



SEARS CANADA INC.

PROXY

The undersigned shareholder of Sears Canada Inc. (the "Corporation") hereby appoints William C. Crowley, or failing him Calvin McDonald, or failing him Franco Perugini, or instead of any of them, as proxyholder of the undersigned, with full power of substitution, to attend and vote the common shares in the capital of the Corporation registered in the name of the undersigned on the following matters at the Annual Meeting of Shareholders of the Corporation to be held on Tuesday, April 17, 2012, at 8:00 a.m., Eastern time, and at any and all adjournments or postponements thereof:

(1) ELECTION OF DIRECTORS

Vote FOR or WITHHOLD FROM VOTING in respect of the election of each of the nominees named in the accompanying Management Proxy Circular as directors:

Table with 8 columns: ID, Name, FOR, WITHHOLD FROM VOTING, ID, Name, FOR, WITHHOLD FROM VOTING. Rows include E. J. Bird, William C. Crowley, William R. Harker, R. Raja Khanna, James McBurney, Calvin McDonald, Deidra C. Merriwether, and Deborah E. Rosati.

(2) APPOINTMENT OF AUDITORS

VOTE FOR or WITHHOLD FROM VOTING in respect of the appointment of Deloitte & Touche LLP as the Corporation's Auditors, and authorizing the board of directors of the Corporation to set the Auditors' remuneration;

(3) such other business as may properly be brought before the meeting or any adjournment thereof.

If no specification is made regarding voting on any resolution then the proxy will be VOTED FOR the election of ALL the nominees named in the accompanying Management Proxy Circular as directors and VOTED FOR the appointment of Deloitte & Touche LLP as the Corporation's Auditors, and authorizing the board of directors of the Corporation to set the Auditors' remuneration.

This proxy confers discretionary authority on the proxyholder to vote as he or she feels fit in respect of the matters identified in the Notice of Meeting to Shareholders if no choice is specified, and to vote in his or her discretion with respect to amendments or variations to such matters or other matters that may properly come before the meeting or any adjournment thereof.

Dated this day of 2012

Signature of Shareholder

NOTES:

- (1) This form of proxy must be signed by the shareholder or by his/her attorney authorized in writing.
(2) Each shareholder has the right to appoint a person (who need not be a shareholder of the Corporation) to attend and to act on his/her behalf at the meeting.
(3) This proxy is solicited by the management of the Corporation.
(4) If this proxy is not dated in the space designated above, it shall be deemed to bear the date on which it was mailed by the Corporation.

THIS IS YOUR PROXY — DO NOT DESTROY. PLEASE COMPLETE AND RETURN IN THE ENVELOPE PROVIDED BY 5:00 P.M. (EASTERN TIME) ON APRIL 16, 2012 OR IF THE MEETING IS ADJOURNED OR POSTPONED, NOT LATER THAN 5:00 P.M. (EASTERN TIME) ON THE BUSINESS DAY PRECEDING THE DAY OF THE MEETING, OR DELIVER TO THE REGISTRATION TABLE ON THE DAY OF THE MEETING PRIOR TO THE COMMENCEMENT OF THE MEETING.

(version française au verso)

As a registered shareholder of Sears Canada Inc., I hereby advise that:
Box A: I do not wish to receive a copy of the Annual Financial Statements for the fiscal year ending February 2, 2013 and Management's Discussion and Analysis for such statements.
Box B: I do wish to receive a copy of the Interim Financial Statements and Management's Discussion and Analysis for such statements in 2012.
Please note that:
- Registered shareholders will continue to receive the Annual Financial Statements and Management's Discussion and Analysis unless they inform the Corporation, in writing or by checking Box A, that they do not wish to receive a copy of such statements.
- To reduce costs and help protect the environment, registered shareholders will not receive the Interim Financial Statements and Management's Discussion and Analysis unless they inform the Corporation, in writing or by checking Box B, that they wish to receive a copy of such statements.
- The Corporation will continue to send registered shareholders any Notice of Meeting to Shareholders, Management Proxy Circular and Form of Proxy, so that they can vote their shares.