

Muskrat Falls Corporation

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350 Torbay Road, Suite 2
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LTR-CH0007001-0257

31-Aug-2014

ASTALDI Canada Inc.
358 Hamilton River Road
Happy Valley-Goose Bay, NL
AOP 1CO Canada

Attention: Jose Alves, Project Manager
Roger Hopkins, Contract Administrator

Subject: **Agreement No.:** CH0007- 001
Title: Construction of Intake and Powerhouse, Spillway and Transition Dams
RE: Re Batching Plant Production & Site Concrete Activities

Dear Sirs,

With reference to Contractor letter LTR-CH0007001-0255 - Batching Plant Production & Site Concrete Activities dated 30-Aug-2014, and Company letter LTR-CH0007001-0256 - Contractor's Safety Operation - Safety Audit dated 30-Aug-2014, the Contractor is reminded that he's not in a position to restart any work related to the Batch Plant operations before demonstrating, to the satisfaction of the Company, that all Priority 1 items, identified as a result of the safety audit performed on 28-Aug-2014, have been rectified.

Meanwhile, the Company is in the process of preparing a detailed response to the Contractor's letter referenced above.

Regards,

Muskrat Falls Corporation

For.
Desmond Tranquilla
Deputy Company Representative and Site Manager

CC: S. O'Brien, R. Woolgar, D. Healey, B. Knox, A. Kelly, H. Geres, K. Miller, L. Clarke, D. Riffe

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