

Thursday, April 28th, 2011

For Immediate Release

Tbaytel Announces \$3.5 Million Special & Performance Dividends to The City of Thunder Bay

Thunder Bay (April 28, 2011) – Tbaytel today announced the declaration of a \$3.5 million dividend to The City of Thunder Bay payable April 30, 2011. This dividend is comprised of a performance dividend and a special dividend and is in addition to the fixed annual dividend of \$17 million.

Tbaytel dividends paid to The City of Thunder Bay from 2004 through 2011 will total over \$153 million.

“The dividend reflects the growth, financial health and stability of Tbaytel.” said Michael Power, Chair of the Tbaytel Municipal Service Board. “Through the leadership of the board and executive management team and the outstanding efforts of Tbaytel’s entire management team and staff, we have the ability to provide a dividend of this magnitude investing in our collective future and significantly enhancing services and value to our stakeholders; our customers, our community and our region.”

The “special dividend” disbursement of \$2.5 million will be directed by City Council to the *Renew Thunder Bay* Reserve Fund to leverage investments to fund major Thunder Bay capital projects. In November 2009, City Council approved the *Renew Thunder Bay* five-year Strategic Investment Plan.

The “performance dividend” of over \$1.0 million is the result of the performance of Tbaytel in 2010. It will assist the City with financial flexibility and stability in future years.

The “fixed dividend”, currently \$17 million annually, provides a 12.5% savings to rate payers on the municipal portion of the tax bill. This dividend is payable quarterly throughout the year.

“Tbaytel is a well managed, financially sound and growing company comparable to any in the industry.” said Don Campbell, President and CEO of Tbaytel. “It is truly rewarding for all of us at Tbaytel to know that through the efforts of Northerners, Tbaytel can make significant contributions to the community and region through announcements such as this, direct investments in telecommunication infrastructure and support for events and projects. The vast majority of all operating costs and capital re-investment by Tbaytel stays in Northern Ontario.”

Tbaytel is a unique Northern Ontario company, balancing fiscal and social responsibilities, directed by its Mission namely: The City of Thunder Bay receives a minimum dividend of \$17 million annually; Northern Ontario will have access to advanced, competitively priced telecommunications solutions; Northern Ontario will have a telecommunications infrastructure that supports economic growth; and Thunder Bay and Northern Ontario will benefit from jobs and other economic impacts of having a premier locally owned telecommunications provider.

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As a leading telecommunications provider in Northern Ontario, Tbaytel is dedicated to delivering advanced, competitively priced telecom solutions that ensure people, businesses and communities of Northern Ontario have multiple points of access to the global communications highway. Tbaytel offers the region's largest digital cellular coverage with extensive products and services that include data, voice, wireless, internet, digital tv and security. With over a century of contributing to the quality of life, infrastructure and economic health of the north, Tbaytel's understanding and commitment to Northern Ontario is unparalleled.