
Fact Sheet - June 2010

Nigig Power Corporation

On June 4, 2010, **Nigig Power Corporation** submitted a Feed-In-Tariff (**FIT**) Application to the Ontario Power Authority (**OPA**) for a 300 Megawatt (**Mw**) Wind Farm Project; **Henvey Inlet First Nation** retains controlling interests in this new power company.

This action follows two years of research and development that included: Membership and stakeholder engagement, preliminary wind and financial feasibility assessments, site analysis, finance market assessments and the development of a sound corporate structure controlled by the First Nation (see page 2.).

The critical next steps include: determining the availability of adequate transmission capacity to accept the generated power and ongoing liaison with Government and energy industry experts to research, develop, finance, install and operate the facility.

On-site wind speed and consistency testing is also required to verify the Environment Canada wind data to prove the wind quality and to qualify for long-term financing.

401 Energy Inc. previously selected as a development partner (in 2008) was unable to meet the FIT Program requirements, so the relationship was terminated in March 2010.

Following the acceptance of the **FIT** Application by **OPA**, Nigig Power Corporation will select a new development partner to launch the project and work towards a commercial online date potentially in 2014. Several world-class wind energy development firms are vying for the opportunity to partner with the Band to develop and run the project.

A **FIT Application** may lead to a **FIT Contract** that contains a list of strict regulations to ensure that the new power generated is in compliance with power generation regulations

and compatible with the electrical grid, plus specify a Commercial Online Date (**COD**). Extensive environmental assessments and engineering studies will accompany these technical assessments. Actual final project costs can only be calculated when this process is complete.

Once all environmental interests are considered and technical requirements met, a Power Purchase Agreement (**PPA**) will be offered by OPA to buy all of the power generated at \$0.15 per Kwh for a period of 20 years.

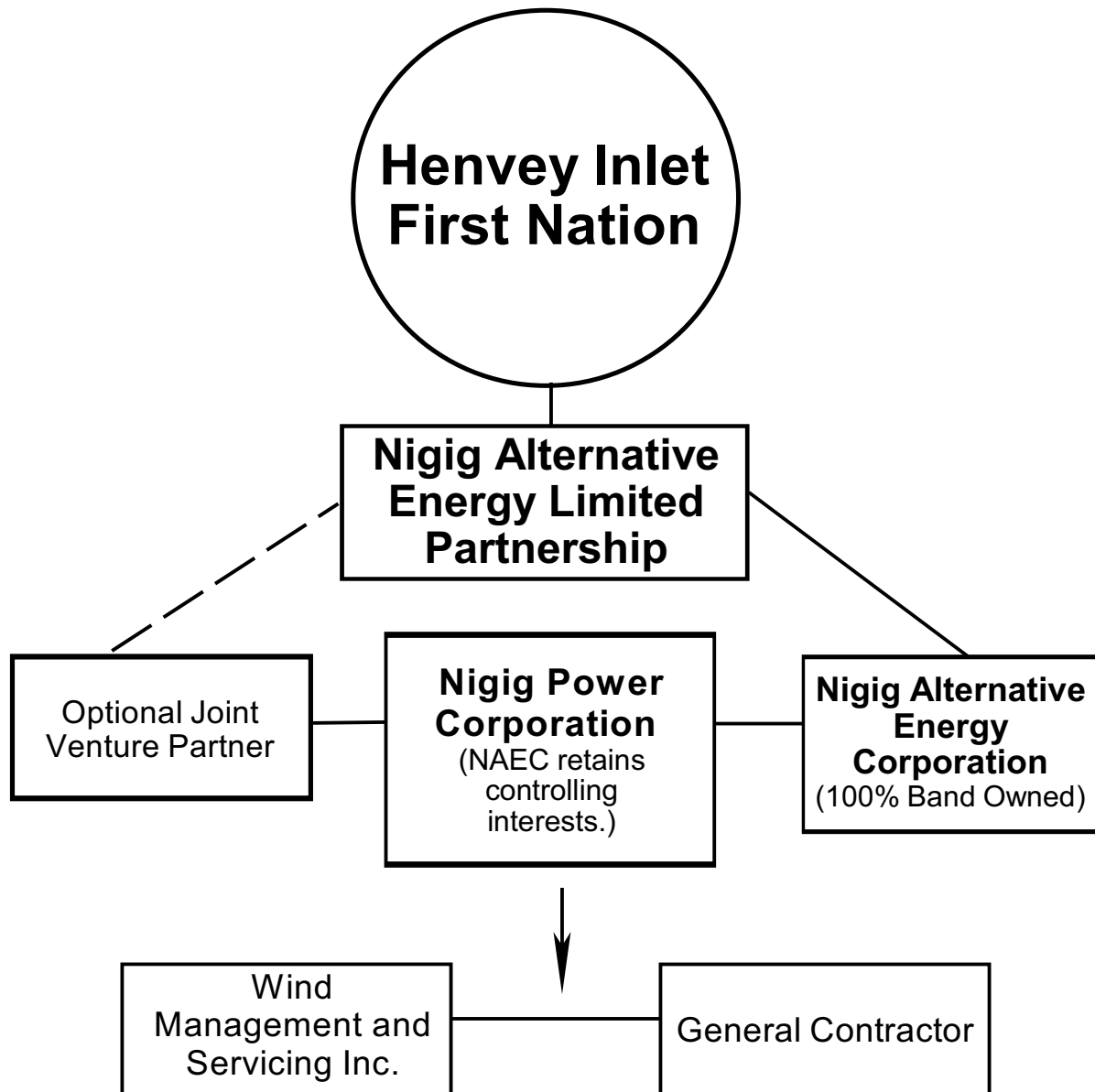
Subject to final decisions about the project size and actual site-specific wind speeds, the project could generate **Gross Revenues** averaging about \$150M per year with **Net Revenues** averaging about \$50M per year. Nigig Power's share of **Net Revenues** could range from \$15-\$35M per year over the 20 year period. The initial **Net Revenue** will be smaller to pay down debt but will grow as the project debt is repaid.

Henvey Inlet First Nation government will manage this revenue and develop a budget in consultation with the Membership that considers a wide range of community needs, for example:

- economic development
- business development
- infrastructure
- education and training
- social
- cultural
- health
- housing
- community development

The Membership may suggest additional items not noted here.

Henvey Inlet First Nation Wind Farm Project



- Limited Partnership Agreement between HIFN and NAEC
- JV Agreement with potential JV partner and NAELP
- Shareholder Agreement between NPC and NAEC (and optional JV Partner)
- 5 year 28(2) Permit issued to NAEC for Test Towers
- 60 year 28(2) Permit (3-20 year terms) between NPC and the Crown is approved and authorized by HIFN
- FIT Contract between NPC and OPA
- Servicing Agreement between WMS, GC and NPC and sub-agreements with Industry Leaders for O&M and General Contracting