

Muskrat Falls Corporation**Corporate Office**

500 Columbus Drive
P. O. Box 15000, Stn. A
St. John's, NL Canada A1B 0M4

Lower Churchill Project Operations Office

350 Torbay Road, Suite 2
St. John's, NL Canada A1A 4E1

17 August 2015

ASTALDI Canada Inc.

358 Hamilton River Road
Happy Valley-Goose Bay, NL
A0P 1C0 Canada

Attention: Don Delarosbil, Project Manager

Agreement: CH0007-001 Construction of Intake and Powerhouse, Spillway and Transition Dams

Subject: Company Notice of Force Majeure

Dear Mr. Delarosbil:

On August 12, 2015 protestors commenced acts of civil disturbance at the entrance to the Muskrat Falls site; on August 13, 2015 the protestors blockaded access to the Muskrat Falls site at the entrance off Route 510. The protests and blockade are continuing. Accordingly the Company declares the protests and blockade of the Muskrat Falls site a Force Majeure event pursuant to Article 29.1 (a) of the Articles to the Agreement.

Pursuant to Article 29.3 (a) the Company hereby provides notice that the Company provided services, including but not limited to those set forth below, are, or may be, adversely affected. Company is monitoring all impacts to the Project and will provide Contractor with additional details in this regard at such time as they can be fully ascertained.

1. Access to the Muskrat Falls Site;
2. Fuel supply;
3. Bussing service;
4. Sewage waste;
5. Water delivery;
6. The accommodations complex;
7. Garbage collection;
8. Power supply; and,
9. Telecommunications and internet services.

Pursuant to Company's letter of August 17, 2015 (Aconex No. LTR-CH0007001-0718) in response to Contractor's letter No. ACI-MFC-0389 (Aconex No. LTR-CH0007001-0714) the labour dispute and blockade of the site are due to Contractor's fault and/or negligence which could have been avoided by reasonable diligence, including by failing to maintain labour peace in accordance Article 32.

If you have any questions please do not hesitate to contact the undersigned.

Sincerely,



Scott O'Brien
Company Representative
Muskrat Falls Corporation