

Date : 11/19/2012 1:51:17 PM

From : "Bown, Charles W."

To : "Ed Martin (emartin@nlh.nl.ca)" , "Thompson, Robert" , "Taylor, Brian W."

Subject : FW: Term Sheet for Lower Churchill Projects

Attachment : Term Sheet for Lower Churchill Projects_2012-11-19.pdf;

From: Corey, Mark [mailto:Mark.Corey@NRCan-RNCan.gc.ca]

Sent: Monday, November 19, 2012 1:50 PM

To: Bown, Charles W.

Cc: Dupont, Serge; Forestell, David; 'Sargent, Timothy'; 'Denis.Gauthier@fin.gc.ca'; Will, Jonathan; Corey, Mark

Subject: Term Sheet for Lower Churchill Projects

Dear Mr. Bown,

The Federal Government has now had the opportunity to review the increased cost estimates for the Lower Churchill River Hydroelectric Projects.

As a result of these deliberations, the Federal Government is now prepared to offer a loan guarantee for a maximum of \$6.3 billion in project-related debt, reflecting the current cost estimates of the projects. Please note that any debt in excess of this amount will not be covered by the loan guarantee.

A number of other changes were made responding to requests made by the provinces and proponents during our previous negotiations. Please find attached the term sheet, with conditions as approved by the Federal Government.

Password to follow.

Sincerely,

Mark Corey

Assistant Deputy Minister, Energy Sector

Natural Resources Canada