

1 Q. 2013 Amended General Rate Application, November 10, 2014, page 2.12, lines 16-
2 18: Has Hydro finalized the purchase or leasing arrangements for the TWINCo
3 assets which were expected to be completed by the end of 2014? If yes, provide a
4 copy of the relevant agreements. If not, when does Hydro now anticipate that the
5 arrangements will be completed?
6
7

8 A. Hydro entered into a lease agreement with Wabush Mines and TwinCo for the
9 Wabush Terminal Station and a sublease agreement with Churchill Falls (Labrador)
10 Corporation Limited for the 230 kV transmission lines (please see Hydro's response
11 to PUB-NLH-366 Attachments 1 and 2). Hydro is in discussions with these parties
12 for permanent transfers of these lands and assets intended to occur prior to the
13 termination dates of these lease instruments.

LEASE

THIS LEASE is made in triplicate this 31st day of December, 2014

BETWEEN:

WABUSH RESOURCES INC., a corporation existing under the laws of Canada, **WABUSH IRON CO. LIMITED**, a corporation existing under the laws of Ohio, and **BLOOM LAKE RAILWAY COMPANY LIMITED**, a corporation existing under the laws of Newfoundland and Labrador

(collectively, the "Lessors")

OF THE FIRST PART

AND:

NEWFOUNDLAND AND LABRADOR HYDRO-ELECTRIC CORPORATION a corporation constituted by statute and an agent of her Majesty the Queen in right of the Province of Newfoundland and Labrador and having its head office at Hydro Place, St. John's in the Province of Newfoundland and Labrador

(the "Lessee")

OF THE SECOND PART

AND: **TWIN FALLS POWER CORPORATION LIMITED**, a company organized under the laws of Canada and having its head office at St. John's in the Province of Newfoundland and Labrador

("Twinco")

OF THE THIRD PART

RECITALS:

- A. By an Assignment of Grant (the "Assignment of Grant") made between Canadian Javelin Limited ("Javelin"), as assignor, and Wabush Iron Co. Limited ("WIC"), as assignee, dated 28 June 1957 and registered in the Registry of Deeds for Newfoundland and Labrador (the "Registry of Deeds") at Volume 389, Folios 465-479, Javelin assigned to WIC the surface rights in and to certain freehold

lands situated in Newfoundland and Labrador, which lands had previously been granted by Her Majesty in Right of Newfoundland and Labrador (the "Crown") to Newfoundland and Labrador Corporation Limited ("Nalco") and assigned by Nalco to Javelin.

- B. By an indenture of lease (the "Wabush Mountain Sublease") made between Javelin, as lessor, and WIC, as lessee, dated 17 May 1962 and registered in the Registry of Deeds at Volume 579, Folios 427-431, Javelin subleased to WIC the surface rights in and to certain lands situated in Newfoundland and Labrador, which lands had previously been leased by the Crown to Nalco and subleased by Nalco to Javelin.
- C. By various transfers, assignments and assurances, the Lessors have become the beneficial owners of the freehold lands described in the Assignment of Grant and the holders of the leasehold interest in the lands described in the Wabush Mountain Sublease.
- D. Pursuant to the following leases (collectively, the "Twinco/IOC Leases"), certain interests and easement rights in and to various parcels of land were variously leased to Twinco or Iron Ore Company of Canada ("IOC") by the Lessors, or by their predecessors in title, for the purpose of constructing and operating various electrical transmission infrastructure, including an electricity transmission substation (the "Wabush Terminal Station") and electricity transmission towers and lines (the "Transmission Lines"):
 - (a) an indenture of lease dated 31 October 1961 made between WIC, as lessor, and Twinco, as lessee, and registered in the Registry of Deeds at Volume 549, Folios 563-580;
 - (b) an indenture of lease dated 15 April 1963 made between WIC, The Steel Company of Canada, Limited ("Stelco"), Dominion Foundries and Steel,

Limited ("Dofasco"), Mannesman Canadian Iron Ores Ltd. ("Mannesman") and Hoesch Iron Ores Ltd. ("Hoesch"), as lessors, and Twinco, as lessee, and registered in the Registry of Deeds at Volume 623, Folios 334-349;

- (c) an indenture of lease dated 15 April 1963 made between WIC, Stelco, Dofasco, Mannesman and Hoesch, as lessors, and Twinco, as lessee, and registered in the Registry of Deeds at Volume 623, Folios 350-363;
- (d) an indenture of lease dated 16 July 1964 made between WIC, Stelco, Dofasco, Mannesman and Hoesch, as lessors, and IOC, as lessee, and registered in the Registry of Deeds at Volume 690, Folios 494-503, as amended and supplemented by an indenture of lease dated 21 November 1977 made between WIC, Stelco and Dofasco, as lessors, and IOC, as lessee, and registered in the Registry of Deeds at Volume 910, Folios 459-464 and an indenture of lease dated 5 October 1979 made between WIC, Stelco and Dofasco, as lessors, and IOC, as lessee, and registered in the Registry of Deeds at Volume 2887, Folios 37-43;
- (e) an indenture of lease dated 1 October 1971 made between WIC, Stelco and Dofasco, as lessors, and Twinco, as lessee, and registered in the Registry of Deeds at Volume 1430, Folios 131-141; and
- (f) an indenture of lease dated 20 November 1998 made between WIC, Stelco, Dofasco and Wabush Lake Railway Company Limited ("WLR"), as lessors, and Twinco, as lessee.

E. Each of the Twinco/IOC Leases expires on 31 December 2014.

F. The Lessors and the Lessee have entered into discussions for the conveyance and transfer of the fee simple rights of the Lessors to the Lessee of certain of the lands subject to the Twinco/IOC Leases and the Lessors have agreed to lease

the lands subject to the Twinco/IOC Leases to the Lessee until the earlier of completion of the aforesaid conveyance and transfer or 30 June 2015, subject to the terms and conditions set out in this Lease.

- G. Twinco holds certain rights under the Twinco/IOC Leases and Twinco is a party to this Lease for the purposes of consenting to and confirming those rights unto the Lessee for the term of this Lease.

NOW THIS LEASE AGREEMENT WITNESSETH:

1. Subject to the exceptions and reservations in the grant from the Crown to Nalco described in Recital A and the lease from the Crown to Nalco described in Recital B and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt, payment and sufficiency of which is hereby acknowledged, the Lessors warrant and represent that they have not dispossessed themselves in whole or in part of the surface rights to the parcels of land hereby leased or otherwise encumbered their title thereto AND THE LESSORS HEREBY LEASE AND DEMISE to the Lessee the surface rights to:
 - (a) the parcels of land described and shown in the descriptions attached hereto to form Schedule "A"; and
 - (b) the parcel of land contained within the lands subject to the Wabush Mountain Sublease and labeled as "No Lease Document" on the diagram attached as Schedule "B-1", comprising a corridor approximately 40 meters wide upon which certain Transmission Lines have been constructed;
 - (c) but not including any portion of land conveyed by the Lessors and WLR to Bloom Lake Railway Company Limited by a Deed of Conveyance dated 19 September 2014 and registered in the Registry of Deeds at

Registration No. 672149, except that portion of land labeled as "Parcel D" on the diagram attached as Schedule "B-2" (which for greater certainty is leased and demised to the Lessee pursuant to this Lease),

(collectively, the "Leased Premises", and as shown on the diagram attached at Schedule "B-1" and Schedule "B-2")

TO HOLD the same unto the Lessee for a term commencing 1 January 2015 and ending 30 June 2015, unless terminated earlier in accordance with the terms hereof or by agreement in writing between the Lessors and the Lessee (the "Term").

2. In addition to the foregoing, the Lessors hereby grant to the Lessee, its servants, agents, representatives, contractors and invitees, for the purpose of erecting, installing, constructing, operating, maintaining, inspecting, altering, removing, replacing, repairing, reconstructing, repairing and moving the Wabush Terminal Station and the Transmission Lines, and all appurtenances thereto, the right, at any time and from time to time during the Term, of ingress, egress on foot and with motors, trucks and other vehicles or equipment (in common with the Lessors and all others entitled thereto from time to time and in such a manner as to not interfere unreasonably with any operations of the Lessors) through and over any property now or hereafter owned or occupied by the Lessors adjacent to the Leased Premises, provided that any such access shall be over existing access roads unless otherwise previously approved by the Lessors in writing. The Lessee hereby undertakes to indemnify and save harmless the Lessors from any expense, damage, loss or claim arising by reason of the exercise of the rights granted by the Lessors by this clause.
3. The Lessors hereby covenant and agree with the Lessee that the latter will peaceably hold and enjoy all rights and liberties hereby leased and demised

during the Term without any interruption by the Lessors or any other person whatsoever rightfully claiming under or in trust for them.

4. Lessee's Obligation to Repair – The Lessee covenants with the Lessors that it will at all times during the Term, at its own cost and expense, repair, renew, replace and maintain the Leased Premises, the Wabush Terminal Station and the Transmission Lines to the same standard as required of Twinco and IOC, respectively, under the Twinco/IOC Leases and in accordance with good utility practice. At the end of the Term or earlier termination of this Lease Agreement, the Lessee will deliver to the Lessors vacant possession of the Leased Premises in the condition which the Lessee is required to maintain the Leased Premises by the terms of this Lease.
5. Lessors' Right to Inspect – The Lessors or any employee, agent or representative of the Lessors shall be entitled from time to time (upon reasonable notice, except in the case of an emergency when no notice is required) to enter and examine the state of maintenance, repair and order of the Leased Premises, and the Lessors may give notice to the Lessee requiring the Lessee to perform such maintenance or effect such repairs or replacements as may be found necessary from such examination.
6. Permitted Use – The Lessee covenants with the Lessors that it will use the Leased Premises for purposes of operating and maintaining the Wabush Terminal Station and Transmission Lines only and will not carry on, or permit to be carried on, on the Leased Premises any activity which is deemed a nuisance by the Lessor, which is illegal or otherwise unreasonably interferes with the operations of the Lessors.
7. Title to Alterations and Additions – Any addition to, in, on or under the Leased Premises made by the Lessee shall become the sole and exclusive property of the Lessors, subject to the right of the Lessee to remove any such additions in

the nature of, or that would be considered under the law of Newfoundland and Labrador, trade fixtures, provided that such trade fixtures are capable of being removed from the Leased Premises without causing material injury to the Leased Premises or adversely affecting the ability to operate the Wabush Terminal Station and the Transmission Lines in accordance with good utility practice.

8. This Lease shall be construed and governed by the applicable laws of the Province of Newfoundland and Labrador and the general laws of Canada therein, and the Lessors and Lessee agree to attorn to the jurisdiction of the Newfoundland and Labrador courts, which shall have the exclusive jurisdiction to determine any dispute arising out of this Lease.
9. Release in Favour of the Lessors – Except and to the extent that such injury, loss or damage is caused by the Lessors, the Lessors and their respective directors, officers, agents, servants, employees or invitees shall not be liable or responsible in any way for any injury that may be suffered or sustained by the Lessee, or any guest, contractor, agent or invitee of the Lessee, or for any loss of or damage to any of the Leased Premises, including any environmental loss or damage, property belonging to the Lessee or to any other person (including without limitation any family member, guest, tenant, contractor, agent or invitee of the Lessee) while such property is on the Leased Premises. The Lessee hereby releases the Lessors from any and all liability for loss and damage caused at any time (except for fraudulent or grossly negligent acts of the Lessors) to indemnify and hold harmless the Lessors from and against all manner of actions, suits, damages, losses, costs, claims and demands of any nature whatsoever relating to such loss or damage.
10. Indemnity – The Lessee covenants with the Lessors to indemnify and save harmless each of the Lessors and their respective affiliates and their respective directors, officers, agents, servants, employees and invitees, from:

- (a) any and all claims for personal injury or property damage arising from any default by the Lessee in the observance or performance of the covenants and agreements on its part to be observed and performed pursuant to this Lease or from any act or omission of the Lessee, or of any guest, tenant, contractor, agent or invitee of the Lessee;
- (b) any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel for the Lessors or an affiliate of a Lessor, incurred by or asserted against any Lessor or an affiliate of a Lessor by any person or governmental authority arising out of, in connection with or as a result of: (i) the presence, release of or exposure to any hazardous materials or contaminants from or upon the Leased Premises; or (ii) with respect to the Leased Premises, any actual or alleged non-compliance with any environmental law or term or condition of any permit, letter, clearance, consent, waiver, closure plan, exemption, decision or other instrument issued, given, granted or authorized by or made pursuant to any environmental law; in each case notwithstanding that any loss, claim, damage or liability may arise out of, in connection with or as a result of any environmental condition, hazardous material or contaminant in existence on the Leased Premises prior to the commencement of the Term, whether or not known by the Lessors, an affiliate of a Lessor or the Lessee,

and from all costs, fees and expenses incurred as a result of any such claim or any action or proceeding brought in connection with such claim and this indemnity shall survive the expiration of the Term.

11. Right to Assign – The Lessee may not assign, transfer or sublet the whole or any part of its interest in this Lease and the Leased Premises without the prior written consent of the Lessors.

12. During the Term, the Lessee shall pay all taxes, rates and assessment whatsoever, whether municipal, provincial or federal or otherwise now or in the future charged upon the surface rights in respect of the Leased Premises or upon any of the Lessors on account of the surface rights in respect of the Leased Premises.
13. The Lessors may terminate this Lease with respect to any or all of the Leased Premises upon forty-five (45) days written notice to the Lessee delivered to the head office of the Lessee.
14. To the extent that Twinco may have rights in or to the Wabush Terminal Station and the Transmission Lines, Twinco hereby confirms and consents to this Lease and consents to the use by the Lessee during the Term of this Lease of the Wabush Terminal Station and the Transmission Lines, be they fixtures, trade fixtures, movables or chattels but Twinco makes no warranties or representations to the Lessee as to the condition of the Wabush Terminal Station and the Transmission Lines.
15. To the extent that Twinco may have rights in or to the Wabush Terminal Station and the Transmission Lines, the parties agree that nothing contained herein will adversely affect said rights. The Lessee agrees to indemnify and save harmless Twinco in the event the entering into of this Lease at the request of the Lessee prejudices the ability of Twinco to exercise any ownership rights, rights of possession, or other rights of Twinco with respect to the Wabush Terminal Station and the Transmission Lines, in whole or in part.

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF the parties have executed this Lease as of the day and year first above written.

WABUSH RESOURCES INC., by CLIFFS
MINING COMPANY, its Managing Agent

By Clifford T. Smith

Title: President

WABUSH IRON CO. LIMITED, by
CLIFFS MINING COMPANY, its
Managing Agent

By Clifford T. Smith

Title: President

BLOOM LAKE RAILWAY COMPANY
LIMITED

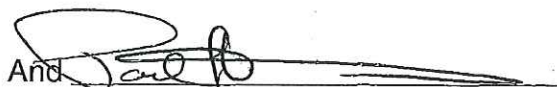
By Clifford T. Smith

Title: President

NEWFOUNDLAND AND LABRADOR
HYDRO-ELECTRIC CORPORATION

By 


Title: VP-NLH

And 

Title: VP. System Operations and Planning


witness

TWIN FALLS POWER CORPORATION
LIMITED

By 

Title: President

And 

Title: Corporate Secretary

SCHEDULE "A"

1. **Indenture dated October 31, 1961**

Registered 4 December 1961
at Volume 549, folios 563-580

Between: Wabush Iron Co. Limited

And: Twin Falls Power Corporation Limited

Leased Lands: Vicinity of Wabush Lake:

Parcel I	8.45 acres
Parcel II	1.43 acres
Parcel III	8.18 acres
Parcel IV	<u>4.59 acres</u>
	22.65 acres

2. **Indenture dated April 15, 1963**

Registered 31 May 1963
at Volume 623, Folios 334-349

Between: Wabush Iron Co. Limited
The Steel Company of Canada, Limited
Dominion Foundries and Steel, Limited
Mannesmann Canadian Iron Ores Ltd.
Hoesch Iron Ores Ltd.

And: Twin Falls Power Corporation Limited

Leased Lands: Wabush Mountain area
on Plan No. ECG-W 8, dated January 21, 1963 (28.56 acres)

3. **Indenture dated April 15, 1963**

Registered 31 May 1963
at Volume 623, Folios 350-363

Between: Wabush Iron Co. Limited
The Steel Company of Canada, Limited
Dominion Foundries and Steel, Limited
Mannesmann Canadian Iron Ores Ltd.
Hoesch Iron Ores Ltd.

And: Twin Falls Power Corporation Limited

Leased Lands:

Parcel V	1.742 acres
Parcel VI	0.626 acres

4. **Indenture dated October 1, 1971**

Registered 18 May 18, 1973
at Volume 1430, folio 131-141

Between: Wabush Iron Co. Limited
The Steel Company of Canada, Limited
Dominion Foundries and Steel, Limited

And: Twin Falls Power Corporation Limited

Leased Lands: (adjacent to existing Wabush Terminal Station)

Parcel One 1 acre, 3 roods, 27 sq. rods

Parcel Two 12.2 sq. rods

5. **Indenture dated November 20, 1998**

Between: Wabush Iron Co. Limited
Stelco Inc.
Dofasco Inc.
Wabush Lake Railway Company, Limited

And: Twin Falls Power Corporation Limited

Leased Lands: (adjacent to existing Wabush Terminal Station)

Parcel B 0.275 hectares

Parcel C 0.010 hectares

Parcel D 0.007 hectares

6. **Indenture dated July 16, 1964**

Registered 16 July 1964
at Volume 690, Folios 494-503

Between: Wabush Iron Co. Limited
The Steel Company of Canada, Limited
Dominion Foundries and Steel, Limited
Mannesmann Canadian Iron Ores Ltd.
Hoesch Iron Ores Ltd.

And: Iron Ore Company of Canada

Leased Lands:

IOC Power Line between Twinco Substation to Wabush Narrows
10.126 acres

7. Indenture dated October 5, 1979

Registered 8 Nov 1979
at Volume 2887, Page 37-43

Between: Wabush Iron Co. Limited
The Steel Company of Canada, Limited
Dominion Foundries and Steel, Limited

And: Iron Ore Company of Canada

Leased Lands:

Additional Property for IOC Power Line between Twinco Substation to Wabush Narrows
5.683 acres

8. Indenture (Amended) dated November 21, 1977

Registered 21 Nov 1977
at Volume ____, Page 459-464

Between: Wabush Iron Co. Limited
The Steel Company of Canada, Limited
Dominion Foundries and Steel, Limited

And: Iron Ore Company of Canada

Leased Lands:

Additional Property for IOC Power Line between Twinco Substation to Wabush Narrows; replaces the original survey / description from the 1964 Indenture (A-6), with the legal description in A-8.
14.072 acres

SCHEDULE "A-1"

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PROVINCE OF NEWFOUNDLAND

LABRADOR

VICINITY OF WABUSH LAKE

Description to accompany lease of Four(4) separate parcels of land being part of Lot 4 of the Wabush Iron Co. Limited to the Twin Falls Power Corporation Limited, all as shown outlined in various colours on the accompanying Plan No. W.I.-100, dated May 25, 1961.

The said parcels of land being located in the Province of Newfoundland, Labrador, generally at the Southerly end of Wabush Lake in the vicinity of Mile 36 (thirty-six) of a Railway referred to herein as "Northern Land Company Limited Railway", as such Railway is now constructed on the ground and the said parcels of land being more particularly described as follows.

Parcel 1

Commencing at a point on the centre line of the Northern Land Company Limited Railway said point being at Station One, Nine, One, Five plus Seven, Six point Two Four (1915 + 76.24) of the chainage of said Railway and said point being distant Twenty-Five Thousand Four Hundred and Seventy-Eight and Three-Tenths (25478.3) feet on a bearing of South Thirty-Six Degrees Thirty-Nine Minutes Fifteen Seconds East (S.36°39'15"E.) from the Geodetic Survey of Canada Bronze Tablet "End", located at Latitude North Fifty-Two Degrees Fifty-Nine Minutes Thirty-Five and Five Hundred and Six Thousandths Seconds (N.52°59'35.506") and Longitude West Sixty-Six Degrees Fifth-Six Minutes Forty-Five and Four Hundred and Sixty-Four Thousandths Seconds (W.66°56'45.464"); the said point being designated as "A" on the accompanying Plan; thence from

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point "A" South Seven Degrees Forty-Five Minutes West ($S.7^{\circ}45'W.$)
One Hundred and Fifty (150) feet to a round iron bar on the Southerly
Right of Way Boundary of the Northern Land Company Limited Railway, said
boundary being parallel to and distant One Hundred and Fifty (150) feet
Southerly from the centre line of the said Railway; said iron bar
being the Point of Beginning of Parcel I.

Thence from the Point of Beginning, as previously described,
South Fifty Degrees Forty-Five Minutes West ($S.50^{\circ}45'W.$) Seven Hundred
and Thirty-Nine and Forty-Seven Hundredths (739.47) feet, more or less
to a round iron bar; thence South Forty-Two Degrees Four Minutes West
($S.42^{\circ}04'W.$) Seven Hundred and Ninety-Five and One Hundredths (795.01)
feet, more or less to a round iron bar; thence South Thirty-Six Degrees
Twelve Minutes East ($S.36^{\circ}12'E.$) One Hundred and Forty-Five (145.0)
feet, more or less to a round iron bar; thence South Fifty-Three
Degrees Forty-Eight Minutes West ($S.53^{\circ}48'W.$) Three Hundred and Fifteen
(315.0) feet more or less to a round iron bar; thence North Thirty-
Six Degrees Twelve Minutes West ($N.36^{\circ}12'W.$) Four Hundred and Forty-
Four (444.0) feet, more or less, to a round iron bar; thence North
Fifth-Three Degrees Forty-Eight Minutes East ($N.53^{\circ}48'E$) Two Hundred
and Seventy-Five (275.0) feet, more or less to a round iron bar;
thence North Twenty-One Degrees Forty-Eight Minutes East ($N.21^{\circ}48'E$)
Forty-Seven and Seventeen Hundredths (47.17) feet, more or less, to
a round iron bar designated as "B" on the accompanying Plan; thence
South Thirty-Six Degrees Twelve Minutes East ($S.36^{\circ}12'E.$) One Hundred
and Forty-Nine (149.0) feet, more or less, to a round iron bar; thence
North Forty-Three Degrees Forty-Five Minutes East ($N.43^{\circ}45'E$) Seven

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Hundred and Eighty-Two and Thirty-Three Hundredths (782.33) feet, more or less, to a round iron bar; thence North Fifty Degrees Forty-Five Minutes East (N.50°45'E.) Five Hundred and Ninety-Nine and Fifty-Nine Hundredths (599.59) feet, more or less to a round iron bar located on the Southerly Right-of-Way Boundary of the Northern Land Company Limited Railway, said Boundary being parallel to and distant One Hundred and Fifty (150.0) feet from the centre line of the said Railway; thence along the said Railway Right-of-Way Boundary South Eighty-Two Degrees, Fifteen Minutes East (S.82°15' E.) Two Hundred and Five and One-Tenth (205.1) feet, more or less, to the aforesaid Point of Beginning.

Containing the said parcel of land, so described, an area of Three Hundred Sixty-Eight Thousand (368,000) square feet or Eight and Forty-Five Hundredths (8.45) acres more or less, as shown outlined in red on the accompanying Plan No. W.I.-100 dated May 25, 1961, and subject to the rights of any and all persons entitled from time to time to the use of a Road described as the "Iron Ore Co. Road" on the said plan.

Parcel II

A parcel of land which lies between two lines parallel to and perpendicularly distant Fifty (50) feet from, and on opposite sides of, the centre line and the centre line produced; which centre line may be more particularly described as follows:

The Point of Beginning being located thus; starting at Point "B" as described in Parcel I and being on the North Westerly corner of Parcel I, thence South Thirty-Six Degrees Twelve Minutes East (S.36°12'E) Fifty (50) feet to the Point of Beginning.

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Thence from the Point of Beginning, as previously described North Fifty Degrees Forty-Five Minutes East (N.50°45'E.) Two Hundred and Ninety (290.0) feet to a point; thence North Thirteen Degrees Forty-Five Minutes East (N.13°45'E) Three Hundred and Thirty-Four (334.0) feet to a point located on the Southerly Boundary of the Iron Ore Co. Road.

Containing the said parcel of land, so described, an area of Sixty-Two Thousand Four Hundred (62,400) feet or One and Forty-Three Hundredths (1.43) acres more or less, as shown outlined in blue on the accompanying Plan No. W.I.-100 dated May 25, 1961.

Parcel III

Commencing at Point "A" as previously described in Parcel I as being located on the centre line of the Northern Land Company Limited Railway at Station One, Nine, One, Five plus Seven, Six, point Two, Four (1915 & 76.24) of the chainage of the said Railway; thence North Seven Degree Forty-Five Minutes East (N.7°45'E) Two Hundred and Fifty (250.0) feet to a point on the Northerly Boundary of the Northern Land Company Limited Railway Right-of-Way, said Boundary being parallel to and distant Two Hundred and Fifty (250.0) feet Northerly from the centre line of the said Railway; thence South Eighty-Two Degrees Fifteen Minutes East (S.82°15'E) Ninety-Six and Thirty-One Hundredths (96.31) feet, along the said Railway Right-of-Way Boundary to a round iron bar designated as the Point of Beginning Parcel III.

Thence from the Point of Beginning, so described, North Fifty Degrees Forty-Five Minutes East (N.50°45'E) Two Hundred and

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Fifty-One and Eighty-Seven Hundredths (251.87) feet more or less, to a round iron bar; thence South Eighty-Eight Degrees Twenty-Six Minutes East (S.88 26'E) One Thousand Five Hundred and Nineteen (1519.0) feet more or less, to a point on the shore of Wabush Lake; thence Southerly along a line which conforms to the sinuosities of the Southerly Shore of Wabush Lake Two Hundred and Fifty (250.0) feet more or less, to a point; thence North Eighty-Eight Degrees Twenty-Six Minutes West (N.88 26'W) Twelve Hundred (1200.0) feet, more or less, to a round iron bar located on the Northerly Boundary of the Northern Land Company Limited Railway Right-of-Way said Boundary being parallel to and distant Two Hundred and Fifty (250.0) feet Northerly from the centre line of the said Railway; thence North Eighty-Two Degrees Fifteen Minutes West (N.82 15'W) along the Northern Land Company Limited Railway Right-of-Way Boundary Six Hundred and Eleven and Fifty-One Hundredths (611.51) feet more or less, to the aforesaid Point of Beginning.

Containing the said Parcel of land, so described, an area of Three Hundred and Fifty-Six Thousand One Hundred (356,100) square feet or Eight and Eighteen Hundredths (8.18) acres, more or less, as shown outlined in green on the accompanying Plan No. W.I.-100 dated May 25, 1961.

Parcel IV

A parcel of land which lies between two parallel lines of varying widths, extending from the Easterly Shore of the Southerly Bay of Wabush Lake to the Easterly Boundary of Lot Four (4) of Wabush Iron Co. Limited. The said parallel lines will be described as being parallel to and perpendicularly distant from, to the North or South, of the centre

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line of the transmission line or that line produced, which centre line is more particularly described as follows:

The Point of Beginning being located thus; commencing at the point of intersection of two tangents of the Northern Land Company Limited Railway, said point being Five Hundred and Seventy-Nine and Two Tenths (579.2) feet distant and bearing South Eighty-Two Degrees Fifteen Minutes East ($S.82^{\circ}15'E$) from Station One, Eight, Nine, Zero plus Seven, Four point Seven (1890 +74.7) of the chainage of the said Railway; thence North Four Degrees Thirty-Five Minutes East ($4^{\circ}35'E$) Five Hundred and Sixty-Nine and Ninety-Three Hundredths (569.93) feet to a point, designated as "C" on the accompanying Plan, said point being distant Twenty-Seven Thousand Three Hundred and Twenty-Six and Six Tenths (27326.6) feet and bearing South Forty-Two Degrees One Minute and Thirty-Eight Seconds East ($S.42^{\circ}01'38"E$) from the Geodetic Survey of Canada Bronze Tablet "End" situated at Latitude North Fifty-Two Degrees Fifty-Nine Minutes Thirty-Five and Five Hundred Six Thousandths Seconds ($N.52^{\circ}59'35.506''$) and Longitude West Sixty-Six Degrees Fifty-Six Minutes Forty-Five and Four Hundred Sixty Four Thousandths Seconds ($W.66^{\circ}56'45.464''$); said point "C" being the point of Beginning.

Thence from the point of Beginning, so described; North Eighty-Eight Degrees Twenty-Six Minutes West ($N.88^{\circ}26'W$) Two Hundred and Fifty and Two Tenths (250.2) feet, more or less, to the Easterly Shore of the Southerly Bay of Wabush Lake, the Boundary of Parcel IV being One Hundred and Sixty-Five (165.0) feet to the North and Sixty-Five (65) feet to the South of the described line; thence commencing again, at point "C", as previously described, North Fifty-Eight Degrees Ten Minutes East ($N.58^{\circ}10'E$) Two Hundred and Eighty-Five (285.0) feet to a point, the Boundary of Parcel IV being One Hundred

580

and Sixty-Five (165.0) feet to the North and Sixty-Five (65.0) feet to the South of the described line; thence continuing North Fifty-Eight Degrees Ten Minutes East (N.58°10'E) Five Hundred and Ninety-Two and Seven Tenths (592.7) feet, more or less, to the Easterly Boundary of Wabush Iron Co. Limited Lot Four (4), the boundary of Parcel IV being Sixty-Five (65.0) feet to the North and Sixty-Five (65.0) to the South of the described line.

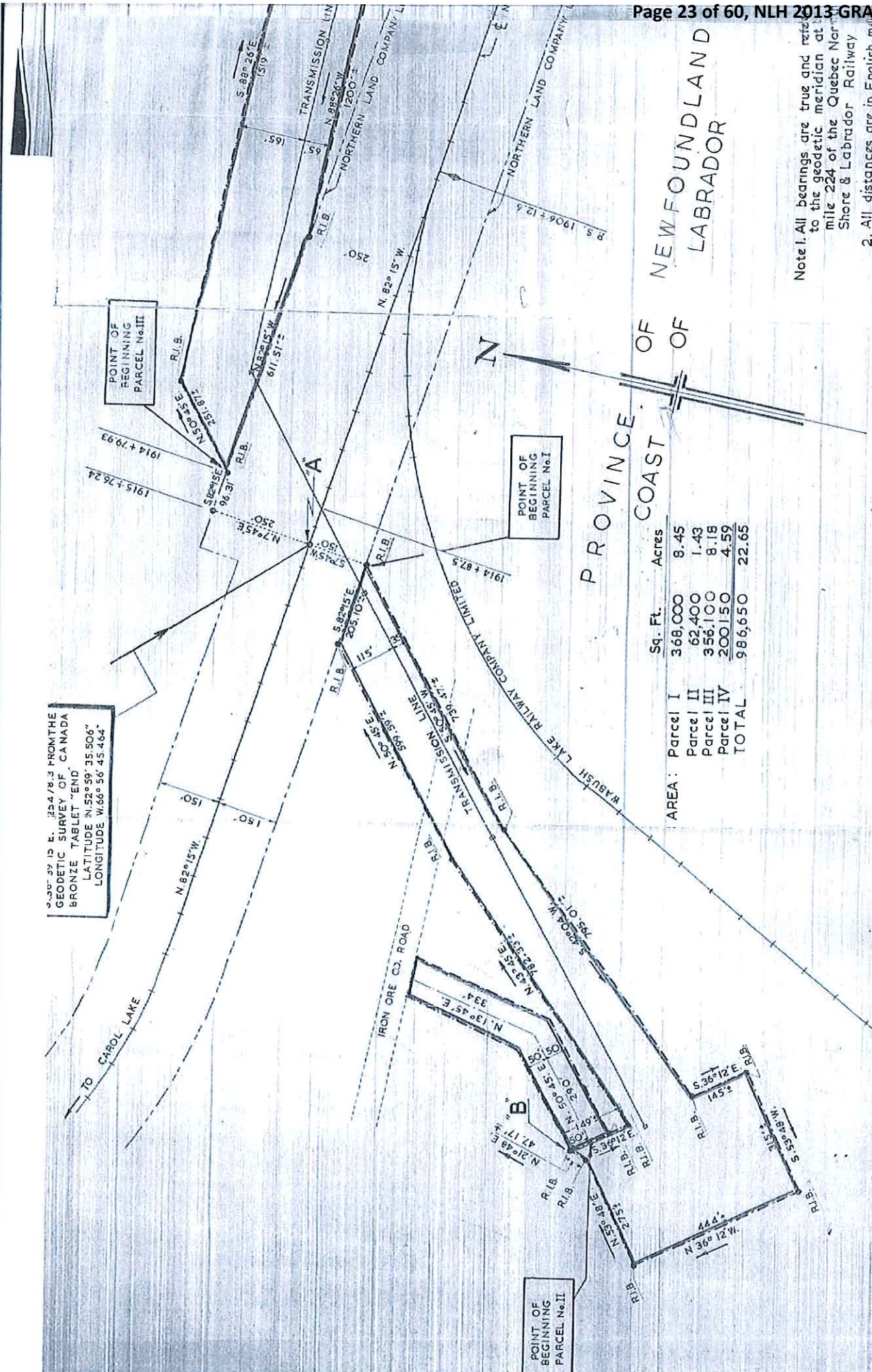
Containing the said parcel of land, so described, an area of Two Hundred Thousand One Hundred Fifty (200,150) square feet or Four and Fifty-Nine Hundredths (4.59) acres, more or less, as shown outlined in yellow on the aforesaid accompanying Plan No. W.I.-100 dated May 25, 1961.

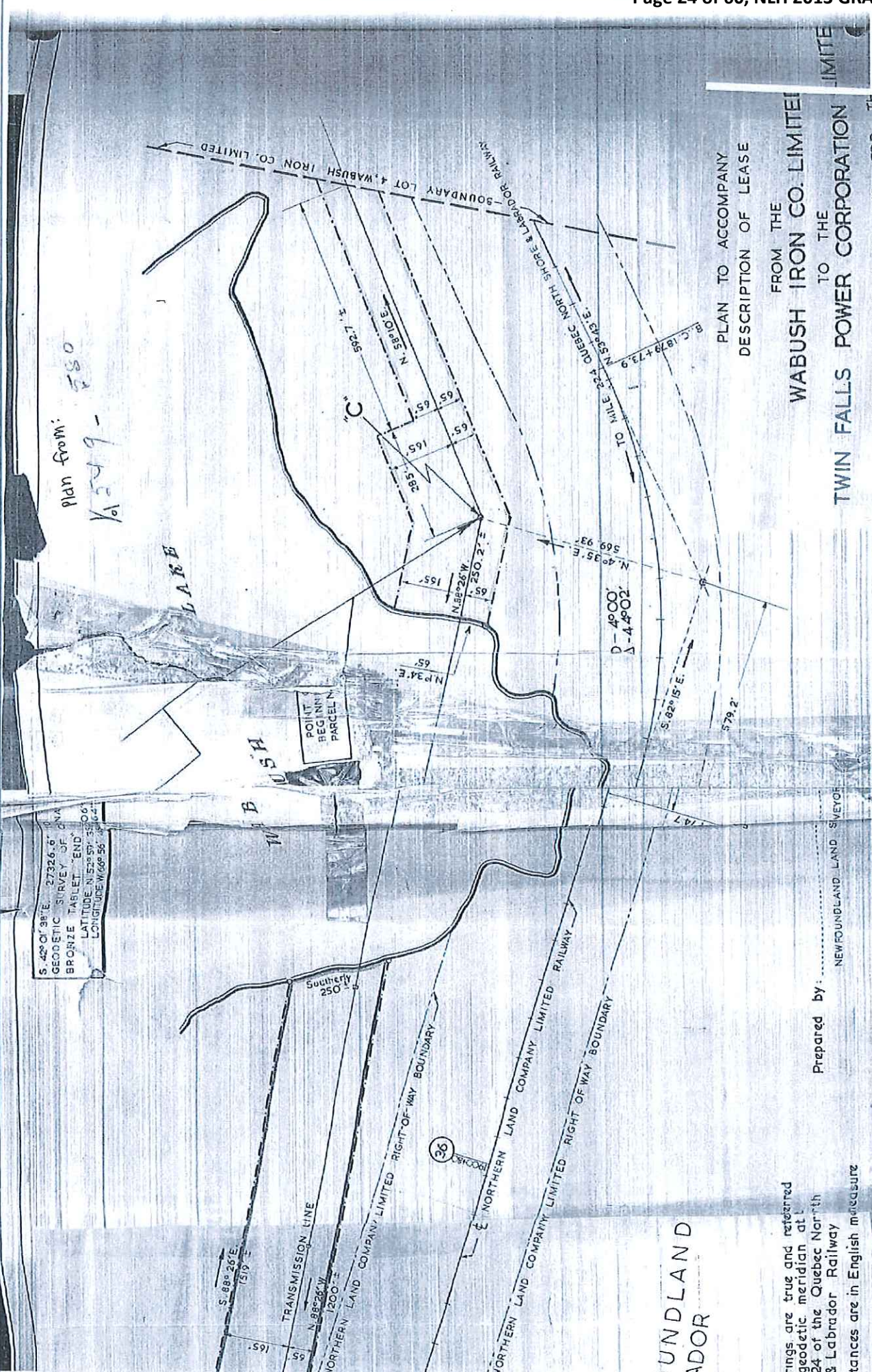
The Four (4) parcels of land, so described, contain a total of Nine Hundred Eighty-Six Thousand Six Hundred Fifty (986,650) square feet or Twenty-Two and Sixty-Five Hundredths (22.65) acres, more or less.

All bearings are true and referred to the meridian at Mile 224 of the Quebec North Shore and Labrador Railway and all distances are in English Measure.



Sept-Îles, Quebec.
November 15, 1961.





plan from: 780
1/24/9-

S. 42° 01' 38" E. 27326.6' 0"
GEODETIC SURVEY OF 21A
BRONZE TABLET END
LATITUDE N 52° 59' 33.64"
LONGITUDE W 66° 55' 40.00"

Southerly
250'

TRANSMISSION LINE
N. 88° 28' W.
1200.0'

35

NORTHERN LAND COMPANY LIMITED RIGHT-OF-WAY BOUNDARY

UNDLAND
ADOR

PLAN TO ACCOMPANY
DESCRIPTION OF LEASE

FROM THE
WABUSH IRON CO. LIMITED
TO THE
TWIN FALLS POWER CORPORATION

Prepared by: NEWFOUNDLAND LAND SURVEYOR

Measurements are true and referred
geodetic meridian at
24 of the Quebec North
& Labrador Railway
distances are in English measure

OF FOUR PARCELS OF LAND FOR THE
CONSTRUCTION AND MAINTENANCE OF

LIMIT

SCHEDULE "A-2"

MITED

PROVINCE OF NEWFOUNDLAND
DISTRICT OF LABRADOR WEST
VICINITY OF WABUSH LAKE

Description to accompany lease of a separate parcel of land
being part of the Wabush Mountain Area to Twin Falls Power Corporation Limited,
all as shown outlined in red on the accompanying Plan No. ECG-W 8, dated January
21, 1963. 347

ON LINE

The said parcel of land being located in the Province of Newfoundland,
District of Labrador West, generally at the Southeasterly end of Wabush Lake in
the vicinity of Mile 33.5 to Mile 35.6 of a Railway, referred to herein as
"Northern Land Company Limited Railway", as such Railway is now constructed on the
ground, the said parcel of land being more particularly described as follows:

A parcel of land which lies between two lines parallel to and
perpendicularly distant Sixty-Five (65) feet from, and on opposite sides of, the
centre line, which centre line may be more particularly described as follows:

The Point of Beginning of said parcel of Land being on the western
boundary of the Wabush Mountain Area and being distant seven hundred and seventeen
decimal seven five (717.75) feet on a bearing of due south from point O.

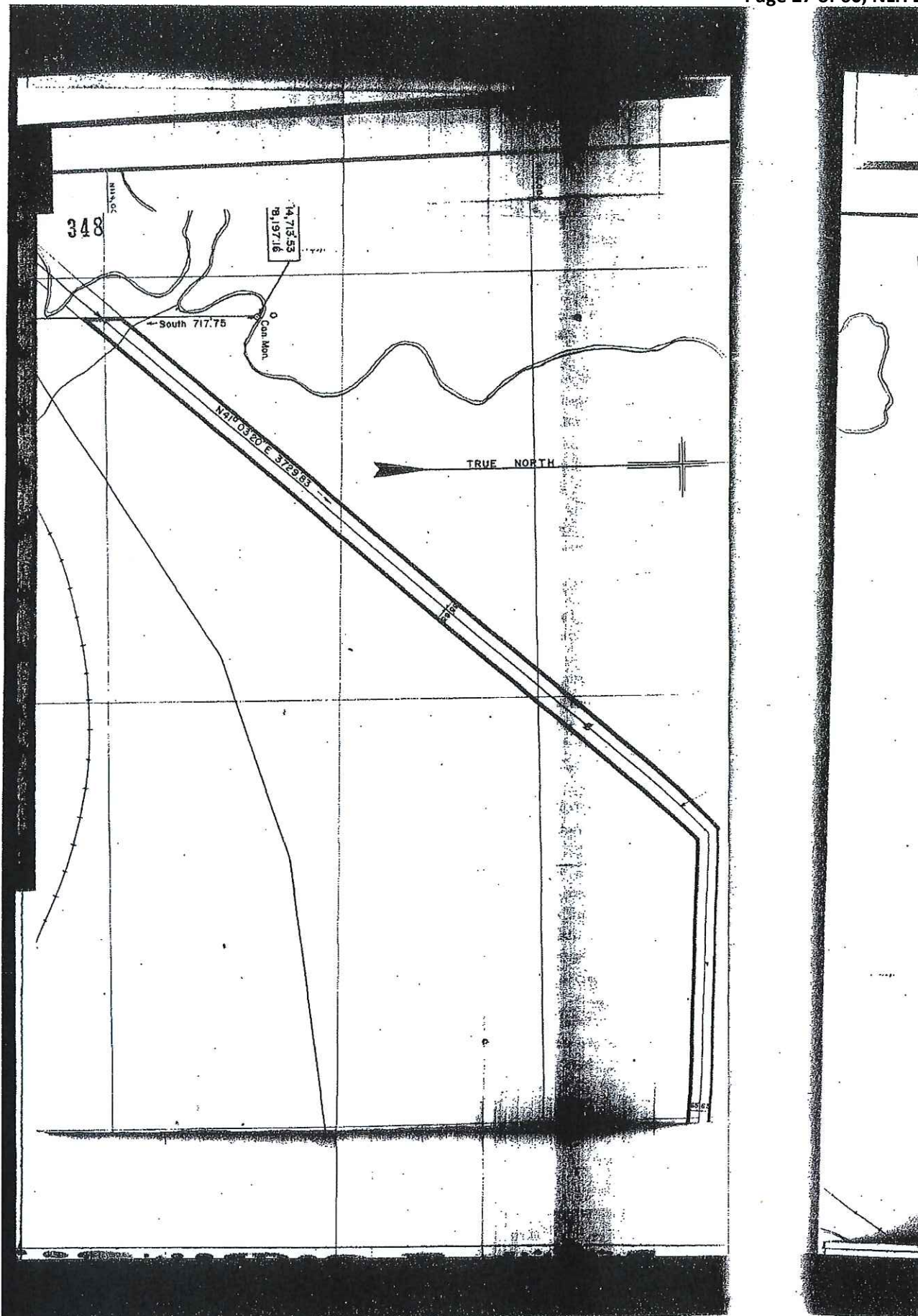
Point O being a concrete monument on the shoreline of Wabush Lake
and on the western boundary of Wabush Mountain Area and having co-ordinates, north
one-hundred and fourteen thousand seven hundred and thirteen decimal five three
(114,713.53) feet, and east seventy-eight thousand one hundred and ninety-seven decimal
one six (78,197.16) feet in relation to Geodetic Station "Lucky".

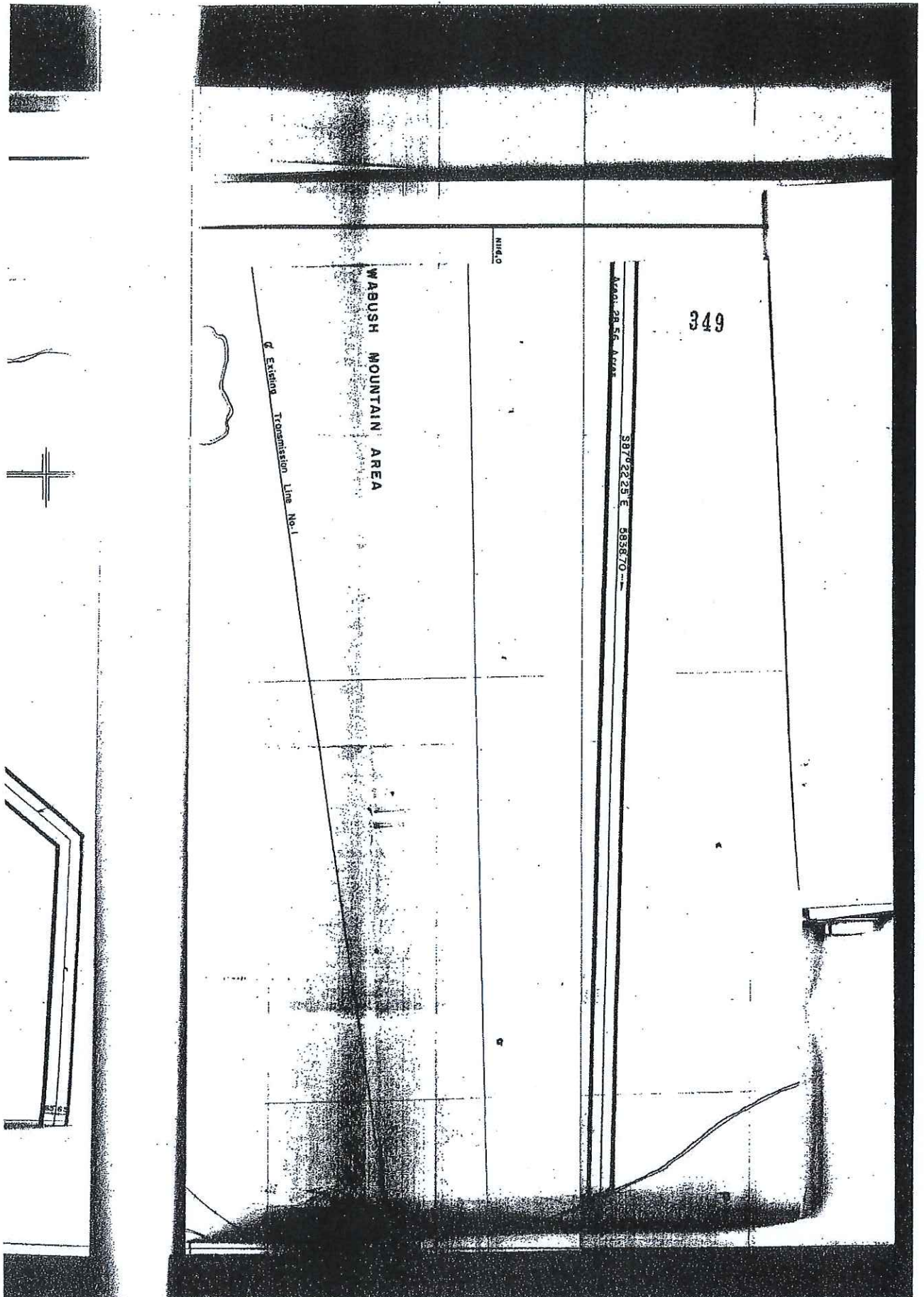
Geodetic Station "Lucky" having an assigned value of north one-hundred
thousand feet, and east one hundred thousand feet.

From the Point of Beginning through the Wabush Mountain Area north
forty-one degrees three minutes twenty seconds east (N.41°03'20"E.) three thousand
seven hundred and twenty-nine decimal eight three (3,729.83) feet, thence turning
and running south eighty-seven degrees twenty-two minutes twenty-five seconds east
(S.87°22'25"E.), five thousand eight hundred and thirty-eight decimal seven zero
(5,838.70) feet to the west shore of Flora River, a river flowing from Flora Lake
into Wabush Lake.

Containing an area of twenty-eight decimal five six (28.56) acres
more or less as shown outlined in red on the accompanying Plan No. ECG-W 8, dated
January 21, 1963.

E. L. Smith
Newfoundland Land Surveyor.





SCHEDULE "A-3"

E. C. GRANTER LAND SURVEYS LTD.

PROVINCE OF NEWFOUNDLAND
DISTRICT OF LABRADOR WEST
VICINITY OF WABUSH LAKE

Description to accompany lease of a separate parcel of land being part of the Wabush Mountain Area to Twin Falls Power Corporation Limited, all as shown outlined in red on the accompanying Plan No. EGG-W 8, dated January 21, 1963.

The said parcel of land being located in the Province of Newfoundland, District of Labrador West, generally at the Southeasterly end of Wabush Lake in the vicinity of Mile 33.5 to Mile 35.6 of a Railway, referred to herein as "Northern Land Company Limited Railway", as such Railway is now constructed on the ground, the said parcel of land being more particularly described as follows:

A parcel of land which lies between two lines parallel to and perpendicularly distant Sixty-Five (65) feet from, and on opposite sides of, the centre line, which centre line may be more particularly described as follows:

The Point of Beginning of said parcel of land being on the western boundary of the Wabush Mountain Area and being distant seven hundred and seventeen decimal seven five (717.75) feet on a bearing of due south from point O.

Point O being a concrete monument on the shoreline of Wabush Lake and on the western boundary of Wabush Mountain Area and having co-ordinates, north one hundred and fourteen thousand seven hundred and thirteen decimal five three (N114,713.53) feet, and east seventy-eight thousand one hundred and ninety-seven decimal one six (E78,197.16) feet in relation to Geodetic Station "Lucky".

Geodetic Station "Lucky" having an assigned value of north one hundred thousand feet, and east one hundred thousand feet.

From the Point of Beginning through the Wabush Mountain Area north forty-one degrees three minutes twenty seconds east (N.41°03'20"E.) three thousand seven hundred and twenty-nine decimal eight three (3,729.83) feet, thence turning and running south eighty-seven degrees twenty-two minutes twenty-five seconds east (S.87°22'25"E.), five thousand eight hundred and thirty-eight decimal seven zero (5,838.70) feet to the west shore of Flora River.

Containing an area of twenty-eight decimal five six (28.56) acres more or less as shown outlined in red on the accompanying Plan No. EGG-W8, dated 21, January 1963.


Newfoundland Land Surveyor.

PROVINCE OF NEWFOUNDLAND
DISTRICT OF LABRADOR NORTH *WEST*
VICINITY OF WABUSH LAKE

Description to accompany lease of Two (2) separate parcels of land being part of Lot 4 of the Wabush Iron Co. Limited et al to the Twin Falls Power Corporation Limited, all as shown outlined in red on the accompanying Plan No. W.I. - 102, dated October 18, 1962; revised November 28, 1962, and February 8, 1963.

K
The said parcels of land being located in the Province of Newfoundland, District of Labrador North, generally at the Southeast-^Xerly end of Wabush Lake in the vicinity of Mile 35.6 of a Railway, referred to herein as "Northern Land Company Limited Railway", as such Railway is now constructed on the ground, the said parcels of land being more particularly described as follows:

These said parcels of land referred to as Parcel V and Parcel VI are two strips of land which lie between two lines parallel to and perpendicularly distant Sixty-Five (65) feet from, and on opposite sides of, the centre lines and the centre lines produced, which centre lines may be more particularly described as follows:

The Point of Beginning of Parcel V being located thus; commencing at the point of intersection of two tangents of the Northern Land Company Limited Railway, said point being Five Hundred and Seventy-Nine and Two-Tenths (579.2) feet distant and bearing South Eighty-Two Degrees and Fifteen Minutes East (S.82°15'E.) from Station One, Eight, Nine, Zero plus Seven, Four point Seven (1890 + 74.7) of the chainage of the said Railway; thence North Four Degrees Thirty-Five Minutes East (N.4°35'E.) Five Hundred and Sixty-Nine and Ninety-Three Hundredths (569.93) feet to a point designated as Point O Parcel

IV, said point being distant Twenty-Seven Thousand Three Hundred and Twenty-Six and Six-Tenths (27,326.6) feet and being South Forty- Two Degrees One Minute and Thirty-Eight Seconds East ($S.42^{\circ}01'38''E.$) from the Geodetic Survey of Canada Bronze Tablet "End" situated at Latitude North Fifty-Two Degrees, Fifty-Nine Minutes Thirty-Five and Five Hundred and Six Thousandths Seconds ($N.52^{\circ}59'35.506''$) and Longitude West Sixty-Six Degrees Fifty-Six Minutes Forty-Five and Four Hundred and Sixty-Four Thousandths Seconds ($W.66^{\circ}56'45.464''$); thence North Sixteen Degrees Eleven Minutes West ($N.16^{\circ}11'W.$) Eighty-Nine and Twenty-Five Hundredths (89.25) feet to a point; thence North Forty-One Degrees Four Minutes East ($N.41^{\circ}04'E.$) Two Hundred and Sixty-Nine and Seventeen Hundredths (269.17) feet to a point on the Northerly boundary of land designated as Parcel IV and leased to the Twin Falls Power Corporation Limited by the Wabush Iron Co. Limited et al said point being the Point of Beginning of the centre line of Parcel V.

PARCEL V

Thence from the Point of Beginning of Parcel V continuing North Forty-One Degrees Four Minutes East ($N.41^{\circ}04'E.$) Five Hundred and Twenty-One and Eighty-Three Hundredths (521.83) feet to a point on the Southerly shoreline of a small bay of Wabush Lake, said point designated as Point D on the accompanying plan, and containing the said parcel of land so described an area of One and Seven Hundred and Forty-Two Thousandths (1.742) acres more or less all as shown outlined in red on the accompanying Plan No. W. I. - 102, dated October 18, 1962; revised November 28, 1962, and February 8, 1963.

PARCEL VI

The Point of Beginning of Parcel VI being located thus, starting at Point D as previously described, continuing North Forty-One Degrees Four Minutes East (N.41°04'E.) One Hundred and Seventy-Two (172) feet to a point on the Northerly shoreline of a small bay of Wabush Lake said point being the Point of Beginning of the centre line of Parcel VI.

Thence continuing North Forty-One Degrees Four Minutes East (N.41°04'E.) Two Hundred and Nine and Eighty-Six Hundredths (209.86) feet more or less to a point on the Northeasterly boundary of Lot 4 of Wabush Iron Co. Limited et al.

Containing the said parcel of land so described an area of Six Hundred and Twenty-Six Thousandths (0.626) acres more or less as shown outlined in red on the accompanying Plan No. W. I. - 102, dated October 18, 1962; revised November 28, 1962, and February 8, 1963.



Sept-Îles, Quebec,
February 11, 1963.

Revised November 28, 1962 and February 8, 1963

SCHEDULE "A-4"

139

PLAN AND DESCRIPTION

OF LEASE FROM

WABUSH IRON CO. LIMITED, THE STEEL COMPANY OF
CANADA, LIMITED AND DOMINION FOUNDRIES AND STEEL,
LIMITED

TO THE

TWIN FALLS POWER CORPORATION LIMITED

PROVINCE OF NEWFOUNDLAND

LABRADOR

This is Schedule "A" to an Indenture made as of the 1st day
of October, 1971 between Wabush Iron Co. Limited, The Steel
Company of Canada, Limited and Dominion Foundries and Steel
Limited and Twin Falls Power Corporation Limited.

Historical map
V. 1430 F. 141

PROVINCE OF NEWFOUNDLAND

LABRADOR

140 Description to accompany lease of two separate parcels of land to the Twin Falls Power Corporation Limited, all as shown outlined in various colours on the accompanying Plan FSK-1962, dated August 17, 1971.

The said parcels of land being more particularly described as follows:

PARCEL ONE

All that piece or parcel of land situated near Twin Falls Terminal Station in the Electoral District of Labrador West, Province of Newfoundland, Canada, abutted and bounded as follows:

Commencing at a point, said point being the Southwest corner of land granted to Twin Falls Power Corporation Limited, registered in Volume 549, Folios 563-580 in the Registry of Deeds for Newfoundland, and the Easterly boundary of land granted to the Iron Ore Company of Canada, marked by a round iron bar. Thence running by land along the Southern limit of land granted to Twin Falls Power Corporation Limited, bearing North fifty-three degrees and forty-eight minutes East ($N53^{\circ} - 48'E$) for a distance of three hundred and fifteen feet (315.0'), thence turning and running North thirty-six degrees and twelve minutes West ($N36^{\circ} - 12'W$) for a distance of one hundred and forty-five feet (145.0') to a point marked by a round iron bar, it being abutted to the West and North by grants of Crown land to Twin Falls Power Corporation Limited, thence turning and running North forty-two degrees zero four minutes East ($N42^{\circ} - 04'E$) for a distance of seventy-six decimal six zero feet (76.60') to a point marked by a round iron bar, it being abutted to the North by a grant of Crown land to Twin Falls Power Corporation Limited, thence turning and running South thirty-two degrees twelve minutes East ($S36^{\circ} - 12'E$) for a distance of three hundred and forty-five decimal six zero feet (345.60') to a point marked by a round iron bar, it being abutted to the East by a grant of Crown land to Wabush Mines Limited, thence turning and running along the North boundary of a grant of Crown land to Wabush Mines Limited, for a distance of three hundred and ninety feet (390.00') at a bearing of South fifty-three degrees forty-eight minutes West ($S53^{\circ} - 48'W$) to a point, marked by a round iron bar, thence turning and running along the

- 2 -

141

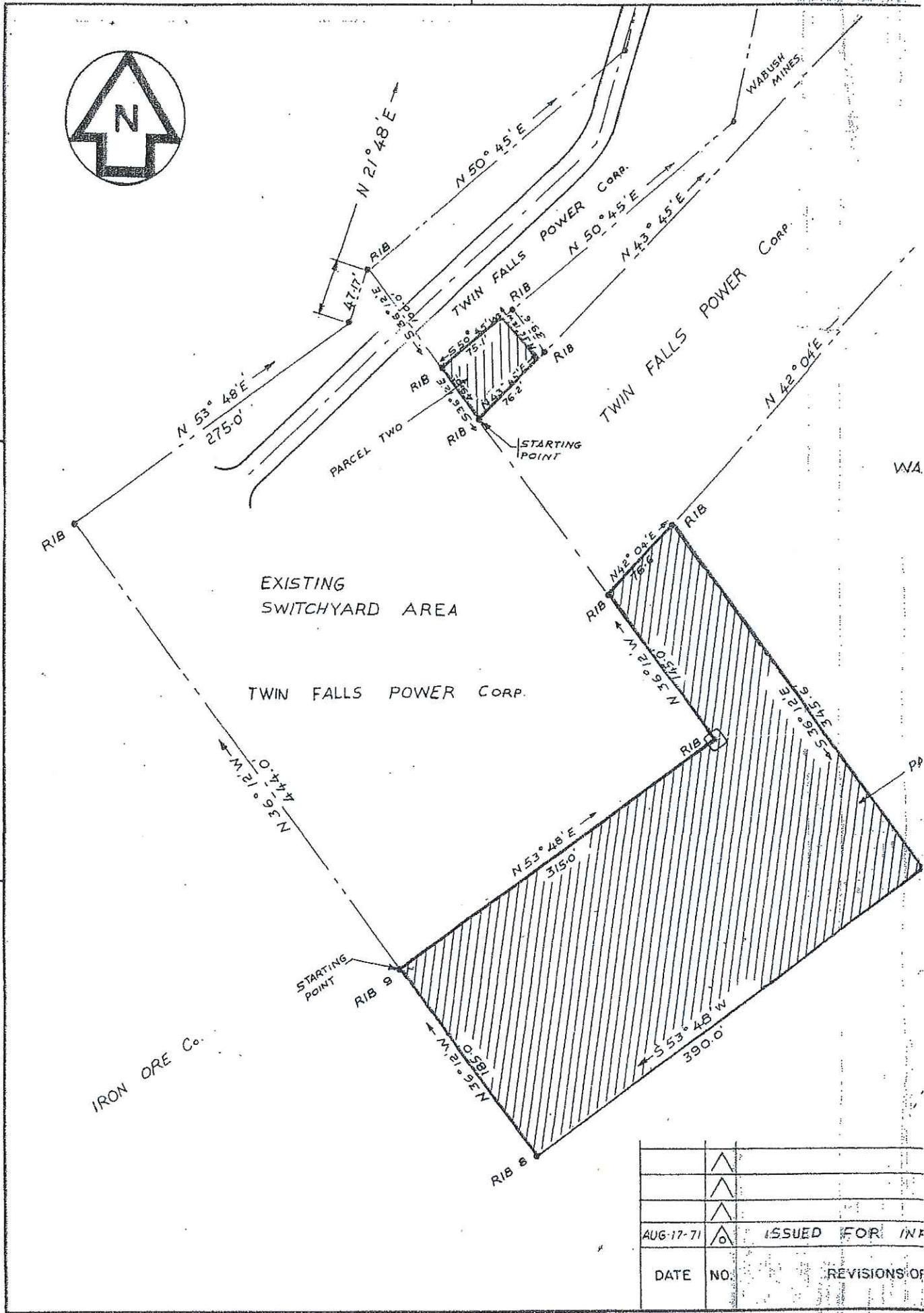
boundary of land granted to the Iron Ore Company of Canada on a bearing of North thirty-six degrees and twelve minutes West ($N36^{\circ} - 12'W$) for a distance of one hundred and eighty-five feet (185.0') to a round iron bar, the point of commencement and containing in all an area of one acre (1), three rods (3), and twenty-seven square rods (27 sq. rods) more or less and being more particularly described and shown hatched on diagram attached to the same said supplement of the lease and marked parcel one. All bearings are referred to the magnetic meridian.

PARCEL TWO

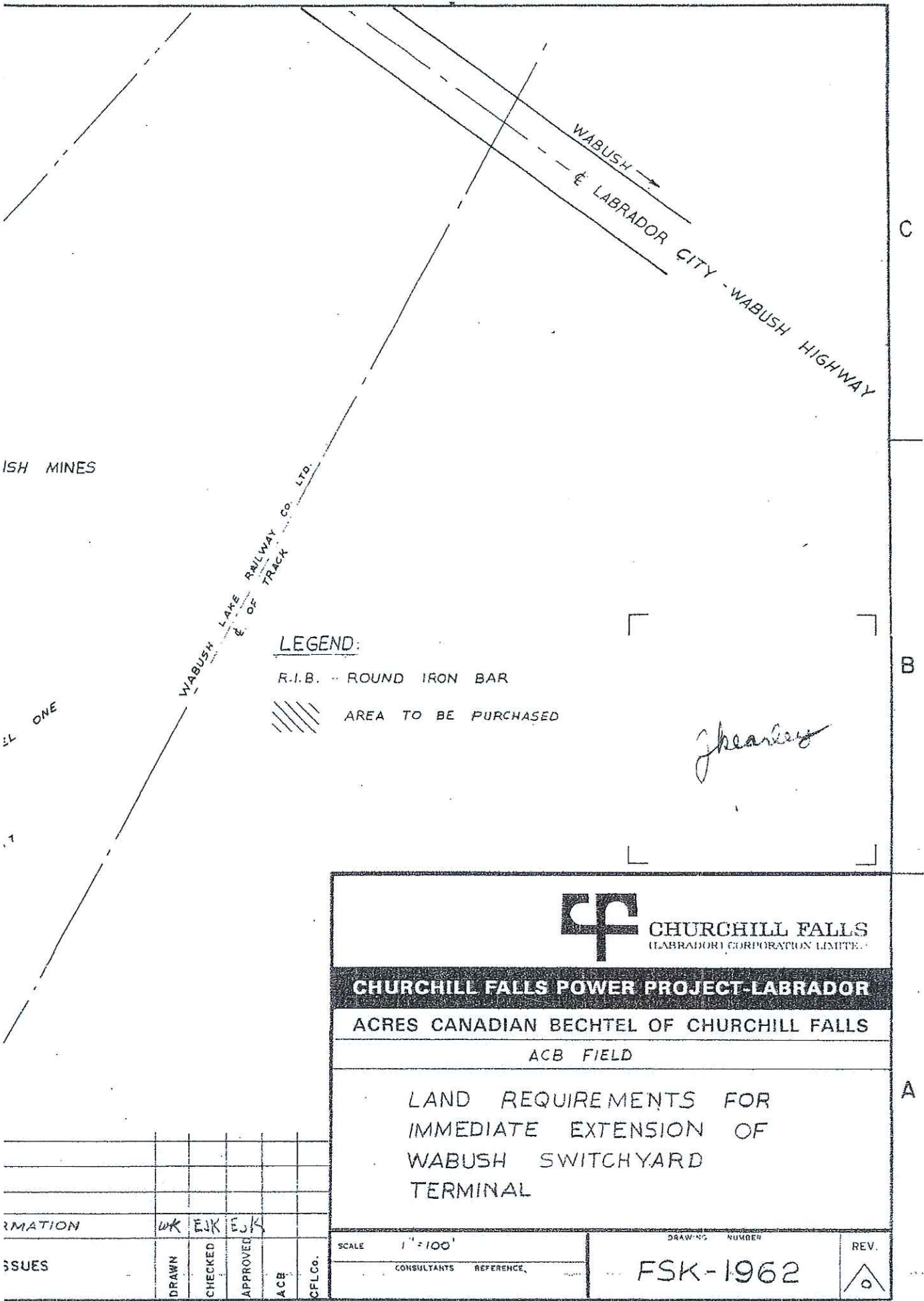
All that piece or parcel of land situated near Twin Falls Terminal Station in the Electoral District of Labrador West, Province of Newfoundland, Canada, abutted and bounded as follows:

Commencing at a point, said point being on Northwest Corner of land granted to Twin Falls Power Corporation Limited, registered in Volume 549, Folios 563-580 in the Registry of Deeds for Newfoundland, and on the East side of land granted to Twin Falls Power Corporation Limited, and on the Southerly side of land granted to Wabush Mines Limited, and marked by a round iron bar, thence running along the Northern limit of land granted to Twin Falls Power Corporation Limited at a bearing of North forty-three degrees forty-five minutes East ($N43^{\circ} - 45'E$) for a distance of seventy-six decimal two feet (76.2') to a point, said point being a round iron bar, thence turning and running North thirty-six degrees and twelve minutes West ($N36^{\circ} - 12'W$) for a distance of thirty-nine decimal six feet (39.6') to a point, said point being a round iron bar, on the Southerly boundary of land granted to Twin Falls Power Corporation Limited, thence turning and running along this Southerly boundary at a bearing of South fifty degrees and forty-five minutes West ($S50^{\circ} - 45'W$) for a distance of seventy-five decimal one feet (75.1') to a point, said point being a round iron bar on the Southwest corner of land granted to Twin Falls Power Corporation Limited, and on the East side of land granted to Twin Falls Power Corporation Limited, thence turning and running South thirty-six degrees and twelve minutes East ($S36^{\circ} - 12'E$) for a distance of forty-nine feet (49') to the point of commencement and containing in all an area of zero acres, zero rods and twelve decimal two square rods (12.2 sq. rods) and being more particularly described and shown hatched on diagram attached hereto and marked parcel two. All bearings are referred to the magnetic meridian.

DRAWING NO. FSK-1962 REV. 70



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	△	
AUG-17-71	△	ISSUED FOR INF
DATE	NO.	REVISIONS OF



SCHEDULE "A-5"

SCHEDULE "A"

Parcel "B"

May 20, 1998

All that piece or parcel of land situate and being at Wabush, Labrador in the electoral district of Labrador West in the province of Newfoundland being bound and abutted as follows, that is to say:

Beginning at a point the said point being distant 973.83 metres as measured on a bearing of North 53 degrees 58 minutes 20 seconds West from Control Monument No. 88G4121;

Thence along land of the Wabush Lake Railway Company and Wabush Iron Company, Mining Lease No.4, South 52 degrees 55 minutes 29 seconds West 44.00 metres;

Thence along land of Wabush Iron Company Mining Lease Lot No.4 North 37 degrees 00 minutes 15 seconds West 38.00 metres;

Thence along Parcel "D" & Parcel "A" North 52 degrees 46 minutes 22 seconds East 88.78 metres;

Thence along the aforesaid land of Wabush Iron Company and Wabush Lake Railway Company South 36 degrees 56 minutes 39 seconds East 17.00 metres;

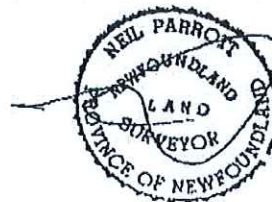
Thence along land of the Wabush Lake Railway Company South 35 degrees 17 minutes 34 seconds West 47.00 metres;

Thence South 37 degrees 04 minutes 31 seconds East 7.00 metres, more or less, to the point of beginning.

Containing an area of 0.275 hectares, more or less, and being Parcel "B" on the diagram annexed hereto;

The above described Parcel "B" being subject to an existing pole line extending through the said land.

All bearings being referred to the Meridian of 67 degrees 30 minutes West Longitude of the Three Degree Transverse Mercator Projection, NAD 83.



SCHEDULE "A"

Parcel "C"

May 20, 1998

All that piece or parcel of land situate and being at Wabush, Labrador in the electoral district of Labrador West in the province of Newfoundland being bound and abutted as follows, that is to say:

Beginning at a point the said point being distant 11.70 metres as measured on a bearing of South 55 degrees 53 minutes 42 seconds West from an iron bar on the Westerly boundary of Parcel "A";

Thence along the said Parcel "A" North 37 degrees 13 minutes 38 seconds West 18.72 metres;

Thence along land of the Wabush Iron Company, Mining Lease Lot No.4, South 52 degrees 34 minutes 09 seconds West 5.42 metres;

Thence South 37 degrees 06 minutes 27 seconds East 18.41 metres;

Thence North 55 degrees 53 minutes 42 seconds East 5.47 metres, more or less, to the point of beginning.

Containing an area of 0.010 hectares, more or less, and being Parcel "C" on the diagram annexed hereto;

All bearings being referred to the Meridian of 67 degrees 30 minutes West Longitude of the Three Degree Transverse Mercator Projection, NAD 83.



SCHEDULE "A"
Parcel "D"

May 20, 1998

All that piece or parcel of land situate and being at Wabush, Labrador in the electoral district of Labrador West in the province of Newfoundland being bound and abutted as follows, that is to say:

Beginning at a point said point being an iron bar in the most Westerly angle of Parcel "B";

Thence along the said Parcel "B" North 52 degrees 46 minutes 22 seconds East 3.01 metres;

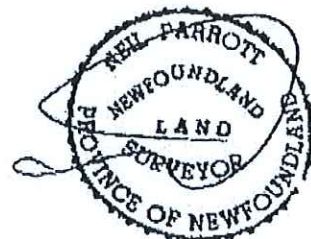
Thence along Parcel "A" North 37 degrees 13 minutes 38 seconds West 22.10 metres;

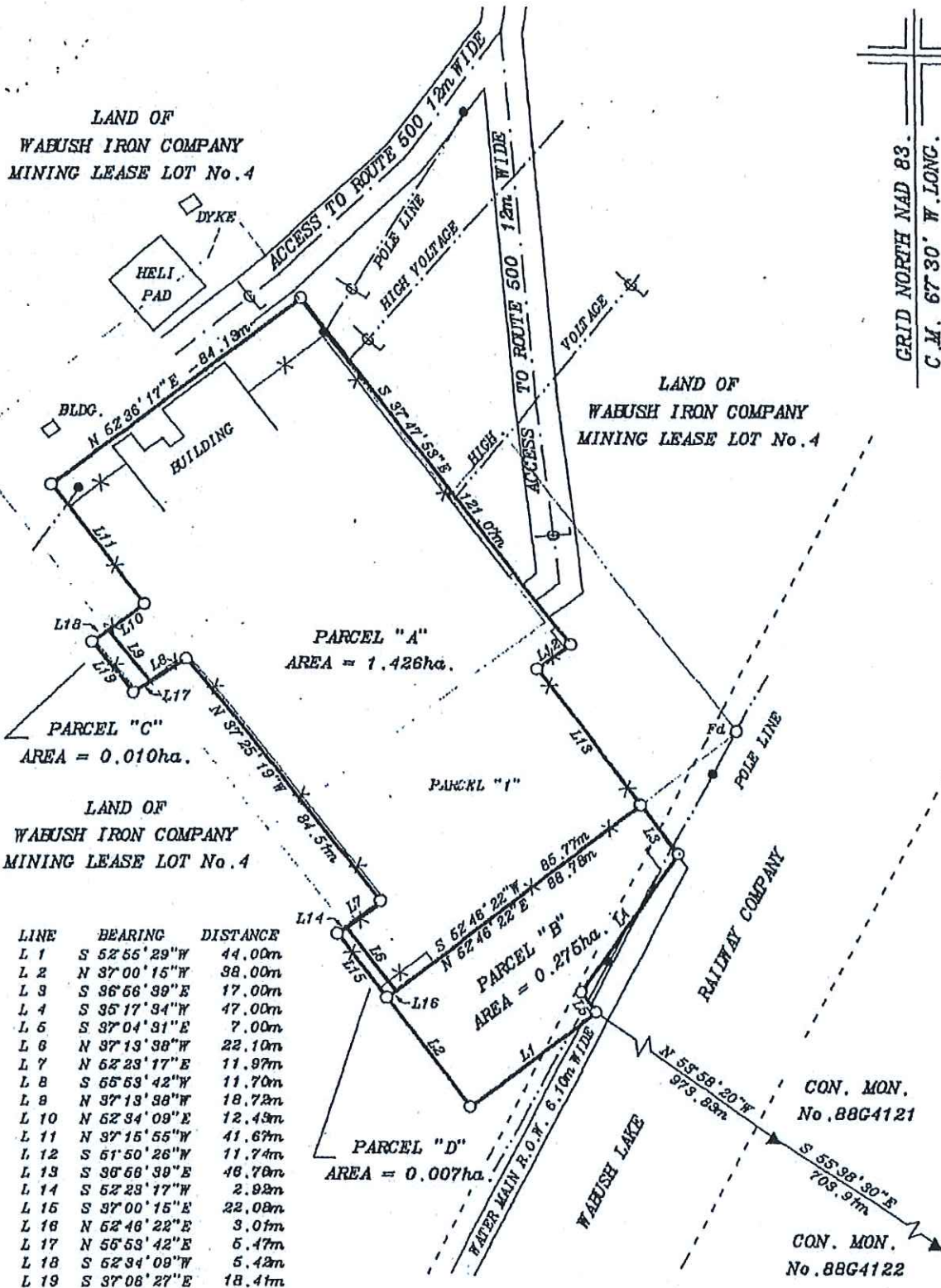
Thence along land of the Wabush Iron Company, Mining Lease Lot No.4, South 52 degrees 23 minutes 17 seconds West 2.92 metres;

Thence South 37 degrees 00 minutes 15 seconds East 22.08 metres, more or less, to the point of beginning.

Containing an area of 0.007 hectares, more or less, and being Parcel "D" on the diagram annexed hereto;

All bearings being referred to the Meridian of 67 degrees 30 minutes West Longitude of the Three Degree Transverse Mercator Projection, NAD 83.





N.E. PARROTT SURVEYS LTD.
NEWFOUNDLAND LAND SURVEYORS
GOOSE BAY, LABRADOR 896-5019

- - IRON BAR
- ⊙ - CAPPED IRON BAR
- - POLE
- ▲ - PROVINCIAL CONTROL SURVEY MARKER
- Fd. - FOUND

DATE: - MAY 20, 1998

SCALE - 1:1250

JOB No. - 98100

Linear Measurement Horizontal Ground Distances



SCHEDULE "A-6"

Schedule "A" - page 1

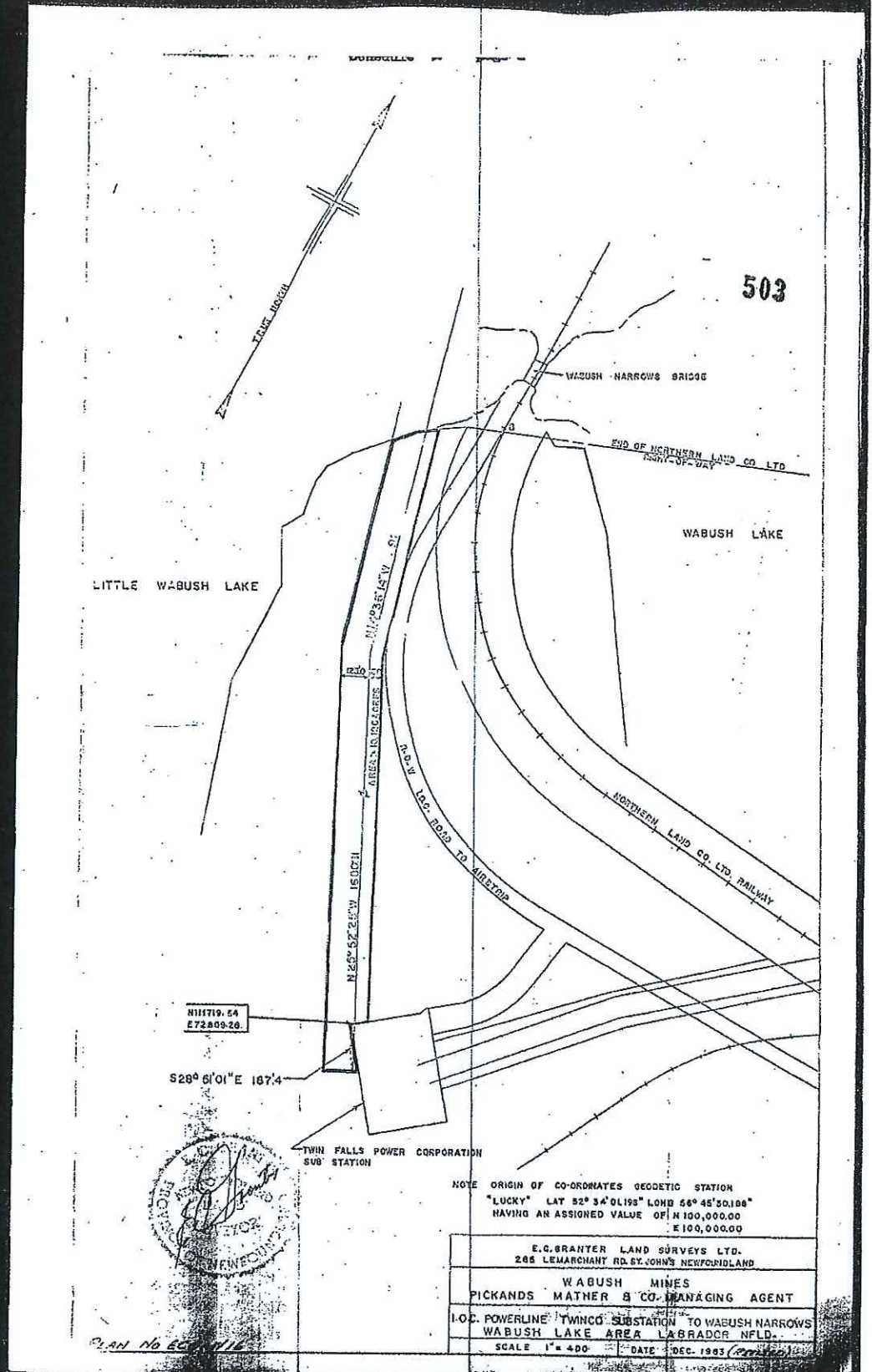
502

E. O. GRANTER LAND SURVEYS LTD.

DESCRIPTION OF LAND REQUIRED BY THE IRON ORE COMPANY OF CANADA FOR A TRANSMISSION
LINE RIGHT-OF-WAY AT WABUSH LAKE, LABRADOR, NEWFOUNDLAND, CANADA.

All that piece or parcel of land situate and being at Wabush Lake, Labrador, in the Province of Newfoundland, Canada, and which said parcel may be described as a strip of land one-hundred and seventy-five (175) feet wide lying between two lines drawn parallel to, on opposite sides of, and distant fifty (50) feet to the right of, and one-hundred and twenty-five (125) feet to the left of a centre line described as follows: beginning at a point, said point being distant one-hundred and eighty-seven decimal four (187.4) feet on a bearing of south twenty-eight degrees fifty-one minutes one second east from the northwest angle of the Twin Falls Power Corporation Sub-Station Property having co-ordinates north one-hundred and eleven thousand seven-hundred and nineteen decimal five four (111,719.54) feet, and east seventy-two thousand eight-hundred and nine decimal two six (72,809.26) feet, (origin of co-ordinates being Geodetic Station "Lucky" having an assigned value of north one-hundred thousand and east one-hundred thousand) thence from the point of beginning so described, north twenty-five degrees fifty-four minutes twenty-five seconds west one-thousand six-hundred and eighty decimal one one (1,680.11) feet, thence north fourteen degrees thirty-six minutes fourteen seconds west nine-hundred and twenty-seven decimal nine (927.9) feet to the Shoreline of Wabush Lake, and containing an area of ten decimal one two six (10.126) acres. Reserving nevertheless out of the above described area the Twin Falls Power Corporation Sub-Station Property. Which land is more particularly shown and outlined in red on the accompanying Plan No. EOC-416, dated December, 1963. The expression "Shoreline" as used herein, means a line fixed and determined by joint survey of Labrador Mining and Exploration Company Limited and Newfoundland and Labrador Corporation Limited, dated March 12, 1963.

E. O. Grant



SCHEDULE "A-7"

SCHEDULE "A"

41

DESCRIPTION OF LAND

TRANSMISSION LINE RIGHT OF WAY

Wabush

Newfoundland

The surface rights to all that piece or parcel of land situate and being in the town of Wabush in the Provincial electoral district of Menihok in the Province of Newfoundland, Canada, bounded and abutted as follows: That is to say beginning at a point in the westerly boundary of property of Twin Falls Power Corporation Sub-Station said point bearing south thirty six degrees twelve minutes zero seconds east from the north west corner of said Twin Falls Power Corporation Sub-Station a distance of one hundred and eighty six decimal eighty five (186.85') feet to the point of beginning of this description. Thence, south sixty four degrees, seven minutes, thirty five seconds west by land of the Iron Ore Company of Canada a distance of one hundred and forty nine decimal forty three (149.43) feet and thence north twenty five degrees, fifty two minutes, twenty five seconds west a distance of one thousand six hundred and ninety two decimal forty four (1692.44') feet and thence north fourteen degrees, thirty six minutes, fourteen seconds west, a distance of eight hundred and sixty seven decimal eighteen (867.18') feet and thence south thirty seven degrees, four minutes, forty seconds west by the shoreline of Little Wabush Lake a distance of seventy four decimal zero two (74.02) feet, thence south fourteen degrees, thirty six minutes, fourteen seconds east by land of Wabush Iron Company Limited a distance of eight hundred and thirteen decimal thirty two (813.32) feet and thence south twenty five degrees, one minute, forty five seconds east a distance of one thousand nine hundred and ninety four decimal ninety one (1994.91') feet and thence north sixty degrees, thirty seven minutes, zero seconds east a distance of two hundred and eighty eight decimal zero (288.00') feet, thence north thirty six degrees, twelve minutes, zero seconds west by land of Twin Falls Power Corporation Sub-Station a distance of two hundred and seventy two decimal fifteen (272.15') feet more or less to the point of beginning.

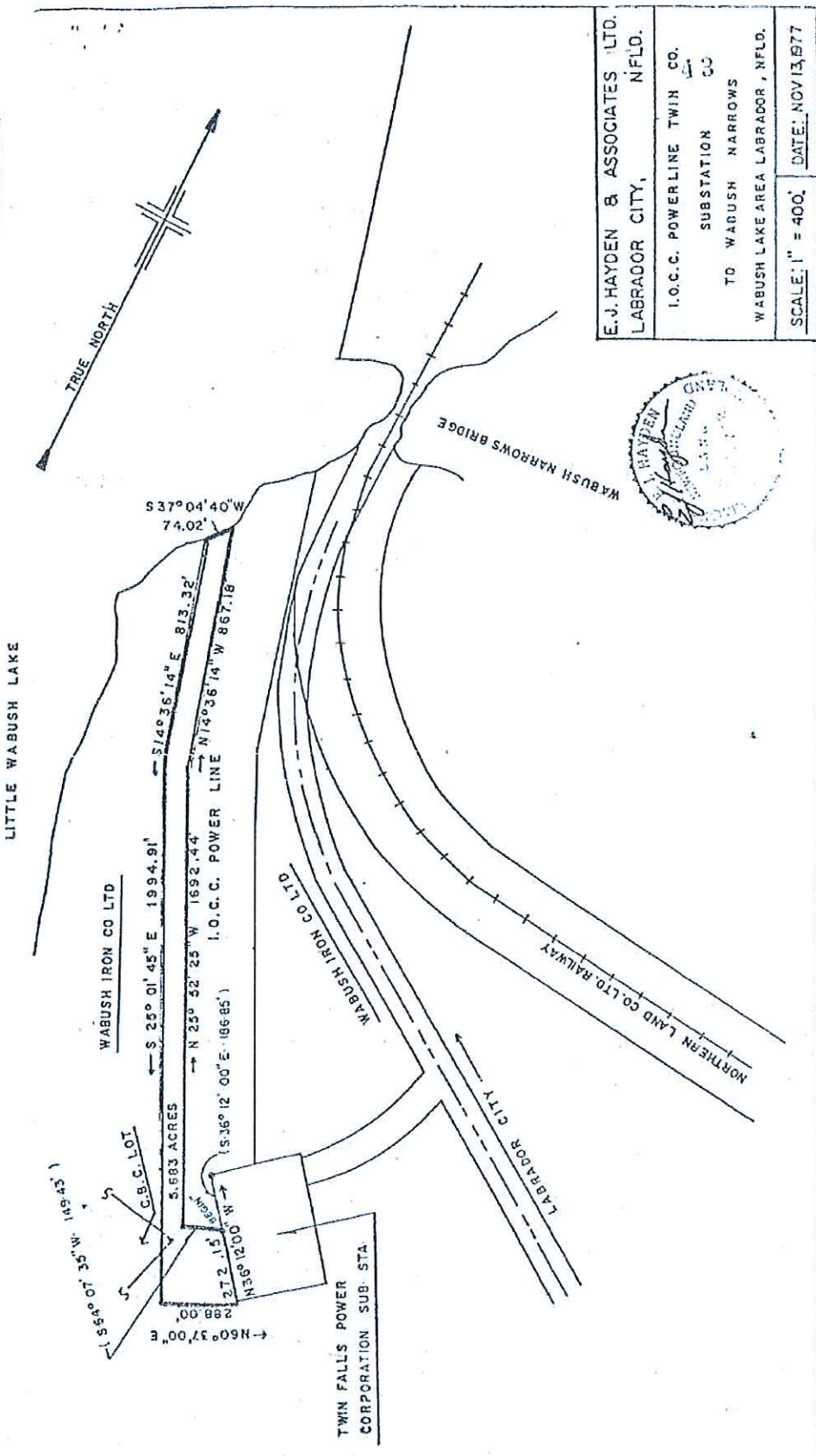
The whole containing in all an area of five decimal six eight three (5.683) acres and being more particularly described and deline-

42

ated, coloured red on Schedule "B" hereunto annexed. All bearings are referred to the geodetic meridian at mile two hundred and twenty four (224) on the Quebec North Shore and Labrador Railway.



SCHEDULE "B"



E.J. HAYDEN & ASSOCIATES LTD. LABRADOR CITY, Nfld.	
I.O.C.C. POWERLINE TWIN CO.	CO
SUBSTATION	CO
TO WABUSH NARROWS	
WABUSH LAKE AREA LABRADOR, Nfld.	
SCALE: 1" = 400'	DATE: NOV 13, 1977



SCHEDULE "A-8"

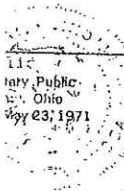
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SCHEDULE "A"

DESCRIPTION OF LAND REQUIRED BY THE IRON ORE COMPANY OF CANADA FOR A TRANS-
MISSION LINE RIGHT-OF-WAY AT WABUSH LAKE, LABRADOR, NEWFOUNDLAND, CANADA.

All that piece or parcel of land situate and being at Wabush Lake, Labrador, in the Province of Newfoundland, Canada, and which said parcel may be described as a strip of land two-hundred and forty-five (245) feet wide lying between two lines drawn parallel to, on opposite sides of, and distant one hundred and twenty (120) feet to the right of, and one-hundred and twenty-five (125) feet to the left of a centre line described as follows: beginning at a point, said point being distant one-hundred and eighty-seven decimal four (187.4) feet on a bearing of south twenty-eight degrees fifty-one minutes one second east from the northwest angle of the Twin Falls Power Corporation Sub-Station Property having co-ordinates north one-hundred and eleven thousand seven-hundred and nineteen decimal five four (N111,719.54) feet, and east seventy-two thousand eight-hundred and nine decimal two six (72,809.26) feet, (origin of co-ordinates being Geodetic Station "Lucky" having an assigned value of north one-hundred thousand and east one-hundred thousand) thence from the point of beginning so described, north twenty-five degrees fifty-two minutes twenty-five seconds west one-thousand six-hundred and eighty decimal one one (1,680.11) feet, thence north fourteen degrees thirty-six minutes fourteen seconds west nine-hundred and twenty-seven decimal nine (927.9) feet to the Shoreline of Little Wabush Lake. Reserving nevertheless out of the above described area the Twin Falls Power Corporation Sub-Station Property. Which land is more particularly shown and outlined in red on the accompanying Plan, dated September, 1966, and contains an area of fourteen decimal zero seven two (14.072) acres. The expression "Shoreline" as used herein, means a line fixed and determined by joint survey of Labrador Mining and Exploration Company Limited and Newfoundland and Labrador Corporation Limited, dated March 12, 1963.

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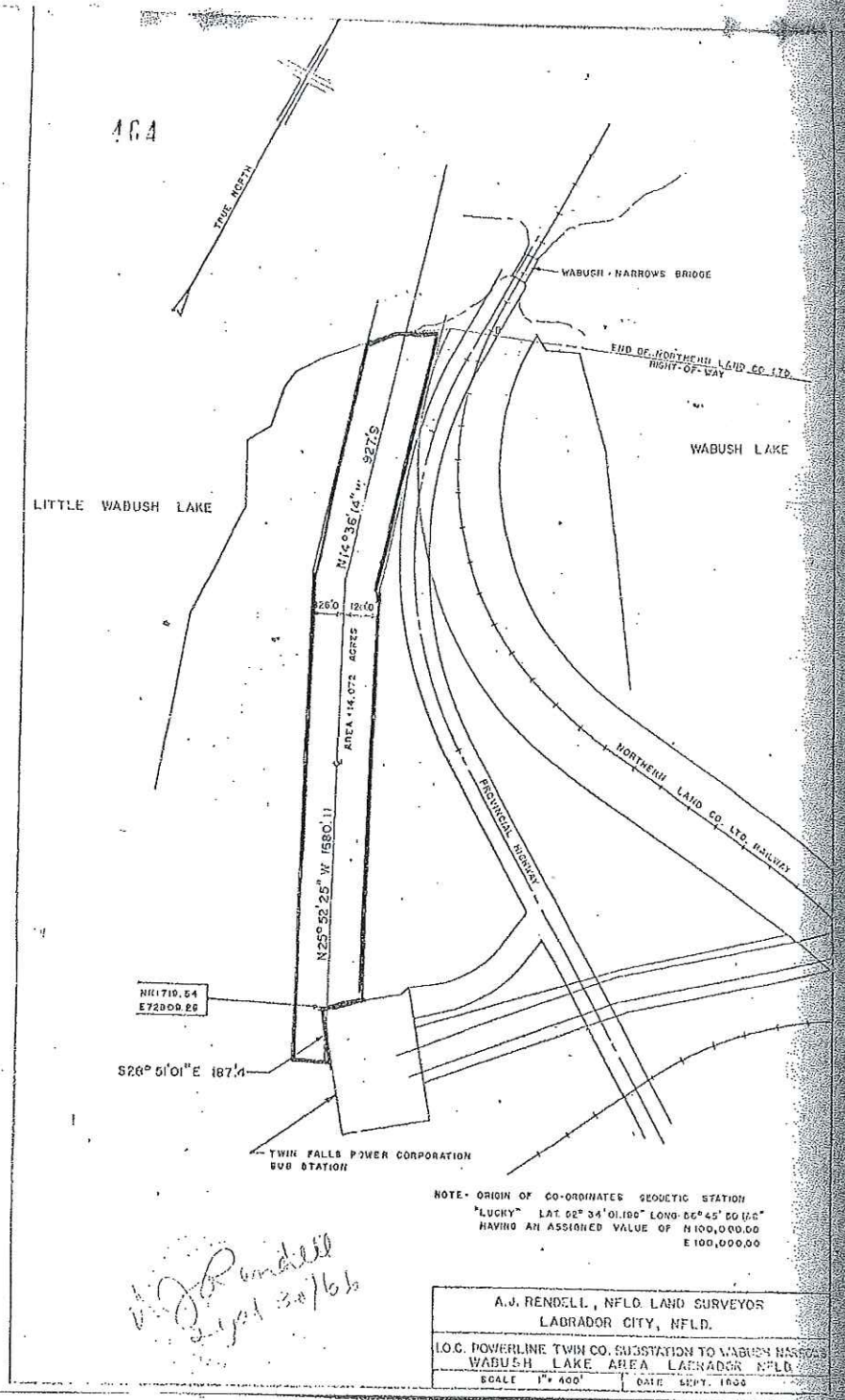
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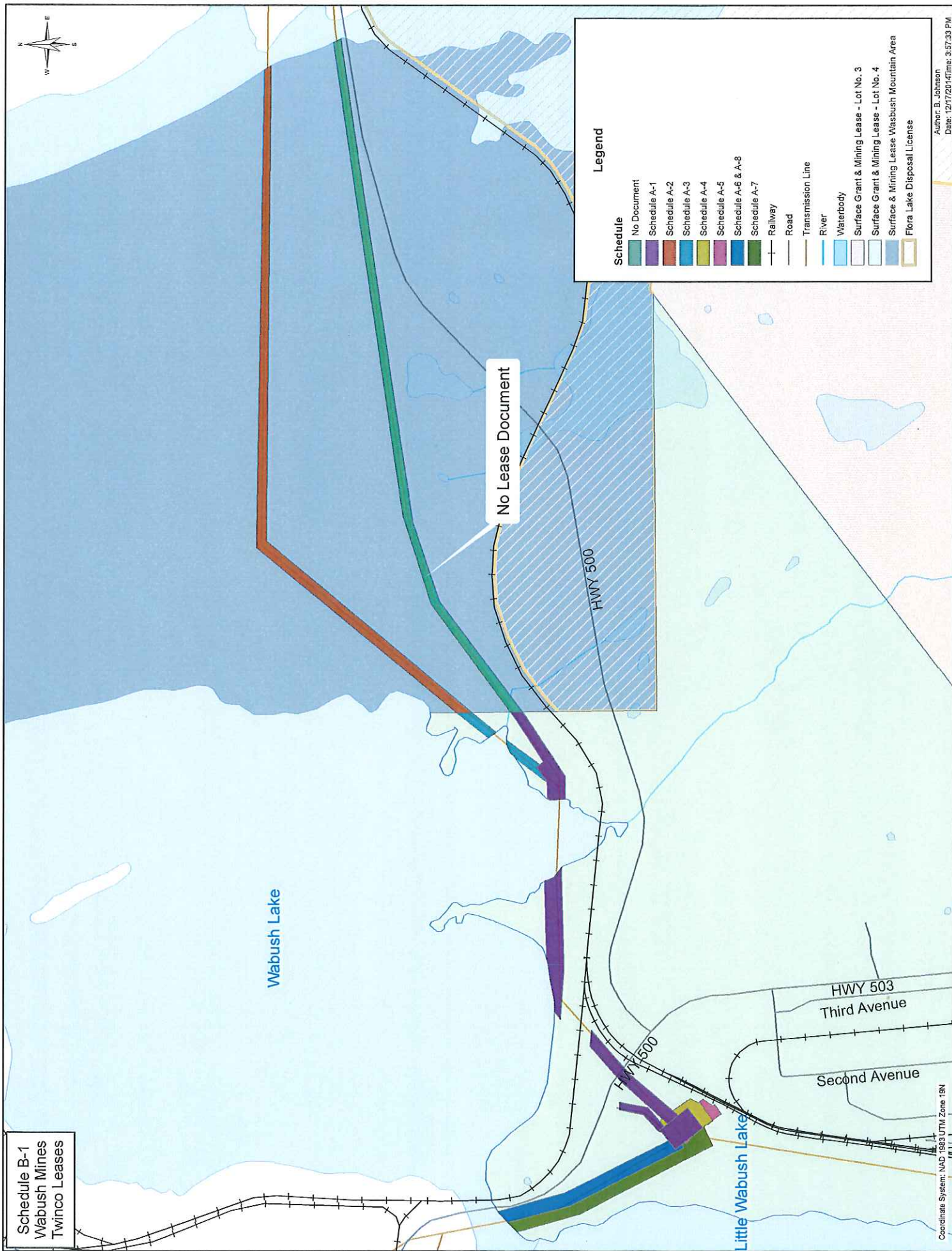
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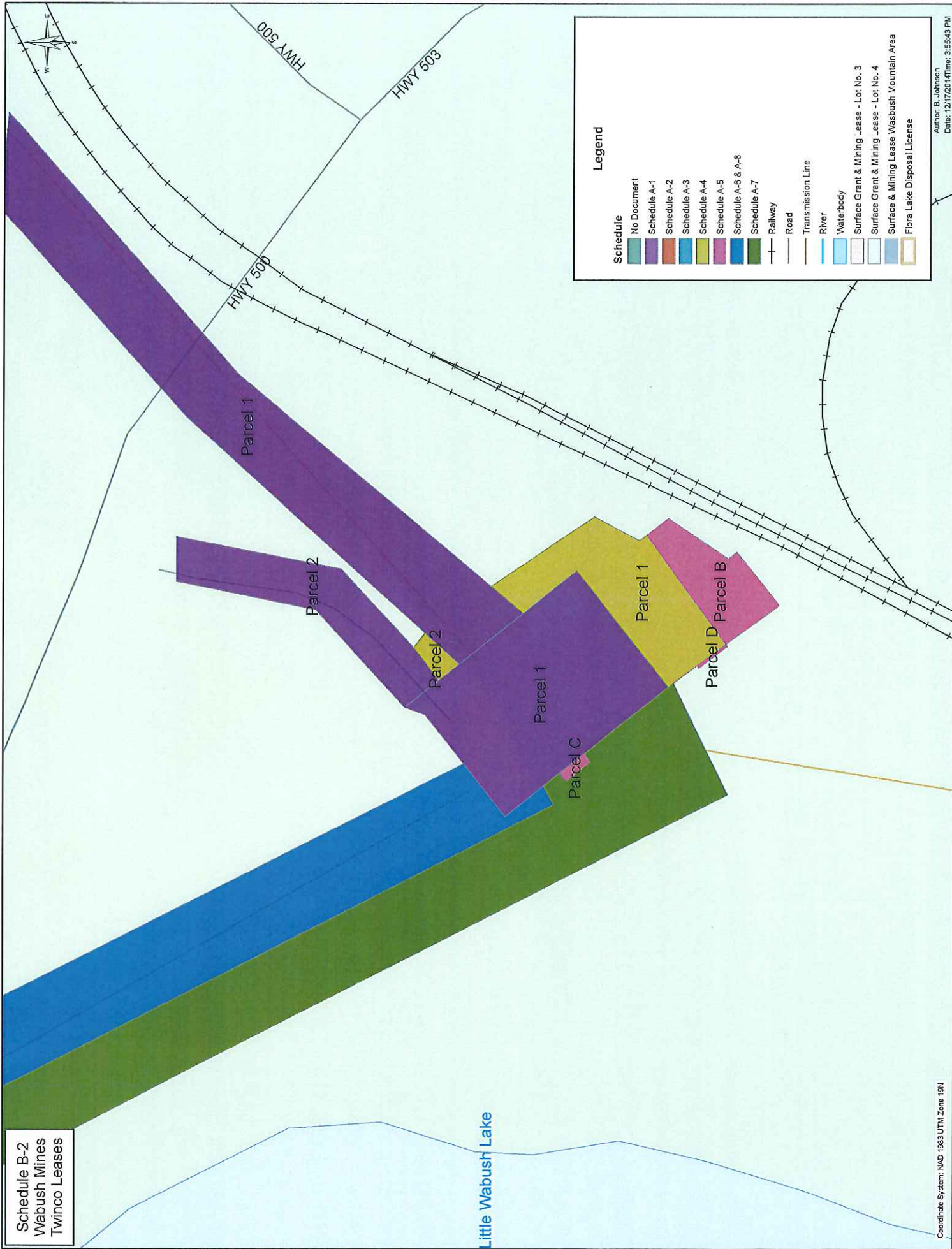
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SCHEDULE "B-1"



SCHEDULE "B-2"



SUBLEASE

THIS SUBLEASE is made in triplicate this 22nd day of December, 2014

BETWEEN:

CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED, a company organized under the laws of Canada and having its head office at St. John's in the Province of Newfoundland and Labrador ("CF(L)Co")

(the "Sublessor")

OF THE FIRST PART

AND:

NEWFOUNDLAND AND LABRADOR HYDRO-ELECTRIC CORPORATION a corporation constituted by statute and an agent of her Majesty the Queen in right of the Province of Newfoundland and Labrador and having its head office at Hydro Place, St. John's in the Province of Newfoundland and Labrador ("NLH")

(the "Sublessee")

OF THE SECOND PART

AND:

TWIN FALLS POWER CORPORATION LIMITED, a company organized under the laws of Canada and having its head office at St. John's in the Province of Newfoundland and Labrador ("Twinco")

OF THE THIRD PART

WHEREAS:

A. The parties intend, by this Sublease, that the Sublessor subdemise and sublease unto the Sublessee, for the term stated herein, all its right, title and interest in and to a continuous transmission line corridor running from Wabush to Churchill Falls, approximately 125 feet – 130 feet in width, inclusive of two (2) 230 kV transmission lines and related electrical assets (the "Transmission Line Corridor").

B. Pursuant to the *Churchill Falls (Labrador) Corporation Limited (Lease) Act, 1961*, S.N.L. 1961, c. 51, as amended, a Statutory Lease was executed on May

16, 1961 between Her Majesty the Queen in right of Newfoundland and Labrador ("Her Majesty") and CF(L)Co, pursuant to which the following Indentures were entered into (collectively the "Headlease"):

- (i) An Indenture dated November 15, 1961 and registered at the Registry of Deeds for Newfoundland and Labrador on November 24, 1961, in Volume 548 at Folios 177 – 194, pursuant to which certain rights and liberties with respect to those pieces and parcels of land described and shown in the Schedules to the said Indenture were leased and demised by Her Majesty to CF(L)Co for the full term of ninety-nine years from May 16, 1961 (the "Hydro Electric Power Station Lease"), a description of which Hydro Electric Power Station Site is attached as Schedule "A-1";
- (ii) An Indenture dated November 15, 1961 and registered at the Registry of Deeds for Newfoundland and Labrador on November 26, 1961, in Volume 548 at Folios 209 – 221, pursuant to which certain rights and liberties with respect to those pieces and parcels of land described and shown in the Schedules to the said Indenture were leased and demised by Her Majesty to CF(L)Co for the full term of ninety-nine years from May 16, 1961 (the "Twinco Transmission Line Easement"), a description of which is attached as Schedule "A-2";
- (iii) An Indenture dated August 1, 1968 and registered at the Registry of Deeds for Newfoundland and Labrador on October 8, 1968, in Volume 977 at Folios 405 – 418, pursuant to which certain rights and liberties with respect to those pieces and parcels of land described and shown in the Schedules to the said Indenture and, more particularly, Strip 14 thereof, were leased and demised by Her Majesty to CF(L)Co for the full term of ninety-nine years from May 16, 1961 (the "CF(L)Co Transmission Line Lease"), a description of which Strip 14 is attached as Schedule "A-3";

C. The Transmission Line Corridor is comprised of all lands described in the Twinco Transmission Line Easement and the CF(L)Co Transmission Line Lease, together with such portion of the Hydro Electric Power Station Lease, if any, necessary to connect the two;

D. Pursuant to a Land Sublease dated November 15, 1961 (and made between CF(L)Co and Twinco (the "Twinco Land Sublease"), CF(L)Co subleased and subdemised unto Twinco, all its right, title and interest in and to the Hydro Electric Power Station Lease and the Twinco Transmission Line Easement to Twinco for a term expiring December 31, 2014 (the "Twinco Lands") and the Twinco Transmission Assets more fully described in the attached Schedule "C" were placed upon the Twinco Lands by Twinco;

E. Pursuant to the Twinco Land Sublease and other acts in law, CF(L)Co maintains that upon the expiry of the Twinco Land Sublease, the Twinco Transmission Assets become the property of CF(L)Co;

F. The Sublessor herein desires to sublease and subdemise certain of the rights and liberties acquired by it pursuant to the Headlease, in particular, the Leased Premises, inclusive of all Transmission Assets, to the Sublessee upon the terms and conditions set out herein;

G. Pursuant to the terms of the Twinco Land Sublease and other rights and acts in law, upon expiry of the Twinco Land Sublease, Twinco claims certain continued ownership or other rights with respect to the Twinco Transmission Assets, or part thereof, including Twinco Transmission Assets that may be attached to the Lands, and, therefore, at the request of the Sublessor and the Sublessee and to provide further assurances to each, Twinco has agreed to become a party to this Agreement.

NOW THEREFORE THIS SUBLEASE WITNESSES that in consideration of the premises, the covenants, agreements, representations and warranties set out herein and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), the Sublessor, the Sublessee, and Twinco covenant and agree as follows:

1. SCHEDULES

1.1. List of Schedules – The Schedules which form part of this Sublease consist of:

Schedule A-1 – Description of Hydro Electric Power Station Site
Schedule A-2 – Description of Twinco Transmission Line Easement
Schedule A-3 – Description of CF(L)Co Transmission Line Lease
Schedule B – Description of Transmission Assets

2. DEFINITIONS

2.1 Definitions – In this Sublease, unless there is something in the context inconsistent therewith, the following words will have the following meanings:

(a) "CEPA" means the *Canadian Environmental Protection Act*, R.S.C. 1985, c. C-15.3, and any regulations made pursuant to it, all as amended or replaced from time to time;

- (b) "Cost of Insurance" means the annual cost to the Sublessor to take out and maintain insurance as the Sublessor shall deem necessary from time to time in respect of the Leased Premises;
- (c) "Environment" means all the components of the earth including, without limitation, all layers of the atmosphere, air, land (including, without limitation, all underground spaces and cavities and all lands submerged under water), soil, water (including, without limitation, surface and underground water), organic and inorganic matter and living organisms, the interacting natural systems that include the foregoing and all other external conditions or influences under which humans, animals and plants live or are developed;
- (d) "Environmental Laws" means any Laws relating, in whole or in part, to the protection and enhancement of the Environment, occupational safety, product liability, public health, public safety, and transportation of dangerous goods;
- (e) "Event of Default" means any of the events of default described in Section 16.1 of this Sublease;
- (f) "Hazardous Substances" means:
 - (i) any pollutants, wastes, special wastes or other such substances, including, without limitation, any flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls, chlorofluorocarbons, hydro chlorofluorocarbons, urea formaldehyde foam insulation, radon gas, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances (as that term is used in CEPA or NEPA) or related materials, nutrients (as that term is used in CEPA or NEPA) and petroleum and petroleum products, and any substance declared to be hazardous or toxic under any Environmental Laws; and
 - (ii) any substances, whether or not defined as hazardous, toxic, or a threat to public health or the Environment under any Environmental Laws, that the Sublessor reasonably deems to be hazardous;
- (g) "Headlease" means collectively the Hydro Electric Power Station Lease, the Twinco Transmission Line Easement and the CF(L)Co Transmission Line Lease, as described in the Recitals to this Sublease and all modifications to such Indentures;
- (h) "Her Majesty" means Her Majesty the Queen in Right of Newfoundland and Labrador, as represented by the Minister of Transportation and Works or other designate;

- (i) "Lands" and "Leased Lands" means those lands described in Schedules "A-1", "A-2" and "A-3" to this Sublease describing a continuous transmission line corridor running from Wabush to Churchill Falls and includes, without limitation, any premises and Transmission Assets erected or placed thereon or therein;
- (j) "Lease Year" means a calendar year or such other twelve (12) month period as established by the Sublessor;
- (k) "Leased Premises" means collectively the "Leased Lands" and the "Transmission Assets", together with the improvements to or located thereon from time to time;
- (l) "NEPA" means the Newfoundland and Labrador *Environmental Protection Act*, SNL 2002 CHAPTER E-14.2 and any regulations made pursuant to it, all as amended or replaced from time to time;
- (m) "Operating Lease" means the Operating Lease dated November 3, 1967 between CF(L)Co and Twinco, as amended;
- (n) "Participation Agreement" means the Participation Agreement dated January 2, 1977 between the shareholders of Twinco;
- (o) "Release" includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping;
- (p) "Rent" has the meaning specified in Article 4 of this Sublease;
- (q) "Sublease" means this Sublease and the Schedules attached hereto;
- (r) "Sublessee" means the person named on page 1 of this Sublease, and if the Sublessee so named assigns its interest in this Sublease, the assignor from time to time shall be the Sublessee;
- (s) "Sublessor" means the person so named on page 1 of this Sublease, and if the Sublessor so named assigns its interest in this Sublessee, the assignee from time to time shall be the Sublessor;
- (t) "Term" means the term of this Sublease commencing on January 1, 2015 and expiring on June 30, 2015, unless earlier terminated pursuant to this Sublease;
- (u) "Transmission Assets" means the towers and related electrical assets described in Schedule "B", including, but not limited to, two (2) 230 kV lines running from Wabush to Churchill Falls.

- (v) "Twinco Transmission Assets" means the towers and related electrical assets placed by Twinco on the lands described in Schedules "A-1" and "A-2" and described in the attached Schedule "B";

3. DEMISE AND TERM

3.1 Demise – Subject to the exceptions and reservations contained in the Hydro Electric Power Station Lease, the Twinco Transmission Line Easement and the CF(L)Co Transmission Line Lease and subject to the terms and conditions set out in this Sublease, the Sublessor does hereby subdemise and sublease unto the Sublessee all its right, title and interest in and to the Leased Premises to have and to hold for and during the Term unless sooner terminated as herein provided, subject to the terms and conditions contained in this Sublease.

4. RENT

Rent – Subject to the terms and conditions set out in this Sublease, the Sublessee covenants and agrees to pay to the Sublessor, or as the Sublessor may in writing direct, in lawful money of Canada, the sum of One dollar (\$1.00).

5. USE OF THE LEASED PREMISES

5.1. Permitted Use – The Sublessee covenants with the Sublessor that it will use the Leased Premises for purposes of operating and maintaining existing electrical power transmission lines only and will not carry on, or permit to be carried on, on the Leased Premises any activity which is deemed a nuisance by the Sublessor or which is illegal.

6. REPAIRS TO THE LEASED PREMISES

6.1. Sublessee's Obligation to Repair – The Sublessee covenants with the Sublessor that it will at all times during the Term, at its own cost and expense, repair, renew, replace and maintain the Leased Premises in good and tenantable condition in every respect as would a careful owner in possession. At the end of the Term or earlier termination of this Sublease, the Sublessee will deliver to the Sublessor vacant possession of the Leased Premises in the condition which the Sublessee is required to maintain the Leased Premises by the terms of this Sublease.

6.2. Sublessor's Right to Inspect – The Sublessor or any employee, agent or representative of the Sublessor shall be entitled from time to time (upon reasonable notice, except in the case of an emergency when no notice is required) to enter and examine the state of maintenance, repair and order of the Leased Premises, and the Sublessor may give notice to the Sublessee requiring

the Sublessee to perform such maintenance or effect such repairs or replacements as may be found necessary from such examination. The failure of the Sublessor to inspect or provide notice shall not relieve the Sublessee from its obligations as set out in this Sublease and in particular its obligations set out in Section 6.1.

6.3. Sublessor's Right to Repair – The Sublessor or any employee, agent or representative shall be entitled from time to time (upon reasonable notice, except in the case of an emergency when no notice is required) to enter the Leased Premises to make such alterations or repairs as the Sublessor shall deem necessary for the safety, preservation, proper administration or improvement of the Leased Premises (including the Transmission Assets). Without limiting the foregoing, the Sublessor may carry out, at the expense of the Sublessee, such work as is necessary, in the opinion of the Sublessor, to preserve the quality and standards of the Leased Premises, including repairing and replacing components of the Leased Premises.

7. COMPLIANCE WITH LAWS

7.1. Obligation to Comply with Applicable Laws – The Sublessee will at its expense observe and perform all of its obligations under, and all matters and things necessary or expedient to be observed or performed by it, by virtue of any applicable law, statute, by-law, ordinance, regulation, statutory notice or order, stop work order issued by a governing local jurisdiction, or lawful requirement of the federal, provincial or municipal government or authority, or any public utility company lawfully acting under statutory power.

7.2. Evidence of Compliance – If any statutory notice is given lawfully requiring the execution of works by the Sublessee at the Leased Premises during the Term, and:

- (a) if notice is served upon the Sublessee, the Sublessee will forthwith forward it or a copy of it to the Sublessor and will (unless a certificate of exemption is obtained from the respective statutory authority) forthwith, at its expense, execute such works as are necessary to comply with the notice; or
- (b) if the notice is served upon the Sublessor, the Sublessor will forthwith forward it or a copy of it to the Sublessee and thereupon the Sublessee will (unless a certificate of exemption is obtained from the respective statutory authority) forthwith, at its expense, execute such works as are necessary to comply with the notice, and, in each such instance, the Sublessee will, forthwith upon completion of the works required by such statutory notice or order, provide evidence satisfactory to the Sublessor of

compliance with the terms of the statutory notice or order, including any certificates of inspection issued in respect of the works.

7.3. Contesting of Laws – If the Sublessee contests the validity of any requirements set out in Section 7.1, proceedings relating thereto must be commenced before the expiration of sixty (60) days after the Sublessee has first been notified of any breach of such requirements.

7.4. Indemnity – The Sublessee will indemnify and hold harmless the Sublessor and Her Majesty from all loss, damage, cost and expense suffered by the Sublessor or Her Majesty by reason of the Sublessee undertaking such proceedings, and the Sublessee covenants that it will conduct such proceedings with all due diligence.

8. NUISANCE

8.1. Obligation not to Cause a Nuisance – The Sublessee will not cause, permit or suffer any nuisance in, on or about the Leased Premises.

8.2. Noise – Without limiting Section 8.1, the Sublessee will not permit any persons within the Leased Premises, nor will it permit itself or any invitee of the Sublessee to cause any noise, disturbance or disruption to other Subleasees, or their invitees, whether from the Leased Premises or the Transmission Assets.

8.3. Termination of Nuisance – Without limiting Sections 8.1 and 8.2, the Sublessee will, upon written notice from the Sublessor, abate any nuisance arising directly or indirectly out of the use or occupation of the Leased Premises by the Sublessee, by any family member, guest, tenant, contractor, agent or invitee of the Sublessee or by any other person.

9. WASTE

9.1. Obligation Not to Cause Waste – The Sublessee will not cause, permit or suffer the commission of any waste on the Leased Premises.

10. RUBBISH

10.1. Obligations relating to Refuse – Without limiting Articles 8 (Nuisance) or 9 (Waste), the Sublessee will not cause, permit or suffer any refuse, rubbish or debris to be placed or left in, on or about the Leased Premises and will take all necessary precautions to protect the Leased Premises against fire.

11. ENVIRONMENT

11.1. General Obligations to Comply with Environmental Legislation – Without limiting the generality of Article 7 (Compliance with Laws), the Sublessee will at all times use and occupy the Leased Premises in strict compliance with all applicable Environmental Laws.

11.2. Hazardous Substances – The Sublessee will not use or permit or suffer the use of the Leased Premises to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances except in strict compliance with Environmental Laws and with the prior written consent of the Sublessor, which consent may be unreasonably and arbitrarily withheld.

11.3. Report of Release – Upon the Release of Hazardous Substances, or discovery of a Release of Hazardous Substances, by the Sublessee in, on or under the Leased Premises, the Sublessee will:

- (a) immediately deliver written notice to the Sublessor and any appropriate Authority of the occurrence of the Release and details relating to the Release including, without limitation, the time of the Release, the estimated amount of Hazardous Substances which were released, and remedial action taken prior to the delivery of the notice, the remedial action which the Sublessee intends to take in order to contain or rectify the Release and any Persons observed who appeared to have caused or who were in the vicinity of the Release;

- (b) at its own expense, immediately take all remedial action necessary, in compliance with all Environmental Laws, to fully rectify the effects of the Release;

- (c) provide the Sublessor with an independent audit, satisfactory to the Sublessor, of its activities under Subsection 11.3(b) and the state of the Leased Premises after such activities compared with the state of the Leased Premises prior to the Release; and

- (d) do such further activities as the Sublessor may reasonably require, based on the audit referred to in Subsection 11.3(c), to rectify the Release.

11.4. Removal of Hazardous Substances – If requested by the Sublessor or any Authority, the Sublessee will at its own expense remove from the Leased Premises any Hazardous Substances which are or have been located, stored or incorporated in, on or under the Leased Premises. Prior to the end of the Term, the Sublessee will at its own expense remove from the Leased Premises any Hazardous Substances which are or have been located, stored or incorporated in, on or under the Leased Premises.

11.5. Increased Risks – The Sublessee will not carry out any operations or activities or construct any alterations or improvements which materially increase the risk of liability to the Sublessor (whether direct or indirect) as a result of the application of Environmental Laws (as determined by the Sublessor acting reasonably).

11.6. Inspection – The Sublessor may, at any time during the Term, inspect the Leased Premises in order to assess the existence of any Hazardous Substances and to conduct an environmental site assessment, environmental audit or any other testing or investigations which the Sublessor deems reasonably necessary in order to ascertain the compliance of the Sublessee's operation on the Leased Premises with Environmental Laws and to determine the extent of any contamination of the Leased Premises due to the presence of any Hazardous Substances in, on or under the Leased Premises. The reasonable costs to the Sublessor of conducting any of the foregoing will be deemed to be Additional Rent payable by the Sublessee upon the Sublessor delivering notice of its costs.

11.7. Title to Hazardous Substances – The Sublessee acknowledges and agrees that, notwithstanding any rule of law to the contrary or any other provision of this Sublease, any Hazardous Substances, which are located, stored or incorporated in, on or under the Leased Premises remain the sole and exclusive property of the Sublessee and will not become the property of the Sublessor regardless of any degree of affixation of the Hazardous Substances to the Leased Premises. This section will survive the expiration or earlier termination of this Sublease, save only that, to the extent that the performance of any obligation pertaining to it requires access to or entry upon the Leased Premises after the expiration or earlier termination of this Sublease, the Sublessee will have entry and access only at such times and upon such terms and conditions as the Sublessor may from time to time specify in writing.

11.8. Additional Rights – Without limiting Article 16 (Sublessor's Rights and Remedies), upon:

- (a) the breach by the Sublessee of any provision contained in this Article; or
- (b) the Sublessor becoming aware of a breach of Environmental Laws with respect to the Leased Premises or the presence of any Hazardous Substances on, in or under the Leased Premises which is not present in strict compliance with Environmental Laws and which raises a material risk of liability to the Sublessor, as determined by the Sublessor; such event will constitute a default for the purposes of Section 16.1 of this Sublease.

11.9. Environmental Indemnity - The Sublessee hereby indemnifies and saves harmless the Sublessor from and against all claims, demands, actions, suits or

other proceedings, judgments, damages, penalties, fines, costs, liabilities and losses (including any diminution in the market value of the Leased Premises, based on the highest and best use of the Leased Premises, as opposed to the uses permitted by this Sublease), sums paid in settlement of any claims, reasonable legal, consultant and expert fees or any costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any authority) which arise during or after the Term and are in any way based upon, arise out of or are connected with:

(a) the presence or suspected presence of Hazardous Substances in, on or under the Leased Premises or in the soil, groundwater or surface water in, on, under or near the Leased Premises as a result of the actions or omissions of the Sublessee; or

(b) the Release of any Hazardous Substances in, on or under the Leased Premises by or at the direction of the Sublessee; unless the presence of the Hazardous Substances is solely attributable to the negligence or willful misconduct of the Sublessor. This indemnity will survive the expiration or earlier termination of this Sublease

12. ALTERATIONS AND ADDITIONS

12.1. Permitted Alterations – The Sublessee may from time to time make such changes, additions, alterations and improvements in and to the Leased Premises as will in the judgment of the Sublessee better adapt the Leased Premises for the purpose of the Sublessee, provided however that no structural changes, additions, alterations or improvements shall be made to the structure of the Leased Premises, and no buildings, improvements or structures shall be constructed or erected upon the Leased Premises without the prior written consent of the Sublessor.

12.2. Standards – All construction and other work on the Leased Premises will be carried out and completed to a standard and quality at least as high as those of any improvements which are being repaired, restored, renewed, replaced or substituted and in accordance with prevailing industry standards, as those standards may be amended or replaced from time to time. If there is a conflict among any of the standards in this Sublease or if they cover the same subject matter, then the highest standard will apply, and if any standard is inapplicable for any reason the remaining standards will continue to apply.

12.3. Title to Alterations and Additions – Unless otherwise agreed to in writing between the Sublessor and Sublessee, the Sublessee acknowledges and agrees that, notwithstanding any rule of law to the contrary, any alteration or addition to, in, on or under the Leased Premises remains the sole and exclusive property of the Sublessor and will not become the property of the Sublessee regardless of

the degree, object or purpose of the affixation of such addition or addition to the Leased Premises.

13. INSURANCE

13.1. Provision of Insurance – The Sublessor has obligations in respect of insurance, and certain of those obligations will be satisfied by the insurance to be provided by the Sublessee. To assist in the orderly administration of insurance, the Sublessee will be required to obtain the insurance required by this Sublease, from an insurance broker and the insurance policy issued to the Sublessee shall have a common expiry date. The insurance shall comply in all respects with the requirements of the Headlease.

13.2. Sublessee Insurance – The Sublessee covenants with the Sublessor that it will take out and maintain in force during the Term the following insurance:

(a) an “All Risks” policy covering the Transmission Assets including costs of excavations and foundations and improvements on the Leased Premises as would be insured against by a prudent owner, including coverage for earthquake and such other perils as Her Majesty may reasonably require to be insured against, in an amount not less than the Replacement Cost of such Transmission Assets and replacements; and

(b) a comprehensive personal general liability policy or Commercial General Liability Policy against claims for personal injury, sickness, illness, disease or disability, death or property damage or loss (including liability coverage for pollution, to the extent such coverage is available) arising out of the ownership, occupation, maintenance and use of the Leased Premises by the Sublessee, in an amount not less than Five Million Dollars (\$5,000,000.00) in respect of any one accident or occurrence, or such higher amount as Her Majesty may require from time to time.

13.3. Covenants Relating to Insurance – The Sublessee covenants and agrees as follows:

(a) to cause its insurance policy required under Section 13.2 of this Sublease to:

(i) name the Sublessor as an additional insured; and

(ii) contain an agreement by the insurer that it will not cancel or substantially alter the policy without first giving the Sublessor at least thirty (30) days’ prior written notice; and

(b) if any insurance policy contains a co-insurance provision, then the Sublessee will at all times maintain sufficient insurance to prevent the

Sublessor and the Sublessee from being co-insurers and permit full recovery from the insurer;

(c) to deliver to the Sublessor from time to time, on request, certificates from its insurers evidencing each such policy of insurance to be taken out and maintained by the Sublessee pursuant to this Sublease, and also to deliver evidence of the renewal of such policies at least ten (10) days prior to the time for the renewal of the same; and

(d) not to do, permit or suffer anything to be done or omitted on the Leased Premises which might cause any policy of insurance (including the insurance of the Sublessor) to be invalidated or cancelled, and to comply forthwith with any and every written notice from the Sublessee or any insurer requiring the execution of works or the discontinuance of any use of the Leased Premises in order to avoid the invalidation or cancellation of any insurance.

13.4. Payment of Loss Under Insurance – The Sublessor and the Sublessee covenant and agree as follows with respect to the use of insurance proceeds:

(a) all proceeds from insurance policies shall be applied to the repair, replacement, reconstruction or restoration of the property damage for which such proceeds have become payable. Any such repair, replacement, reconstruction or restoration shall be carried out so as to repair, replace, reconstruct or restore the Leased Premises to the same condition as the Sublessee is required to maintain the same pursuant to this Sublease immediately prior to such damage or destruction. All repair, replacement, reconstruction and restoration shall be completed in accordance with this Sublease, and the Sublessee will be responsible for the repair, replacement, reconstruction and restoration of the Leased Premises whether or not the cost of such work exceeds the insurance proceeds;

(b) if the Sublessor has consented in writing to the payment of insurance proceeds to the Sublessee, then the proceeds shall be paid to the Sublessee in trust to apply to the costs of repairing, replacing, reconstructing and restoring the Leased Premises, and the Sublessee will be responsible for the repair, replacement, reconstruction and restoration of the Leased Premises whether or not such work exceeds the insurance proceeds;

(c) if the Sublessor does not consent to the payment of the insurance proceeds to the Sublessee pursuant to Section 13.4, then the insurance proceeds shall be paid to the Trustee, to be held and disbursed on behalf of the Sublessee, and the Sublessor, subject to the following conditions:

(i) all such parties shall do all acts, matters, deeds and things as are necessary to facilitate the payment of the insurance proceeds to the Trustee;

(ii) work in progress will be paid for in instalments out of the insurance proceeds, provided that the Trustee at all times will retain sufficient of the insurance proceeds to pay for the estimated cost of the remaining work to be completed and any Trustee fees and costs to be paid;

(iii) progress payments will only be made to the Sublessee upon submission by the Sublessee to the Sublessor of a statement, certified by a professional engineer or architect licensed to practice in Newfoundland and Labrador, attaching the invoices for work to be covered by the progress payment and setting out the work completed to date, the cost of the work completed to date, the amount owing on work completed to date and the estimated amount required to complete the work, and verifying the standard and quality of the work already completed; and

(iv) the Sublessee will pay and be responsible for all costs, fees and expenses in excess of the insurance proceeds.

(d) Notwithstanding the foregoing, insurance proceeds in respect of Personal Goods do not have to be paid to the Trustee.

14. DAMAGE OR DESTRUCTION

14.1. Rights on Damage or Destruction – In the event of damage or destruction to the Leased Premises at any time during the Term, the Rent shall not abate and this Sublease shall not terminate unless the Headlease is terminated pursuant to the terms and conditions thereof.

14.2. Sublessee's Obligations – In the event of damage or destruction to the Leased Premises or any building, structure or improvement forming part of the Leased Premises, whether partial, substantial or complete, the Sublessee will, subject to applicable laws, repair, replace, restore or reconstruct such building, structure and improvement with buildings, structures and improvements comparable to those being repaired, replaced, restored or reconstructed.

15. EXCLUSION OF LIABILITY AND INDEMNITY

15.1. Release in Favour of the Sublessor – Except and to the extent that such injury, loss or damage is caused by the Sublessor and is covered by insurance taken out by the Sublessor, the Sublessor, its directors, officers, agents, servants, employees or invitees shall not be liable or responsible in any way for any injury that may be suffered or sustained by the Sublessee, or any guest,

contractor, agent or invitee of the Sublessee, or for any loss of or damage to any property belonging to the Sublessee or to any other person (including without limitation any family member, guest, tenant, contractor, agent or invitee of the Sublessee) while such property is on the Leased Premises, and in particular, but without limiting the generality of the foregoing, the Sublessor shall not be liable for any damage or inconvenience caused by the failure to supply utilities to the Leased Premises but the Sublessor shall use all reasonable diligence to remedy such failure or interruption of service if it is within its power and obligation to do so. The Sublessee hereby releases the Sublessor and Her Majesty from any and all liability for loss and damage caused at any time by any of the perils against which the Sublessee has covenanted to insure under this Sublease, and (except for fraudulent acts of the Sublessor) to indemnify and hold harmless the Sublessor and Her Majesty from and against all manner of actions, suits, damages, losses, costs, claims and demands of any nature whatsoever relating to such loss or damage.

15.2. Indemnity – The Sublessee covenants with the Sublessor to indemnify and save harmless Her Majesty and the Sublessor, its directors, officers, agents, servants, employees and invitees, from any and all claims for personal injury or property damage arising from any default by the Sublessee in the observance or performance of the covenants and agreements on its part to be observed and performed pursuant to this Sublease or from any act or omission of the Sublessee or any family member, guest, tenant, contractor, agent or invitee of the Sublessee and from all costs, fees and expenses incurred as a result of any such claim or any action or proceeding brought in connection with such claim and this indemnity shall survive the expiration or sooner termination of the Term.

16. SUBLESSOR'S RIGHTS AND REMEDIES

16.1. Events of Default – It shall be an Event of Default under this Sublease if the Sublessee:

- (a) fails to pay any Rent or any other sum required to be paid by the Sublessee when due under this Sublease, whether demanded or not or purports to set off, withhold or deduct any amount of Rent due;
- (b) fails to perform or observe any other term, agreement, condition, covenant, warranty or proviso of this Sublease (including without limitation the Schedules hereto, in respect of the Headlease contained in Section 21.2), whether demanded or not;
- (c) abandons the Leased Premises for a period of greater than thirty (30) days (it being acknowledged that seasonal use of the Leased Premises does not constitute the Leased Premises being abandoned); or

16.2. Rights and Remedies Upon Default – Upon the happening of an Event of Default, the Sublessor shall have the following rights and remedies:

(a) in the case of an Event of Default which constitutes a default under the terms and conditions of the Headlease, the Sublessor shall have the right to re-enter and re-take possession of the Leased Premises and terminate this Sublease if such default is not remedied within twenty-five (25) days from receipt of written notice from the Sublessor advising of the default or if the default is not reasonably capable of being cured in such time, if the Sublessee fails to commence to cure the default within twenty-five (25) days of receipt of the notice and to proceed to cure it with all due diligence to completion;

(b) in the case of an Event of Default which constitutes a default under the terms and conditions of the Headlease, the Sublessor shall have the right to re-enter and re-take possession of the Leased Premises for the purpose of re-leasing the same as agent for the Sublessee if such default is not remedied within twenty-five (25) days from receipt of written notice from the Sublessor advising of the default or if the default is not reasonably capable of being cured in such time, if the Sublessee fails to commence to cure the default within twenty-five (25) days of receipt of the notice and to proceed to cure it with all due diligence to completion, in which event all money received by the Sublessor from such re-leasing (but excluding any ongoing Rent from the date of the re-leasing) shall be applied, first, to the payment of any indebtedness due under this Sublease from the Sublessee to the Sublessor, second, to the payment of all costs and expenses incurred by the Sublessor in re-leasing the Leased Premises (including brokerage and lawyer's fees and the cost of any alterations and repairs to the Leased Premises);

(c) in the case of an Event of Default which does not constitute a default under the terms and conditions of the Headlease, the Sublessor shall have the right to re-enter and re-take possession of the Leased Premises and terminate this Sublease if such default is not remedied within ninety (90) days from receipt of written notice from the Sublessor advising of the default;

(d) in the case of an Event of Default which does not constitute a default under the terms and conditions of the Headlease, the Sublessor shall have the right to re-enter and re-take possession of the Leased Premises for the purpose of re-leasing the same as agent for the Sublessee if such default is not remedied within ninety (90) days from receipt of written notice from the Sublessor advising of the default, in which event all money received by the Sublessor from such re-leasing shall be applied as set out in Subsection 16.2(b);

(e) the Sublessor may, but shall not be obliged to, itself observe and perform any covenant or agreement in respect of which the Sublessee has made default and for such purpose may enter onto the Leased Premises without liability to the Sublessee, provided that such performance by the Sublessor shall not in any way relieve the Sublessee from its obligations and liabilities with respect to the performance of the covenant or agreement;

(f) the Sublessor shall have the right to collect from the Sublessee any and all costs and expenses incurred by the Sublessor in enforcing the covenants and agreements set out in this Sublease and in performing the covenants and agreements of the Sublessee set out in this Lease, including without limitation legal fees as between solicitor and his own client, together with interest thereon at the rate set out in Subsection 16.2(g) from the date that the costs and expenses are incurred to the date the same are paid by the Sublessee;

(g) the Sublessor shall be entitled to such other rights and remedies as may be available to it pursuant to this Sublease, at law or in equity, including without limitation rights of distress, the right to claim damages against the Sublessee and the right to seek and obtain injunctive or other equitable relief upon the happening of an Event of Default.

16.3. Rights and Remedies Cumulative – All rights and remedies of the Sublessor in this Sublease shall be cumulative and not alternative.

16.4. Notices of Defaults under the Headlease – Upon receipt of notice of default under the Headlease by the Sublessor, the Sublessor shall promptly provide a copy of such notice to the Sublessee .

16.5. Non-Waiver – No condoning, excusing or overlooking by the Sublessor or the Sublessee of any default, breach or non-observance by the other in respect of any covenant, proviso or condition herein contained shall operate as a waiver of the Sublessor's or the Sublessee's rights hereunder in respect of any continuing or subsequent default, breach or non-observance or so as to defeat or affect in any way the rights of the Sublessor or the Sublessee in respect of any continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Sublessor or the Sublessee, save only express waivers in writing.

17. ASSIGNMENT AND SUBLETTING BY THE SUBLESSEE

17.1. Right to Assign – The Sublessee may not assign, transfer or sublet the whole or any part of its interest in this Sublease and the Leased Premises, without the prior written consent of the Sublessor and Her Majesty.

18. SUBLESSOR'S COVENANTS

18.1. Sublessor's Obligations – The Sublessor covenants with the Sublessee:

(a) that if the Sublessee pays the Rent hereby reserved and performs the covenants herein on its part contained, the Sublessee shall, subject to the terms of this Sublease, peaceably possess and enjoy the Leased Premises for the Term without any interruption or disturbance from the Sublessor or any other person or persons lawfully claiming by, from or under it;

(b) to pay the rent and observe and perform all of the terms, covenants and agreements in the Headlease to be observed and performed by the Sublessor, and to indemnify and save harmless the Sublessee, and its permitted assigns, of and from any loss, damage, liability, claim or expense incurred by the Sublessee resulting from the failure to do so, unless the Sublessor's failure is caused or contributed to by a default of the Sublessee under this Sublease; and

(c) not to amend the Headlease in any manner that will materially adversely affect the rights of the Sublessee, and its permitted assigns, under the terms and conditions of this Sublease.

19. COMPLIANCE WITH HEADLEASE

19.1. Sublease Subject to the Headlease – The Sublessee acknowledges and agrees that this Sublease is expressly subject and subordinate to the Headlease and to the rights of Her Majesty thereunder, and that this Sublease will terminate upon the termination of the Headlease.

19.2. Sublessee Not to Breach the Headlease – The Sublessee covenants and agrees with the Sublessor and Her Majesty not to cause the Sublessor at any time to be in breach of any of the terms, covenants, conditions, provisos and agreements of the Sublessor to be kept or observed under the Headlease, and that in the event of a conflict between the Headlease and this Sublease the provisions of the Headlease will govern.

20. SPECIFIC TERMS RELATING TO TWINCO

20.1 Twinco hereby consents to this Sublease but without any obligation to the Sublessee except as may be expressly provided for in this Section 20.

20.2 Except when this Sublease is in default, throughout the Term, Twinco agrees not to interfere with the possession and the quiet enjoyment of the Sublessee of the Leased Premises, including, specifically, the Transmission Assets.

20.3 All obligations and covenants of the Sublessee to the Sublessor herein shall apply mutandis mutatis to Twinco and any provision of this Sublease which requires the consent of or notice to the Sublessor shall also require the consent of or notice to Twinco. Specifically, without limitation:

- (a) Twinco shall be named an additional insured for the purposes of Section 13.3; and
- (b) The inspection and repair rights of the Sublessor pursuant to Sections 6.2, 6.3 and 11.6, shall extend to Twinco and Twinco shall be permitted continued access to the Transmission Assets and to necessary Lands in order to prepare the Transmission Assets, or any part thereof, for removal from the Lands, for decommissioning purposes, or for purposes of assessing/remediating, if required, the environmental condition of the Transmission Assets, or part thereof.

20.4 Nothing in this Sublease shall alter the rights or obligations between the Sublessor and Twinco under any other agreements to which they are a party, including under the Twinco Land Sublease or the Operating Lease.

20.5 No warranty of title is provided by Twinco to the Sublessee in relation to the Leased Premises.

20.6 The Sublessor agrees that nothing in this Sublease is intended to alter any rights of Twinco at law or under any agreement to remove the Transmission Assets, in whole or in part, from the Lands. Specifically, the Sublessor agrees that for the purposes of Section 14 of the Participation Agreement: (a) in the event the Sublessor does not exercise the purchase option therein referred to, in addition to any other time period permitted by law, Twinco may remove the Transmission Assets that it is entitled to remove within two months of termination of the Term; and (b) in the event the Sublessor exercises the purchase option pursuant to Section 14 but defaults in payment to Twinco as provided for in Section 14 and such default occurs during the Term, in addition to any other time period permitted by law, Twinco may remove the Transmission Assets that it is entitled to remove within two months of termination of the Term.

20.7 The parties agree that for purposes of Section 14 of the Participation Agreement, CF(L)Co may, in respect of “things of Twinco upon the demised lands”, give the notice it is entitled to give one calendar month before termination of the Term.

20.8 NLH agrees to indemnify and save harmless Twinco in the event the entering into of this Agreement at the request of NLH prejudices the ability of Twinco to exercise any ownership rights, rights of possession, or other rights of Twinco with respect to the Transmission Assets, in whole or in part.

21. MISCELLANEOUS

21.1. No Partnership – It is understood between the Sublessor and the Sublessee that nothing contained in this Sublease shall be deemed to create any relationship between the Sublessor and the Sublessee other than the relationship of Sublessor and Sublessee.

21.2. Joint and Several Liability – Should the Sublessee comprise two or more persons each of them shall be jointly and severally bound to perform the obligations of the Sublessee hereunder.

21.3. Gender References – References to the Sublessor, the Sublessee or any other party shall be read with such changes in gender as may be appropriate and where appropriate the singular shall mean the plural and vice versa.

21.4. Enurement – This Sublease shall enure to the benefit of and be binding upon the Sublessor, its successors and assigns, the Sublessee, its heirs, executors, administrators, successors and permitted assigns, and Twinco, its heirs, executors, administrators, successors and permitted assigns.

21.5. Time of the Essence – Time is of the essence in this Sublease.

22. NOTICE

22.1. Notice – Any notice, demand, consent, objection, or request for consent to be given hereunder shall be given in writing and either delivered or sent by registered mail, postage prepaid, addressed to the persons as follows:

(a) to the Sublessor, addressed to the Sublessor at the following address:

Churchill Falls (Labrador) Corporation Limited
Hydro Place
St. John's, Newfoundland and Labrador
Fax: (709) 737-1782

ATTENTION: The Secretary

(b) to the Sublessee, addressed to the Sublessee at the following address

Newfoundland and Labrador Hydro
Hydro Place
St. John's, Newfoundland and Labrador
Fax: (709) 737-1782

ATTENTION: The Secretary

(c) to Twinco, addressed to Twinco at the following address

Twinco
PO Box 12500
St. John's, Newfoundland and Labrador A1B 3T5.
Fax: (709) 737-1782

ATTENTION: The Secretary

or to such other address in Newfoundland and Labrador which the persons may from time to time notify each other in writing. The time of giving or making such notice, demand, consent objection or request for consent shall be when delivered, if delivered, and on the fourth business day after the day of the mailing thereof, if mailed, provided that if a notice is sent by mail and there is a mail strike, slowdown or other labour dispute between the time of mailing and the actual receipt of the notice, then such notice shall only be effective if delivered or actually received.

23. NET SUBLEASE

23.1. Net Sublease – It is agreed by the Sublessee that this Sublease shall be a completely carefree, net sublease to the Sublessor and that the Sublessor shall not be responsible for any costs, charges, expenses or outlays of any nature whatsoever arising from or related to the Leased Premises and the Sublessee shall pay all, or a portion of all, costs, expenses, fees and other amounts of every nature and kind arising from or relating to the Leased Premises and the Lands.

24. APPLICABLE LAW

24.1. Applicable Law – This Sublease shall be construed and governed by the applicable laws of the Province of Newfoundland and Labrador and the general laws of Canada therein, and the Sublessor and Sublessee agree to attorn to the jurisdiction of the Newfoundland and Labrador courts, which (subject to Article

25) shall have the exclusive jurisdiction to determine any dispute arising out of this Sublease.

25. ARBITRATION

25.1. Right to Refer Matters to Arbitration – Notwithstanding the provisions of Article 24, the Sublessor and the Sublessee may agree to resolve any dispute relating to this Sublease pursuant to the provisions of the *Arbitration Act*, RSNL 1990, CHAPTER A-14, as amended, re-enacted or replaced from time to time.

26. ENTIRE AGREEMENT

26.1. Entire Agreement – This Sublease (together with the Schedules attached hereto) constitutes the entire agreement between the Sublessor, the Sublessee and Twinco and may not be modified except by agreement in writing signed by the Sublessor, Sublessee and Twinco. Should any provision of this Sublease be illegal or unenforceable it shall be considered separate and severable from this Sublease and the remaining provisions and conditions of this Sublease shall remain in force and be binding upon the Sublessor and Sublessee as though the illegal or unenforceable provision had not been included.

27. REGISTRATION OF SUBLEASE

27.1. Registration – The Sublessor shall register this Sublease at the Registry of Deeds for the Province of Newfoundland and Labrador. All costs incurred relating to the registration of this Sublease shall be borne by the Sublessee.

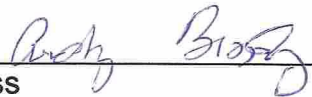
28. AMENDMENTS


28.1. Amendments – The Sublessor, the Sublessee and Twinco may amend or otherwise terminate this Sublease, by agreement in writing signed by the Sublessor, the Sublessee and Twinco.

IN WITNESS WHEREOF the parties have executed this Sublease as of the day
and year first above written.


**CHURCHILL FALLS (LABRADOR)
CORPORATION LIMITED**

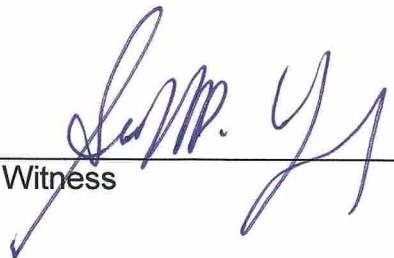
By 
Derrick Sturge
VP, Finance & CFO
Title: _____



Witness

And 
Title: Asst. Corporate Secretary

**NEWFOUNDLAND AND LABRADOR
HYDRO-ELECTRIC CORPORATION**

By 
VP- NLH
Title: _____


Witness

And 

Title: Vp System Operation and Planning

**TWIN FALLS POWER CORPORATION
LIMITED**

By *Cheryl*

Title: *President*

 Mary Brown
Witness

And *[Signature]*
Corporate Secretary

SCHEDULE "A-1"

HYDRO ELECTRIC POWER STATION SITE

PART I

DESCRIPTION

ALL THAT piece or parcel of land containing an area of about one thousand four hundred and forty-five (1,445) acres which is required for the site of the hydro electric power station referred to in the foregoing Indenture bounded and described as follows: Beginning at a point near the communications tower about one-quarter (0.25) of a mile south of the south shoreline of a pond known as Harlands Landing; thence running west approximately eighteen thousand two hundred (18,200) feet to a point south of Geiger Bay and west of the shore of the Unknown River; thence running north approximately two thousand one hundred and twenty (2,120) feet to a point north of Geiger Bay; thence running approximately north sixty-one degrees (61°) east seven thousand five hundred and fifty (7,550) feet approximately to a point east of the Unknown River near Scott Falls; thence running approximately north eighty degrees (80°) east one thousand three hundred and seventy (1,370) feet approximately to a point north of a hill east of the Unknown River near Scott Falls; thence running approximately south sixty-eight degrees (68°) east ten thousand eight hundred (10,800) feet approximately to a point near the south shoreline of a pond known as Harlands Landing; thence running approximately south seven degrees (7°) east one thousand nine hundred and forty (1,940) feet approximately to the point of beginning; RESERVING nevertheless out of the above described piece or parcel of land each and every part thereof covered by water together with the waters of all lakes, ponds, streams and watercourses contained therein excepting the land covered by water which is required for Dam No. 2 and such other areas covered by water which may be required for any works in connection with the development of hydro electric power as the said piece or parcel of land is delineated and shown on the plan set forth in Part II of this Schedule. All bearings are referred to the true meridian.

Such portion, if any, of the above description necessary to create and maintain a continuous transmission line corridor between Schedule A-2 and A-3.

SCHEDULE "A-2"

*Description of the five strips or pieces of land and land covered
by water referred to in the foregoing Indenture*

ALL THOSE five strips or pieces of land and land covered by water, situate between Twin Falls and Wabush Lake, Labrador, in the Province of Newfoundland, each strip or piece being one hundred and thirty (130) feet wide, the centre line of which is defined on the ground by a transmission line as constructed and extends in a general south-westerly direction from the northern boundary of the Hydro Electric Power Station Site at Twin Falls aforesaid to a point on the westerly shoreline of a cove which forms the southern extremity of (Big) Wabush Lake; the first being a strip or piece of land which extends in a south-westerly direction from the northern boundary of the said Hydro Electric Power Station Site to a point on the eastern limit of the right-of-way of the Quebec North Shore and Labrador Railway at or about mileage two hundred and thirty point four (230.4) measured northwards along the railway from Seven Islands, Province of Quebec; the second being a strip or piece of land which extends in a south-westerly direction from a point on the western limit of the right-of-way of the Quebec North Shore and Labrador Railway where the westerly prolongation of the centre line of the first strip or piece of land as described above intersects the said right-of-way, to a point on the northern limit of the right-of-way of the Northern Land Company Limited about twelve miles north-west of its junction with the Quebec North Shore and Labrador Railway; the third being a strip or piece of land which extends in a general south-westerly direction from a point on the southern limit of the right-of-way of the Northern Land Company Limited where the southerly prolongation of the centre line of the second strip or piece of land described above intersects the southern limit, to a point on the said limit near Flora Lake at or about mileage thirty-two point four (32.4) of the Northern Land Company Limited right-of-way; the fourth being a strip or piece of land which extends in a general westerly direction from a point on the northern limit of the Northern Land Company Limited right-of-way, at or about mileage thirty-two point four (32.4), where the westerly prolongation of the centre line of the third strip or piece of land described above intersects the northern limit, to a point near the south-east corner of (Big) Wabush Lake on the eastern boundary of Lot No. 4 of Wabush Iron Co. property (previously granted by the Crown to Canadian Javelin Limited on the twenty-eight day of June one thousand nine hundred and fifty-seven); the fifth being a strip or piece of land, covered by the waters of (Big) Wabush Lake, which extends in a westerly direction from a point on the eastern shore of a cove, which forms the southern extremity of (Big) Wabush Lake, where the westerly prolongation, through the aforesaid Wabush Iron Co. Lot No. 4, of the centre line of the fourth strip or piece of land described above intersects the said eastern shoreline of the cove, to a point on the western shoreline of the said cove; the five strips or pieces of land described above containing an area of approximately one thousand seven hundred and twenty-three (1,723) acres and being delineated and shown on the plan set forth in Schedule "B" to the foregoing Indenture.

SCHEDULE "A-3"

CF(L)Co TRANSMISSION LINE LEASE

STRIP 14

All that piece or parcel of land and land covered by water situate and being in Labrador in the Province of Newfoundland containing an area of about four hundred (400) acres which is required for a right-of-way for the construction, maintenance and repair of transmission lines from the piece or parcel of land designated "Area 1" in a lease entitled the "Power Site Lease" of even date herewith granted by the Government to the Lessee and herein called "Area 1" to the piece or parcel of land known as and herein called the "Twin Falls Hydro-Electric Power Station Site" described in a deed registered in the Registry of Deeds for Newfoundland on the 24th day of November A.D. 1961 in Volume 548, at Folios 177-194 in Labrador aforesaid and described as follows:

A strip of land, comprising the area bounded on the north and south sides by a line one hundred twenty-five (125) feet either side of the centre line of the said right-of-way beginning on the southern boundary of "Area 1" at the point of intersection of approximate latitude north fifty-three degrees thirty-two minutes (N 53° 32') and approximate longitude west sixty-four degrees twelve minutes (W 64° 12') and extending in a general southwesterly direction to a point on the northeastern boundary of the Twin Falls Hydro Electric Power Station Site at the intersection of approximate latitude north fifty-three degrees thirty and a half minutes (N 53° 30 1/2') and approximate longitude west sixtyfour degrees thirty and a half minutes (W 64° 30 1/2'); the width of the said piece or parcel of land at the beginning and end thereof being approximately two hundred fifty (250) feet and having a total length of about thirteen (13) miles, and being delineated and shown on the plan designated "Plan A" in Part II of this schedule, the said plan being a reduction of map sheet 23H, edition 1 ASE, entitled "Ossokmanuan Lake" as issued by the "Surveys and Mapping Branch" of the Department of Mines and Technical Surveys, Ottawa, and designated thereon "Strip 14".

SCHEDULE "B"

Transmission Assets

Twinco Transmission Assets - Wabush to Twin Falls

- Two (2) 230 kV lines and related electrical assets.
- The lines are referred to respectively as Line 23 and Line 24 and are comprised of four legged self-supporting galvanized steel towers (waist-type towers).
- The related electrical assets include cables, insulators and bonding and grounding systems. The cables are 636 Aluminum Conductor Steel Reinforced (ACSR), three phases per structure. The insulators are generally of toughened glass but include some Canadian Ohio Brass (COB) on porcelain. The footings of each tower are equipped with bonding and grounding systems for purposes of lightning strikes.

CF(L)Co Transmission Assets - Twin Falls to Churchill Falls

- Two (2) 230 kV lines and related electrical assets.
- The lines are referred to respectively as Line 23A and Line 24A and are composed largely of galvanized guyed-V towers but include some rigid free-standing towers.
- The related electrical assets include cables, insulators and bonding and grounding systems. The cables are 636 Aluminum Conductor Steel Reinforced (ACSR), three phases per structure. The insulators are generally of toughened glass but include some Canadian Ohio Brass (COB) on porcelain. The footings of each tower are equipped with bonding and grounding systems for purposes of lightning strikes.