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CIRCULAR 095-23
July 11, 2023

ANTICIPATED CONTRACT ADJUSTMENT
TransAlta Renewable Inc. (RNW)
Plan of Arrangement

The Bourse and CDCC wish to inform you that on July 11, 2023, TransAlta Corporation (TSX: TA; NYSE: TAC) ("TransAlta") and TransAlta Renewables Inc. (TSX: RNW) ("RNW") announced that they have entered into a definitive arrangement agreement (the "Agreement") under which TransAlta will acquire all of the outstanding common shares of RNW (each, a "RNW Share") not already owned, subject to the approval of RNW shareholders.

Under the terms of the Agreement, each RNW Share will be exchanged for, at the election of each holder of RNW Shares ("RNW Shareholders"): 1.0337 common shares of TransAlta (each, a "TransAlta Share"), or \$13.00 in cash.

The consideration payable to RNW Shareholders is subject to pro-rationing based on a maximum aggregate number of TransAlta Shares that may be issued to RNW Shareholders of 46,441,779 and a maximum aggregate amount of cash of \$800 million. The transaction will be effected by way of an arrangement under the Canada Business Corporations Act (the "Arrangement").

In addition to the required approvals of RNW Shareholders, closing of the Arrangement is also subject to obtaining the approval of the Court of King's Bench of Alberta, required regulatory approvals and other customary closing conditions.

If all approvals are received and other closing conditions satisfied, the Arrangement is expected to be completed early in the fourth quarter of 2023.

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact the Market Operations Department at (514) 871-7877. Clearing members may contact the CDCC Corporate Operations Department.

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