October 6, 2009

Colin Edwards
Director
St. Joseph Wind Farm Inc.
Suite 404 – 999 Canada Place
World Trade Center
Vancouver BC V6C 3E2

Dear Mr. Edwards:

Enclosed is Environment Act Licence No. 2902 dated October 6, 2009 issued in accordance with The Environment Act to St. Joseph Wind Farm Inc. for the construction, operation and maintenance of the Development known as the St. Joseph Wind Energy Project being a commercial wind energy facility with an annual average electrical output equal to or less than 300 megawatts and with ancillary facilities, located within a 215 square kilometer project construction area in the Rural Municipalities of Rhineland and Montcalm. The Development involves the installation of up to 130 wind turbine generators and associated infrastructure including access roads, an underground electrical collector system, two collector substations, and two transmission line interconnections, in accordance with the Proposal filed under The Environment Act on July 31, 2008, and an Addendum to the Environment Act Proposal filed under The Environment Act on June 9, 2009.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with.

For further information on the administration and application of the Licence, please feel free to contact Elise Dagdick, Environment Officer, at (204) 945-8173.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
Pursuant to Section 27 of The Environment Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation for referral to the Lieutenant Governor in Council within six weeks of the date of the Licence.

Yours sincerely,

[Signature]

Tracey Braun, M. Sc.
Director
Environment Act

Keith Knutsen, Manager, Development Engineering
B. Blunt/E. Dagdick, Environmental Assessment and Licensing
D. Labossiere, Director, Environmental Operations
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2902 (by the Licencee only) is required by the Director of Environmental Assessment & Licensing (Fax # 945-5229). Please acknowledge receipt by signing in the space provided below and faxing a copy (cover letter only) back to the Department by October 21, 2009.

On behalf of St. Joseph Wind Farm Inc. Date
Licence No. / Licence n° 2902
Issue Date / Date de délivrance October 6, 2009

In accordance with The Environment Act (C.C.S.M. c. E125) / Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 11(1) / Conformément au Paragraphe 11(1)

THIS LICENCE IS ISSUED TO: / CETTE LICENCE EST DONNÉE À :

St. Joseph Wind Farm Inc.: "the Licencee"

for the construction, operation and maintenance of the Development known as the St. Joseph Wind Energy Project being a commercial wind energy facility with an annual average electrical output equal to or less than 300 megawatts and with ancillary facilities, located within a 215 square kilometer project construction area in the Rural Municipalities of Rhineland and Montcalm. The Development involves the installation of up to 130 wind turbine generators and associated infrastructure including access roads, an underground electrical collector system, two collector substations, and two transmission line interconnections, in accordance with the Proposal filed under The Environment Act on July 31, 2008, and an Addendum to the Environment Act Proposal filed under The Environment Act on June 9, 2009 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence:

“Director” means an employee of the department appointed as such by the Minister;

“dry” condition means some standing water may be present within a stream bed without detectable flow;

“Environment Officer” means an employee of the department appointed as such by the Minister;

“noise” means unwanted or undesirable sound;

“point of reception” means any point on the premises of a person where sound originating from other than those premises is received; and

“WTG” means wind turbine generator.
GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall site wind turbine generators throughout the Development in consideration of the Canadian Wind Energy Association (CanWEA) Best Practice Guidelines for Sound and any local by-law respecting the siting of wind turbine generators.

2. The Licencee shall locate fuel storage and equipment servicing areas established for the construction and operation of the Development:
   a) a minimum distance of 100 metres away from any waterbody; and
   b) operate the fuel storage areas in compliance with the requirements of Manitoba Regulation 188/2001 respecting Storage and Handling of Petroleum Products and Allied Products, or any future amendment thereof.

3. The Licencee shall, at all times during the construction of the Development, have materials available at the construction sites to contain and recover spills of fuel and other fluids associated with construction machinery. Spills of hazardous materials shall be removed immediately and disposed of at an approved facility.

4. The Licencee shall during construction and operation of the Development:
   a) immediately report any reportable spills to Manitoba Conservation’s Accident Reporting Line at (204) 944-4888 pursuant to Manitoba Regulation 439/87 respecting Environmental Accident Reporting, or any future amendment thereof; and
   b) at the request of the Director, provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposed corrective action to prevent reoccurrence.

5. The Licencee shall dispose of non-reusable demolition and construction debris from the Development at a waste disposal ground operating under the authority of a permit pursuant to Manitoba Regulation 150/91 respecting Waste Disposal Grounds, or any future amendment thereof, or a Licence pursuant to The Environment Act.

6. The Licencee shall, during construction, dispose of all wastewater from on-site sanitary facilities in accordance with Manitoba Regulation 83/2003 respecting Onsite Wastewater Management Systems, or any future amendment thereof.
7. The Licencee shall, during construction, adhere to the general recommendations on design, construction and maintenance of stream crossings as specified in the Manitoba Natural Resources and Fisheries and Oceans Canada guidelines titled *Manitoba Stream Crossing Guidelines for the Protection of Fish and Fish Habitat, 1996*.

8. The Licencee shall, on a daily basis throughout construction and operation of the Development, monitor the work activity to ensure that all the environmental practices outlined in the Environment Act Proposal and Environmental Protection Plan (pursuant to Clause 15 of this licence) are carried out.

9. The Licencee shall:
   a) prepare “As Constructed” drawings for the Development which show the location of the wind turbine generators and associated infrastructure in relation to topographical features within the project area; and
   b) provide to the Director, within six months of the completion of construction of the Development, two sets of “As Constructed” drawings.

**SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS**

**Respecting Pre-Construction**

10. The Licencee shall, prior to construction, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development.

11. The Licencee shall retain a qualified on-site field biologist to:
   a) conduct a reconnaissance level investigation, prior to construction, to identify potential impacts to bird breeding areas; and
   b) ensure that impacts to bird breeding areas, wildlife, monarch butterflies, and rare or endangered vegetation are avoided or minimized during construction.

12. The Licencee shall, prior to construction, consult with staff of the Manitoba Conservation Wildlife and Ecosystem Protection Branch, Manitoba Water Stewardship Fisheries Branch, Department of Fisheries and Oceans, and field biologist (retained pursuant to Clause 11) to determine:
   a) site specific impact management practices;
   b) buffer zones for water bodies and sensitive habitat; and
   c) the locations, preferred methods, and construction timing for access road waterway crossings.

13. The Licencee shall avoid locating WTGs near water bodies, woodlands, and natural grasslands. Electrical underground power cables associated with the electrical collection system shall avoid wetlands.
14. The Licencee shall not locate WTGs near wetlands closer than 200 meters from the riparian or functional edge of the wetland.

15. The Licencee shall, prior to the commencement of construction activities related to the Development, file a St. Joseph Wind Energy Project Environmental Protection Plan (EPP) for the approval of the Director. The EPP shall describe the integrated approach to be used by the Licencee to undertake pre-construction plant and wildlife surveys and monitor the effects of construction activities and related environmental conditions both during and after construction to ensure that mitigative measures are applied systematically and in a manner consistent with the commitments made in the St. Joseph Wind Energy Project Environmental Impact Study Report, Volumes 1 and 2 (July, 2008) and Volume 3 (June, 2009). Specifically, the Plan shall describe:
   a) methods to be used to undertake a baseline study of bird use and bird habitat affected by the Development;
   b) the methods used to mitigate potential impacts on any rare or endangered species within the Development area identified as result on-site surveys;
   c) the methods used to conduct baseline bat surveys within the study area;
   d) the methods used to undertake a baseline study of monarch butterflies and their habitat within the study area;
   e) the methods used to implement a two year post construction migratory bird and bat mortality study to monitor bird and bat mortality as a result of strikes with WTG structures;
   f) the methods used to undertake monitoring of monarch butterflies within the study area upon completion of construction; and
   g) a strategy to protect habitats used as migration corridors where abundant migrants are found to occur.

16. The Licencee shall undertake the activities approved pursuant to Clause 15 of this Licence.

17. The Licencee shall, prior to construction, retain a qualified archaeologist to undertake an archaeological field survey of the proposed locations of WTG structures within 1 kilometer from a known heritage site, and apply measures to protect heritage resources, as directed by the Historic Resources Branch of Manitoba Culture, Heritage and Citizenship.

18. The Licencee shall, prior to construction, obtain a Water Rights Act Licence for any water control works and dewatering required during construction.

19. The Licencee shall, prior to construction, obtain a Designated Flood Area Permit pursuant to the Designated Flood Area Regulation of the Water Resources Administration Act.
Respecting Construction

20. The Licencee shall, not less than two weeks prior to beginning construction of the Development, provide notification to the Environment Officer responsible for the administration of this Licence of the intended starting date of construction and the name(s) of the contractor(s) responsible for the construction.

21. The Licencee shall separate and replace topsoil from backhoe and trenching operations in accordance with the methodology described in Figures 1, 2 and 3 attached to this Licence. This requirement is not applicable where the topsoil has been previously disturbed due to the construction of roads or drains.

22. The Licencee shall, during construction, avoid clearing, compacting, grading or filling any agricultural lands, yard sites and natural habitat areas, which are not required for the Development. All construction related traffic shall be restricted to the access roads and marshalling yards throughout the Development.

23. The Licencee shall, where necessary, construct underground electrical and communication cables across flowing waterways by augering, tunneling or boring. Open cut crossings on flowing waterways shall not be made unless prior consultation has occurred with staff of the Manitoba Conservation Wildlife and Ecosystem Protection Branch, the Manitoba Water Stewardship Fisheries Branch, and the Department of Fisheries and Oceans. Dry or non-flowing natural and artificial waterways may be crossed with open cut techniques where approval has been obtained from the authority responsible for the channel.

24. The Licencee shall, during construction activities near surface waters throughout the Development:
   a) locate any temporary marshalling yards and storage sites required for the Development a minimum distance of 100 meters from any water body;
   b) avoid construction activities on native grasslands, and the edges of water bodies between April 15 and July 31;
   c) avoid instream construction between April 1 and June 15;
   d) avoid altering surface drainage patterns; and
   e) maintain adequate setback distance between transmission line structures and water bodies.

25. The Licencee shall, during construction, minimize clearing of riparian vegetation adjacent to watercourses, including roadside ditches and drains.

26. The Licencee shall, during construction, undertake temporary erosion control measures to reduce siltation from erosion prone areas. Erosion prone areas shall be monitored following construction to ensure stabilization procedures are effective.

27. The Licencee shall obtain water required for dust control during construction from a source other than waste water treatment facilities.
28. The Licencsee shall, at the completion of the construction of the Development:
   a) landscape and vegetate erosion prone areas disturbed during the construction; and
   b) fill and seal any boreholes and test pits to prevent groundwater contamination.

Respecting Operation

29. The Licencsee shall, in accordance with Clause 15 (e) of this Licence, file a copy of
    the two year post construction migratory bird and bat mortality study report with the
    Director.

30. The Licencsee shall maintain a buffer near waterbodies along the transmission line
    right-of-way of 30 meters for application of herbicides. Any herbicide application
    shall be carried out in accordance with applicable regulatory requirements.

31. The Licencsee shall carry out any noise monitoring as required by an Environment
    Officer at the point of reception. If noise levels are found to exceed the CanWEA
    Best Practice Guidelines for Sound, the Licencsee shall submit a report to the Director
    outlining mitigation measures within 60 days of the date of monitoring.

Respecting Alterations to the Development

32. The Licencsee shall obtain approval from the Director for any proposed alteration to
    the Development before proceeding with the alteration.

REVIEW AND REVOCATION

A. If, in the opinion of the Director, the Licencsee has exceeded or is exceeding or has or
   is failing to meet the specifications, limits, terms, or conditions set out in this
   Licence, the Director may, temporarily or permanently, revoke this Licence.

B. If, in the opinion of the Director, new evidence warrants a change in the
   specifications, limits, terms or conditions of this Licence, the Director may require
   the filing of a new proposal pursuant to Section 11 of The Environment Act.

C. If the construction of the Development has not commenced within three years of the
   date of this Licence, the Licence is revoked.

[Signature]
Stan Struthers
Minister
Environment Act

File: 5353.00
1. TOPSOIL STRIPPED

2. TRENCH EXCAVATED

3. TRENCH BACKFILLED

4. TOPSOIL REPLACED

SEQUENCE OF TOPSOIL HANDLING
COMPACtion OF BACKFILL

ROACHING THE TRENCH

Roach the trench to compensate for settlement and changes in natural drainage patterns. The height of the roach depends upon land use, the degree of compaction achieved.