

December 2, 2013

**Term Sheet – Port Ryerse Wind Farm**

This Term Sheet (the “**Agreement**”) is entered into as of December 2, 2013 by Six Nations of the Grand River (“**Six Nations**”) and Port Ryerse Wind Farm Limited Partnership (“**Port Ryerse LP**”) and outlines the objectives to formalize the relationship between Six Nations and Port Ryerse LP in the context of the Port Ryerse Wind Farm (the “**Project**”).

The Port Ryerse Wind Farm is a 10MW facility located north east of the small hamlet of Port Ryerse Ontario. A map is attached in Schedule A.

This Agreement is without prejudice to, and does not intend to abrogate or derogate from, the aboriginal or treaty rights of the Six Nations or any of its members and any and all claims of the Six Nations of the Grand River as against Her Majesty the Queen in right of Canada or the Government of Canada and Her Majesty the Queen in right of Ontario or the Government of Ontario, including without limitation the litigation commenced in the Ontario Superior Court of Justice between Six Nations of the Grand River Band as plaintiff and the Attorney General of Canada and Her Majesty the Queen in Right of Ontario as defendants, bearing Court File No. 406/95 issued out of Brantford, Ontario.

Following the execution of this agreement, the parties may negotiate and eventually (if an agreement can be reached with specific terms and conditions) enter into a detailed agreement formalizing the terms contained in this Agreement.

The information contained herein is confidential. Both parties will hold and treat it in the strictest confidence. Neither party shall, directly or indirectly, disclose or communicate or permit anyone else to disclose or communicate this Agreement or any of its content or any part thereof to any person, firm or entity without the other party's prior consent.

Both parties agree to work in good faith and cooperate in all aspects of this Agreement.

**Purpose**

The purpose of this Agreement is to outline benefits that the Project will attribute to the Six Nations.

- 1) Royalty Payment: \$750/MW/year plus consumer price index (the “**Royalty Payment**”)
- 2) Boralex will use commercially reasonable efforts to make available employment opportunities during the construction process for members of the Six Nations
- 3) Mentorship during Small FIT solar development.
- 4) Enter into a memorandum of understanding (the “**MOU**”) for future non-contracted renewable energy facility partnerships

The parties recognize that the benefits contemplated hereinabove are materially important to the Six Nations community as the economic impact proposed through this Agreement

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to a certain degree has been relied upon as a benefit stemming from Boralex's development of the Project.

### **Royalty Payment**

The Royalty Payment would be payable to Six Nations if and when the Project is operational.

The Royalty Payment would be made out to Six Nations and made on behalf of the entire community.

The Royalty Payment will be paid during the duration of the Feed In Tariff Contract entered into for the Project (the "FIT Contract") and for the duration of any extension or renewal thereof. For greater certainty, the parties acknowledge and agree that no Royalty Payment shall not be made after the initial term of the FIT Contract should Port Ryerse LP not obtain an extension or renewal of the FIT Contract with the OPA.

### **Roles and Responsibilities of Small FIT solar**

Boralex will provide mentorship and guidance to a team of Six Nations identified individuals that will apply for, develop, finance and construct a small solar Feed In Tariff project up to 500kW (the "Solar Project").

The following roles and responsibilities are high level activities that are likely to take place in the course of the Solar Project lifecycle.

Six Nations will undertake the following tasks:

- 1) Identify working group to manage the Solar Project;
- 2) Determine the Solar Project size and financial viability;
- 3) Identify and secure lands for the Solar Project location;
- 4) Locate utility grid that the Solar Project will connect into;
- 5) Apply to the Ontario Power Authority for a small Feed In Tariff contract;
- 6) Permit the Solar Project – liaise with consultants, agencies, etc.;
- 7) Enter into agreements to electrically connect the Solar Project;
- 8) Procure equipment for the Solar Project (panel, racking, etc.);
- 9) Enter into an operations and maintenance agreement;
- 10) Select and manage the construction of the Solar Project; and
- 11) Own and operate the project.

Boralex will undertake the following tasks:

- 1) Provide guidance on all Solar Project development related tasks;
- 2) Provide introductions to equipment suppliers;
- 3) Conduct introductions to consultants;
- 4) During development, attend strategic decision making meetings with consultants, suppliers, and government;

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- 5) Assist during meetings over phone or in person on an as needed basis to continue Solar Project development timelines;
- 6) Provide assistance in understanding project financials;
- 7) Provide guidance through application process; and
- 8) Assist in preparing provincial and federal documentation for training funding.

#### **Approval Process**

The Six Nations Elected Council (the "SNEC") will approve this Agreement and MOU for presentation to, and engagement with, the Six Nations community. The Six Nations community engagement process will begin within thirty (30) days of the date of signature of this agreement and will be carried out for a period of not less than thirty (30) days from the date of commencement (the "Thirty Day Period"). Representatives of Boralex Inc. agrees to attend any community meetings at the request of SNEC.

Upon completion of the community engagement process, SNEC will formally declare by resolution (the "Council Resolution") that community support exists (provided that it does), after which, the parties will cooperate to develop, if required, all definitive agreements capturing the final agreed upon terms. A copy of the Council Resolution shall be given to Port Ryerse LP.

This Agreement will take effect of the date that is has been approved and executed by the parties. It may be terminated (i) by mutual consent of the parties, or (ii) by Port Ryerse LP should the Council Resolution not be obtained by SNEC and communicated to Port Ryerse LP immediately following the Thirty Day Period. All rights and obligations of the parties contained herein shall be terminated upon termination of this Agreement.

#### **Covenants of the First Nations**

The First Nations covenants and agrees that it will (i) not exercise or seek to exercise aboriginal title or rights in a manner that does or may adversely affect the Project, (ii) continue to consent to and express support for the Project, (iii) not express or file objections to the Project, and (iv) discuss and attempt to settle any issues that might arise from the community members who might be opposed to the Project.

#### **Capacity Funding**

The parties acknowledge being bound by the terms of the Capacity Funding Agreement dated as of January 10, 2013.

#### **Memorandum of Understanding**

Boralex Inc. and Six Nations will enter into the MOU at the same time as entering into this agreement. The MOU will outline both parties desire to investigate future large renewable energy facility ownership and development opportunities in future procurements by the Province of Ontario.

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**General**

The Six Nations represents, warrants, and covenants that the Six Nations has the legal capacity and authority to negotiate, execute and implement this Agreement and that the undersigned signatory for SNEC is duly authorized by the Council to execute this Agreement on behalf of the Six Nations.

Port Ryerse Wind Farm LP, acting by its general partner 8437084 Canada Inc. represents, warrants and covenants that it has the legal capacity and authority to implement this Agreement, and that the undersigned signatory for Port Ryerse Wind Farm LP, acting by its general partner 8437084 Canada Inc. has the legal capacity and authority to execute this Agreement on behalf of Port Ryerse Wind Farm LP.

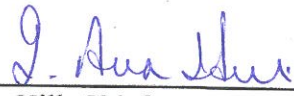
This Agreement shall terminate should (i) the MOU be terminated, or (ii) should the Project be abandoned by Port Ryerse LP.

IN WITNESS WHEREOF, the Parties hereto have caused their authorized representatives to execute this Agreement as of the first date written above.

**PORT RYERSE WIND FARM LP, acting  
by its general partner, 8437084 Canada  
Inc.**

By:   
Patrick Lemaire  
President

**SIX NATIONS OF THE GRAND RIVER**

By:   
Ava Hill, Chief  
Six Nations Elected Council