

16-August-2015

ACI-MFC-0389

Muskrat Falls Corporation,
500 Columbus Drive,
P. O. Box 15000, Station A,
St John's, NL Canada A1B 0M4

Attention: Scott O'Brien**Subject: Agreement Number: CH0007-001****Title: Construction of Intake, Power House, Spillway and Transition Dams
Force Majeure****Reference: Information Memo - Protest Activity at Muskrat Falls (August 14, 2015)**

Dear Mr. O'Brien:

Contractor, hereby notifies Company, as per Civil Works Agreement, Article 29, Force Majeure; Sub article 29.1, item (a) that the following event has occurred:

“civil disturbance (including blockades to and from the Site)”

Although, Contractor work activities are still being performed, there are significant impacts to the performance of the work from both cost and schedule perspectives, due to issues/concerns regarding manpower, equipment and materials, all associated with the blockade. Contractor is taking all steps, as may be commercially reasonable in the circumstances, to minimize the effect of the Force Majeure occurrence. It requires to be noted, that Contractor's primary focus is on the safety and health of Contractor employees and Subcontractor employees and is working diligently to ensure that each activity/task is approached with a safety first approach.

Contractor is tracking all cost and schedule impacts associated with this event and will notify Company as soon as the results are known.

In closing, Contractor refers Company to Sub articles 29.2, 29.3, 29.4, 29.6 and 29.7. If there are any questions, please contact the undersigned.

Sincerely,
Astaldi Canada Inc.



Don Delarosbil

Project Manager

Lower Churchill Project – Muskrat Falls

cc: MFC – Mr. Mike Harris; Mr. Alphonsus Kelly; Mr. Mel Melhem; Mr. David Burton
Astaldi – Mr. Giacomo Orsatti; Mr. Georges Bader; Mr. Ricarrdo Rocci; Mr. Enrico Veccia; Mr. Enrico Mongili, Mr. James Walsh; File