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TELUS CORP

Form 6-K

April 11, 2005

Form 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934

For the month of April 2005
(Commission File No. 000-24876)

TELUS Corporation

(Translation of registrant's name into English)

21st Floor, 3777 Kingsway
Burnaby, British Columbia V5H 3Z7
Canada

(Address of principal registered offices)

Indicate by check mark whether the registrant files or will file annual reports
under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information
contained in this Form is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of
1934.

Yes No

This Form 6-K consists of the following:

2005 annual and special meeting and class meetings

TELUS
March 21, 2005

TELUS Corporation

2005 annual and special meeting

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All figures reported in this information circular are in Canadian currency.

Notice of annual and special meeting and class meeting of holders of common shares

Notice is hereby given that the annual and special meeting of TELUS Corporation (the "Company" or "TELUS") and a class meeting of the holders of common shares of the Company will be held on Wednesday, May 4, 2005 at 10:00 a.m. (MDT) at the Winspear Centre, 9720 - 102 Avenue NW, #4 Sir Winston Churchill Square, Edmonton, Alberta, T5J 4B2 for the following purposes:

1. receive the Company's 2004 audited consolidated financial statements together with the reports of the auditors on those statements;
2. consider, and if thought appropriate, pass a special resolution amending Article 12.1 of the Articles of the Company;
3. consider, and if thought appropriate, pass (i) a special resolution amending the Notice of Articles to remove the application of the Pre-Existing Company Provisions of the Company, (ii) a special resolution deleting the entire Articles and replacing them with new Articles and (iii) a special separate resolution to change the votes required to pass a special separate resolution of holders of common shares of the Company, from 3/4 to 2/3;
4. consider, and if thought appropriate, pass a special separate resolution amending the Articles of the Company to remove cumulative voting and to add a provision to the Articles respecting the election of directors;
5. consider, and if thought appropriate, pass a special separate resolution amending the special rights and restrictions in the Articles of the Company attaching to the common shares and the non-voting shares to incorporate provisions relating to compliance with foreign ownership requirements under the Radiocommunication Act and the Broadcasting Act;
6. elect directors of the Company for the ensuing year;
7. appoint Deloitte & Touche LLP as auditors for the ensuing year and to authorize the directors to fix their remuneration;
8. increase the reserve of non-voting shares authorized for issue under the TELUS Management Share Option Plan;
9. approve the amendment to the TELUS Management Share Option Plan to permit the Company to settle exercise of options by the issue of non-voting shares;

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10. together with the holders of non-voting shares of the Company, approve the amendment to, and reconfirm and approve the Company's shareholder rights plan, as amended and restated; and
11. transact other business as may properly come before the meetings or any adjournment thereof.

These meetings will be held at the same time and place as a class meeting of the holders of the non-voting shares of the Company (the "non-voting shares") for the purposes set out in the accompanying notice for the non-voting shares meeting.

Dated at Vancouver, British Columbia this 21st day of March, 2005. By order of the Board of Directors

/s/Audrey T. Ho
Audrey T. Ho
Vice-President, Legal Services and
General Counsel and Corporate Secretary

Holders of common or non-voting shares of the Company who are unable to attend these meetings may vote by proxy. Simply sign and return a paper proxy or submit a telephone or Internet proxy by following the instructions in the information circular accompanying this notice or the instructions on the paper proxy.

To be valid, proxies must be received by TELUS' Corporate Secretary, c/o Computershare Trust Company of Canada at 9th floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, by 5:00 p.m. local time on May 2, 2005 or, if a meeting is adjourned, by 5:00 p.m. local time, on the second-last business day prior to the date on which the meeting is reconvened.

Notice of class meeting of non-voting shares

Notice is hereby given that a class meeting (the "non-voting shares meeting") of the holders of the non-voting shares of TELUS Corporation (the "Company" or "TELUS") will be held on Wednesday, May 4, 2005 at 10:00 a.m. (MDT) at the Winspear Centre, 9720 - 102 Avenue NW, #4 Sir Winston Churchill Square, Edmonton, Alberta, T5J 4B2 for the following purposes:

1. consider, and if thought appropriate, pass a special separate resolution, to change the votes required to pass a special separate resolution of the holders of the non-voting shares of the Company from 3/4 to 2/3;
2. consider, and if thought appropriate, pass a special separate resolution, amending the special rights and restrictions in the Articles of the Company attaching to the common shares and the non-voting shares to incorporate provisions relating to compliance with foreign ownership requirements under the Radiocommunication Act and the Broadcasting Act;
3. transact other business as may properly come before the meeting or any adjournment thereof.

The non-voting shares meeting will be held at the same time and place as an annual and special general meeting and class meeting of the holders of the common shares of TELUS for the purposes set out in the accompanying notice of annual and special general meeting and class meeting of the holders of the common shares.

Dated at Vancouver, British Columbia this 21st day of March, 2005.

By order of the Board of Directors

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/s/Audrey T. Ho
Audrey T. Ho
Vice-President, Legal Services and
General Counsel and Corporate Secretary

Holders of non-voting shares of the Company who are unable to attend the non-voting share meeting may vote by proxy. Simply sign and return a paper proxy or submit a telephone or Internet proxy by following the instructions in the information circular accompanying this notice or the instructions on the paper proxy.

To be valid, proxies must be received by TELUS' Corporate Secretary, c/o Computershare Trust Company of Canada at 9th floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, by 5:00 p.m. local time on May 2, 2005 or, if the non-voting shares meeting is adjourned, by 5:00 p.m. local time, on the second-last business day prior to the date on which the meeting is reconvened.

Invitation to shareholders

On behalf of the TELUS Board of Directors and the rest of the TELUS team, we invite you to join us at TELUS' shareholder meetings (the "meetings"). This year, the meetings will be held:

Date: Wednesday, May 4, 2005
Time: 10:00 a.m. (MDT)
Place: Winspear Centre
9720 - 102 Avenue NW
#4 Sir Winston Churchill Square
Edmonton, Alberta, T5J 4B2

At the meetings, holders of common shares and holders of non-voting shares of TELUS (collectively the "shareholders") will be asked to approve the business items in the notices of the meetings and this information circular. We will also update you on the Company's current financial situation and on how TELUS is continuing to deliver on its strategy. At the end of the meetings, a question and answer session will take place. At the reception following the meetings, you will have an opportunity to personally meet your directors and executive leadership team.

As a shareholder, your vote is very important to us and we encourage you to participate either in person or by proxy. If you cannot attend the meetings in person, we invite you to view our live Web cast at telus.com/agm at 10 a.m. (MDT) on May 4.

We look forward to seeing you.
Sincerely,

/S/Brian A. Canfield
Brian A. Canfield
Chair of the Board of Directors

/S/Darren Entwistle
Darren Entwistle
President & Chief Executive Officer

March 21, 2005

Information Circular

Frequently asked questions on voting

Q. Am I entitled to receive notice of the meetings and attend the meetings?

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A. Yes, if you are a holder of common shares or non-voting shares of the Company as of March 21, 2005, which is the record date for the meetings. All shareholders, as of the close of business on that date, are entitled to receive notice of, attend and be heard at the annual and special general meeting and to vote at the appropriate meetings as described in the applicable notices for the meetings.

Q. Am I entitled to vote and what am I voting on?

A. If you were a holder of common shares as of the close of business on March 21, 2005, you are entitled, subject to the cumulative voting provisions for directors, to vote one vote per common share on each of the resolutions listed in the notice of annual and special meeting and class meeting of the holders of common shares (the "common share meeting").

If you were a holder of non-voting shares, as of the close of business on March 21, 2005, you have the right to vote, together with the holders of the common shares, at the common share meeting, one vote per share on the resolution to approve the amendments to, and reconfirm and approve the shareholder rights plan, as amended and restated, and separately at the class meeting of the non-voting shares (the "non-voting share meeting"), one vote per non-voting share on each of the special separate resolutions listed in the notice of for that meeting.

The common share meeting and the non-voting share meeting are herein together the "meetings" and each one a "meeting".

Q. Am I a registered or non-registered shareholder?

A. You are a registered shareholder if you have a share certificate registered in your name.

You are a non-registered shareholder if:

- * your shares are registered in the name of an intermediary (for example, a bank, a trustee or a investment dealer) or the name of a clearing agency of which the intermediary is a participant, or
- * you hold common shares through the TELUS Employee Share Purchase Plan.

Q. How can I vote my shares?

A. You can vote your shares either by attending and voting your shares at the meetings or, if you cannot attend the meetings, by having your shares voted by proxy. How you exercise your vote depends on whether you are a registered or non-registered shareholder (for descriptions, see the previous question).

Voting by attending the meetings - registered and non-registered shareholders

If you are a registered shareholder, you are entitled to attend the applicable meeting and cast your vote in person.

If you are a non-registered shareholder, you are entitled to attend the applicable meeting and cast your vote in person, provided you have submitted a properly executed proxy, inserting your name in the blank space provided and returning it in the envelope provided. When you arrive at the meeting, advise the registration staff that you are a proxy appointee. If you have received a voting instruction form, please follow the instructions on the form.

Royal Trust Corporation of Canada (the "Trustee") is the trustee of all common shares (the "employee shares") held on behalf of members of the TELUS Employee

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Share Purchase Plan. Holders of employee shares are treated in the same manner as non-registered shareholders. If you hold employee shares, you are entitled to attend the meetings and cast your vote in person, provided you have submitted a properly executed proxy, inserting your name in the blank space provided and returning it according to the instructions on the form. When you arrive at the meeting, advise the registration staff that you are a proxy appointee.

Voting by proxy - registered shareholders

If you are a registered shareholder, you may vote your proxy in one of three ways:

- * by paper proxy to be returned by mail or delivery
- * by telephone
- * by Internet.

If you intend to vote by paper proxy, please use the proxy identified for use by holders of common shares to vote your common shares, and the proxy identified for use by holders of non-voting shares to vote your non-voting shares.

Whichever method you choose, your proxy must be received by TELUS' Corporate Secretary, c/o Computershare Trust Company of Canada (9th floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1), no later than 5:00 p.m. (local time) on May 2, 2005 or, if a meeting is adjourned, by 5:00 p.m. (local time) on the second-last business day prior to the date on which the meeting is reconvened.

* Proxy and voting by mail or delivery:

To vote by mail or delivery, your paper proxy must be completed, signed and returned in accordance with the instructions on the paper proxy.

* Proxy and voting by telephone:

To vote by telephone, call the toll-free number shown on the proxy form that was sent to you by mail or e-mail. Using a touch-tone telephone to select your voting preferences, follow the instructions of the "vote voice" and refer to your holder account number and proxy access number provided on your proxy.

Note that you cannot vote by telephone if you wish to appoint a person as a proxy other than someone named on the proxy form, or if you wish to distribute your cumulative votes in any manner other than equally regarding the election of directors. In either of these instances, your proxy should be voted by mail, delivery or Internet.

* Proxy and voting by Internet:

To vote your proxy by Internet, visit the Web site address shown on the proxy form that was delivered to you by mail or e-mail. Follow the online voting instructions and refer to your holder account number and proxy access number provided on your proxy.

Voting by proxy - non-registered shareholders

If you are a non-registered shareholder and you receive these materials through an investment dealer or other intermediary, complete and return the materials entitling you to vote, by following the instructions provided to you by the investment dealer or other intermediary.

If you hold employee shares, use one of the three voting procedures outlined above (mail, telephone or Internet), to direct the Trustee as to how your employee shares are to be voted. The Trustee will deliver the proxy forms for use at the meetings for all votes to be cast at the meetings as indicated on all paper, telephone or Internet proxies. Computershare Trust Company of Canada

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("Computershare") has agreed to act as the recipient of voting instructions by holders of employee shares received by proxy and will tabulate the results for the Trustee.

The voting rights attached to employee shares will be voted for or against or withheld from voting only in accordance with the specifications made by the employees. If a proxy is not received by Computershare on behalf of the Trustee according to the above procedures, the employee shares will not be voted by the Trustee.

For employee shares to be voted at the meetings by the Trustee or a duly appointed proxy, proxies must be received by TELUS' Corporate Secretary, c/o Computershare, (9th floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1) no later than 5:00 p.m. (local time) on May 2, 2005 or, if a meeting is adjourned, by 5:00 p.m., (local time), on the second-last business day prior to the date on which the meeting is reconvened.

If an employee holds common and non-voting shares (other than employee shares), another proxy must be completed to vote those shares, unless the employee attends the meetings and votes the common and non-voting shares in person.

Q. Who votes my shares?

A. Each person named in the proxy to represent shareholders at the meetings is a director and/or officer of the Company. You can appoint someone else to represent you at the meetings, however, you must appoint that person by either paper proxy or Internet proxy by inserting his or her name in the appropriate space on the proxy form, or completing another acceptable paper proxy. The person you appoint does not need to be a shareholder but must attend the meetings in order for your vote to be cast.

Q. How will my shares be voted if I return a proxy?

A. By completing and returning a proxy, you are authorizing the person named in the proxy to attend the meetings and vote your shares on each item of business you are entitled to vote on, according to your instructions. If there are no instructions with respect to your proxy, your common shares will be voted in favour of:

1. the special resolution amending Article 12.1 of the Articles of the Company;
2. the special resolution amending the Notice of Articles of the Company to remove the application of the Pre-Existing Company Provisions, replacing the Articles and the special separate resolution to change the votes required to pass a special separate resolution of the holders of the common shares from 3/4 to 2/3;
3. the special separate resolution amending the Articles of the Company to remove cumulative voting and add a provision to the Articles respecting the election of directors;
4. the special separate resolution amending the special rights and restrictions in the Articles of the Company attaching to the common shares and the non-voting shares to incorporate provisions relating to compliance with foreign ownership requirements under the Radiocommunication Act and the Broadcasting Act;
5. electing directors of the Company for the ensuing year;
6. appointing Deloitte & Touche LLP as auditors for the ensuing year and authorizing the directors to fix their remuneration;
7. increasing the reserve of non-voting shares authorized for issue under the TELUS Management Share Option Plan;
8. approving the amendment to the TELUS Management Share Option Plan to permit the Company to settle exercise of options by the issue of non-voting shares; and

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9. together with the holders of the non-voting shares, approving the amendment to, and reconfirming and approving the Company's shareholder rights plan, as amended and restated.

If there are no instructions with respect to your proxy, your non-voting shares will be voted in favour of:

1. the special separate resolution approving the change in the votes required to pass a special separate resolution of the non-voting shares, from 3/4 to 2/3;
2. amending the special rights and restrictions in the Articles attaching to the common shares and the non-voting shares to incorporate provisions relating to compliance with foreign ownership requirements under the Radiocommunication Act and the Broadcasting Act;
3. together with the holders of the common shares, approving the amendment to, and reconfirming and approving the shareholder rights plan, as amended and restated.

Q. Can I revoke a proxy?

A. Yes, if you are a registered shareholder and have voted by paper, telephone or Internet proxy, you may revoke it by delivering a duly executed proxy by paper, telephone or Internet with a later date or a form of revocation of proxy. Such paper proxies can be delivered to the registered office of the Company, to the attention of TELUS' Corporate Secretary, 21 - 3777 Kingsway, Burnaby, B.C. V5H 3Z7, any time up to and including May 2, 2005, or if a meeting is adjourned, on the business day preceding the date of the adjourned meeting.

Alternatively, you may revoke your proxy and vote in person, by delivering a form of revocation of proxy to the Chair of the meetings at the meetings or any adjournment thereof before the vote in respect of which the proxy is to be used is taken. You may also revoke your proxy in any other manner permitted by law.

If you are a non-registered shareholder, you may revoke your proxy or voting instructions by contacting the individual who serves your account.

As a holder of employee shares, if you have provided your proxy (by paper, telephone or Internet) you may revoke it by delivering another proxy (by paper, telephone or Internet) with a later date or a form of revocation of proxy, no later than 5:00 p.m. (local time) on May 2, 2005 or, if a meeting is adjourned, by 5:00 p.m. (local time) on the second-last business day prior to the date on which the meeting is reconvened.

Q. Who has discretionary authority to vote on amendments or variations to any of the business items and on any other matter that may properly come before the meetings?

A. Your voting instructions provided by paper, telephone or Internet proxy give discretionary authority to the person you appoint to vote as he or she sees fit on any amendment or variation to any of the matters identified in the applicable notice of the meetings and any other matters that may properly be brought before a meeting, to the extent permitted by law. As of March 1, 2005, neither the Board of Directors nor senior officers of the Company is aware of any variation, amendment or other matter to be presented for a vote at any meeting.

Q. Is my vote by proxy confidential?

A. Yes, your vote by proxy is confidential. Proxies are received, counted and tabulated by our transfer agent, Computershare, in a way that preserves the confidentiality of individual shareholders' votes, except:

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- * as necessary to meet the applicable legal requirements
- * in the event of a proxy contest
- * in the event a shareholder has made a written comment on the proxy.

Q. Who is soliciting my proxy?

A. Your proxy is being solicited on behalf of TELUS management. The solicitation of proxies will be made either by mail to your latest address shown on the register of shareholders or by electronic mail to the e-mail address you provided. In addition to solicitation by mail, employees or agents may solicit proxies by telephone or other ways at a nominal cost to the Company. The Company may, if determined advisable, retain an agency to solicit proxies for the Company in Canada and in the United States. The cost of solicitation is paid for by the Company.

Q. What are the quorum requirements for the meetings and how many common shares and non-voting shares are outstanding?

A. A quorum at either the common share meeting or the non-voting share meeting will consist of at least two persons present and/or represented by proxy, being two Canadians that hold not less than 1/20 (5 per cent) of each of the issued and outstanding shares entitled to be voted at the applicable meeting. On March 15, 2005, the Company had 191,928,650 common shares issued and outstanding and 168,246,161 non-voting shares issued and outstanding.

Q. Does any shareholder beneficially own 10 per cent or more of the common shares that are outstanding?

A. No.

To the knowledge of the directors and senior officers of TELUS, on March 1, 2005, no persons beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10 per cent of the voting rights attached to all common shares entitled to be voted at the common share meeting.

Q. What if I have a question?

A. If you have any questions regarding the meeting, please contact Computershare:

- * by phone: 1-800-558-0046 (toll-free within North America)
1-514-982-7270 (outside North America)
- * by fax: (416) 263-9394
- * by e-mail: telus@computershare.com
- * by mail: Computershare Trust Company of Canada
9th floor, 100 University Avenue
Toronto, Ontario, M5J 2Y1

Non-voting shares

Subject to the prior rights of the holders of first preferred shares and second preferred shares of the Company, holders of non-voting shares are entitled to participate equally with the holders of common shares with respect to the payment of dividends and the distribution of assets of the Company on the liquidation, dissolution or winding up of the Company. The non-voting shares cannot be subdivided, consolidated, reclassified or otherwise changed unless the common shares are changed in the same manner.

Generally, the holders of non-voting shares are entitled to receive notice of,

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attend and be heard at all general meetings of the Company and are entitled to receive all notices of meetings, information circulars and other written information from the Company that the holders of common shares are entitled to receive from the Company, but are not entitled to vote at such general meetings unless otherwise required by law. At these meetings, the holders of the non-voting shares are entitled to vote together with the holders of common shares on the resolution to approve amendments to, and to reconfirm and approve the shareholder rights plan, as amended and restated and separately as a class on the special separate resolutions to approve a change in the votes required to pass a special separate resolution of the holders of non-voting shares from 3/4 to 2/3, and amendments to the special rights and restrictions attaching to the non-voting shares to incorporate provisions relating to compliance with foreign ownership requirements under the Radiocommunication Act and the Broadcasting Act.

To ensure that the holders of non-voting shares can participate in any offer made to holders of common shares (but that is not made to the holders of non-voting shares on the same terms), the offer must, by reason of applicable securities legislation or the requirements of the stock exchanges on which the common shares are listed, be made to all or substantially all the holders of common shares who are in any province of Canada to which such requirements apply (an "exclusionary offer"). Each holder of non-voting shares will, for the purposes of the exclusionary offer only, be permitted to convert all or part of the non-voting shares held into an equivalent number of common shares during the applicable conversion period. In certain circumstances (namely, the delivery of certificates, at specified times, by holders of 50 per cent or more of the issued and outstanding common shares to the effect that they will not, among other things, tender to such exclusionary offer or make an exclusionary offer), these conversion rights will not come into effect.

If the Telecommunications Act (Canada) (the "Telecommunications Act") and the regulations thereunder relating to ownership and control are changed so that there is no restriction on non-Canadians holding common shares, holders of non-voting shares will have the right to convert all or part of their non-voting shares into common shares on a one-for-one basis. The Company will have the right to require holders of non-voting shares who do not make such an election to convert such non-voting shares into an equivalent number of common shares.

Business of the meetings

1. Report of management and consolidated financial report

The report of management and the audited consolidated financial statements for the year ended December 31, 2004, including management's discussion and analysis ("MD&A"), are contained in the 2004 annual report of the Company. Shareholders who have requested a copy of the 2004 annual report will receive one by mail. If you did not request a copy, you may view the annual report online at telus.com/annualreport or obtain one upon request to TELUS' Corporate Secretary at 21 - 3777 Kingsway, Burnaby, British Columbia, V5H 3Z7.

2. Amendments to the Articles of the Company

Approval of the amendment to the articles regarding minimum number of directors

Section 12.1 of the Articles of the Company currently provides for a minimum of 12 and a maximum of 16 directors and that the number of directors may be fixed within such range by the Board of Directors.

The Board of Directors has concluded that the appropriate minimum number of directors be set at 10. Currently the number of directors is 11, and 11 persons

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are being nominated for election as directors at this meeting. While the Corporate Governance Committee and the Board wish to increase the number of directors, they require sufficient time to conduct the necessary searches and interviews in order to select the individuals they feel will be effective board members adding strengths to the Board in areas determined to be of benefit to the Company. This will enhance Board effectiveness and benefit shareholders. Accordingly, in the view of the Board of Directors, it is desirable to amend the Articles of the Company to provide for the number of directors to be set at a minimum of 10. All other provisions of Article 12.1 including the ability of the Board of Directors to fix the number of directors within the range and to appoint directors between meetings remain unchanged.

The proposed special resolution to be passed at the common share meeting is as follows:

BE IT RESOLVED THAT, as a special resolution:

1. Article 12.1 of the Articles of the Company be amended by deleting the number "12" and replacing it with the number "10"; and
2. the directors of the Company be and are authorized to revoke this special resolution before it is acted on without further approval of the holders of common shares.

To be effective, the special resolution must be approved by not less than 3/4 of the votes cast by the holders of the common shares of the Company who vote in person or by proxy at the common share meeting on the special resolution.

Management and the Board recommend that holders of common shares vote FOR the amendment to Article 12.1. The persons named in the enclosed form of proxy intend to vote FOR the special resolution approving the amendment to the Articles of the Company, unless the holder of common shares specifies otherwise.

It is intended that the foregoing special resolution will be voted on at the common share meeting and, if passed, the amendment to the Articles will be filed at the records office of the Company to be effective prior to proceeding with the election of directors.

Approval of amendments relating to the new Business Corporations Act (British Columbia)

Background change in legislation

The corporate legislation of the Province of British Columbia has applied to the Company since incorporation. That legislation has recently undergone significant modernization, with the replacement of the Company Act (the "Old Act") by the Business Corporations Act (the "New Act") effective March 29, 2004. The Board of Directors passed the appropriate resolutions on February 16, 2005 to effect the basic transition of the Company from the Old Act to the New Act, and the Company was transitioned on February 23, 2005. This simply means that the Company has replaced its existing incorporating documents (the Memorandum and Articles) with new incorporating documents (the Notice of Articles and Articles) that are substantially similar but that adopt the more simplified form and terminology prescribed by the New Act.

The New Act represents a significant modernization of corporate law in British Columbia and is more in line with the approach followed by corporate statutes of other jurisdictions in Canada and the United States. The Board has determined that it is desirable to update the Articles to better reflect and follow the New Act and to remove various provisions that have become outdated over time or which are now no longer required as a result of, or are inconsistent with, the provisions in the New Act. In addition, the New Act

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gives companies greater flexibility in dealing with their affairs and organization than the Old Act. The Board believes that it is desirable to change the Company's Articles to take advantage of these new provisions and maximize the Company's ability to act and respond more quickly and with greater flexibility where appropriate. These proposed changes are embodied in the special resolutions or special separate resolutions to be passed by the holders of common shares and the holders of non-voting shares and are described below under the heading "The New Act: Matters for Consideration at the meetings".

The New Act: Matters for consideration at the meetings

Removal of pre-existing Company provisions

The New Act prescribes and sets out in Table 3 in its Regulations certain provisions that reflect the requirements of the Old Act (the "Pre-existing Company Provisions"). Of these provisions, the following apply to the Company:

- (a) a special resolution requires a majority of 3/4 of the votes cast in order to pass;
- (b) a special separate resolution requires a majority of 3/4 of the votes cast in a class or series in order to pass; and
- (c) subject to several exceptions, before purchasing any of its shares, the Company must make an offer, to every shareholder holding shares of the class or series to be purchased, to purchase the shares pro rata (the "Pro Rata Requirement").

Generally, save for the three Pre-Existing Company Provisions described above, the other Pre-existing Company Provisions do not apply to the Company because of specific exemptions currently available to the Company. However, in order to remove the application of any of the Pre-existing Company Provisions, it is a requirement that the Company remove the application of all of the Pre-existing Company Provisions. For all new companies incorporated under the New Act, the majority required to pass special resolutions and special separate resolutions may be 2/3 or 3/4 of the votes cast, or any number in between. The threshold for passing such resolutions is 2/3 under the Canada Business Corporations Act and most other provincial corporate legislation in Canada. As well, such new companies are not subject to the pro rata purchase requirements.

Special resolutions and special separate resolutions

The New Act and the Company's Articles set out the types of corporate actions and transactions that must first be approved by shareholders, by way of a special resolution or a special separate resolution. For instance, special resolutions (or their equivalent in which all shareholders vote) are required to authorize a number of corporate actions such as certain amalgamations, arrangements and continuances out of British Columbia. Such transactions also may require approvals of each class and series of a company's shares by way of special resolutions passed by the affected class and series in a separate class meeting ("special separate resolutions") if they prejudice or interfere with the rights or special rights attached to such shares. Any proposed changes to the Articles of a company which prejudice or interfere with the rights or special rights attached to a class or series of shares must also be approved by a special separate resolution passed by the holders of the class or series affected.

The Articles of the Company currently provide that the votes required to pass a special resolution or special separate resolution is 3/4 of the votes cast at a meeting. The Board believes that this threshold should be reduced from 3/4 to 2/3. Given that the Company is widely held, the Board believes that 2/3 of the votes is an appropriate threshold required to reflect the wishes of shareholders. The threshold under most other corporate legislation in Canada is 2/3 and this change will also put the Company in line with most other Canadian

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public companies in this regard.

Pro rata purchase of Company shares

The Board also believes that the Pro Rata Requirement is an unnecessary constraint on the Company and proposes that it be removed from the Company's Articles. Any proposed repurchase by the Company of its own shares is already governed by the securities laws of various provinces and elsewhere where the Company has shareholders. In general, these laws mandate pro rata purchases or their functional equivalent with certain exceptions. The Board believes that securities law and not the Company's constitution should govern pro rata purchases; this approach is also reflected in the New Act as it does not include the pro rata requirement of the Old Act. The end result is that such purchases, unless otherwise specified in a company's articles, are governed by securities legislation. Approving the removal of the Pro Rata Requirement would ensure that the Company is not more restricted than most other Canadian public companies in this regard.

In order to make the above-described changes, the New Act requires the following approvals from shareholders:

1. that the holders of common shares pass a special resolution approving the removal of all Pre-existing Company Provisions that are part of the Old Act;
2. that the holders of common shares and the holders of non-voting shares each pass a special separate resolution to change the votes required to pass a special separate resolution for the respective class of shares, from 3/4 to 2/3; and
3. that the holders of common shares pass a special resolution that authorizes the amendment to the threshold for special resolutions and special separate resolutions in the Company Articles.

For the reasons set forth above, the Board believes it is appropriate for the shareholders to authorize such changes and pass the requisite resolutions.

Other amendments to the Articles

The Articles of a company, among other things, set out rules for the conduct of its business and affairs. For the reasons set out above, including the enactment of the New Act, it is desirable to update the Company's Articles. The proposed amendments principally reflect the provisions of the New Act that modernize British Columbia corporate legislation, including, for instance, those that facilitate electronic communications. The amendments also remove certain provisions in the existing Articles that are now covered by the New Act to avoid the possibility of conflict or the possibility of having to comply both with the statutory provision and a corresponding but different provision in the Articles. The Articles are also proposed to be changed to conform in some respects with the bylaws of Canada Business Corporations Act public companies while maintaining many features of Articles now permitted to be adopted by New Act public companies. With the proposed changes, the corporate actions available to the Company will align more closely with those of other Canadian public companies.

The amendment includes a proposed change in quorum. Previously, with one non-Canadian shareholder holding more than 25 per cent of the common shares, the Board believed that the quorum requirement should ensure that the votes reflect representation of at least five per cent of Canadians as defined under telecommunications legislation. With the sale by Verizon Communications Inc. ("Verizon") of its interest on a widely distributed basis, the Board believes that this requirement is no longer necessary and that it is in the interest of shareholders to increase the quorum to 20 per cent of the issued and outstanding shares entitled to vote. This significant increase in the quorum

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requirement ensures that the results at general meetings better reflect the wishes of shareholders.

Significant changes from the existing Articles effected by the proposed new Articles include the following:

- * provisions permitting that participation in a meeting of the Board of Directors or a committee may be by telephone, electronic or other communication facility if the directors participating are able to communicate with each other, whether or not any director objects
- * specifying the matters constituting a conflict of interest and the steps required to be taken by a director or senior officer who has a conflict of interest which are consistent with the New Act
- * providing that the indemnification of directors and officers is now authorized in all circumstances, and to the fullest extent permitted by the New Act
- * the new Articles do not require the President and Secretary of the Company to be different persons
- * the new Articles do not require the President of the Company to be a director
- * permitting the designation of such officers as the directors determine (such as a Chief Executive Officer, a Chief Operating Officer and a Chief Financial Officer), confirm that the officers must be qualified as required by the New Act, and establish that the responsibilities and terms of such appointments are as determined or permitted by the Board of Directors, without naming specific offices
- * the new Articles do not contain (unlike the existing Articles) provisions regarding the creation by the Board of Directors of reserves and other internal accounts to restrict or permit the payment of dividends, as the rules on granting dividends have been amended by the New Act
- * in addition to the Company's ability to borrow money, issue debt and mortgage, charge, or give other security on the undertaking, or on the whole or any part of the property and assets, of the Company (both present and future), provisions permitting the Company, without restriction, to guarantee repayment of money by any other person or the performance of any obligation of any other person. This change reflects the modernization of corporate legislation to effectively respond to increasingly complex financial transactions that companies may enter into in the conduct of their business
- * the quorum for a shareholder meeting is set as 20 per cent of the holders of voting shares in the new Articles. The current Articles provide that a quorum is five per cent of the holders of shares who are Canadian
- * the new Articles provide that the Company may give a notice or other document to a shareholder, director or officer in electronic form if the recipient has provided the necessary information to effect such delivery
- * the new Articles provide that the general authority required to amend all provisions of the Company's Articles and the Notice of Articles (including amendments to the special rights and restrictions attached to the issued shares of the Company) is a special resolution, except the Company may by ordinary resolution, create new classes or series of shares, increase or reduce the maximum number of shares that may be issued, make certain changes to the par value of shares, change shares with a par value to shares without a par value, change the designation of shares or change the special rights and restrictions attaching to unissued shares, and by resolution of the directors, subdivide or consolidate the shares of the Company or change the name of the Company. In addition, if the amendment prejudices or interferes with the rights or special rights attached to any class of issued shares, by the provisions of the New Act, the consent of the holders of that class of shares by a special separate resolution is also required. Currently

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there are 1,000,000,000 of each of the common shares, non-voting shares, first preferred shares and second preferred shares authorized in the Company's Notice of Articles. The two classes of preferred shares may be issued in series as determined by the directors

- * the ability of the directors to change the name of the Company. This permits flexibility and eliminates costs associated with special meetings seeking the amendment
- * a special resolution and a special separate resolution (because of the definition in the new Articles of "special majority") will require only a majority of 2/3 rather than 3/4 of the votes cast in order to be passed. See "Removal of Pre-existing Company Provisions".

The new Articles also incorporate a number of non-substantive changes, including the use of the new terminology adopted under the New Act. For example, "members" are now "shareholders" and "register of members" is now "central securities register" under the New Act. In addition, the new Articles contain provisions relating to the conduct of meetings (directors and shareholders), the right to share certificates, dealings by the Company with joint and similar holders of securities, proxy rules and notice rules, that are not materially dissimilar from those contained in the existing Articles. Non-substantive changes and changes that reflect statutory requirements that the Company cannot alter or amend or are similar to those in the Company's existing Articles have not been specifically described above.

The foregoing sections contain summaries of the principal changes to the Articles, and are qualified in their entirety by reference to the text of the proposed Articles. A copy of this document may be obtained from the Corporate Secretary at 21 -3777 Kingsway, Burnaby, B.C. V5H 3Z7 or at telus.com.

Form of special resolutions

The following is the form of the special resolutions for holders of common shares. The special resolutions must be passed by at least the favourable vote of 3/4 of the votes cast by holders of common shares at the common share meeting.

"BE IT RESOLVED THAT:

1. as a special resolution that the Notice of Articles of TELUS Corporation (the "Company") be altered to remove the application of the Pre-existing Company Provisions, being those provisions set out in Table 3 of the Regulation under the Business Corporations Act;
2. as a special resolution that the existing Articles of the Company be deleted in their entirety and the Articles described in the Company's Information Circular dated March 21, 2005 be adopted in substitution therefore, such alteration not to take effect until the date and time that this resolution is received for deposit at the Company's records office;
3. as a special separate resolution, that Article 27.10 of the Articles be amended to provide that the number of votes required to pass a special separate resolution of the holders of the common shares be set at 2/3 and that Article 27.10 be amended to delete "3/4" and replace the same with "2/3" as it relates to the common shares;
4. after paragraph 1 of this resolution has been complied with, any one director or officer, or any lawyer for the Company, is authorized to complete, execute and file a Notice of Alteration to effect the alterations described in paragraph 1 above;
5. this resolution and the new Articles described in paragraph 2 shall forthwith be deposited at the Company's records office; and
6. the directors of the Company be and are authorized to revoke any of the foregoing resolutions before it is acted on without further approval of the shareholders."

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Management and the Board recommend that holders of common shares vote FOR the special resolution removing the Pre-existing Company Provisions from the Articles of the Company and the special resolution and special separate resolution approving the amendment to the Articles as set forth above. The persons named in the enclosed proxy intend to vote FOR these motions unless the holder of common shares specifies otherwise.

The following is the form of the special separate resolution for holders of non-voting shares to be approved at the non-voting share meeting. The special separate resolution of the holders of non-voting shares must be passed by at least the favourable vote of 3/4 of the votes cast by holders of non-voting shares at the non-voting share meeting.

"BE IT RESOLVED THAT, as a special separate resolution:

1. Article 27.10 of the Articles be amended to provide that the number of votes required to pass a special separate resolution of the holders of the non-voting shares be set at 2/3 and that Article 27.10 be amended to delete "3/4" and replace the same with "2/3" as it relates to the non-voting shares;
2. the resolution shall forthwith be deposited in the Company's record office; and
3. the directors of the Company be and are authorized to revoke this special separate resolution before it is acted on without further approval of the shareholders."

Management and the Board recommend that holders of non-voting shares vote FOR the special separate resolution of the Company as set forth above. The persons named in the enclosed proxy intend to vote FOR this motion unless the holder of non-voting shares specifies otherwise.

The alterations to the Articles of the Company to remove the Pre-existing Company Provisions do not become effective until a Notice of Alteration has been filed with the Registrar under the New Act and the new Articles and any amendments to the new Articles do not become effective until the special resolutions and special separate resolutions have been filed at the Company's records office.

If the above special resolutions and special separate resolutions are passed by the holders of common shares and non-voting shares, the Company will file with the Registrar, a Notice of Alteration and will thereafter file with the records office of the Company, the special resolutions and special separate resolutions amending the Articles.

Special resolutions removing cumulative voting rights

The Articles of the Company currently provide that holders of common shares elect directors through cumulative voting. See "Election of Directors". The cumulative voting provisions were included in the Articles when the Company was first created from the merger of BC TELECOM Inc. and the predecessor Alberta based, TELUS Corporation.

Cumulative voting rights are often found in companies with a significant shareholder, and may afford minority shareholders a greater ability to elect directors to the board.

The Company no longer has a significant shareholder and the candidates for election to the Board are assessed and recommended by an all-independent Corporate Governance Committee and approved by an independent Board of Directors. The Board believes that cumulative voting rights are not necessary

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to protect the interests of shareholders. Rather, its continuation may serve to enable the election of persons who represent the interests of particular and small shareholder groups. The Board believes that the interests of shareholders are better served by having a well-balanced Board of Directors that represents the interests of all shareholders on an equal basis and not the special interests of any particular and small group of shareholders. The Board further believes that its process for selecting candidates for nomination results in a group of directors with the breadth and diversity of experience and skills to work effectively together and provide all shareholders with effective representation on an equal basis.

It is the responsibility of the Corporate Governance Committee of the Board, which is comprised entirely of independent directors, to recommend to the Board of Directors all candidates being proposed for nomination as directors. Accordingly, the selection of director candidates is completely outside the control of management. The Corporate Governance Committee annually reviews the composition of the Board to ensure it is comprised of persons having the skills and experience necessary to allow it to supervise the business and affairs of the Company, assesses the skills and performance of each director, and identifies any skill gaps that should be filled through new directors. These procedures ensure the optimal mix of skills and talents required for overall Board effectiveness.

For these reasons the Board of Directors is recommending that the holders of common shares approve a special resolution deleting Article 27.4.2, to remove cumulative voting and adding Article 14.10 to the Articles to permit holders of common shares to vote by a separate resolution for each director rather than by a slate. This will ensure that holders of common shares can vote or withhold their votes on any particular candidate for director.

The following is the form of the special resolution to be passed by holders of common shares. The special resolution must be passed by at least the favourable vote of 3/4 of the votes cast by holders of common shares at the meeting, to approve the special resolution.

"BE IT RESOLVED:

1. as a special separate resolution that the Articles be altered by removing Article 27.4.2 thereof; and as a special resolution that the following be added as Article 14.10 to the Articles:
"14.10 Manner of Election of Directors
At any shareholders meeting at which directors are to be elected, a separate vote of shareholders shall be taken with respect to each candidate nominated for director.";
2. the special separate resolution and the special resolution described in paragraph 1 shall forthwith be deposited at the Company's records office; and
3. the directors of the Company be and are authorized to revoke these resolutions before they are acted on without further approval of the shareholders."

Management and the Board recommend that holders of common shares vote FOR the special separate resolution and special resolution removing the cumulative voting rights and approving the amendment to the Articles as set forth. The persons named in the enclosed proxy intend to vote FOR this motion unless the holder of common shares specifies otherwise.

Amendments to the Articles with respect to the Broadcasting Act and Radiocommunication Act

The Canadian Telecommunications Common Carrier Ownership and Control Regulations (the "Telecommunications Regulations") and the Telecommunications

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Act contain restrictions relating to the holding of voting shares by non-Canadians. To maintain the eligibility of certain of its subsidiaries, which are Canadian common carriers under the Telecommunications Act, the level of non-Canadian ownership of the common shares cannot exceed 33 1/3 per cent and the Company must not be otherwise controlled by non-Canadians. To ensure that the Company's operating entities continue to be able to operate under the Telecommunications Act, certain provisions and constraints were incorporated into the special rights and restrictions attaching to the common shares and the non-voting shares.

An operating entity owned by the Company holds radio licences under the Radiocommunication Act (Canada) (the "Radiocommunication Act"), which are necessary to provide wireless telecommunication services.

In addition, a subsidiary of the Company has obtained a broadcast distribution licence under the Broadcasting Act (Canada) (the "Broadcasting Act") to offer digital television services to select communities across Alberta and British Columbia, as well as a licence to offer commercial video-on-demand services. These broadcasting licences could enable the Company to compete with cable television companies and satellite service providers for television entertainment services. The Company is testing and evaluating these services for possible launch in the future.

Both the Radiocommunication Act and the Broadcasting Act imposes limitations on foreign ownership similar to those found under the Telecommunications Act, by restricting the number of voting shares of the Company that may be held by non-Canadians.

It is in the interests of all shareholders that the Company's operating entities be able to continue to provide wireless telecommunication services which form a substantial portion of the Company's consolidated business, and also be able to offer new services made possible by its broadcasting licences and compete to the fullest extent possible in the provision of television entertainment services should the Company determine to proceed. For this reason, the Board has determined that the special rights and restrictions attaching to the common shares and the non-voting shares should be amended to ensure that those special rights and restrictions relating to foreign ownership compliance under the Telecommunications Act attaching to the common shares and the non-voting shares be extended to ensure similar compliance under both the Radiocommunication Act and the Broadcasting Act. Given the similarity between the foreign ownership restrictions under these pieces of legislation currently, the Company does not expect that the proposed amendments, if passed, would give rise to any immediate change. Generally speaking, the Company is proposing to simply extend the existing Telecommunications Act compliance safeguards in the Articles affecting the special rights and restrictions on common and non-voting shares to apply also to take into account the Radiocommunication Act and the Broadcasting Act. Specifically, the Company proposes to amend the Articles in the following manners:

- * by adding to the definitions in the Articles the definitions necessary for the Radiocommunication Act and the Broadcasting Act;
- * to provide that holders of non-voting shares will not have the right to convert all or part of their non-voting shares into common shares on a one for one basis and the Company will not have the right to require non-voting shares who do not make such an election to convert such shares into an equivalent number of common shares unless all of the Telecommunications Act, the Radiocommunication Act and the Broadcasting Act have been amended to remove their foreign ownership restrictions;
- * the Company is currently required to give notice to each holder of common shares before a general meeting of members at which holders of non-voting

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shares will be entitled to vote as a class. In such event, holders of common shares will have the right to convert all or part of their common shares into non-voting shares on a one for one basis provided and to the extent that the Company and its subsidiaries remain in compliance with the foreign ownership provisions of the Telecommunications Act and the regulations thereunder, the Radiocommunication Act and the regulations thereunder and the Broadcasting Act and any direction thereunder;

- * to extend the restrictions on transfer of the common shares to ensure the Company's ongoing compliance with the foreign ownership provisions of the Telecommunications Act and the regulations thereunder, the Radiocommunication Act and the regulations thereunder and the Broadcasting Act and the direction thereunder including the right to refuse to transfer common shares or require sale of common shares. As well, holders of common shares will have the right, if approved by the Board of Directors of the Company, to convert common shares into non-voting shares in order that the Company be in compliance with the foreign ownership provisions of the Telecommunications Act and the regulations thereunder, the Radiocommunication Act and the regulations thereunder and the Broadcasting Act and any direction thereunder.

The Board is of the view that these amendments are in the best interests of all shareholders. Currently the Company believes that it is in compliance with the foreign ownership requirements.

The following is the form of the special separate resolution for holders of common shares and holders of non-voting shares at their respective meetings. The special resolution must be passed by at least the favourable vote of 3/4 of the votes cast by each of the holders of common shares and the holders of non-voting shares, voting separately at the meetings, to approve the said resolutions.

"BE IT RESOLVED THAT, as a special separate resolution:

1. the Articles of TELUS Corporation (the "Company") be amended as follows:

- (a) by adding the following to "Article 1.1 - Definitions" and renumbering the definitions contained in Article 1.1 accordingly:

- "(2) "Broadcasting Act" means the Broadcasting Act (Canada), as amended or re-enacted from time to time;

- (3) "Broadcasting Direction" means the Direction to the CRTC (Ineligibility of Non-Canadians) P.C. 1997 - 486 8 April 1997, as amended from time to time and any replacement direction or regulation under the Broadcasting Act or any other form of legislative instrument, with respect thereto;

- (7) "Radiocommunication Act" means the Radiocommunication Act (Canada), as amended or re-enacted from time to time;

- (8) "Radiocommunication Regulations" mean the Regulations respecting Radiocommunications, Radio Authorizations, Exemptions from Authorizations and the Operation of Radio Apparatus, Radio-Sensitive Equipment and Interface Causing Equipment, P.C. 1996 - 1679 5 November, 1996, as amended or replaced from time to time, whether by statute, regulation, direction or by any other form of legislative instrument, and includes any licences under the Radiocommunication Act held by entities controlled (as defined in the foregoing Regulations) by the Company;"

- (b) by deleting Article 27.6.2 and replacing it with the following:

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"27.6.2 Regulation Conversion Right

If all of the Telecommunications Regulations, the Radiocommunication Regulations and the Broadcasting Direction are changed so that there is no restriction on any non-Canadians (as defined in the Telecommunications Regulations or the Broadcasting Direction, as applicable) holding Common Shares in the Company and no requirement that Canadians (as defined in the Radiocommunication Regulations) hold Common Shares in the Company, a holder of one or more Non-Voting Shares shall have the right, at his or her option, at any time after the date of the last to change of the Telecommunications Regulations, the Radiocommunication Regulations and the Broadcasting Direction, and prior to the close of business 90 days thereafter (the "Regulatory Conversion Period") to convert, subject to these provisions, any one or more of such Non-Voting Shares into Common Shares on a one for one basis."

- (c) by deleting Article 27.6.5 of the Articles and replacing it with the following:

"27.6.5 Conversion by the Company

If all of the Telecommunications Regulations, the Radiocommunication Regulations and the Broadcasting Direction are changed so that there is no restriction on any non-Canadians (as defined in the Telecommunications Regulations or the Broadcasting Direction, as applicable) holding Common Shares in the Company and no requirement that Canadians (as defined in the Radiocommunication Act) hold Common Shares in the Company and following the Regulatory Conversion Period there are Non-Voting Shares still outstanding, all holders of Non-Voting Shares shall be deemed to have exercised their right to convert the Non-Voting Shares held by them to Common Shares upon receipt by all of the holders of written notice from the Company stating that the Company is requiring all holders to convert their Non-Voting Shares to Common Shares on the date specified in such notice in the manner specified in this Article 27.6 and the date specified in the notice shall be the date of conversion. Upon such deemed conversion, pursuant to this Article 27.6.5, all holders of Non-Voting Shares shall, as of the date of conversion, be deemed to be holders of Common Shares to which they are entitled and the provisions of Article 27.6.3 and 27.6.4 hereof shall apply to the holders of Non-Voting Shares with respect to the issue and delivery of certificates for Common Shares in exchange for the Non-Voting Shares which are deemed to be converted."

- (d) by adding the following to Article 27.7.1:

" "Broadcasting Qualified Corporation" means any corporation that is a "qualified corporation" under the Broadcasting Direction;

"Qualified Parent Corporation" means any corporation that is qualified under the Broadcasting Direction to be the parent of a Broadcasting Qualified Corporation;

"Radiocommunications Holding Company" means any corporation that is a Canadian (as defined in the Radiocommunication Regulations) that controls (as defined in the Radiocommunications Regulations) a person or entity that holds licences under the Radiocommunication Act ;"

- (e) by deleting the definitions "Constrained Class" and "Maximum Aggregate Holdings" in Article 27.7.1 and replacing them with the following:

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"Constrained Class" means the class of persons each of whom is a non-Canadian as defined in the Telecommunications Regulations or the Broadcasting Direction, or is not a Canadian as defined in the Radiocommunication Regulation;

"Maximum Aggregate Holdings" means the maximum number of Common Shares that may be owned or controlled by persons in the Constrained Class in accordance with the Telecommunications Regulations, the Radiocommunication Regulations or the Broadcasting Direction, whichever is the lowest, so that, when added to all other voting shares (as defined in the Telecommunications Regulations, the Radiocommunication Regulations or the Broadcasting Direction, as the case may be) owned or controlled by the Constrained Class, the Company will be and will continue to be a Telecommunications Common Carrier Holding Company, a Radiocommunications Holding Company and a Qualified Parent Corporation;"

(f) by adding the following in Article 28.1:

"Broadcasting Qualified Corporation" means any corporation that is a "qualified corporation under the Broadcasting Direction;

"Radiocommunications Holding Company" means any corporation that is a Canadian (as defined in the Radiocommunication Regulations) that controls (as defined in the Radiocommunication Regulations) a person or entity that holds licences under the Radiocommunication Act;

"Qualified Parent Corporation" means any Corporation that is qualified under the Broadcasting Direction to be the parent of a Broadcasting Qualified Corporation;"

(g) by deleting the definitions "Canadian", "non-Canadian" and "Restricted Percentage" in Article 28.1 and replacing them with the following:

"Canadian" has the meaning set forth in the Telecommunications Regulations, the Radiocommunication Regulations or the Broadcasting Direction;

"non-Canadian" has the meaning set forth in the Telecommunications Regulations or the Broadcasting Direction, or is a person who is not a "Canadian" as defined in the Radiocommunication Regulations;

"Restricted Percentage" means 33 1/3% or such other percentage as may from time to time be prescribed by the Telecommunications Regulations, the Radiocommunication Regulations or the Broadcasting Direction, whichever is the lowest percentage, as the percentage of voting shares which may be beneficially owned and controlled, by non-Canadians, in order for a corporation to be a qualified corporation as defined in the Telecommunications Regulations, a Qualified Parent Corporation and a Radiocommunications Holding Company, provided that if no such percentage is prescribed, it shall be deemed to mean 100 per cent;"

(h) by deleting Article 28.2 and replacing it with the following:

"28.2 Incorporation of Provisions of Telecommunications Regulations

The provisions of Sections 3, 4, 15 and 27 of the Telecommunications Regulations, are deemed to be incorporated in this Article 28. Any provision of this Article 28 that may be read in a manner that is

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inconsistent with the Telecommunications Regulations shall be read so as to be consistent therewith. If the Telecommunications Regulations are repealed the foregoing provisions in the form immediately prior to the repeal shall continue to apply as if the Telecommunications Regulations had not been repealed for the purposes of this Article 28, including without limitation, the purposes of Articles 28.14.4 and 28.17."

- (i) by deleting Article 28.7 and replacing it with the following:

28.7 Suspension of Rights

The Company may, by director's determination, suspend all rights of a shareholder to vote that would otherwise be attached to any voting shares beneficially owned, or controlled, or considered by this Article 28 to be beneficially owned, or controlled, by non-Canadians, in the order as hereinafter provided, so that the proportion of the voting shares beneficially owned, or controlled, or considered by the Telecommunications Regulations, the Radiocommunication Regulations or the Broadcasting Direction to be beneficially owned, or controlled, by non-Canadians and with respect to which voting rights are not suspended, is reduced to not more than the Restricted Percentage of the total issued and outstanding voting shares of the Company. The voting rights referred to above shall be suspended in an order inverse to the date of registration in the manner as provided in Article 28.6."

- (j) by deleting Article 28.8(4) and replacing it with the following:

"(4) shall, in addition to any other information which may be required by the Telecommunications Regulations, the Radiocommunication Regulations or the Broadcasting Direction, specify in reasonable detail the nature of the contravention of the non-Canadian share constraint, the number of voting shares determined to be excess voting shares and the consequences of the contravention specified in this Article 28."

- (k) by deleting Article 28.19 and replacing with the following:

"28.19 Termination of Application of Article 28

The provisions of this Article 28 shall cease to be binding on the Company and its shareholders upon the repeal all of the Telecommunications Regulations, the Radiocommunication Regulations and the Broadcasting Direction, and shall cease to be applicable and binding to the extent permitted by all of the Telecommunications Act, the Radiocommunication Act and the Broadcasting Act, from time to time."

2. This resolution shall forthwith be deposited at the Company's records office; and
3. The directors of the Company be and are authorized to revoke this special separate resolution before it is acted on without further approval of the shareholders."

Management and the Board recommend that the holders of common shares and the holders of non-voting shares vote FOR the special separate resolutions approving the amendments to the Articles as set forth relating to the Radiocommunication Act and the Broadcasting Act. The persons named in the enclosed proxy intend to vote FOR the resolutions to be passed by each of the

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holders of common shares and non-voting shares unless the holders specifies otherwise.

3. Election of directors

General

The directors were elected by the holders of common shares on May 5, 2004 except for Ruston E.T. Goepel, who was appointed by the Board of Directors on December 7, 2004 to fill a casual vacancy left on the Board. On November 30, 2004, Verizon and the Company entered into an agreement pursuant to which the Company's independent members on the Board of Directors agreed to accommodate Verizon's desire to divest all of its 20.5 per cent equity investment in the Company. Such divestiture was effected on December 14, 2004 by a public secondary offering of Verizon's entire equity interest in the Company. Concurrently with the divestiture, Verizon and the Company adjusted their business relationships to reflect changes in their business requirements since the alliance was first established. As part of that adjustment, the Long Term Relationship Agreement dated January 31, 1999 made among TELUS and certain Verizon companies was terminated and Daniel C. Petri and John J. Lack, Verizon executives, resigned from the Board of Directors of TELUS.

TELUS thanks all of the directors who have resigned or will not be standing for re-election for their hard work, dedication and contributions to the TELUS Board.

The Articles of the Company provide for cumulative voting in respect of the election of directors. The Board has determined that the number of directors should be set at 11. Accordingly, at the meeting, each holder of common shares can cast the number of votes for election of directors equal to the number of common shares held by him or her multiplied by 11, being the number of directors to be elected. Each holder of common shares may cast all such votes in favour of one candidate or distribute the votes among the candidates in any manner. If a holder of common shares votes for more than one candidate without specifying the distribution of the votes among the candidates, the votes will be distributed equally among the candidates voted for by that holder of common shares. If at the meeting, the number of candidates nominated for directors exceeds the number of directors to be elected, the candidate who receives the least number of votes will be eliminated until the number of candidates remaining equals the number of positions to be filled. Unless the holder of common shares specifies that the proxy be withheld from voting on the election of all or any of the directors, or specifies how he or she wishes to distribute the votes among the candidates, the persons named in the accompanying proxy (the "management proxyholders") intend to vote for the election of all nominees for directors whose names are set forth in the table on pages 20 to 22, and to distribute the votes equally among such nominees. If a holder of common shares wishes to distribute his or her votes in a specific manner among the candidates for whom the holder of common shares has directed the person designated in the accompanying proxy to vote, the holder of common shares must do so personally at the meeting or by another separate paper or Internet proxy, providing clear instructions on how votes are to be allocated.

Management believes that all nominees are able to serve as a director. If prior to the meeting any nominee is unable or unwilling to serve, the management proxyholders, unless directed to withhold the common shares from voting for the election of directors, reserve the right to vote for another nominee or nominees in their discretion if additional nominations are made at the meeting. Unless his or her office is vacated in accordance with applicable law or the Articles of the Company, each director elected at the meeting will hold office until the next annual meeting or until his or her successor is elected or appointed.

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The following table provides the name and background information of each nominee, including present principal occupation, principal occupations and directorships during the past five years and positions held with the Company.

R.H. (Dick) Auchinleck
Calgary, Alberta
Age: 54
Director Since(1): 2003
Shareholdings(2): 3185 / 0
DSUs(3): 0 / 10,733
Options(4): 0 / 0 / 0

R.H. (Dick) Auchinleck was employed by Gulf Canada, an oil and gas company, for 25 years, retiring in 2001 as President and Chief Executive Officer of Gulf Canada Resources after the sale of the company to Conoco Inc. He continues an association with the company as a member of the Conoco-Phillips Board. From 1999 to 2001, he was the President and Chief Executive Officer of Gulf. He is currently a member of the Board of Directors of Enbridge Commercial Trust and has served in the past five years on the Boards of Sonic Mobility Inc., Hydro One Inc., Gulf Indonesia Resources Ltd. and Gulf Canada Resources Ltd. He received a Bachelor of Applied Science in Chemical Engineering from the University of British Columbia. Dick currently serves as a member of the TELUS Human Resources and Compensation Committee and the TELUS Corporate Governance Committee.

A. Charles Baillie
Toronto, Ontario
Age: 65
Director Since(1): 2003
Shareholdings(2): 0 / 55,200
DSUs(3): 0 / 9,483
Options(4): 0 / 0 / 0

A. Charles Baillie served as Chairman and Chief Executive Officer of the Toronto-Dominion Bank from 1998 until his retirement in 2003. In addition to his affiliation with various educational and cultural organizations, Charles currently serves on the Board of Directors of Dana Corporation, Ballard Power Systems Inc., Canadian National Railway Company and George Weston Limited. In the past five years, he has served on the Board of Directors of Cadillac Fairview Corporation, Quebecor World Inc., Texaco Inc., the Toronto-Dominion Bank and TD Waterhouse Inc. Charles is President of The Art Gallery of Ontario, Chancellor of Queen's University and Chair of the Canadian Council of Chief Executives. He holds an Honours B.A. from Trinity College, University of Toronto, an M.B.A. from Harvard Business School and an Honorary Doctorate of Laws Degree from Queen's University. Charles currently serves as a member of the TELUS Audit Committee.

Micheline Bouchard
Montreal, Quebec
Age: 57
Director Since(1): 2004
Shareholdings(2): 1,713 / 0
DSUs(3): 0 / 7,093
Options(4): 0 / 0 / 0

Micheline Bouchard became President and Chief Executive Officer of ART Advanced Research Technologies, a biomedical company, in 2002. From 2001 to 2002, she was Corporate Vice-President and General Manager, Enterprise Services Organization of Motorola Inc. in Chicago and from 1998 to 2000, she served as Corporate Vice-President and then President and Chief Executive Officer of Motorola Canada Inc. Micheline currently serves as a member of the Conference Board of

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Canada and is a past president of the Canadian Academy of Engineering. She has also served on the Boards of Directors of Sears Canada Inc., Alliance Forest Products and Corby Distilleries. She holds a Bachelor's degree in Applied Sciences and a Master's Degree in Applied Sciences from Ecole Polytechnique, Montreal, Quebec. She also holds an Honorary Doctorate in Business from University de Montreal (HEC), an Honorary Doctorate in Engineering from each of the University of Waterloo, the University of Ottawa and Ryerson Polytechnic University and an Honorary Doctorate of Laws from McMaster University. Micheline was appointed to the Order of Canada in 1995. Micheline currently serves as a member of the TELUS Audit Committee.

R. John Butler
Edmonton, Alberta
Age: 61
Director Since(1): 1995
Shareholdings(2): 984 / 4,263
DSUs(3): 0 / 10,733
Options(4): 0/ 3,050 / 2,700

R. John Butler, Q.C. is counsel to Bryan & Company, a law firm. John served on the Board of ED TEL (Edmonton Telephones) prior to its acquisition by TELUS Corporation and on the Board of TELUS Corporation prior to its 1999 merger with BC TELECOM Inc. He is a member of the Board of Directors of Trans Global Insurance Company, Trans Global Life Insurance Company, a trustee of the Liquor Stores Income Fund and also Chair of the Edmonton Eskimos Football Club and a member of the Board of Governors of the Canadian Football League. John holds a Bachelor of Arts and a Bachelor of Laws from the University of Alberta. He currently is Chair of the TELUS Pension Committee and a member of the TELUS Corporate Governance Committee.

Brian A. Canfield
Point Roberts, Washington
Age: 66
Director Since (1): 1993
Shareholdings(2): 9,718 / 5,509
DSUs(3): 4,506 / 18,400
Options(4): 80,000 / 74,000/
5,400

Brian A. Canfield is the Chair of TELUS Corporation. His career with TELUS spans nearly 49 years, including four years as Chair and Chief Executive Officer of BC TELECOM Inc., three years as President and Chief Executive Officer and one year as President and Chief Operating Officer. He also served as President and Chief Executive Officer of TELUS Corporation on an interim basis from September 1999 to July 2000, after which he resumed his role as Chair. He is a member of the Boards of Directors of Terasen Inc. and Suncor Energy Inc. and is a member of the Canadian Public Accountability Board. Brian has also served as a director of the Toronto Stock Exchange. In 1997, Brian was named an Honorary Doctor of Technology by the British Columbia Institute of Technology, and in 1998 was appointed to the Order of British Columbia. Brian currently serves as a member of the TELUS Pension Committee.

Darren Entwistle
Vancouver, British Columbia
Age: 42

Darren Entwistle assumed the position of President and Chief Executive Officer of TELUS Corporation on July 10, 2000. He began

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Director Since(1): 2000
Shareholdings(2):22,593 /
106,316
Options(4): 150,000 / 490,529
RSUs(5) : 230,867

his career at Bell Canada in 1988 and joined Cable & Wireless plc (C&W) in 1993 in the UK, holding key positions in finance and operations and becoming President, Global Services, UK & Ireland prior to joining TELUS. Darren holds a Bachelor of Economics (Honours) from Concordia University in Montreal, an MBA from McGill University and a Diploma in Network Engineering from the University of Toronto. He is a member of the Board of Directors of TD Bank Financial Group, the Vancouver Symphony Orchestra and the Leading Edge Endowment Fund. He is also on the Board of Governors of the International Institute of Telecommunications and is the Chair of the Royal Conservatory of Music's Capital Campaign.

Ruston E.T. Goepel
Vancouver, British Columbia
Age: 62
Director Since(1): 2004
Shareholdings(2): 0/12,500
DSUs(3): 0/7,020
Options(4):0 / 0 / 0

Ruston E.T. Goepel is the Senior Vice President of Raymond James Financial Ltd. He is chairman of both the Business Council of BC and Yellow Point Equity Partners, and he serves as director of several organizations including the Vancouver 2010 Olympic Organizing Committee, The Vancouver Airport Authority, Spur Ventures Inc., Amerigo Resources Ltd., and Premium Brands Ltd. He is a past director of Duke Seabridge Ltd., Smith Tractor Inc. and Coast Tractor Ltd. Rusty is also a member of both Simon Fraser University's and the Canadian Olympic Association's pension advisory committees, and is a recipient of the Queen's Jubilee Medal for Business Leadership and Community Services. Rusty currently serves on TELUS' Audit Committee.

John S. Lacey
Don Mills, Ontario
Age: 61
Director Since(1): 2000
Shareholdings(2):12,108 / 651
DSUs(3): 0 / 10,733
Options(4):0 / 0 / 2,700

John S. Lacey is the Chairman of the Board of Directors of Alderwoods Group, Inc., an organization operating funeral homes and cemeteries within North America. From January 1999 to January 2002, John was the Chairman of the Board of Directors of Loewen Group. He is an Advisory Board Member of Tricap, a director of Cancer Care Ontario, Canadian Tire Corporation, Limited, Western Forest Products Ltd. and the Canadian Imperial Bank of Commerce and is currently the Chairman of Doncaster Racing Inc. and Doncaster Consolidated Ltd. In the past five years, he also served on the Board of Directors of the Liquor Control Board of Ontario and Clarica, Inc. John currently is the Chair of the TELUS Human Resources and Compensation Committee and a member of the TELUS Corporate Governance Committee.

Brian F. MacNeill
Calgary, Alberta
Age: 65
Director Since(1): 2001
Shareholdings(2): 1,000 / 5,269

Brian F. MacNeill retired as Chief Executive Officer of Enbridge Inc. on January 1, 2001. Prior to that he was Executive Vice President and Chief Operating Officer of Enbridge Inc. and he has served on the Board of Enbridge

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DSUs(3): 0 / 22,835
Options(4): 0 / 0 / 2,700

Inc. He is currently Chairman of Petro-Canada and Dofasco Inc. and a director of TD Bank Financial Group, West Fraser Timber Co. Ltd., Veritas DGC Inc., Legacy Hotels REIT and Sears Canada Inc. In the past five years, Brian has served on the Board of Directors of Western Oil Sands Inc. Brian is a chartered accountant and is a Fellow of the Chartered Accountants of Alberta. He also holds a Bachelor of Commerce from Montana State University. He currently is the Chair of the TELUS Audit Committee.

Ronald P. Triffo
Edmonton, Alberta
Age: 65
Director Since(1): 1995
Shareholdings(2): 1,567 / 522
DSUs(3): 6,454 / 23,858
Options(4): 0 / 4,100 / 2,700

Ronald P. Triffo is the Chairman of Stantec Inc., an engineering and international professional services company where he served in various executive management positions for more than 20 years. He is a past President of the Consulting Engineers of Alberta and the Association of Consulting Engineers of Canada. He served as a director and board chairman of ED TEL prior to its acquisition by TELUS Corporation. He is currently Chairman and director of ATB Financial. Ron is the private-sector Co-Chair of the Alberta Economic Development Authority. He also serves on the Board of the Alberta Ingenuity Fund and the Board of Governors of Junior Achievement of Northern Alberta. Ron holds a Bachelor of Applied Science from the University of Manitoba and an MSc (Engineering) from the University of Illinois. Ron currently is the Chair of the TELUS Corporate Governance Committee and a member of the TELUS Pension Committee.

Donald P. Woodley
Mono Township, Ontario
Age: 59
Director Since(1): 1998
Shareholdings(2): 5,168 / 437
DSUs(3): 0 / 10,733
Options(4): 0 / 3,050 / 2,700

Donald P. Woodley is the President of The Fifth Line Enterprise, a privately held company providing strategic advisory services and executive coaching to the Canadian IT industry. He currently serves on the Board of Directors of DataMirror Corporation, Onx Enterprise Solutions Inc. and Steam Whistle Brewing Inc. and is a past director of Delano Technology and Star Data Systems. Don is a member and past Chair of the Board of Governors of ITAC (Information Technology Association of Canada) and is immediate past Chair of the Board of Governors of The Stratford Festival of Canada, and a member of the Board of Directors of The Hospital for Sick Children Foundation. He holds a Bachelor of Commerce from University of Saskatchewan and an MBA from the Richard Ivey School of Business at the University of Western Ontario. Don currently serves as a member of the TELUS Human Resources and Compensation Committee and the TELUS Pension Committee.

-
- (1) The Company or any of its predecessors.
(2) Common shares/non-voting shares, as at March 1, 2005.

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- (3) Deferred share units for common shares/deferred share units for non-voting shares, as at March 1, 2005.
- (4) Options acquired pre-merger, for 75 per cent common shares and 25 per cent non-voting shares when exercised/options for common shares/options for non-voting shares, as at March 1, 2005.
- (5) Darren Entwistle also holds restricted stock units,, each equal to the value of one non-voting share as determined under the applicable plan.

Board and committee meetings held and attendance by directors for the year ended December 31, 2004

Number of Board and
committee meetings held

Attendance of directors

Director

Board
meeting
attend

Board of Directors: [9]

(a) Audit Committee: [5]

(b) Corporate Governance
Committee: [5]

(c) Human Resources and
Compensation Committee:

(d) Pension Committee: [5]

Brian A. Canfield (Chair, d) (1)

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R.H. (Dick) Auchinleck(b, c) (2)

8 of 9

A. Charles Baillie (a)

9 of 9

[5]Micheline Bouchard(a)

9 of 9

R. John Butler (b, d-Chair)

9 of 9

Peter D. Charbonneau(3)

3 of 3

Darren Entwistle (4)

9 of 9

Ruston E.T. Goepel(a) (5)

1 of 1

John S. Lacey (b, c-Chair)

8 of 9

John J. Lack (6)

7 of 9

Brian F. MacNeill (a-Chair)

9 of 9

Daniel C. Petri (6)

7 of 9

Ronald P. Triffo (b-Chair, d)

9 of 9

Donald P. Woodley (c, d)

9 of 9

Cease trade orders, bankruptcies, penalties or sanctions

Other than as disclosed, for the ten years ended December 31, 2004, TELUS is not aware that any current director or officer of TELUS had been a director or officer of another issuer which, while that person was acting in that capacity, became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. B.A. Canfield was a director of Royal Trust Co. in 1994 when it entered into a plan of arrangement with creditors. In December 1998, J.S. Lacey was asked by a group of shareholders to lead the Loewen restructuring, as Chairman of the Board, a position he held at the time of Loewen's filing under Chapter 11 of the U.S. Bankruptcy Code and the Companies' Creditors Arrangement Act (Canada).

For the ten years ended December 31, 2004, TELUS is not aware that any current director or officer of TELUS had been a director or officer of another issuer which, while that person was acting in that capacity, was the subject of a cease trade or similar order or was subject to an event that resulted, after

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the director or executive officer ceased to be a director or executive officer, of the company being the subject of a cease trade or similar order that denied the company relevant access to any exemption under securities legislation for a period of more than 30 consecutive days.

4. Appointment of auditors

Arthur Andersen LLP was appointed auditors of the Company on May 1, 2002 at the annual and special meeting of the Company. On June 3, 2002, Arthur Andersen LLP ceased practising public accounting in Canada, and the partners and staff of Arthur Andersen LLP in Canada joined Deloitte & Touche LLP. Upon the recommendation of the Audit Committee, the Board of Directors appointed Deloitte & Touche LLP to fill the vacancy. Deloitte & Touche LLP was re-appointed auditors of the Company on May 5, 2004 at the annual general meeting of the Company.

Upon the recommendation of the Audit Committee, holders of common shares will be asked at the meeting to approve the appointment of Deloitte & Touche LLP as auditors. This re-appointment will become effective only if approved by at least a majority of the votes cast by the holders of common shares present in person or by proxy, entitled to vote at the meeting.

The management proxyholders intend to vote for the appointment of Deloitte & Touche LLP, Chartered Accountants, as auditors of the Company, unless the holder of common shares specifies that his or her proxy be withheld from voting.

Summary of billings and services by the external auditors

The two tables below set out the services provided by the Company's external auditors. This extensive disclosure complies with the United States Securities and Exchange Commission ("SEC") rules on auditor independence, and the services have been separated into four categories as mandated by the SEC. This information is also contained in the Company's 2004 Annual Information Form.

The following table is a summary of billing by Deloitte & Touche, LLP, as auditors of TELUS, during the period from January 1, 2004 to December 31, 2004:

Summary of billings for TELUS for the period January 1 to December 31, 2004

Type of work	Deloitte & Touche	Deloitte Consulting	To f
Audit fees	2,102,260	--	2,102
Audit-related fees	313,325	--	313
Tax fees	231,278	--	231
All other fees	--	--	-
Total	2,646,863	--	2,646

The following table is a summary of billing by Deloitte & Touche, LLP, as auditors of TELUS, during the period from January 1, 2003 to December 31, 2003:

Summary of billings for TELUS for the period January 1 to December 31, 2003

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Type of work	Deloitte & Touche	Deloitte Consulting	Total
Audit fees	\$1,849,595	-	\$1,849,595
Audit-related fees	304,298	-	304,298
Tax fees	1,033,204	-	1,033,204
All other fees	13,930	2,019,960 (1)	2,033,890
Total	\$3,201,027	\$2,019,960	\$5,220,987

5. Amendment to TELUS Management Share Option Plan

Background

In 1999, following the merger of BC TELECOM Inc. ("BC TELECOM") and predecessor Alberta-based TELUS Corporation, the Company adopted the share option and compensation plan (the "Original Plan"). The Original Plan provided for the grant of options to purchase common shares of the Company and provided for the grant of options to designated employees and directors, and the payment of compensation to directors through the issue of deferred share units to directors. In 2001 the number of employees who were eligible to be granted options was expanded. The Original Plan was also amended to provide for the issuance of non-voting shares, and the issue of common shares was discontinued going forward. The Board determined in 2003 that no further options would be issued to directors under the Original Plan. On February 16, 2005 the Original Plan was amended by the Board of Directors by splitting the Original Plan into the Directors Share Option and Compensation Plan and the TELUS Management Share Option Plan. No further shares of the Company are being issued under the Directors Share Option and Compensation Plan except pursuant to options outstanding. See "Securities Authorized for Issuance under Equity Compensation Plans - Directors Share Option and Compensation Plan" for details of this plan. Accordingly, no amendments were made in the plans which would require shareholder approval in accordance with the rules and policies of the Toronto Stock Exchange ("TSX") and this division has received the approval of the TSX.

Description of TELUS Management Share Option Plan

The purpose of the TELUS Management Share Option Plan (the "Management Plan") is to strengthen retention of key management employees, to align their interests with those of shareholders and to provide incentive compensation based on the value of non-voting shares. As at March 1, 2005, there are options outstanding under the Management Plan to purchase 2,220,710 common shares and 10,095,232 non-voting shares representing 3.5 per cent of the issued and outstanding equity shares of the Company. Of these options outstanding, 936,645 common shares and 2,280,567 non-voting shares or 25.7 per cent of the total number of options outstanding under the plans are held by insiders (as that term is defined under applicable securities law).

Options are granted under the Management Plan to eligible employees as determined by the Human Resources and Compensation Committee (the "Compensation Committee"). Eligible employees are generally senior managers or key management employees and include approximately 2,800 employees of the Company and its subsidiaries. The Compensation Committee also determines the total number of options to be granted to participants. These decisions of the Compensation Committee are subject to approval by the Board of Directors of the Company. The Management Plan provides that the number of non-voting shares

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to be optioned to any participant under the Management Plan, together with any other equity compensation plan for employees, cannot exceed five per cent of the outstanding equity shares. In addition, a majority of the options granted under the Management Plan cannot be granted to insiders and insiders are not permitted to hold options under the Management Plan together with options under any other equity compensation plans of the Company, exceeds 10 per cent of the Company's issued and outstanding shares.

Under the Management Plan, options may be issued with vesting provisions as determined at the time of grant and if not determined, the plan provides that options vest on the third anniversary of the date of grant. The strike price under these options, is the weighted average trading price of the non-voting shares (or common shares for options granted prior to 2001) on the last business day preceding the date of grant. The expiry date for options granted under the Management Plan can be any time up to 10 years from the date of grant. Currently options are being granted with an expiry date of seven years from the date of grant. Options cannot be transferred or assigned by a participant.

Options expire under the Management Plan on the earliest of (i) the day of voluntary termination of employment by a participant (other than termination upon normal retirement or by reason of disability), unless otherwise extended by the Compensation Committee, (ii) 90 days after termination by the Company or a subsidiary of employment other than for just cause, unless otherwise determined by the Compensation Committee, (iii) termination of employment of the participant for just cause; (iv) 12 months following the death of a participant for options vested and that vest within that period, or (v) the expiry date of the option.

For certain options outstanding on January 1, 2001, the Management Plan permits the participant to elect to receive in cash the difference between the market price of the common shares exercised less the exercise price. The Company may override the election and require that the common shares be purchased.

The Board of Directors of the Company, subject to any regulatory or required shareholder approval, has the power under the Management Plan to amend or terminate the Management Plan at any time, provided, however, that any such amendment or termination shall not decrease the entitlements of a participant which have accrued prior to the date of such amendment or termination. This power of amendment includes the right to amend any vesting requirements of any option and the right to extend the time at which an option expires by reason of the happening of an event, provided the extension is not beyond the original expiry date. Shareholder approval is required for any amendment to the Management Plan which is considered material including increasing the reservation of shares, provided for cashless exercise or stock settlement if the shares underlying the options are added back to the reservation, any change in the exercise price of outstanding options, permitting the Company to provide financial assistance or increasing participation by insiders.

Increase in shares reserved for issue under the Management Plan

Management believes that the granting of options to employees is an important part of its compensation program, as a long-term incentive, to retain the services of existing key and high potential employees, and to attract outstanding personnel in a competitive employment market. Options align the interests of employees with shareholders' interests and allow employees to increase their financial interest in the Company. All option grants under the Management Plan since 2003 are cliff-vesting three years after the grant date.

On February 16, 2005 the Board of Directors approved the reservation of 6,000,000 additional non-voting shares for issue pursuant to options to be

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granted to eligible employees of the Company or its subsidiaries under the Management Plan. As at March 1, 2005, there are 14,100,319 non-voting shares reserved for issuance under the Management Plan and there are 10,095,232 options outstanding.

The purpose of the additional reservation is to ensure that there remains a sufficient number of non-voting shares reserved for issuance under the Management Plan to enable the Company to continue its current practice of granting options to executive and key management employees as a long-term incentive and retention feature that reinforces the interest of such key personnel with those of shareholders.

The total shares reserved for issue pursuant to options granted under the Company's continuing equity-based compensation programs will not exceed 10 per cent of TELUS total issued and outstanding equity shares as at March 1, 2005 and would not exceed 10 per cent of TELUS total issued and outstanding equity shares assuming completion of TELUS' normal course issuer bid for up to a total of 25.5 million common and non-voting shares. As at March 1, 2005, the number of equity shares currently the subject of options was 12,315,942 and equity shares reserved for further options was 4,005,087.

This additional reservation has been approved by the TSX, subject to shareholder approval and must be approved by a majority of votes cast by holders of common shares at the meeting. Accordingly, shareholders will be asked at the meeting to consider and, if thought advisable, to approve the following resolution approving the amendment to the Management Plan. Approval of the resolution by holders of non-voting shares is not required.

"BE IT RESOLVED THAT, as an ordinary resolution, with or without amendment:

1. the TELUS Management Share Option Plan of the Company be amended to increase the maximum number of non-voting shares reserved for issuance pursuant to options granted under the plan by 6,000,000 non-voting shares; and
2. any director or officer of the Company be and is authorized to perform such further acts and execute such further documentation as may be necessary or desirable to give effect to the foregoing."

Management and the Board recommend that holders of common shares vote FOR increasing the number of non-voting shares reserved for issue under the Management Plan. The persons named in the enclosed proxy intend to vote FOR this motion unless the holder of common shares specifies otherwise.

Amendment to Management Plan to permit stock settlement

On February 16, 2005, the Board of Directors approved an amendment to the Management Plan to permit a stock settlement option, subject to approval of holders of common shares.

As amended, the Management Plan provides that at the time that options for shares are exercised, the Company may elect to have the options exchanged for a right of the optionholder to receive a number of non-voting shares or common shares, as the case may be, in settlement for the options so exchanged. The number of non-voting shares or common shares to be issued to the optionholder will be the number obtained by (i) multiplying the number of options exercised by (ii) the number obtained when the difference between the current market price of applicable shares under the options at the time of exercise and the strike price for the options exercised is divided by the current market price of the applicable shares. The options so exchanged are cancelled, and the

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number of non-voting shares or common shares determined by the difference between the number of options exchanged and the number of non-voting shares issued in that exchange shall be added back to the reservation of non-voting shares or common shares, as the case may be, under the Management Plan. The stock settlement feature being proposed may apply to all options, including those granted prior to the date of the amendment. If the stock settlement feature is not approved, the Company anticipates that the reservation of an additional 6,000,000 non-voting shares for option grants is expected to permit the Company to continue its present option grant program to at least 2009. If the stock settlement amendment is approved, the Company anticipates that the reservation resulting therefrom should permit it to continue its present option grant program for a further period of time.

The amendments to the Management Plan are available upon request from TELUS' Corporate Secretary at 21 - 3777 Kingsway, Burnaby, British Columbia V5H 3Z7.

The Company recognizes the need to strike the proper balance between having a long-term incentive program for employees to align their interests with those of shareholders, and addressing shareholder concerns about excessive dilution caused by the continual granting and exercising of options under a stock option program. To better advance both goals the Company is proposing the stock settlement option. The stock settlement option reduces the number of shares issued on exercise of options. The Company makes the election as to whether or not the stock settlement procedures will be used, thereby managing the dilution. The difference between the non voting shares that underlie options surrendered for the stock settlement and the number of non voting shares issued under the option exercise become available for future option grants. This will reduce the need for further increases in the number of non-voting shares reserved for option grants.

The TSX has approved this amendment, subject to the Company obtaining shareholder approval. Accordingly, shareholders will be asked at the meeting to consider and, if thought advisable, to approve a resolution, as set forth below, approving the amendment to the Management Plan. The resolution must be approved by a majority of the votes cast by holders of common shares who vote in respect of the resolution. Approval of the resolution by holders of non-voting shares is not required. The following is the resolution to be proposed at the meeting:

"BE IT RESOLVED THAT, as an ordinary resolution, with or without amendment:

1. the amendment to the TELUS Management Option Plan to include a stock settlement feature in the plan in the manner described in the information circular of the Company dated March 21, 2005 is hereby approved; and
2. any director or officer of the Company be and is authorized to perform such acts and execute such further documentation as may be necessary or advisable to give effect to the foregoing."

Management and the Board recommend that holders of common shares vote FOR the amendment to the Management Plan to provide for a stock settlement option. The persons named in the enclosed Proxy intend to vote FOR this motion unless otherwise instructed.

6. Amendment to and reconfirmation and approval of shareholder rights plan

Holders of common shares and non-voting shares are being asked at the meeting to approve proposed amendments to, and to reconfirm and approve, the Company's shareholder rights plan, as amended and restated.

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Background

The Company first adopted a shareholder rights plan in March 2000. In May 2000, holders of the common and non-voting shares ratified and approved the Company's shareholder rights plan. Holders of the common and non-voting shares subsequently reconfirmed an amended and restated version of the shareholder rights plan in April, 2003 (the "Current Rights Plan"). The purpose of the Current Rights Plan, which takes the form of an agreement between the Company and the rights agent, Computershare Trust Company of Canada, is to provide holders of the shares sufficient time to assess a takeover bid for the Company, if such bid were to be made, and to provide the Board of Directors of the Company with the opportunity to explore and develop alternatives to any bid that are in the best interests of the Company and its shareholders.

The Current Rights Plan is only triggered if a party becomes the beneficial owner of more than 34.2 per cent of the outstanding Voting shares. The threshold was set at 34.2 per cent in order to respect the terms of the Long Term Relationship Agreement that was entered into between GTE Corporation ("GTE"), Anglo-Canadian Telephone Company ("Anglo-Canadian") and the Company at the time of the merger between BC TELECOM and predecessor Alberta-based TELUS Corporation. In particular, that agreement provided that Anglo-Canadian was entitled to increase its approximate 26.7 per cent interest in the Company by no more than 7.5 per cent without prior approval of a majority of the Company's independent directors (i.e. directors who were neither GTE designees nor members of Company management).

As a result of the sale by Verizon (the successor to GTE) of its entire equity interest in TELUS in December 2004 and the concurrent termination of the Long-Term Relationship Agreement, there is no longer a justification for maintaining this 34.2 per cent threshold. The Board has therefore concluded that it is appropriate to amend the Current Rights Plan to bring the threshold at which the plan is triggered in line with that found in virtually every other rights plan in place in Canada. The Board has also concluded that it is appropriate at this time to make other minor amendments in order to reflect developments in shareholder rights plans since the Current Rights Plan was ratified by the holders of shares in April, 2003.

Many public companies in Canada continue to have shareholder rights plans in effect. While securities legislation in Canada now typically requires a takeover bid to be open for at least 35 days, the Board of Directors continues to be of the view that this is not sufficient time to assess a takeover bid, were such a bid to be made, and if the Board deems appropriate, to explore and develop alternatives that are in the best interests of the Company and its shareholders.

The Current Rights Plan is not intended to prevent a takeover bid or to deter offers for the shares. It is designed to encourage any bidder to provide shareholders with equal treatment in a takeover and full value for their investment.

Board review

The Board of Directors, as part of its most recent review and analysis of the continuation of the Current Rights Plan, considered matters including: (i) developments in shareholder rights plans since the Current Rights Plan was ratified by the holders of common and non-voting shares in April 2003, (ii) the terms and conditions of rights plans recently adopted by other Canadian companies, (iii) recent experience involving rights plans in the context of takeover bids, and (iv) the commentary of the investment community on these plans. Based upon this review, the Board of Directors is proposing the approval of minor amendments to the Current Rights Plan in order to ensure both that the Current Rights Plan remains consistent with the latest generation of Canadian

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rights plans and that it addresses the concerns of investment industry commentators on a basis which is consistent with the objectives of these agreements. The proposed amended and restated version of the Current Rights Plan (the "Amended and Restated Rights Plan") is not being proposed in response to, or in anticipation of, an acquisition or takeover bid.

It is not the intention of the Board, in proposing that the Amended and Restated Rights Plan be reconfirmed to secure the continuance in office of the existing members of the Board or to avoid an acquisition of control of the Company in a transaction that is fair and in the best interests of the shareholders. The rights of shareholders under existing law to seek a change in management of the Company or to influence or promote action of management in a particular manner will not be affected by the Amended and Restated Rights Plan. The reconfirmation of the Amended and Restated Rights Plan does not affect the duty of the Board of Directors to act honestly and in good faith with a view to the best interests of the Company and its shareholders.

Amendments to Current Rights Plan

The proposed amendments to the Current Rights Plan are limited in number and effect. The main amendment is to the definition of "Acquiring Person". The definition currently provides that any person who is the beneficial owner of more than 34.2 per cent of the outstanding Voting Shares is deemed to be an Acquiring Person. The amended definition of "Acquiring Person" will reduce that threshold to 20 per cent, which is the level that securities laws in Canada deem to constitute a takeover bid and that most rights plans in Canada treat as the appropriate threshold for purposes of determining whether someone is an Acquiring Person.

The only other material amendment being proposed is a change to the definition of Beneficial Ownership to add a provision that is designed to make clear that a manager of a mutual fund will not trigger the plan by virtue of holding Voting Shares (as defined in the Current Rights Plan) in excess of 20 per cent of the outstanding Voting Shares. As with other exemptions that are found in the Current Rights Plan and that exempt other institutional investors who hold Voting Shares as passive investors, the exemption for the manager of a mutual fund is subject to the condition that that manager and the relevant mutual fund have not made a takeover bid for TELUS.

Because reconfirmation of the amended and restated plan is being sought at this annual meeting rather than in 2006 (as is currently provided for in the plan), the plan is also being amended in order to ensure that holders of common and non-voting shares are given an opportunity to reconfirm the plan in three years. It is now customary in Canada for shareholders to be given an opportunity to reconfirm a rights plan three years after it was last considered by shareholders.

Summary of the rights plan

The following is a summary of the principal terms of the Amended and Restated Rights Plan, which is qualified in its entirety by reference to the text of the Amended and Restat