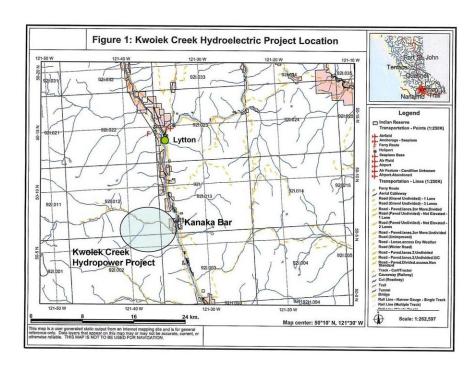
KWOIEK CREEK RESOURCES LIMITED PARTNERSHIP KWOIEK CREEK HYDROELECTRIC PROJECT

PROJECT INFORMATION DOCUMENT May 1 2014

The following information is intended to provide interested parties with an introduction to the project, including history, scope, regulatory status and schedule.

Overview: The Kwoiek Creek Hydroelectric Project (the Project) is a 50 MW, run-of-river, clean power generation project located on the lower reaches of Kwoiek Creek, a tributary to the Fraser River, approximately 14 km south of Lytton, British Columbia (refer to Figure 1).

The developer of the project is Kwoiek Creek Resources Limited Partnership (KCRLP), a partnership between the Kanaka Bar Indian Band (KBIB) and Innergex Renewable Energy Inc. (Innergex). KBIB is a member community of the Nlaka'pamux Nation, within whose traditional territory the Project will be located, and Innergex is a Canadian independent power producer.





2011: Lower Section of Kwoiek Creek

History of the Project: in 1990, for the purposes of generating power, KBIB applied to the province of British Columbia for a water licence in Kwoiek Creek. In 2001, KBIB submitted an Environmental Assessment Application under the BC Environmental Assessment Act for an 80 MW run-of-river hydroelectric facility. After considerable stakeholder engagement, the EAO responded with 51 Project Specifications as a required next step in the environmental assessment. In 2002, KBIB transferred the Environmental Assessment Application and the water licence application to its wholly owned company Kwoiek Creek Resources Inc. (KCRI). In 2005, KCRI partnered with Innergex II Inc. to form the KCRLP.

As partners, optimization of the project in conjunction with the ongoing studies to address EAO Project Specifications resulted in a reduced project capacity of 50 MW with a corresponding reduced project footprint. In August 2006, KCRLP was successful in obtaining an EPA from BC Hydro under the F2006 Call for Tenders for clean energy. An Amended Application for the reduced project was submitted to the EAO in September 2008 and in March 2009, an EA Certificate was granted by the Province of BC. A favourable federal CEAA decision was then made in October 2009.

Construction of project related access commenced in the summer of 2011 and the project itself in December 2011. The Project began generating electricity in October of 2013 and a special commemorative ceremony was held at Lytton on December 15, 2013.

Project Description: The Project diverts a portion of the flow from Kwoiek Creek through a Coanda intake structure located approximately 8 km upstream of the mouth of Kwoiek Creek. Flows will be diverted into a 7.2 km long buried steel penstock that follows the existing forest service roads to a powerhouse situated on KBIB reserve lands before returning back to Kwoiek Creek a short distance upstream of the Fraser River. This process is commonly referred to as "run of the river".

Environmental Assessment & Regulatory Processes: The location of project components both on and off reserve lands coupled with potential fish and aquatic habit impacts ensured that a review under both the BC *Environmental Assessment Act* and the *Canadian Environmental Assessment Act* would be conducted. Pursuant to the Canada-British Columbia Agreement for Environmental Assessment Cooperation, a coordinated, cooperative assessment of the Project by provincial and federal agencies was conducted with Nlaka'pamux representative in attendance at all times.

Initiating the second 180–day BCEAO led review process; the Amended Application for an Environmental Assessment Certificate was submitted on September 11, 2008. KCRLP engaged all Nlaka'pamux communities, local governments and other stakeholders to share project information and to provide an opportunity to identify their interests and their potential concerns. These included open houses and online review/commenting.





A formal BCEAO Assessment Report, completed on March 10, 2009, concluded the project is not likely to have significant adverse effects, based on KCRLP mitigation measures and commitments included as conditions of the EA Certificate. On March 18, 2009, Environment Minister Barry Penner and Energy, Mines and Petroleum Resources Minister Blair Lekstrom made the decision to grant an EA Certificate. The Certificate contains **74 commitments** that must be complied with by KCRLP throughout various stages of the project. Key commitments include:

- Providing fish passage around the diversion structure.
- Maintaining in-stream flows to protect fish and fish habitat.
- Developing mitigation/compensation, access management and monitoring plans in consultation with regulatory agencies.
- Commitment monitoring by an Independent Environmental Monitor.

A review conducted by Federal Responsible Authorities (Fisheries and Oceans Canada, Aboriginal Affairs and Northern Development Canada and Transport Canada) a CEAA Screening Report was issued in September 2009, and a favourable CEAA decision was made on October 5, 2009. In October of 2010, KCRLP signed written participation agreements with proximal Nlaka'pamux communities.

In addition to the environmental assessment process and Nlaka'pamux approvals; a number of project related permits and licences were also required, including:

- Aboriginal Affairs and Northern Development Canada
- Fisheries and Oceans Canada
- Environment Canada
- Transport Canada
- BC Ministry of Environment

- BC Ministry of Agriculture and Lands
- BC Ministry of Forests
- BC Hydro and BCTC
- Canadian National and Canadian Pacific Railways
- Integrated Land Management Bureau

Nlaka'pamux agreements, 3rd party approvals and the federal and provincial permits all come with conditions.



Implementation and Compliance Committee

5 Nlaka'pamux communities appointed individual members to become the point of first contact for their respective communities and who would also receive project related development, construction and operations information and then meet to on project status and commitment compliance.

ICC attendees also included the contractors, independent monitors, Innergex and when possible, federal and provincial representatives.

The ICC will continue to meet until after BC Hydro has confirmed Commercial Operations Date (COD) in writing.

Project Schedule: At this time, the Project has achieved substantial completion and contractors are demobilising from site. Electricity is been generated and KCRLP and BC Hydro are working together to complete final testing and documentation which will, when signed off, signify COD and formalise transition into operations.

The construction schedule is shown below and is followed by construction photos taken during various times during the construction period.

ITEM		2011			2012											2013								
	Sep	Oct	Nov De	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Access Roads					c																			
Cable Crane																								
Powerhouse																								
Turbine/Generators																								
Penstock																								
Intake																								
Transmission Line																								
Fish Compensation Channel																								
Commissioning																								

2011: pre-construction flyover of the powerhouse site

Cable Crane: bringing construction materials and personnel over the Fraser River - one piece at a time.



December 15th, 2011: a Ground Breaking event with Barry Penner



November 2012: Powerhouse and area coming along.



How does a run of river hydro project work? Water diverted from an intake structure is sent down a penstock to a powerhouse where the water, now under pressure, turns turbines attached to generators which create electricity.

The Kwoiek Creek Hydro project will produce approximately 230 gigawatt-hours of electrical energy per year, enough electricity to fulfil the needs of about 21,000 Canadian homes. The Project will also result in a reduction in greenhouse gases of 86,000 tonnes of carbon dioxide equivalent annually, to removing about 23,000 new cars from BC's roads.

Intake Sept 2013



Last Penstock Install Sept 2013



The Powerhouse: 1 of 4 turbine runners installed



Pole 24: looking towards Kanaka



Transmission Line: The Project includes an approximately 72 km long, 138 kV transmission line that connects the project to BC Hydro's substation near Mamit Lake (just north of the Lower Nicola Indian Band, Merritt).

December 15, 2013: the keys arrive



Contact Information

Proponent Contacts: For further information on the Project, please go to kwoiekcreekhydro.com or contact one of the following KCRLP representatives:

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