



FOR IMMEDIATE RELEASE:

St. John's, NL (March 7, 2014):

**FORTIS INC. RECOMMENDS SHAREHOLDERS REJECT
TRC CAPITAL CORPORATION'S "MINI-TENDER" OFFER**

Fortis Inc. (TSX:FTS) ("Fortis" or the "Corporation") has been notified of an unsolicited mini-tender offer made by TRC Capital Corporation ("TRC Capital") to purchase up to 3,000,000 common shares of Fortis, representing approximately 1.41% of the Corporation's outstanding common shares at a price of \$29.25 per common share. Fortis cautions shareholders that the mini-tender offer has been made at a price below market, representing a discount of 4.38% to the \$30.59 closing price of the Corporation's common shares on the Toronto Stock Exchange (the "TSX") on March 4, 2014, the last trading day before the mini-tender offer commenced.

Fortis does not endorse this unsolicited mini-tender offer and recommends that shareholders reject the offer and do not tender their shares in response to the offer. The Corporation's recommendation is based upon the fact that this offer is at a price below the market price for Fortis common shares (4.51% less than yesterday's TSX closing price of \$30.63) and is subject to numerous conditions. TRC Capital's offer states that it may terminate the offer if, among other things, the market price of Fortis common shares declines from the close of business on March 4, 2014, or if it is unable to enter into a credit facility satisfactory to it to obtain the financing necessary to consummate the offer.

Fortis is not associated with TRC Capital, the mini-tender offer, or the mini-tender offer documentation. TRC Capital has made similar unsolicited mini-tender offers for shares of other public companies. Mini-tender offers are designed to seek less than 5% of a company's outstanding shares, thereby avoiding many disclosure and procedural requirements applicable to most bids under Canadian and United States securities legislation.

The Canadian Securities Administrators ("CSA") have expressed serious concerns about mini-tender offers, such as the possibility that investors might tender to a mini-tender offer based upon a misunderstanding of the terms of the offer, including the per securities price available under the offer relative to the market price of such securities. Comments from the CSA on mini-tenders can be found on the Ontario Securities Commission website at: http://www.osc.gov.on.ca/en/SecuritiesLaw_csa_19991210_61-301.jsp. The U.S. Securities and Exchange Commission ("SEC") has also issued comments about mini-tender offers. The SEC states: "Some bidders make mini-tender offers at below-market prices, hoping that they will catch investors off-guard if the investors do not compare the offer price to the current market

price.” The SEC advisory can be found at <http://www.sec.gov/investor/pubs/miniend.htm> and provides guidance for investors receiving such an offer.

Fortis urges investors to obtain current market quotations for their shares, consult with their broker or financial advisor and exercise caution with respect to TRC Capital’s offer. According to TRC Capital’s offer documents, Fortis shareholders who have already tendered their shares may withdraw their shares under certain limited conditions prescribed in section 6 of the offer document at any time before 5:00 pm (Toronto time) on April 3, 2014 by following the procedures described therein.

Fortis is the largest investor-owned gas and electric distribution utility in Canada with total assets of approximately \$18 billion and fiscal 2013 revenue exceeding \$4 billion. Its regulated utilities account for 90 per cent of total assets and serve more than 2.4 million customers across Canada and in New York State and the Caribbean. Fortis owns non-regulated hydroelectric generation assets in Canada, Belize and Upstate New York. The Corporation's non-utility investment is comprised of hotels and commercial real estate in Canada.

Fortis shares are listed on the TSX and trade under the symbol FTS. Additional information can be accessed at www.fortisinc.com or www.sedar.com.

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