

April 1, 2024

Frank Davis
Assistant Vice President, Green Fuels and Canada Country Head
Argentia Renewables Wind LP
119 Spadina Avenue, Suite 403
Toronto, Ontario
M5S 2L4

RE: Wind Reserve Consideration Letter

Dear Mr. Davis,

I am writing regarding the proposal of Argentia Renewables Wind LP (the Company) to the Department of Industry, Energy and Technology for the establishment of a reserve of Crown land for the possible placement of contingent wind turbines needed to maintain your 300 megawatt wind energy project on Port of Argentia Lands detailed as Phase One in your response to the Crown Land Call for Bids (the Project).

I am pleased to advise that a wind reserve will be established within the area identified in Annex A and illustrated in Annex B.

Please note, that Crown lands applications for wind energy developments within the reserve will only be accepted if it can be demonstrated to the satisfaction of IET that the request is a result of area constraints identified either by the Company through its Project development and site assessment, or by government through processes such as the EA process.

Crown lands for which the aforementioned right applies are outlined in the GIS data attached as Annex A and presented for demonstration purposes in the map attached as Annex B. These lands will be held in reserve for the Company for a period of 18 months from the date of this letter or until the Company makes an application to the Department of Fisheries, Forestry and Agriculture (FFA) for the lands required for contingent turbine positions for its current project, whichever occurs earlier. If the Company does not make an application to FFA for the lands required for contingent turbine positions for its current Project within a period of 18 months from the date of this letter, the lands outlined in the attached annex will no longer be held in reserve for the Company. A reserve fee of \$104,914 per year will be charged by FFA to the Company.

Should the Company make application(s) to FFA for the lands required to complete the Project within the 18-month period noted above, the lands included in the Crown lands application will continue to be held for the Company until the application is cancelled, withdrawn, refused or a title has been issued. Any lands that have been reserved for the Company, but not requested in the Crown Lands application, will be released from the reserve. A reserve fee will continue to be charged by FFA to the Company for the lands included in the Crown lands application area while they are held pending a decision on the application or title is issued, whichever is later.

This letter and any subsequent approval issued by IET permitting an application for Crown lands within the area outlined in Annex A is to be included in the Company's application for the Crown lands required for the Project, in addition to other information required for review of the application. All applications for Crown lands will be subject to the Crown lands referral processes and associated fees as well as the Environmental Assessment (EA) process, as applicable. If an EA is required, as per section 68 of the **Environmental Protection Act**, Crown lands shall not be issued until the undertaking has been released from EA.

Please note that your wind energy Project is subject to the Province's legislative and regulatory framework, including but not limited to, that pertaining to the development and provision of electricity in the Province, such as the **Public Utilities Act** and the **Electrical Power Control Act, 1994**, that pertaining to the control and management of water resources under the **Water Resources Act**, and any other laws of the Province. Further, the issuance of this letter is distinct and separate from the Crown lands application and approval process and is distinct and separate from the EA process. As such, the issuance of this letter is not a substitute for nor does it guarantee approval in the separate Crown lands application process under the **Lands Act**, the separate EA process under the **Environmental Protection Act** and Regulations, or any other statutory and regulatory approvals, exemptions or regulatory processes applicable to the Project.

In addition, please note that the Company will be required to submit a Benefits Plan and a Gender Equity, Diversity and Inclusion Plan (GEDIP) for the Project that meets the approval of the Province. The Benefits Plan and GEDIP must be approved prior to the commencement of Project construction, and it is therefore recommended that you engage with IET officials early in your development process to ensure these timelines are met. Also, please note that the Company's Project will be subject to the Province's Wind-Hydrogen Fiscal Framework, which was announced in February 2023.

Furthermore, please note that the Crown lands Lease fee annual charge of 7 per cent of market value will be based on a new localized market valuation of the final areas approved for leasing, if any. FFA will assess market value of the leased lands annually and the Company will be advised of any change in the annual fee.

I wish you success and look forward to working with you in the future.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Cowan", written over a blue circular stamp.

JOHN COWAN
Deputy Minister

Annex A
Project GIS Data – As attached in this email

Annex B
Wind-Energy Reserve - Demonstration Map

