

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

This report amends information contained in an earlier Early Warning Report dated May 14, 2019.

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

Common voting shares and variable voting shares (collectively, the “**WestJet Shares**”) of WestJet Airlines Ltd. (“**WestJet**”):

WestJet Airlines Ltd.
22 Aerial Place N.E.
Calgary, Alberta, Canada
T2E 3J1

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Kestrel Bidco Inc. (the “**Purchaser**”)
161 Bay Street, 49th Floor
P.O. Box 700
Toronto, Ontario, Canada
M5J 2S1

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On December 11, 2019, the Purchaser acquired all of the issued and outstanding WestJet Shares pursuant to a plan of arrangement (the “**Plan of Arrangement**”) under the *Business Corporations Act* (Alberta) (the “**Arrangement**”).

A joint news release in connection with the foregoing was issued by WestJet and Onex Corporation and a material change report in connection with the foregoing was issued by WestJet on December 11, 2019 and filed on the system for electronic document analysis and retrieval (SEDAR).

2.3 State the names of any joint actors.

Onex Corporation and the Purchaser may be considered joint actors within the meaning of applicable Canadian securities laws.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquirer's securityholding percentage in the class of securities.

Prior to the Arrangement, the Purchaser did not own any WestJet Shares. Following completion of the Arrangement, the Purchaser beneficially owns 100% of the issued and outstanding WestJet Shares.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See Item 2.2 and 3.1 above.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

See Item 3.1 above.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

See Item 3.1 above.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 – Consideration Paid

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

Under the terms of the Plan of Arrangement, the shareholders of WestJet (the “**WestJet Shareholders**”) received, for each WestJet Share, C\$31.00 in cash. In the aggregate, WestJet Shareholders received approximately C\$3.5 billion in cash.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 4.1 above.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of

securities of the reporting issuer;

- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The purpose of the Plan of Arrangement was to permit the Purchaser to acquire all of the issued and outstanding WestJet Shares such that WestJet will be a wholly-owned subsidiary of the Purchaser. WestJet shares are being de-listed from the Toronto Stock Exchange and WestJet will cease to be a reporting issuer in the applicable jurisdictions.

Other than as stated above, the Purchaser currently has no future intentions relating to the matters listed in clauses (a) to (k) above.

Item 6– Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

In connection with the Arrangement, the Purchaser and WestJet entered into the Arrangement Agreement which sets forth all of the terms and conditions of the Plan of Arrangement. A copy of the Arrangement Agreement is available under WestJet's profile at www.sedar.com.

Item 7– Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: December 11, 2019

KESTREL BIDCO INC.

Per: “Dave Copeland”

Name: Dave Copeland
Title: Director and Chief Financial Officer