting and Exchange Trustee will also send to the holders all materials sent by third parties to Vail Shareholders generally, including dissident proxy circulars and tender and exchange offer circulars, as soon as possible after such materials are first sent to Vail Shareholders.

All rights of a holder of Exchangeable Shares to exercise votes attached to the Special Voting Share will cease upon the exchange of such holder's Exchangeable Shares for Vail Shares.

Exchangeco Insolvency Event – Exchange Right

Upon the occurrence and during the continuance of an Exchangeco Insolvency Event, the Voting and Exchange Trustee shall have the right (the “**Exchange Right**”) to require Vail Resorts or Callco to purchase from each Beneficiary all or any part of the Exchangeable Shares from each or any Beneficiary, provided that the Voting and Exchange Trustee may exercise such right only on the basis of instructions received from each such holder. The purchase price payable by Vail Resorts or Callco, as the case may be, for each Exchangeable Share purchased pursuant to the exercise of the Exchange Right will be the Exchangeable Share Price on the last Business Day prior to the closing of the purchase and sale of such Exchangeable Share, which price will be satisfied in full by Vail Resorts or Callco delivering the Exchangeable Share Consideration representing such Exchangeable Share Price to the Voting and Exchange Trustee.

As soon as practicable following the occurrence of an Exchangeco Insolvency Event or any event that with the passage of time or the giving of notice or both would be an Exchangeco Insolvency Event, Vail Resorts and Exchangeco will give written notice thereof to the Voting and Exchange Trustee. As soon as practicable after receiving such notice, or upon the Voting and Exchange Trustee otherwise becoming aware of an Exchangeco Insolvency Event, the Voting and Exchange Trustee will give notice to each holder of Exchangeable Shares of such event and will advise the holder of its rights with respect to the Exchange Right.

Vail Liquidation Event – Automatic Exchange Right

Immediately prior to the effective date of a Vail Liquidation Event, each of the then outstanding Exchangeable Shares (other than Exchangeable Shares held by Vail Resorts and its affiliates) shall be automatically exchanged for one Vail Share. To effect such automatic exchange, Vail Resorts shall purchase all of the Exchangeable Shares outstanding immediately prior to the effective date of the Vail Liquidation Event. The purchase price payable by Vail Resorts for each Exchangeable Share purchased pursuant to such exchange will be the Exchangeable Share Price immediately prior to the effective date of the Vail Liquidation Event, which price will be satisfied in full by Vail Resorts delivering the Exchangeable Share Consideration representing such Exchangeable Share Price to the holder thereof.

Exchangeable Share Support Agreement

The following is a summary description of certain material provisions of the Exchangeable Share Support Agreement, is not comprehensive and is qualified in its entirety by reference to the complete text of the Exchangeable Share Support Agreement, which is attached as Schedule C to the Arrangement Agreement, which has been filed on SEDAR at www.sedar.com.

Pursuant to the Exchangeable Share Support Agreement, Vail Resorts has agreed that, so long as any Exchangeable Shares not owned by Vail Resorts or its affiliates are outstanding, Vail Resorts shall, among other things:

- (a) not take any action that will result in the declaration or payment of any dividend or make any other distribution on the Vail Shares unless (i) Exchangeco shall simultaneously, declare or pay, as the case may be, an equivalent dividend or other distribution economically equivalent thereto on the Exchangeable Shares and has sufficient money or other assets or authorized but unissued securities available to enable the due declaration and the due and punctual payment, in accordance with applicable law and the Exchangeable Share Provisions, of such equivalent dividend, or (ii) if the dividend or other distribution is a stock or share dividend or distribution of stock or shares, Exchangeco effects a corresponding, contemporaneous and economically equivalent subdivision of the Exchangeable Shares and has sufficient authorized but unissued shares to enable such subdivision;
- (b) advise Exchangeco sufficiently in advance of the declaration of any dividend or other distribution on the Vail Shares and take all such other actions as are reasonably necessary or desirable, in cooperation with Exchangeco, to ensure that (i) the respective declaration date, record date and payment date for equivalent dividends on the Exchangeable Shares are the same as those for any corresponding dividends or other distributions on the Vail Shares or (ii) the record date and effective date for an equivalent subdivision of the Exchangeable Shares shall be the same as the record date and payment date for the corresponding stock dividend or distribution of stock or shares;
- (c) take all actions and do all things as are reasonably necessary or desirable to enable and permit Exchangeco, in accordance with applicable law, to pay the Liquidation Amount, the Retraction Price or the Redemption Price to the holders of the Exchangeable Shares in the event of a liquidation, dissolution or winding-up of Exchangeco, the delivery of a Retraction Request by a holder of Exchangeable Shares or a redemption of Exchangeable Shares by Exchangeco;
- (d) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit the Voting and Exchange Trustee in accordance with applicable law to perform its obligations under the Voting and Exchange Trust Agreement, including, without limitation, all such actions and all such things as are reasonably necessary or desirable to enable and permit the Voting and Exchange Trustee in its capacity as trustee under the Voting and Exchange Trust Agreement to exercise such number of votes in respect of a meeting of Vail Shareholders or a Vail Consent as is equal to the aggregate number of Exchangeable Shares outstanding at the relevant time other than those held by Vail Resorts and its affiliates;
- (e) take all actions and do all things as are reasonably necessary or desirable to enable and permit Vail Resorts or Calco, as the case may be, in accordance with applicable law, to perform its obligations

arising upon the exercise by it of the Liquidation Call Right, the Retraction Call Right, the Change of Law Call Right or the Redemption Call Right; and

- (f) not exercise its vote as a shareholder of Exchangeco to initiate the voluntary liquidation, dissolution or winding up of Exchangeco or any other distribution of the assets of Exchangeco for the purpose of winding up its affairs, nor take any action or omit to take any action that is designed to result in the liquidation, dissolution or winding up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for purpose of winding up its affairs.

In order to protect the economic equivalence of the Exchangeable Shares, the Exchangeable Share Support Agreement provides that, so long as any Exchangeable Shares not owned by Vail Resorts or its affiliates are outstanding:

- (a) Vail Resorts will not without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares given in accordance with the Exchangeable Share Provisions:
 - (i) issue or distribute Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares) to the holders of all or substantially all of the then outstanding Vail Shares by way of stock dividend or other distribution, other than an issue of Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares) to holders of Vail Shares (A) who exercise an option to receive dividends in Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares) in lieu of receiving cash dividends, or (B) pursuant to any dividend reinvestment plan or scrip dividend or similar arrangement; or
 - (ii) issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Vail Shares entitling them to subscribe for or to purchase Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares); or
 - (iii) issue or distribute to the holders of all or substantially all of the then outstanding Vail Shares (A) shares or securities of Vail Resorts of any class (other than Vail Shares or securities convertible into or exchangeable for or carrying rights to acquire Vail Shares), (B) rights, options, warrants or other assets other than those referred to in clause (a)(ii) above, (C) evidence of indebtedness of Vail Resorts or (D) assets of Vail Resorts,

unless, in each case, the economic equivalent on a per share basis of such rights, options, warrants, securities, shares, evidences of indebtedness or other assets is issued or distributed by Exchangeco simultaneously to holders of the Exchangeable Shares.

- (b) Vail Resorts shall not without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares given in accordance with the Exchangeable Share Provisions:
 - (i) subdivide, redivide or change the then outstanding Vail Shares into a greater number of Vail Shares; or
 - (ii) reduce, combine, consolidate or change the then outstanding Vail Shares into a lesser number of Vail Shares; or
 - (iii) reclassify or otherwise change Vail Shares or effect an amalgamation, merger, reorganization or other transaction affecting Vail Shares;

unless, in each case, the same or an economically equivalent change is simultaneously made to, or in the rights of the holders of, the Exchangeable Shares.

The board of directors of Exchangeco will determine, in good faith and in its sole discretion (with the assistance of such financial or other advisors as the board of directors of Exchangeco may determine), “economic equivalence” for the purposes of any event referred to in paragraphs (a) or (b) above and each such determination will be conclusive

and binding on Vail Resorts. Exchangeco agrees that, to the extent required, upon due notice from Vail Resorts, Exchangeco shall use its best efforts to take or cause to be taken such steps as may be necessary for the purposes of ensuring that appropriate dividends are paid or other distributions are made by Exchangeco, or subdivisions, redivisions or changes are made to the Exchangeable Shares, in order to implement the required economic equivalence with respect to the Vail Shares and Exchangeable Shares as provided for above.

The Exchangeable Share Support Agreement provides that in the event that a tender offer, share exchange offer, issuer bid, takeover bid or similar transaction with respect to Vail Shares is proposed by Vail Resorts or is proposed to Vail Resorts or its shareholders and is recommended by the Vail Board, or is otherwise effected or to be effected with the consent or approval of the Vail Board, and the Exchangeable Shares are not redeemed by Exchangeco or purchased by Vail Resorts or Callco pursuant to the Redemption Call Right, Vail Resorts and Exchangeco will use reasonable efforts to take all such actions and do all such things as are necessary or desirable to enable and permit holders of Exchangeable Shares (other than Vail Resorts and its affiliates) to participate in such offer to the same extent and on an economically equivalent basis as the holders of Vail Shares, without discrimination. Without limiting the generality of the foregoing, Vail Resorts and Exchangeco will use reasonable efforts in good faith to ensure that all holders of Exchangeable Shares may participate in such offer without being required to retract Exchangeable Shares as against Exchangeco (or, if so required, to ensure that any such retraction, shall be effective only upon, and shall be conditional upon, the closing of such offer and only to the extent necessary to tender or deposit to the offer).

The Exchangeable Share Support Agreement also provides that, as long as any outstanding Exchangeable Shares are owned by any person or entity other than Vail Resorts or any of its affiliates, Vail Resorts will, unless approval to do otherwise is obtained from the holders of the Exchangeable Shares in accordance with the Exchangeable Share Provisions, remain the direct or indirect beneficial owner of all issued and outstanding common shares of Exchangeco and Callco.

With the exception of changes for the purpose of (i) adding to the covenants of any or all of the parties, (ii) evidencing the succession of successors to Vail Resorts and the covenants and obligations assumed by such successors; (iii) making such amendments or modifications not inconsistent with the Exchangeable Share Support Agreement as may be necessary or desirable with respect to matters or questions arising thereunder or (iv) curing or correcting any ambiguities or defect or inconsistent provision or clerical omission or mistake or manifest errors (provided, in the case of (i), (iii) and (iv), that the board of directors of each of Vail Resorts, Exchangeco and Callco are of the good faith opinion that such amendments are not prejudicial to the rights or interests of the holders of the Exchangeable Shares), the Exchangeable Share Support Agreement may not be amended except by agreement in writing executed by Vail Resorts, Callco and Exchangeco and approved by the holders of the Exchangeable Shares.

Under the Exchangeable Share Support Agreement, each of Vail Resorts and Callco will not, and will cause its affiliates not to, exercise any voting rights which may be exercisable by holders of Exchangeable Shares from time to time with respect to any Exchangeable Shares owned by Vail Resorts or its affiliates on any matter considered at meetings of holders of Exchangeable Shares (including any approval sought from such holders in respect of matters arising under the Exchangeable Share Support Agreement).

COMPARISON OF SHAREHOLDER RIGHTS

Vail Resorts is incorporated under the laws of the State of Delaware. The rights of a stockholder of a Delaware corporation differ from the rights of a shareholder of a BCBCA corporation. See Appendix E to this Circular for a summary comparison of the rights of Whistler Shareholders and Vail Resorts stockholders.

REGULATORY MATTERS

Canadian Securities Law Matters

Canadian Reporting Obligations of Whistler

Whistler is a reporting issuer (or the equivalent) in all of the provinces and territories of Canada. It is expected that Whistler will apply to cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer and thus will terminate its reporting obligations in Canada following completion of the Arrangement.

Canadian Reporting Obligations of Vail Resorts and Exchangeco

Neither Vail Resorts nor Exchangeco is currently a reporting issuer in any jurisdiction in Canada. Upon completion of the Arrangement, Vail Resorts and Exchangeco will each become a reporting issuer in all of the provinces and territories of Canada by virtue of the completion of the Arrangement with Whistler.

Pursuant to section 13.3 NI 51-102, Exchangeco will be exempt from Canadian statutory financial and other continuous and timely reporting requirements, including the requirement for insiders of Exchangeco to file reports with respect to trades of Exchangeco securities, so long as the conditions prescribed by Section 13.3 of NI 51-102 are satisfied, including that Exchangeco concurrently sends to holders of Exchangeable Shares all financial and other continuous and timely disclosure documents that Vail Resorts sends to holders of Vail Shares in the manner and at the time required by NI 71-102.

In the event Exchangeco is not able to rely on section 13.3 of NI 51-102, it is expected that Exchangeco will apply to the applicable Canadian securities regulatory authorities for exemptive relief from the continuous disclosure obligations imposed by NI 51-102 similar to that provided by section 13.3 of NI 51-102.

Pursuant to section NI 71-102, Vail Resorts will be generally exempt from Canadian statutory financial and other continuous and timely reporting requirements, including the requirement for insiders of Vail Resorts to file reports with respect to trades of Vail Resorts securities, provided Vail Resorts complies with the requirements of U.S. Securities Laws and U.S. market requirements in respect of all financial and other continuous and timely reporting matters and Vail Resorts files with the relevant Canadian securities regulatory authorities copies of its documents filed with the SEC under the U.S. Exchange Act.

Qualification – Resale of Vail Shares and Exchangeable Shares

The issue of Vail Shares and Exchangeable Shares pursuant to the Arrangement will constitute distributions of securities which are exempt from the prospectus requirements of the Canadian Securities Laws. Subject to certain disclosure and regulatory requirements and to customary restrictions applicable to distributions of shares that constitute “control distributions”, Vail Shares and Exchangeable Shares issued pursuant to the Arrangement may be resold in each province and territory in Canada, subject in certain circumstances, to the usual conditions that no unusual effort, or no effort, has been made to prepare the market or create demand.

U.S. Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal and state securities laws applicable to Whistler Shareholders. All holders of such securities are urged to obtain legal advice to ensure that their resale of such securities complies with applicable U.S. Securities Laws. Also see “Notice to Whistler Shareholders in the United States”.

Whistler Shareholders who resell Vail Shares or Exchangeable Shares must also comply with Canadian Securities Laws, as outlined above.

Status Under U.S. Federal Securities Laws

The Vail Shares are registered under Section 12(b) of the U.S. Exchange Act and trade on the NYSE, and Vail Resorts is subject to periodic reporting obligations under the U.S. Exchange Act. Vail Resorts is not a “foreign private issuer”

as defined in Rule 3b-4 under the Exchange Act, and as a result Vail Resorts and its insiders are subject to the proxy requirements, insider reporting requirements and “short swing” profit rules of the U.S. Exchange Act. Neither Whistler nor Exchangeco has any class of securities registered under the U.S. Exchange Act or listed on any U.S. stock exchange, and is not subject to periodic reporting obligations under the U.S. Exchange Act.

Exemption Relied Upon from the Registration Requirements of the U.S. Securities Act

The Vail Shares and Exchangeable Shares to be issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued in reliance on the exemption afforded by section 3(a)(10) of the U.S. Securities Act and corresponding exemptions from the registration or qualification requirements of state securities laws. Section 3(a)(10) of the U.S. Securities Act exempts from registration the offer and sale of a security which is issued in specified exchange transactions where, among other things, the fairness of the terms and conditions of such exchange are approved after a hearing on the fairness of such terms and conditions, at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or governmental authority expressly authorized by Law to grant such approval and to hold such a hearing. Accordingly, the Final Order, if granted by the Court, constitutes a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Vail Shares and Exchangeable Shares issued in connection with the Arrangement.

Resale of Vail Shares and Exchangeable Shares Within the United States

The Vail Shares and Exchangeable Shares to be issued under the Arrangement will not be subject to resale restrictions under the U.S. Securities Act, except that the U.S. Securities Act imposes restrictions on the resale of Vail Shares and Exchangeable Shares received pursuant to the Arrangement by persons who are at the time of a resale, or who were within three months before the resale, “affiliates” of Vail Resorts or Exchangeco. An “affiliate” of an issuer is a person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Typically, persons who are executive officers, directors or 10% or greater shareholders of an issuer may be considered to be its “affiliates”.

Any holder of Vail Shares or Exchangeable Shares who is an affiliate of Vail Resorts or Exchangeco at the time of a proposed resale, or has been an affiliate within three months before a proposed resale, is urged to consult with its own legal advisor to ensure that any proposed resale of Vail Shares or Exchangeable Shares issued to them under the Arrangement complies with applicable U.S. Securities Act requirements.

State “Blue Sky” Securities Laws

Vail Resorts has agreed that it will use its commercially reasonable efforts ensure that the Vail Shares and the Exchangeable Shares to be issued pursuant to the Arrangement will either be registered or qualified under all applicable U.S. state securities laws, or exempt from such registration and qualification requirements.

No Vail Shares or Exchangeable Shares to be issued pursuant to the Arrangement will be delivered to persons in any state where the applicable state “blue sky” securities laws do not provide an exemption from the registration or qualification requirements of securities laws of that state. All Vail Shares or Exchangeable Shares that would otherwise be delivered to persons in such states may be sold on their behalf, and holders may receive a cash payment in the amount of their pro rata entitlement to the net sale proceeds.

Investment Canada Act Approval

Under the Investment Canada Act, certain transactions involving the “acquisition of control” of a Canadian business by a non-Canadian are subject to review and cannot be implemented unless the responsible Minister or Ministers under the Investment Canada Act are satisfied or deemed to be satisfied that the transaction is likely to be of “net benefit” to Canada. Such a transaction is referred to herein as a “reviewable transaction.” Under the Investment Canada Act there is an initial 45 day review period (during which the reviewable transaction cannot be completed) which may unilaterally be extended by the responsible Minister or Ministers for an additional 30 days, after which the responsible Minister or Ministers and the investor may agree to further extensions.

The transactions contemplated by the Arrangement Agreement constitute a reviewable transaction under the Investment Canada Act. Applications for review were filed with the Investment Review Division of Innovation,

Science and Economic Development Canada and the Cultural Sector Investment Review Division of Department of Canadian Heritage on August 10, 2016. As of the date of this Circular, the review of the Arrangement under the Investment Canada Act is ongoing. It is a condition to closing of the Arrangement that Investment Canada Act Approval be obtained. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

Competition Act Approval

Part IX of the Competition Act requires that parties to certain transactions that exceed the thresholds set out in sections 109 and 110 of the Competition Act, which are referred to as “notifiable transactions,” provide the Commissioner with pre-closing notice of the transactions. Subject to certain limited exceptions, the parties to a notifiable transaction cannot complete the transaction until the applicable waiting period under section 123 of the Competition Act has expired or been terminated, an Advance Ruling Certificate has been issued by the Commissioner or an appropriate waiver has been provided by the Commissioner.

The waiting period is 30 calendar days after the day on which the parties to the transaction submit the prescribed information, provided that, before the expiry of this period, the Commissioner has not notified the parties pursuant to subsection 114(2) of the Competition Act that the Commissioner requires additional information that is relevant to the Commissioner’s assessment of the transaction (a “**Supplementary Information Request**”). If the Commissioner provides the parties with a Supplementary Information Request, the parties cannot complete the transaction until 30 calendar days after compliance with the Supplementary Information Request and cannot complete the transaction after that 30 day period if there is any Order in effect prohibiting completion of the transaction at that time.

The Arrangement constitutes a notifiable transaction under the Competition Act. On August 12, 2016, the Parties to the Arrangement Agreement filed with the Commissioner a request for an Advance Ruling Certificate or, in the alternative, a No-Action Letter. The parties filed their notifications containing the prescribed information and the statutory waiting period under Part IX of the Competition Act will expire on September 22, 2016, unless Supplementary Information Requests are issued as described above. It is a condition to closing of the Arrangement that Competition Act Approval be obtained. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

Stock Exchange Listings and Approvals

Vail Resorts will apply to list the Vail Shares issuable under the Arrangement on the NYSE and it is a condition of closing that Vail Resorts will have obtained approval for this listing (subject to customary conditions). Vail Resorts and Exchangeco also intend to apply to list the Exchangeable Shares issuable under the Arrangement on the TSX and it is a condition of closing that Exchangeco will have obtained approval for this listing (subject to customary conditions). The listing of the Exchangeable Shares on the TSX will be subject to Exchangeco fulfilling all of the requirements of the TSX, including the distribution of the Exchangeable Shares to a minimum number of public shareholders. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.

Whistler Shares currently trade on the TSX. If the Arrangement is completed, Vail Resorts and Exchangeco intend to have the Whistler Shares delisted from the TSX.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations under the Tax Act generally applicable to a Whistler Shareholder who is the beneficial owner of Whistler Shares and who, for the purposes of the Tax Act and at all relevant times, (1) holds Whistler Shares, and will hold any Exchangeable Shares and/or Vail Shares, as applicable, as capital property; and (2) deals at arm’s length with, and is not affiliated with, any of Whistler, Vail Resorts, Callco or Exchangeco (a “**Holder**”). Generally, Whistler Shares, Exchangeable Shares and/or Vail Shares, as applicable, will be capital property to a Holder provided the Holder does not acquire or hold such relevant shares in the course of carrying on a business or as part of an adventure or concern in the nature of trade.

This summary is not applicable to a holder who acquired his, her or its Whistler Shares pursuant to a Whistler Option, a Whistler Performance Award or a Whistler RSU. Any such holders should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, and an understanding of the current administrative policies and assessing practices and policies of the Canada Revenue Agency (the “CRA”) published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”) and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in Law or administrative policy or assessing practice whether by legislative, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular Whistler Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations applicable to the purchasing, holding and disposing of Whistler Shares, Vail Shares or Exchangeable Shares. Accordingly, Whistler Shareholders should consult their own tax advisors having regard to their own particular circumstances.

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of securities (including dividends, adjusted cost base and proceeds of disposition) must be converted into Canadian dollars based on exchange rates as determined in accordance with the Tax Act. In particular, the amount of dividends to be included in the income of, and the amount of capital gains or capital losses realized by, a Holder of Vail Shares may be affected by fluctuation in the Canadian/U.S. dollar exchange.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, (1) is, or is deemed to be, resident in Canada; and (2) has not entered into, with respect to their Whistler Shares, Exchangeable Shares and/or Vail Shares, as applicable, a “derivative forward agreement” as that term is defined in the Tax Act (a “**Resident Holder**”).

Certain Resident Holders whose Whistler Shares might not otherwise qualify as capital property may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act the effect of which may be to deem to be capital property any Whistler Shares or Exchangeable Shares (and any other “Canadian security”, as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years. Resident Holders whose Whistler Shares or Exchangeable Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election. Where a Resident Holder who is an Eligible Holder makes a section 85 election in respect of Whistler Shares, as described below, an Exchangeable Share received in exchange will not be a “Canadian security” for this purpose. Resident Holders should consult with their own tax advisors for advice with respect to whether an election under subsection 39(4) is available in their particular circumstances.

This portion of the summary is not applicable to a Whistler Shareholder (i) an interest in which is a “tax shelter investment” (as defined in the Tax Act); (ii) that is, for purposes of certain rules (referred to as the mark-to-market rules) applicable to securities held by financial institutions, a “financial institution” (as defined in the Tax Act); (iii) that is a “specified financial institution” (as defined in the Tax Act); (iv) that reports its “Canadian tax results” (as defined in the Tax Act) in a currency other than Canadian currency; (v) that is a corporation and is, or becomes as part of a transaction or event or series of transactions or events that includes the Arrangement, controlled by a non-resident corporation for the purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act; or (vi) in respect of whom Vail Resorts is or will be a foreign affiliate within the meaning of the Tax Act. Such Whistler Shareholders should consult their own tax advisors.

It is assumed, for the purposes of this portion of the summary, that Exchangeco will be a “taxable Canadian corporation” within the meaning of the Tax Act at all relevant times.

A Resident Holder may elect to receive Exchangeable Shares or Vail Shares as part of the Consideration in connection with the Arrangement, provided that only an Eligible Holder may elect to receive Exchangeable Shares as part of the Consideration in connection with the Arrangement.

Receipt of Ancillary Rights

A Resident Holder who receives Exchangeable Shares as part of the Consideration will also receive the ancillary rights connected to such shares (being the voting rights and other rights described under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares”). A Resident Holder will be required to account for the ancillary rights in determining the proceeds of disposition of such Resident Holder’s Whistler Shares and the cost of the Exchangeable Shares received in consideration therefor. Whistler is of the view that the ancillary rights have nominal fair market value. This determination of value is not binding on the CRA and it is possible that the CRA could take a contrary view.

Call Rights

Whistler is of the view that the Call Rights have only a nominal fair market value and accordingly no amount should be allocated to the Call Rights. This determination of value is not binding on the CRA and it is possible that the CRA could take a contrary view. Based on the view of Whistler, the granting of the Call Rights by a Resident Holder who acquires the Exchangeable Shares will not result in any material adverse income tax consequences to such Resident Holder. However, should the CRA challenge this view and ultimately succeed in establishing that the Call Rights have a fair market value in excess of a nominal amount, Resident Holders who acquire Exchangeable Shares will realize a capital gain in an amount equal to the fair market value of the Call Rights. The general tax treatment of capital gains and capital losses is discussed below under the section titled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gain or Capital Loss”.

Exchange of Whistler Shares

Exchange of Whistler Shares for Vail Shares and Cash

The exchange of Whistler Shares for Consideration consisting of Vail Shares and cash will generally be a taxable event to a Resident Holder of Whistler Shares. A Resident Holder who disposes of Whistler Shares pursuant to the Arrangement and who receives, as Consideration, Vail Shares and cash will be considered to have disposed of such Whistler Shares for proceeds of disposition equal to the sum of (i) the aggregate fair market value, at the time of the disposition, of the Vail Shares acquired on the exchange, and (ii) the aggregate amount of cash received on the exchange (including the aggregate amount of any cash received in lieu of fractional Vail Shares). Such Resident Holder will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of such Whistler Shares, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of such Whistler Shares. The general tax treatment of capital gains and capital losses is discussed below under the section titled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gain or Capital Loss”.

The cost to a Resident Holder of Vail Shares acquired on the exchange will be equal to the fair market value at the time of acquisition of such Vail Shares. The cost of Vail Shares so acquired will be averaged with the adjusted cost base of any other Vail Shares held by the Resident Holder as capital property for purposes of determining the Resident Holder’s adjusted cost base of such Vail Shares.

Exchange of Whistler Shares for Exchangeable Shares and Cash – No Section 85 Election

Where no valid election is made under section 85 of the Tax Act (as described in the section titled “Section 85 Election” below), the exchange of Whistler Shares for Consideration consisting of Exchangeable Shares (including any ancillary rights) and cash will generally be a taxable event to a Resident Holder of Whistler Shares. A Resident Holder who (a) disposes of Whistler Shares pursuant to the Arrangement and who validly elects to receive (in accordance with the Arrangement) and accordingly receives, as Consideration, Exchangeable Shares (including any ancillary rights) and cash, and (b) does not make a joint election under subsection 85(1) or subsection 85(2) of the Tax Act (as applicable and as described in the section titled “Section 85 Election” below) in respect of such shares, will be considered to have disposed of such Whistler Shares for proceeds of disposition equal to the sum of (a) the aggregate fair market value, at the time of the disposition, of the Exchangeable Shares acquired on the exchange, (b) the aggregate amount of cash received on the exchange (including the aggregate amount of any cash received in lieu of fractional Exchangeable Shares), and (c) the fair market value of any ancillary rights acquired on the exchange. Such Resident Holder will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition

of such Whistler Shares, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of such Whistler Shares. The general tax treatment of capital gains and capital losses is discussed below under the section titled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gain or Capital Loss”.

The cost to a Resident Holder of Exchangeable Shares acquired on the exchange will be equal to the fair market value at the time of acquisition of such Exchangeable Shares. The cost to Resident Holder of ancillary rights acquired on the exchange will be equal to the fair market value, at the time of acquisition, of such rights. For these purposes, the Resident Holder will be required to determine the fair market value of the ancillary rights received on the exchange on a reasonable basis. As described above, Whistler is of the view that such rights have only nominal value (see the section titled “Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Receipt of Ancillary Rights” above).

Exchange of Whistler Shares for Exchangeable Shares and Cash – Section 85 Election

A Resident Holder who (a) disposes of Whistler Shares pursuant to the Arrangement and who validly elects to receive (in accordance with the Arrangement) and accordingly receives, as Consideration, Exchangeable Shares (including any ancillary rights) and cash, and (b) validly makes a joint election under subsection 85(1) or subsection 85(2) of the Tax Act (as applicable and as described in the section titled “Section 85 Election” below) in respect of such shares, may obtain a full or partial tax deferral of any capital gain otherwise arising on the exchange of such Whistler Shares as described in the section titled “Exchange of Whistler Shares for Exchangeable Shares and Cash – No Section 85 Election” above, depending on the Elected Amount (as defined below) and the adjusted cost base to the Resident Holder of such Whistler Shares at the time of the exchange.

Section 85 Election

Subject to the limitations and conditions described below, Exchangeco will make a joint election under subsection 85(1) or subsection 85(2), as applicable, of the Tax Act (and the corresponding provisions of any applicable provincial tax legislation) with an Eligible Holder who validly receives Exchangeable Shares (including any ancillary rights) as part of the Consideration, at the agreed amount selected by the holder subject to the limitations under the Tax Act (the “**Elected Amount**”). Subject to the limitations under the Tax Act described generally below, the Elected Amount will be treated for the purposes of the Tax Act as the holder’s proceeds of disposition of its Whistler Shares.

In order to make an election under subsection 85(1) or subsection 85(2), as applicable, of the Tax Act (and the corresponding provisions of any applicable provincial tax legislation), an Eligible Holder must provide two signed copies of the necessary prescribed election forms at the address specified in the tax election package within 90 days following the Effective Date, duly completed with the details of the number of Whistler Shares transferred and the applicable Elected Amounts for the purposes of such elections. It is the responsibility of each Eligible Holder who wishes to make such an election to obtain and complete the necessary forms in the manner described in the tax election package, including any necessary provincial election forms, and submit the forms for execution by Exchangeco. Thereafter, subject to the election forms being correct and complete and complying with the provisions of the Tax Act (and applicable provincial income tax law), the forms will be signed by Exchangeco and returned to such former beneficial owner of Whistler Shares within 90 days after the receipt thereof for filing with the CRA (or the applicable provincial taxing authority) by such former beneficial owner. Exchangeco will not be responsible for the proper completion of any election form and, except for Exchangeco’s obligation to return (within 90 days after the receipt thereof) duly completed election forms which are received within 90 days of the Effective Date, Exchangeco will not be responsible for any taxes, interest or penalties resulting from the failure by a former beneficial owner of Whistler Shares to properly complete or file the election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation).

The relevant tax election form is CRA Form T2057 (or, in the event that the Whistler Shares are held as partnership property, CRA Form T2058). An Eligible Holder interested in making an election should so indicate in the Letter of Transmittal and Election Form in the space provided therein. The instructions for requesting a tax election package are set out in the Letter of Transmittal and Election Form. Eligible Holders should consult their own tax advisors to determine whether separate election forms must be filed with any other provincial taxing authority.

Where Whistler Shares are held in joint ownership and two or more of the co-owners wish to elect, one of the co-owners designated for such purpose should file the designation and a copy of the CRA Form T2057 (and where applicable, the corresponding provincial form) for each co-owner along with a list of all co-owners electing, which list should contain the address and social insurance number or tax account number of each co-owner. Where the Whistler Shares are held as partnership property, a partner designated by the partnership must file one copy of the CRA Form T2058 on behalf of all members of the partnership (and where applicable, the corresponding form in duplicate with the relevant provincial authorities). Such CRA Form T2058 must be accompanied by a list containing the name, address, social insurance number or tax account number of each partner as well as the letter signed by each partner authorizing the designated partner to complete and file the form.

In general, the Elected Amount is subject to the following limitations in respect of the Whistler Shares that are the subject of the election:

- the Elected Amount may not be less than the aggregate amount of cash received on the exchange (including the aggregate amount of any cash received in lieu of fractional Exchangeable Shares) and the aggregate fair market value of any ancillary rights received on the exchange;
- the Elected Amount may not be less than the lesser of the adjusted cost base to the Eligible Holder of its Whistler Shares disposed of, determined immediately before the time of the disposition, and the fair market value of the Whistler Shares disposed of at that time; and
- the Elected Amount may not be greater than the fair market value at the time of the disposition of the Whistler Shares so disposed of.

Elected Amounts which do not comply with the foregoing limitations will be automatically adjusted pursuant to the provisions of the Tax Act so that they are in compliance. Any reference to an Elected Amount herein is a reference to such Elected Amount as so automatically adjusted.

Where a Resident Holder who is an Eligible Holder and Exchangeco make a joint election under subsection 85(1) or subsection 85(2) of the Tax Act, as applicable, the tax treatment to such holder generally will be as follows:

- the holder's Whistler Shares will be deemed to have been disposed of for proceeds of disposition equal to the Elected Amount;
- if the proceeds of disposition of the Whistler Shares are equal to the aggregate of the adjusted cost base to the holder of its Whistler Shares, determined immediately before the disposition, and any reasonable costs of disposition, no capital gain or capital loss will be realized by the holder;
- to the extent that the proceeds of disposition of the Whistler Shares exceed (or are less than) the aggregate of the adjusted cost base thereof to the holder, determined immediately before the exchange, and any reasonable costs of disposition, the holder will, in general, realize a capital gain (or capital loss) (the general tax treatment of capital gains and capital losses is discussed below under the section titled "Taxation of Capital Gain or Capital Loss");
- the cost to a holder of any ancillary rights received on the exchange will be equal to the fair market value thereof at that time; and
- the cost to a holder of Exchangeable Shares received on the exchange will be equal to the amount by which the proceeds of disposition of the Whistler Shares exchanged by the holder exceed the sum of the aggregate amount of cash received on the exchange (including the aggregate amount of any cash received in lieu of fractional Exchangeable Shares) and the aggregate fair market value of any ancillary rights received on the exchange.

As described above, Whistler is of the view that any ancillary rights received on the exchange will have only nominal value (see the section titled "Receipt of Ancillary Rights" above).

Where a Resident Holder who is an Eligible Holder and Exchangeco make a joint election under subsection 85(1) or subsection 85(2) of the Tax Act, as applicable, such holder may nonetheless realize a capital gain on the disposition of such holder's Whistler Shares pursuant to the exchange to the extent that the aggregate cash component of the consideration payable to such holder (including the aggregate amount of any cash received in lieu of fractional Exchangeable Shares and together with the aggregate fair market value of any ancillary rights received on the exchange), net of any reasonable costs of disposition, exceeds the adjusted cost base of the Eligible Holder's Whistler Shares.

In order for the CRA (or any provincial tax authority to the extent applicable) to accept a tax election without a late filing penalty being paid by an electing Eligible Holder, the required election forms must be received by the appropriate tax authorities on or before the day that is the earliest of the days on or before which either Exchangeco or the electing Eligible Holder is required to file a Canadian tax return for the taxation year in which the exchange of the Whistler Shares occurs. The current taxation year of Exchangeco is scheduled to end on or around the Effective Date. Thus, should the exchange occur after October 31, 2016 but prior to December 31, 2016, the tax election forms will, in the case of an electing Eligible Holder who is an individual (other than a trust), generally have to be received by the revenue authorities by April 30, 2017 (being generally the last day for filing the tax returns for the individual's 2016 taxation year). Electing Eligible Holders are urged to consult their own advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. However, regardless of such deadline, the tax election forms must be received by Exchangeco no later than the 90th day after the Effective Date.

Any Eligible Holder who does not ensure that Exchangeco has received two duly completed copies of the necessary election forms on or before the 90th day after the Effective Date may not be able to benefit from the rollover provisions of the Tax Act. Accordingly, all Eligible Holders who wish to enter into an election with Exchangeco should give their immediate attention to this matter. The instructions for requesting a tax election package will be set out in the Letter of Transmittal and Election Form.

The comments herein with respect to such elections are provided for general assistance only. The Law in this area is complex and contains numerous technical requirements. Eligible Holders are referred to Information Circular 76-19R3 and Interpretation Bulletin IT-291R3, issued by the CRA, for further information respecting the subsections 85(1) and (2) elections under the Tax Act. Eligible Holders wishing to make the election should consult their own tax advisors.

Exchangeable Shares and Vail Shares

Dividends on Exchangeable Shares

In the case of a Resident Holder who is an individual (other than certain trusts), dividends received, or deemed to be received, on the Exchangeable Shares will be required to be included in computing the individual's income for the taxation year in which such dividends are received and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from a corporation resident in Canada. To the extent that Exchangeco designates a dividend as an "eligible dividend" in accordance with the provisions of the Tax Act, the dividend will be eligible for the enhanced gross-up and dividend tax credit.

In the case of a Resident Holder that is a corporation, dividends received, or deemed to be received, on the Exchangeable Shares will be required to be included in computing the corporation's income for the taxation year in which such dividends are received and, subject to the special rules and limitations described below, such dividends will generally be deductible in computing the corporation's taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is "private corporation", as defined in the Tax Act, or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax of 33 1/3% under Part IV of the Tax Act on dividends received (or deemed to be received) on the Exchangeable Shares to the extent such dividends are deductible in computing the Holder's taxable income for the taxation year. The rate is

proposed to be increased to 38 1/3% for years after 2015, subject to proration for taxation years that began before 2016.

If Vail Resorts or Callco, or any other person with whom Vail Resorts does not deal at arm's length (or any trust or partnership of which such person is a beneficiary or member), is a "specified financial institution" for purposes of the Tax Act at the time that dividends are paid on the Exchangeable Shares, dividends received or deemed to be received by a Resident Holder that is a corporation will not be deductible in computing such holder's taxable income unless the exception described below applies. Counsel has been advised that, immediately after the Effective Time, Vail Resorts will not be a "specified financial institution" for purposes of the Tax Act. In any event, this denial of the dividend deduction for a Resident Holder that is a corporation will not apply if, at the time a dividend is received or deemed to be received, (i) the Exchangeable Shares are listed on a designated stock exchange in Canada (which currently includes the TSX); (ii) Vail Resorts and Callco are related to Exchangeco for purposes of the Tax Act; and (iii) such Resident Holder, either alone or together with persons with whom such Resident Holder does not deal at arm's length or any partnership or trust of which such Resident Holder or such non arm's length person is a member or beneficiary, respectively, does not receive (and is not deemed to receive) dividends in respect of more than 10% of the issued and outstanding Exchangeable Shares.

Assuming, in part, that the Arrangement is completed prior to January 1, 2017, neither Exchangeco nor Vail Resorts currently intends to withhold any U.S. tax from any dividends paid with respect to the Exchangeable Shares to a Resident Holder. However, if the Arrangement is completed after December 31, 2016, Exchangeco currently would intend to withhold U.S. tax from such dividends paid to a Resident Holder. See "Certain U.S. Federal Income Tax Consequences of the Arrangement to Non-U.S. Holders – Tax Consequences to Non-U.S. Holders Arising from the Ownership or Disposition of Vail Shares or Exchangeable Shares – Receipt of Distributions on Exchangeable Shares" for further information in this respect. Any U.S. non-resident withholding tax on such dividends may be eligible to be credited against the Resident Holder's income tax (where such Resident Holder is entitled to benefits under the Canada-U.S. Tax Treaty) or deducted from income subject to certain limitations under the Tax Act. Such Resident Holders are urged to consult their own tax advisors having regard to their own particular circumstances.

Dividends on Vail Shares

In the case of a Resident Holder who is an individual, dividends received or deemed to be received by the individual on the Vail Shares will be required to be included in computing the individual's income for the taxation year in which such dividends are received and will not be subject to the gross-up and dividend tax credit rules in the Tax Act.

In the case of a Resident Holder that is a corporation, dividends received or deemed to be received by the corporation on the Vail Shares will be required to be included in computing the corporation's income for the taxation year in which such dividends are received and generally will not be deductible in computing the corporation's taxable income.

Any U.S. non-resident withholding tax on such dividends generally should be eligible, subject to certain limitations under the Tax Act, to be credited against the Resident Holder's income tax or deducted from income.

Redemption, Retraction, Exchange and Disposition of Exchangeable Shares

A Resident Holder will be considered to have disposed of Exchangeable Shares (i) on a redemption (including pursuant to a Retraction Request) of such Exchangeable Shares by Exchangeco, and (ii) on an acquisition of such Exchangeable Shares by Callco or Vail Resorts. However, as described below, the Canadian federal income tax consequences of the disposition will be different depending on whether the event giving rise to the disposition is a redemption or an acquisition. **A Resident Holder (including a Resident Holder who exercises the right to require redemption of its Exchangeable Shares by giving a Retraction Request) cannot control whether the Exchangeable Shares will be acquired by Callco or Vail Resorts under the relevant Call Right or redeemed by Exchangeco. A Resident Holder will be notified if Callco or Vail Resorts will not exercise the Retraction Call Right, in which case the Resident Holder may cancel the Retraction Request and retain the Exchangeable Share.**

On the redemption (including pursuant to a Retraction Request) of an Exchangeable Share by Exchangeco, a Resident Holder will generally be deemed to receive a dividend equal to the amount, if any, by which the redemption proceeds exceeds the paid-up capital (for purposes of the Tax Act) of the Exchangeable Share at the time the Exchangeable Share is so redeemed. On the redemption, the Resident Holder will be considered to have disposed of the Exchangeable

Share for proceeds of disposition equal to the redemption proceeds less the amount of the deemed dividend. A Resident Holder will realize a capital loss (or capital gain) equal to the amount by which the sum of (i) the adjusted cost base to the Resident Holder of the Exchangeable Share, and (ii) any reasonable costs of disposition, exceeds (or is less than) the proceeds of disposition. For this purpose, the “redemption proceeds” of an Exchangeable Shares will be equal to the sum of (i) the fair market value at the time of the redemption of the Vail Shares received by the Resident Holder, (ii) the amount, if any, of all declared, payable and unpaid cash dividends on the Exchangeable Share received by the Resident Holder, (iii) the amount, if any, of all dividends declared and payable or paid in respect of each Vail Share which have not, at such time, been declared or paid on the Exchangeable Share and are received by the Resident Holder on the redemption, and (iv) the fair market value at the time of the redemption of any stock or other property constituting any declared, payable and unpaid non-cash dividends on the Exchangeable Share received by the Resident Holder.

The amount of any such deemed dividend will be generally subject to the tax treatment described in the section titled “Dividends on Exchangeable Shares” above. The general tax treatment of capital gains and capital losses is discussed below under the section titled “Taxation of Capital Gain or Capital Loss”.

In the case of a holder of Exchangeable Shares that is a corporation, in some circumstances, the amount of any such deemed dividend may be treated as proceeds of disposition and not as a dividend.

On the acquisition of an Exchangeable Share by Callco or Vail Resorts, a Resident Holder will generally be considered to realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition exceed (or are less than) the total of (i) the adjusted cost base of the Exchangeable Share to the Resident Holder, and (ii) any reasonable costs of disposition. For this purpose, the proceeds of disposition in respect of an acquisition of an Exchangeable Share by Callco or Vail Resorts will be equal to the sum of (i) the fair market value at the time of the acquisition of the Vail Shares received by the Resident Holder, (ii) the amount, if any, of all declared, payable and unpaid cash dividends on the Exchangeable Share received by the Resident Holder, (iii) the amount, if any, of all dividends declared and payable or paid in respect of each Vail Share which have not, at such time, been declared or paid on the Exchangeable Share and are received by the Resident Holder on the acquisition, and (iv) the fair market value at the time of the acquisition of any stock or other property constituting any declared, payable and unpaid non-cash dividends on the Exchangeable Share received by the Resident Holder. The acquisition of an Exchangeable Share by Callco or Vail Resorts will not result in a deemed dividend. The general tax treatment of capital gains and capital losses is discussed below under the section titled “Taxation of Capital Gain or Capital Loss”.

A disposition or deemed disposition of Exchangeable Shares by a Resident Holder, other than on the redemption, retraction or exchange of such shares, will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of Exchangeable Shares immediately before the disposition.

Acquisition and Disposition of Vail Shares

The cost of a Vail Share received by a Resident Holder on the redemption or retraction of an Exchangeable Share by Exchangeco or on the acquisition of an Exchangeable Share by Callco or Vail Resorts will be equal to the fair market value of such Vail Share at the time of such event, to be averaged with the adjusted cost base of any other Vail Shares held at that time by the Resident Holder as capital property for the purpose of determining the adjusted cost base of all Vail Shares held by the Resident Holder.

A disposition or deemed disposition of a Vail Share by a Resident Holder will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Vail Share to the Resident Holder immediately before the disposition. The general tax treatment of capital gains and capital losses is discussed below under the section titled “Taxation of Capital Gain or Capital Loss”.

Taxation of Capital Gain or Capital Loss

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a “taxable capital gain”) realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an “allowable capital

loss”) realized in a taxation year from taxable capital gains realized by the Resident Holder in the year and allowable capital losses in excess of taxable capital gains for the year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a share may be reduced by the amount of any dividends received (or deemed to be received) by the Resident Holder on such share to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where a share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Resident Holders should consult their own tax advisors.

Foreign Property Information Reporting

A Resident Holder who is a “specified Canadian entity” (as defined in the Tax Act) for a taxation year or fiscal period whose total cost amount of “specified foreign property” (as defined in the Tax Act), which includes the Vail Shares and the Exchangeable Shares (including any ancillary rights), at any time in the year or fiscal period exceeds \$100,000, is required to file an information return for the year or period disclosing prescribed information in respect of such property. Such Resident Holders should consult their own tax advisors regarding compliance with these rules.

Dissenting Resident Holders

A Resident Holder who exercises Dissent Rights and receives from Exchangeco the fair value of the holder’s Whistler Shares will be considered to have disposed of the Whistler Shares for proceeds of disposition equal to the amount received by the dissenting Resident Holder (less the amount of any interest awarded by the Court). Such a disposition of Whistler Shares by such a dissenting Resident Holder will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of those Whistler Shares immediately before the disposition. The general tax treatment of capital gains and capital losses is discussed above under the section titled “Taxation of Capital Gain or Capital Loss”.

Any interest awarded by the Court to a dissenting Resident Holder will be includable in such dissenting Resident Holder’s income for purposes of the Tax Act.

Eligibility For Investment

Providing that the Vail Shares are listed on a designated stock exchange (which currently includes the NYSE), the Vail Shares will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans (“RRSPs”), registered retirement income funds (“RRIFs”), registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax-free savings accounts (“TFSAs”) and, in the case of an RRSP, an RRIF or a TFSA, provided the annuitant of the RRSP or RRIF or the holder of the TFSA, as the case may be, does not have a “significant interest” (within the meaning of the Tax Act) in Vail Resorts, will not be a prohibited investment under the Tax Act for such RRSP, RRIF or TFSA.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, (1) is not, and is not deemed to be, resident in Canada; (2) has not entered into, with respect to their Whistler Shares, a “derivative forward agreement” as that term is defined in the Tax Act; and (3) does not use or hold, and is not deemed to use or hold, the Whistler Shares in a business carried on in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to a non-Canadian holder that is an insurer that carries on an insurance business in Canada and elsewhere.

Disposition of Whistler Shares

A Non-Resident Holder will not be subject to capital gains tax under the Tax Act on the disposition of Whistler Shares unless the Whistler Shares constitute “taxable Canadian property” of the holder for purposes of the Tax Act.

Generally, Whistler Shares will not constitute taxable Canadian property of a Non-Resident Holder at a particular time provided that such shares are listed at that time on a designated stock exchange (which currently includes the TSX), unless at any particular time during the 60-month period that ends at that time, (A) 25% or more of the issued shares of any class or series of the capital stock of Whistler were owned by the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm's length, or the Non-Resident Holder together with such persons, and (B) the Whistler Shares derived more than 50% of their fair market value, directly or indirectly, from one or any combination of: (a) real or immovable properties situated in Canada, (b) "timber resource property" (as defined in the Tax Act), (c) "Canadian resource property" (as defined in the Tax Act) or (d) options in respect of, or interests in, or for civil law, rights in, any of the foregoing property, whether or not the property exists. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, Whistler Shares could be deemed to be taxable Canadian property.

In the event that the Whistler Shares constitute or are deemed to constitute taxable Canadian property to any Non-Resident Holder, the Non-Resident Holder may be entitled to relief under the provisions of an applicable income tax treaty or convention. Non-Resident Holders whose Whistler Shares may be taxable Canadian property should consult with their own tax advisors.

Dissenting Non-Resident Holders

A Non-Resident Holder who exercises Dissent Rights and receives from Exchangeco the fair value of the holder's Whistler Shares will be considered to have disposed of the Whistler Shares for proceeds of disposition equal to the amount received by the dissenting Non-Resident Holder (less the amount of any interest awarded by the court). A dissenting Non-Resident Holder for whom Whistler Shares are not taxable Canadian property (as described above under the section titled "Holders Not Resident in Canada – Disposition of Whistler Shares") will not be subject to capital gains tax under the Tax Act on the disposition of such Whistler Shares. Any interest paid to a dissenting Non-Resident Holder will not be subject to Canadian withholding tax.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain material U.S. federal income tax considerations generally applicable to a Whistler Shareholder who (a) receives cash and Vail Shares or cash and Exchangeable Shares pursuant to the Arrangement or (b) who receives cash pursuant to an exercise of dissent rights.

The following summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury Regulations thereunder, published rulings of the U.S. Internal Revenue Service ("**IRS**") and judicial and administrative interpretations thereof, in each case as in effect and available on the date of this Circular. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive basis. Except as explicitly set forth herein, this summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation or regulations. No legal opinion from U.S. legal counsel or ruling from the IRS has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax consequences that may apply to a Whistler Shareholder as a result of the Arrangement. In addition, this summary does not take into account the individual facts and circumstances of any particular Whistler Shareholder that may affect the U.S. federal income tax consequences applicable to such Whistler Shareholder, nor does this summary address the U.S. federal income tax considerations of the Arrangement to Whistler Shareholders that are subject to special provisions under the Code, including the following holders: (a) holders that are tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) holders that are financial institutions, insurance companies, S corporations, real estate investment trusts, or regulated investment companies; (c) holders that are dealers in securities or currencies or holders that are traders in securities that elect to apply a mark-to-market accounting method; (d) U.S. Holders (as defined below) that have a "functional currency" other than the U.S. dollar; (e) holders subject to the alternative minimum tax provisions of the Code; (f) holders that own Whistler Shares (or, after the Arrangement, Vail Shares or Exchangeable Shares) as part

of a straddle, hedging transaction, conversion transaction, constructive sale, or other arrangement involving more than one position; (g) holders that acquired Whistler Shares through the exercise or cancellation of employee stock options or otherwise as compensation for services or through the conversion of any convertible debentures; (h) holders that hold Whistler Shares (or, after the Arrangement, Vail Shares or Exchangeable Shares) other than as a capital asset within the meaning of Section 1221 of the Code; (i) holders that own or have owned directly, indirectly or constructively, 10% or more of Whistler's voting securities; (j) holders that are controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax; (k) holders that are U.S. expatriates or former long-term residents of the United States; and (l) holders that hold, have held, or will hold, directly, indirectly or constructively, more than 5% of the Vail Shares. Whistler Shareholders that are subject to special provisions under the Code, including Whistler Shareholders described above, should consult their own tax advisor regarding the U.S. federal, U.S. state and local, and foreign tax consequences relating to the Arrangement and the ownership and disposition of Vail Shares or Exchangeable Shares received pursuant to the Arrangement.

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes owns Whistler Shares, the U.S. federal income tax consequences of the Arrangement to such partnership and the partners of such partnership generally will depend upon the activities of the partnership and status of such partners. Holders that are classified as partnerships for U.S. federal income tax purposes, and the partners of such entities, should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of Vail Shares or Exchangeable Shares received pursuant to the Arrangement.

This summary assumes that Whistler is not and has not been a "controlled foreign corporation" and that Whistler has never been treated as a U.S. domestic corporation pursuant to Section 897(i) of the Code. If Whistler is a controlled foreign corporation or was a controlled foreign corporation during the period that U.S. Holders (defined below) have held their Whistler Shares, special U.S. tax rules not discussed herein may substantially affect the tax consequences of the Arrangement to U.S. Holders. If Whistler is treated as a U.S. domestic corporation pursuant to Section 897(i) of the Code, the U.S. tax consequences of the Arrangement to non-U.S. Holders may differ from those described below. This summary does not address any U.S. estate, state, local or foreign tax consequences relating to the Arrangement. Each Whistler Shareholder should consult its own tax advisor regarding the U.S. estate, state, local and foreign tax consequences arising from and relating to the Arrangement and the ownership and disposition of Vail Shares or Exchangeable Shares received pursuant to the Arrangement.

Certain U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders

For purposes of this summary, a "U.S. Holder" means a beneficial owner of Whistler Shares (or, after the Arrangement, Vail Shares) that, for U.S. federal income tax purposes, is (a) an individual who is a citizen or resident of the U.S., (b) a corporation, or other entity classified as a corporation for U.S. federal income tax purposes, that is created or organized in or under the laws of the U.S., any state in the U.S. or the District of Columbia, (c) an estate if the income of such estate is subject to U.S. federal income tax regardless of the source of such income, or (d) a trust if (i) such trust has validly elected to be treated as a U.S. person for U.S. federal income tax purposes or (ii) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of such trust. This summary does not address any U.S. Holder that is an Eligible Holder. As such, this summary does not address the tax consequences to a U.S. Holder of the receipt, ownership or disposition of Exchangeable Shares. U.S. Holders should consult their own tax advisors regarding the tax consequences of the receipt, ownership or disposition of Exchangeable Shares.

Tax Consequences to U.S. Holders Arising from the Exchange of Whistler Shares

In General

The exchange by a U.S. Holder of Whistler Shares for cash and Vail Shares pursuant to the Arrangement is expected to be a taxable transaction for U.S. federal income tax purposes. In such case, a U.S. Holder generally will, subject to the application of the PFIC rules referred to below, recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of the Vail Shares (determined as of the Effective Date) received pursuant to the Arrangement and (ii) such holder's adjusted tax basis in the Whistler Shares surrendered in the Arrangement. A U.S. Holder's initial tax basis in the Vail Shares received in such exchange will be equal to the fair market value of such shares on the Effective Date and a U.S. Holder's holding period with respect to such shares will begin on the next day.

Subject to the application of the PFIC rules discussed below, any gain or loss recognized by a U.S. Holder on the exchange of Whistler Shares for cash and Vail Shares pursuant to the Arrangement will generally be capital gain or loss, which will be long-term capital gain or loss if such U.S. Holder held its Whistler Shares for more than one year at the time of the exchange. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates applicable to long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations.

U.S. Holders should consult their own tax advisers regarding the tax consequences of receiving the cash consideration in Canadian dollars.

Dissenting U.S. Holder

A U.S. Holder that exercises the right to dissent from the Arrangement and is paid cash and Vail Shares for such U.S. Holder's Whistler Shares generally will recognize gain or loss in an amount equal to the difference between (i) the amount of cash plus the fair market value of the Vail Shares received pursuant to the exercise of such dissent right (other than any amounts that are treated as interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) and (ii) such holder's adjusted tax basis in its Whistler Shares. Subject to the application of the PFIC rules discussed below, such gain or loss generally will be long-term capital gain or loss if the U.S. Holder's holding period for the Whistler Shares is more than one year. The tax consequences of a payment pursuant to dissenter's rights in a taxable year subsequent to the taxable year in which the Arrangement is completed are not clear. A U.S. Holder considering the exercise of dissenter's rights should consult its tax advisors, including regarding the determination of the fair market value, holding period and tax basis of the Vail Shares received and the tax consequences of receiving any cash in Canadian dollars.

Passive Foreign Investment Company Rules

A U.S. Holder of Whistler Shares would be subject to special, generally unfavorable tax rules in respect of the Arrangement if Whistler was classified as a "passive foreign investment company" or "PFIC" for U.S. federal income tax purposes for any tax year during such U.S. Holder's holding period for its Whistler Shares.

If Whistler is classified as a PFIC for any tax year during which a U.S. Holder holds Whistler Shares, special rules may increase such U.S. Holder's U.S. federal income tax liability with respect to the Arrangement. More specifically, under the default PFIC rules: (a) any gain recognized by a U.S. Holder on the disposition of Whistler Shares pursuant to the Arrangement would be allocated ratably over such U.S. Holder's holding period; (b) the amount allocated to the current tax year and any year prior to the first year in which Whistler was classified as a PFIC would be taxed as ordinary income in the current year; (c) the amount allocated to each of the other tax years in the U.S. Holder's holding period would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year; and (d) an interest charge for a deemed deferral benefit will be imposed with respect to the resulting tax attributable to each of such other tax years, which interest charge is not deductible by non-corporate U.S. Holders.

Whistler does not believe that it is a PFIC during its current taxable year or that it was a PFIC during any prior taxable year. However, PFIC classification is factual in nature, and generally cannot be determined until the close of the tax year in question. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Consequently, there can be no assurances regarding the PFIC status of Whistler during its current tax year or during prior tax years.

The PFIC rules are extremely complex, and each U.S. Holder is urged to consult with its own tax advisor regarding the substantial effect such rules may have on the tax consequences to such U.S. Holder of the Arrangement, including certain tax elections that may be available to such U.S. Holder pursuant to the PFIC rules.

Tax Consequences to U.S. Holders Arising from the Ownership and Disposition of Vail Shares

Distributions, if any, received with respect to the Vail Shares out of Vail Resorts' current or accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be taxable as dividend income to U.S. Holders. In the case of non-corporate U.S. Holders, dividend income currently is subject to tax at the same reduced rates of taxation as long-term capital gains if certain requirements are satisfied. To the extent that the amount of any distribution exceeds Vail Resorts' current and accumulated earnings and profits for a taxable year, the distribution will first be

treated as a tax-free return of capital to the extent of the U.S. Holder's tax basis, and any excess will be treated as capital gain.

Generally, a U.S. Holder will recognize gain or loss on any sale, exchange or other disposition of the Vail Shares equal to the difference between the U.S. Holder's adjusted tax basis in the Vail Shares and the amount realized from the sale, exchange or other disposition. Gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period is more than one year.

Additional Medicare Tax on Net Investment Income

Non-corporate U.S. Holders are generally subject to a 3.8% tax on the lesser of (1) the U.S. Holder's "net investment income" for the relevant taxable year and (2) the excess of the U.S. Holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between \$125,000 and \$250,000, depending on the individual's tax return filing status). A U.S. Holder's net investment income will generally include any income or gain recognized by such holder with respect to the Arrangement or the Vail Shares, unless such income or gain is derived in the ordinary course of the conduct of such holder's trade or business (other than a trade or business that consists of certain passive or trading activities). Non-corporate U.S. Holders should consult their tax advisors on the applicability of this additional tax to their income and gains in respect of the Arrangement or the Vail Shares.

Certain U.S. Federal Income Tax Consequences of the Arrangement to Non-U.S. Holders

For purposes of this summary, a "Non-U.S. Holder" is a beneficial owner (for U.S. federal income tax purposes) of Whistler Shares (or, after the Arrangement, Vail Shares or Exchangeable Shares, as applicable) other than a U.S. Holder. The U.S. federal income tax consequences to Non-U.S. Holders depend in significant part on the provisions of the specific treaty, if any, in place from time to time between the United States and the Non-U.S. Holder's jurisdiction. Non-U.S. Holders are urged to consult a tax advisor who has knowledge of the particular treaty provisions applicable to the Non-U.S. Holder in order to accurately determine the specific tax treatment applicable to them. The following is therefore a very general discussion of such treatment without specific reference to any particular treaty.

Tax Consequences to Non-U.S. Holders Arising from the Exchange of Whistler Shares

Generally, a Non-U.S. Holder will not be subject to U.S. federal income tax on the gain (if any) realized on the exchange of Whistler Shares for cash and Vail Shares, cash and Exchangeable Shares and ancillary rights connected to such shares (being the voting rights and other rights described under "Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares") or on the receipt of cash and Vail Shares pursuant to the exercise of its right of dissent from the Arrangement unless (i) the gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business, or, if required by an applicable tax treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States or (ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met, unless an applicable income tax treaty provides otherwise.

If a Non-U.S. Holder falls under clause (i) above, the Non-U.S. Holder generally will be subject to the rules discussed above in the discussion titled "Certain U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Tax Consequences to U.S. Holders Arising from the Exchange of Whistler Shares", as applicable. In addition, if a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes falls under clause (i) above, it may be subject to an additional branch profits tax on effectively connected income at a 30% rate (or lower applicable treaty rate). If an individual Non-U.S. Holder falls under clause (ii) above, the individual generally will be subject to a flat 30% (or lower applicable treaty rate) tax on the gain derived from a sale, which may be offset by certain United States capital losses subject to applicable rules governing the availability of capital loss deductions for U.S. federal income tax purposes. Individual Non-U.S. Holders who have spent (or expect to spend) 183 days or more in the United States in the taxable year in which the Arrangement is consummated are urged to consult their tax advisors as to the tax consequences of the Arrangement.

Tax Consequences to Non-U.S. Holders Arising from the Ownership or Disposition of Vail Shares or Exchangeable Shares

Receipt of Distributions on Vail Shares

Dividends received by a Non-U.S. Holder with respect to Vail Shares will be subject to U.S. withholding tax at a rate of 30% (or lower applicable treaty rate) unless the Non-U.S. Holder establishes that such dividends are effectively connected with such holder's U.S. trade or business. A Non-U.S. Holder may be able to claim benefits (if any) under an applicable treaty with respect to such withholding taxes. However, there can be no assurance that treaty benefits will be available and Non-U.S. Holders should consult their tax advisors as to the applicability of treaty benefits in such circumstances. In addition, a Non-U.S. Holder will be taxed in the same manner as a U.S. Holder on dividends received that are effectively connected with the Non-U.S. Holder's conduct of a trade or business or, if required by an applicable treaty attributable to a permanent establishment by the Non-U.S. Holder, in the United States. A Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to an additional branch profits tax at a 30% rate (or lower applicable treaty rate) on dividend income that is effectively connected with a U.S. trade or business.

Receipt of Distributions on Exchangeable Shares

There is no direct authority addressing the proper characterization and treatment of instruments with characteristics similar to the Exchangeable Shares for U.S. federal income tax purposes. Whistler, Exchangeco and Vail Resorts currently intend to take the position that the Exchangeable Shares constitute stock of Exchangeco and not shares of Vail Resorts for U.S. federal income tax purposes. However, we may change our determination as to the characterization of the Exchangeable Shares. Moreover, our determination as to the characterization of the Exchangeable Shares is not binding upon the IRS or the courts and there is no assurance that the Exchangeable Shares would not be treated as Vail Shares rather than as stock of Exchangeco. Whistler, Exchangeco, and Vail Resorts have not requested, nor do they intend to request, an opinion from U.S. legal counsel or a ruling from the IRS regarding the U.S. federal income tax classification of the Exchangeable Shares.

Regardless of whether the Exchangeable Shares are treated as Vail Shares for U.S. federal income tax purposes, if the Arrangement is completed after December 31, 2016, under Treasury Regulations issued under Section 871(m) of the Code, dividends paid on Exchangeable Shares to Non-U.S. Holders are likely to be subject to U.S. withholding tax in the same manner as if the Exchangeable Shares were Vail Shares. Accordingly, if the Arrangement is completed after December 31, 2016 Exchangeco currently would intend to withhold U.S. tax from such dividends as if the Exchangeable Shares were Vail Shares. A Non-U.S. Holder may be able to claim benefits (if any) under an applicable treaty with respect to such withholding taxes. However, there can be no assurance that treaty benefits will be available and Non-U.S. Holders should consult their tax advisors as to the applicability of treaty benefits in such circumstances.

However, assuming that (i) the Exchangeable Shares are treated as shares of Exchangeco for U.S. federal income tax purposes, rather than shares of Vail Resorts, (ii) dividends paid on the Exchangeable Shares do not constitute U.S. source income, and (iii) the Arrangement is completed prior to January 1, 2017, then neither Exchangeco nor Vail Resorts currently intends to withhold any U.S. tax from any dividends paid with respect to the Exchangeable Shares. Nonetheless, Exchangeco or Vail Resorts may in the future determine that such withholding is required, in which case Exchangeco would withhold U.S. tax from such dividends as if the Exchangeable Shares were Vail Shares.

Regardless of whether the Exchangeable Shares are treated as Vail Shares for U.S. federal income tax purposes or when the Arrangement is completed, a Non-U.S. Holder will be taxed in the United States on the receipt of dividends in the same manner as a U.S. Holder if the dividends received are effectively connected with the Non-U.S. Holder's conduct of a trade or business or, if required by an applicable treaty, attributable to a permanent establishment by the Non-U.S. Holder, in the United States.

Dispositions of Vail Shares or Exchangeable Shares

Subject to the rules discussed below, a Non-U.S. Holder will not be subject to U.S. federal income tax on the gain (if any) realized on the sale or exchange of Vail Shares or Exchangeable Shares, unless (i) the gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business, or, if required by an applicable treaty, attributable to a permanent establishment maintained by the Non-U.S. Holder, in the United States or (ii) the Non-

U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met, unless an applicable income tax treaty provides otherwise.

If a Non-U.S. Holder falls under clause (i) above, the Non-U.S. Holder generally will be subject to the rules discussed above in the discussion titled “Certain U.S. Federal Income Tax Consequences of the Arrangement to U.S. Holders – Tax Consequences to U.S. Holders Arising from the Ownership and Disposition of Vail Shares.” Any amount withheld on the sale or exchange may be applied as a credit against the Non-U.S. Holder’s U.S. federal income tax liability. In addition, if a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes falls under clause (i) above, it may be subject to an additional branch profits tax on effectively connected income at a 30% rate (or lower applicable treaty rate). If an individual Non-U.S. Holder falls under clause (ii) above, the individual generally will be subject to a flat 30% (or lower applicable treaty rate) tax on the gain derived from a disposition, which may be offset by certain U.S. capital losses subject to applicable rules governing the availability of capital loss deductions for U.S. federal income tax purposes. Individual Non-U.S. Holders who have spent (or expect to spend) 183 days or more in the United States in the taxable year in which they contemplate a sale of Vail Shares or Exchangeable Shares are urged to consult their tax advisors as to the tax consequences of the sale.

In addition, if Vail Resorts is or has been a “U.S. real property holding corporation,” or “USRPHC,” as defined for U.S. federal income tax purposes, a Non-U.S. Holder of Vail Shares (or Exchangeable Shares) may be subject to (i) U.S. federal income tax on the gain (if any) realized on the sale or exchange of such shares as if such gain were effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States, and (ii) a 15% withholding tax applied to the gross proceeds received on a disposition of such shares. Generally, a U.S. corporation is a USRPHC if at least 50% of the fair market value of all of its interests in real property and all of its other assets used or held for use in a trade or business (as defined in applicable Treasury Regulations) consists of “U.S. real property interests.” We believe that Vail Resorts may be a USRPHC. However, notwithstanding the foregoing, so long as the common stock of Vail Resorts is regularly traded on an established securities market, under applicable Treasury Regulations, Non-U.S. Holders who have never beneficially owned more than 5% of the Vail Shares, directly, indirectly or constructively (including through the ownership of Exchangeable Shares), generally will not be subject to U.S. federal income tax on any gain realized on the sale, exchange or redemption of Vail Shares (or Exchangeable Shares that are treated as Vail Shares for U.S. federal income tax purposes as described above) solely because Vail Resorts is or has been a USRPHC. Even if the Exchangeable Shares are not treated as Vail Shares for U.S. federal income tax purposes, a Non-U.S. Holder that disposes of Exchangeable Shares nonetheless would be subject to U.S. federal income tax and withholding tax as described above as a result of Vail Resorts constituting a USRPHC, unless the common stock of Vail Resorts is regularly traded on an established securities market, under applicable Treasury Regulations, and: (i) the Exchangeable Shares are regularly traded on an established securities market and such Non-U.S. Holder has never beneficially owned, directly, indirectly, or constructively, more than 5% of the Exchangeable Shares, or (ii) the Exchangeable Shares are not regularly traded on an established securities market and on the date such Non-U.S. Holder acquires the Exchangeable Shares such Exchangeable Shares have a fair market value no greater than 5% of the fair market value of the then outstanding Vail Shares, in each case determined under applicable Treasury Regulations. The provisions of the Code and Treasury Regulations regarding these determinations are complex and subject to differing interpretations. Non-U.S. Holders should consult their tax advisors regarding the application of these rules.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the Vail Shares or Exchangeable Shares and the proceeds from a sale or other disposition of such shares. Holders of Vail Shares or Exchangeable Shares may be subject to U.S. backup withholding tax on these payments if they fail to provide their taxpayer identification numbers to the paying agent and comply with certification procedures or otherwise establish an exemption from backup withholding. The amount of any backup withholding from a payment will be allowed as a credit against the holder’s U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

Foreign Account Tax Compliance Withholding

Sections 1471 through 1474 of the Code, the Treasury Regulations promulgated thereunder and other governmental notices with respect thereto (collectively “**FATCA**”) could impose a withholding tax of 30% (“**FATCA Withholding**”) on dividends on Vail Shares (or Exchangeable Shares, if the Arrangement is completed after

December 31, 2016 or if the Exchangeable Shares are treated as Vail Shares for U.S. federal income tax purposes as described above) paid to Non-U.S. Holders or any non-U.S. person or entity that receives such dividends on behalf of a holder (a “non-U.S. payee”), unless the holder and each non-U.S. payee in the payment chain complies with the applicable information reporting, account identification, withholding, certification and other FATCA-related requirements (including any intergovernmental agreement entered into by the United States and another applicable jurisdiction to facilitate the application and implementation of FATCA (an “IGA”)). In the case of a payee that is a non-U.S. financial institution (for example, a clearing system, custodian, nominee or broker), withholding generally will not be imposed if the financial institution complies with the requirements imposed by FATCA to collect and report (to the U.S. or another relevant taxing authority) substantial information regarding such institution’s U.S. account holders (which would include some account holders that are non-U.S. entities but have U.S. owners). Other payees, including individuals, may be required to provide proof of tax residence or waivers of confidentiality laws and/or, in the case of non-U.S. entities, certification or information relating to their U.S. ownership.

FATCA Withholding may be imposed at any point in a payment chain if a non-U.S. payee is not compliant with the applicable FATCA requirements. A payment chain may consist of a number of parties, including a paying agent, a clearing system, each of the clearing system’s participants and a non-U.S. bank or broker through which a holder holds Vail Shares. Accordingly, if a holder receives payments through a payment chain that includes one or more non-U.S. payees the payment could be subject to FATCA Withholding if any non-U.S. payee in the payment chain fails to comply with the FATCA requirements and is subject to withholding. This would be the case even if the holder would not otherwise have been directly subject to FATCA Withholding.

A number of countries have entered into, and other countries are expected to enter into IGAs. While the existence of an IGA will not eliminate the risk that dividends on the Vail Shares or Exchangeable Shares will be subject to FATCA Withholding, these agreements are expected to facilitate compliance with the FATCA requirements thereby reducing the likelihood that FATCA Withholding will occur for investors in (or investors that indirectly hold Vail Shares or Exchangeable Shares through financial institutions in) those countries.

FATCA Withholding will also apply to the gross proceeds payable upon the disposition of Vail Shares (or Exchangeable Shares, if applicable) on or after January 1, 2019.

Depending on a holder’s circumstances, such holder may be entitled to a refund or credit in respect of some or all of any FATCA Withholding. However, even if a holder is entitled to have any such withholding refunded, the required procedures could be cumbersome and significantly delay such holder’s receipt of any withheld amounts.

Holders are strongly urged to consult their tax advisors regarding FATCA. Holders should also consult their banks or brokers through which they would hold the Vail Shares or Exchangeable Shares about the likelihood that payments to such banks or brokers (for credit to the holders) may become subject to FATCA Withholding at some point in the payment chain.

THE PRECEDING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT LEGAL OR TAX ADVICE. EACH HOLDER IS ENCOURAGED TO CONSULT ITS OWN TAX ADVISOR AS TO PARTICULAR TAX CONSEQUENCES RELATING TO THE ARRANGEMENT, INCLUDING THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL, STATE, LOCAL OR FOREIGN TAX LAWS.

RISK FACTORS

The following risk factors should be considered by Whistler Shareholders in evaluating whether to approve the Arrangement Resolution. These risk factors should be considered in conjunction with the other information contained in or incorporated by reference into this Circular. These risk factors relate to the Arrangement. For information on risks and uncertainties relating to the business of Whistler, see “Information Relating to Whistler – Risk Factors” and for information on risks and uncertainties relating to the business of Vail Resorts, see “Information Relating to Vail Resorts – Risk Factors”.

Risks Related to the Arrangement

Conditions Precedent to Closing of the Arrangement

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside Whistler's control, including receipt of the Final Order, receipt of Whistler Shareholder Approval, and receipt of Regulatory Approvals.

In addition, the completion of the Arrangement by Vail Resorts is conditional on, among other things, no action or circumstance occurring that would result in a Whistler Material Adverse Effect.

There can be no certainty, nor can Whistler provide any assurance, that all conditions precedent to the Arrangement will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived and, accordingly, the Arrangement may not be completed. If the Arrangement is not completed, the market price of Whistler Shares may be adversely affected.

The Regulatory Approvals may not be Obtained

To complete the Arrangement, each of Whistler and Vail Resorts must make certain filings with and obtain certain consents and approvals from various governmental and regulatory authorities. Whistler and Vail Resorts have not yet obtained the Regulatory Approvals, all of which are required to complete the Arrangement. The regulatory approval processes may take a lengthy period of time to complete, which could delay completion of the Arrangement. There can be no assurance as to the outcome of the approval processes, including the undertakings and conditions that may be required for approval or whether the Regulatory Approvals will be obtained.

Market Price of the Whistler Shares

If, for any reason, the Arrangement is not completed or its completion is materially delayed and/or the Arrangement Agreement is terminated, the market price of Whistler Shares may be materially adversely affected. Whistler's business, financial condition or results of operations could also be subject to various material adverse consequences, including that Whistler would remain liable for costs relating to the Arrangement.

Termination in Certain Circumstances

Each of Whistler and Vail Resorts has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of closing, to terminate the Arrangement. Accordingly, there can be no certainty, nor can Whistler provide any assurance that the Arrangement will not be terminated by either of Whistler or Vail Resorts prior to the completion of the Arrangement. In addition, if the Arrangement is not completed by April 5, 2017, either Whistler or Vail Resorts may choose to terminate the Arrangement Agreement. The Arrangement Agreement also includes a termination fee and reverse termination fee payable if the Arrangement Agreement is terminated in certain circumstances.

The Termination Fee provided under the Arrangement Agreement may discourage other parties from attempting to acquire Whistler

Under the Arrangement Agreement, Whistler would be required to pay a termination fee of \$45 million in the event the Arrangement Agreement is terminated in certain circumstances. This termination fee may discourage other parties from attempting to acquire Whistler Shares or otherwise make an Acquisition Proposal to Whistler, even if those parties would otherwise be willing to offer greater value to Whistler Shareholders than that offered by Vail Resorts under the Arrangement.

Uncertainty Surrounding the Arrangement

As the Arrangement is dependent upon receipt, among other things, of the Regulatory Approvals and satisfaction of certain other conditions, its completion is uncertain, if the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of Whistler's resources to the completion thereof

could have a negative impact on Whistler's relationships with its stakeholders and could have a material adverse effect on the current future operations, financial condition and prospects of Whistler.

In addition, Whistler may incur significant transaction expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

Whistler is subject to customary non-solicitation provisions under the Arrangement Agreement. The Arrangement Agreement also restricts Whistler from taking specified actions until the Arrangement is completed without the consent of Vail Resorts. These restrictions may prevent Whistler from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

Risks Associated with a Fixed Exchange Ratio

The exchange ratio is fixed, subject to the Exchange Rate Adjustment, and will not increase or decrease due to fluctuations in the market price of Vail Shares or Whistler Shares. The market price of Vail Shares or Whistler Shares could each fluctuate significantly prior to the Effective Date in response to various factors and events, including, without limitation, as a result of the differences between Vail Resorts' and Whistler's actual financial or operating results and those expected by investors and analysts, changes in analysts' projections or recommendations, changes in general economic or market conditions, and broad market fluctuations. As a result of such fluctuations, historical market prices are not indicative of future market prices or the market value of the Vail Shares and/or Exchangeable Shares that holders of Whistler Shares may receive on the Effective Date. There can be no assurance that the market value of the Vail Shares and/or Exchangeable Shares that the holders of Whistler Shares may receive on the Effective Date will equal or exceed the market value of the Whistler Shares held by such Whistler Shareholders prior to the Effective Date. Similarly, there can be no assurance that the trading price of Vail Shares will not decline following the completion of the Arrangement.

The foregoing risks or other risks arising in connection with the failure of the Arrangement, including the diversion of management attention from conducting the business of Whistler, may have a material adverse effect on Whistler's business operations, financial results and share price.

Risks Related to the Combined Company

The business and operations of the Combined Company will be subject to the risks described in the documents of Vail Resorts incorporated by reference in this Circular, including, without limitation, the risks described in Vail Resorts' Annual Report filed on Form 10-K for the year ended July 31, 2015. The Combined Company's business, financial condition, results of operations and cash flows could be materially adversely affected by any of these risks. The market or trading price of Vail Resorts' securities could decline due to any of these risks. Additional risks not presently known to Vail Resorts or that Vail Resorts currently deems immaterial may also impair the Combined Company's business and operations. In addition to risks associated with Vail Resorts' business and operations, the following additional risks are associated with the Combined Company.

Vail Resorts and Whistler may not integrate successfully

Vail Resorts intends to integrate the operation of Whistler with its own operations, much of which may occur during the 2016/2017 ski season. As a result, the combination will present challenges to management, including the integration of management structures, operations, information technology and accounting systems and personnel of the two companies, and special risks, including possible unanticipated liabilities, unanticipated costs, diversion of management's attention and the loss of key employees or customers. In addition, over the longer term Vail Resorts intends to integrate Whistler into the Epic Pass Program.

The difficulties Vail Resorts' management encounters in the transition and integration processes could have an adverse effect on the revenues, level of expenses and operating results of the Combined Company. As a result of these factors, it is possible that any anticipated benefits from the combination will not be realized.

The pro forma financial statements are presented for illustrative purposes only and may not be an indication of the Combined Company's financial condition or results of operations following the Arrangement

The *pro forma* financial statements contained in this Circular are presented for illustrative purposes only and may not be an indication of the Combined Company's financial condition or results of operations following the Arrangement for several reasons. For example, the *pro forma* financial statements have been derived from the historical financial statements of Vail Resorts and Whistler and certain adjustments and assumptions have been made regarding the Combined Company after giving effect to the Arrangement. The information upon which these adjustments and assumptions have been made is preliminary, and these types of adjustments and assumptions are difficult to make with complete accuracy. Moreover, the *pro forma* financial statements do not reflect all costs that are expected to be incurred by the Combined Company in connection with the Arrangement. For example, the impact of any incremental costs incurred in integrating Vail Resorts and Whistler is not reflected in the *pro forma* financial statements. In addition, the additional indebtedness incurred to consummate the Arrangement is based on commitment letters currently in hand, but the terms of the final acquisition financing could differ materially. As a result, the actual financial condition and results of operations of the Combined Company following the Arrangement may not be consistent with, or evident from, these *pro forma* financial statements. In addition, the assumptions used in preparing the *pro forma* financial information may not prove to be accurate, and other factors may affect the combined company's financial condition or results of operations following the Arrangement. Any potential decline in the combined company's financial condition or results of operations may cause a significant decrease in the stock price of Vail Resorts.

The issuance and future sale of Vail Shares could affect the market price

Based on a closing share price for Vail Shares on the NYSE on August 5, 2016, of US\$143.97, a currency exchange rate of 1.3180 CAD/USD as of such time, and the number of outstanding Whistler Shares as of such time, Vail expects to issue at the Effective Time an aggregate of 3,769,647 Vail Shares (including shares immediately exercisable upon exchange of the Exchangeable Shares). The issuance of these shares, and the sale of Vail Shares in the public market from time to time, could depress the market price for Vail Shares.

Additional Indebtedness

Vail Resorts will be required to draw down or incur additional indebtedness under its credit facility or other sources of debt financing. The additional indebtedness will increase the interest payable by Vail Resorts from time to time until such amounts are repaid, which will represent an increase in Vail Resorts' cost and a potential reduction in Vail Resorts' income. In addition, Vail Resorts may need to find additional sources of financing to repay this amount when it becomes due.

The Vail Shares to be received by Whistler shareholders as a result of the arrangement will have different rights from the Whistler Shares

Vail Resorts is a Delaware corporation. Whistler is a company continued into British Columbia and existing under the BCBCA. Upon completion of the arrangement, Whistler Shareholders will become Vail Shareholders and their rights as stockholders will be governed by the Vail Certificate, Vail By-Laws and Delaware Law. Certain of the rights associated with Vail Shares under Delaware Law are different from the rights associated with Whistler Shares under the BCBCA. See "Comparison of Rights of Whistler Shareholders and Vail Resorts Stockholders" in Appendix F to this Circular for a discussion of the different rights associated with Vail Shares.

Enforcement of Rights Against the Combined Company in Canada

Vail Resorts is located outside Canada and, following the Effective Time, the majority its directors, officers and experts are expected to reside outside of Canada. Accordingly, it may not be possible for Vail Shareholders to effect service of process within Canada upon the Combined Company or the majority of its directors, officers or experts, or to enforce judgments obtained in Canadian courts against the Combined Company or the majority of its directors, officers or experts.

Risks Related to the Exchangeable Shares

There Can be No Assurance that the Market Price of a Vail Share and an Exchangeable Share will be Equivalent

Although the Combined Company anticipates that the market price of one Exchangeable Share and the market price of one Vail Share will reflect essentially equivalent values, there can be no assurance that the market price of one Vail Share will be identical, or even similar, to the market price of one Exchangeable Share.

There Can be No Assurance that an Active Trading Market for the Exchangeable Shares will develop or be sustained in Canada

Prior to the Arrangement, there will have been no public trading market for the Exchangeable Shares. There can be no assurance that an active trading market for the Exchangeable Shares will develop in Canada or, if it develops, will be sustained following admission and listing on the TSX. If an active trading market does not develop or is not maintained in Canada, the liquidity and trading price of the Exchangeable Shares could be adversely affected and investors may have difficulty selling their Exchangeable Shares. Moreover, TSX listing of the Exchangeable Shares will be subject to Exchangeco fulfilling all of the requirements of the TSX, including the distribution of the Exchangeable Shares to a minimum number of public shareholders.

Whistler Shareholders who Elect to Receive Exchangeable Shares Will Experience a Delay in Receiving Vail Shares from the Date they Request an Exchange, which May Affect the Value of the Shares the Holder Receives in an Exchange

Whistler Shareholders who elect to receive Exchangeable Shares in the arrangement and later request to receive Vail Shares in exchange for their Exchangeable Shares may not receive Vail Shares until 10 to 15 Business Days after the applicable request is received. During this 10 to 15 Business Day period, the market price of Vail Shares may increase or decrease. Any such increase or decrease would affect the value of the Consideration to be received by such a holder of Exchangeable Shares upon a subsequent sale of Vail Shares received in the exchange.

There may be a Taxable Event for an Eligible Holder as Result of a Transaction Beyond His or Her Control

An Eligible Holder who (a) disposes of Whistler Shares pursuant to the Arrangement and who receives, as part of the Consideration, Exchangeable Shares, and (b) validly makes a joint election under subsection 85(1) or subsection 85(2) of the Tax Act (as applicable and as described in the section titled “Certain Canadian Federal Income Tax Considerations – Exchange of Whistler Shares for Exchangeable Shares and Cash - Section 85 Election”) in respect of such shares, may obtain a full or partial tax deferral of any capital gain that may otherwise arise on the exchange of such Whistler Shares. However, an Eligible Holder will be considered to have disposed of Exchangeable Shares (i) on a redemption (including pursuant to a Retraction Request) of such Exchangeable Shares by Exchangeco, and (ii) on an acquisition of such Exchangeable Shares by Calco or Vail Resorts. Although each is a taxable event, the Canadian federal income tax consequences of the disposition will be different depending on whether the event giving rise to the disposition is a redemption or an acquisition.

Prior to the seventh anniversary of the Effective Date, Exchangeco may choose to redeem Exchangeable Shares in limited circumstances, and Exchangeco may redeem the Exchangeable Shares in any circumstances on or after the seventh anniversary of the Effective Date. In addition, an Eligible Holder (including an Eligible Holder who exercises the right to require redemption of its Exchangeable Shares by giving a Retraction Request) cannot control whether the Exchangeable Shares will be acquired by Calco or Vail Resorts under the relevant Call Right or redeemed by Exchangeco. Thus, an Eligible Holder may have a taxable event in a transaction beyond his or her control and, in certain circumstances, an Eligible Holder may have no control over the Canadian federal tax consequences arising from such event. See “Certain Canadian Federal Income Tax Considerations” for further information.

Dividends Paid on the Exchangeable Shares may be Subject to U.S. Withholding Tax

If the Arrangement is completed after December 31, 2016, under Treasury Regulations issued under Section 871(m) of the Code, dividends paid on Exchangeable Shares to Non-U.S. Holders are likely to be subject to U.S. withholding tax. In addition, even if the Arrangement is completed before January 1, 2017, the Exchangeable Shares may be treated as Vail Shares for U.S. federal income tax purposes, in which case dividends paid on the Exchangeable Shares to Non-

U.S. Holders would be subject to U.S. withholding tax. See “Certain U.S. Federal Income Tax Considerations” for further information.

RIGHTS OF DISSENTING WHISTLER SHAREHOLDERS

The following is a summary of the provisions of the BCBCA, as modified by the Plan of Arrangement and the Interim Order, relating to a Whistler Shareholder’s dissent rights in respect of the Arrangement Resolution. Such summary is not a comprehensive statement of the procedures to be followed by a Dissenting Holder who seeks payment of the fair value of its Whistler Shares and is qualified in its entirety by reference to the full text of Sections 237 to 247 of the BCBCA, which is attached to this Circular as Appendix G, as modified by the Plan of Arrangement and the Interim Order.

The statutory provisions dealing with the right of dissent are technical and complex. Any Dissenting Holder should seek independent legal advice, as failure to comply strictly with the provisions of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of all Dissent Rights.

The Interim Order expressly provides registered holders of Whistler Shares with the right to dissent with respect to the Arrangement Resolution. Each Dissenting Holder is entitled to be paid the fair value (determined as of the close of business on the day before the Arrangement Resolution was adopted at the Shareholder Meeting) of all, but not less than all, of the holder’s Whistler Shares, provided that the holder duly dissents to the Arrangement Resolution and the Arrangement becomes effective. In accordance with the Interim Order, 50% of any such payment of fair value will be satisfied in cash and the remaining 50% will be satisfied in Vail Shares with the value of such Vail Shares being based on the Canadian dollar equivalent (using the USD/CAD noon exchange rate posted by the Bank of Canada on the last trading day preceding the day that the Arrangement Resolution is passed) of the volume weighted average price of the Vail Shares on the NYSE for the five trading days preceding the day that the Arrangement Resolution is passed. **It is a condition to completion of the Arrangement in favour of Vail Resorts, that Dissent Rights have not been exercised (or, if exercised, remain unwithdrawn) with respect to more than 10% of the issued and outstanding Whistler Shares. See “The Arrangement Agreement – Conditions Precedent to the Arrangement”.**

In many cases, Whistler Shares beneficially owned by a holder are registered either (a) in the name of an Intermediary that the beneficial Whistler Shareholder deals with in respect of such shares, or (b) in the name of a depository, such as CDS, of which the Intermediary is a participant. Accordingly, a beneficial Whistler Shareholder will not be entitled to exercise his, her or its rights of dissent directly (unless the Whistler Shares are reregistered in the beneficial Whistler Shareholder’s name).

With respect to Whistler Shares in connection to the Arrangement, pursuant to the Interim Order, a registered Whistler Shareholder may exercise rights of dissent under Section 237 to Section 247 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order; provided that, notwithstanding Section 242(1)(a) of the BCBCA, the written objection to the Arrangement Resolution must be received from Whistler Shareholders who wish to dissent by Whistler with a copy to Whistler’s counsel not later than 4:00 p.m. (Vancouver time) two Business Days immediately preceding the date of the Shareholder Meeting (or if the Shareholder Meeting is postponed or adjourned, at least 48 hours (excluding non-business days) prior to the date of the postponed or adjourned Shareholder Meeting). Whistler’s address for such purpose is Whistler at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2, Attention: Thierry Keable, General Counsel and Corporate Secretary with a copy to Farris, Vaughan, Wills & Murphy LLP at 2500-700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3, Attention: Teresa Tomchak.

To exercise Dissent Rights, a Whistler Shareholder must dissent with respect to all Whistler Shares of which it is the registered and beneficial owner. A registered Whistler Shareholder who wishes to dissent must deliver written notice of dissent to Whistler as set forth above and such notice of dissent must strictly comply with the requirements of Section 242 of the BCBCA. **Any failure by a Whistler Shareholder to fully comply with the provisions of the BCBCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of that holder’s Dissent Rights.** Beneficial Whistler Shareholders who wish to exercise Dissent Rights must cause the registered Whistler Shareholder holding their Whistler Shares to deliver the notice of dissent.

To exercise Dissent Rights, a registered Whistler Shareholder must prepare a separate notice of dissent for him, her or itself, if dissenting on his, her or its own behalf, and for each other beneficial Whistler Shareholder who beneficially owns Whistler Shares registered in the Whistler Shareholder's name and on whose behalf the Whistler Shareholder is dissenting; and, if dissenting on its own behalf, must dissent with respect to all of the Whistler Shares registered in his, her or its name or if dissenting on behalf of a beneficial Whistler Shareholder, with respect to all of the Whistler Shares registered in his, her or its name and beneficially owned by the beneficial Whistler Shareholder on whose behalf the Whistler Shareholder is dissenting. The notice of dissent must set out the number of Whistler Shares in respect of which the Dissent Rights are being exercised (the "**Notice Shares**") and: (a) if such Whistler Shares constitute all of the Whistler Shares of which the Whistler Shareholder is the registered and beneficial owner and the Whistler Shareholder owns no other Whistler Shares beneficially, a statement to that effect; (b) if such Whistler Shares constitute all of the Whistler Shares of which the Whistler Shareholder is both the registered and beneficial owner, but the Whistler Shareholder owns additional Whistler Shares beneficially, a statement to that effect and the names of the registered Whistler Shareholders of those other Whistler Shares, the number of Whistler Shares held by each such registered Whistler Shareholder and a statement that written notices of dissent are being or have been sent with respect to such other Whistler Shares; or (c) if the Dissent Rights are being exercised by a registered Whistler Shareholder who is not the beneficial owner of such Whistler Shares, a statement to that effect and the name and address of the beneficial Whistler Shareholder and a statement that the registered Whistler Shareholder is dissenting with respect to all Whistler Shares of the beneficial Whistler Shareholder registered in such registered holder's name.

If the Arrangement Resolution is approved, and Whistler notifies a registered holder of Notice Shares of Whistler's intention to act upon the Arrangement Resolution pursuant to Section 243 of the BCBCA, in order to exercise Dissent Rights, such Whistler Shareholder must, within one month after Whistler gives such notice, send to Whistler a written notice that such holder requires the purchase of all of the Notice Shares in respect of which such holder has given notice of dissent. Such written notice must be accompanied by the certificate or certificates representing those Notice Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Whistler Shareholder on behalf of a beneficial Whistler Shareholder), whereupon, subject to the provisions of the BCBCA relating to the termination of Dissent Rights, the Whistler Shareholder becomes a Dissenting Holder, and is bound to sell and Exchangeco is bound to purchase those Whistler Shares. Such Dissenting Holder may not vote, or exercise or assert any rights of a Whistler Shareholder in respect of such Notice Shares, other than the rights set forth in Division 2 of Part 8 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order.

Dissenting Holders who are:

- (i) ultimately entitled to be paid fair value for their Whistler Shares, will be paid an amount equal to such fair value by Exchangeco, and will be deemed to have transferred such Whistler Shares as of the Effective Time to Exchangeco, without any further act or formality, and free and clear of all liens, claims and encumbrances; or
- (ii) ultimately not entitled, for any reason, to be paid fair value for their Whistler Shares, will be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-Dissenting Holder who did not deposit with the Depositary a duly completed Letter of Transmittal and Election Form prior to the Election Deadline and will be entitled to receive the Consideration from Exchangeco in the same manner as such non-Dissenting Holder.

If a Dissenting Holder is ultimately entitled to be paid by Exchangeco for their Notice Shares, such Dissenting Holder may enter an agreement with Exchangeco for the fair value of such Notice Shares. If such Dissenting Holder does not reach an agreement with Exchangeco, such Dissenting Holder, or Exchangeco, may apply to the Court, and the Court may:

- (i) determine the payout value of the Notice Shares, or order that the payout value of the Notice Shares be established by arbitration or by reference to the registrar, or a referee, of the Court;
- (ii) join in the application of each Dissenting Holder who has not agreed with Whistler on the amount of the payout value of the Notice Shares; and
- (iii) make consequential orders and give directions as the Court considers appropriate.

There is no obligation on Exchangeco to make application to the Court. The Dissenting Holder will be entitled to receive the fair value that the Notice Shares had as of the close of business on the day before the Arrangement Resolution was adopted at the Shareholder Meeting, excluding any appreciation or depreciation in anticipation of the vote (unless such exclusion would be inequitable). After a determination of the fair value of the Notice Shares, Exchangeco must then promptly pay that amount to the Dissenting Holder.

In no circumstances will Exchangeco, Vail Resorts, Whistler or any other Person be required to recognize a Person as a Dissenting Holder: (i) unless such Person is the registered holder of those Whistler Shares in respect of which Dissent Rights are sought to be exercised immediately prior to the Effective Time; (ii) if such Person has voted or instructed a proxy holder to vote such Notice Shares in favour of the Arrangement Resolution; or (iii) unless such Person has strictly complied with the procedures for exercising Dissent Rights set out in Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order and does not withdraw such notice of dissent prior to the Effective Time.

In no event will Exchangeco, Vail Resorts, Whistler or any other Person be required to recognize a Dissenting Holder as the holder of any Whistler Share in respect of which Dissent Rights have been validly exercised and not withdrawn at and after the Effective Time, and at the Effective Time the names of such Dissenting Holders will be deleted from the central securities register of Whistler as at the Effective Time.

For greater certainty, in addition, to any other restrictions in the Interim Order, no Person shall be entitled to exercise Dissent Rights with respect to Whistler Shares in respect of which a Person has voted or has instructed a proxy holder to vote in favour of the Arrangement Resolution. Holders of Whistler Options, Whistler RSUs and other Whistler Performance Awards are not entitled to Dissent Rights.

Dissent Rights with respect to Notice Shares will terminate and cease to apply to the Dissenting Holder if, before full payment is made for the Notice Shares, the Arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed, a court permanently enjoins or sets aside the corporate action approved by the Arrangement Resolution, or the Dissenting Holder withdraws the notice of dissent with Whistler's written consent. If any of these events occur, Whistler must return the share certificates representing the Whistler Shares to the Dissenting Holder and the Dissenting Holder regains the ability to vote and exercise its rights as a Whistler Shareholder.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. **A Whistler Shareholder who intends to exercise Dissent Rights must strictly adhere to the procedures established in Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement and the Interim Order, and failure to do so may result in the loss of all Dissent Rights.** Persons who are beneficial shareholders of Whistler Shares registered in the name of an Intermediary, or in some other name, who wish to exercise Dissent Rights should be aware that only the registered owner of such Whistler Shares is entitled to dissent.

Accordingly, each Whistler Shareholder wishing to avail himself, herself or itself of the Dissent Rights should carefully consider and comply with the provisions of the Interim Order and Sections 237 to 247 of the BCBCA, which are attached to this Circular as Appendices D and H, respectively, and seek his, her or its own legal advice.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, no informed person (as defined in NI 51-102) of Whistler, nor any proposed director of Whistler nor any associate or affiliate of any such informed person or proposed director, had any material interest, direct or indirect, in any transaction since the commencement of Whistler's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Whistler or any of its Subsidiaries. See "Interests of Certain Parties in the Arrangement".

INTEREST OF EXPERTS OF WHISTLER AND VAIL RESORTS

The following persons and companies have prepared certain sections of this Circular and/or Appendices attached hereto as described below, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference in this Circular.

<u>Name of Expert⁽¹⁾</u>	<u>Nature of Relationship</u>
Greenhill	Authors responsible for the preparation of the Greenhill Fairness Opinion
KPMG LLP ⁽²⁾	Auditors of Whistler
PricewaterhouseCoopers LLP ⁽³⁾	Auditors of Vail Resorts

Notes:

- (1) To the knowledge of Whistler, none of the experts so named (or any of the designated professionals thereof) held securities representing more than 1% of all issued and outstanding Whistler Shares as at the date of the statement, report or valuation in question, and none of the persons above is or is expected to be elected, appointed or employed as a director, officer or employee of Whistler or of any associate or affiliate of Whistler.
- (2) KPMG LLP is independent with respect to Whistler within the meaning of the Rules of Professional Conduct of the Institute of Chartered Public Accountants of British Columbia. Note (1) is not intended to apply to KPMG LLP.
- (3) PricewaterhouseCoopers LLP has advised Whistler that it is independent with respect to Vail Resorts within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in the United States and any applicable legislation or regulation. Note (1) is not intended to apply to PricewaterhouseCoopers LLP.

ADDITIONAL INFORMATION

Additional information relating to Whistler may be found on SEDAR at www.sedar.com and at Whistler's website at www.whistlerblackcombholdings.com. Financial information is provided in Whistler's consolidated financial statements and Management's Discussion and Analysis ("MD&A") for the most recently completed financial year. Whistler Shareholders may also contact the General Counsel and Corporate Secretary of Whistler at generalcounsel@whistlerblackcomb.com to request copies of Whistler's consolidated financial statements and MD&A.

Pursuant to NI 51-102, Whistler is required to annually send a request form to registered holders and beneficial owners of the Whistler's securities, other than debt securities, that such registered holders and beneficial owners may use to request a copy of Whistler's annual financial statements and MD&A, interim financial statements and MD&A, or both. Registered holders and beneficial owners should review the request form carefully. Copies of these documents can also be found at www.sedar.com.

Vail Resorts files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any of this information at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or 202-942-8090 for further information on the public reference room. The SEC also maintains an Internet website that contains reports, proxy statements and other information regarding issuers, including Vail Resorts, who file electronically with the SEC. The address of that site is www.sec.gov.

APPROVAL OF THIS INFORMATION CIRCULAR

The contents and the provision of this Circular have been approved by the Board of Directors.

DATED this 31st day of August, 2016.

(signed) "Graham Savage"

Graham Savage, Chairman of the Board of Directors,
on behalf of the Board.

CONSENT OF GREENHILL

To: The Special Committee of the Board of Directors and the Board of the Directors of Whistler Blackcomb Holdings Inc.

We refer to the management information circular dated August 31, 2016 (the “**Information Circular**”) with respect to the arrangement pursuant to the *Business Corporations Act* (British Columbia) (the “**Arrangement**”) involving, among other things, the acquisition by 1068877 B.C. Ltd., a wholly-owned subsidiary of Vail Resorts, Inc., of all of the outstanding common shares of Whistler Blackcomb Holdings Inc. (“**Whistler**”). We consent to the inclusion in the Information Circular of our fairness opinion dated August 5, 2016 (the “**Fairness Opinion**”) to the special committee of board of directors of Whistler and to the references to our firm name and our Fairness Opinion in the Information Circular.

Yours truly,

(Signed) Greenhill & Co. Canada Ltd.

Greenhill & Co. Canada Ltd.
Toronto, Ontario
August 31, 2016

**APPENDIX “A”
PLAN OF ARRANGEMENT**

**PLAN OF ARRANGEMENT
UNDER SECTION 288 OF THE
BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)**

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, the following words and terms shall have the meaning hereinafter set out:

"**Affected Person**" has the meaning set forth in Section 5.3;

"**Affiliate**" has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*;

"**Arrangement**" means the arrangement of Whistler under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of this Plan of Arrangement and the Arrangement Agreement or made at the direction of the Court in the Final Order;

"**Arrangement Agreement**" means the arrangement agreement dated August 5, 2016 to which this Plan of Arrangement is attached as Schedule A, and all schedules annexed thereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

"**Arrangement Resolution**" means the special resolution of the Whistler Shareholders approving the Arrangement which is to be considered at the Shareholder Meeting, substantially in the form of Schedule B to the Arrangement Agreement;

"**Authorization**" means, with respect to any Person, any authorization, order, permit, approval, grant, licence, registration, consent, right, notification, condition, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decision, decree, by-law, rule or regulation, of, from or required by any Governmental Entity having jurisdiction over the Person;

"**Automatic Exchange Right**" has the meaning set forth in the Voting and Exchange Trust Agreement;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Broker**" has the meaning set forth in Section 5.3(a);

"**Business Day**" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in the Province of British Columbia or in the State of New York;

"**Calco**" means a direct or indirect wholly-owned subsidiary of Vail to be incorporated under the laws of the Province of British Columbia prior to the Effective Time;

"**Canadian Resident**" means either (i) a person who, at the relevant time, is a resident of Canada for purposes of the Tax Act, or (ii) a partnership that is a "Canadian partnership" for purposes of the Tax Act;

"**Change of Law**" means any amendment to the Tax Act and other applicable provincial income tax Laws that permits Canadian Resident holders of the Exchangeable Shares, who hold the Exchangeable Shares as capital property and deal at arm's length with Vail and Exchangeco (all for the purposes of the Tax Act and other applicable provincial income tax Laws), to exchange their Exchangeable Shares for Vail Shares on a basis that will not require such holders to recognize any gain or loss or any actual or deemed dividend in respect of such exchange for the purposes of the Tax Act or applicable provincial income tax Laws;

"**Change of Law Call Date**" has the meaning ascribed thereto in Section 6.3(b);

"**Change of Law Call Purchase Price**" has the meaning ascribed thereto in Section 6.3(a);

"**Change of Law Call Right**" has the meaning ascribed thereto in Section 6.3(a);

"**Consideration**" means, (i) in the case of a Whistler Shareholder who is an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline in accordance with this Plan of Arrangement, for each Whistler Share, such fraction of an Exchangeable Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash, and (ii) in the case of each other Whistler Shareholder, for each Whistler Share, such fraction of a Vail Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash;

"**Consideration Shares**" means the Vail Shares and the Exchangeable Shares to be issued as part of the Consideration pursuant to the Arrangement;

"**Court**" means the Supreme Court of British Columbia;

"**Depository**" means any Person that Whistler may appoint to act as depository for the Whistler Shares in relation to the Arrangement, with the approval of Vail, acting reasonably;

"**Dissent Rights**" has the meaning set forth in Section 4.1(a);

"**Dissent Shares**" means Whistler Shares held by a Dissenting Shareholder and in respect of which the Dissenting Shareholder has validly exercised Dissent Rights;

"**Dissenting Shareholder**" means a registered Whistler Shareholder who has duly exercised a Dissent Right and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of Whistler Shares in respect of which Dissent Rights are validly exercised by such Whistler Shareholder;

"Dividend Equivalent Amount" means, in respect of a Whistler Performance Award, the aggregate amount of dividends paid on Whistler Shares (on a per share basis) during the period commencing on the first day of the Performance Period (as defined in the agreement for such Whistler Performance Award) of such Whistler Performance Award and ending on the earlier of (a) the Effective Date and (b) the last day of the Performance Period (as defined in the agreement for such Whistler Performance Award) of such Whistler Performance Award;

"Effective Date" means the date upon which the Arrangement becomes effective, as set out in Section 2.10 of the Arrangement Agreement;

"Effective Time" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time as agreed to by Vail and Whistler in writing;

"Election Deadline" means 2:00 p.m. (Vancouver time) on the Business Day which is three Business Days preceding the Effective Date;

"Eligible Holder" means a Whistler Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act;

"Exchange Rate" means the CAD/USD noon exchange rate quoted by the Bank of Canada (or if the Bank of Canada does not on the applicable date publish a CAD/USD noon exchange rate, the CAD/USD daily average rate quoted by the Bank of Canada) three Business Days prior to the Election Deadline;

"Exchange Rate Adjustment" means a fraction, rounded to six (6) decimal places, the numerator of which is the Exchange Rate and the denominator of which is 0.7765;

"Exchangeable Share Consideration" has the meaning set forth in the Exchangeable Share Provisions;

"Exchangeable Share Price" has the meaning set forth in the Exchangeable Share Provisions;

"Exchangeable Share Provisions" means the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, which rights, privileges, restrictions and conditions shall be in substantially the form set out in Annex A to this Plan of Arrangement;

"Exchangeable Share Support Agreement" means an agreement to be made between Vail, Exchangeco and Callco substantially in the form of Schedule C to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

"Exchangeable Share Voting Event" has the meaning set forth in the Exchangeable Share Provisions;

"Exchangeable Shares" means the redeemable preferred shares in the capital of Exchangeco, having the rights, privileges, restrictions and conditions set forth the Exchangeable Share Provisions;

"Exchangeco" means 1068877 B.C. Ltd., a direct or indirect wholly-owned subsidiary of Vail;

"Exempt Exchangeable Share Voting Event" has the meaning set forth in the Exchangeable Share Provisions;

"Fair Market Value" means the closing price of the Whistler Shares on the Toronto Stock Exchange on the second trading day immediately preceding the Effective Date;

"Final Order" means the final order of the Court pursuant to section 291 of the BCBCA approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

"Governmental Entity" means: (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, ministry, bureau or agency, domestic or foreign; (b) any stock exchange, including the Toronto Stock Exchange and the New York Stock Exchange; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing;

"Interim Order" means the interim order of the Court made in connection with the Arrangement and providing for, among other things, the calling and holding of the Shareholder Meeting, as the same may be amended, modified, supplemented or varied by the Court;

"Law" or **"Laws"** means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees or other legally binding requirements, whether domestic or foreign, and the terms and conditions of any Authorization of or from any Governmental Entity;

"Letter of Transmittal and Election Form" means the letter of transmittal and election form(s) to be delivered by Whistler to Whistler Shareholders providing for the Whistler Shareholder's election with respect to the Consideration and for delivery of the certificates representing the Whistler Shareholder's Whistler Shares to the Depositary;

"Liens" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**Liquidation Amount**" has the meaning set forth in the Exchangeable Share Provisions;

"**Liquidation Call Purchase Price**" has the meaning set forth in Section 6.1(a);

"**Liquidation Call Right**" has the meaning set forth in Section 6.1(a);

"**Liquidation Date**" has the meaning set forth in the Exchangeable Share Provisions;

"**Net Surrender Shares**" has the meaning set forth in Section 3.1(c);

"**Person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

"**Plan of Arrangement**" means this plan of arrangement and any amendments or variations hereto made in accordance with Section 7.4 of the Arrangement Agreement and this plan of arrangement or upon the direction of the Court in the Final Order;

"**Redemption Call Purchase Price**" has the meaning set forth in Section 6.2(a);

"**Redemption Call Right**" has the meaning set forth in Section 6.2(a);

"**Redemption Date**" has the meaning set forth in the Exchangeable Share Provisions;

"**Retraction Call Right**" has the meaning set forth in the Exchangeable Share Provisions;

"**Shareholder Meeting**" means the special meeting of Whistler Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

"**Tax Act**" means the *Income Tax Act* (Canada);

"**Transfer Agent**" has the meaning set forth in the Exchangeable Share Provisions;

"**Trustee**" means the trustee to be chosen by Vail and Whistler, acting reasonably, to act as trustee under the Voting and Exchange Trust Agreement and any successor trustee appointed under the Voting and Exchange Trust Agreement;

"**Vail**" means Vail Resorts, Inc., a corporation existing under the laws of Delaware;

"**Vail Control Transaction**" has the meaning set forth in the Exchangeable Share Provisions;

"**Vail Reference Price**" means the amount in Canadian dollars that is equal to the quotient of (i) the volume weighted average trading price of the Vail Shares on the New York Stock Exchange for the five trading days commencing on the tenth trading day immediately before the Effective Date and ending on the sixth trading day immediately before the Effective Date, divided by (ii) the Exchange Rate;

"**Vail Shares**" means the shares of common stock in the authorized share capital of Vail;

"Voting and Exchange Trust Agreement" means an agreement to be made between Whistler, Exchangeco, Callco and the Trustee in connection with this Plan of Arrangement substantially in the form of Schedule D to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

"Whistler" means Whistler Blackcomb Holdings Inc., a corporation existing under the laws of the Province of British Columbia;

"Whistler Omnibus Incentive Plan" means the omnibus incentive plan of Whistler initially adopted in October 2010 and re-approved by Whistler Shareholders on January 30, 2014 and as amended on July 26, 2016;

"Whistler Options" means options to purchase Whistler Shares granted under the Whistler Omnibus Incentive Plan;

"Whistler Performance Awards" means performance awards issued under the Whistler Omnibus Incentive Plan;

"Whistler Performance Award Vesting Number" means (a) in respect of any Whistler Performance Award granted on February 6, 2014, the number that is equal to (rounded down to the nearest whole number): (1) the Target Award (as defined in the agreement for such Whistler Performance Award), multiplied by 1.531 (the **"February 6, 2014 Award"**), plus (2) the February 6, 2014 Award multiplied by the Dividend Equivalent Amount and divided by the Fair Market Value; (b) in respect of any Whistler Performance Award granted on December 15, 2014, the number that is equal to (rounded down to the nearest whole number): (1) the Target Award (as defined in the agreement for such Whistler Performance Award), multiplied by 1.384 (the **"December 15, 2014 Award"**), plus (2) the December 15, 2014 Award multiplied by the Dividend Equivalent Amount and divided by the Fair Market Value; and (c) in respect of any Whistler Performance Award granted on December 16, 2015, the number that is equal to (rounded down to the nearest whole number): (1) the Target Award (as defined in the agreement for such Whistler Performance Award), multiplied by 1.333 (the **"December 16, 2015 Award"**), plus (2) the December 16, 2015 Award multiplied by the Dividend Equivalent Amount and divided by the Fair Market Value; and (d) in respect of any Whistler Performance Award not included in the foregoing, zero;

"Whistler RSUs" means restricted stock units issued under the Whistler Omnibus Incentive Plan;

"Whistler Shareholders" means the holders of Whistler Shares, and, for the purposes of the Shareholder Meeting and the Arrangement Resolution, includes the holders of Whistler Options, Whistler Performance Awards and Whistler RSUs to the extent required by, and on the terms specified, in the Interim Order;

"Whistler Shares" means the common shares in the authorized share capital of Whistler; and

"Withholding Obligation" has the meaning set forth in Section 5.3.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement. Unless the contrary intention appears, references in this Plan of Arrangement to an Article, Section or Annex by number or letter or both refer to the Article, Section or Annex, respectively, bearing that designation in this Plan of Arrangement.

1.3 Date for any Action

If the date on or by which any action is required or permitted to be taken hereunder is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

1.4 Number and Gender

In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.5 References to Persons and Statutes

A reference to a Person includes any successor to that Person. A reference to any statute includes all regulations made pursuant to such statute and the provisions of any statute or regulation which amends, supplements or supersedes any such statute or regulation.

1.6 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada and "\$" refers to Canadian dollars.

1.7 Annexes

The following annex is attached to this Plan of Arrangement and is incorporated by reference into this Plan of Arrangement and forms a part hereof:

Annex A – Exchangeable Share Provisions

ARTICLE 2 EFFECT OF ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

2.2 Binding Effect

At the Effective Time, this Plan of Arrangement and the Arrangement shall without any further authorization, act or formality on the part of the Court become effective and be binding upon Vail, Exchangeco, Callco, Whistler, the Depositary, the Trustee, all registered and beneficial Whistler Shareholders, including Dissenting Shareholders and holders of Whistler Options, Whistler Performance Awards and Whistler RSUs.

ARTICLE 3 ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur consecutively in the following order, except where noted, without any further authorization, act or formality:

- (a) at the Effective Time, each Whistler RSU having a grant date of January 31, 2013 outstanding immediately prior to the Effective Time shall, and shall be deemed to, vest with respect to such number of Whistler Shares as is equal to one half of the number of Retention Shares (as defined in the agreement for such Whistler RSU) that would have vested if "Target" (as defined in the agreement for such Whistler RSU) was achieved in the Retention Fiscal Year (as defined in the relevant agreement for such Whistler RSU), and Whistler shall issue to the holder of such Whistler RSU such number of Whistler Shares in settlement of such Whistler RSU, the holder of such Whistler RSU shall be and shall be deemed to be the holder of such number of Whistler Shares, and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly, but the holder of such Whistler RSU shall not be entitled to a certificate or other document representing the Whistler Shares so issued (for greater certainty, for the purposes of this Section 3.1(a), a Whistler RSU is only outstanding after September 30, 2016 to the extent that the Retention Shares vested under the terms of such Whistler RSU on September 30, 2016 but the Whistler Shares in respect thereof have not been issued prior to the Effective Time);
- (b) concurrently with the preceding step, each Whistler Performance Award outstanding immediately prior to the Effective Time shall, and shall be deemed to, vest with respect to such number of Whistler Shares as is equal to its Whistler Performance Award Vesting Number, and Whistler shall issue to the holder of such Whistler Performance Award in settlement of such Whistler Performance Award such number of Whistler Shares, the holder of such Whistler Performance Award shall be and shall be deemed to be the holder of such number of Whistler Shares, and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly, but the holder of such Whistler Performance Award shall not be entitled to a certificate or other document representing the Whistler Shares so issued;

- (c) concurrently with the preceding step, each Whistler Option outstanding immediately prior to the Effective Time shall be, and shall be deemed to be, fully vested and surrendered and transferred to Whistler in consideration for the issuance by Whistler of that number of Whistler Shares ("**Net Surrender Shares**") equal to, rounded down to the nearest whole share, (i) the number of Whistler Shares subject to such Whistler Option immediately prior to the Effective Time minus (ii) the number of whole and partial (computed to the nearest four decimal places) Whistler Shares that, when multiplied by the Fair Market Value of a Whistler Share is equal to the aggregate exercise price of such Whistler Option, and the holder of such Whistler Option shall be and shall be deemed to be the holder of such number of Net Surrender Shares and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly, but the holder of such Whistler Option shall not be entitled to a certificate or other document representing the Net Surrender Shares so issued;
- (d) immediately following the preceding step, all outstanding Whistler Options, Whistler RSUs and Whistler Performance Awards shall, and shall be deemed to be, terminated (and all rights thereunder shall expire) and be of no further force or effect;
- (e) immediately following the preceding step, each Dissent Share shall be deemed to be transferred and assigned by such Dissenting Shareholder, without any further act of formality on its part, to Exchangeco (free and clear of any Liens) in accordance with, and for the consideration contemplated in, Article 4 and:
 - (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Dissent Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Whistler Shareholders in respect of each such Dissent Share, and at such time each Dissenting Shareholder will have the rights set out in Section 4.1;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Dissent Share; and
 - (iii) Exchangeco shall be and shall be deemed to be the holder of all of the outstanding Dissent Shares and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly;
- (f) immediately following the preceding step, each Whistler Share (other than any Whistler Share held by Vail, Exchangeco or any of their respective Affiliates and any Dissent Share) shall be transferred and assigned, without any further act or formality on its part, to Exchangeco (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for

the Consideration, in each case in accordance with the election or deemed election of such Whistler Shareholder pursuant to Section 3.2, subject to Section 3.4 and Section 3.5, and

- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Whistler Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Whistler Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Whistler Share; and
 - (iii) Exchangeco shall be and shall be deemed to be the holder of all of the outstanding Whistler Shares and the central securities register of Whistler shall be, and shall be deemed to be, revised accordingly;
- (g) concurrently with the preceding step, (i) Vail, Callco and Exchangeco shall execute the Exchangeable Share Support Agreement, and (ii) Vail, Exchangeco and the Trustee shall execute the Voting and Exchange Trust Agreement; and
- (h) at any time after the completion of the share exchange set out in Section 3.1(f), as promptly as possible after all conditions therefor have been met, Whistler shall file the prescribed form of election under the Tax Act with the Canada Revenue Agency electing to cease being a public corporation for the purposes of the Tax Act,

it being expressly provided that the events provided for in this Section 3.1 will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

3.2 Consideration Elections

With respect to the transfer and assignment of Whistler Shares (including the Whistler Shares issued in respect of Whistler RSUs, Whistler Performance Awards and Whistler Options pursuant to Section 3.1(a), 3.1(b) and 3.1(c)) pursuant to Section 3.1(f):

- (a) each Whistler Shareholder who is an Eligible Holder may elect to receive the Consideration Shares to which he, she or it is entitled in the form of Vail Shares or Exchangeable Shares;
- (b) the election provided for in Section 3.2(a) shall be made by a Whistler Shareholder by depositing with the Depositary, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such Whistler Shareholder's election, together with certificates (if any) representing such Whistler Shareholder's Whistler Shares. Whistler shall

provide at least two Business Days' notice of the Election Deadline to Whistler Shareholders by means of a news release disseminated on a newswire; provided that, if the Effective Date is delayed to a subsequent date, the Election Deadline shall be similarly delayed to a subsequent date, and Whistler shall promptly announce any such delay and, when determined, the rescheduled Election Deadline, which rescheduled deadline if necessary shall be as agreed by Vail and Whistler (acting reasonably), provided that at least one Business Day of advance notice thereof shall have been provided;

- (c) any Letter of Transmittal and Election Form, once deposited with the Depositary, shall be irrevocable and may not be withdrawn by a Whistler Shareholder; and
- (d) any Whistler Shareholder who does not deposit with the Depositary a duly completed Letter of Transmittal and Election Form prior to the Election Deadline, or otherwise fails to comply with the requirements of this Section 3.2 or of the Letter of Transmittal and Election Form, shall be deemed to have elected to receive Vail Shares.

3.3 Tax Election

Each beneficial owner of Whistler Shares who is an Eligible Holder, and who has validly elected (or for whom the registered holder has validly elected on such beneficial owner's behalf) to receive Exchangeable Shares shall be entitled to make an income tax election pursuant to subsection 85(1) of the Tax Act, or subsection 85(2) of the Tax Act if such beneficial owner is a partnership (and in each case, where applicable, the analogous provisions of provincial income tax law), with respect to the transfer of its Whistler Shares to Exchangeco and the receipt of Consideration in respect thereof by providing two signed copies of the necessary prescribed election form(s) (or equivalent information through an alternative document or platform, at Vail's discretion) to the Depositary within 90 days following the Effective Date, duly completed with the details of the number of Whistler Shares transferred and the applicable agreed amounts for the purposes of such elections. Thereafter, subject to the election forms being correct and complete and complying with the provisions of the Tax Act (and applicable provincial income tax law), the forms will be signed by Exchangeco and returned to such former beneficial owner of Whistler Shares within 90 days after the receipt thereof by the Depositary for filing with the Canada Revenue Agency (or the applicable provincial taxing authority) by such former beneficial owner. Exchangeco will not be responsible for the proper completion of any election form and, except for Exchangeco's obligation to return (within 90 days after the receipt thereof by the Depositary) duly completed election forms which are received by the Depositary within 90 days of the Effective Date, Exchangeco will not be responsible for any taxes, interest or penalties resulting from the failure by a former beneficial owner of Whistler Shares to properly complete or file the election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation).

3.4 Entitlement to Cash Consideration

In any case where the aggregate cash consideration payable to a particular Whistler Shareholder under the Arrangement would, but for this provision, include a fraction of a cent, the consideration payable shall be rounded down to the nearest whole cent.

3.5 No Fractional Shares

In no event shall any Whistler Shareholder be entitled to a fractional Vail Share or a fractional Exchangeable Share. Where the aggregate number of Vail Shares or Exchangeable Shares to be issued to a Whistler Shareholder as consideration under the Arrangement would result in a fraction of a Vail Share or an Exchangeable Share being issuable, the number of Vail Shares or Exchangeable Shares, as the case may be, to be received by such Whistler Shareholder shall be rounded down to the nearest whole Vail Share or Exchangeable Share, as the case may be. In lieu of any such fractional Vail Share, each Whistler Shareholder otherwise entitled to a fractional interest in a Vail Share or an Exchangeable Share will be entitled to receive a cash payment equal to such fractional interest multiplied by the Vail Reference Price, rounded down to the nearest whole cent.

ARTICLE 4 DISSENT RIGHTS

4.1 Dissent Rights

- (a) In connection with the Arrangement, each registered Whistler Shareholder may exercise rights of dissent ("**Dissent Rights**") with respect to the Whistler Shares held by such Whistler Shareholder pursuant to sections 237 to 247 of the BCBCA, as modified by the Interim Order and this Section 4.1(a); provided that, notwithstanding section 242(1)(a) of the BCBCA, the written objection to the Arrangement Resolution referred to in section 242(1)(a) of the BCBCA must be received by Whistler not later than 4:00 p.m. (Vancouver time) two Business Days immediately preceding the date of the Shareholder Meeting. Dissenting Shareholders who:
 - (i) are ultimately entitled to be paid by Exchangeco fair value for their Dissent Shares (1) shall be deemed to not to have participated in the transactions in Article 3 (other than Section 3.1(e)); (2) shall be deemed to have transferred and assigned such Dissent Shares (free and clear of any Liens) to Exchangeco in accordance with Section 3.1(e); (3) will be entitled to be paid the fair value of such Dissent Shares by Exchangeco, which fair value, notwithstanding anything to the contrary contained in the BCBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Shareholder Meeting; and (4) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Whistler Shares; or

- (ii) are ultimately not entitled, for any reason, to be paid by Exchangeco fair value for their Dissent Shares, shall be deemed to have participated in the Arrangement in respect of those Whistler Shares on the same basis as a non-dissenting Whistler Shareholder who did not deposit with the Depositary a duly completed Letter of Transmittal and Election Form prior to the Election Deadline (and shall be entitled to receive the Consideration from Exchangeco in the same manner as such non-Dissenting Shareholders).
- (b) In no event shall Exchangeco, Vail or Whistler or any other Person be required to recognize a Dissenting Shareholder as a registered or beneficial owner of Whistler Shares or any interest therein (other than the rights set out in this Section 4.1) at or after the Effective Time, and at the Effective Time the names of such Dissenting Shareholders shall be deleted from the central securities register of Whistler as at the Effective Time.
- (c) For greater certainty, in addition to any other restrictions in the Interim Order, no Person shall be entitled to exercise Dissent Rights with respect to Whistler Shares in respect of which a Person has voted or has instructed a proxyholder to vote in favour of the Arrangement Resolution.

ARTICLE 5

EXCHANGE OF CERTIFICATES AND DELIVERY OF CONSIDERATION

5.1 Certificates and Payments

- (a) Following receipt of the Final Order and prior to the Effective Time, Vail or Exchangeco shall deliver or cause to be delivered to the Depositary sufficient funds and certificates representing Vail Shares and Exchangeable Shares to satisfy the aggregate Consideration payable to the Whistler Shareholders in accordance with Section 3.1 plus sufficient funds to satisfy any aggregate cash payment in lieu of fractional Vail Shares or Exchangeable Shares, which cash, Vail Share certificates and Exchangeable Share certificates shall be held by the Depositary as agent and nominee for such former Whistler Shareholders for distribution to such former Whistler Shareholders in accordance with the provisions of this Article 5.
- (b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Whistler Shares that were transferred pursuant to Section 3.1(f), together with a duly completed and executed Letter of Transmittal and Election Form and any such additional documents and instruments as the Depositary may reasonably require, the registered holder of the Whistler Shares represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Whistler Shareholder, the Consideration that such Whistler Shareholder has the right to receive under the Arrangement for such Whistler Shares, less any amounts withheld

pursuant to Section 5.3, and any certificate so surrendered shall forthwith be cancelled.

- (c) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(b), each certificate that immediately prior to the Effective Time represented one or more Whistler Shares (other than Whistler Shares held by Vail, Exchangeco or any of their respective Affiliates) shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1, less any amounts withheld pursuant to Section 5.3.

5.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Whistler Shares that were transferred pursuant to Section 3.1(f) shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration deliverable in accordance with such holder's duly completed and executed Letter of Transmittal and Election Form. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such Consideration, give a bond satisfactory to Vail and the Depositary (acting reasonably) in such sum as Vail may direct, or otherwise indemnify Vail, Exchangeco and Whistler in a manner satisfactory Vail, Exchangeco and Whistler, acting reasonably, against any claim that may be made against Vail, Exchangeco and Whistler with respect to the certificate alleged to have been lost, stolen or destroyed.

5.3 Withholding Rights

Vail, Exchangeco, Callco, Whistler, the Depositary or the Trustee shall be entitled to deduct and withhold, or direct Vail, Whistler, Exchangeco, Callco or the Depositary to deduct and withhold on their behalf, from any amount payable to any Person under this Plan of Arrangement (an "**Affected Person**"), such amounts as Vail, Exchangeco, Callco, Whistler, the Depositary or the Trustee determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of any other Law (a "**Withholding Obligation**") but, for greater certainty, the number of Whistler Shares issued to the holders of Whistler Options, Whistler Performance Awards and Whistler RSUs in settlement of such holder's Whistler Options, Whistler Performance Awards or Whistler RSUs, as the case may be, shall not be reduced to satisfy any such Withholding Obligation. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Affected Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Vail, Exchangeco, Callco, Whistler, the Depositary and the Trustee shall also have the right to:

- (a) withhold and sell, or direct Vail, Whistler, Exchangeco, Callco or the Depositary to deduct and withhold and sell on their behalf, on their own account or through a broker (the "**Broker**"), and on behalf of any Affected Person; or
- (b) require the Affected Person to irrevocably direct the sale through a Broker and irrevocably direct the Broker pay the proceeds of such sale to Vail, Exchangeco, Callco, Whistler, the Depositary or the Trustee as appropriate (and, in the absence of such irrevocable direction, the Affected Person shall be deemed to have provided such irrevocable direction),

such number of Vail Shares or Exchangeable Shares (or the Vail Shares exchanged therefor) delivered or deliverable to such Affected Person pursuant to this Plan of Arrangement or the Exchangeable Share Provisions as is necessary to produce sale proceeds (after deducting commissions payable to the Broker and other costs and expenses) sufficient to fund any Withholding Obligations. Any Exchangeable Shares to be sold in accordance with this Section 5.3 shall first be exchanged for Vail Shares in accordance with their terms and the Vail Shares delivered in respect of such shares shall be sold. Any such sale of Vail Shares shall be affected on a public market and as soon as practicable following the Effective Date. None of Vail, Exchangeco, Callco, Whistler, the Depositary, the Trustee or the Broker will be liable for any loss arising out of any sale of such Vail Shares, including any loss relating to the manner or timing of such sales, the prices at which the Vail Shares are sold or otherwise.

5.4 Distributions with respect to Unsurrendered Share Certificates

No dividend or other distribution declared or made after the Effective Time with respect to Vail Shares or Exchangeable Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Whistler Shares unless and until the holder of such certificate shall have complied with the provisions of Section 5.1 or Section 5.2. Subject to applicable Law and to Section 5.3, at the time of such compliance, there shall, in addition to the delivery of Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Vail Shares or Exchangeable Shares.

5.5 Limitation and Proscription

To the extent that a former Whistler Shareholder shall not have complied with the provisions of Section 5.1 or Section 5.2 on or before the date that is six (6) years after the Effective Date (the "**final proscription date**"), then the Consideration that such former Whistler Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the Consideration to which such former Whistler Shareholder was entitled, shall be delivered to Vail or Exchangeco, as applicable, by the Depositary and the Vail Shares and Exchangeable Shares forming part of the Consideration shall be deemed to be cancelled, and the interest of the former Whistler Shareholder in such Vail Shares and Exchangeable Shares (and any dividend or other distribution referred to in Section 5.4) to which it was entitled shall be terminated as of such final proscription date,

and the certificates formerly representing Whistler Shares shall cease to represent a right or claim of any kind or nature as of such final proscription date. Any payment made by way of cheque by the Depositary pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the final proscription date shall cease to represent a right or claim of any kind or nature and the right of any Whistler Shareholder to receive the Consideration for Whistler Shares pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to Exchangeco.

5.6 No Liens

Any exchange or transfer of Whistler Shares pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

5.7 Paramountcy

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Whistler Shares issued prior to the Effective Time; (ii) the rights and obligations of the registered holders of Whistler Shares (other than Vail, Exchangeco or any of their respective Affiliates), and of Whistler, Vail, Exchangeco, the Depositary and any transfer agent or other depositary in relation thereto, shall be solely as provided for in this Plan of Arrangement and the Arrangement Agreement; and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Whistler Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6

CERTAIN RIGHTS OF VAIL AND CALLCO TO ACQUIRE EXCHANGEABLE SHARES

6.1 Liquidation Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), Vail and Callco shall have the following rights in respect of the Exchangeable Shares:

- (a) Subject to the proviso in Section 6.1(b) that Callco shall only be entitled to exercise the Liquidation Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail has not exercised the Liquidation Call Right, Vail and Callco shall each have the overriding right (the "**Liquidation Call Right**"), in the event of and notwithstanding the proposed liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, pursuant to Section 5 of the Exchangeable Share Provisions, and subject to the sale and purchase contemplated by the Automatic Exchange Right, to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is Vail or any of its Affiliates) on the Liquidation Date all but not less than all of

the Exchangeable Shares held by each such holder upon payment by Vail or Callco, as the case may be, to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Liquidation Date (the "**Liquidation Call Purchase Price**") in accordance with Section 6.1(c). In the event of the exercise of the Liquidation Call Right by Vail or Callco, as the case may be, each such holder of Exchangeable Shares (other than Vail and its Affiliates) shall be obligated to sell all of the Exchangeable Shares held by the holder to Vail or Callco, as the case may be, on the Liquidation Date upon payment by Vail or Callco, as the case may be, to such holder of the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration) for each such share, and Exchangeco shall have no obligation to pay any Liquidation Amount to the holders of such shares so purchased.

- (b) Callco shall only be entitled to exercise the Liquidation Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail has not exercised the Liquidation Call Right. To exercise the Liquidation Call Right, Vail or Callco must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a voluntary liquidation, dissolution or winding-up of Exchangeco or any other voluntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least 30 days before the Liquidation Date, or (ii) in the case of an involuntary liquidation, dissolution or winding-up of Exchangeco or any other involuntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least five Business Days before the Liquidation Date. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not Vail and/or Callco has exercised the Liquidation Call Right forthwith after the expiry of the period during which Vail or Callco may exercise the Liquidation Call Right. If Vail and/or Callco exercises the Liquidation Call Right, then on the Liquidation Date, Vail and/or Callco, as the case may be, will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is Vail or any of its Affiliates) will sell, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Liquidation Call Right, Vail and/or Callco, as the case may be, shall deposit or cause to be deposited with the Transfer Agent, on or before the Liquidation Date, the Exchangeable Share Consideration representing the aggregate Liquidation Call Purchase Price for all holders of the Exchangeable Shares (other than Vail and its Affiliates), less any amounts withheld pursuant to Section 5.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than Vail and its Affiliates) shall cease to be holders of the Exchangeable Shares on and after

the Liquidation Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Liquidation Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Liquidation Date be considered and deemed for all purposes to be the holder of the Vail Shares which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the BCBCA and the articles of Exchangeco, as applicable, and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of Vail and/or Callco, as the case may be, shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive. If neither Vail nor Callco exercises the Liquidation Call Right in the manner described above, each holder of Exchangeable Shares will be entitled to receive, on the Liquidation Date, the Liquidation Amount otherwise payable by Exchangeco in respect of the Exchangeable Shares held by such holder in connection with the liquidation, dissolution or winding-up of Exchangeco or any distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs pursuant to Section 5 of the Exchangeable Share Provisions.

6.2 Redemption Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), Vail and Callco shall have the following rights in respect of the Exchangeable Shares:

- (a) Subject to the proviso in Section 6.2(b) that Callco shall only be entitled to exercise the Redemption Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail has not exercised the Redemption Call Right, and notwithstanding the proposed redemption of the Exchangeable Shares by Exchangeco pursuant to Section 7 of the Exchangeable Share Provisions, Vail and Callco shall each have the overriding right (the "**Redemption Call Right**") to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is Vail or any of its Affiliates) on the Redemption Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by Vail or Callco, as the case may be, to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Redemption Date (the "**Redemption Call Purchase Price**") in accordance with Section 6.2(c). In the event of the exercise of the Redemption

Call Right by Vail or Callco, as the case may be, each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to Vail or Callco, as the case may be, on the Redemption Date upon payment by Vail or Callco, as the case may be, to such holder of the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration), and Exchangeco shall have no obligation to redeem, or to pay the Redemption Price (as defined in the Exchangeable Share Provisions) in respect of, such shares so purchased.

- (b) Callco shall only be entitled to exercise the Redemption Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail has not exercised the Redemption Call Right. To exercise the Redemption Call Right, Vail or Callco must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a redemption occurring as a result of a Vail Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event, on or before the Redemption Date, and (ii) in any other case, at least 30 days before the Redemption Date. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not Vail and/or Callco has exercised the Redemption Call Right forthwith after the expiry of the period during which Vail or Callco may exercise the Redemption Call Right. If Vail and/or Callco exercises the Redemption Call Right, Vail and/or Callco, as the case may be, will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is Vail or any of its Affiliates) will sell, on the Redemption Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Redemption Call Right, Vail and/or Callco, as the case may be, shall deposit or cause to be deposited with the Transfer Agent, on or before the Redemption Date, the Exchangeable Share Consideration representing the aggregate Redemption Call Purchase Price less any amounts withheld pursuant to Section 5.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than Vail and its Affiliates) shall cease to be holders of the Exchangeable Shares on and after the Redemption Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Redemption Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Redemption Date be considered and deemed for all purposes to be the holder of the Vail Shares which such holder is entitled to receive. Upon surrender to the Transfer

Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the BCBCA and the articles of Exchangeco, as applicable, and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of Vail and/or Callco, as the case may be, shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive. If neither Vail nor Callco exercises the Redemption Call Right in the manner described above, each holder of Exchangeable Shares will be entitled to receive, on the Redemption Date, the redemption price otherwise payable by Exchangeco in respect of the Exchangeable Shares held by such holder in connection with the redemption of the Exchangeable Shares pursuant to Section 7 of the Exchangeable Share Provisions.

6.3 Change of Law Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), Vail and Callco shall have the following rights in respect of the Exchangeable Shares:

- (a) Subject to the proviso in Section 6.3(b) that Callco shall only be entitled to exercise the Change of Law Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail has not exercised the Change of Law Call Right, Vail and Callco shall each have the overriding right (the "**Change of Law Call Right**"), in the event of a Change of Law, to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is Vail or any of its Affiliates) on the Change of Law Call Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by Vail or Callco, as the case may be, to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Change of Law Call Date (the "**Change of Law Call Purchase Price**") in accordance with Section 6.3(c). In the event of the exercise of the Change of Law Call Right by Vail or Callco, as the case may be, each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to Vail or Callco, as the case may be, on the Change of Law Call Date upon payment by Vail or Callco, as the case may be, to such holder of the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (b) Callco shall only be entitled to exercise the Change of Law Call Right with respect to those Exchangeable Shares, if any, in respect of which Vail has not exercised the Change of Law Call Right. To exercise the Change of Law Call Right, Vail or Callco must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such

right at least 30 days before the date (the "**Change of Law Call Date**") on which Vail or Callco, as the case may be, shall acquire the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not Vail and/or Callco has exercised the Change of Law Call Right forthwith after receiving notice of such exercise from Vail and/or Callco. If Vail and/or Callco exercises the Change of Law Call Right, Vail and/or Callco, as the case may be, will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is Vail or any of its Affiliates) will sell, on the Change of Law Call Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).

- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right, Vail and/or Callco, as the case may be, shall deposit or cause to be deposited with the Transfer Agent, on or before the Change of Law Call Date, the Exchangeable Share Consideration representing the aggregate Change of Law Call Purchase Price less any amounts withheld pursuant to Section 5.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than Vail and its Affiliates) shall cease to be holders of the Exchangeable Shares on and after the Change of Law Call Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Change of Law Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Change of Law Call Date be considered and deemed for all purposes to be the holder of the Vail Shares which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the BCBCA and the articles of Exchangeco, as applicable and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of Vail and/or Callco, as the case may be, shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive.

ARTICLE 7 AMENDMENTS

7.1 Amendments

- (a) Vail and Whistler reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification or supplement must be agreed to in writing by each of Whistler and Vail and filed with the Court, and, if made following the Shareholder Meeting, then: (i) approved by the Court, and (ii) if the Court directs, approved by the Whistler Shareholders and communicated to the Whistler Shareholders if and as required by the Court, and in either case in the manner required by the Court.
- (b) Subject to the provisions of the Interim Order, any amendment, modification or supplement to this Plan of Arrangement, if agreed to by Whistler and Vail, may be proposed by Whistler and Vail at any time prior to or at the Shareholder Meeting, with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Shareholder Meeting shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Shareholder Meeting will be effective only if it is agreed to in writing by each of Whistler and Vail and, if required by the Court, by some or all of the Whistler Shareholders voting in the manner directed by the Court.
- (d) Any amendment, modification or supplement to this Plan of Arrangement may be made by Whistler and Vail without the approval of or communication to the Court or the Whistler Shareholders, provided that it concerns a matter which, in the reasonable opinion of Whistler and Vail is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the Whistler Shareholders.
- (e) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the Arrangement Agreement.

ARTICLE 8 FURTHER ASSURANCES

8.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds,

agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

ANNEX A
TO THE PLAN OF ARRANGEMENT
EXCHANGEABLE SHARE PROVISIONS

Please see attached.

**ANNEX A
TO THE PLAN OF ARRANGEMENT**

PROVISIONS ATTACHING TO THE EXCHANGEABLE SHARES

The Exchangeable Shares shall have the following rights, privileges, restrictions and conditions (it being understood that all references to the “Company” in this Annex A shall be a reference to 1068877 B.C. Ltd.):

1. Interpretation

- (a) Definitions. For the purposes of these Exchangeable Share Provisions:

“**affiliate**” has the meaning ascribed thereto National Instrument 45-106 *Prospectus Exemptions*;

“**Arrangement Agreement**” means the arrangement agreement dated August 5, 2016 between Whistler, Vail and the Company, as amended, supplemented or otherwise modified from time to time in accordance with its terms;

“**Automatic Exchange Right**” has the meaning ascribed thereto in the Voting and Exchange Trust Agreement;

“**BCBCA**” means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

“**Board of Directors**” means the board of directors of the Company;

“**Business Day**” means any day, other than a Saturday, a Sunday or a statutory or civic holiday in the Province of British Columbia or in the State of New York;

“**Calco**” means ●, a corporation existing under the laws of the Province of British Columbia, or any other direct or indirect wholly-owned subsidiary of Vail designated by Vail from time to time in replacement thereof (without any further act or formality);

“**Canadian Dollar Equivalent**” means, at any date, in respect of any amount expressed in a currency other than Canadian dollars (the “**Foreign Currency Amount**”) as of such date, the product obtained by multiplying (i) the Foreign Currency Amount by (ii) the noon spot exchange rate on such date for such foreign currency expressed in Canadian dollars as reported by the Bank of Canada or, in the event such spot exchange rate is not available, such spot exchange rate on such date for such foreign currency expressed in Canadian dollars as may be deemed by the Board of Directors to be appropriate for such purpose;

“**Change of Law Call Right**” has the meaning ascribed thereto in the Plan of Arrangement;

“Common Shares” means the common shares in the capital of the Company;

“Current Market Price” means, in respect of a Vail Share on any date, the Canadian Dollar Equivalent of the average closing price of a Vail Share on the NYSE during the period of 20 consecutive trading days ending on the third trading day immediately before such date or, if the Vail Shares are not then listed on the NYSE, on such other stock exchange or automated quotation system on which the Vail Shares are listed or quoted, as the case may be, as may be selected by the Board of Directors for such purpose; provided, however, that if in the opinion of the Board of Directors the public distribution or trading activity of Vail Shares during such period does not reflect the fair market value of a Vail Share, then the Current Market Price of a Vail Share shall be determined by the Board of Directors, based upon the advice of such qualified independent financial advisors as the Board of Directors may deem to be appropriate; and provided further that any such selection, opinion or determination by the Board of Directors shall be conclusive and binding, absent manifest error;

“Effective Date” has the meaning ascribed thereto in the Plan of Arrangement;

“Exchangeable Shares” means the exchangeable shares in the capital of the Company, having the rights, privileges, restrictions and conditions set forth herein;

“Exchangeable Share Consideration” means, with respect to each Exchangeable Share, for any acquisition of, redemption of or distribution of assets of the Company in respect of such Exchangeable Share, or purchase of such Exchangeable Share pursuant to these Exchangeable Share Provisions, the Plan of Arrangement, the Support Agreement or the Voting and Exchange Trust Agreement:

- (i) the Current Market Price of one Vail Share deliverable in connection with such action; plus
- (ii) a cheque or cheques payable at par at any branch of the bankers of the payor in the amount of all declared, payable and unpaid, and all undeclared but payable, cash dividends deliverable in connection with such action; plus
- (iii) such stock or other property constituting any declared, payable and unpaid non-cash dividends deliverable in connection with such action;

provided that: (A) the part of the consideration which represents (i) above shall be fully paid and satisfied by the delivery of one Vail Share, such share to be duly issued, fully paid and nonassessable; (B) the part of the consideration which represents (iii) above shall be fully paid and satisfied by delivery of such non-cash items; (C) in each case, any such consideration shall be delivered free and clear of any lien, claim, encumbrance, security interest or adverse claim or interest; and

(D) in each case, any such consideration shall be paid without interest and less any tax required to be deducted and withheld therefrom;

“Exchangeable Share Price” means, at any time, for each Exchangeable Share, an amount equal to the aggregate of:

- (i) the Current Market Price of one Vail Share at such time;
- (ii) the full amount of all cash dividends declared, payable and unpaid, at such time, on such Exchangeable Share;
- (iii) the full amount of all non-cash dividends declared, payable and unpaid, at such time, on such Exchangeable Share; and
- (iv) the full amount of all dividends declared and payable or paid in respect of each Vail Share which have not, at such time, been declared or paid on such Exchangeable Share in accordance herewith;

“Exchangeable Share Provisions” means the rights, privileges, restrictions and conditions set out herein;

“Exchangeable Share Voting Event” means any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of the Company, other than an Exempt Exchangeable Share Voting Event, and, for greater certainty, excluding any matter in respect of which holders of Exchangeable Shares are entitled to vote (or instruct the Trustee to vote) in their capacity as Beneficiaries under (and as that term is defined in) the Voting and Exchange Trust Agreement;

“Exempt Exchangeable Share Voting Event” means any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of the Company to approve or disapprove, as applicable, any change to, or in the rights of the holders of, the Exchangeable Shares, where the approval or disapproval, as applicable, of such change is required to maintain the economic equivalence of the Exchangeable Shares and the Vail Shares;

“Liquidation Amount” has the meaning ascribed thereto in Section 5(a);

“Liquidation Call Right” has the meaning ascribed thereto in the Plan of Arrangement;

“Liquidation Date” has the meaning ascribed thereto in Section 5(a);

“NYSE” means the New York Stock Exchange;

“person” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government or any other entity, whether or not having legal status;

“Plan of Arrangement” means the plan of arrangement substantially in the form and content of Schedule A to the Arrangement Agreement, including any appendices thereto, and any amendments, modifications or supplements thereto made from time to time in accordance with its terms;

“Redemption Call Purchase Price” has the meaning ascribed thereto in the Plan of Arrangement;

“Redemption Call Right” has the meaning ascribed thereto in the Plan of Arrangement;

“Redemption Date” means the date, if any, established by the Board of Directors for the redemption by the Company of all but not less than all of the outstanding Exchangeable Shares, which date shall be no earlier than the seventh anniversary of the Effective Date, unless:

- (i) the aggregate number of Exchangeable Shares issued and outstanding (other than Exchangeable Shares held by Vail and its subsidiaries) is less than 5% of the number of Exchangeable Shares issued on the Effective Date (as such number of shares may be adjusted as deemed appropriate by the Board of Directors to give effect to any subdivision, combination or consolidation of or stock or share dividend on the Exchangeable Shares, any issue or distribution of rights to acquire Exchangeable Shares or securities exchangeable for or convertible into Exchangeable Shares, any issue or distribution of other securities or rights or evidences of indebtedness or assets, or any other capital reorganization or other transaction affecting the Exchangeable Shares), in which case the Board of Directors may accelerate such redemption date to such date prior to the seventh anniversary of the Effective Date as it may determine, upon at least 30 days’ prior written notice to the holders of the Exchangeable Shares and the Trustee;
- (ii) a Vail Control Transaction is proposed, in which case, provided the Board of Directors determines in good faith that it is not practicable to substantially replicate the terms and conditions of the Exchangeable Shares in connection with such Vail Control Transaction or that the redemption of all but not less than all of the outstanding Exchangeable Shares (other than Exchangeable Shares held by Vail and its affiliates) is necessary to enable the completion of such Vail Control Transaction in accordance with its terms, the Board of Directors may accelerate such redemption date to such date as it may determine, upon such number of days prior written notice to the holders of the Exchangeable Shares and the Trustee as the Board of Directors may determine to be reasonably practicable in such circumstances;
- (iii) an Exchangeable Share Voting Event is proposed and (A) the holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as

applicable, the Exchangeable Share Voting Event, and (B) the Board of Directors has determined, in good faith and in its sole discretion, that it is not reasonably practicable to accomplish the business purpose (which business purpose must be bona fide and not for the primary purpose of causing the occurrence of the Redemption Date) intended by the Exchangeable Share Voting Event in a commercially reasonable manner that does not result in an Exchangeable Share Voting Event, in which case the Redemption Date shall be the Business Day following the day on which the later of the events described in (A) and (B) above occurs; or

- (iv) an Exempt Exchangeable Share Voting Event is proposed and the holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as applicable, the Exempt Exchangeable Share Voting Event, in which case the Redemption Date shall be the Business Day following the day on which the holders of the Exchangeable Shares fail to take such action;

provided, however, that the accidental failure or omission to give any notice of redemption under clauses (i), (ii), (iii) or (iv) above to any of the holders of Exchangeable Shares shall not affect the validity of any such redemption;

“Redemption Price” has the meaning ascribed thereto in Section 7(a);

“Retracted Shares” has the meaning ascribed thereto in Section 6(a)(i);

“Retraction Call Notice” has the meaning ascribed thereto in Section 6(b)(ii);

“Retraction Call Right” has the meaning ascribed thereto in Section 6(a)(i)(C);

“Retraction Call Right Purchase Price” has the meaning ascribed thereto in Section 6(b)(i);

“Retraction Date” has the meaning ascribed thereto in Section 6(a)(i);

“Retraction Price” has the meaning ascribed thereto in Section 6(a)(i);

“Retraction Request” has the meaning ascribed thereto in Section 6(a)(i);

“Support Agreement” means the support agreement to be entered into at or prior to the issuance by the Company of any Exchangeable Shares among Vail, Callco and the Company substantially in the form of Schedule C to the Arrangement Agreement, as may be amended, supplemented or otherwise modified from time to time in accordance with its terms;

“Transfer Agent” means ● or such other person as may from time to time be appointed by the Company as the registrar and transfer agent for the Exchangeable Shares;

“Trustee” means the trustee chosen by Vail and Whistler, each acting reasonably, to act as trustee under the Voting and Exchange Trust Agreement, being a corporation organized and existing under the laws of Canada or any Province thereof and authorized to carry on the business of a trust company in all the provinces of Canada, and any successor trustee appointed under the Voting and Exchange Trust Agreement;

“Vail” means Vail Resorts, Inc., a corporation existing under the laws of the State of Delaware;

“Vail Control Transaction” shall be deemed to have occurred if:

- (i) any person acquires, directly or indirectly, any voting security of Vail and, immediately after such acquisition, directly or indirectly owns, or exercises control and direction over, voting securities representing more than 50% of the total voting power of all of the then outstanding voting securities of Vail;
- (ii) the shareholders of Vail approve a merger, consolidation, recapitalization or reorganization of Vail, other than any such transaction which would result in the holders of outstanding voting securities of Vail immediately prior to such transaction directly or indirectly owning, or exercising control and direction over, voting securities representing more than 50% of the total voting power of all of the voting securities of the surviving entity outstanding immediately after such transaction;
- (iii) the shareholders of Vail approve a liquidation of Vail; or
- (iv) Vail sells or disposes of all or substantially all of its assets;

“Vail Dividend Declaration Date” means the date on which the board of directors of Vail declares any dividend or other distribution on the Vail Shares;

“Vail Shares” means shares of common stock of Vail; and

“Voting and Exchange Trust Agreement” means the voting and exchange trust agreement to be made among Vail, Callco, the Company and the Trustee in connection with the Plan of Arrangement substantially in the form of Schedule D to the Arrangement Agreement, as may be amended, supplemented or otherwise modified from time to time in accordance with its terms.

- (b) Interpretation Not Affected by Headings. The division of these Exchangeable Share Provisions into sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references to a “Section” followed by a number and/or a letter refer to the specified section of these Exchangeable Share Provisions.

- (c) Number and Gender. In these Exchangeable Share Provision, unless the context otherwise clearly requires, words used herein importing the singular include the plural and vice versa and words imparting any gender shall include all genders.
- (d) Date of Any Action. If any date on which any action is required to be taken hereunder by any person is not a Business Day, then such action shall be required to be taken on the next succeeding day which is a Business Day.
- (e) Currency. In these Exchangeable Share Provision, unless stated otherwise, all cash payments provided for herein shall be made in Canadian dollars.

2. Ranking of Exchangeable Shares

The Exchangeable Shares shall be entitled to a preference over the Common Shares and any other shares ranking junior to the Exchangeable Shares: (a) with respect to the payment of dividends or other distributions as and to the extent provided in Section 3 and (b) with respect to the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs as and to the extent provided in Section 5.

3. Dividends and Distributions

- (a) Dividends and Distributions. A holder of an Exchangeable Share shall be entitled to receive and the Board of Directors shall, subject to applicable law, on each Vail Dividend Declaration Date, declare a dividend or other distribution on each Exchangeable Share:
 - (i) in the case of a cash dividend or other distribution declared on the Vail Shares, in an amount in cash for each Exchangeable Share equal to the Canadian Dollar Equivalent of the cash dividend or other distribution declared on each Vail Share on the Vail Dividend Declaration Date;
 - (ii) in the case of a stock or share dividend or other distribution declared on the Vail Shares to be paid in Vail Shares, by the issue or transfer by the Company of such number of Exchangeable Shares for each Exchangeable Share as is equal to the number of Vail Shares to be paid on each Vail Share; provided, however, that the Company may, in lieu of such stock or share dividend or other distribution, elect to effect a corresponding, contemporaneous and economically equivalent (as determined by the Board of Directors in accordance with Sections 3(e) and 3(e)(v)) subdivision of the outstanding Exchangeable Shares; or
 - (iii) in the case of a dividend or other distribution declared on the Vail Shares in property other than cash or Vail Shares, in such type and amount of property for each Exchangeable Share as is the same as or economically equivalent (as determined by the Board of Directors in accordance with

Section 3(e)) to the type and amount of property declared as a dividend or other distribution on each Vail Share; and

such dividends or other distributions shall be paid out of money, assets or property of the Company properly applicable to the payment of dividends or other distributions, out of authorized but unissued shares of the Company or through the subdivision of outstanding Exchangeable Shares, as applicable. The holders of Exchangeable Shares shall not be entitled to any dividends or other distributions other than or in excess of the dividends or other distributions referred to in this Section 3(a).

- (b) Payments of Dividends and Distributions. Cheques of the Company payable at par at any branch of the bankers of the Company shall be issued in respect of any cash dividends or other distributions contemplated by Section 3(a)(i) and the sending of such cheque to each holder of an Exchangeable Share shall satisfy the cash dividend or other distribution represented thereby unless the cheque is not paid on presentation. Certificates registered in the name of the registered holder of Exchangeable Shares or written evidence of the book entry issuance or transfer to the registered holder of Exchangeable Shares shall be delivered in respect of any stock or share dividends or other distributions contemplated by Section 3(a)(ii) or any subdivision of the Exchangeable Shares under Sections 3(a)(ii) and 3(e)(v), and the sending of such certificates or written evidence to each holder of an Exchangeable Share shall satisfy the stock or share dividend or other distribution represented thereby. Such other type and amount of property in respect of any dividends or other distributions contemplated by Section 3(a)(iii) shall be issued, distributed or transferred by the Company in such manner as it shall determine, and the issuance, distribution or transfer thereof by the Company to each holder of an Exchangeable Share shall satisfy the dividend or other distribution represented thereby. Subject to the requirements of applicable law with respect to unclaimed property, no holder of an Exchangeable Share shall be entitled to recover by action or other legal process against the Company any dividend or other distribution that is represented by a cheque that has not been duly presented to the Company's bankers for payment or that otherwise remains unclaimed for a period of six years from the date on which such dividend was payable.
- (c) Record and Payment Dates. The record date for the determination of the holders of Exchangeable Shares entitled to receive payment of, and the payment date for, any dividend or other distribution declared on the Exchangeable Shares under Section 3(a) shall be the same dates as the record date and payment date, respectively, for the corresponding dividend or other distribution declared on the Vail Shares. The record date for the determination of the holders of Exchangeable Shares entitled to receive Exchangeable Shares in connection with any subdivision of the Exchangeable Shares under Sections 3(a)(ii) and 3(e)(v), and the effective date of such subdivision, shall be the same dates as the record and payment date, respectively, for the corresponding stock or share dividend or other distribution declared on the Vail Shares.

- (d) Partial Payment. If on any payment date for any dividends or other distributions declared on the Exchangeable Shares under Section 3(a) the dividends or other distributions are not paid in full on all of the Exchangeable Shares then outstanding, any such dividends or other distributions that remain unpaid shall be paid on a subsequent date or dates determined by the Board of Directors on which the Company shall have sufficient moneys, assets or property properly applicable to the payment of such dividends or other distributions.
- (e) Economic Equivalence. The Board of Directors shall determine, in good faith and in its sole discretion (with the assistance of such financial or other advisors as the Board of Directors may determine), “economic equivalence” for the purposes of the Exchangeable Share Provisions and each such determination shall be conclusive and binding on the Company and its shareholders. In making each such determination, the following factors shall, without excluding other factors determined by the Board of Directors to be relevant, be considered by the Board of Directors:
- (i) in the case of any stock or share dividend or other distribution payable in Vail Shares, the number of such shares issued as a result of such stock or share dividend or other distribution in proportion to the number of Vail Shares previously outstanding;
 - (ii) in the case of the issuance or distribution of any rights, options or warrants to subscribe for or purchase Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares), the relationship between the exercise price of each such right, option or warrant, the number of such rights, options or warrants to be issued or distributed in respect of each Vail Share and the Current Market Price of a Vail Share, the price volatility of the Vail Shares and the terms of any such instrument;
 - (iii) in the case of the issuance or distribution of any other form of property (including without limitation any shares or securities of Vail of any class other than Vail Shares, any rights, options or warrants other than those referred to in Section 3(e)(ii), any evidences of indebtedness of Vail or any assets of Vail), the relationship between the fair market value (as determined by the Board of Directors in the manner above contemplated) of such property to be issued or distributed with respect to each outstanding Vail Share and the Current Market Price of a Vail Share;
 - (iv) in the case of any subdivision, redivision or change of the then outstanding Vail Shares into a greater number of Vail Shares or the reduction, combination, consolidation or change of the then outstanding Vail Shares into a lesser number of Vail Shares or any amalgamation, merger, arrangement, reorganization or other transaction affecting the Vail Shares, the effect thereof upon the then outstanding Vail Shares; and

- (v) in all such cases, the general taxation consequences of the relevant event to holders of Exchangeable Shares to the extent that such consequences may differ from the taxation consequences to holders of Vail Shares as a result of differences between taxation laws of Canada and the United States (except for any differing consequences arising as a result of differing marginal taxation rates and without regard to the individual circumstances of holders of Exchangeable Shares).
- (f) Subdivision on Stock or Share Dividend. In the case of a stock or share dividend declared on Vail Shares to be paid in Vail Shares, in lieu of declaring the stock or share dividend contemplated by Section 3(a)(ii) on the Exchangeable Shares, the Board of Directors may, in good faith and in its discretion and subject to applicable Law and to obtaining all required regulatory approvals, subdivide, redivide or change each issued and unissued Exchangeable Share on the basis that each Exchangeable Share before such subdivision becomes a number of Exchangeable Shares equal to the sum of (i) one Vail Share, and (ii) the number of Vail Shares to be paid as a share dividend on each Vail Share. In such instance, and notwithstanding any other provision hereof, such subdivision, shall become effective on the effective date specified in Section 3(c) without any further act or formality on the part of the Board of Directors or of the holders of Exchangeable Shares. For greater certainty, subject to applicable Law, no approval of the holders of Exchangeable Shares to an amendment to the articles of the Company shall be required to give effect to such subdivision.

4. Certain Restrictions

So long as any of the Exchangeable Shares are outstanding, the Company shall not at any time without, but may at any time with, the approval of the holders of the Exchangeable Shares given as specified in Section 11(a):

- (a) pay any dividends or other distributions on the Common Shares or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or other distributions, other than stock or share dividends payable in Common Shares or any such other shares ranking junior to the Exchangeable Shares, as the case may be;
- (b) redeem or purchase or make any capital distribution in respect of Common Shares or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or the distribution of the assets in the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs;
- (c) redeem or purchase or make any capital distribution in respect of any other shares of the Company ranking equally with the Exchangeable Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or

any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs; or

- (d) issue any Exchangeable Share or any other shares ranking equally with, or superior to, the Exchangeable Shares, other than, in each case, by way of stock or share dividends to the holders of such Exchangeable Shares or pursuant to a shareholders rights plan adopted by the Company;

provided, however, that the restrictions in this Section 4 shall not apply if all dividends or other distributions on the outstanding Exchangeable Shares corresponding to dividends or other distributions declared and paid on the Vail Shares shall have been declared and paid in full on the Exchangeable Shares prior to or as at the date of any such event referred to in this Section 4.

5. Liquidation

- (a) Liquidation Amount. Subject to applicable laws and the due exercise by Vail or Callco of the Liquidation Call Right (which shall itself be subject to the sale and purchase contemplated by the Automatic Exchange Right), in the event of the liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, a holder of Exchangeable Shares shall be entitled to receive from the assets of the Company in respect of each Exchangeable Share held by such holder on the effective date of such liquidation, dissolution, winding-up or other distribution (the “**Liquidation Date**”), before any distribution of any part of the assets of the Company among the holders of the Common Shares or any other shares ranking junior to the Exchangeable Shares with respect to dividends or other distributions an amount per share (the “**Liquidation Amount**”) equal to the Exchangeable Share Price applicable on the last Business Day prior to the Liquidation Date, which price shall be satisfied in full by the Company delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Liquidation Amount.
- (b) Payment of Liquidation Amount. In the case of a distribution pursuant to Section 5(a), and provided that the sale and purchase contemplated by the Automatic Exchange Right has not occurred and that the Liquidation Call Right has not been exercised by Vail or Callco, on or promptly after the Liquidation Date, the Company shall deliver or cause to be delivered to the holders of the Exchangeable Shares the Liquidation Amount for each such Exchangeable Share upon presentation and surrender of the certificates representing such Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the BCBCA and the articles of the Company, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and the Company may reasonably require, at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares. Payment of the Liquidation Amount for such Exchangeable Shares shall be made by delivery to each holder, at the address of such holder recorded in the securities register of the Company for the

Exchangeable Shares or by holding for pick-up by such holder at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares, the Exchangeable Share Consideration such holder is entitled to receive pursuant to Section 5(a). On and after the Liquidation Date, the holders of the Exchangeable Shares shall cease to be holders of such Exchangeable Shares and shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive, without interest, their proportionate part of the aggregate Liquidation Amount, unless payment of the aggregate Liquidation Amount for such Exchangeable Shares shall not be made upon presentation and surrender of share certificates and other required documents in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected until the Liquidation Amount has been paid in the manner hereinbefore provided. The Company shall have the right at any time after the Liquidation Date to transfer or cause to be issued or transferred to, and deposited in a custodial account with, any chartered bank or trust company the Liquidation Amount in respect of the Exchangeable Shares represented by certificates that have not at the Liquidation Date been surrendered by the holders thereof, such Liquidation Amount to be held by such bank or trust company as trustee for and on behalf of, and for the use and benefit of, such holders. Upon such deposit being made, the rights of a holder of Exchangeable Shares as of the date of such deposit shall be limited to receiving its proportionate part of the aggregate Liquidation Amount for such Exchangeable Shares so deposited, without interest, and all dividends and other distributions with respect to the Vail Shares to which such holder is entitled with a record date on or after the date of such deposit and before the date of transfer of such Vail Shares to such holder (in each case less any amounts withheld on account of tax required to be deducted and withheld therefrom) against presentation and surrender of the certificates for the Exchangeable Shares held by them in accordance with the foregoing provisions. Upon such payment or deposit of the Liquidation Amount, the holders of the Exchangeable Shares shall thereafter be considered and deemed for all purposes to be holders of the Vail Shares delivered to them or the custodian on their behalf.

- (c) No Right to Participate in Further Distributions. After the Company has satisfied its obligations to pay the holders of the Exchangeable Shares the aggregate Liquidation Amount per Exchangeable Share pursuant to this Section 5, such holders shall not be entitled to share in any further distribution of the assets of the Company.

6. Retraction of Exchangeable Shares

- (a) Retraction at Option of Holder
 - (i) Subject to applicable laws and the due exercise by Vail or Callco of the Retraction Call Right, a holder of Exchangeable Shares shall be entitled at any time to require the Company to redeem any or all of the Exchangeable Shares registered in the name of such holder for an amount per share equal

to the Exchangeable Share Price applicable on the last Business Day prior to the Retraction Date (the “**Retraction Price**”), which price shall be satisfied in full by the Company delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Retraction Price. A holder of Exchangeable Shares must give notice of a request to redeem by presenting and surrendering to the Company, at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares, the certificate or certificates representing the Exchangeable Shares that such holder desires to have the Company redeem, together with (A) such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the BCBCA and the articles of the Company, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and the Company may reasonably require and (B) a duly executed request (the “**Retraction Request**”) in the form of Appendix I hereto or in such other form as may be acceptable to the Company:

- (A) specifying that such holder desires to have all or any number specified therein of the Exchangeable Shares represented by such certificate or certificates (the “**Retracted Shares**”) redeemed by the Company;
 - (B) stating the Business Day on which the holder desires to have the Company redeem the Retracted Shares (the “**Retraction Date**”), provided that the Retraction Date shall not be less than 10 Business Days nor more than 15 Business Days after the date on which the Retraction Request is received by the Company and further provided that, in the event that no such Business Day is specified by the holder in the Retraction Request, the Retraction Date shall be deemed to be the 15th Business Day after the date on which the Retraction Request is received by the Company, subject to Section 6(a)(v); and
 - (C) acknowledging the overriding right (the “**Retraction Call Right**”) of Vail and Callco to purchase all but not less than all the Retracted Shares directly from the holder and that the Retraction Request shall be deemed to be a revocable offer by the holder to sell the Retracted Shares to Vail or Callco in accordance with the Retraction Call Right on the Retraction Date for the Retraction Call Right Purchase Price and on the other terms and conditions set out in Section 6(b).
- (ii) In the case of a redemption of Exchangeable Shares pursuant to this Section 6(a), upon receipt by the Company or the Transfer Agent in the manner specified in Section 6(a)(i) of a certificate or certificates representing the number of Exchangeable Shares which the holder desires to have the Company redeem, together with a duly executed Retraction

Request and such additional documents and instruments specified in Section 6(a)(i) or that the Company may reasonably require, and provided that (A) the Retraction Request has not been revoked by the holder of such Retracted Shares in the manner specified in Section 6(a)(iv), and (B) neither Vail nor Callco has exercised the Retraction Call Right, the Company shall redeem the Retracted Shares effective at the close of business on the Retraction Date. On the Retraction Date, the Company shall deliver or cause to be delivered to such holder, at the address of the holder recorded in the securities register of the Company for the Exchangeable Shares or at the address specified in the Retraction Request or by holding for pick-up by the holder at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares, the Exchangeable Share Consideration representing the Retraction Price and such delivery of such Exchangeable Share Consideration by or on behalf of the Company by the Transfer Agent shall be deemed to be payment of and shall satisfy and discharge all liability for the Retraction Price to the extent that the same is represented by such Exchangeable Share Consideration, unless any cheque comprising part of such Exchangeable Share Consideration is not paid on due presentation. If only a part of the Exchangeable Shares represented by any certificate is redeemed, a new certificate for the balance of such Exchangeable Shares shall be issued to the holder at the expense of the Company. On and after the close of business on the Retraction Date, the holder of the Retracted Shares shall cease to be a holder of such Retracted Shares and shall not be entitled to exercise any of the rights of a holder in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement), other than the right to receive the aggregate Retraction Price in respect thereof, unless payment of the aggregate Retraction Price payable to such holder shall not be made upon presentation and surrender of share certificates and other required documents in accordance with the foregoing provisions, in which case the rights of such holder shall remain unaffected until such aggregate Retraction Price has been paid in the manner hereinbefore provided. On and after the close of business on the Retraction Date, provided that presentation and surrender of the certificates and payment of such aggregate Retraction Price has been made in accordance with the foregoing provisions, the holder of the Retracted Shares so redeemed by the Company shall thereafter be considered and deemed for all purposes to be a holder of the Vail Shares delivered to such holder.

- (iii) Notwithstanding any other provision of this Section 6, the Company shall not be obligated to redeem Retracted Shares specified by a holder in a Retraction Request if and to the extent that such redemption of Retracted Shares would be contrary to solvency requirements or other provisions of applicable laws. If the Company believes, after due enquiry, that on any Retraction Date it would not be permitted by any of such provisions to redeem the Retracted Shares tendered for redemption on such date, and

provided that neither Vail nor Callco has exercised the Retraction Call Right with respect to such Retracted Shares, the Company shall only be obligated to redeem Retracted Shares specified by a holder in a Retraction Request to the extent of the maximum number that may be so redeemed (rounded down to a whole number of shares) as would not be contrary to such provisions and shall notify the holder and the Trustee at least two Business Days prior to the Retraction Date as to the number of Retracted Shares which will not be redeemed by the Company. In any case in which the redemption by the Company of Retracted Shares would be contrary to solvency requirements or other provisions of applicable laws, the Company shall redeem Retracted Shares in accordance with Section 6(a)(ii) on a pro rata basis in proportion to the total number of Exchangeable Shares tendered for retraction and shall issue to each holder of Retracted Shares a new certificate, at the expense of the Company, representing the Retracted Shares not redeemed by the Company pursuant to Section 6(a)(ii). If the Company would otherwise be obligated to redeem Retracted Shares pursuant to Section 6(a)(ii) but is not obligated to do so as a result of solvency requirements or other provisions of applicable laws, the holder of any such Retracted Shares not redeemed by the Company pursuant to Section 6(a)(ii) as a result of solvency requirements or other provisions of applicable laws shall be deemed, by delivery of the Retraction Request, to have instructed the Transfer Agent to require Vail or Callco to purchase such Retracted Shares from such holder on the Retraction Date or as soon as practicable thereafter on payment by Vail or Callco to such holder of the aggregate Retraction Price in respect of such Retracted Shares, all as more specifically provided for in the Voting and Exchange Trust Agreement.

- (iv) A holder of Retracted Shares may, by notice in writing given by the holder to the Company before the close of business on the Business Day immediately preceding the Retraction Date, withdraw its Retraction Request, in which event such Retraction Request shall be null and void and, for greater certainty, the revocable offer constituted by the Retraction Request to sell the Retracted Shares to Vail or Callco shall be deemed to have been revoked.
- (v) Notwithstanding any other provision of this Section 6(a), if:
 - (A) exercise of the rights of the holders of the Exchangeable Shares, or any of them, to require the Company to redeem any Exchangeable Shares pursuant to this Section 6(a) on any Retraction Date would require listing particulars or any similar document to be issued in order to obtain the approval of the NYSE to the listing and trading (subject to official notice of issuance) of the Vail Shares that would be required to be delivered to such holders of Exchangeable Shares in connection with the exercise of such rights; and

- (B) as a result of (A) above, it would not be practicable (notwithstanding the reasonable endeavours of Vail) to obtain such approvals in time to enable all or any of such Vail Shares to be admitted to listing and trading by the NYSE (subject to official notice of issuance) when so delivered; the Retraction Date shall, notwithstanding any other date specified or otherwise deemed to be specified in any relevant Retraction Request, be deemed for all purposes to be the earlier of (i) the second Business Day immediately following the date the approvals referred to in Section 6(a)(v)(A) are obtained and (ii) the date which is 30 Business Days after the date on which the relevant Retraction Request is received by the Company, and references in these Exchangeable Share Provisions to such Retraction Date shall be construed accordingly.

(b) Retraction Call Rights

- (i) In the event that a holder of Exchangeable Shares delivers a Retraction Request pursuant to Section 6(a), and subject to the limitations set forth in Section 6(a)(ii) (including that Callco shall only be entitled to exercise its Retraction Call Right with respect to those holders of Exchangeable Shares, if any, in respect of which Vail has not exercised its Retraction Call Right), the Retraction Call Right will be available to each of Vail and Callco, notwithstanding the proposed redemption of the Exchangeable Shares by the Company pursuant to Section 6(a), to purchase from such holder on the Retraction Date all but not less than all of the Retracted Shares held by such holder on payment by Vail or Callco, as the case may be, of an amount per share equal to the Exchangeable Share Price applicable on the last Business Day prior to the Retraction Date (the **“Retraction Call Right Purchase Price”**), which price shall be satisfied in full by Vail or Callco, as the case may be, delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Retraction Call Right Purchase Price. Upon the exercise of the Retraction Call Right in respect of Retracted Shares, the holder of such Retracted Shares shall be obligated to sell all of such Retracted Shares to Vail or Callco, as the case may be, on the Retraction Date on payment by Vail or Callco, as the case may be, of the aggregate Retraction Call Right Purchase Price in respect of such Retracted Shares as set forth in this Section 6(b)(i).
- (ii) Upon receipt by the Company of a Retraction Request, the Company shall immediately notify Vail and Callco thereof and shall provide Vail and Callco with a copy of the Retraction Request. Callco shall only be entitled to exercise its Retraction Call Right with respect to those holders of Retracted Shares, if any, in respect of which Vail has not exercised its Retraction Call Right. In order to exercise its Retraction Call Right, Vail or Callco, as the case may be, must notify the Company in writing of its determination to do so (a **“Retraction Call Notice”**) within five Business

Days after the Company notifies Vail and Callco of the Retraction Request. If neither Vail nor Callco so notifies the Company within such five Business Day period, the Company shall notify the holder as soon as possible thereafter that neither Vail nor Callco will exercise the Retraction Call Right. If one or both of Vail and Callco delivers a Retraction Call Notice within such five Business Day period and duly exercises its Retraction Call Right in accordance with this Section 6(b)(ii), the obligation of the Company to redeem the Retracted Shares shall terminate and, provided that the Retraction Request is not revoked by the holder of such Retracted Shares in the manner specified in Section 6(a)(iv), Vail or Callco, as the case may be, shall purchase from such holder and such holder shall sell to Vail or Callco, as the case may be, on the Retraction Date the Retracted Shares for an amount per share equal to the Retraction Call Right Purchase Price. Provided that the aggregate Retraction Call Right Purchase Price has been so deposited with the Transfer Agent as provided in Section 6(b)(iii), the closing of the purchase and sale of the Retracted Shares pursuant to the Retraction Call Right shall be deemed to have occurred as at the close of business on the Retraction Date and, for greater certainty, no redemption by the Company of such Retracted Shares shall take place on the Retraction Date.

- (iii) For the purpose of completing a purchase of Retracted Shares pursuant to the exercise of the Retraction Call Right, Vail or Callco, as the case may be, shall deliver or cause to be delivered to the holder of such Retracted Shares, at the address of the holder recorded in the securities register of the Company for the Exchangeable Shares or at the address specified in the holder's Retraction Request or by holding for pick-up by the holder at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of Exchangeable Shares, the Exchangeable Share Consideration representing the Retraction Call Right Purchase Price to which such holder is entitled and such delivery of Exchangeable Share Consideration on behalf of Vail or Callco, as the case may be, shall be deemed to be payment of and shall satisfy and discharge all liability for the Retraction Call Right Purchase Price to the extent that the same is represented by such Exchangeable Share Consideration, unless any cheque comprising part of such Exchangeable Share Consideration is not paid on due presentation.
- (iv) On and after the close of business on the Retraction Date, the holder of the Retracted Shares shall cease to be a holder of such Retracted Shares and shall not be entitled to exercise any of the rights of a holder in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement), other than the right to receive the aggregate Retraction Call Right Purchase Price in respect thereof, unless payment of the aggregate Retraction Call Right Purchase Price payable to such holder shall not be made upon presentation and surrender of share certificates and other required documents in accordance with the foregoing provisions, in

which case the rights of such holder shall remain unaffected until such aggregate Retraction Call Right Purchase Price has been paid in the manner hereinbefore provided. On and after the close of business on the Retraction Date, provided that presentation and surrender of certificates and payment of such aggregate Retraction Call Right Purchase Price has been made in accordance with the foregoing provisions, the holder of the Retracted Shares so purchased by Vail or Callco, as the case may be, shall thereafter be considered and deemed for all purposes to be a holder of the Vail Shares delivered to such holder.

7. Redemption of Exchangeable Shares by the Company

- (a) Redemption Amount. Subject to applicable laws and the due exercise by Vail or Callco of the Redemption Call Right, the Company shall on the Redemption Date redeem all but not less than all of the then outstanding Exchangeable Shares (other than Exchangeable Shares held by Vail and its affiliates) for an amount per share (the “**Redemption Price**”) equal to the Exchangeable Share Price on the last Business Day prior to the Redemption Date, which price shall be satisfied in full by the Company delivering or causing to be delivered to each holder of Exchangeable Shares the Exchangeable Share Consideration for each Exchangeable Share held by such holder.
- (b) Notice of Redemption. In the case of a redemption of Exchangeable Shares pursuant to Section 7(a), the Company shall, at least 30 days before the Redemption Date (other than a Redemption Date established in connection with a Vail Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event), send or cause to be sent to each holder of Exchangeable Shares a notice in writing of the redemption by the Company or the purchase by Vail or Callco under the Redemption Call Right, as the case may be, of the Exchangeable Shares held by such holder. In the case of a Redemption Date established in connection with a Vail Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event, the written notice of the redemption by the Company or the purchase by Vail or Callco, as the case may be, of the Exchangeable Shares under the Redemption Call Right will be sent on or before the Redemption Date, on as many days’ prior written notice as may be determined by the Board of Directors to be reasonably practicable in the circumstances. In any such case, such notice shall set out the formula for determining the Redemption Price or the Redemption Call Purchase Price, as the case may be, the Redemption Date and, if applicable, particulars of the Redemption Call Right. In the case of any notice given in connection with a possible Redemption Date, such notice will be given contingently and will be withdrawn if the contingency does not occur.
- (c) Payment of Redemption Price. On or promptly after the Redemption Date, and provided that the Redemption Call Right has not been exercised by Vail or Callco, the Company shall deliver or cause to be delivered to the holders of the Exchangeable Shares to be redeemed the Redemption Price for each such Exchangeable Share, upon presentation and surrender of the certificates

representing such Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the BCBCA and the articles of the Company, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and the Company may reasonably require, at the registered office of the Company or at any office of the Transfer Agent as may be specified by notice to the holders of the Exchangeable Shares. Payment of the Redemption Price for such Exchangeable Shares shall be made by delivery to each holder, at the address of the holder recorded in the securities register of the Company for the Exchangeable Shares or by holding for pick-up by the holder at the registered office of the Transfer Agent as may be specified by the Company by notice to the holders of Exchangeable Shares, the Exchangeable Share Consideration representing the Redemption Price. On and after the Redemption Date, the holders of the Exchangeable Shares called for redemption shall cease to be holders of such Exchangeable Shares and shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive, without interest, their proportionate part of the aggregate Redemption Price, unless payment of the aggregate Redemption Price for such Exchangeable Shares shall not be made upon presentation and surrender of certificates in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected until the Redemption Price has been paid in the manner hereinbefore provided. The Company shall have the right at any time after the sending of notice of its intention to redeem the Exchangeable Shares as aforesaid to deposit or cause to be deposited the aggregate Redemption Price (in the form of Exchangeable Share Consideration) of the Exchangeable Shares so called for redemption, or of such of the said Exchangeable Shares represented by certificates that have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, in a custodial account with any chartered bank or trust company in Canada named in such notice and any interest earned on such deposit shall belong to the Company. Provided that such aggregate Redemption Price has been so deposited prior to the Redemption Date, on and after the Redemption Date, the Exchangeable Shares in respect of which such deposit shall have been made shall be redeemed and the rights of the holders thereof after the Redemption Date shall be limited to receiving, without interest, their proportionate part of the aggregate Redemption Price for such Exchangeable Shares so deposited, against presentation and surrender of the certificates for the Exchangeable Shares held by them, respectively, in accordance with the foregoing provisions. Upon such payment or deposit of the Redemption Price, the holders of the Exchangeable Shares shall thereafter be considered and deemed for all purposes to be holders of the Vail Shares delivered to them or the custodian on their behalf.

8. Purchase for Cancellation

- (a) Private Agreement. Subject to applicable laws and the articles of the Company, and notwithstanding Section 8(b), the Company may at any time and from time to

time purchase for cancellation all or any part of the Exchangeable Shares by private agreement with the holder thereof.

- (b) Tender Offer. Subject to applicable laws and the articles of the Company, the Company may at any time and from time to time purchase for cancellation all or any part of the outstanding Exchangeable Shares at any price per share by tender to all the holders of Exchangeable Shares then outstanding or through the facilities of any stock exchange on which the Exchangeable Shares are listed or quoted together with an amount equal to all declared and unpaid dividends thereon for which the record date has occurred prior to the date of purchase. If in response to an invitation for tenders under the provisions of this Section 8(b) more Exchangeable Shares are tendered at a price or prices acceptable to the Company than the Company is prepared to purchase, the Exchangeable Shares to be purchased by the Company shall be purchased as nearly as may be pro rata according to the number of shares tendered by each holder who submits a tender to the Company, provided that when shares are tendered at different prices the pro rating shall be effected (disregarding fractions) only with respect to the shares tendered at the price at which more shares were tendered than the Company is prepared to purchase after the Company has purchased all the shares tendered at lower prices. If only part of the Exchangeable Shares represented by any certificate are purchased pursuant to this Section 8(b), a new certificate for the balance of such shares shall be issued at the expense of the Company.

9. Voting Rights

Except as required by applicable laws and by Section 11, the holders of the Exchangeable Shares shall not be entitled as such to receive notice of or to attend any meeting of the shareholders of the Company or to vote at any such meeting. Without limiting the generality of the foregoing, the holders of the Exchangeable Shares shall not be entitled to class votes except as required by applicable law.

10. Specified Amount

The amount specified in respect of each Exchangeable Share for the purposes of subsection 191(4) of the *Income Tax Act* (Canada) shall be an amount equal to C\$●.

11. Amendment and Approval

- (a) Amendment. The rights, privileges, restrictions and conditions attaching to the Exchangeable Shares may be added to, changed or removed only with the approval of the holders of the Exchangeable Shares given as hereinafter specified.
- (b) Approval. Any approval given by the holders of the Exchangeable Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Exchangeable Shares or any other matter requiring the approval or consent of the holders of the Exchangeable Shares in accordance with applicable laws shall be deemed to have been sufficiently given if it shall have been given in accordance with applicable laws, subject to a minimum requirement that such approval be

evidenced by resolution passed by not less than two-thirds of the votes cast on such resolution at a meeting of holders of Exchangeable Shares duly called and held at which the holders of at least 10% of the outstanding Exchangeable Shares at that time are present or represented by proxy; provided, however, that if at any such meeting the holders of at least 10% of the outstanding Exchangeable Shares at that time are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than five days thereafter and to such time and place as may be designated by the Chairman of such meeting. At such adjourned meeting, the holders of Exchangeable Shares present or represented by proxy thereat may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast on such resolution at such meeting shall constitute the approval or consent of the holders of the Exchangeable Shares.

12. Reciprocal Changes, etc. in Respect of Vail Shares

- (a) Acknowledgement in Respect of Issuances or Distributions. Each holder of an Exchangeable Share acknowledges that the Support Agreement provides, in part, that Vail will not, except as provided in the Support Agreement, without the prior approval of the Company and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b):
 - (i) issue or distribute Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares) to the holders of all or substantially all of the then outstanding Vail Shares by way of stock or share dividend or other distribution, other than an issue of Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares) to holders of Vail Shares (i) who exercise an option to receive dividends in Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares) in lieu of receiving cash dividends, or (ii) pursuant to any dividend reinvestment plan or scrip dividend or similar arrangement;
 - (ii) issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Vail Shares entitling them to subscribe for or to purchase Vail Shares (or securities exchangeable for or convertible into or carrying rights to acquire Vail Shares); or
 - (iii) issue or distribute to the holders of all or substantially all of the then outstanding Vail Shares:
 - (A) shares or securities of Vail of any class other than Vail Shares (or securities convertible into or exchangeable for or carrying rights to acquire Vail Shares);
 - (B) rights, options or warrants other than those referred to in Section 12(a)(ii) above;

- (C) evidence of indebtedness of Vail; or
- (D) assets of Vail;

unless, in each case, the Company issues or distributes the economic equivalent of such rights, options, warrants, securities, shares, evidences of indebtedness or other assets simultaneously to holders of the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by Vail in order to give effect to and to consummate the transactions contemplated by, and in accordance with, the Arrangement Agreement and the Plan of Arrangement.

- (b) Acknowledgement in Respect of Corporate Changes. Each holder of an Exchangeable Share acknowledges that the Support Agreement further provides, in part, that for so long as any Exchangeable Shares not owned by Vail or its affiliates are outstanding, Vail will not without the prior approval of the Company and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b):

- (i) subdivide, redivide or change the then outstanding Vail Shares into a greater number of Vail Shares;
- (ii) reduce, combine, consolidate or change the then outstanding Vail Shares into a lesser number of Vail Shares; or
- (iii) reclassify or otherwise change the Vail Shares or effect an amalgamation, merger, reorganization or other transaction affecting the Vail Shares;

unless, in each case, the same or an economically equivalent change is made simultaneously to, or in the rights of the holders of, the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by Vail in order to give effect to and to consummate the transactions contemplated by, and in accordance with the Arrangement Agreement and the Plan of Arrangement. The Support Agreement further provides, in part, that the aforesaid provisions of the Support Agreement shall not be changed without the approval of the holders of the Exchangeable Shares given in accordance with Section 11(b).

- (c) Successorship Transaction. Notwithstanding the foregoing provisions of this Section 12, in the event of a Vail Control Transaction:

- (i) in which Vail merges or amalgamates with, or in which all or substantially all of the then outstanding Vail Shares are acquired by one or more other corporations to which Vail is, immediately before such merger, amalgamation or acquisition, related within the meaning of the *Income Tax Act* (Canada) (otherwise than virtue of a right referred to in paragraph 251(5)(b) thereof);

- (ii) which does not result in an acceleration of the Redemption Date in accordance with paragraph (ii) of the definition of such term in Section 1(a); and
- (iii) in which all or substantially all of the then outstanding Vail Shares are converted into or exchanged for shares or rights to receive such shares (the “**Other Shares**”) of another corporation (the “**Other Corporation**”) that, immediately after such Vail Control Transaction, owns or controls, directly or indirectly, Vail;

then all references herein to “Vail” shall thereafter be and be deemed to be references to “Other Corporation” and all references herein to “Vail Shares” shall thereafter be and be deemed to be references to “Other Shares” (with appropriate adjustments, if any, as are required to result in a holder of Exchangeable Shares on the exchange, redemption or retraction of shares pursuant to these Exchangeable Share Provisions or the Plan of Arrangement or the exchange of shares pursuant to the Voting and Exchange Trust Agreement immediately subsequent to the Vail Control Transaction being entitled to receive that number of Other Shares equal to the number of Other Shares such holder of Exchangeable Shares would have received if the exchange, redemption or retraction of such shares pursuant to these Exchangeable Share Provisions or the Plan of Arrangement or the exchange of such shares pursuant to the Voting and Exchange Trust Agreement had occurred immediately prior to the Vail Control Transaction and the Vail Control Transaction was completed) but subject to subsequent adjustments to reflect any subsequent changes in the share capital of the issuer of the Other Shares, including without limitation, any subdivision, consolidation or reduction of share capital, without any need to amend the terms and conditions of the Exchangeable Shares and without any further action required.

13. **Actions by the Company under Support Agreement**

- (a) Actions by the Company. The Company will take all such actions and do all such things as shall be necessary or advisable to perform and comply with and to ensure performance and compliance by Vail, Callco and the Company with all provisions of the Support Agreement applicable to Vail, Callco and the Company, respectively, in accordance with the terms thereof including taking all such actions and doing all such things as shall be necessary or advisable to enforce to the fullest extent possible for the direct benefit of the Company all rights and benefits in favour of the Company under or pursuant to such agreement.
- (b) Changes to the Support Agreement. The Company shall not propose, agree to or otherwise give effect to any amendment to, or waiver or forgiveness of its rights or obligations under, the Support Agreement without the approval of the holders of the Exchangeable Shares given in accordance with Section 11(b) other than such amendments, waivers and/or forgiveness as may be necessary or advisable for the purposes of:

- (i) adding to the covenants of any or all of the other parties to the Support Agreement if the board of directors of each of Vail, Callco and the Company shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares;
- (ii) evidencing the succession of successors to Vail either by operation of law or agreement to the liabilities and covenants of Vail under the Support Agreement (“**Vail Successors**”) and the covenants of and obligations assumed by each such Vail Successor in accordance with the provisions of Article 3 of the Support Agreement;
- (iii) making such amendments or modifications not inconsistent with the Support Agreement as may be necessary or desirable with respect to matters or questions arising thereunder which, in the good faith opinion of the board of directors of each of Vail, Callco and the Company, it may be expedient to make, provided that each such board of directors shall be of the good faith opinion, after consultation with counsel, that such amendments and modifications will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares; or
- (iv) making such changes in or corrections to the Support Agreement which, on the advice of counsel to Vail, Callco and the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error contained therein, provided that the board of directors of each of Vail, Callco and the Company shall be of the good faith opinion that such changes or corrections will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares.

14. Legend; Call Rights; Withholding Rights

- (a) Legend. The certificates evidencing the Exchangeable Shares shall contain or have affixed thereto a legend in form and on terms approved by the Board of Directors with respect to the Support Agreement, the provisions of the Plan of Arrangement relating to the Liquidation Call Right, the Redemption Call Right and the Change of Law Call Right, the Voting and Exchange Trust Agreement (including the provisions with respect to the voting rights and automatic exchange thereunder) and the Retraction Call Right.
- (b) Call Rights. Each holder of an Exchangeable Share, whether of record or beneficial, by virtue of becoming and being such a holder shall be deemed to acknowledge each of the Liquidation Call Right, the Redemption Call Right, the Change of Law Call Right and the Retraction Call Right, in each case, in favour of Vail and Callco, and the overriding nature thereof in connection with the liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, or the retraction or redemption of Exchangeable Shares, as the case

may be, and to be bound thereby in favour of Vail and Callco as provided herein and in the Plan of Arrangement.

- (c) Withholding Rights. Vail, Callco, the Company and the Transfer Agent shall be entitled to deduct and withhold from any dividend, distribution or other consideration otherwise payable to any holder of Exchangeable Shares such amounts as Vail, Callco, the Company or the Transfer Agent, as the case may be, is required to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada) or United States tax laws or any provision of provincial, territorial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Exchangeable Shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing agency. To the extent that the amount so required to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to the holder, Vail, Callco, the Company and the Transfer Agent are hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to Vail, Callco, the Company or the Transfer Agent, as the case may be, to enable it to comply with such deduction or withholding requirement and Vail, Callco, the Company or the Transfer Agent, as the case may be, shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale.

15. Notices

- (a) Notices. Subject to applicable laws, any notice, request or other communication to be given to the Company by a holder of Exchangeable Shares shall be in writing and shall be valid and effective if given by first class mail (postage prepaid) or by telecopy or by delivery to the registered office of the Company and addressed to the attention of the Secretary of the Company. Any such notice, request or other communication, if given by mail, telecopy or delivery, shall only be deemed to have been given and received upon actual receipt thereof by the Company.
- (b) Certificates. Any presentation and surrender by a holder of Exchangeable Shares to the Company or the Transfer Agent of certificates representing Exchangeable Shares in connection with the liquidation, dissolution or winding-up of the Company or the retraction or redemption of Exchangeable Shares shall be made by first class mail (postage prepaid) or by delivery to the registered office of the Company or to such office of the Transfer Agent as may be specified by the Company, in each case, addressed to the attention of the Secretary of the Company. Any such presentation and surrender of certificates shall only be deemed to have been made and to be effective upon actual receipt thereof by the Company or the Transfer Agent, as the case may be. Any such presentation and surrender of certificates made by first class mail (postage prepaid) shall be at the sole risk of the holder mailing the same.
- (c) Notice to Shareholders.

- (i) Subject to applicable laws, any notice, request or other communication to be given to a holder of Exchangeable Shares by or on behalf of the Company shall be in writing and shall be valid and effective if given by first class mail (postage prepaid) or by delivery to the address of the holder recorded in the register of shareholders of the Company or, in the event of the address of any such holder not being so recorded, then at the last known address of such holder. Any such notice, request or other communication, if given by mail, shall be deemed to have been given and received on the third Business Day following the date of mailing and, if given by delivery, shall be deemed to have been given and received on the date of delivery. Accidental failure or omission to give any notice, request or other communication to one or more holders of Exchangeable Shares shall not invalidate or otherwise alter or affect any action or proceeding to be taken by the Company pursuant thereto.
- (ii) In the event of any interruption of mail service immediately prior to a scheduled mailing or in the period following a mailing during which delivery normally would be expected to occur, the Company shall make reasonable efforts to disseminate any notice by other means, such as publication. Except as otherwise required or permitted by law, if post offices in Canada are not open for the deposit of mail, any notice which the Company or the Transfer Agent may give or cause to be given hereunder will be deemed to have been properly given and to have been received by holders of Exchangeable Shares if (i) it is given to the Toronto Stock Exchange for dissemination, or (ii) it is published once in the national edition of *The Globe and Mail* and in a daily newspaper of general circulation in the French language in the City of Montreal, provided that if the national edition of *The Globe and Mail* is not being generally circulated, publication thereof will be made in the National Post or any other daily newspaper of general circulation published in the City of Toronto.
- (iii) Notwithstanding any other provisions of these Exchangeable Share Provisions, notices, other communications and deliveries need not be mailed if the Company determines that delivery thereof by mail may be delayed. Persons entitled to any deliveries (including certificates and cheques) which are not mailed for the foregoing reason may take delivery thereof at the office of the Transfer Agent to which the deliveries were made, upon application to the Transfer Agent, until such time as the Company has determined that delivery by mail will no longer be delayed. The Company will provide notice of any such determination not to mail made hereunder as soon as reasonably practicable after the making of such determination and in accordance with this Section 15(c). Such deliveries in such circumstances will constitute delivery to the persons entitled thereto.

16. Disclosure of Interests in Exchangeable Shares

The Company shall be entitled to require any holder of an Exchangeable Share or any person whom the Company knows or has reasonable cause to believe holds any interest whatsoever in an Exchangeable Share to (a) confirm that fact, or (b) give such details as to whom has an interest in such Exchangeable Share, in each case as would be required (if the Exchangeable Shares were a class of “equity securities” of the Company) under section 5.2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* or as would be required under the articles of Vail or any laws or regulations, or pursuant to the rules or regulations of any regulatory agency, if and only to the extent that the Exchangeable Shares were Vail Shares.

17. Fractional Shares

A holder of an Exchangeable Share shall not be entitled to any fraction of a Vail Share upon the exchange, redemption or purchase of such holder’s Exchangeable Share pursuant to Articles 5, 6 and 7 and no certificates representing any such fractional interest shall be issued and such holder otherwise entitled to a fractional interest shall be entitled to receive for such fractional interest from the Company, Vail or Callco, as the case may be, a cash payment equal to such fractional interest multiplied by the Current Market Price as part of the Exchangeable Share Consideration.

**APPENDIX I
TO ANNEX A**

RETRACTION REQUEST

[TO BE PRINTED ON EXCHANGEABLE SHARE CERTIFICATES]

To: Vail Resorts, Inc. (“**Vail**”)
● (“**Callco**”)
1068877 B.C. Ltd. (the “**Company**”)

This notice is given pursuant to Section 6 of the share provisions (the “**Exchangeable Share Provisions**”) attaching to the Exchangeable Shares of the Company represented by this certificate and all capitalized words and expressions used in this notice that are defined in the Exchangeable Share Provisions have the meanings ascribed to such words and expressions in such Exchangeable Share Provisions.

The undersigned hereby notifies the Company that, subject to the Retraction Call Right referred to below, the undersigned desires to have the Company redeem in accordance with Section 6 of the Exchangeable Share Provisions: (select one)

- ☐ all share(s) represented by this certificate
- ☐ share(s) only represented by this certificate

The undersigned hereby notifies the Company that the Retraction Date shall be _____.

NOTE: The Retraction Date must be a Business Day and must not be less than 10 Business Days nor more than 15 Business Days after the date upon which this notice is received by the Company. If no such Business Day is specified above, the Retraction Date shall be deemed to be the 15th Business Day after the date on which this notice is received by the Company.

The undersigned acknowledges the overriding Retraction Call Right of Vail and Callco to purchase all but not less than all the Retracted Shares from the undersigned and that this notice is and shall be deemed to be a revocable offer by the undersigned to sell the Retracted Shares to Vail or Callco in accordance with the Retraction Call Right on the Retraction Date for the Retraction Call Right Purchase Price and on the other terms and conditions set out in Section 6(b) of the Exchangeable Share Provisions. If neither Vail nor Callco exercise the Retraction Call Right, the Company will notify the undersigned of such fact as soon as possible. This Retraction Request, and this offer to sell the Retracted Shares to Vail or Callco, may be revoked and withdrawn by the undersigned only by notice in writing given to the Company at any time before the close of business on the Business Day immediately preceding the Retraction Date.

The undersigned acknowledges that if, as a result of solvency provisions of applicable law, the Company is unable to redeem all Retracted Shares, and provided that neither Vail nor Callco has exercised the Retraction Call Right with respect to the Retracted Shares, the Retracted Shares

will be automatically exchanged pursuant to the Voting and Exchange Trust Agreement so as to require Vail to purchase the unredeemed Retracted Shares.

The undersigned hereby represents and warrants to Vail, Callco and the Company that the undersigned: (select one)

☐ is

☐ is not

a resident of Canada for purposes of the *Income Tax Act* (Canada). THE UNDERSIGNED ACKNOWLEDGES THAT IN THE ABSENCE OF AN INDICATION THAT THE UNDERSIGNED IS A RESIDENT OF CANADA, WITHHOLDING ON ACCOUNT OF CANADIAN TAX MAY BE MADE FROM AMOUNTS PAYABLE TO THE UNDERSIGNED ON THE REDEMPTION OR PURCHASE OF THE RETRACTED SHARES.

The undersigned hereby represents and warrants to Vail, Callco and the Company that the undersigned has good title to, and owns, the share(s) represented by this certificate to be acquired by Vail, Callco or the Company, as the case may be, free and clear of all liens, claims and encumbrances.

(Date)

(Signature of Shareholder)

(Guarantee of Signature)

☐ Please check box if the securities and any cheque(s) resulting from the retraction or purchase of the Retracted Shares are to be held for pick-up by the shareholder from the Transfer Agent, failing which such certificates and cheque(s) will be mailed to the last address of the shareholder as it appears on the register.

Note: This panel must be completed and this certificate, together with such additional documents and payments (including, without limitation, any applicable Stamp Taxes) as the Transfer Agent and the Company may require, must be deposited with the Transfer Agent. The securities and any cheque(s) resulting from the retraction or purchase of the Retracted Shares will be issued and registered in, and made payable to, respectively, the name of the shareholder as it appears on the register of the Company and the certificates for the securities and any cheque(s) resulting from such retraction or purchase will be delivered to such shareholder as indicated above, unless the form appearing immediately below is duly completed.

Date: _____

Name of Person in Whose Name Securities or Cheque(s)
Are to be Registered, Issued or Delivered (please print): _____

Street Address or P.O. Box:

Signature of Shareholder:

City, Province and Postal Code:

Signature Guaranteed by:

Note: If this Retraction Request is for less than all of the shares represented by this certificate, a certificate representing the remaining share(s) of the Company represented by this certificate will be issued and registered in the name of the shareholder as it appears on the register of the Company, unless the Share Transfer Power on the share certificate is duly completed in respect of such share(s).

**APPENDIX “B”
ARRANGEMENT RESOLUTION**

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) involving Whistler Blackcomb Holdings Inc. (“**Whistler**”), pursuant to the arrangement agreement between Whistler, 1068877 B.C. Ltd. and Vail Resorts, Inc. dated August 5, 2016, as it may be modified, supplemented or amended from time to time in accordance with its terms (the “**Arrangement Agreement**”), as more particularly described and set forth in the management information circular of Whistler dated August 31, 2016 (the “**Circular**”), and all transactions contemplated thereby, are hereby authorized, approved and adopted.
2. The plan of arrangement of Whistler, as it has been or may be modified, supplemented or amended in accordance with the Arrangement Agreement and its terms (the “**Plan of Arrangement**”), the full text of which is set out as Appendix “A” to the Circular, is hereby authorized, approved and adopted.
3. The: (i) Arrangement Agreement and all the transactions contemplated therein; (ii) actions of the directors of Whistler in approving the Arrangement and the Arrangement Agreement; and (iii) actions of the directors and officers of Whistler in executing and delivering the Arrangement Agreement and any modifications, supplements or amendments thereto, and causing the performance by Whistler of its obligations thereunder, are hereby ratified and approved.
4. Whistler is hereby authorized to apply for a final order from the Supreme Court of British Columbia (the “**Court**”) to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be, or may have been, modified, supplemented or amended).
5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the holders of common shares of Whistler (the “**Whistler Shareholders**”) entitled to vote thereon or that the Arrangement has been approved by the Court, the directors of Whistler are hereby authorized and empowered, without further notice to or approval of the Whistler Shareholders: (i) to amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by their terms; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and any related transactions.
6. Any officer or director of Whistler is hereby authorized and directed, for and on behalf of Whistler, to execute or cause to be executed and to deliver or cause to be delivered, whether under the corporate seal of Whistler or otherwise, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person’s opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such other document or instrument or the doing of any such other act or thing.

**APPENDIX “C”
INTERIM ORDER**



No. S-167862
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE
BUSINESS CORPORATIONS ACT S.B.C. 2002, c. 57, AS AMENDED

IN THE MATTER OF A PROPOSED ARRANGEMENT AMONG
WHISTLER BLACKCOMB HOLDINGS LTD. AND ITS SHAREHOLDERS AND
VAIL RESORTS, INC. AND 1068877 B.C. LTD.

WHISTLER BLACKCOMB HOLDINGS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE

Master Taylor

)
)
)

The 31st day of August, 2016

ON THE APPLICATION of the Petitioner, Whistler Blackcomb Holdings Inc. ("**Whistler**" or the "**Petitioner**"), dated August 29, 2016 without notice, coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on August 31, 2016 and on hearing Teresa M. Tomchak, counsel for the Petitioner.

THIS COURT ORDERS that:

Definitions

1. All definitions used in this Interim Order, unless otherwise defined, shall have the meaning ascribed thereto in the Petition.

The Meeting

2. Whistler be permitted to convene, hold and conduct a special meeting (the "**Shareholder Meeting**") of the registered holders (the "**Whistler Shareholders**") of the issued and outstanding common shares of Whistler (the "**Whistler Shares**") on or about October 5, 2016, to *inter alia*, consider and, if deemed advisable, pass with or without amendment, a special resolution (the "**Arrangement Resolution**"), authorizing, approving and agreeing to adopt a plan of arrangement (the "**Arrangement**") among the Petitioner, its

Shareholders, and Vail Resorts, Inc. ("**Vail Resorts**") and 1068877 B.C. Ltd. ("**Exchangeco**") as described in the Plan of Arrangement attached as Appendix A to the draft management information circular (the "**Circular**") which is attached as Exhibit "A" to the Affidavit #1 of David Brownlie sworn on August 29, 2016 (the "**Brownlie Affidavit #1**"), and to transact such other business as may properly come before the Meeting.

3. The Shareholder Meeting shall be called, held and conducted in accordance with the provisions of the *Business Corporations Act*, S.B.C. 2002, c. 57 (the "**BCBCA**"), the articles of the Petitioner, and the Circular, all subject to the terms of this Order, and any further order of this Court, and the rulings and directions of the Chair of the Shareholder Meeting, such rulings and directions not to be inconsistent with this Interim Order.
4. The record date (the "**Record Date**") for determination of the Whistler Shareholders entitled to notice of, and to vote at, the Meeting shall be August 29, 2016. The Record Date will not change in respect of any adjournment or postponement of the Shareholder Meeting.

Notice of Meeting

5. The following information (the "**Meeting Materials**");

- (a) the Circular;
- (b) the Form of Proxy; and
- (c) the Letter of Transmittal,

in substantially the same form referred to in the Brownlie Affidavit #1, with such amendments and inclusions thereto as counsel for the Petitioner may advise are necessary or desirable, provided that such amendments and inclusions are not inconsistent with the terms of this Interim Order, shall be sent to the following:

- (i) the registered Whistler Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Shareholder Meeting, excluding the date of sending and the date of the Shareholder Meeting, by one or more of the following methods:
 - (A) by pre-paid ordinary or first class mail at the addresses of the Whistler Shareholders as they appear on the central securities register of the Petitioner, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of the Petitioner;
 - (B) by delivery, in person or by recognized courier service, to the address specified in (A) above; or

- (C) by facsimile or electronic transmission to any Whistler Shareholder, who is identified to the satisfaction of the Petitioner, who requests such transmission in writing and, if required by the Petitioner, who is prepared to pay the charges for such transmission;
 - (ii) non-registered holders of Whistler Shares by providing sufficient copies of the Meeting Materials, as applicable, to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101-*Communication with Beneficial Owners of Securities of a Reporting Issuer*; and
 - (iii) the respective directors and auditors of the Petitioner by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Shareholder Meeting, excluding the date of sending and the date of the Shareholder Meeting.
6. Concurrently with the sending of the Meeting Materials described in paragraph 5 of this Interim Order, the Petitioner shall send a copy of the Circular and any other communications or documents determined by the Petitioner to be necessary or desirable to the Whistler Equity Award Holders by any method permitted for notice to Whistler Shareholders as set forth in paragraphs 5(i) or 5(ii), above, to the addresses of the Whistler Equity Award Holders as they appear on the books and records of the Petitioner or its registrar and transfer agent at the close of business on the Record Date.
7. In the event of an interruption in or cessation of postal services due to strike or otherwise, the Petitioner shall be authorized, in addition to or as an alternative to the methods of delivery specified in paragraphs 5 or 6 above to communicate notice of the Shareholder Meeting to Whistler Shareholders and Whistler Equity Award Holders by publishing notice of the Shareholder Meeting in one of the following newspapers:
- (i) The Globe and Mail (National edition); and
 - (ii) The National Post

which publication shall include specific reference to locations (including www.sedar.com) at which copies of the Meeting Materials or Court Materials will be available.

8. Good and sufficient notice of the Shareholder Meeting for all purposes will be given by the Petitioner by the sending of the Meeting Materials in accordance with paragraphs 5, 6 and 7 of this Order. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and the Petitioner shall not be required to send to the Whistler Shareholders or the Whistler Equity Award Holders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

9. The sending of the Circular, which includes the Notice of Hearing of Petition and the Interim Order (collectively the "**Court Materials**"), in accordance with paragraphs 5, 6 and 7 of this Order shall constitute good and sufficient service of the Court Materials and the within proceedings and such service shall be effective on the business day after the said Court Materials are mailed, whether those persons reside within the jurisdiction of British Columbia or within another jurisdiction, and no other form of service need be made and no other material, including the Petition and supporting Affidavits, need be served on such persons in respect of these proceedings except upon written request to the solicitors for the Petitioner at their address for delivery set out in the Petition.
10. Accidental failure or omission by the Petitioner to give notice of the Shareholder Meeting or to distribute the Meeting Materials or the Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of the Petitioner, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Shareholder Meeting. If any such failure or omission is brought to the attention of the Petitioner, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

Amendments to the Arrangement and Plan of Arrangement

11. Subject to the terms and conditions of the Plan of Arrangement, after the date of this Interim Order and prior to the time of the Shareholder Meeting, the Petitioner is authorized to make such amendments, revisions or supplements to the Plan of Arrangement as it may determine, without any additional notice to the Whistler Shareholders or the Whistler Equity Award Holders, and the Plan of Arrangement as so amended, revised and supplemented shall be the Plan of Arrangement submitted to the Shareholder Meeting, and the subject of the Arrangement Resolution.
12. If any amendments, revisions or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 11 above, would, if disclosed, reasonably be expected to affect a Whistler Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, revision or supplement shall be distributed, subject to further order of this Court, by news release, newspaper advertisement, or by notice sent to Whistler Shareholders by one of the methods specified in paragraph 5 of this Interim Order.

Chair of the Meeting

13. The Chair of the Meeting shall be an officer or director of the Petitioner or such other person as may be appointed by the Whistler Shareholders for that purpose.
14. The Chair of the Meeting is at liberty to call on the assistance of legal counsel at any time and from time to time, as the Chair of the Shareholder Meeting may deem necessary or appropriate, during the Shareholder Meeting, and such legal counsel is entitled to attend the Shareholder Meeting for this purpose.

15. The Chair of the Meeting shall be permitted to ask questions of, and demand the production of evidence, from Whistler Shareholders, the Petitioner or such other persons in attendance or represented at the Shareholder Meeting, as he or she considers appropriate having regard to the orderly conduct of the Shareholder Meeting, the authority of any person to vote at the Shareholder Meeting, and the validity and propriety of the votes cast and the proxies submitted in respect of the Arrangement Resolution.
16. The Chair of the Shareholder Meeting may, in the Chair's sole discretion, waive the deadline specified in the Form of Proxy for the deposit of proxies.
17. The Chair or another representative of the Petitioner present at the Shareholder Meeting, shall, in due course, file with the Court an affidavit verifying the actions taken and the decisions reached at the Shareholder Meeting with respect to the Arrangement.

Adjournments and Postponements

18. The Petitioner, if it deems advisable, is specifically authorized to adjourn or postpone the Shareholder Meeting for any reason on one or more occasions, subject to the terms of the Arrangement Agreement, without the necessity of first convening the Shareholder Meeting, or first obtaining any vote of the Whistler Shareholders respecting the adjournment or postponement. Notice of any such adjournments or postponements shall be given by such method and in the time that is reasonable in the circumstances, as the Petitioner may determine appropriate. This provision shall not limit the authority of the Chair of the Shareholder Meeting in respect of adjournments and postponements.

Quorum

19. The quorum required at the Shareholder Meeting shall be the quorum required by the articles of the Petitioner, which is two or more Whistler Shareholders or proxyholders representing not less than 25% of the Whistler Shares entitled to be voted at the Shareholder Meeting.

Voting

20. The vote of the Whistler Shareholders required to pass the Arrangement Resolution shall be at least two thirds of the votes cast on the Arrangement Resolution by the Whistler Shareholders, voting together as a single class, present in person or by proxy at the Shareholder Meeting.
21. The only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Shareholder Meeting, shall be the registered Whistler Shareholders who hold Whistler Shares as of the close of business on the Record Date each of whom is entitled to one (1) vote for each Whistler Share registered in his/her/its name. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

Solicitation and Revocation of Proxies

22. The Petitioner is authorized to use the form of proxy (the “**Form of Proxy**”) substantially in the form of the draft attached to Brownlie Affidavit #1, with such amendments, revisions or supplemental information as the Petitioner may determine are necessary or desirable. The Petitioner is authorized at its expense to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives, including proxy advisory firms, as they may retain for the purpose, by mail or such other forms of personal or electronic communication as it may determine. The Petitioner may waive generally, in its discretion, the time limits set for the deposit or revocation of proxies, if the Petitioner considers it advisable to do so.

Dissent Rights

23. Each registered Whistler Shareholder will have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Sections 237-247 of the BCBCA, as modified by the terms of this Interim Order, the Plan of Arrangement and the Final Order.
24. Registered Whistler Shareholders will be the only Whistler Shareholders entitled to exercise rights of dissent. A beneficial holder of Whistler Shares registered in the name of a broker, custodian, trustee, nominee or other intermediary who wishes to dissent must make arrangements for the registered Whistler Shareholder to dissent on behalf of the beneficial holder of Whistler Shares or, alternatively, make arrangements to become a registered Whistler Shareholder.
25. In order for a registered Whistler Shareholder to exercise such right of dissent (the “**Dissent Rights**”):
- (a) a Dissenting Holder must deliver a written notice of dissent which must be received by Whistler, at 1200 Waterfront Center, 200 Burrard Street, Vancouver, British Columbia, V7X 1T2, Attention: Thierry Keable, General Counsel and Corporate Secretary with a copy to Farris, Vaughan, Wills & Murphy LLP at 2500-700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3, Attention: Teresa Tomchak not later than 4:00 p.m. (Vancouver time) two business days immediately preceding the Shareholder Meeting; a vote against the Arrangement Resolution or an abstention will not constitute written notice of dissent;
 - (b) a Dissenting Holder must not have voted his, her or its Whistler Shares at the Shareholder Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
 - (c) a Dissenting Holder must dissent with respect to all of the Whistler Shares held by such person; and

- (d) the exercise of such Dissent Rights must otherwise comply with the requirements of sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order.
26. Notice to the Whistler Shareholders of their Dissent Rights with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Rights in the Circular to be sent to Whistler Shareholders in accordance with paragraphs 5 and 7 of this Interim Order.
27. Exchangeco and a Dissenting Holder who has complied with section 244 (1) of the BCBCA may agree on the amount of the payout value of the Whistler Shares held by such person and, in that event, Exchangeco must promptly pay that amount to that Dissenting Holder. A Dissenting Holder who has not entered into such an agreement with Exchangeco, or Exchangeco may apply to the Court and the Court may:
- (a) determine the payout value of the Whistler Shares of those Dissenting Holders who have not entered into such an agreement with Exchangeco, or order that the payout value of those Whistler Shares be established by arbitration or by reference to the registrar, or a referee, of the Court;
 - (b) join in the application each Dissenting Holder, other than a Dissenting Holder who has entered into such an agreement with Exchangeco, who has complied with section 244 (1) of the BCBCA; and
 - (c) make consequential orders and give directions it considers appropriate.

Promptly after a determination of such payout value for Whistler Shares has been made, Exchangeco must pay to each Dissenting Holder who has complied with section 244 (1) of the BCBCA in relation to those Whistler Shares, other than a Dissenting Holder who has entered into such an agreement with Exchangeco, the payout value applicable to that Dissenting Holder's Whistler Shares.

28. If the Dissenting Holder is entitled to be paid fair value, 50% of any such payment of fair value will be satisfied in cash and the remaining 50% will be satisfied in Vail Shares with the value of such Vail Shares being based on the Canadian dollar equivalent (using the USD/CAD noon exchange rate posted by the Bank of Canada on the last trading day preceding the day that the Arrangement Resolution is passed) of the volume weighted average price of the Vail Shares on the New York Stock Exchange for the five trading days preceding the day that the Arrangement Resolution is passed.

Application for Final Order

29. Upon obtaining, in the manner set forth in this Interim Order, the approval of the Arrangement required by this Interim Order, Whistler may apply to this court for a final order approving the Arrangement contemplated by the Plan of Arrangement (the "**Final Order**"), at which the court will be advised that the court's approval of the Arrangement, if granted, which includes a finding of fairness of the terms and conditions of the Arrangement, will form the basis of a claim to an exemption from registration

requirements of the US Securities Act provided by section 3(a)(10) thereof with respect to the Vail Shares and the Exchangeable Shares to be issued pursuant to the Arrangement, and the hearing shall be set down for hearing before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on October 7, 2016 at 9:45 a.m., or as soon thereafter as the hearing of the Final Order can be heard, or at such other date and time as this Court may direct.

30. Any Whistler Shareholder or Whistler Equity Award Holder may appear and make submissions at the application for the Final Order provided that such person shall file a Response to Petition, in the form prescribed by the Rules of Court of the Supreme Court of British Columbia, with this Court and deliver a copy of the filed Response to Petition, together with a copy of all material on which such person intends to rely at the application for the Final Order to the solicitors for the Petitioner at their address for delivery as set out in the Petition, on or before 4:00 p.m. on October 5, 2016, or as the Court may otherwise direct.
31. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition in accordance with this Interim Order need to be served and provided with notice of the adjourned date.

Precedence

32. To the extent of any inconsistency or discrepancy between this Interim Order and the articles of the Petitioner, the Circular, the BCBCA or applicable securities laws, this Interim Order shall govern.

Variance and Direction

33. The Petitioner and the Whistler Shareholders, the Whistler Equity Award Holders, the directors and auditors shall, and hereby do, have liberty to seek leave to vary this Interim Order or apply for such further order or orders or to seek such directions as may be appropriate.

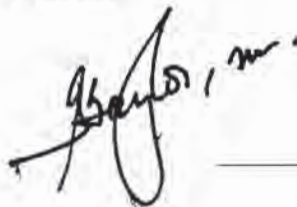
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature

☐ Party ☒ Lawyer for the Petitioner

Teresa M. Tomchak



By the Court



Registrar

No. S-167862
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF SECTION 288 OF THE
BUSINESS CORPORATIONS ACT S.B.C. 2002, c. 57, AS AMENDED**

**IN THE MATTER OF A PROPOSED ARRANGEMENT AMONG
WHISTLER BLACKCOMB HOLDINGS LTD. AND ITS SHAREHOLDERS AND
VAIL RESORTS, INC. AND 106877 B.C. LTD.**

WHISTLER BLACKCOMB HOLDINGS INC.

PETITIONER

ORDER MADE AFTER APPLICATION

TMT/cn

File no.: 36563-0003-0000

FARRIS, VAUGHAN, WILLS & MURPHY LLP

Barristers & Solicitors
2500 – 700 West Georgia Street
Vancouver, B.C. V7Y 1B3

Telephone: (604) 684-9151

APPENDIX “D”
NOTICE OF HEARING OF PETITION

No. S-167862
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF SECTION 288 OF THE
BUSINESS CORPORATIONS ACT S.B.C. 2002, c. 57, AS AMENDED**

**IN THE MATTER OF A PROPOSED ARRANGEMENT AMONG
WHISTLER BLACKCOMB HOLDINGS LTD. AND ITS SHAREHOLDERS AND
VAIL RESORTS, INC. AND 1068877 B.C. LTD.**

WHISTLER BLACKCOMB HOLDINGS INC.

PETITIONER

NOTICE OF HEARING OF PETITION

TO: The holders (“Securityholders”) of common shares, options, restricted share units and performance awards of Whistler Blackcomb Holdings Inc. (“Whistler”) and the Directors and Auditors of Whistler

NOTICE IS HEREBY GIVEN that a Petition has been filed by Whistler in the Supreme Court of British Columbia for approval of an arrangement (the “**Arrangement**”) pursuant to Section 288 of the *Business Corporations Act* S.B.C. 2002, c. 57, as amended, as contemplated in an arrangement agreement dated August 5, 2016 among Whistler, Vail Resorts, Inc. and 1068877 B.C. Ltd.

AND NOTICE IS FURTHER GIVEN that by an Interim Order of the Supreme Court of British Columbia pronounced August 31, 2016, the Court has given directions as to the calling of a meeting of the shareholders of Whistler for the purpose of considering and voting on the Arrangement.

AND NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the meeting of shareholders, Whistler intends to apply for an order approving the Arrangement and declaring it to be fair and reasonable (the “**Final Order**”) at a hearing before a Judge of the Supreme Court of British Columbia at the Courthouse, at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on or about October 7, 2016 at 9:45 a.m. (PT), or so soon thereafter as counsel may be heard, or at such later date as the Court may direct.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE PETITION OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition", in the form prescribed by the Rules of Court of the Supreme Court of British Columbia, along with any evidence or materials which you intend to present to the Court, at the Vancouver Registry of the Court and **YOU MUST ALSO DELIVER** a copy of the filed Response to Petition, together with a copy of all evidence or materials on which you intend to rely at the application for the Final Order, to the solicitors for the Petitioner at their address for delivery, which is set out below, on or before 4:00 p.m. (PT) on October 5, 2016, or as the Court may otherwise direct.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of "Response to Petition" at the Registry. The address of the Registry is: 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

IF YOU DO NOT FILE A RESPONSE TO PETITION and do not attend either in person or by counsel at the time of such hearing, the Court may approve the Arrangement, as presented at that time, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will significantly affect the rights of the Securityholders.

A copy of the said Petition and other documents in the proceedings will be furnished to any Securityholder, director or auditor of Whistler upon request in writing addressed to the solicitors of the Petitioner at its address for delivery set out below.

The Petitioner's address for delivery is:

Farris, Vaughan, Wills & Murphy LLP
Barristers & Solicitors
2500 – 700 West Georgia Street
Vancouver, British Columbia
V7Y 1B3

Attention: Teresa M. Tomchak

DATED this 31st day of August, 2016.



Signature

☐ Party ☒ Lawyer for the Petitioner

Teresa M. Tomchak

APPENDIX “E”
GREENHILL FAIRNESS OPINION

CONFIDENTIAL

August 5, 2016

Special Committee of the Board of Directors
Whistler Blackcomb Holdings Inc.
4545 Blackcomb Way
Whistler, BC V0N 1B4

Members of the Special Committee of the Board of Directors:

We understand that Whistler Blackcomb Holdings Inc. (the "Company"), 1068877 B.C. Ltd. ("Exchangeco") and Vail Resorts, Inc. ("Purchaser") propose to enter into an arrangement agreement (the "Agreement"), which provides, among other things, for the acquisition by Purchaser, through Exchangeco, of all of the issued and outstanding common shares ("Common Shares") in the capital of the Company by way of plan of arrangement (the "Arrangement") under the provisions of the *Business Corporations Act* (British Columbia) in which (i) in the case of a holder of Common Shares who is an Eligible Holder who validly elects to receive redeemable preferred shares ("Exchangeable Shares") in the capital of Exchangeco prior to the Election Deadline in accordance with the Arrangement, for each Common Share, (a) such fraction of an Exchangeable Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and (b) C\$17.50 in cash, and (ii) in the case of each other holder of Common Shares, for each Common Share (a) such fraction of a share of common stock in the authorized capital of Purchaser ("Purchaser Shares") as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and (b) C\$17.50 in cash (the consideration in clauses (i) and (ii) above being referred to herein as the "Consideration"). The terms and conditions of the Arrangement are more fully set forth in the Agreement. Capitalized terms used but not separately defined herein shall have the meanings given to such terms in the Agreement.

You have asked for our opinion as to whether, as of the date hereof, the Consideration to be received by the holders of Common Shares (other than Purchaser and Exchangeco) pursuant to the Arrangement is fair, from a financial point of view, to such holders.

Relationship with interested parties

Greenhill is not an insider, associate or affiliate as each such term is defined in the *Securities Act* (Ontario) of the Company, Exchangeco, Purchaser, or any of their respective subsidiaries, associates or affiliates (collectively, the "Interested Parties") nor is it a

financial advisor to Purchaser or any other person in connection with the Arrangement, except for acting as a financial advisor to the Special Committee of the Board of Directors of the Company (the “Special Committee”).

Greenhill has not acted as a lead or co-lead underwriter with respect to the distribution of securities for any of the Interested Parties.

We will be paid a fee for our services as financial advisor to the Special Committee, a portion of which is contingent on the consummation of the Arrangement. In addition, the Company has agreed to indemnify us for certain liabilities that may arise out of our engagement.

Credentials of Greenhill

We are a subsidiary of Greenhill & Co., Inc. (“Greenhill & Co.” and, together with its subsidiaries, “Greenhill”), a leading independent investment bank that provides financial advice on significant mergers and acquisitions, divestitures, restructurings, financings, capital raising and other transactions to a diverse client base, including corporations, partnerships, institutions and governments around the world. Greenhill & Co. is an independent firm listed on the New York Stock Exchange. Greenhill focuses exclusively on advisory services, and has no research, trading, lending, underwriting, investment management or related activities. This opinion has been approved by our fairness committee.

Scope of Review

For the purposes of the opinion set forth herein, we have:

1. reviewed the draft of the Agreement dated as of August 5, 2016 and certain related documents;
2. reviewed the audited financial statements of the Company for the year ended September 30, 2015 and for the six months ended March 31, 2016;
3. reviewed the annual information form of the Company for the year ended September 30, 2015;
4. reviewed certain publicly available business and financial information and equity research relating to the Company and other selected public companies that we deemed relevant;
5. reviewed certain information, including financial forecasts and other financial and operating data concerning the Company, prepared by the management of the Company, including a Base Plan, Organic Growth Plan and Acquisition Growth Plan (collectively, “Company Forecasts”);

6. reviewed the audited financial statements of Purchaser for the year ended July 31, 2015 and for the nine months ended April 30, 2016;
7. reviewed certain publicly available business and financial information and equity research relating to the Purchaser that we deemed relevant;
8. discussed the past and present operations and financial condition and the prospects of the Company with senior executives of the Company;
9. discussed the past and present operations and financial condition and the prospects of Purchaser with senior executives of Purchaser;
10. discussed the plans to integrate the assets and operations of the Company with those of Purchaser with senior executives of Purchaser;
11. reviewed certificates addressed to us, dated as of the date hereof, from senior officers of the Company as to the completeness and accuracy of the information provided to us upon which this opinion is based;
12. reviewed the historical market prices and trading activity for the Common Shares and analyzed their implied valuation multiples;
13. reviewed the historical market prices and trading activity for the Purchaser Shares and analyzed their implied valuation multiples;
14. compared the value of the Consideration with that received in certain publicly available acquisition transactions that we deemed relevant;
15. compared the value of the Consideration with the trading valuations of certain publicly traded companies that we deemed relevant;
16. compared the value of the Consideration to the valuation derived by discounting future cash flows and a terminal value of the business of the Company based upon the Company Forecasts at discount rates we deemed appropriate;
17. compared the premium to be paid pursuant to the Arrangement to those paid in publicly available acquisition transactions that we deemed relevant;
18. compared the value of the Consideration to the valuation derived from equity research analyst price targets;
19. participated in discussions and negotiations among representatives of the Company and its legal advisors and representatives of Purchaser and its legal and financial advisors; and

20. performed such other analyses and considered such other factors as we deemed appropriate.

Assumptions and Limitations

We have assumed and relied upon, without independent verification, the completeness, accuracy and fair presentation of all financial and other information, projections, data, advice, opinions and representations obtained by us from public sources or information provided to us by the Company and its advisors and Purchaser and its advisors (collectively, the "Information"). Our opinion is conditional upon such completeness, accuracy and fair presentation of such Information. We have assumed that the Company Forecasts that have been furnished to us as part of the Information were reasonably prepared on a basis reflecting the best currently available estimates and good faith judgments of management of the Company as to such matters, and, at the direction of management of the Company, we have relied upon the Company Forecasts in arriving at our opinion. We express no opinion on the Company Forecasts or the assumptions upon which they are based.

Senior officers of the Company have represented to us in a certificate dated as of the date hereof, among other things, that (i) the Information provided orally by, or in the presence of, an officer, employee, advisor or agent of the Company or in writing by the Company or any of its subsidiaries (as such term is defined in the *Securities Act* (Ontario)) or their respective agents to Greenhill relating to the Company or any of its subsidiaries or the Arrangement for the purpose of preparing our opinion was, at the date the Information was provided to us, and is at the date hereof complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of the Company, its subsidiaries, or the Arrangement and did not and does not omit to state a material fact in respect of the Company, its subsidiaries or the Arrangement necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was made or provided; (ii) since the dates on which the Information (including the Company Forecasts) were provided to us, except as disclosed in writing to us, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations, or prospects of the Company or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on our opinion; (iii) the Company Forecasts were reasonably prepared by management of the Company on the basis of the best current estimates and good faith judgments of the management of the Company as to such matters, and (iv) to the best of the senior officers' knowledge, information and belief after due inquiry, there are no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company or any of its subsidiaries or any of their respective material assets or liabilities which have been prepared as of a date within the two years preceding the date hereof and which have not been provided to us by the Company.

In preparing our opinion, we have made several assumptions, including that the Arrangement will be completed on the terms contemplated in the draft Agreement provided to us, that all of the conditions set out in the Agreement will be satisfied, that all of the representations and warranties to be contained in the Agreement are correct as of the date hereof. We have further assumed that all material governmental, regulatory and other consents and approvals necessary for the consummation of the Arrangement will be obtained without any effect on the Company, Purchaser or Exchangeco, or the contemplated benefits of the Arrangement meaningful to our analysis. We express no opinion on the status of or impact of the Arrangement on the Master Development Agreement with the First Nations.

Our opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company and its subsidiaries and affiliates, as reflected in the information, data and other material (financial or otherwise) reviewed by us and as represented to us in our discussions with the management of the Company. In our analyses and in connection with preparing our opinion, we made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of any party.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Arrangement.

We are not expressing any opinion as to any other aspects of the Arrangement other than the fairness, from a financial point of view, of the Consideration to be received by holders of Common Shares (other than Purchaser and Exchangeco). We express no opinion as to the prices at which the Purchaser Shares will trade at any future time.

Our opinion is rendered on the date hereof and we disclaim any undertaking or obligation to advise any person of any change in any fact, information or matter affecting our opinion that may come or be brought to our attention after the date hereof, and we have no obligation to update, revise or reaffirm our opinion.

This letter is addressed to and is for the information of the Special Committee, and is delivered to the Special Committee in connection with its consideration of the Arrangement, and may not be used for any other purpose, or referred to, summarized, circulated, publicized or reproduced, or disclosed to, used or relied upon by any other party without our express prior written consent, except that this opinion may, if required by law, be included in its entirety in any proxy circular to be mailed to the holders of Common Shares in connection with the Arrangement. No opinion is expressed as to the relative merits of the Arrangement in comparison to any alternative transactions or strategies that might be available to the Company or in which the Company might engage or as to the underlying business decision of the Company to proceed with or effect the Arrangement. Our opinion is not to be construed as a recommendation to the Special Committee or the Board of Directors of the Company as to whether they should approve the Agreement

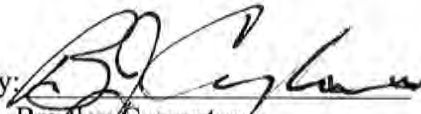
and/or the Arrangement nor to any holder of Common Shares as to whether or not to vote in favor of the Arrangement or take any other action in respect of its Common Shares.

We believe that our analyses must be considered as a whole and that selecting portions of our analyses or the factors considered by us, without considering all factors and analyses together, could create a misleading view of the process underlying our opinion. The preparation of our opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Based on and subject to the foregoing, including the limitations and assumptions set forth herein and such other matters as we considered relevant, we are of the opinion that, as of the date hereof, the Consideration to be received by holders of Common Shares (other than Purchaser and Exchangeco) pursuant to the Arrangement, is fair, from a financial point of view, to such holders.

Very best regards,

GREENHILL & CO. CANADA LTD.

By: 
Bradley Crompton
Managing Director

APPENDIX “F”

COMPARISON OF RIGHTS OF WHISTLER SHAREHOLDERS AND VAIL RESORTS STOCKHOLDERS

The rights of Whistler Shareholders are governed by the BCBCA and by Whistler’s notice of articles and articles. Following the Arrangement, Whistler Shareholders who receive Vail Shares as part of the Arrangement will become shareholders of Vail Resorts and as such their rights will be governed by Delaware Law and by the Vail Certificate and the Vail By -laws.

The following is a summary of the material differences between the rights of Whistler Shareholders and the rights of stockholders of Vail Resorts. This summary is not a complete comparison of rights that may be of interest, and Whistler Shareholders should therefore read the full text of the Vail Certificate and Vail By-laws at www.sec.gov under the Vail Resorts profile and the notice of articles and articles of Whistler at www.sedar.com under the Whistler profile.

	Whistler Shareholder Rights	Vail Stockholder Rights
Authorized Share Capital	Whistler’s authorized share capital consists of: (i) an unlimited number of common shares without par value and with special rights and restrictions attached; and (ii) an unlimited number of preferred shares without par value and with special rights and restrictions attached.	Vail Resorts is authorized by the Vail Certificate to issue 100,000,000 stock, par value US\$0.01 per share, and 25,000,000 shares of preferred stock, par value US\$0.01 per share. The board of directors may fix preferences, rights, limitations and restrictions on the preferred stock, or any series thereof, to the extent permitted by Section 151 of the Delaware Law.
Voting Rights	Unless a poll is directed by the chair of a meeting of the shareholders or demanded by a shareholder with the right to vote, motions are voted on by a show of hands with each person having one vote (regardless of the number of shares such person is entitled to vote). If voting is conducted by poll, each person is entitled to one vote (or such other number as may be provided in the articles) for each share such person is entitled to vote. However, if one or more shareholders votes at a meeting by telephone or other communications medium, motions will be voted on by poll or another method that adequately discloses the intentions of the shareholders.	Except as provided for in the Vail Certificate, each holder of shares of common stock is entitled to attend all special and annual meetings of the stockholders of Vail Resorts and to cast one vote for each outstanding share of common stock held of record by such stockholder upon any matter upon which stockholders are entitled to vote generally.
Shareholder Approval of Business Combinations; Fundamental Changes	Under the BCBCA and Whistler’s articles, certain extraordinary company alterations, such as changes to authorized share structure, continuances, into or out of province, certain amalgamations, sales, leases or other dispositions of all or substantially all of the undertaking of a company (other than in the ordinary course of business) liquidations, dissolutions, and certain arrangements are required to be approved by ordinary or special resolution as applicable. An ordinary resolution is a resolution (i) passed at a shareholders’ meeting by a simple majority, or (ii) passed, after being	Under the Delaware Law, a merger, consolidation, sale, lease, exchange or other disposition of all or substantially all of the property of a corporation not in the usual and regular course of the corporation’s business, or a dissolution of the corporation, is generally required to be approved by the holders of a majority of the shares entitled to vote on the matter, unless the certificate of incorporation provides otherwise. In addition, mergers in which one corporation owns 90% or more of each class of stock of a second corporation may be completed without the vote of the

Whistler Shareholder Rights

submitted to all of the shareholders, by being consented to in writing by shareholders who, in the aggregate, hold shares carrying at least two-thirds of the votes entitled to be cast on the resolution.

A special resolution is a resolution (i) passed by not less than two-thirds of the votes cast by the shareholders who voted in respect of the resolution at a meeting duly called and held for that purpose or (ii) signed by all shareholders entitled to vote on the resolution.

In certain cases, an action that prejudices, adds restrictions to or interferes with a right or special right attached to issued shares of a class or series of shares must be approved separately by the holders of the class or series of shares being affected by special resolution.

Under the BCBCA, arrangements are permitted and a company may make any proposal it considers appropriate “despite any other provision” of the BCBCA. In general, a plan of arrangement is approved by a company’s board of directors and then is submitted to a court for approval. It is not unusual for a company in such circumstances to apply to a court initially for an interim order governing various procedural matters prior to calling any security holder meeting to consider the proposed arrangement. Plans of arrangement involving shareholders must be approved by shareholders by a special resolution (on which holders of shares not normally entitled to vote are entitled to a vote). The court may, in respect of an arrangement proposed with persons other than shareholders and creditors, require that those persons approve the arrangement in the manner and to the extent required by the court. The court determines, among other things, to whom notice shall be given and whether, and in what manner, approval of any person is to be obtained and also determines whether any shareholders may dissent from the proposed arrangement and receive payment of the fair value of their shares. Following compliance with the procedural steps contemplated in any such interim order (including as to obtaining security holder approval), the court would conduct a final hearing and approve or reject the proposed arrangement.

Vail Stockholder Rights

second corporation’s board of directors or stockholders. In certain situations, the approval of a business combination may require approval by a certain number of the holders of a class or series of shares. Delaware Law does not contain a procedure comparable to a plan of arrangement under the BCBCA.

Under Section 203 of Delaware Law, a corporation may not engage in any “business combination” with any interested stockholder for a period of three years after the time of the transaction in which the person became an interested stockholder. These restrictions will not apply if the corporation’s original certificate of incorporation contains a provision expressly electing not to be governed by these provisions or if the corporation’s certificate of incorporation or by-laws are amended to contain such a provision or under certain other circumstances. Vail Resorts has not made such an election and thus Vail Resorts is subject to Section 203 of the Delaware Law, an anti-takeover law prohibiting business combinations with any interested stockholder.

See also “Special Vote Required for Combinations with Interested Shareholders section below” describing certain restrictions on business combinations with interested stockholders.

	Whistler Shareholder Rights	Vail Stockholder Rights
Special Vote Required for Combinations with Interested Shareholders	The BCBCA does not contain a provision comparable to Section 203 of Delaware Law with respect to business combinations.	Section 203 of Delaware Law provides (in general) that a corporation may not engage in a business combination with an interested stockholder for a period of three years after the time of the transaction in which the person became an interested stockholder. The prohibition on business combinations with interested stockholders does not apply in some cases, including if: (i) the board of directors of the corporation, prior to the time of the transaction in which the person became an interested stockholder, approves (a) the business combination or (b) the transaction in which the stockholder becomes an interested stockholder; (ii) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or (iii) the board of directors and the holders of at least two-thirds of the outstanding voting stock not owned by the interested stockholder approve the business combination on or after the time of the transaction in which the person became an interested stockholder. For the purpose of Section 203 of Delaware Law generally defines an interested stockholder to include any person who, together with that person's affiliates or associates, (i) owns 15% or more of the outstanding voting stock of the corporation, or (ii) is an affiliate or associate of the corporation and owned 15% or more of the outstanding voting stock of the corporation at any time within the previous three years.
Appraisal Rights; Rights to Dissent	The BCBCA provides that shareholders of a company are entitled to exercise dissent rights in respect of certain matters and to be paid the fair value of their shares in connection therewith. The dissent right is applicable where the company resolves to (i) alter its articles to alter the restrictions on the powers of the company or on the business it is permitted to carry on; (ii) approve certain amalgamations; (iii) approve an arrangement, where the terms of the arrangement permit dissent; (iv) sell, lease or otherwise dispose of all or substantially all of its undertaking; or (v) continue the company into another jurisdiction.	Under Delaware Law, a stockholder of a corporation does not have appraisal rights in connection with a merger or consolidation, if, among other things: (i) the corporation's shares are listed on a national securities exchange or held of record by more than 2,000 stockholders; or (ii) the corporation will be the surviving corporation of the merger and no vote of its stockholders is required to approve the merger. Delaware Law grants appraisal rights only in the case of mergers or consolidations and not in the case of a sale or transfer of assets or a purchase of assets for stock. However, a stockholder is entitled to appraisal rights in the case of a merger or consolidation if the stockholder is required

	Whistler Shareholder Rights	Vail Stockholder Rights
	A court may also make an order permitting a shareholder to dissent in certain circumstances.	to accept in exchange for the shares anything other than: (i) shares of stock of the corporation surviving or resulting from the merger or consolidation; (ii) shares of any other corporation that on the effective date of the merger or consolidation will be either listed on a national securities exchange or held of record by more than 2,000 stockholders; (iii) cash instead of fractional shares of the corporation; or (iv) any combination of the foregoing.
Compulsory Acquisition; Short-Form Merger	The BCBCA provides that if, within 4 months after the making of an offer to acquire shares, or any class of shares, of a company, the offer is accepted by the holders of not less than 90% of the shares (other than the shares held by the offeror or an affiliate of the offeror) of any class of shares to which the offer relates, the offeror is entitled, upon giving proper notice within 5 months after the date of the offer, to acquire (on the same terms on which the offeror acquired shares from those holders of shares who accepted the offer) the shares held by those holders of shares of that class who did not accept the offer. Offerees may apply to the court, within 2 months of receiving notice, and the court may set a different price or terms of payment or make any consequential orders or directions as it considers appropriate.	Under Delaware Law, a corporation which owns at least 90% of the shares of each class of stock of a second corporation may unilaterally merge with the second corporation without the vote of the second corporation's board of directors or stockholders.
Oppression Remedy	The BCBCA's oppression remedy enables a court to make almost any order (interim or final) to rectify the matters complained of if the court is satisfied upon application by a shareholder (as defined below) that the affairs of the company are being conducted or that the powers of the directors have been exercised in a manner that is oppressive, or that some action has been or may be taken which is unfairly prejudicial, in each case to one or more shareholders. The applicant must be one of the persons being oppressed or prejudiced and the application must be brought in a timely manner. A "shareholder" for the purposes of the oppression remedy includes legal and beneficial owners of shares as well as any other person whom the court considers appropriate. The oppression remedy provides the court with extremely broad and flexible jurisdiction to intervene in corporate affairs to protect shareholders. While conduct that is in breach of fiduciary duties of directors or that is contrary to the legal right of a	Although Delaware Law imposes upon directors and officers fiduciary duties of loyalty (i.e., a duty to act in a manner believed to be in the best interest of the corporation and its stockholders) and care, there is no remedy under Delaware Law that is comparable to the BCBCA's oppression remedy.

	Whistler Shareholder Rights	Vail Stockholder Rights
Shareholder Consent to Action Without a Meeting	complainant will normally trigger the court's jurisdiction under the oppression remedy, the exercise of that jurisdiction does not depend on a finding of a breach of such legal and equitable rights. Under the BCBCA, shareholder action without a meeting may be taken by a consent resolution of shareholders provided that it satisfies the thresholds for approval in the company's articles, the BCBCA and the regulations thereunder. A consent resolution is as valid and effective as if it was a resolution passed at a meeting of shareholders.	Under Delaware Law, unless otherwise provided in the certificate of incorporation, any action that can be taken at a meeting of the stockholders may be taken without a meeting and without prior notice if written consent to the action is signed by the holders of outstanding stock having the minimum number of votes necessary to authorize or take the action at a meeting of the stockholders. The Vail Certificate does not restrict stockholder action by written consent, and the Vail By-Laws expressly permit action by written consent of the stockholders. The Vail By-Laws provide how Vail Resorts may fix a record date to determine the stockholders entitled to consent to corporate action in writing without a meeting.
Requisition of Shareholders' Meetings	Under the BCBCA, the holders of not less than 5% of the issued shares of a company that carry the right to vote at a general meeting may requisition that the directors call a meeting of shareholders for the purpose of transacting any business that may be transacted at a general meeting. Upon receiving a requisition that complies with the technical requirements set out in the BCBCA, the directors must, subject to certain limited exceptions, call a meeting of shareholders to be held not more than 4 months after receiving the requisition. If the directors do not call such a meeting within 21 days after receiving the requisition, the requisitioning shareholders or any of them holding in aggregate not less than 2.5% of the issued shares of the company that carry the right to vote at general meetings may call the meeting.	Under Delaware Law, a special meeting of stockholders may be called only by the board of directors or by persons authorized in the certificate of incorporation or the by-laws. The Vail By-Laws provide that special meetings of the stockholders may be called only by the Chairman or Secretary, in each case within ten (10) calendar days after receipt of the written request of a majority of the board of directors.
Distributions and Dividends; Repurchases and Redemptions	Under the BCBCA, a company may pay a dividend in money or other property unless there are reasonable grounds for believing that the company is insolvent, or the payment of the dividend would render the company insolvent. A company may also pay a dividend by issuing shares or warrants. The BCBCA provides that no special rights or restrictions attached to a series of shares confer on the series a priority in respect of	Under Delaware Law, a corporation may, subject to any restrictions in its certificate of incorporation, pay dividends out of capital surplus and, if there is no surplus, out of net profits for the current and/or the preceding fiscal year, unless the net assets of the corporation are less than the capital represented by issued and outstanding shares having a preference on asset distributions. Surplus is defined in Delaware Law as the excess of the net

	Whistler Shareholder Rights	Vail Stockholder Rights
Number of Directors; Vacancies on the Board of Directors	dividends or return of capital over any other series of shares of the same class. Under the BCBCA, the purchase or other acquisition by a company of its shares is generally subject to solvency tests similar to those applicable to the payment of dividends, as set out above. Whistler is permitted, under its articles, to acquire any of its shares, subject to the special rights and restrictions attached to such class or series of shares and the approval of its board of directors. Under the BCBCA, subject to solvency tests similar to those applicable to the payment of dividends (as set out above), a company may redeem, on the terms and in the manner provided in its articles, any of its shares that has a right of redemption attached to it. The Whistler Shares are not subject to a right of redemption. The BCBCA provides that a public company must have at least 3 directors. Whistler's articles provide that it will have a board of directors consisting the number of directors set by ordinary resolution of the shareholders from time to time. Directors are generally elected by shareholders by ordinary resolutions; however, Whistler's articles also provide that the directors may appoint one or more directors to hold office until the close of the next annual meeting of shareholders, but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders. Under the BCBCA, a vacancy among the directors created by the removal of a director may be filled by the shareholders at the meeting at which the director is removed or, if not filled by the shareholders at such meeting, by the shareholders or by the remaining directors. In the case of a casual vacancy under the BCBCA, the remaining directors may fill the vacancy. Under the BCBCA, if as a result of one or more vacancies, the number of directors in office falls below the number required for a quorum, the remaining directors may appoint as directors the number of individuals that, when added to the number of remaining directors, will constitute a quorum and/or call a shareholders' meeting to fill any or all vacancies among directors and to conduct such other business that may be dealt with at that meeting, but must not	assets over capital, as such capital may be adjusted by the board. A Delaware corporation may purchase or redeem shares of any class except when its capital is impaired or would be impaired by the purchase or redemption. A corporation may, however, purchase or redeem out of capital, shares that are entitled upon any distribution of its assets to a preference over another class or series of its shares if the shares are to be retired and the capital reduced. Vail Resorts has historically paid quarterly dividends. Delaware Law provides that the board of directors of a corporation shall consist of one or more members. The Vail By-laws provide that the number of directors will be determined by resolution of the board of directors. However, the number of directors that constitutes the board of directors will be no less than 5 and no more than 10. Under Delaware Law, a vacancy or a newly created directorship may be filled by a majority of the remaining directors, although less than a quorum, unless otherwise provided in the certificate of incorporation or by-laws. The Vail By-laws provide that any vacancy, or newly created directorship resulting from any increase in the authorized number of directors, may be filled by a majority of directors then in office, although less than a quorum, or by the sole remaining director or by the stockholders. A director may be removed in accordance with applicable law.

	Whistler Shareholder Rights	Vail Stockholder Rights
	take any other action until a quorum is obtained. Whistler's articles also contain "advance notice provisions" for nomination of directors. Nominations of persons for election to the board of directors may only be made by (a) the existing board members; (b) by a shareholder "proposal" or a "requisition" under the BCBCA; or (c) by any registered shareholder in compliance with particular timing and form requirements as set out in Whistler's articles. Notably, any nomination made under clause (c) of the previous sentence must generally be received by Whistler at least 30 days in advance of the date of an annual general meeting of shareholders.	
Constitution and Residency of Directors	The BCBCA does not place any residency restrictions on the boards of directors.	Delaware Law does not have any residency requirements, but a corporation can prescribe qualifications for directors under its certificate of incorporation or by-laws. Neither the Vail Certificate nor the Vail By-laws provide for any such qualifications for directors.
Removal of Directors; Terms of Directors	Whistler's articles allow for the removal of a director by ordinary resolution of the shareholders. Whistler's articles do not specify a term for which directors shall hold office. However, according to Whistler's articles, all directors cease to hold office immediately before the election or appointment of directors at every annual general meeting, but are eligible for re-election or re-appointment.	Under Delaware Law, except in the case of a corporation with a classified board of directors or with cumulative voting, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares entitled to vote at an election of directors. In the case of a corporation with a classified board of directors, stockholders may remove a director only for cause. Vail Resorts does not have a classified board of directors or cumulative voting.
Indemnification of Directors and Officers	Under the BCBCA, a company may indemnify: (i) a current or former director or officer of that company; (ii) a current or former director or officer of another corporation if, at the time such individual held such office, the corporation was an affiliate of the company, or if such individual held such office at the company's request; or (iii) an individual who, at the request of the company, held, or holds, an equivalent position in another entity (an "indemnifiable person") against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal, administrative or other legal proceeding or investigative action (whether current, threatened, pending or completed) in which he or she is involved because of that	Under Delaware Law, a corporation is generally permitted to indemnify its directors and officers against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with a third-party action, other than a derivative action, and against expenses actually and reasonably incurred in the defense or settlement of a derivative action, provided that there is a determination that the individual acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe the individual's conduct was unlawful. That determination must be made by: (i) a majority of the disinterested directors, even though less than a quorum;

Whistler Shareholder Rights

person's position as an indemnifiable person, if: (i) the individual acted honestly and in good faith with a view to the best interests of such company or the other entity, as the case may be; and (ii) in the case of a proceeding other than a civil proceeding, the individual had reasonable grounds for believing that the individual's conduct was lawful. A company cannot indemnify an indemnifiable person if it is prohibited from doing so under its memorandum or articles, even if it had agreed to do so by an indemnification agreement (provided that the memorandum or articles prohibited indemnification when the indemnification agreement was made). A company may pay, as they are incurred in advance of the final disposition of an eligible proceeding, the expenses actually and reasonably incurred by an indemnifiable person in respect of that proceeding only if the indemnifiable person has provided an undertaking that, if it is ultimately determined that the payment of expenses was prohibited, the indemnifiable person will repay any amounts advanced. Subject to the aforementioned prohibitions on indemnification, a company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by an indemnifiable person in respect of such eligible proceeding if such indemnifiable person has not been reimbursed for such expenses, and was wholly successful, on the merits or otherwise, in the outcome of such eligible proceeding or was substantially successful on the merits in the outcome of such eligible proceeding. On application from an indemnifiable person, a court may make any order the court considers appropriate in respect of an eligible proceeding, including the indemnification of penalties imposed or expenses incurred in any such proceedings and the enforcement of an indemnification agreement.

As permitted by the BCBCA, Whistler's articles require Whistler to indemnify directors or officers of Whistler, former directors or officers of Whistler or other individuals who, at Whistler's request, act or acted as directors or officers or in a similar capacity of another entity (and such individual's respective heirs and personal representatives) to the extent permitted by the BCBCA.

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(ii) a committee of disinterested directors designated by a majority vote of disinterested directors, even though less than a quorum; (iii) independent legal counsel, regardless of whether a quorum of disinterested directors exists; or (iv) a majority vote of the stockholders at a meeting at which a quorum is present. Without court approval, however, no indemnification may be made in respect of any derivative action in which an individual is adjudged liable to the corporation.

Delaware Law requires indemnification of directors and officers for expenses relating to a successful defense on the merits or otherwise of a derivative or third-party action. Under Delaware Law, a corporation may advance expenses relating to the defense of any proceeding to directors and officers contingent upon those individuals' commitment to repay any advances, unless it is determined ultimately that those individuals are not entitled to be indemnified.

The Vail Certificate and Vail By-laws require Vail Resorts, to the fullest extent permitted by the applicable law, to indemnify any current or former director, officer, employee or agent of Vail Resorts and such director's, officer's or agent's heirs, executors and administrators. Without limiting the foregoing, the Vail By-laws require indemnification against all expense, liability and loss, including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement actually and reasonably incurred by such indemnified party in connection with any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative, or investigative (including, without limitation, any action, suit, or proceeding by or in the right of Vail Resorts, to procure a judgment in its favour) to which such indemnified party was or is involved in any manner (including as a party or a witness) or is threatened to be made involved by reason of such indemnified party's current or former position with Vail Resorts or by reason of the fact that such indemnified party is or was serving, at the request of Vail Resorts, by reason of the fact that such person is or was a director, officer, or employee of Vail

	Whistler Shareholder Rights	Vail Stockholder Rights
	Because Whistler's articles require that indemnification be subject to the BCBCA, any indemnification that Whistler provides is subject to the same restrictions set out in the BCBCA which are summarized, in part, above.	Resorts or while a director, officer, or employee of Vail Resorts is or was serving at the request of Vail Resorts as a director, officer, or employee of another corporation, partnership, joint venture, trust or other entity, whether for profit or not for profit. Vail Resorts is required, from time to time, to reimburse or advance any current or former director or officer or other person entitled to indemnification the funds necessary for payment of defence expenses as incurred.
Limited Liability of Directors	Under the BCBCA, a director or officer of a company must (i) act honestly and in good faith with a view to the best interest of the company; (ii) exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances; (iii) act in accordance with the BCBCA and the regulations thereunder; and (iv) subject to (i) to (iii), act in accordance with the articles of the company. These statutory duties are in addition to duties under common law and equity. Under the BCBCA, the directors of a company who vote for or consent to a resolution that authorizes the company to (i) carry on any business or exercise any power that it is restricted by its articles from carrying on or exercising or exercise any of its powers in a manner inconsistent with such restrictions as a result of such act or exercise the company has paid compensation to any person; (ii) to pay a commission or allow as discount in violation of the BCBCA to in connection with the sale of share of the company; (iii) to pay a dividend, purchase, redeem or otherwise acquire shares in circumstances where the company is insolvent, or the payment of the dividend would render the company insolvent; or (iv) to make a payment or give an indemnity to an indemnifiable person in violation of the BCBCA, are, in each case, jointly and severally liable to restore to the company any amount paid or distributed as a result and not otherwise recovered by the company. In addition, the directors of a company who vote for or consent to a resolution that authorizes the issue of a share that is not fully paid are jointly and severally liable to compensate the company or any shareholder for any losses, damages and costs sustained as a result.	Delaware Law permits the adoption of a provision in a corporation's certificate of incorporation limiting or eliminating the monetary liability of a director to a corporation or its stockholders by reason of a director's breach of the fiduciary duty of care. Delaware Law does not permit any limitation of the liability of a director for: (i) breaching the duty of loyalty to the corporation or its stockholders; (ii) failing to act in good faith; (iii) engaging in intentional misconduct or a known violation of law; (iv) obtaining an improper personal benefit from the corporation; or (v) paying a dividend or approving a stock repurchase that was illegal under applicable law. The Vail Certificate provides that no director of Vail Resorts will be personally liable to Vail Resorts or Vail Resorts' stockholders for monetary damages for breach of a fiduciary duty as a director, except as otherwise provided by Delaware Law.

Whistler Shareholder Rights

Vail Stockholder Rights

Derivative Actions

Under the BCBCA, a director is not subject to statutory liability for the above acts if the director relied, in good faith, on (i) financial statements of the company represented to the director by an officer of the company or in a written report of the auditor of the company to fairly reflect the financial position of the company, (ii) a written report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by that person, (iii) a statement of fact represented to the director by an officer of the company to be correct, or (iv) any record, information or representation that the court considers provides reasonable grounds for the actions of the director, whether or not that record was forged, fraudulently made or inaccurate or that information or representation was fraudulently made or inaccurate. Further, a director is not liable for certain assets if the director did not know and could not reasonably have known that the act done by the director or authorized by the resolution voted for or consented to by the director was contrary to the BCBCA.

Under the BCBCA, a shareholder (including a beneficial shareholder) or director of a company and any person who, in the discretion of the court, is a proper person to make an application to court to prosecute or defend an action on behalf of a company (a derivative action) may, with judicial leave: (i) bring an action in the name and on behalf of the company to enforce an obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such an obligation or (ii) defend, in the name and on behalf of the company, a legal proceeding brought against the company.

Under the BCBCA, the court may grant leave if: (i) the complainant has made reasonable efforts to cause the directors of the company to prosecute or defend the action; (ii) notice of the application for leave has been given to the company and any other person that the court may order; (iii) the complainant is acting in good faith; and (iv) it appears to the court to be in the interests of the company for the action be brought, prosecuted or defended.

Under the BCBCA, the court upon the final disposition of a derivative action may make any order it determines to be appropriate. In

Under Delaware Law, a stockholder bringing a derivative suit must have been a stockholder at the time of the wrong complained of or the stockholder must have received stock in the corporation by operation of law from a person who was such a stockholder at the time of the wrong complained of. In addition, the stockholder must remain a stockholder throughout the litigation. There is no requirement under Delaware Law to advance the expenses of a lawsuit to a stockholder bringing a derivative suit.

	Whistler Shareholder Rights	Vail Stockholder Rights
Advance Notification Requirements for Proposals of Shareholders	addition, under the BCBCA, a court may order a company or its subsidiary to pay the complainant's interim costs, including legal fees and disbursements. However, the complainant may be held accountable for the costs on final disposition of the action. Under the BCBCA, a proposal may be made by certain registered or beneficial holders of shares entitled to be voted at an annual meeting of shareholders. To be eligible to submit such a proposal, a shareholder must be the registered or beneficial holder of, or have the support of the registered or beneficial holders of, (i) at least 1% of the total number of outstanding voting shares of the company; or (ii) voting shares whose fair market value is at least \$2,000. Such registered or beneficial holder(s) must have held such shares for an uninterrupted period of at least two years immediately prior to the date of the signing of the proposal and such shareholder shall not have, within two years before the date of the signing of the proposal, failed to present, in person or by proxy, at an annual general meeting, an earlier proposal submitted by such shareholder in response to which the company complied with its obligations under the BCBCA. A proposal under the BCBCA must include the name and address of the person submitting the proposal, the names and addresses of the person's supporters and the number of shares of the company, carrying the right to vote at annual general meetings that are owned by such person(s). If the proposal and a written statement in support of the proposal (if any) are submitted at least three months before the anniversary date the previous annual meeting and the proposal and written statement (if any) meet other specified requirements, then the company must either set out the proposal, including the names and mailing addresses of the submitting person and supporters and the written statement (if any), in the proxy circular of the company or attach the proposal and written statement thereto. If the submitter is a qualified shareholder at the time of the annual general meeting to which its proposal relates, the company must allow the submitter to present the proposal, in person or by proxy, at such meeting. If two or more proposals received by the company in relation to the same	Under the Vail By-laws, a stockholder may propose business to be considered at a stockholders meeting and nominations of persons for election to the board of directors at the annual stockholders meeting only: (a) pursuant to Vail Resorts' notice of meeting delivered in accordance with Bylaw 9 of the Vail By-laws; (b) by or at the direction of the presiding officer or the majority of the board of directors; or (c) by any Vail Resorts stockholder who complies with the notice procedures set forth in Bylaw 9 of the Vail By-laws and who is a stockholder of record of Vail Resorts at the time such notice is delivered to the secretary of Vail Resorts. For nominations or other business to be properly brought before an annual meeting of stockholders by a stockholder, the stockholder must have given timely notice in writing to the secretary of Vail Resorts, and in the case of business other than nominations, such other business must be a proper matter for stockholder action. A stockholder's notice relating to an annual meeting must be delivered to the secretary at Vail Resorts' principal executive offices not less than the close of business 90 days nor more than the close of business 120 days prior to the first anniversary of the preceding year's annual meeting; provided however, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made by Vail Resorts. Included in a stockholder's notice must be the stockholder's name and address, the class and number of shares of capital stock of Vail Resorts owned of record by such stockholder and the beneficial owner, if any, on whose behalf the nomination is made or business proposed, and a

Whistler Shareholder Rights

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annual general meeting are substantially the same, the company only needs to comply with such requirements in relation to the first proposal received and not any others. The company may also refuse to process a proposal in certain other circumstances including when the directors have called an annual general meeting to be held after the date the proposal is received and have sent a notice of that meeting, when substantially the same proposal was submitted to shareholders in a notice of meeting or an information circular relating to an annual general meeting of shareholders held within five years preceding the receipt of the request and the proposal did not obtain the prescribed level of support or a proposal that deals with matters beyond the company's power to implement.

If a company refuses to process a proposal, the company shall notify the person making such proposal in writing within 21 days after its receipt of the proposal of its decision in relation to the proposal and the reasons therefor. In any such event, the person submitting the proposal may make application to a court for a review of the company's decision and a court may restrain the holding of the annual general meeting and make any further order it considers appropriate. In addition, a company or any person claiming to be aggrieved by a proposal may apply to a court for an order permitting or requiring the company to refrain from processing the proposal and the court may make such order as it considers appropriate.

Whistler's articles also contain the "advance notice provisions" for nomination of directors described in "Number of Directors; Vacancies on the Board of Directors" above.

Whistler has not adopted a shareholder rights plan.

Under the BCBCA, directors and shareholders may, without charge, inspect certain of the records of a company. Former shareholders and directors may also inspect certain of the records, free of charge, but only those records pertaining to the times that they were shareholders or directors.

Public companies must allow all persons to inspect certain records of the company free of charge.

representation that the stockholder intends to appear in person or by proxy at the meeting. The stockholder must also set forth additional information about such stockholder and beneficial owner, including any information relating to such stockholder and beneficial owner that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to section 14 of the Securities and Exchange Act of 1934.

If the notice relates to any business other than a nomination of a director that the stockholder proposes to bring before the meeting, the stockholder must set forth a brief description of the business desired to be brought before the meeting, the text of the proposal or business, the reasons for conducting such business at the meeting, and any substantial interest in such business of such stockholder.

See Bylaw 9 of the Vail By-Laws for additional requirements for stockholder proposals and more information on the notice requirements.

Vail Resorts has not adopted a shareholder rights plan.

Under Delaware Law, any stockholder, in person or by attorney or other agent, may, upon written demand, inspect the corporation's books and records for a proper purpose.

Shareholder Rights Plans**Inspection of Books and Records**

	Whistler Shareholder Rights	Vail Stockholder Rights
Amendment of Governing Documents	Under the BCBCA, a company may amend its articles or notice of articles by (i) the type of resolution specified in the BCBCA, (ii) if the BCBCA does not specify a type of resolution, then by the type specified in the company's articles, or (iii) if the company's articles do not specify a type of resolution, then by special resolution. The BCBCA permits many substantive changes to a company's articles (such as a change in the company's authorized share structure or a change in the special rights or restrictions that may be attached to a certain class or series of shares) to be changed by the resolution specified in that company's articles. Whistler's articles provide that certain changes to the Whistler's share structure and any creation or alteration of special rights and restrictions to a series or class of shares be done by way of ordinary resolution, provided that, if a right or special right attached to a class or series of shares would be prejudiced or interfered with by such an alteration, the holders of such class or series of shares must approve the alteration by a special separate resolution of those shareholders. Whistler's articles also provide that, the shareholders may from time to time, by ordinary resolution, make any alteration to Whistler's notice of articles and articles as permitted by the BCBCA.	Under Delaware Law, a corporation's certificate of incorporation may be amended if: (i) the board of directors sets forth the proposed amendment in a resolution, declares the advisability of the amendment and directs that it be submitted to a vote at a meeting of stockholders; and (ii) the holders of a majority of shares of stock entitled to vote on the matter approve the amendment, unless the certificate of incorporation requires the vote of a greater number of shares. In addition, under Delaware Law, class voting rights exist with respect to amendments to the certificate of incorporation that adversely affect the terms of the shares of a class. Class voting rights do not exist as to other extraordinary matters, unless the certificate of incorporation provides otherwise. Under Delaware Law, the board of directors may amend a corporation's by-laws if so authorized in the certificate of incorporation. The Vail Certificate provides that the Vail By-Laws may be altered, amended or repealed by the Vail Resorts board of directors. The Vail Certificate also provides that any amendment, repeal or adoption of a provision inconsistent with Article 8 (Indemnification) shall be taken only upon the affirmative vote of holders of at least 80% of the Common Stock issued and outstanding and entitled to vote thereon. The stockholders of a Delaware corporation have the power to amend by-laws by the affirmative vote of a majority of outstanding stock entitled to vote thereon.

APPENDIX “G”
DIVISION 2 OF PART 8 OF THE BCBCA

Definitions and application

237 (1) In this Division:

“dissenter” means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

“notice shares” means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

“payout value” means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder’s shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company’s community purposes within the meaning of section 51.91;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

- (i) the name and address of the beneficial owner, and
- (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

- (i) the date on which the company forms the intention to proceed, and
- (ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

- (a) be dated not earlier than the date on which the notice is sent,
- (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
- (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
- (b) the certificates, if any, representing the notice shares, and
- (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

APPENDIX “H”
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS OF VAIL RESORTS

**UNAUDITED PRO FORMA CONDENSED
COMBINED FINANCIAL INFORMATION**

On August 8, 2016, Vail Resorts, Inc. (“Vail Resorts”) and Whistler Blackcomb Holdings, Inc. (“Whistler Blackcomb”) announced that they had entered into an Arrangement Agreement (the “Agreement”) for Vail Resorts to acquire Whistler Blackcomb for a combination of cash and Vail Resorts stock (the “Acquisition”). Whistler Blackcomb owns a 75% interest in each of Whistler Mountain Resort Limited Partnership and Blackcomb Skiing Enterprises Limited Partnership (collectively, “the Partnerships”), which together, operate the resort. The following unaudited pro forma condensed combined financial information (the “pro formas”) is based on the historical consolidated financial statements of Vail Resorts and the historical consolidated financial statements of Whistler Blackcomb, and has been prepared to reflect the Acquisition and the financing structure established to fund the Acquisition. The pro formas are presented for illustrative purposes only and do not necessarily reflect the results of operations or the financial position of Vail Resorts that actually would have resulted had the Acquisition occurred at the date indicated, nor project the results of operations or financial position of Vail Resorts for any future date or period.

The unaudited pro forma condensed combined statements of earnings (the “pro forma statements of earnings”) for the nine months ended April 30, 2016 (the “2016 pro forma statement of earnings”) and for the year ended July 31, 2015 (the “2015 pro forma statement of earnings”) assume that the Acquisition was completed on August 1, 2014. Due to differences in each reporting entities’ fiscal year end, the 2016 pro forma statement of earnings includes the nine months ended April 30, 2016 for Vail Resorts and the nine months ended June 30, 2016 for Whistler Blackcomb. The 2015 pro forma statement of earnings includes the twelve month period ended on July 31, 2015 for Vail Resorts combined with the twelve month period ended September 30, 2015 for Whistler Blackcomb. The unaudited pro forma condensed combined balance sheet (the “pro forma balance sheet”) is based on the assumption that the Acquisition occurred on the last day of the most recently published balance sheet of Vail Resorts, April 30, 2016, the acquiring entity, and includes pro forma adjustments to Whistler Blackcomb’s balance sheet as of June 30, 2016. Pro forma adjustments reflected in the pro formas are based on items that are factually supportable and directly attributable to the Acquisition. These pro formas have been prepared in accordance with Article 11 of the Securities and Exchange Commission’s Regulation S-X and, as such, prohibit the pro forma statement of earnings from including the estimated impact of non-recurring integration costs or benefits from the Acquisition including potential synergies that may be derived in future periods.

These pro formas should be read in conjunction with:

- Vail Resorts’ audited consolidated financial statements and related notes as well as “*Management’s Discussion and Analysis and Results of Operations*,” in each case contained in our Annual Report on Form 10-K as of and for the year ended July 31, 2015, Vail Resorts’ unaudited condensed consolidated financial statements and related notes as well as “*Management’s Discussion and Analysis and Results of Operations*,” in each case contained in our Quarterly Report on Form 10-Q as of and for the nine months ended April 30, 2016; and
- Whistler Blackcomb’s audited consolidated financial statements as of and for the year ended September 30, 2015, together with related notes, and Whistler Blackcomb’s unaudited condensed interim consolidated financial statements for the nine months ended June 30, 2016, together with related notes.

Whistler Blackcomb’s historical consolidated financial statements were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board, which differ in certain respects from the accounting principles generally accepted in the United States of America (“U.S. GAAP”). Adjustments were made to Whistler Blackcomb’s historical financial statements to estimate the conversion from IFRS to U.S. GAAP as well as reclassifications to conform Whistler Blackcomb’s historical presentation to Vail Resorts’ accounting presentation. Adjustments were also made to translate Whistler Blackcomb’s financial statements from Canadian dollars to U.S. dollars based on applicable historical exchange rates, which may differ from future exchange rates. These adjustments reflect Vail Resorts’ best estimates based upon the information available to date and are preliminary and subject to change once more detailed information is obtained.

The Acquisition will be accounted for as a business combination in conformity with U.S. GAAP. Accordingly, the assets acquired and liabilities assumed have been recorded based on preliminary estimates of fair value. The final determination of fair value for purposes of purchase price allocation will be based upon, in part, valuation work performed by independent valuation professionals. At this time, Vail Resorts does not have detailed information to determine preliminary estimates of fair value for purposes of determining purchase price allocation. For purposes of these unaudited combined pro forma financial statements, a preliminary

estimate of fair value was determined based on the best available information for the assets acquired and liabilities assumed in connection with the Acquisition. In certain circumstances, such as when better estimates of fair value were unavailable, these pro formas do not reflect adjustments to adjust assets acquired and liabilities assumed to an estimate of fair value. Accordingly, the excess of purchase price over the preliminary estimate of fair value of assets acquired and liabilities assumed is reflected as an indefinite-lived intangible asset, goodwill.

The pro forma adjustments are based upon the best available information and certain assumptions that Vail Resorts believes to be reasonable. Further, these adjustments could materially change as the allocation of the purchase price for Whistler Blackcomb has not been finalized. Accordingly, there can be no assurance that the final allocation of the purchase price will not differ from the preliminary allocation reflected in the pro formas.

Vail Resorts, Inc.
Unaudited Pro Forma Condensed Combined Statement of Earnings
For the nine months ended April 30, 2016

(U.S.\$ in thousands, except per share amounts)	Vail Resorts Historical	Whistler Blackcomb (US GAAP) Note 2	Pro Forma Adjustments		Total Pro Forma Combined
			Financing Note 4	Acquisition Note 3	
Net revenue:					
Mountain	\$1,206,610	\$ 206,801	\$ —	\$ —	\$1,413,411
Lodging	200,026	2,630	—	—	202,656
Real estate	14,766	—	—	—	14,766
Total net revenue	1,421,402	209,431	—	—	1,630,833
Segment operating expense:					
Mountain	729,382	120,468	—	—	849,850
Lodging	176,170	1,510	—	—	177,680
Real estate	17,043	—	—	—	17,043
Total segment operating expense	922,595	121,978	—	—	1,044,573
Other operating (expense) income:					
Depreciation and amortization	(120,713)	(24,185)	—	(11,188)	(156,086)
Gain on sale of real property	1,810	—	—	—	1,810
Loss on disposal of fixed assets and other, net	(3,149)	(1,414)	—	—	(4,563)
Income from operations	376,755	61,854	—	(11,188)	427,421
Mountain equity investment income, net	992	—	—	—	992
Investment income, net	509	—	—	—	509
Interest expense	(31,905)	(4,874)	(5,799)	302	(42,276)
Income before (provision) benefit for income taxes	346,351	56,980	(5,799)	(10,886)	386,646
(Provision) benefit for income taxes	(131,613)	(11,574)	2,218	2,123	(138,846)
Net income	214,738	45,406	(3,581)	(8,763)	247,800
Net loss (income) attributable to noncontrolling interests	289	(14,252)	—	2,722	(11,241)
Net income attributable to Vail Resorts, Inc.	<u>\$ 215,027</u>	<u>\$ 31,154</u>	<u>\$ (3,581)</u>	<u>\$ (6,041)</u>	<u>\$ 236,559</u>
Per share amounts:					
Basic net income per share attributable to Vail Resorts, Inc.	<u>\$ 5.92</u>				<u>\$ 5.90</u>
Diluted net income per share attributable to Vail Resorts, Inc.	<u>\$ 5.76</u>				<u>\$ 5.76</u>

See Notes to Unaudited Pro Forma Condensed Combined Financial Information

Vail Resorts, Inc.
Unaudited Pro Forma Condensed Combined Statement of Earnings
For the year ended July 31, 2015

	<u>Pro Forma Adjustments</u>				
(U.S.\$ in thousands, except per share amounts)	<u>Vail Resorts Historical</u>	<u>Whistler Blackcomb (US GAAP) Note 2</u>	<u>Financing Note 4</u>	<u>Acquisition Note 3</u>	<u>Total Pro Forma Combined</u>
Net revenue:					
Mountain	\$1,104,029	\$ 211,331	\$ —	\$ —	\$1,315,360
Lodging	254,553	3,020	—	—	257,573
Real estate	41,342	—	—	—	41,342
Total net revenue	1,399,924	214,351	—	—	1,614,275
Segment operating expense:					
Mountain	777,147	136,250	—	—	913,397
Lodging	232,877	1,949	—	—	234,826
Real estate	48,408	—	—	—	48,408
Total segment operating expense	1,058,432	138,199	—	—	1,196,631
Other operating (expense) income:					
Depreciation and amortization	(149,123)	(34,423)	—	(17,173)	(200,719)
Gain on sale of real property	151	—	—	—	151
Gain on litigation settlement	16,400	—	—	—	16,400
Change in fair value of Contingent Consideration	3,650	—	—	—	3,650
Loss on disposal of fixed assets and other, net	(2,057)	(1,020)	—	—	(3,077)
Income from operations	210,513	40,709	—	(17,173)	234,049
Mountain equity investment income, net	822	—	—	—	822
Investment income, net	246	—	—	—	246
Interest expense	(51,241)	(9,759)	(6,961)	429	(67,532)
Loss on extinguishment of debt	(11,012)	—	—	—	(11,012)
Income before (provision) benefit for income taxes	149,328	30,950	(6,961)	(16,744)	156,573
(Provision) benefit for income taxes	(34,718)	(6,571)	2,663	3,265	(35,361)
Net income	114,610	24,379	(4,298)	(13,479)	121,212
Net loss (income) attributable to noncontrolling interests	144	(7,748)	—	4,186	(3,418)
Net income attributable to Vail Resorts, Inc.	<u>\$ 114,754</u>	<u>\$ 16,631</u>	<u>\$ (4,298)</u>	<u>\$ (9,293)</u>	<u>\$ 117,794</u>
Per share amounts:					
Basic net income per share attributable to Vail Resorts, Inc.	<u>\$ 3.16</u>				<u>\$ 2.94</u>
Diluted net income per share attributable to Vail Resorts, Inc.	<u>\$ 3.07</u>				<u>\$ 2.86</u>

See Notes to Unaudited Pro Forma Condensed Combined Financial Information

Vail Resorts, Inc.
Unaudited Pro Forma Combined Balance Sheet
As of April 30, 2016

			Pro Forma Adjustments		
(U.S.\$ in thousands, except per share amounts)	Vail Resorts Historical	Whistler Blackcomb (US GAAP) Note 2	Financing Note 4	Acquisition Note 3	Total Pro Forma Combined
Assets					
Current assets:					
Cash and cash equivalents	\$ 68,565	\$ 6,543	\$ 513,365	\$ (513,365)	\$ 75,108
Restricted cash	5,934	—	—	—	5,934
Trade receivables, net	145,483	3,123	—	—	148,606
Inventories, net	68,882	12,048	—	—	80,930
Other current assets	57,455	2,649	—	—	60,104
Total current assets	346,319	24,363	513,365	(513,365)	370,682
Property, plant and equipment, net	1,370,374	238,858	—	142,902	1,752,134
Real estate held for sale and investment	116,874	7,152	—		124,026
Goodwill, net	509,083	110,131	—	734,722	1,353,936
Intangible assets, net	141,222	215,402	—	72,378	429,002
Other assets	37,428	2,029	1,488	(1,672)	39,273
Total assets	\$ 2,521,300	\$ 597,935	\$ 514,853	\$ 434,965	\$ 4,069,053
Liabilities and Stockholders' Equity					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 338,089	\$ 35,370	\$ —	\$ —	\$ 373,459
Income taxes payable	20,059	8,334	—	—	28,393
Long-term debt due within one year	13,349	—	—	—	13,349
Total current liabilities	371,497	43,704	—	—	415,201
Long-term debt	615,829	145,456	514,853	—	1,276,138
Other long-term liabilities	249,298	2,793	—	—	252,091
Deferred income taxes	305,134	21,344	—	41,980	368,458
Total liabilities	1,541,758	213,297	514,853	41,980	2,311,888
Commitments and contingencies					
Stockholders' equity:					
Preferred stock, \$0.01 par value, 25,000,000 shares authorized, no shares issued and outstanding	—	—	—	—	—
Common stock	416	344,075	—	(344,037)	454
Additional paid-in capital	632,148	1,499	—	541,086	1,174,733
Accumulated other comprehensive loss	(1,167)	—	—	—	(1,167)
Retained earnings	581,245	(59,662)	—	59,662	581,245
Treasury stock, at cost	(246,979)	—	—	—	(246,979)
Total entity stockholders' equity	965,663	285,912	—	256,711	1,508,286
Noncontrolling interests	13,879	98,726	—	136,274	248,879
Total stockholders' equity	979,542	384,638	—	392,985	1,757,165
Total liabilities and stockholders' equity	\$ 2,521,300	\$ 597,935	\$ 514,853	\$ 434,965	\$ 4,069,053

See Notes to Unaudited Pro Forma Condensed Combined Financial Information

Notes to Unaudited Pro Forma Condensed Combined Financial Statements

Note 1. Basis of presentation

These pro formas are based on the historical consolidated financial statements of each of Vail Resorts and Whistler Blackcomb, and have been prepared to reflect the Acquisition, including the estimated stock issuance financing structure established to fund the Acquisition. The pro formas are presented for illustrative purposes only and do not necessarily reflect the results of operations or the financial position of Vail Resorts that actually would have resulted had the Acquisition occurred on the dates indicated, nor project the results of operations or financial position of Vail Resorts for any future dates or periods. The pro forma statements of earnings were developed assuming the Acquisition closed on August 1, 2014 while the pro forma balance sheet was developed assuming the transaction closed on April 30, 2016.

Pro forma adjustments reflected in the pro forma statements of earnings are based on items that are factually supportable, which are directly attributable to the Acquisition, and which are expected to have a continuing impact on Vail Resorts' results of operations and/or financial position. Any nonrecurring items directly attributable to the Acquisition are included in the pro forma balance sheet but not in the pro forma statements of earnings. In contrast, any nonrecurring items that were already included in Vail Resorts' or Whistler Blackcomb's historical consolidated financial statements that are not directly related to the Acquisition have not been eliminated. These pro formas do not reflect the non-recurring cost of any integration activities or benefits from the Acquisition including potential synergies that may be generated in future periods.

The pro formas include adjustments to reflect the cost of the estimated financing structure established to fund the Acquisition.

Whistler Blackcomb's historical consolidated financial statements ("Whistler Blackcomb's financial statements") were prepared in accordance with IFRS, which differs in certain respects from U.S. GAAP. Adjustments were made to Whistler Blackcomb's financial statements to convert them from IFRS to U.S. GAAP and to Vail Resorts' existing accounting policies. In addition, reclassifications have been made to align Whistler Blackcomb's financial statement presentation to Vail Resorts' financial statement presentation.

The following historical exchange rates were used to translate Whistler Blackcomb's financial statements and calculate certain adjustments to the pro forma financial statements from Canadian dollars ("C\$") to U.S. dollars ("U.S.\$" or "\$"):

Average daily closing exchange rate for the nine months ended June 30, 2016:	U.S.\$0.75154/C\$
Average daily closing exchange rate for the year ended September 30, 2015:	U.S.\$0.81632/C\$
Closing exchange rate as of June 30, 2016:	U.S.\$0.77370/C\$

These exchange rates may differ from future exchange rates which would have an impact on the pro forma financial information, and would also impact the final purchase price consideration upon consummation of the Acquisition. As an example, utilizing the daily closing exchange rate at August 8, 2016 of U.S.\$0.76000/C\$ would increase the translated amounts of net earnings attributable to Vail Resorts for the nine months ended April 30, 2016 by approximately \$0.3 million and decrease the translated amounts of net earnings attributable to Vail Resorts for the year ended July 31, 2015 by approximately \$1.1 million while total assets as of April 30, 2016 would decrease by approximately \$10.6 million.

Unless indicated otherwise in the notes to the pro formas, Vail Resorts has applied the enacted statutory tax rates in U.S. or Canada, as applicable, for the respective dates and periods.

Note 2. Adjustments to Whistler Blackcomb's financial statements
Unaudited adjusted Whistler Blackcomb statement of earnings
For the nine months ended June 30, 2016

(in thousands)	Reclassifications and IFRS to U.S. GAAP Adjustments (in C\$)				
	Whistler Blackcomb IFRS (in C\$)	Segments Note 2	Other Income & Expense Note 2	Noncontrolling Interest ("NCI") Note 5	Whistler Blackcomb U.S. GAAP (in C\$)
Net revenue:					
Mountain	\$ 278,669	\$ (3,500)	\$ —	\$ —	275,169
Lodging	—	3,500	—	—	3,500
Real estate	—	—	—	—	—
Total net revenue	278,669	—	—	—	278,669
Segment operating expense:					
Mountain	133,706	26,589	—	—	160,295
Lodging	—	2,009	—	—	2,009
Real estate	—	—	—	—	—
Total segment operating expense	133,706	28,598	—	—	162,304
Other operating expense:					
Depreciation and amortization	(32,181)	—	—	—	(32,181)
Selling, general and administrative	(28,598)	28,598	—	—	—
Gain on sale of real property	—	—	—	—	—
Loss on disposal of fixed assets and other, net	—	—	(1,882)	—	(1,882)
Income from operations	84,184	—	(1,882)	—	82,302
Mountain equity investment income (loss), net	—	—	—	—	—
Investment income, net	—	—	—	—	—
Other income (expense)	(1,882)	—	1,882	—	—
Interest expense	(14,179)	—	—	7,693	(6,486)
Income before provision for income taxes	68,123	—	—	7,693	75,816
Provision for income taxes	(15,400)	—	—	—	(15,400)
Net income	52,723	—	—	7,693	60,416
Net (income) loss attributable to NCI	(11,271)	—	—	(7,693)	(18,964)
Net income	\$ 41,452	\$ —	\$ —	\$ —	\$ 41,452
					\$ 31,154

Note 2. Adjustments to Whistler Blackcomb's financial statements
Unaudited adjusted Whistler Blackcomb statement of earnings
For the fiscal year ended September 30, 2015

(in thousands)	Reclassifications and IFRS to U.S. GAAP Adjustments (in C\$)					Whistler Blackcomb U.S. GAAP (in U.S.\$)
	Whistler Blackcomb IFRS (in C\$)	Segments Note 2	Other Income & Expense Note 2	Noncontrolling Interest ("NCI") Note 5	Whistler Blackcomb U.S. GAAP (in C\$)	
Net revenue:						
Mountain	\$ 262,254	\$ (3,700)	\$ 329	\$ —	\$ 258,883	\$ 211,331
Lodging	—	3,700	—	—	3,700	3,020
Real estate	—	—	—	—	—	—
Total net revenue	262,254	—	329	—	262,583	214,351
Segment operating expense:						
Mountain	140,122	26,786	—	—	166,908	136,250
Lodging	—	2,388	—	—	2,388	1,949
Real estate	—	—	—	—	—	—
Total segment operating expense	140,122	29,174	—	—	169,296	138,199
Other operating expense:						
Depreciation and amortization	(42,168)	—	—	—	(42,168)	(34,423)
Selling, general and administrative	(29,174)	29,174	—	—	—	—
Loss on disposal of fixed assets and other, net	—	—	(1,249)	—	(1,249)	(1,020)
Income from operations	50,790	—	(920)	—	49,870	40,709
Mountain equity investment income (loss), net	—	—	—	—	—	—
Investment income, net	—	—	—	—	—	—
Other income (expense)	(920)	—	920	—	—	—
Interest expense	(20,536)	—	—	8,581	(11,955)	(9,759)
Income before provision for income taxes	29,334	—	—	8,581	37,915	30,950
Provision for income taxes	(8,049)	—	—	—	(8,049)	(6,571)
Net income	21,285	—	—	8,581	29,866	24,379
Net (income) loss attributable to NCI	(910)	—	—	(8,581)	(9,491)	(7,748)
Net income	\$ 20,375	\$ —	\$ —	\$ —	\$ 20,375	\$ 16,631

Note 2. Adjustments to Whistler Blackcomb's financial statements
Unaudited adjusted Whistler Blackcomb balance sheet
As of June 30, 2016

	Reclassifications and IFRS to U.S. GAAP Adjustments (in C\$)				
	Whistler Blackcomb IFRS (in C\$)	Software Costs Note 2	Debt Issuance Cost Note 2	NCI Note 6	Whistler Blackcomb U.S. GAAP (in C\$)
Assets					
Current assets:					
Cash and cash equivalents	\$ 8,457	\$ —	\$ —	\$ —	\$ 8,457
Trade receivables, net	4,037	—	—	—	4,037
Inventories, net	15,572	—	—	—	15,572
Other current assets	3,423	—	—	—	3,423
Total current assets	31,489	—	—	—	31,489
Property, plant and equipment, net	306,107	2,615	—	—	308,722
Real estate held for sale and investment	9,244	—	—	—	9,244
Goodwill, net	142,343	—	—	—	142,343
Intangible assets, net	281,020	(2,615)	—	—	278,405
Other assets	462	—	2,160	—	2,622
Total assets	\$ 770,665	\$ —	2,160	\$ —	\$ 772,825
Liabilities and Stockholders' Equity					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 45,716	\$ —	\$ —	\$ —	\$ 45,716
Income taxes payable	10,771	—	—	—	10,771
Total current liabilities	56,487	—	—	—	56,487
Long-term debt	258,636	—	2,160	(72,796)	188,000
Other long-term liabilities	3,610	—	—	—	3,610
Deferred income taxes	27,587	—	—	—	27,587
Total liabilities	346,320	—	2,160	(72,796)	275,684
Stockholders' equity:					
Common stock	444,714	—	—	—	444,714
Additional paid-in capital	1,938	—	—	—	1,938
Retained earnings	(77,113)	—	—	—	(77,113)
Total WBHC stockholders' equity	369,539	—	—	—	369,539
Noncontrolling interests	54,806	—	—	72,796	127,602
Total stockholders' equity	424,345	—	—	72,796	497,141
Total liabilities and stockholders' equity	\$ 770,665	\$ —	2,160	\$ —	\$ 772,825

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

Note 2. Adjustments to Whistler Blackcomb's financial statements

The financial information above illustrates the impact of estimated adjustments made to Whistler Blackcomb's financial statements prepared in accordance with IFRS, in order to present them on a basis consistent with Vail Resorts' accounting presentation and policies under U.S. GAAP. These adjustments reflect Vail Resorts' best estimates based upon the information currently available to Vail Resorts, and could be subject to change once more detailed information is obtained.

Segments

The classification of certain items presented by Whistler Blackcomb under IFRS has been modified in order to align with the presentation used by Vail Resorts under U.S. GAAP. Vail Resorts operations are grouped into three integrated and interdependent segments: Mountain, Lodging and Real Estate. Resort is the combination of the Mountain and Lodging segments. In order to present Whistler Blackcomb on a consistent basis, the following modifications to the statement of earnings presentation include:

- presentation of revenue and related expenses on a segment basis, rather than a single line item for Mountain net revenue and Mountain segment operating expenses. This adjustment includes the reclassification of Lodging related revenue and expenses to the Lodging segment; and
- presentation of costs on a segment basis, rather than a single line item for selling, general and administrative operating expenses resulting is a reclassification from selling, general and administrative to the Mountain segment operating expenses.

Other Income and Expenses

Included in other income and expenses are costs associated with the disposal of certain fixed assets, these costs have been reclassified to Loss on disposal of fixed assets and other, net. Any other income or expense not associated with a disposal has been reclassified to the Mountain operating revenue or expense classification to conform the presentation to Vail Resorts' classifications.

Software Costs

Under IFRS guidance when software is not an integral part of the related hardware, computer software is treated as an intangible asset. Under U.S. GAAP Vail Resorts presents these costs as property, plant and equipment. The classification of software costs presented by Whistler Blackcomb under IFRS has been reclassified from Intangible assets, net to Property, plant and equipment, net; to conform with the presentation used by Vail Resorts under U.S. GAAP.

Debt Issuance Costs

The classification of debt issuance costs presented by Whistler Blackcomb under IFRS has been reclassified from Long-term debt to Other assets to conform the presentation used by Vail Resorts under U.S. GAAP. In April 2015, the FASB issued ASU No. 2015-03, "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs." The new standard requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. This guidance is consistent with the presentation requirements under IFRS, however, Vail Resorts had not adopted this standard as of June 30, 2016; thus, the reclassification of the debt issuance costs to other assets is required.

Note 3. Pro forma adjustments related to the Acquisition

Preliminary purchase consideration and allocation

The Acquisition will be accounted for as a business combination in conformity with U.S. GAAP. Under this accounting, the assets acquired and liabilities assumed have been presented based on preliminary estimates of fair value. In accordance with U.S. GAAP, fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The actual fair values will be determined during the measurement period of the transaction and may vary from these estimates.

On August 5, 2016, Vail Resorts entered into the Agreement to acquire all of the outstanding common shares of Whistler Blackcomb. Whistler Blackcomb shareholders will receive consideration per share consisting of (i) C\$17.50 in cash, and (ii) 0.0998 shares of Vail Resorts common stock, subject to a currency exchange rate adjustment to be determined based on the applicable exchange

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

rate as of the sixth business day prior to the closing date. The estimated total consideration to be paid to Whistler Blackcomb shareholders is approximately C\$1.39 billion (\$1.06 billion) as of August 5, 2016, based on the closing currency exchange rate and Vail Resorts common stock price as of that day. Vail Resorts currently intends to finance the cash portion of the consideration for the Acquisition, estimated to be approximately C\$676 million (\$513 million), under a new \$360.0 million term loan ("Term Loan") (for which it has received commitments from its lenders) and additional borrowings from remaining available capacity under its existing \$400 million revolving credit facility. The stock component is determined by a baseline share exchange ratio of 0.0998 shares of Vail Resorts common stock and is adjusted for currency exchange rate changes if the Canadian dollar is above or below \$0.7765/C\$ six business days before the closing of the transaction. As of August 5, 2016, the share exchange ratio is 0.0975 shares of Vail Resorts common stock. Whistler Blackcomb shareholders that are Canadian residents for tax purposes will be able to elect to receive, instead of Vail Resorts shares, shares in a Canadian subsidiary of Vail Resorts instead of the Vail Resorts shares to which they would otherwise be entitled. Each whole exchangeable share will be exchangeable into one Vail Resorts share. Completion of the transaction is subject to certain closing conditions, including approval by Whistler Blackcomb's shareholders and the British Columbia Supreme Court and regulatory approvals, as well as other customary closing conditions.

The estimated purchase consideration, estimated fair values of assets acquired, liabilities assumed and goodwill are as follows:

(in thousands, except exchange ratio and share price amounts)

Whistler Blackcomb estimated share purchase at June 30, 2016 ^(a)	38,657
Exchange ratio as of August 5, 2016	0.0975
Total Vail Resorts shares estimated to be issued to Whistler Blackcomb shareholders	3,769
Vail Resorts share price on August 5, 2016	\$ 143.97
Total value of Vail Resorts shares estimated to be issued ^(b)	\$ 542,623
Total cash consideration paid at C\$17.50 (\$13.28 on August 5, 2016) per Whistler Blackcomb share	513,365
Total estimated purchase consideration to Whistler Blackcomb shareholders	\$ 1,055,988
Estimated fair value of Nippon Cable's 25% interest in Whistler Blackcomb	235,000
Total estimated purchase consideration	\$ 1,290,988

Allocation of Total estimated purchase consideration:

Estimated fair values of assets acquired:

Current assets	\$ 24,363
Property, plant and equipment	381,760
Real estate held for sale and investment	7,152
Goodwill	844,853
Intangibles, net	287,780
Other assets	357
Current Liabilities	(43,704)
Assumed long-term debt	(145,456)
Deferred income taxes	(63,324)
Other long-term liabilities	(2,793)
Net assets acquired	\$ 1,290,988

(a) Represents 38,152 Whistler Blackcomb common shares outstanding as of June 30, 2016, plus an estimated 505 common shares for the exercise of all outstanding Whistler Blackcomb options, restricted share units and performance awards of Whistler Blackcomb employees issued under the Whistler Omnibus Incentive Plan which immediately vest under the Acquisition.

(b) The stock portion of the purchase consideration was estimated using a price of \$143.97 for each share of Vail Resorts common stock based on Vail Resorts closing share price on August 5, 2016. Under the terms of the Acquisition, Whistler Blackcomb's shareholders will receive C\$17.50 in cash and 0.0975 of shares of Vail Resorts' common stock in exchange for each share of Whistler Blackcomb's stock. The actual purchase consideration will be determined upon consummation of the Acquisition as contemplated in the agreement. A hypothetical \$12 change in the price of Vail Resorts' common stock, all other factors remaining constant, would result in a corresponding increase or decrease in the total purchase consideration of \$45.2 million, with a corresponding increase or decrease to the goodwill recognized.

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

The fair values of identified intangible assets were determined using significant estimates and assumptions. As such, a detailed analysis has not been completed and actual results may differ from these estimates. The fair value and estimated useful lives of identifiable intangible assets are estimated as follows:

	Fair Value (\$ in thousands)	Estimated Useful Life (in years)	Nine Months Ended April 30, 2016 (\$ in thousands)	Year Ended July 31, 2015 (\$ in thousands)
Customer Relationships ^(a)	\$ 36,170	5	\$ (6,171)	\$ (12,660)
Trademarks ^(b)	116,442	—	—	—
Mountain Operating Rights	128,506	16	(6,024)	(8,032)
Other Intangibles	6,662	5	(999)	(1,332)
Total acquired identifiable intangible assets	287,780		\$ (13,194)	\$ (22,024)
Less: Whistler Blackcomb's historical net book value	215,402			
Adjustment to intangible assets, net	\$ 72,378			

(a) Customer relationships are estimated to be amortized at a rate of 35% per year

(b) These marks are classified as indefinite lived intangible assets

The fair values of property, plant and equipment were determined using significant estimates and assumptions. As such, a detailed analysis has not been completed and actual results may differ from these estimates. The fair value and useful lives of property, plant and equipment are estimated as follow:

	Fair Value (\$ in thousands)	Estimated Useful Life (in years)	Annual Depreciation (\$ in thousands)
Land	\$ 15,729	—	\$ —
Land improvements	123,173	20	(6,159)
Buildings and building improvements	117,216	16	(7,326)
Machinery and equipment	117,864	8	(14,733)
Software	4,062	3	(1,354)
Construction-in-progress	3,716	—	—
Total acquired property, plant and equipment	381,760		\$ (29,572)
Less: Whistler Blackcomb's historical net book value	238,858		
Adjustment to property, plant and equipment, net	\$ 142,902		

For Vail Resorts the Acquisition is deemed a nontaxable transaction and as such, the historical tax basis of the acquired assets and assumed liabilities, and other tax attributes of Whistler Blackcomb carryover to Vail Resorts. The Canadian statutory tax rate is 26% and this tax rate has been reduced 25% due to the noncontrolling interest held at the Partnerships that is nontaxable at the consolidated level. As a result, based on the adjustments to fair values of identifiable intangible assets and property, plant and equipment, the following adjustment to the deferred tax liability estimated using the rate of 19.5% have been made to the pro forma balance sheet:

(\$ in thousands)	Pre-tax Adjustment	Tax Rate	Tax Provision Adjustment
Adjustment to intangible assets, net	\$ 72,378	19.5%	\$ 14,114
Adjustment to property, plant and equipment, net	142,902	19.5%	27,866
Total adjustments	\$ 215,280		\$ 41,980

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

Based on the estimated fair values of identifiable, amortizable intangible assets and property, plant and equipment, the following adjustment to depreciation and amortization has been included in the 2016 and 2015 pro forma statements of earnings:

(\$ in thousands)	Nine Months Ended April 30, 2016	Year Ended July 31, 2015
Amortization of identifiable definite lived intangible assets	\$ (13,194)	\$ (22,024)
Depreciation of property, plant and equipment	(22,179)	(29,572)
Total calculated depreciation and amortization	(35,373)	(51,596)
Less: Whistler Blackcomb's historical depreciation and amortization	(24,185)	(34,423)
Pro forma adjustment to depreciation and amortization	<u>\$ (11,188)</u>	<u>\$ (17,173)</u>

The adjustment to depreciation and amortization that has been included in the 2016 and 2015 pro forma statements of earnings will result in a reduction in income tax expense. The Canadian statutory tax rate is 26% and this tax rate has been reduced 25% due to the noncontrolling interest held at the Partnerships that is nontaxable at the consolidated level.

The estimated impact to the provision for income taxes for the nine months ended April 30, 2016 is summarized as follows:

(\$ in thousands)	Pre-tax Adjustment	Tax Rate	Tax Provision Adjustment
Depreciation and amortization	<u>\$ (11,188)</u>	19.5%	<u>\$ 2,182</u>

The estimated impact to the provision for income taxes for the twelve months ended July 31, 2015 is summarized as follows:

(\$ in thousands)	Pre-tax Adjustment	Tax Rate	Tax Provision Adjustment
Depreciation and amortization	<u>\$ (17,173)</u>	19.5%	<u>\$ 3,349</u>

Under U.S. GAAP, Whistler Blackcomb's deferred financing asset would be written off to approximate the fair value of the assumed debt. The deferred financing asset is included in other assets and the adjusted value of Whistler Blackcomb's other assets is estimated as follows:

	June 30, 2016 (in thousands)
Original Debt issuance costs	C\$ 2,160
Exchange Rate at June 30, 2016	0.7737
Original Debt issuance costs adjustment	\$ (1,672)
Current balance of Whistler Blackcomb other assets	2,029
Whistler Blackcomb other assets, as adjusted	<u>\$ 357</u>

Based on the estimated fair values of debt and the write off of the original debt issuance costs, the previously recognized interest expense related to these costs will be adjusted. These adjustments are included in the 2016 and 2015 pro forma statements of earnings as follows:

(\$ in thousands)	Nine Months Ended April 30, 2016	Year Ended July 31, 2015
Amortization of original debt issuance costs	\$ 302	\$ 429
Canadian taxes at 19.5%	59	84
Amortization attributable to noncontrolling interest (25%)	76	107

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

Adjustments to stockholders' equity

The estimated adjustments to total stockholders' equity are summarized as follows:

(\$ in thousands)	Acquisition			
	Eliminate Whistler Blackcomb's Equity	Issuance of Common Stock	Noncontrolling Interest at Fair Value	Total Acquisition Adjustments to Equity
Common stock	\$ (344,075)	\$ 38	\$ —	\$ (344,037)
Additional paid-in capital	(1,499)	542,585	—	541,086
Retained earnings	59,662	—	—	59,662
Total entity stockholders' equity	(285,912)	542,623	—	256,711
Noncontrolling interests	(98,726)	—	235,000	136,274
Total stockholders' equity	\$ (384,638)	\$ 542,623	\$ 235,000	\$ 392,985

Note 4. Pro forma adjustments related to financing

Sources of Funding

On August 5, 2016, Vail Resorts entered into the Agreement to acquire all of the outstanding common shares of Whistler Blackcomb. Whistler Blackcomb shareholders will receive consideration per share consisting of (i) C\$17.50 in cash, and (ii) 0.0998 shares of Vail Resorts common stock, subject to a currency exchange rate adjustment to be determined based on the applicable exchange rate as of the sixth business day prior to the closing date. The estimated total consideration to be paid to Whistler Blackcomb shareholders is approximately C\$1.39 billion as of August 5, 2016, based on the closing currency exchange rate and Vail Resorts common stock price as of that day. Vail Resorts currently intends to finance the cash portion of the consideration for the Acquisition, estimated to be approximately C\$676 million (\$513 million), under a new \$360 million Term Loan (for which it has received commitments from its lenders) and additional borrowings from remaining available capacity under its existing \$400 million revolving credit facility ("Revolver"). At April 30, 2016, Vail Resorts had no borrowings under its Revolver and \$327.4 million of available capacity (which represents the total commitment of \$400 million less certain letters of credit outstanding of \$72.6 million). Vail Resorts does not expect to incur any further issue discounts or financing costs other than the \$1.5 million commitment fee paid at the time of acquiring the commitment from the respective banks. Amortization of these financing costs is estimated at five years. Interest rates for the purposes of the pro formas are based on historical rates paid for the borrowings on Vail Resorts' existing credit agreement at a rate of LIBOR plus 1.125%.

In addition, these Partnerships had debt outstanding as of June 30, 2016 of C\$185.8 million (\$143.8 million), under their existing C\$300 million revolving credit facility which will be assumed or refinanced as part of the transaction. Whistler Blackcomb is a guarantor under the credit facility. The credit facility contains a change in control provision pursuant to which the lenders can elect to require repayment of the outstanding balance upon closing. Vail Resorts intends to obtain a waiver of the change in control provision in order to maintain the existing facility or to refinance the credit facility if a waiver cannot be obtained.

The financing adjustments reflected in the pro forma balance sheet are summarized as follows:

(\$ in thousands)	Amount
Term Loan proceeds	\$ 360,000
Revolver draw	154,853
Total sources of funding	514,853
Less: Financing costs on new Term Loan	1,488
Total sources of funding, net	\$ 513,365

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

Interest Expense

Interest expense in the 2016 pro forma statement of earnings has been adjusted as follows based on the expected sources of funding described above and amortization of the financing costs on the new term loan over a five year period. The 2016 pro forma statement of earnings presents a nine month period:

(\$ in thousands)	Principal	Interest Rate	Interest Expense
Term Loan	\$ 360,000	1.4442%	\$ (3,899)
Revolver	154,853	1.4442%	(1,677)
Financing cost and issue discount amortization - Term Loan			(223)
Total interest expense			<u>\$ (5,799)</u>

Interest expense in the 2015 pro forma statement of earnings has been adjusted as follows based on the expected sources of funding described above and amortization of the financing costs on the new term loan over a five year period. The 2015 pro forma statement of earnings presents a twelve month period:

(\$ in thousands)	Principal	Interest Rate	Interest Expense
Term Loan	\$ 360,000	1.2943%	\$ (4,659)
Revolver	154,853	1.2943%	(2,004)
Financing cost and issue discount amortization - Term Loan			(298)
Total interest expense			<u>\$ (6,961)</u>

Estimated Impact to the Tax Provision

The estimated impact to the provision for income taxes the nine months ended April 30, 2016 is summarized as follows:

(\$ in thousands)	Pre-tax Adjustment	Tax Rate	Tax Provision Adjustment
Interest expense	<u>\$ (5,799)</u>	38.25%	<u>\$ 2,218</u>

The estimated impact to the provision for income taxes for the twelve months ended July 31, 2015 is summarized as follows:

(\$ in thousands)	Pre-tax Adjustment	Tax Rate	Tax Provision Adjustment
Interest expense	<u>\$ (6,961)</u>	38.25%	<u>\$ 2,663</u>

Note 5. Pro forma adjustments related to the Noncontrolling Interests

Nippon Cable maintains a 25% limited partnership interest in each of the Partnerships. For more information on Nippon Cable's interest, refer to Whistler Blackcomb's historical consolidated financial statements. Under the Partnership agreements, the limited partner is entitled to a minimum annual distribution equal to 9% per annum of the capital contributions to the Partnerships in respect of the Nippon Cable units from time to time during the immediately preceding fiscal year of the Partnerships, plus the estimated amount of the limited partner's income taxes payable on its share of the Partnerships' taxable income for the current fiscal year.

Notes to Unaudited Pro Forma Condensed Combined Financial Statements (continued)

Under IFRS, Nippon Cable's interest in the Partnerships is reflected as a bifurcated instrument, a portion of which is classified as debt and a portion of which is classified as a noncontrolling interest ("NCI") in stockholders' equity. Under U.S. GAAP, this interest is reflected entirely as a NCI and, as such, the amounts historically reflected as finance expense limited partner's interest have been reclassified to Net (income) loss attributable to NCI. In addition, the limited partner's liability has been reclassified to NCI. The finance expense is not tax deductible and Whistler Blackcomb did not receive any historic tax benefit for this finance expense. Due to the nondeductible nature of the finance expense the reclassification has not been tax adjusted.

Estimated Fair Value of the Limited Partner's Interest

Nippon Cable's limited partnership interest is a noncontrolling economic interest containing certain protective rights and no ability to participate in the day to day operations of the Partnerships. In addition, based upon the terms of the Partnership agreements, the minimum annual distribution rights are non-transferable and transfer of the limited partnership interest is limited to Nippon Cable's entire interest. Accordingly, the estimate of fair value associated with the noncontrolling interest has been determined based on expected underlying cash flows of the Partnerships discounted at a rate commensurate with a market participants expected rate of return for an equity instrument with these associated restrictions. The estimate of fair value is a preliminary estimate and subject to change.

APPENDIX “I”

GLOSSARY OF DEFINED TERMS

“Acquisition Proposal” means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only Whistler and/or one or more of its wholly-owned Subsidiaries, any offer, proposal or inquiry from any Person or group of Persons (other than Vail Resorts, any affiliate of Vail Resorts, or any Person acting in concert with Vail Resorts or any affiliate of Vail Resorts), whether or not in writing and whether or not delivered to Whistler Shareholders, relating to: (a) any acquisition or purchase, direct or indirect, through one or more transactions, of (i) the assets of Whistler and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Whistler and its Subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Whistler and its Subsidiaries, taken as a whole, or (ii) 20% or more of any voting or equity securities of Whistler or 20% or more of any voting or equity securities of any one or more of any of Whistler’s Subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of Whistler and its Subsidiaries, taken as a whole; (b) any take-over bid, tender offer, exchange offer or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of Whistler; (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, share reclassification, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or other similar transaction or series of transactions involving Whistler or any of its Subsidiaries whose assets or revenues, individually or in the aggregate, constitute 20% or more of the consolidated assets or revenues, as applicable, of Whistler and its Subsidiaries, taken as a whole (in each case, determined based upon the most recently publicly available consolidated financial statements of Whistler).

“Advance Ruling Certificate” means an advance ruling certificate issued by the Commissioner pursuant to Section 102 of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement.

“affiliate” has the meaning ascribed thereto in NI 45-106.

“Arrangement” means the arrangement of Whistler under Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order.

“Arrangement Agreement” means the arrangement agreement dated August 5, 2016 by and among Whistler, Vail Resorts and Exchangeco, including all schedules annexed thereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Arrangement Resolution” means the special resolution of Whistler Shareholders approving the Arrangement which is to be considered at the Shareholder Meeting substantially in the form of Appendix B hereto.

“Authorization” means, with respect to any Person, any authorization, order, permit, approval, grant, licence, registration, consent, right, notification, condition, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decision, decree, by-law, rule or regulation, of, from or required by any Governmental Entity having jurisdiction over the Person.

“BCBCA” means the *Business Corporations Act* (British Columbia).

“Beneficiaries” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Voting and Exchange Trust Agreement”.

“Business Day” means any day, other than a Saturday, a Sunday or a statutory or civic holiday in the Province of British Columbia or in the State of New York.

“Callco” means a direct or indirect wholly-owned Subsidiary of Vail Resorts to be incorporated under the laws of the Province of British Columbia prior to the Effective Time.

“Call Rights” means, collectively, the rights of Vail Resorts and Callco to purchase Exchangeable Shares pursuant to the Liquidation Call Right, the Retraction Call Right, the Redemption Call Right and the Change of Law Call Right.

“Canadian Dollar Equivalent” means, at any date, in respect of any amount expressed in a currency other than Canadian dollars as of such date, the product obtained by multiplying (i) the foreign currency amount by (ii) the noon spot exchange rate on such date for such foreign currency expressed in Canadian dollars as posted by the Bank of Canada or, in the event such spot exchange rate is not available, such spot exchange rate on such date for such foreign currency expressed in Canadian dollars as may be deemed by the Board of Directors to be appropriate for such purpose.

“Canadian Securities Laws” means the Securities Act, together with all other applicable securities Laws, rules and regulations and published policies thereunder or under the securities laws of any other province or territory of Canada.

“Change of Law” has the meaning set out in the Plan of Arrangement.

“Change of Law Call Date” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Change of Law Call Right”.

“Change of Law Call Purchase Price” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Change of Law Call Right”.

“Change of Law Call Right” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Change of Law Call Right”.

“Circular” means this Management Information Circular of Whistler dated August 31, 2016.

“Code” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations”.

“Combined Company” means Vail Resorts after completion of the Arrangement.

“Commissioner” means the Commissioner of Competition appointed under subsection 7(1) of the Competition Act and includes any Person designated by the Commissioner to act on his behalf.

“Competition Act” means the *Competition Act* (Canada).

“Competition Act Approval” means that the Commissioner: (a) shall have issued an Advance Ruling Certificate; or (b) the applicable waiting period under Section 123 of the Competition Act shall have expired or been terminated by the Commissioner, or the obligation to submit a notification shall have been waived under paragraph 113(c) of the Competition Act, and the Commissioner shall have issued a No-Action Letter.

“Confidentiality Agreement” means the amended and restated limitation on disclosure and use and exclusivity agreement between Vail Resorts and Whistler dated July 8, 2016.

“Consideration” means, (i) in the case of a Whistler Shareholder who is an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline in accordance with the Plan of Arrangement, for each Whistler Share, such fraction of an Exchangeable Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash, and (ii) in the case of each other Whistler Shareholder, for each Whistler Share, such fraction of a Vail Share as is equal to the product, rounded to six decimal places, of 0.0998 multiplied by the Exchange Rate Adjustment, and \$17.50 in cash.

“Counterparty 1” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Court” means the Supreme Court of British Columbia.

“Current Market Price” has the meaning set out in the Exchangeable Share Provisions.

“Delaware Law” has the meaning ascribed thereto under “Information Relating to Vail Resorts – Description of Vail Shares”.

“Depository” means Computershare Trust Company of Canada or successor depository for the Whistler Shares in relation to the Arrangement.

“Development Agreement Negotiations” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Development Agreements” means, collectively, (a) the development agreement dated September 30, 1982, as amended from time to time, among Whistler Mountain Resort Limited Partnership, Whistler and the Province of British Columbia in respect of Whistler Mountain; and (b) the development agreement dated May 1, 1979, as amended from time to time, among Blackcomb Skiing Enterprises Limited Partnership, Whistler and the Province of British Columbia in respect of Blackcomb Mountain.

“Dissent Rights” means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

“Dissent Shares” means Whistler Shares held by a Dissenting Holder and in respect of which the Dissenting Holder has validly exercised Dissent Rights.

“Dissenting Holder” means a registered Whistler Shareholder who has duly exercised a Dissent Right and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of Whistler Shares in respect of which Dissent Rights are validly exercised by such Whistler Shareholder.

“D&O Support and Voting Agreements” has the meaning ascribed to that term under “The Arrangement – Support and Voting Agreements – Directors and Certain Senior Officers of Whistler”.

“Effective Date” means the date upon which the Arrangement becomes effective, as set out in Section 2.10 of the Arrangement Agreement.

“Effective Time” means the time on the Effective Date that the Arrangement becomes effective, as set out in the Plan of Arrangement.

“Election Deadline” has the meaning ascribed thereto in the Plan of Arrangement.

“Eligible Holder” means a Whistler Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act; or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

“Epic Pass Program” means Vail Resorts’ season pass products providing access to Vail, Beaver Creek, Breckenridge, Keystone, Park City, Heavenly, Northstar, Kirkwood, Wilmot, Afton Alps, Mt. Brighton, Perisher (2017 access) and Arapahoe Basin resorts.

“Exchange Rate” means the CAD/USD noon exchange rate posted by the Bank of Canada (or if the Bank of Canada does not on the applicable date publish a CAD/USD noon exchange rate, the CAD/USD daily average rate posted by the Bank of Canada) three Business Days prior to the Election Deadline.

“Exchange Rate Adjustment” has the meaning ascribed thereto in the Plan of Arrangement.

“Exchange Right” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Exchangeco Insolvency Event – Exchange Right”.

“Exchangeable Share Consideration” means, with respect to each Exchangeable Share, for any acquisition of, redemption of or distribution of assets of Exchangeco in respect of such Exchangeable Share, or purchase of such Exchangeable Share pursuant to the Exchangeable Share Provisions, the Plan of Arrangement, the Exchangeable Share Support Agreement or the Voting and Exchange Trust Agreement:

- (a) the Current Market Price of one Vail Share deliverable in connection with such action; plus

- (b) a cheque or cheques payable at par at any branch of the bankers of the payor in the amount of all declared, payable and unpaid, and all undeclared but payable, cash dividends deliverable in connection with such action; plus
- (c) such stock or other property constituting any declared, payable and unpaid non-cash dividends deliverable in connection with such action;

provided that: (i) the part of the consideration which represents (a) above shall be fully paid and satisfied by the delivery of one Vail Share, such share to be duly issued, fully paid and non-assessable; (ii) the part of the consideration which represents (c) above shall be fully paid and satisfied by delivery of such non-cash items; (iii) in each case, any such consideration shall be delivered free and clear of any lien, claim, encumbrance, security interest or adverse claim or interest; and (iv) in each case, any such consideration shall be paid without interest and less any tax required to be deducted and withheld therefrom.

“Exchangeable Share Price” means, at any time, for each Exchangeable Share, an amount equal to the aggregate of:

- (a) the Current Market Price of one Vail Share at such time;
- (b) the full amount of all cash dividends declared, payable and unpaid, at such time, on such Exchangeable Share;
- (c) the full amount of all non-cash dividends declared, payable and unpaid, at such time, on such Exchangeable Share; and
- (d) the full amount of all dividends declared and payable or paid in respect of each Vail Share which have not, at such time, been declared or paid on such Exchangeable Share in accordance herewith;

“Exchangeable Share Provisions” means the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, which rights, privileges, restrictions and conditions will be in substantially the form set out in Annex A to the Plan of Arrangement.

“Exchangeable Share Support Agreement” means an agreement to be made between Vail Resorts, Exchangeco and Callco substantially in the form of Schedule C to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Exchangeable Share Voting Event” means any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of Exchangeco, other than an Exempt Exchangeable Share Voting Event, and, for greater certainty, excluding any matter in respect of which holders of Exchangeable Shares are entitled to vote (or instruct the Voting and Exchange Trustee to vote) in their capacity as Beneficiaries.

“Exchangeable Shares” means the redeemable preferred shares in the capital of Exchangeco, having the rights, privileges, restrictions and conditions set out in the Plan of Arrangement.

“Exchangeco” means 1068877 B.C. Ltd, a company incorporated under the BCBCA.

“Exchangeco Insolvency Event” means (i) the institution by Exchangeco of any proceeding to be adjudicated a bankrupt or insolvent or to be dissolved or wound up, or the consent of Exchangeco to the institution of bankruptcy, insolvency, dissolution or winding-up proceedings against it, (ii) the filing by Exchangeco of a petition, answer or consent seeking dissolution or winding-up under any bankruptcy, insolvency or analogous laws, including the *Companies Creditors’ Arrangement Act* (Canada) and the *Bankruptcy and Insolvency Act* (Canada), or the failure by Exchangeco to contest in good faith any such proceedings commenced in respect of Exchangeco within 30 days of becoming aware thereof, or the consent by Exchangeco to the filing of any such petition or to the appointment of a receiver, (iii) the making by Exchangeco of a general assignment for the benefit of creditors, or the admission in writing by Exchangeco of its inability to pay its debts generally as they become due, or (iv) Exchangeco not being permitted, pursuant to solvency requirements of applicable law, to redeem any Exchangeable Shares pursuant to section 6(a)(iii) of the Exchangeable Share Provisions specified in a Retraction Request delivered to Exchangeco in accordance with section 6 of the Exchangeable Share Provisions.

“Exempt Exchangeable Share Voting Event” means any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of Exchangeco to approve or disapprove, as applicable, any change to, or in the

rights of the holders of, the Exchangeable Shares, where the approval or disapproval, as applicable, of such change is required to maintain the economic equivalence of the Exchangeable Shares and the Vail Shares.

“Fair Market Value” means the closing price of the Whistler Shares on the TSX on the second trading day immediately preceding the Effective Date.

“Farris” means Farris, Vaughan, Wills & Murphy LLP.

“Final Order” means the final order of the Court pursuant to Section 291 of the BCBCA approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal.

“Final Proscription Date” has the meaning ascribed to that term under “Description of the Plan of Arrangement – Cancellation of Rights after Six Years”.

“Financing” has the meaning ascribed to that term under “The Arrangement Agreement – Covenants – Financing Assistance”.

“First Expression of Interest” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“First Nations” means any first nations and/or indigenous and/or aboriginal person(s), tribe(s), band(s) and/or group(s) of Canada.

“First Proposal” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Governmental Entity” means: (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, ministry, bureau or agency, domestic or foreign; (b) any stock exchange, including the TSX and NYSE; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, antitrust, foreign investment, expropriation or taxing authority under or for the account of any of the foregoing.

“Greenhill” means Greenhill & Co. Canada Ltd.

“Greenhill & Co.” means Greenhill & Co., Inc.

“Greenhill Fairness Opinion” has the meaning ascribed to that term under “The Arrangement – Greenhill Fairness Opinion”. A copy of the Greenhill Fairness Opinion is attached as Appendix E to this Circular.

“Holder Securities” has the meaning ascribed to that term under “The Arrangement – Support and Voting Agreements – Directors and Certain Senior Officers of Whistler”.

“IFRS” means generally accepted accounting principles in Canada from time to time including, for the avoidance of doubt, the standards prescribed in Part I of the CPA Canada Handbook – Accounting (International Financial Reporting Standards) as the same may be amended, supplemented or replaced from time to time.

“including” means including without limitation, and “include” and “includes” have a corresponding meaning.

“Interim Order” means the interim order of the Court contemplated by Section 2.4 of the Arrangement Agreement and made pursuant to the BCBCA, providing for, among other things, the calling and holding of the Shareholder Meeting, as the same may be amended, modified, supplemented or varied by the Court.

“Intermediary” means a broker, investment dealer or other intermediary through which a Whistler Shareholder holds its Whistler Shares.

“Investment Canada Act” means the *Investment Canada Act* (Canada).

“Investment Canada Act Approval” means approval or deemed approval pursuant to the Investment Canada Act by the responsible Minister or Ministers under the Investment Canada Act, or any Person delegated to act on behalf of the responsible Minister or Ministers.

“KSL” means KSL Capital Partners, LLC.

“KSL Shares” has the meaning ascribed to that term under “The Arrangement – Support and Voting Agreements – KSL Shareholders”.

“KSL Shareholders” means Monroe CA BC (Alternative), LP, Monroe CA BC Investment, SARL and Monroe CA BC Investment II, SARL.

“KSL Support and Voting Agreement” has the meaning ascribed to that term under “The Arrangement – Support and Voting Agreements – KSL Shareholders”.

“Law” or **“Laws”** means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees or other legally binding requirements, whether domestic or foreign, and the terms and conditions of any Authorization of or from any Governmental Entity, and, for greater certainty, includes Canadian Securities Laws and U.S. Securities Laws.

“Liens” means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

“Liquidation Amount” has the meaning ascribed thereto under “Description of the Exchangeable Shares and Related Agreements – Distribution on Liquidation and Associated Call Right”.

“Liquidation Call Purchase Price” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Distribution on Liquidation and Associated Call Right”.

“Liquidation Call Right” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Distribution on Liquidation and Associated Call Right”.

“Liquidation Date” means the effective date of the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs.

“material fact” and **“material change”** have the meanings ascribed thereto in the Securities Act.

“misrepresentation” has the meaning ascribed thereto in the Securities Act.

“Negotiating Team” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“NI 45-106” means National Instrument 45-106 Prospectus Exemptions.

“NI 51-102” means National Instrument 51-102 – Continuous Disclosure Obligations.

“NI 71-102” means National Instrument 71-102 Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.

“No-Action Letter” shall mean a letter or other notification in writing from the Commissioner to Vail Resorts or Whistler, or any of their affiliates as the case may be, that the Commissioner does not, at that time, intend to make an application under Section 92 of the Competition Act in respect of any of the transactions contemplated by the

Arrangement Agreement, such letter or other written notification having not been modified or withdrawn prior to the Effective Time.

“NOBOs” has the meaning ascribed thereto under “General Information About the Meeting and Voting – Beneficial Whistler Shareholders”.

“Notice of Meeting” means the Notice of Special Meeting of Whistler Shareholders which is attached to this Circular.

“NYSE” means The New York Stock Exchange.

“OBOs” has the meaning ascribed thereto under “General Information About the Meeting and Voting – Beneficial Whistler Shareholders”.

“Order” means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, or decrees of any Governmental Entity (in each case, whether temporary, preliminary or permanent).

“Osler” means Osler, Hoskin & Harcourt LLP.

“Outside Date” means April 5, 2017.

“Person” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

“Plan of Arrangement” means the plan of arrangement of Whistler, substantially in the form of Appendix A hereto, and any amendments or variations thereto made in accordance with the Arrangement Agreement and the Plan of Arrangement or upon the direction of the Court in the Final Order.

“Proceeding” means any suit, claim, action, charge, complaint, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination or investigation commenced, brought, conducted or heard by or before, any court or other Governmental Entity.

“Proposed Agreement” has the meaning ascribed to that term under “The Arrangement Agreement – Covenants – Whistler Non-Solicitation”.

“Record Date” means August 29, 2016.

“Redemption Call Purchase Price” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Redemption of Exchangeable Shares and Associated Call Right”.

“Redemption Call Right” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Redemption of Exchangeable Shares and Associated Call Right”.

“Redemption Date” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Redemption of Exchangeable Shares and Associated Call Right”.

“Redemption Price” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Redemption of Exchangeable Shares and Associated Call Right”.

“Regulatory Approvals” means Competition Act Approval and Investment Canada Act Approval.

“Representatives” has the meaning ascribed to that term under “The Arrangement Agreement – Covenants – Whistler Non-Solicitation”.

“Response Period” has the meaning ascribed to that term under “The Arrangement Agreement – Covenants – Whistler Non-Solicitation”.

“Response to Petition” has the meaning ascribed to that term under the heading “The Arrangement Agreement – Court Approval”.

“Retracted Shares” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Retraction of Exchangeable Shares and Associated Call Right”.

“Retraction Call Right” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Retraction of Exchangeable Shares and Associated Call Right”.

“Retraction Call Right Purchase Price” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Retraction of Exchangeable Shares and Associated Call Right”.

“Retraction Date” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Retraction of Exchangeable Shares and Associated Call Right”.

“Retraction Price” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Retraction of Exchangeable Shares and Associated Call Right”.

“Retraction Request” means, in respect of Exchangeable Shares, a duly executed request in the form of Appendix I to the Exchangeable Share Provisions that Exchangeco redeem such Exchangeable Shares.

“SEC” means the United States Securities and Exchange Commission.

“Second Expression of Interest” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Second Proposal” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Securities Act” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder.

“Shareholder Meeting” means the special meeting of Whistler Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

“Special Committee” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Special Voting Share” means the special voting share in the capital of Vail Resorts having substantially the rights, privileges, restrictions and conditions described in the Voting and Exchange Trust Agreement.

“Stikeman” means Stikeman Elliott LLP.

“Subsidiary” has the meaning ascribed thereto in NI 45-106, in force as of the date of the Arrangement Agreement.

“Superior Proposal” means an unsolicited bona fide written Acquisition Proposal to acquire at least 100% of the outstanding Whistler Shares or all or substantially all of the assets of Whistler and its Subsidiaries on a consolidated basis made by a third party after the date of the Arrangement Agreement: (a) that is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available to the satisfaction of the Whistler Board, acting in good faith; (b) that is not subject to a due diligence and/or access condition; (c) that is reasonably capable of being consummated without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the Person making such Acquisition Proposal; and (d) in respect of which the Whistler Board determines in good faith, after consultation with its outside financial and legal advisors, and after taking into account all the terms and conditions of such Acquisition Proposal,

would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction that is more favourable, from a financial point of view, to Whistler Shareholders, than the Arrangement (including any adjustment to the terms and conditions of the Arrangement proposed by Vail Resorts pursuant to Section 5.9(g) of the Arrangement Agreement).

“Support and Voting Agreements” has the meaning ascribed to that term under “The Arrangement – Support and Voting Agreements”.

“Supporting Shareholders” has the meaning ascribed to that term under “The Arrangement – Support and Voting Agreements”.

“tax” or “taxes” means any taxes, duties, fees, premiums, assessments, imposts, levies, expansion fees and other charges of any kind whatsoever imposed by any Governmental Entity, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity in respect thereof, and including, but not limited to, those levied on, or measured by, or referred to as, income, gross receipts, profits, windfall, royalty, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Québec and other pension plan premiums or contributions imposed by any Governmental Entity, and any transferee or secondary liability in respect of any of the foregoing.

“Tax Act” means the *Income Tax Act* (Canada) and the Income Tax Regulations thereunder, as amended from time to time.

“Third Proposal” has the meaning ascribed thereto under “The Arrangement – Background to the Arrangement”.

“Transfer Agent” means Computershare Investor Services Inc. or such other person as may from time to time be appointed by Exchangeco as the registrar and transfer agent for the Exchangeable Shares.

“TSX” means Toronto Stock Exchange.

“U.S. Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended.

“U.S. GAAP” means generally accepted accounting principles in the United States of America in effect from time to time.

“U.S. Securities Act” means the U.S. Securities Act of 1933, as amended.

“U.S. Securities Laws” means the U.S. Securities Act and all other applicable U.S. federal securities laws.

“United States” or “U.S.” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

“Vail Board” means the board of directors of Vail Resorts as the same is constituted from time to time.

“Vail By-Laws” has the meaning ascribed thereto under “Information Relating to Vail Resorts – Description of Vail Shares”.

“Vail Certificate” has the meaning ascribed thereto under “Information Relating to Vail Resorts – Description of Vail Shares”.

“Vail Consent” means a written consent sought by Vail Resorts from Vail Shareholders.

“Vail Control Transaction” shall be deemed to have occurred if:

- (a) any person acquires, directly or indirectly, any voting security of Vail Resorts and, immediately after such acquisition, directly or indirectly owns, or exercises control and direction over, voting securities representing more than 50% of the total voting power of all of the then outstanding voting securities of Vail Resorts;
- (b) the shareholders of Vail Resorts approve a merger, consolidation, recapitalization or reorganization of Vail Resorts, other than any such transaction which would result in the holders of outstanding voting securities of Vail Resorts immediately prior to such transaction directly or indirectly owning, or exercising control and direction over, voting securities representing more than 50% of the total voting power of all of the voting securities of the surviving entity outstanding immediately after such transaction;
- (c) the shareholders of Vail Resorts approve a liquidation of Vail Resorts; or
- (d) Vail Resorts sells or disposes of all or substantially all of its assets.

“Vail Dividend Declaration Date” has the meaning ascribed thereto under “Description of Exchangeable Shares and Related Agreements – Description of Exchangeable Shares – Dividends and Other Distributions”.

“Vail Liquidation Event” means:

- (a) any determination by the Vail Board to institute voluntary liquidation, dissolution or winding-up proceedings with respect to Vail Resorts or to effect any other distribution of assets of Vail Resorts among its shareholders for the purpose of winding up its affairs; or
- (b) the commencement of any instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding-up of Vail Resorts or to effect any other distribution of assets of Vail Resorts among its shareholders for the purpose of winding up its affairs, in each case where Vail Resorts has failed to contest in good faith any such proceeding commenced in respect of Vail Resorts within 10 days of becoming aware thereof.

“Vail Material Adverse Effect” means any event, change, occurrence, effect or state of facts that, individually or in the aggregate with other events, changes, occurrences, effects or states of facts is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, capital, property, assets, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of Vail Resorts and its Subsidiaries taken as a whole, except any such event, change, occurrence, effect or state of facts resulting from or arising in connection with:

- (a) any change or development generally affecting the industries in which Vail Resorts and its Subsidiaries operate;
- (b) any change or development in global, national or regional political conditions (including any act of terrorism or any outbreak of hostilities or war or any escalation or worsening thereof) or any natural disaster;
- (c) any change in general economic, business or regulatory conditions or in global financial, credit, currency or securities markets in Canada or the United States;
- (d) any adoption, proposed implementation or change in applicable Law or any interpretation thereof by any Governmental Entity;
- (e) any change in U.S. GAAP or changes in applicable regulatory accounting requirements applicable to the industries in which it conducts business;
- (f) changes or developments in or relating to currency exchange or interest rates;
- (g) weather conditions adverse to the business being carried on by Vail Resorts or its Subsidiaries;
- (h) the negotiation, execution, announcement, performance or pendency of the Arrangement Agreement or the consummation of the transactions contemplated herein;
- (i) actions or inactions expressly required by the Arrangement Agreement or that are taken with the prior written consent of Whistler;

- (j) any change in the market price or trading volume of any securities of Vail Resorts (it being understood, without limiting the applicability of paragraphs (a) through (i), that the causes underlying such changes in market price or trading volume may be taken into account in determining whether a Vail Material Adverse Effect has occurred), or any suspension of trading in securities generally or on any securities exchange on which any securities of Vail Resorts trade; or
- (k) the failure, in and of itself, of Vail Resorts to meet any internal or public projections, forecasts or estimates of revenues, earnings or other financial operating metrics before, on or after the date of the Arrangement Agreement (it being understood, without limiting the applicability of paragraphs (a) through (i), that the causes underlying such failure may be taken into account in determining whether a Vail Material Adverse Effect has occurred);

provided, however, that any such event, change, occurrence, effect or state of facts referred to in paragraphs (a) to and including (f) above does not primarily relate only to (or have the effect of primarily relating only to) Vail Resorts and its Subsidiaries taken as a whole, or materially disproportionately affect Vail Resorts and its Subsidiaries, taken as a whole, compared to other companies operating in the business or industries in which Vail Resorts and its Subsidiaries operate; references in the Arrangement Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether a Vail Material Adverse Effect has occurred.

“Vail Resorts” means Vail Resorts, Inc.

“Vail Shareholders” means the holders of Vail Shares.

“Vail Shares” means the shares of common stock in the authorized share capital of Vail Resorts.

“Vail Termination Fee” means \$60,000,000.

“Voting and Exchange Trust Agreement” means an agreement to be made between Vail Resorts, Exchangeco, Callco and the trustee to be chosen by Vail Resorts and Whistler, acting reasonably, to act as trustee under the Voting and Exchange Trust Agreement, substantially in the form of Schedule D to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Voting and Exchange Trustee” means Computershare Trust Company of Canada.

“Whistler” means Whistler Blackcomb Holdings Inc.

“Whistler Board” means the board of directors of Whistler as the same is constituted from time to time.

“Whistler Board Recommendation” has the meaning ascribed thereto in Section 2.6(c) of the Arrangement Agreement.

“Whistler Change in Recommendation” has the meaning ascribed thereto in Section 7.2(a)(iii)(A) of the Arrangement Agreement.

“Whistler Material Adverse Effect” means any event, change, occurrence, effect or state of facts that, individually or in the aggregate with other events, changes, occurrences, effects or states of facts is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, capital, property, assets, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of Whistler and its Subsidiaries taken as a whole, except any such event, change, occurrence, effect or state of facts resulting from or arising in connection with:

- (a) any change or development generally affecting the industries in which Whistler and its Subsidiaries operate;
- (b) any change or development in global, national or regional political conditions (including any act of terrorism or any outbreak of hostilities or war or any escalation or worsening thereof) or any natural disaster;

- (c) any change in general economic, business or regulatory conditions or in global financial, credit, currency or securities markets in Canada or the United States;
- (d) any adoption, proposed implementation or change in applicable Law or any interpretation thereof by any Governmental Entity;
- (e) any change in IFRS or changes in applicable regulatory accounting requirements applicable to the industries in which it conducts business;
- (f) changes or developments in or relating to currency exchange or interest rates;
- (g) weather conditions adverse to the business being carried on by Whistler or its Subsidiaries;
- (h) the negotiation, execution, announcement, performance or pendency of the Arrangement Agreement or the consummation of the transactions contemplated herein;
- (i) actions or inactions expressly required by the Arrangement Agreement or that are taken with the prior written consent of Vail Resorts;
- (j) any change in the market price or trading volume of any securities of Whistler (it being understood, without limiting the applicability of paragraphs (a) through (i), that the causes underlying such changes in market price or trading volume may be taken into account in determining whether a Whistler Material Adverse Effect has occurred), or any suspension of trading in securities generally or on any securities exchange on which any securities of Whistler trade; or
- (k) the failure, in and of itself, of Whistler to meet any internal or public projections, forecasts or estimates of revenues, earnings or other financial operating metrics before, on or after the date of the Arrangement Agreement (it being understood, without limiting the applicability of paragraphs (a) through (i), that the causes underlying such failure may be taken into account in determining whether a Whistler Material Adverse Effect has occurred);

provided, however, that any such event, change, occurrence, effect or state of facts referred to in paragraphs (a) to and including (f) above does not primarily relate only to (or have the effect of primarily relating only to) Whistler and its Subsidiaries taken as a whole, or materially disproportionately affect Whistler and its Subsidiaries, taken as a whole, compared to other companies operating in the business or industries in which Whistler and its Subsidiaries operate; references in the Arrangement Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether a Whistler Material Adverse Effect has occurred. Notwithstanding any other provision of this definition, no action of any kind taken by a Governmental Entity affecting the Development Agreements, including any action that would impact the future renewal thereof, nor the commencement by a Governmental Entity of any Proceeding seeking a Law or Order which would have the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement, will, in any such case, constitute a Whistler Material Adverse Effect.

“Whistler Omnibus Incentive Plan” means the omnibus incentive plan of Whistler initially adopted in October 2010 and re-approved by Whistler Shareholders on January 30, 2014, and as amended on July 26, 2016.

“Whistler Options” means options to purchase Whistler Shares granted under the Whistler Omnibus Incentive Plan.

“Whistler Performance Awards” means performance awards issued under the Whistler Omnibus Incentive Plan.

“Whistler RSUs” means restricted stock units issued under the Whistler Omnibus Incentive Plan.

“Whistler Shareholder Approval” means the approval of the Arrangement Resolution by Whistler Shareholders at the Shareholder Meeting in accordance with Section 2.4(b) of the Arrangement Agreement.

“Whistler Shareholders” means the holders of Whistler Shares.

“Whistler Shares” means the common shares in the authorized share capital of Whistler.

“Whistler Termination Fee” means an amount equal to \$45,000,000

VOTE YOUR SHARES TODAY

**QUESTIONS MAY BE DIRECTED TO THE PROXY
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