

SHAW COMMUNICATIONS INC

Form SUPPL

November 04, 2009

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The information in this Prospectus Supplement is not complete and may be changed. This Prospectus Supplement and the accompanying Prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed Pursuant to
General Instruction II. L. of Form-10
File No. 333-157639

SUBJECT TO COMPLETION, DATED NOVEMBER 4, 2009

**PROSPECTUS SUPPLEMENT
(To Prospectus dated March 11, 2009)**

Cdn\$

**SHAW COMMUNICATIONS INC.
% Senior Notes due 2039**

The senior notes (the **Notes**) of Shaw Communications Inc. (**Shaw** or the **Corporation**) will bear interest at the rate of % per year. Shaw will pay interest on the Notes on May and November of each year, beginning May , 2010. The Notes will mature on , 2039.

Shaw may redeem some or all of the Notes at any time at the greater of (i) 100% of the principal amount and (ii) the Canada Yield Price (as defined herein), plus, in either case, accrued interest thereon to the date of redemption. Shaw may also redeem all of the Notes at any time if certain changes affecting Canadian taxation occur. Shaw will be required to make an offer to repurchase the Notes at a price equal to 101% of their principal amount plus accrued and unpaid interest to the date of repurchase upon the occurrence of a Change of Control Triggering Event (as defined herein). See Description of the Notes Repurchase upon Change of Control Triggering Event . The Notes do not have the benefit of any sinking fund.

The Notes will be unsecured obligations of Shaw and will rank equally with all other unsecured senior indebtedness of Shaw.

Investing in the Notes involves risks. See Risk Factors beginning on page 24 of the accompanying short form base shelf prospectus (the Prospectus) and Risks and Uncertainties on page 16 of the management s discussion and analysis of the financial condition and operations of Shaw with respect to the three and twelve months ended August 31, 2009.

	Price to the Public⁽¹⁾	Agents Commission	Net Proceeds to the Corporation⁽²⁾
Per Note	%	%	%
Total	Cdn\$	Cdn\$	Cdn\$

Notes:

- (1) Plus accrued interest from November , 2009, if settlement occurs after that date.
- (2) Before deducting expenses of the offering, estimated at Cdn\$, payable by Shaw.

Neither the United States Securities and Exchange Commission (the SEC) nor any state securities regulator has approved or disapproved the Notes, or determined if this Prospectus Supplement or the Prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

This offering is made by Shaw, a foreign private issuer, which is permitted, under a multi-jurisdictional disclosure system adopted by the United States, to prepare this Prospectus Supplement and the Prospectus in accordance with Canadian disclosure requirements. Prospective investors should be aware that such requirements are different from those of the United States. Shaw prepares its financial statements in accordance with Canadian generally accepted accounting principles, and such financial statements are subject to Canadian auditing and auditor independence standards. Thus, Shaw's financial statements may not be comparable to financial statements of United States companies.

Owning the Notes may have tax consequences in both the United States and Canada. This Prospectus Supplement and the Prospectus may not describe these tax consequences fully. Please read the section titled Certain Income Tax Considerations in this Prospectus Supplement.

Enforcement of civil liabilities under United States federal securities laws may be affected adversely by the fact that Shaw is incorporated in Alberta, Canada, most of its officers and directors and some or all of the Agents and experts named in this Prospectus Supplement and the Prospectus are residents of Canada, and all or a substantial portion of the assets of Shaw and said persons are located in Canada or other jurisdictions outside the United States.

There is no market through which the Notes may be sold and purchasers may not be able to resell Notes purchased under this Prospectus Supplement. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes and the extent of issuer regulation. Closing of the offering and delivery of the Notes in book-entry form only through CDS Clearing and Depository Services Inc. (CDS) is expected to occur on or about , 2009, but in any event not later than , 2009.

TD SECURITIES

RBC CAPITAL MARKETS

CIBC World Markets

Scotia Capital

National Bank Financial

The date of this Prospectus Supplement is , 2009

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**IMPORTANT NOTICE ABOUT INFORMATION IN
THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Notes being offered. The second part, the Prospectus, gives more general information, some of which may not apply to the Notes being offered.

If the description of the Notes varies between this Prospectus Supplement and the Prospectus, you should rely on the information in this Prospectus Supplement.

You should rely on the information contained in or incorporated by reference in this Prospectus Supplement and the Prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the Agents are not, making an offer to sell the Notes in any jurisdiction where the offer or sale is not permitted by law.

This Prospectus Supplement and the Prospectus are part of a registration statement (the U.S. Registration Statement) on Form F-10 that we filed with the United States Securities and Exchange Commission (the SEC) relating to our debt securities and certain of our other securities.

In this Prospectus Supplement, all capitalized terms and acronyms used and not otherwise defined herein have the meanings provided in the Prospectus. All financial information included and incorporated by reference in this Prospectus Supplement and the Prospectus is determined using generally accepted accounting principles in Canada (**Canadian GAAP**), which may differ from generally accepted accounting principles in the United States (**U.S. GAAP**). Therefore, the consolidated financial statements of Shaw incorporated by reference in this Prospectus Supplement and the Prospectus and the documents incorporated by reference herein and therein may not be comparable to financial statements prepared in accordance with U.S. GAAP. You should refer to our Audited Reconciliation of Canadian and United States Generally Accepted Accounting Principles and our Reconciliation of Canadian and United States Generally Accepted Accounting Principles (unaudited) , each of which is incorporated by reference into this Prospectus Supplement, for a discussion of the principal differences between our financial results and financial condition as determined under Canadian GAAP and under U.S. GAAP, respectively. See Documents Incorporated by Reference .

CURRENCY EXCHANGE RATES

Unless otherwise specified, all dollar amounts contained herein are expressed in Canadian dollars, and references to dollars , Cdn\$ or \$ are to Canadian dollars and references to US\$ are to United States dollars.

The following table sets forth, for each period indicated, the high and low exchange rates and the average of such exchange rates on the last business day of each month during such period, based on the noon exchange rate as reported by the Bank of Canada (the **noon buying rate**). These rates are set forth as United States dollars per Cdn\$1.00. On November 3, 2009, the inverse of the noon buying rate was Cdn\$1.00 equals US\$0.9342.

	Year Ended August 31,	
2009	2008	2007

High	0.9673	1.0905	0.9641
Low	0.7692	0.9365	0.8437
Average	0.8518	0.9944	0.8938

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purposes of the offering of the Notes.

Under the short form prospectus system adopted by the securities commissions and other regulatory authorities in each of the provinces of Canada and under the multijurisdictional disclosure system adopted by the United States and Canada, we are permitted to incorporate by reference the information we file with securities commissions in Canada, which means that we can disclose important information to you by referring you to those documents. Information that is incorporated by reference is an important part of this Prospectus Supplement and the Prospectus. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Shaw

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Communications Inc., Suite 900, 630 3rd Avenue S.W., Calgary, Alberta, T2P 4L4 (telephone (403) 750-4500) or by accessing those disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which may be accessed at www.sedar.com or on the website maintained by the SEC which may be accessed at www.sec.gov.

The following documents, which were filed with the securities commission or other similar authority in each of the provinces of Canada and filed with or furnished to the SEC are specifically incorporated by reference in, and form an integral part of this Prospectus Supplement and the Prospectus:

- (a) the annual information form of Shaw dated November 25, 2008;
- (b) the audited consolidated balance sheets of Shaw as at August 31, 2008 and 2007 and the statements of income and retained earnings (deficit), statements of comprehensive income and accumulated other comprehensive income (loss), and statements of cash flows for the years ended August 31, 2008, 2007 and 2006, together with the notes thereto and the auditors' report thereon;
- (c) management's discussion and analysis of the financial condition and operations of Shaw with respect to the year ended August 31, 2008;
- (d) the Audited Reconciliation of Canadian and United States Generally Accepted Accounting Principles relating to the audited consolidated balance sheets of Shaw as at August 31, 2008 and 2007 and the statements of income and retained earnings (deficit), statements of comprehensive income and accumulated other comprehensive income (loss), and statements of cash flows for the years ended August 31, 2008, 2007 and 2006;
- (e) the unaudited consolidated balance sheet of Shaw as at May 31, 2009 and statements of income and retained earnings (deficit), statements of comprehensive income and accumulated other comprehensive income (loss), and statements of cash flows for the three and nine months ended May 31, 2009 and 2008;
- (f) management's discussion and analysis of the financial condition and operations of Shaw with respect to the three and nine months ended May 31, 2009;
- (g) the Reconciliation of Canadian and United States Generally Accepted Accounting Principles (unaudited) relating to the unaudited consolidated balance sheet of Shaw as at May 31, 2009 and the statements of income and retained earnings (deficit), statements of comprehensive income (loss) and accumulated other comprehensive income (loss), and statements of cash flows for the three and nine months ended May 31, 2009 and 2008;
- (h) the unaudited consolidated balance sheet of Shaw as at August 31, 2009 and statements of income and retained earnings (deficit), statements of comprehensive income and accumulated other comprehensive income (loss), and statements of cash flows for the three and twelve months ended August 31, 2009 and 2008;
- (i) management's discussion and analysis of the financial condition and operations of Shaw with respect to the three and twelve months ended August 31, 2009;
- (j) the Reconciliation of Canadian and United States Generally Accepted Accounting Principles (unaudited) relating to the unaudited consolidated balance sheet for Shaw as at August 31, 2009 and the statements of income and retained earnings (deficit), statements of comprehensive income (loss) and accumulated other

comprehensive income (loss), and statements of cash flows for the three and twelve months ended August 31, 2009 and 2008; and

- (k) the management proxy information circular dated November 25, 2008 relating to the annual general meeting of shareholders of the Corporation held on January 15, 2009.

Any documents (other than news releases) of the type referred to in the preceding paragraph or similar material, including all annual information forms, all information circulars, all financial statements and management's discussion and analysis relating thereto, all material change reports (excluding confidential material change reports, if any), all business acquisition reports, all updated earnings coverage ratio information, as well as all prospectus supplements related to this offering and disclosing additional or updated information filed by us with securities commissions or similar authorities in the relevant provinces of Canada subsequent to the date of this Prospectus Supplement and prior to the termination of any offering under this Prospectus Supplement shall be deemed to be incorporated by reference into this Prospectus Supplement. Shaw also incorporates by reference into the U.S. Registration Statement, of which this Prospectus Supplement and the Prospectus form a part, any

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information Shaw files with or furnishes to the SEC pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act (in the case of any Report on Form 6-K if and to the extent expressly provided in such filings), until the termination of this offering.

Any statement contained in this Prospectus Supplement or the Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus Supplement or the Prospectus shall be deemed to be modified or superseded for purposes of this Prospectus Supplement or the Prospectus to the extent that a statement contained in this Prospectus Supplement or the Prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus Supplement or the Prospectus modifies or supersedes such prior statement. Any statement or document so modified or superseded shall not, except to the extent so modified or superseded, be incorporated by reference and constitute a part of this Prospectus Supplement and the Prospectus. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they were made.

FORWARD LOOKING STATEMENTS

Certain statements included and incorporated by reference herein may constitute forward-looking statements within the meaning of applicable securities laws, including the U.S. *Private Securities Litigation Reform Act of 1995*. Such forward-looking statements involve risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used herein, the words anticipate, believe, expect, plan, intend, estimate, target, guideline, goal and other similar expressions generally identify forward-looking statements, although not all forward-looking statements contain such words. Forward-looking statements include, but are not limited to, references to future capital expenditures (including the amount and nature thereof), financial guidance for future performance, business strategies and measures to implement strategies, competitive strengths, goals, expansion and growth of Shaw's business and operations, plans and references to Shaw's future success. These forward-looking statements are based on certain assumptions and analyses made by Shaw in light of Shaw's experience and perception of historical trends, current conditions and expected future developments, as well as other factors Shaw believes are appropriate in the circumstances. These assumptions include but are not limited to general economic and industry growth rates, currency exchange rates, technology deployment, content and equipment costs, and industry structure and stability.

Shaw cannot guarantee future results, levels of activity, performance or achievements. Many factors, including those not within Shaw's control, could cause Shaw's actual results performance or achievements to be materially different from the views expressed or implied by such forward-looking statements, including, but not limited to:

general economic, market or business conditions and industry trends;

opportunities (or lack thereof) that may be presented to and pursued by Shaw;

Shaw's ability to execute its strategic plans;

changes in the competitive environment in the markets in which Shaw operates and from the development of new markets for emerging technologies;

changing conditions in the entertainment, information and communications industries;

changes in laws, regulations and decisions by regulators that affect Shaw or the markets in which it operates in both Canada and the United States;

Shaw's status as a holding company with separate operating subsidiaries;

risks associated with the economic, political and regulatory policies of local governments and laws and policies of Canada and the United States;

other risks and uncertainties described from time to time in Shaw's reports and filings with Canadian and U.S. securities regulatory authorities; and

additional risks described under "Risk Factors" in the Prospectus.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, Shaw's actual results, performance or achievements may vary materially from those described herein. Consequently, all of the forward-looking statements made in this Prospectus Supplement and the Prospectus and the documents incorporated by reference herein or therein are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Shaw will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Shaw.

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You should not place undue reliance on any such forward-looking statements. The Corporation provides certain financial guidance for future performance incorporated by reference herein as the Corporation believes that certain investors, analysts and others utilize such information in order to assess the Corporation's expected operational and financial performance and as an indicator of its ability to service debt and return cash to shareholders. The Corporation's financial guidance may not be appropriate for other purposes.

The forward-looking statements (and such risks, uncertainties and other factors) contained in this Prospectus Supplement and the Prospectus and the documents incorporated by reference herein and therein are made only as of the date of such document and Shaw expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any of the forward-looking statements contained herein to reflect any change in expectations with regard to those statements or any other change in events, conditions or circumstances on which any such statement is based, except as required by law. New factors affecting Shaw emerge from time to time, and it is not possible for Shaw to predict what factors will arise or when. In addition, Shaw cannot assess the impact of each factor on its business or the extent to which any particular factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

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The following is a brief summary of some of the terms of this offering. For a more complete description of the terms of the Notes, see Description of the Notes in this Prospectus Supplement and Description of Debt Securities in the Prospectus. References to Shaw or the Corporation in this summary refer only to Shaw Communications Inc. and its successors, and not to any of its subsidiaries.

Issuer	Shaw Communications Inc.
Notes Offered	Up to \$ million aggregate principal amount of % Senior Notes due November , 2039 (the Notes).
Interest	% per annum.
Interest Payment Dates	May and November of each year, commencing on May , 2010.
Maturity	November , 2039.
Ranking	The Notes will be senior unsecured obligations of Shaw and will rank equally and ratably with all existing and future senior unsecured indebtedness of Shaw. The Notes will effectively rank behind all existing and future indebtedness and other liabilities, including trade liabilities, of Shaw's subsidiaries. As at August 31, 2009, indebtedness and other liabilities of Shaw's subsidiaries totalled approximately \$565 million, excluding intercompany liabilities, deferred credits and future income taxes.
Additional Amounts	Any payments with respect to the Notes made by Shaw will be made without withholding or deduction for Canadian taxes, unless required by law or the interpretation or administration thereof, in which case Shaw will pay such additional amounts as may be necessary so that the net amount received by holders of the Notes (other than certain excluded holders) after such withholding or deduction will not be less than the amount that would have been received in the absence of such withholding or deduction. See Description of the Debt Securities Payment of Additional Amounts in the Prospectus.
Redemption	The Notes will be redeemable at Shaw's option at any time, in whole or in part, prior to maturity at a redemption price equal to the greater of (i) 100% of the principal amount of the Notes, or (ii) the Canada Yield Price (as defined herein), plus, in either case, accrued interest thereon to the date of redemption. The Corporation may also redeem all of the Notes if certain events occur involving Canadian taxation. See Description of the Notes Optional Redemption and Redemption for Changes in Canadian Tax Law in this Prospectus Supplement.
Change of Control	

The Corporation will be required to make an offer to repurchase the Notes at a price equal to 101% of their principal amount plus accrued and unpaid interest to the date of repurchase upon the occurrence of a Change of Control Triggering Event. See Description of the Notes Repurchase upon Change of Control Triggering Event .

Sinking Fund

None.

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Certain Covenants

The Indenture (as defined herein) governing the Notes will restrict the ability of the Corporation and its subsidiaries to incur liens, enter into sale and leaseback transactions and consolidate, merge or transfer all or substantially all of Shaw's assets and the assets of its subsidiaries on a consolidated basis. In addition, the Indenture will limit Shaw's subsidiaries ability to incur additional indebtedness. These covenants are subject to important qualifications and limitations. See "Description of Debt Securities Certain Covenants" in the Prospectus and "Description of the Notes Limitation on Debt and Preferred Stock of Subsidiaries" in this Prospectus Supplement.

Use of Proceeds

The net proceeds from the sale of the Notes offered hereby, after payment of expenses of the offering and the Agents' commission, are estimated to be \$ (assuming that the maximum number of Notes offered pursuant to this Prospectus Supplement are sold). The net proceeds of this offering will be used for general corporate purposes, working capital, capital expenditures and wireless investments. See "Use of Proceeds" and "Capitalization".

Risk Factors

Investing in the Notes involves certain risks. You should carefully consider the information in the "Risk Factors" section of the Prospectus.

Governing Law

The Notes and the Indenture (as defined herein) will be governed by the laws of the Province of Alberta.

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SHAW COMMUNICATIONS INC.

Shaw (together with its subsidiaries) is a diversified communications company whose core business is providing broadband cable television, High-Speed Internet, Digital Phone, telecommunications services (through Shaw Business Solutions) and satellite direct-to-home services (through Shaw Direct) to 3.4 million customers as of August 31, 2009. Shaw provides customers with high quality entertainment, information and communications services, utilizing a variety of distribution technologies. Shaw's total revenue for the years ended August 31, 2009 and 2008 was \$3.4 billion and \$3.1 billion, respectively. As at August 31, 2009, Shaw had assets of \$8.9 billion. Shaw's executive offices are located at Suite 900, 630 1st Avenue S.W., Calgary, Alberta, Canada, T2P 4L4; telephone number (403) 750-4500.

USE OF PROCEEDS

The net proceeds from the sale of the Notes offered hereby, after payment of estimated expenses of the offering and the Agents' commission, are estimated to be \$ (assuming that the maximum number of Notes offered pursuant to this Prospectus Supplement are sold). The net proceeds of this offering will be used for general corporate purposes, working capital, capital expenditures and wireless investments. See Capitalization .

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Table of Contents**CAPITALIZATION**

The following table summarizes the consolidated cash and short term investments and the consolidated capitalization of Shaw as at May 31, 2009 and August 31, 2009, both actual and as adjusted to give effect to the issuance of the Notes (assuming that the maximum number of Notes offered pursuant to this Prospectus Supplement are sold), the application of the net proceeds thereof as described under *Use of Proceeds* and for other significant changes in cash and short term investments and in capitalization that have occurred since August 31, 2009 described below as though the issuance of such Notes and such changes had occurred on August 31, 2009. The information presented below has been derived from the unaudited interim consolidated financial statements of the Corporation and should be read in conjunction with the financial statements of the Corporation incorporated by reference herein, as described under *Documents Incorporated by Reference* in this Prospectus Supplement. For the purposes of this table, all U.S. dollar amounts have been translated into Canadian dollars based on the closing rate of exchange as reported by the Bank of Canada on May 29, 2009 of US\$1.00 = \$1.0917 and on August 31, 2009 of US\$1.00 = \$1.0950, as applicable.

Designation	May 31,	August 31, 2009	
	2009	Actual	As Adjusted⁽¹⁾
		(in thousands of dollars)	
Cash and Short Term Investments⁽¹⁾	365,047	453,237	
Long-term debt			
Corporate:			
Bank loans ⁽²⁾			
Senior Notes due November 16, 2012 ⁽²⁾	446,626	446,836	446,836
Senior Notes due November 20, 2013 ⁽²⁾	346,206	346,380	346,380
Senior Notes due June 2, 2014 ⁽²⁾	593,650	593,824	593,824
Senior Notes due May 9, 2016 ⁽²⁾	291,754	291,987	291,987
Senior Notes due March 2, 2017 ⁽²⁾	395,534	395,646	395,646
US\$ Senior Notes (US\$440 million) due April 11, 2010 ⁽¹⁾⁽²⁾⁽³⁾	479,505	481,198	
US\$ Senior Notes (US\$225 million) due April 6, 2011 ⁽¹⁾⁽²⁾	244,782	245,632	
US\$ Senior Notes (US\$300 million) due December 15, 2011 ⁽¹⁾⁽²⁾	326,425	327,512	
Senior Notes due October 1, 2019 ⁽¹⁾⁽²⁾			1,239,838
Senior Notes due November , 2039 offered hereby			
Other subsidiaries:			
Burrard Landing Lot 2 Holdings Partnership ⁽²⁾⁽³⁾	21,600	21,473	21,473
Total long-term debt⁽³⁾	3,146,082	3,150,488	
Shareholders equity			
Class A shares and Class B non-voting shares ⁽¹⁾	2,109,398	2,113,849	2,239,849
Contributed surplus	33,838	38,022	38,022
Retained earnings	351,069	384,747	384,747
Accumulated other comprehensive loss	(43,917)	(38,634)	(38,634)
Total shareholders equity	2,450,388	2,497,984	2,623,984

Total capitalization	5,596,470	5,648,472
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Notes:

- (1) Subsequent to August 31, 2009, the following significant changes in capitalization and cash and short term investments have occurred:
 - (a) the Corporation issued \$1.25 billion principal amount of senior notes due October 1, 2019;
 - (b) the Corporation redeemed the US\$440 million principal amount of senior notes due April 11, 2010, the US\$225 million principal amount of senior notes due April 6, 2011 and the US\$300 million principal amount of senior notes due December 15, 2011 and settled a portion of the principal component of two of the associated swaps, all for an aggregate of approximately \$1.40 billion;
 - (c) the Corporation acquired Mountain Cablevision Limited for cash consideration of approximately \$180 million and the issuance of Class B shares as share consideration valued at \$120 million;
 - (d) the Corporation generated approximately \$80 million of cash, primarily from operating activities; and
 - (e) the Corporation issued Class B shares on exercise of stock options for proceeds of \$6 million.
- (2) The general terms and respective priorities of certain of the indebtedness set out in the table above are detailed in note 9 to the Corporation's annual audited consolidated financial statements incorporated by reference herein.
- (3) Includes current portion of long-term debt at August 31, 2009 of \$482 million.

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DESCRIPTION OF THE NOTES

The following description of the Notes offered hereby supplements the description of the general terms of the Debt Securities set forth in the Prospectus under "Description of Debt Securities" and should be read in conjunction with that description. The description of the Notes herein shall prevail to the extent of any inconsistency.

The Notes offered hereby will be issued under an indenture (the "**Trust Indenture**") dated February 26, 2007 as supplemented by a fourth series supplement to be dated the date of closing of this offering (the "**Supplemental Indenture**") between the Corporation and Computershare Trust Company of Canada (the "**Trustee**") providing for, among other things, the creation and issue of the Notes. The Trust Indenture and the Supplemental Indenture are together referred to in this Prospectus Supplement as the "**Indenture**".

For the purposes of the following description only, the term "**Corporation**" refers to Shaw Communications Inc. and not to any of its subsidiaries. Other capitalized terms used herein that are not defined in this Prospectus Supplement or the Prospectus are defined in the Indenture.

General

The Notes will mature on _____, 2039. The Notes will bear interest at the rate per annum set forth on the cover page of this Prospectus Supplement from November _____, 2009, or from the most recent date to which interest has been paid or duly provided for, payable semi-annually in arrears on each May and November (the "**Interest Payment Dates**"), commencing on May _____, 2010, to the persons in whose names the Notes are registered at the close of business on April or October (the "**Regular Record Dates**"), as the case may be, immediately prior to such Interest Payment Dates, regardless of whether any such Regular Record Date is a business day. Interest on the Notes will be computed on the basis of a 365-day year.

The Corporation may from time to time, without the consent of the holders of the Notes, create and issue additional securities under the Indenture in addition to the Notes.

The Notes will be unsecured and unsubordinated obligations of the Corporation and will rank *pari passu* in right of payment with all existing and future unsecured, unsubordinated obligations of the Corporation. The Indenture will not limit the ability of the Corporation to incur additional indebtedness.

Substantially all of Shaw's business activities are operated by its subsidiaries. As a holding company, the Corporation's ability to meet its financial obligations is dependent primarily upon the receipt of interest and principal payments on intercompany advances, management fees, cash dividends and other payments from its subsidiaries, together with proceeds raised by the Corporation through the issuance of equity and the incurrence of debt, and from the proceeds from the sale of assets.

In addition, because the Corporation is a holding company, the Notes are effectively subordinated to all existing and future liabilities, including trade payables and other indebtedness, of the Corporation's subsidiaries, except to the extent the Corporation is a creditor of such subsidiaries. As at August 31, 2009, indebtedness and other liabilities of Shaw's subsidiaries totalled approximately \$565 million, excluding intercompany liabilities, deferred credits and future income taxes.

The Notes will be issued in fully registered form only in denominations of \$1,000 and integral multiples thereof. The Notes will initially be issued as global notes (the "**Global Notes**"). Beneficial interests in the Global Notes representing

the Notes will be shown on, and transfers thereof will be effected only through, records maintained by CDS and its participants. However, in certain limited circumstances described herein, the Notes may be issued in certificated non-book-entry form in exchange for a Global Note. See The Depository, Book-Entry and Settlement .

Payments on Notes issued as a Global Note will be made to CDS or a successor depository. In the event that the Notes are issued in certificated non-book-entry form, the transfer of such Notes will be registrable and such Notes will be exchangeable for Notes in other denominations of a like aggregate principal amount at the corporate trust office of the Trustee, 600, 530 8th Avenue S.W., Calgary, Alberta, T2P 3S8 (telephone number: (403) 267-6800) or its designated agent. Payment of principal and interest will be effected, in respect of Notes represented by Global Notes, by wire transfer of immediately available funds to the account or accounts specified by CDS or the successor depository or, in respect of a Note issued in certificated non-book entry form, either by wire transfer of immediately available funds to the account

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specified by the holder thereof in accordance with the provisions of the Indenture or by cheque mailed not later than five days prior to the applicable Interest Payment Date to the holder's registered address.

Optional Redemption

The Notes will be redeemable, in whole or in part, at the option of the Corporation at any time and from time to time at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the Notes, or
- (2) the Canada Yield Price (as defined below);

plus, in each case, accrued interest on the outstanding principal amount of each Note called for redemption to the date of redemption. The Notes will not be subject to redemption at the election of the holders of the Notes.

Canada Yield Price means in respect of any redemption of the Notes issued under the Indenture, a price, as determined by the Independent Investment Banker (as defined below), equal to the sum of the present values of the remaining scheduled payments of principal and interest on the Notes (not including any portion of the payments of interest accrued as of the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 365-day year) at the Government of Canada Yield, plus basis points.

Government of Canada Yield means, with respect to any redemption date, the arithmetic average, as determined by the Independent Investment Banker, of the yield to maturity on the third business day preceding the redemption date, compounded semi-annually, which a non-callable Government of Canada Bond would carry if issued in Canadian Dollars in Canada, at 100% of its principal amount on such date with a term to maturity which most closely approximates the remaining term to maturity of the Notes to be redeemed from such day as quoted by the Independent Investment Banker at 5:00 p.m. on such day.

Independent Investment Banker means TD Securities Inc. or its successors, provided, however, that if it shall cease to be a primary Canadian Government securities dealer in Toronto, Ontario, the Corporation shall substitute for it another primary Canadian Government securities dealer in Toronto, Ontario.

Notice of any such redemption will be given at least 15 days but not more than 60 days before the redemption date to each holder of the Notes to be redeemed.

Unless the Corporation defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portion of the Notes called for redemption.

Purchase for Cancellation

Provided an Event of Default is not continuing, the Corporation will have the right to purchase any Notes in the market or by tender or private contract at prices that are negotiated between the Corporation and willing holders of Notes. Notes so purchased by the Corporation will be cancelled and will not be reissued.

Repurchase upon Change of Control Triggering Event

If a Change of Control Triggering Event occurs, unless the Corporation has exercised any optional right it has to redeem all of the Notes as described above, the Corporation will be required to make an offer to repurchase all or, at the option of the Holder, any part (equal to \$1,000 or an integral multiple thereof) of each Holder's Notes pursuant to

the offer described below (the **Change of Control Offer**) on the terms set forth in the Supplemental Indenture. In the Change of Control Offer, the Corporation will be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes together with accrued and unpaid interest on the Notes to the date of purchase.

Within 30 days following any Change of Control Triggering Event, the Corporation will be required to give written notice to Holders describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is given (the **Change of Control Payment Date**). The Corporation must comply with the requirements of applicable securities laws and regulations in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of the Indenture governing the requirement to make or the method of making a Change of Control Offer conflict with any such applicable securities laws

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or regulations, the Corporation will be required to comply with such laws and regulations and will not be deemed to have breached such provisions of the Indenture by virtue of compliance with such laws and regulations.

The Corporation will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Notes properly tendered and not withdrawn under its offer.

Change of Control means the occurrence of any one of the following: (a) the direct or indirect sale, transfer or other disposition (other than by way of consolidation, amalgamation, arrangement, merger or issue of voting shares), in one or a series of related transactions, of all or substantially all of the property and assets of the Corporation and its subsidiaries, taken as a whole, to any person or group of persons acting jointly or in concert for purposes of such transaction (other than to the Corporation or its subsidiaries); (b) the consummation of any transaction or series of transactions including, without limitation, any consolidation, amalgamation, arrangement, merger or issue of voting shares, the result of which is that any person or group of persons acting jointly or in concert for purposes of such transaction (other than one or more members of the Shaw Family Group) becomes the beneficial owner, directly or indirectly, of more than 50% of the voting shares of the Corporation, measured by voting power rather than number of shares (but shall not include the creation of a holding corporation or similar transaction that does not involve a change in the beneficial ownership of the Corporation); or (c) the consummation of any transaction or series of transactions including, without limitation, any consolidation, amalgamation, arrangement, merger or issue of securities, the result of which is that any person or group of persons acting jointly or in concert for purposes of such transaction (other than one or more members of the Shaw Family Group) has elected to the board of directors of the Corporation such number of its or their nominees so that such nominees so elected shall constitute a majority of the number of the directors comprising the board of directors of the Corporation; provided that, to the extent that one or more regulatory approvals are required for any of the transactions or circumstances described in clauses (a), (b) or (c) above to become effective under applicable law and such approvals have not been received before such transactions or circumstances have occurred, such transactions or circumstances shall be deemed to have occurred at the time such approvals have been obtained and become effective under applicable law.

Change of Control Triggering Event means the occurrence of both a Change of Control and a Rating Event.

Investment Grade Rating means a rating equal to or higher than Baa3 (or the equivalent) by Moody's, BBB (or the equivalent) by S&P or BBB (low) (or the equivalent) by DBRS, or the equivalent investment grade credit rating from any other Specified Rating Agency.

Rating Date means the date which is 90 days prior to the earlier of (i) a Change in Control and (ii) public notice of the occurrence of a Change in Control or of the Corporation's intention or agreement to effect a Change in Control.

Rating Event means (i) in the event the Notes are assigned an Investment Grade Rating by at least two of the three Specified Rating Agencies on the Rating Date, the rating of the Notes by at least two of the three Rating Agencies being below an Investment Grade Rating; or (ii) in the event the Notes are not rated an Investment Grade Rating by at least two of the three Specified Rating Agencies on the Rating Date, the rating of the Notes by at least two of the three Specified Rating Agencies being decreased by one or more gradations (including gradations within rating categories as well as between rating categories), in each case on any day within the 60-day period (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) after the earlier of (a) the occurrence of a Change of Control and (b) public notice of the occurrence of a Change of Control or of the Corporation's intention or agreement to effect a Change of Control.

Shaw Family Group means JR Shaw, his spouse and issue (whether natural-born or legally adopted) and spouses thereof and their issue (whether natural-born or legally adopted) and corporations controlled by any one or more of the foregoing or trusts of which any one or more of the foregoing are the principal beneficiaries; provided that in the case of a trust, the Shaw Family Group will only be deemed to control that proportion of the voting shares held by such trust that it is reasonable to regard as being held, directly or indirectly, for the benefit of one or more of the foregoing individuals.

Specified Rating Agencies means each of Moody's, S&P and DBRS as long as, in each case, it has not ceased to rate the Notes or failed to make a rating of the Notes publicly available for reasons outside of the Corporation's control; provided that if one or more of Moody's, S&P or DBRS ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Corporation's control, the Corporation may select any other approved rating

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organization within the meaning of National Instrument 41-101 of the Canadian Securities Administrators as a replacement agency for such one or more of them, as the case may be and provided further that the Corporation shall maintain a rating with at least two Specified Rating Agencies at all times.

The definition of change of control includes a phrase relating to the direct or indirect sale, transfer or other disposition of all or substantially all of the property and assets of the Corporation and its subsidiaries, taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Corporation to repurchase such holder's Notes as a result of a sale, transfer or other disposition of less than all of the property and assets of the Corporation and its subsidiaries taken as a whole to another person or group may be uncertain.

The Corporation may not have sufficient funds to repurchase all of the Notes upon a Change of Control Triggering Event.

Redemption for Changes in Canadian Tax Law

The Notes will be subject to redemption, in whole but not in part, at the option of the Corporation at any time at a redemption price equal to 100% of the outstanding principal amount thereof together with accrued and unpaid interest to the date fixed for redemption, upon the giving of a notice as described below, if (x) the Corporation determines that (a) as a result of any change in or amendment to the laws (or any regulations or rulings promulgated thereunder) of Canada or of any political subdivision or taxing authority thereof or therein affecting taxation, or any change in or amendment to official position of such taxing authority regarding application or interpretation of such laws, regulations or rulings (including a holding by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after the date of the Supplemental Indenture, the Corporation has or will become obligated to pay, on the next succeeding Interest Payment Date, Additional Amounts or (b) on or after the date of the Supplemental Indenture, any action has been taken by any taxing authority of Canada or any political subdivision thereof, or any decision has been rendered by a court of competent jurisdiction in Canada or any political subdivision or taxing authority thereof, including any of those actions specified in clause (a) above, whether or not such action was taken or decision was rendered with respect to the Corporation, or any change, amendment, application or interpretation shall be officially proposed, which, in any such case, in the written opinion to the Corporation of legal counsel of recognized standing, will result in an obligation to pay, on the next succeeding Interest Payment Date, Additional Amounts with respect to any Notes and (y) in any such case the Corporation in its business judgment determines that such obligation cannot be avoided by the use of reasonable measures available to the Corporation; provided however, that (i) no such notice of redemption may be given earlier than 90 days prior to the earliest date on which the Corporation would be obligated to pay such Additional Amounts and (ii) at the time such notice of redemption is given, such obligation to pay such Additional Amounts remains in effect.

In the event that the Corporation elects to redeem the Notes pursuant to the provisions set forth in the preceding paragraph, the Corporation shall deliver to the Trustee a certificate, signed by an authorized officer, stating that the Corporation is entitled to redeem the Notes pursuant to their terms.

Notice of intention to redeem the Notes will be given to each holder of the Notes not more than 60 nor less than 15 days prior to the date fixed for redemption and will specify the date fixed for redemption.

Limitation on Debt and Preferred Stock of Subsidiaries

So long as any Notes are outstanding, the Corporation may not permit any Subsidiary to create, issue, assume, guarantee, or in any manner become directly or indirectly liable for the payment of, or otherwise incur (collectively, incur) any Debt or issue any Preferred Stock except:

- (1) Debt and Preferred Stock in an aggregate principal or face amount, together with indebtedness secured by a Lien pursuant to clause (xi) of the Limitation on Liens covenant and the Attributable Value of any Sale and Leaseback Transactions entered into pursuant to clause (i) of the Limitation on Sale and Leaseback Transactions covenant, not to exceed, as of the date of determination, 15% of the Consolidated Net Tangible Assets of the Corporation, excluding any Debt and Preferred Stock described in clauses (2) through (9), inclusive, below;
- (2) Debt and Preferred Stock outstanding on the date of the Trust Indenture after giving effect to the application of the proceeds of the Notes;

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- (3) Debt incurred or Preferred Stock issued to and held by the Corporation or a Wholly-Owned Subsidiary of the Corporation (provided that such Debt or Preferred Stock is at all times held by the Corporation or a Wholly Owned Subsidiary of the Corporation);
- (4) Debt incurred or Preferred Stock issued by a Person prior to the time (A) such Person became a Subsidiary of the Corporation, (B) such Person merges into or consolidates or amalgamates with a Subsidiary of the Corporation or (C) another Subsidiary of the Corporation merges into or consolidates or amalgamates with such Person (in a transaction in which such Person becomes a Subsidiary of the Corporation), which Debt or Preferred Stock was not incurred or issued in anticipation of such transaction and was outstanding prior to such transaction;
- (5) Purchase Money Obligations;
- (6) Debt or Preferred Stock which is exchanged for, or the proceeds of which are used to refinance or refund, any Debt or Preferred Stock permitted to be outstanding pursuant to clauses (2), (4) and (5) above (or any extension or renewal thereof), in an aggregate principal amount, in the case of Debt, or liquidation preference, in the case of Preferred Stock, not to exceed the principal amount or liquidation preference of the Debt or Preferred Stock, respectively, so exchanged, refinanced or refunded, plus the amount of any premium required to be paid in connection with such refinancing pursuant to the terms of the Debt or Preferred Stock so exchanged, refinanced or refunded or the amount of any premium reasonably determined by the Corporation as necessary to accomplish such refinancing by means of a tender offer or privately negotiated repurchase, and plus the amount of expenses of the Corporation and the Subsidiary incurred in connection with such refinancing;
- (7) Non-Recourse Debt or Preferred Stock which is:
 - (A) incurred or issued by a non-wholly-owned Subsidiary of the Corporation that is itself a public company (or by a Subsidiary of such a Subsidiary),
 - (B) incurred or issued by a Subsidiary of the Corporation that does not own or operate, directly or indirectly, a Cable Television System or a Satellite DTH Business, or
 - (C) incurred or issued by a Subsidiary of the Corporation that owns or operates, directly or indirectly, a Satellite DTH Business (the Disposition Entity) in anticipation of the Disposition Entity ceasing to be a Subsidiary of the Corporation; provided that within a period of six months after such Debt is first issued or incurred (i) the Disposition Entity is no longer a Subsidiary of the Corporation, (ii) such Debt has been repaid or the Disposition Entity has otherwise been released from all obligations with respect thereto, or (iii) the Disposition Entity would be entitled to incur or issue such Debt or Preferred Stock in accordance with the Limitation on Debt and Preferred Stock of Subsidiaries covenant described herein without reference to this clause 7(C);
- (8) Non-Recourse Debt which is exchangeable for the securities of or ownership interests in another Person in satisfaction of the principal amount thereof; and
- (9) Debt incurred under a Permitted Subsidiary Guarantee.

Satellite DTH Business means the business of carrying on a licensed broadcast distribution undertaking under the *Broadcasting Act* (Canada) via direct-to-home satellite.

Governing Law

The Notes and the Indenture will be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

The Depository, Book-Entry and Settlement

Except as otherwise provided below, the Notes will be represented in the form of one or more Global Notes held by, or on behalf of, CDS as depository of Global Notes for the participants (the **participants**) of CDS registered in the name of CDS or its nominee, and registration of ownership and transfers of the Notes will be made through the depository system of CDS. On the closing date of this offering, CDS will credit interests in Global Notes representing the notes to the accounts of its participants as directed by the Agents. Direct and indirect participants in CDS, including The Depository

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Trust Company (**DTC**), Euroclear Bank S.A./N.V., as operator of the Euroclear System (**Euroclear**), and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**), on behalf of their respective accountholders, will record beneficial ownership of the Notes on behalf of their respective accountholders.

Except as described below, no purchaser of Notes will be entitled to a certificate or other instrument from the Corporation or CDS evidencing that purchaser's ownership thereof, and no holder of a beneficial interest in the Notes will be shown on the records maintained by CDS except through book-entry accounts of a participant of CDS acting on behalf of beneficial owners. Each purchaser of Notes will receive a confirmation of purchase from the Agents. CDS will be responsible for establishing and maintaining book-entry accounts for its participants having interests in Global Notes. Sales of interests in Global Notes can only be completed through participants in the depository service of CDS.

Certificated securities will be issued to holders or their nominees, other than CDS or its nominee, only if (i) required to do so by applicable law, (ii) the depository system of CDS ceases to exist, (iii) the Corporation determines that CDS is no longer willing or able to discharge properly its responsibility as depository and the Corporation is unable to locate a qualified successor, or (iv) the Corporation at its option elects to terminate the book-entry system administered by CDS.

The Corporation, the Agents and the Trustee will not have any liability for (i) records maintained by CDS relating to beneficial interest in the Notes or the book-entry accounts maintained by CDS, (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership interest, or (iii) any advice or representation made or given by CDS and made or given herein with respect to the rules and regulations of CDS or any action to be taken by CDS or at the direction of the participants.

Payments in respect of Notes represented by Global Notes (including principal, premium, if any, and interest, if any) will be made directly to CDS or the successor depository. Payments of interest with respect to any Note issued in certificated non-book-entry form will be made either by wire transfer of immediately available funds to the account specified by the holder thereof (provided that wire transfer instructions have been provided to the Trustee at least 15 days prior to the applicable Interest Payment Date) or, at the option of the Corporation, by mailing a cheque to such holder's registered address not later than five days prior to the applicable Interest Payment Date. In all cases payments of principal and premium, if any, on the Notes will be made only against surrender of the certificates representing the Notes to the Trustee at the corporate trust office of the Trustee, 600, 530 8th Avenue S.W., Calgary, Alberta, T2P 3S8 (telephone number: (403) 267-6800) or its designated agent.

As long as CDS or its nominee is the registered holder of Global Notes, CDS or its nominee, as the case may be, will be considered to be the sole owner of Global Notes for the purposes of receiving payments of interest on and principal of Global Notes and premium, if any. The Corporation expects that CDS or its nominee, upon receipt of any payment of principal, interest, or premium, if any, in respect of Global Notes, will credit participants' accounts, on the date principal or interest is payable, with payments in amounts proportionate to their respective interests in the principal amount of Global Notes as shown on the records of CDS or its nominee at the close of business on the Regular Record Date, with respect to the payment of interest, and at maturity, with respect to the payment of principal. The Corporation also expects that payments of principal and interest by participants to the owners of beneficial interests in Global Notes held through such participants will be governed by standing instructions and customary practices, and will be the responsibility of such participants. The responsibility and liability of the Corporation in respect of Notes represented by Global Notes is limited to making payment of any principal and interest due on such Global Notes to CDS.

Transfers of beneficial ownership in Notes represented by Global Notes will be effected through the records maintained by CDS or its nominee for such Global Notes with respect to the interests of participants, and on the

records of participants with respect to interests of Persons other than participants. Beneficial owners who are not participants in the depository service of CDS, but who desire to purchase, sell or otherwise transfer ownership of or other interest in Global Notes, may do so only through participants in the depository service of CDS.

The ability of a beneficial owner of an interest in a Note represented by Global Notes to pledge the Note or otherwise take action with respect to such owner's interest in a Note represented by Global Notes (other than through a participant) may be limited due to the lack of a physical certificate.

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DTC, Euroclear and Clearstream, Luxembourg

Noteholders may hold their Notes through the accounts maintained by DTC, Euroclear or Clearstream, Luxembourg in CDS only if they are participants of those systems, or indirectly through organizations which are participants of those systems.

DTC, Euroclear and Clearstream, Luxembourg will hold book-entry positions on behalf of their participants on the books of CDS. All securities in DTC, Euroclear or Clearstream, Luxembourg are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts.

Transfers of Notes by Persons holding through Euroclear or Clearstream, Luxembourg participants will be effected through CDS, in accordance with CDS rules, and on behalf of the relevant European international clearing system by its depositaries. However, such transactions will require delivery of transfer instructions to the relevant European international clearing system by the participant in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transfer meets its requirements, deliver instructions to its depositaries to take action to effect transfer of the Notes on its behalf by delivering Notes through CDS and receiving payment in accordance with its normal procedures. Payments with respect to the Notes held through Euroclear or Clearstream, Luxembourg will be credited to the cash accounts of Euroclear participants or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures, to the extent received by its depositaries.

Although the Corporation will make all payments of principal and interest on the Notes in Canadian dollars, holders of Notes held through DTC will receive such payments in U.S. dollars, except as set forth below. Canadian dollar payments received by CDS will be exchanged into U.S. dollars and paid directly to DTC in accordance with procedures established from time to time by CDS and DTC. All costs of conversion will be borne by holders of Notes held through DTC who receive payments in U.S. dollars. Holders of Notes held through DTC may elect, through procedures established from time to time by DTC and its participants, to receive Canadian dollar payments, in which case such Canadian dollar amounts will be transferred directly to Canadian dollar accounts designated by such holders to DTC.

Any such procedures once established may be changed or discontinued by CDS, DTC, Euroclear or Clearstream, Luxembourg, as the case may be, at any time.

Foreign Exchange Risk

The Notes are denominated in Canadian dollars and all payments in respect of the Notes are to be made in Canadian dollars. An investment in the Notes by a purchaser not resident in Canada that conducts its business or activities in a currency (the **home currency**) other than Canadian dollars entails significant risks not associated with a similar investment in a security denominated in the home currency. Such risks include the possibility of significant changes in rates of exchange between the home currency and the Canadian dollar and the possibility of the imposition or modification of foreign exchange controls with respect to the home currency or Canadian dollar. Such risks generally depend on events over which the Corporation has no control, such as economic and political events and the supply of, and demand for, the Canadian dollar and the home currency. In recent years, rates of exchange for certain currencies have been highly volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in such rate that may occur during the term of the Notes. Depreciation of the Canadian dollar against the relevant home currency could result in a decrease in the effective yield on the Notes below their coupon rate and, in certain circumstances, could result in a loss to the investor on a home currency basis.

This description of foreign currency risks does not describe all of the risks of an investment in securities denominated in a currency other than the home currency. Prospective investors should consult their own financial and legal advisers as to the risks involved in an investment in the Notes.

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The following consolidated financial ratios are calculated for the twelve-month periods ended August 31, 2008, May 31, 2009 and August 31, 2009 and give effect to the issuance of all of the Corporation's long-term debt and repayment or redemption thereof subsequent to such dates, including the issuance of all of the Notes offered pursuant to this Prospectus Supplement. The ratios are based on the Corporation's annual audited consolidated financial statements and unaudited interim consolidated financial statements incorporated by reference herein. The earnings coverage ratios set out below do not purport to be indicative of an earnings coverage ratio applicable to any future periods.

	Twelve months ended August 31, 2008	Twelve months ended May 31, 2009	Twelve months ended August 31, 2009
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Ratio of Earnings to Interest⁽¹⁾⁽²⁾

Notes:

- (1) The annual interest requirements on long-term debt outstanding at August 31, 2008, May 31, 2009 and August 31, 2009, have been adjusted to reflect issuance, repayment or redemption of long-term debt since August 31, 2008, May 31, 2009 and August 31, 2009, respectively, and to give effect to the issuance of all of the Notes offered pursuant to this Prospectus Supplement, and the application of the net proceeds thereof as described under "Use of Proceeds".
- (2) Earnings are net income before the deduction of interest on long-term debt and income taxes.

RATINGS OF THE NOTES

The following table discloses the ratings of the Notes, and ratings outlooks, received by Shaw from the rating agencies indicated:

Ratings	Ratings Outlook	Rating Agency
BBB	Stable	DBRS Limited (DBRS)
Baa3	Stable	Moody's Investors Service, Inc. (Moody's)
BBB-	Stable	Standard & Poor's Ratings Services (S&P)

DBRS' credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BBB by DBRS is the fourth highest of ten categories and is assigned to debt securities considered to be of adequate credit quality. Protection of interest and principal is considered acceptable, but the entity is fairly susceptible to adverse changes in financial and economic conditions, or there may be other adverse conditions present which reduce the strength of the entity and its rated securities. The assignment of a (high) or (low) modifier within each rating category indicates relative standing within such category.

The high and low grades are not used for the AAA and D categories.

Moody's credit ratings are on a long-term debt rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of such securities rated. A rating of Baa by Moody's is the fourth highest of nine categories and denotes obligations judged to have speculative elements and which are subject to substantial credit risk. The addition of a 1, 2 or 3 modifier after a rating indicates the relative standing within a particular rating category. The modifier 1 indicates that the issue ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

S&P's credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BBB by S&P is the fourth highest of ten major categories. According to the S&P rating system, an obligor with debt securities rated BBB has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. The addition of a plus (+) or minus (-) designation after a rating indicates the relative standing within a particular rating category.

Each rating agency has several categories of long-term debt ratings that may be assigned to a particular issue. Prospective purchasers of the Notes should consult the rating organization with respect to the interpretation and implication of the foregoing ratings and outlooks.

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities. The foregoing ratings should not be construed as a recommendation to buy, sell or hold the Notes, in as much as such ratings do not comment as to market price or suitability for a particular investor. Any of the foregoing ratings may be revised or withdrawn at any time by the respective rating organization if in its judgment circumstances so warrant.

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CERTAIN INCOME TAX CONSIDERATIONS

The following summary is of a general nature only and is not intended to be, and should not be construed to be, legal or tax advice to any prospective investor and no representation with respect to the tax consequences to any particular investor is made. Accordingly, prospective investors should consult with their own tax advisors for advice with respect to the income tax consequences to them of purchasing, holding or disposing of the Notes having regard to their own particular circumstances, including any consequences of an investment in the Notes arising under state, provincial, territorial or local tax laws in Canada or the United States or tax laws of jurisdictions outside Canada or the United States.

Certain Canadian Federal Income Tax Considerations

In the opinion of Fraser Milner Casgrain LLP, counsel for Shaw, and McCarthy Tétrault LLP, counsel for the Agents, the following are as of the date hereof fair and adequate summaries of the material Canadian federal income tax consequences generally applicable to (a) a holder (a **Holder**) who acquires Notes pursuant to this offering and who, for the purposes of the *Income Tax Act* (Canada) (the **Tax Act**), is or is deemed to be a resident of Canada, deals with Shaw at arm's length, is not affiliated with Shaw and holds the Notes as capital property and (b) a holder (a **Non-Resident Holder**) who acquires Notes pursuant to this offering and who, for the purposes of the Tax Act, deals with Shaw at arm's length, and is neither a resident of Canada nor deemed to be a resident of Canada. These summaries are based upon the current provisions of the Tax Act and the Regulations thereunder in force as of the date hereof, all specific proposals to amend the Tax Act and Regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof (the **Proposed Amendments**), and counsel's understanding of the current administrative and assessing policies of the Canada Revenue Agency (the **CRA**) published in writing by CRA prior to the date hereof. These summaries are not exhaustive of all possible Canadian income tax consequences and, except for the Proposed Amendments, do not take into account or anticipate any changes in the law or the administrative or assessing policies of the CRA whether by legislative, governmental or judicial action, nor do they take into account provincial or foreign tax considerations which may differ significantly from those discussed herein. There can be no assurance that the Proposed Amendments will be enacted in the current form or at all.

Residents of Canada

A Holder will generally be considered to hold the Notes as capital property unless the Holder is a trader or dealer in securities, holds the Notes in the course of carrying on a business of buying and selling securities or has acquired the Notes as an adventure in the nature of trade. Certain Holders of Notes who might not otherwise be considered to hold their Notes as capital property may, in certain circumstances, be entitled to have them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This summary does not apply to a Holder that is a financial institution within the meaning of section 142.2 of the Tax Act, to a Holder an interest in which is a tax shelter investment, within the meaning of section 143.2 of the Tax Act, or to a Holder who has elected to determine its Canadian tax results in a functional currency (which does not include Canadian currency) as defined in the Tax Act.

Interest on Notes

A Holder of a Note that is a corporation, partnership, unit trust or any trust of which any corporation or partnership is a beneficiary, will be required to include in computing income for a taxation year all interest (or amounts deemed to be interest) that accrues to it on the Note to the end of that taxation year or that becomes receivable or is received by it before the end of the taxation year, except to the extent that the interest was included in computing its income for a

preceding taxation year.

Any other Holder, including an individual, will be required to include in computing income for a taxation year, all interest (or amounts deemed to be interest) on a Note that is received or receivable by the Holder in that taxation year (depending on the method regularly followed by the Holder in computing income).

In the event the Notes are issued at a discount from their face value, a Holder may be required to include an additional amount in computing income, either in accordance with the deemed interest accrual rules contained in the Tax Act and Regulations or in the taxation year in which the discount is received or receivable by the Holder. Holders should consult their own tax advisor in these circumstances, as the treatment of the discount may vary with the facts and circumstances giving rise to the discount.

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Disposition

On a disposition or deemed disposition of a Note (including the redemption of a Note by Shaw), a Holder will realize a capital gain (or sustain a capital loss), to the extent that the proceeds of disposition exceed (or are exceeded by), the adjusted cost base to the Holder of the Note and any reasonable expenses incurred for the purpose of making a disposition.

On a disposition or deemed disposition of a Note, a Holder will generally be required to include in income for the taxation year in which the disposition occurs, any premium deemed to be interest and the amount of accrued interest from the date of the last interest payment to the extent that such amount has not otherwise been included in income for the year in which the disposition or deemed disposition occurs or a previous taxation year.

A Holder who realizes a capital gain or sustains a capital loss on the disposition of a Note will be required to include in computing income for the taxation year of the disposition, one-half of the capital gain or will generally be entitled to deduct one-half of the capital loss against taxable capital gains realized by the Holder in the taxation year. Allowable capital losses not deducted in the taxation year in which they are realized may be carried back and deducted in any of the three preceding years or carried forward and deducted in any following years against taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

Refundable Tax

A Holder that is a Canadian-controlled private corporation (as defined in the Tax Act) may be liable for a refundable tax of 62/3% on investment income, including interest and capital gains earned or realized in respect of the Notes.

Non-Residents of Canada

The payment by Shaw of interest, premium, if any, or principal on the Notes to a Non-Resident Holder will be exempt from Canadian non-resident withholding tax under the Tax Act.

No other taxes on income (including capital gains) will be payable under the Tax Act in respect of the holding, redemption or disposition of the Notes by Non-Resident Holders who do not use or hold and are not deemed to use or hold the Notes in carrying on business in Canada for the purposes of the Tax Act, except that in certain circumstances Non-Resident Holders who are carrying on an insurance business in Canada and elsewhere may be subject to such taxes.

Certain U.S. Federal Income Tax Considerations

The following summary describes certain U.S. federal income tax consequences that may be relevant to the purchase, ownership and disposition of Notes by U.S. Holders (as defined below) who purchase Notes in this offering at the issue price set forth on the cover of this Prospectus Supplement and who hold the Notes as capital assets (generally, property held for investment purposes). This discussion does not purport to deal with all aspects of U.S. federal income taxation that may be relevant to particular holders in light of their particular circumstances nor does it deal with persons that are subject to special tax rules, such as dealers in securities or currencies, financial institutions, insurance companies, tax-exempt organizations, partnerships, real estate investment trusts, regulated investment companies, traders in securities or commodities that elect mark-to-market treatment, persons that are, or will hold Notes through, a partnership or other pass-through entity, persons holding the Notes as part of a straddle, hedge, or conversion transaction or a synthetic security or other integrated transaction, U.S. Holders whose functional currency is not the U.S. dollar, and holders who are not U.S. Holders. In addition, this summary does not address the tax

consequences applicable to subsequent purchasers of the Notes. Furthermore, the discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the **Code**) and United States Treasury regulations, rulings and judicial decisions under the Code as of the date of this Prospectus Supplement, and those authorities may be repealed, revoked or modified (possibly with retroactive effect) so as to result in U.S. federal income tax consequences different from those discussed below. There can be no assurance that the Internal Revenue Service (**IRS**) will take a similar view as to any of the tax consequences described in this summary.

Persons considering the purchase, ownership or disposition of Notes should consult their own tax advisors concerning the U.S. federal income tax consequences in light of their particular situations as well as any consequences arising under the laws of any state or of any local or foreign taxing jurisdiction.

As used in this section, the term **U.S. Holder** means a beneficial owner of Notes that is for U.S. federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation or other entity created or organized in or under the laws of the United States or any political subdivision of the United States, (iii) an estate the income of which is

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subject to U.S. federal income taxation regardless of its source or (iv) a trust, if a United States court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or if the trust has made an election to be treated as a U.S. person under applicable United States Treasury regulations.

Original Issue Discount

It is not expected that the Notes will be issued with original issue discount. If, however, the Notes are issued with more than a *de minimis* amount of original issue discount, then such original issue discount would be treated for U.S. federal income tax purposes as interest accruing over the Notes' term, and would be taxable as interest income as described below under *Payments of Interest* in advance of the payment attributable thereto. A U.S. Holder's adjusted tax basis in a Note would be increased by the amount of any original issue discount included in its gross income. In compliance with United States Treasury regulations, if Shaw determines that the Notes have original issue discount, Shaw will provide certain information to the IRS and U.S. Holders that is relevant to determining the amount of original issue discount in each accrual period.

Payments of Interest

The U.S. dollar value of interest paid on a Note (including any Canadian taxes withheld therefrom and including the receipt of proceeds from a sale, exchange or other disposition attributable to accrued but unpaid interest) will generally be includible by a U.S. Holder as ordinary income at the time the interest is paid or accrued, based on the U.S. Holder's method of accounting for U.S. federal income tax purposes. In addition to interest on the Notes, a U.S. Holder will be required to include as income any Additional Amounts Shaw may pay to cover any Canadian taxes withheld from interest payments. As a result, a U.S. Holder may be required to include more interest in gross income than the amount of cash it actually receives.

A U.S. Holder may be entitled to deduct or credit the amount of any foreign withholding tax, subject to applicable limitations in the Code. For U.S. foreign tax credit purposes, interest income described above generally will constitute foreign source income and will be treated as *passive category income* or *general category income* for United States foreign tax credit purposes. The rules governing the foreign tax credit are complex and U.S. Holders are urged to consult their own tax advisors regarding the availability of the credit under their particular circumstances.

Generally, in the case of a cash method taxpayer, the U.S. dollar value of the foreign currency interest payment is determined based on the spot rate on the date of receipt or payment. Generally, in the case of an accrual method taxpayer, the average U.S. dollar value of the accrued amounts is determined based on the average exchange rate during the interest accrual period, unless an election is made under the Treasury regulations to use the spot rate on the last day of the interest accrual period. Generally, an accrual method taxpayer that does not make such election will recognize exchange income or loss, which will constitute ordinary income or loss, with respect to accrued interest income on the date the interest payment is actually received. A U.S. Holder may have exchange gain or loss when it disposes of any Canadian dollars received, which will be treated as U.S. source ordinary income or loss.

Purchase, Sale, Exchange or Retirement of the Notes

A U.S. Holder who converts U.S. dollars to Canadian dollars and immediately uses such Canadian dollars to purchase a Note will ordinarily not recognize exchange gain or loss in connection with such conversion and purchase. A U.S. Holder who purchases a Note with previously acquired Canadian dollars will recognize ordinary income or loss in an amount equal to the difference, if any, between such U.S. Holder's tax basis in Canadian dollars and the U.S. dollar fair market value of the Note on the date of purchase. Such exchange gain or loss will generally be treated as U.S. source ordinary income or loss.

Gain or loss will be recognized upon the sale, exchange or retirement of a Note in an amount equal to the U.S. dollar value of the amount received by a U.S. Holder upon such disposition (reduced by any amounts attributable to accrued but unpaid interest, which will be taxable as described above under Payments of Interest) less the U.S. dollar tax basis in the Note. A U.S. Holder's tax basis in a Note generally will be the U.S. dollar value of the amount paid for the Note based on the exchange rate on the date of purchase of the Note. Gain or loss that is recognized will be treated as U.S. source ordinary income or loss to the extent it is attributable to currency exchange gain or loss. Any gain or loss recognized by such a holder in excess of the exchange gain or loss will generally be U.S. source capital gain or loss. Such capital gain or loss generally will constitute a long-term capital gain or loss if the Note was held by such U.S. Holder for more than one

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year and otherwise will be short-term capital gain or loss. Long-term capital gains of non-corporate U.S. Holders may be subject to tax at lower rates than ordinary income. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to payments of principal and interest on a Note and payments of the proceeds of sale made within the United States (and, in certain cases, outside the United States) to U.S. Holders other than certain exempt recipients (such as corporations). In addition, a backup withholding tax (currently at the rate of 28%) may apply to such payments if such a U.S. Holder fails to provide an accurate taxpayer identification number or otherwise fails to comply with applicable requirements of the backup withholding rules. Any amounts withheld under those rules will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability or refundable to the extent it exceeds such liability. A U.S. Holder who does not provide a correct taxpayer identification number may also be subject to penalties imposed by the IRS.

PLAN OF DISTRIBUTION

Under the terms and subject to the conditions of an agency agreement (the **Agency Agreement**) dated November , 2009 among Shaw and the Agents, the Corporation has appointed the Agents, as agents, to use their best efforts to arrange for the purchase, on or about November , 2009 or such other date as may be agreed upon, but not later than November , 2009, subject to the terms and conditions stated therein, of up to \$ million principal amount of Notes at a price of \$ per \$1,000 principal amount of Notes, payable in cash to the Corporation against delivery of the Notes and payment of the agents' commission described below.

The Agency Agreement provides that the Corporation will pay the Agents a commission of % per Note sold.

The obligations of the Agents under the Agency Agreement may be terminated at their discretion on the basis of certain stated events. While the Agents have agreed to use their best efforts to sell the Notes, the Agents will not be obligated to purchase any of the Notes which are not sold.

This offering is being made concurrently in all provinces of Canada and in the United States pursuant to the multijurisdictional disclosure system implemented by securities regulatory authorities in Canada and the United States. The Notes will be offered in Canada and the United States through the Agents, either directly or through their respective Canadian or U.S. broker-dealer affiliates or agents.

Shaw has agreed to indemnify the Agents and their directors, officers and employees against certain liabilities, including liabilities under the United States Securities Act of 1933, as amended, and applicable Canadian securities legislation, and to contribute to payments that the Agents and Shaw may be required to make in respect thereof.

There is currently no public market for the Notes. Shaw does not intend to apply for listing of the Notes on any national securities exchange or for quotation of the Notes on any automated dealer quotation system. Shaw has been advised by the Agents that they presently intend to make a market in the Notes after completion of the offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. Shaw cannot assure the liquidity of any trading market for the Notes or that an active public market for the Notes will develop. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected.

The determination of the terms of the distribution was made through negotiations between Shaw and TD Securities Inc., on behalf of the Agents.

In connection with the offering, the Agents are permitted to engage in over-allotment, stabilizing transactions and syndicate covering transactions or purchases for the purpose of pegging, fixing or maintaining the price of the Notes. These transactions may raise the price of the Notes. Neither Shaw nor any of the Agents makes any representations or prediction as to the direction or magnitude of any effect that such transactions may have on the price of the Notes. In addition, neither Shaw nor any of the Agents makes any representation that the Agents will engage in those transactions or that these transactions, once commenced, will not be discontinued without notice.

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The Class B Non-Voting Shares are listed on the Toronto Stock Exchange under the symbol SJR.B and the New York Stock Exchange under the symbol SJR. The Class A Shares are listed on the TSX Venture Exchange under the symbol SJR.A. The following table sets forth the monthly closing price range and volume traded on a Canadian marketplace for the Class A Shares and the Class B Non-Voting Shares for the periods indicated.

	TSX Venture SJR.A		TSX SJR.B	
March 2009				
High	C\$	22.00	C\$	20.70
Low	C\$	20.00	C\$	17.37
Volume		3,520		25,625,375
April 2009				
High	C\$	22.75	C\$	20.01
Low	C\$	20.00	C\$	17.92
Volume		3,695		26,034,758
May 2009				
High	C\$	22.50	C\$	19.80
Low	C\$	19.50	C\$	18.21
Volume		1,488		18,251,405
June 2009				
High	C\$	22.50	C\$	19.90
Low	C\$	19.50	C\$	18.46
Volume		3,500		37,265,417
July 2009				
High	C\$	22.00	C\$	19.51
Low	C\$	19.90	C\$	17.71
Volume		6,181		21,262,385
August 2009				
High	C\$	22.00	C\$	19.10
Low	C\$	19.60	C\$	18.18
Volume		5,450		17,851,335
September 2009				
High	C\$	21.85	C\$	19.68
Low	C\$	19.35	C\$	18.61
Volume		4,426		25,840,188
October 2009				
High	C\$	24.00	C\$	20.64

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Low	C\$	20.00	C\$	18.90
Volume		3,933		20,400,067
November 1 to 3, 2009				
High	C\$	22.00	C\$	19.48
Low	C\$	22.00	C\$	19.07
Volume		100		1,007,103

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LEGAL MATTERS

Certain legal matters in connection with the issue of the Notes will be passed upon for Shaw by Fraser Milner Casgrain LLP, Calgary, Alberta, with respect to matters of Canadian law and by Sherman & Howard L.L.C., Denver, Colorado, with respect to matters of United States law, and certain legal matters in connection with the issue of the Notes will be passed upon for the Agents by McCarthy Tétrault LLP, with respect to matters of Canadian law and by Skadden, Arps, Slate, Meagher & Flom LLP, with respect to matters of United States law.

As of the date of this Prospectus Supplement, the partners and associates of each of Fraser Milner Casgrain LLP and McCarthy Tétrault LLP as a group beneficially own, directly or indirectly, less than 1% of Shaw's outstanding securities.

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Dated March 11, 2009

**Shaw Communications Inc.
\$2.5 Billion
Debt Securities
Class B Non-Voting Participating Shares
Class 1 Preferred Shares
Class 2 Preferred Shares
Warrants
Share Purchase Contracts
Units**

Shaw Communications Inc. (**Shaw** or the **Corporation**) may offer and issue from time to time, debt securities (**Debt Securities**), Class B Non-Voting Participating Shares, Class 1 Preferred Shares, Class 2 Preferred Shares (collectively, **Equity Securities**), warrants to purchase Equity Securities or Debt Securities (**Warrants**), share purchase contracts (**Share Purchase Contracts**) and units (**Units** and, together with the Debt Securities, Equity Securities, Warrants and Share Purchase Contracts, **Securities**) of up to \$2.5 billion aggregate initial offering price of Securities (or the equivalent thereof in one or more foreign currencies) during the 25 month period that this short form base shelf prospectus, including any amendments hereto (the **Prospectus**), is valid. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement (a **Prospectus Supplement**).

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which the Debt Securities may be purchased, the maturity, interest provisions, authorized denominations, offering price, covenants, events of default, terms for redemption or retraction (if any), exchange or conversion terms (if any), whether the debt is senior or subordinated, and any other terms specific to the Debt Securities being offered; (ii) in the case of Equity Securities, the designation of the particular class and series, the number of shares offered, the offering price, dividend rate (if any), and any other terms specific to the Equity Securities being offered; (iii) in the case of Warrants, the offering price, designation, number and terms of the Equity Securities or Debt Securities purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise, and any other terms specific to the Warrants being offered; (iv) in the case of Share Purchase Contracts, the number of Share Purchase Contracts offered, the offering price, and any other terms specific to the Share Purchase Contracts being offered; and (v) in the case of Units, the number of Units offered, the offering price, the Securities comprising the Units, and any other terms specific to the Units being offered.

All shelf information permitted under applicable securities legislation to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to such Securities will be included in the Prospectus Supplement describing such Securities. For the purpose of calculating the Canadian dollar equivalent of the aggregate principal amount of Securities issued under this Prospectus from time to time, Debt Securities denominated in, and other Securities denominated or issued in, a currency (the **Securities Currency**) other than

Canadian dollars will be translated into Canadian dollars at the date of issue of such Securities using the spot wholesale transactions buying rate of the Bank of Canada for the purchase of Canadian dollars with the Securities Currency in effect as of noon (Toronto time) on the date of issue of such Securities.

Shaw's Class B Non-Voting Participating Shares are listed on the Toronto Stock Exchange under the symbol SJR.B and the New York Stock Exchange under the symbol SJR. **There is currently no market through which the Debt Securities, Class 1 Preferred Shares, Class 2 Preferred Shares, Warrants, Share Purchase Contracts and Units may be sold and purchasers may not be able to resell such Securities purchased under this Prospectus. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities and the extent of issuer regulation. See Risk Factors .**

Neither the United States Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offence in the United States.

Offerings of Securities hereunder are made by Shaw, a foreign private issuer, which is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this Prospectus in accordance with Canadian disclosure requirements. Prospective investors in the United States should be aware that such requirements are different from those of the United States. Shaw has prepared the financial statements incorporated herein by reference in accordance with Canadian generally accepted accounting principles, and they are subject to Canadian auditing and auditor independence standards. Thus, they may not be comparable to the financial statements of United States companies.

Prospective investors should be aware that the purchase of Securities may have tax consequences both in the United States and Canada. This Prospectus or any applicable Prospectus Supplement may not describe these tax consequences fully. Investors should consult with their own tax advisors and read the tax discussion in this Prospectus and any applicable Prospectus Supplement.

Enforcement of civil liabilities under United States federal securities laws may be affected adversely by the fact that Shaw is incorporated in Alberta, Canada, most of its officers and directors and most of the experts named in this Prospectus are residents of Canada, and all or a substantial portion of the assets of Shaw and said persons are located in Canada or other jurisdictions outside the United States.

Shaw may offer and sell Securities to or through underwriters or dealers purchasing as principals and also may offer and sell certain Securities directly to other purchasers or through agents. A Prospectus Supplement relating to each issue of Securities offered thereby will identify each underwriter, dealer or agent engaged by Shaw in connection with the sale of such issue and will set forth the terms of the offering of such Securities, the method of distribution of such Securities, including to the extent applicable, the proceeds to Shaw and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.