

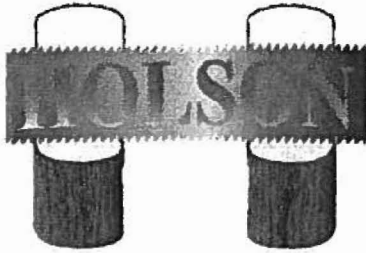
1 Q. Re: Production Net Salvage: Please identify each inquiry relating to the interest to
2 purchase any portion of the Company's generating investment during the past 10
3 years. For each inquiry, provide the following:
4 (a) The year in which the inquiry was initiated;
5 (b) A copy of the inquiry;
6 (c) A chronology of the major milestones of actions undertaken regarding each
7 inquiry; and
8 (d) What action was ultimately taken and the reason such action was taken.

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11 A. Over the past 10 years there has been no expression of interest in any of Hydro's
12 generating investment which was in operation during that time.

13

14 As a result of a number of requests for proposal by Hydro, there was interest
15 expressed in purchasing a portion of Hydro's non-operating generating investment
16 related to the former wood chip generating plant at Roddickton which was
17 abandoned in 2000 subsequent to the interconnection of the Great Northern
18 Peninsula to the main grid. To dispose of the assets related to this former
19 generating plant, Hydro issued a number of requests for proposals over the period
20 2000 to 2010. In 2011 Hydro agreed to dispose of the remaining assets to Holson
21 Forest Products Limited. A copy of the Expression of Interest from Holson is
22 attached.



Forest Products Limited

P. O. Box 299, Roddickton, NL A0K 4P0

709-457-2888 (P)

709-457-2889 (F)

hfp@nf.aibn.com

June 14, 2010

Mike Whelan
Supply Chain Management
Newfoundland and Labrador Hydro
500 Columbus Drive
P.O. Box 12400
St. John's NL A1B 4K7

VIA FAX: 709-737-1795

Dear Mr. Whelan;

Please accept this in response to the Expression of Interest for the Roddickton Wood Chip Plant.

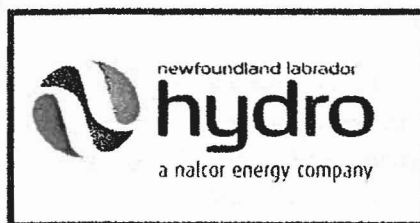
Holson is a growing company. It currently employs nearly 50, and supports a further 200 in the forest industry on the Northern Peninsula. The company is in the later stages of commissioning a 10 million board foot sawmill, new planer complex and dry kiln. Additionally Holson is developing a 50,000 tonne wood pellet mill.

The Company has a strong management team, lead by its owner Ted Lewis. Mr. Lewis is a seasoned forester with a proven track record in developing and running businesses in rural Newfoundland. Holson has engaged an engineer who has built a career around designing and building complex sawmills across Canada. Van Wall is presently engaged in designing and managing the build of Holson's complete upgrade and expansion.

Mr. Wall, through his career, has developed an elaborate network of contacts and clients who build and design a myriad of mills which utilize elaborate technologies – including in house co-generation.

Holson is interested in the entire property at the Roddickton Wood Chip Plant. It would use the main building at the present site, and utilize the out buildings either at the existing site or move them to Holson's yard approximately 3 kilometres north east.

Holson proposes to utilize some of the equipment in its own operations, and dispose of the remainder at fair market value. The sale and removal of the primary equipment is anticipated to take place within the next 12 months.



EXPRESSION OF INTEREST

SALE OF WOOD CHIP PLANT GENERATING EQUIPMENT



Respectfully Submitted - June 14, 2010
Fire Block International Inc.
102-1819 Granville Street
Halifax, N. S. Canada B3J 3R1

Contact: Richard A. Maxwell, COO
Tel: 727-791-8885 <> Fax: 727-791-8206
Email: rmaxwel2@tampabay.rr.com

7. Fisher Provox distributed control system.
8. Chemical feed system for hydrazine, ammonia and phosphate.
9. Compare V100A oil free reciprocating compressor with 25 hp motor, after cooler and receiver, 100 cfm at 100 psig.
10. Various pumps related to the power generation equipment.
11. Cleaver Brooks heating boiler (hot water), P100-40HP-60 psig, oil fired, gross rating 1,339 MBH.
12. Miscellaneous fans, heat exchangers and other auxiliary equipment.
13. Wood chip storage bin with live floor and twin screw feed conveyors.
14. Freestanding smokestack, of steel insulated double wall construction 2m outside diameter x 43m high with 0.87m diameter flue, aircraft warning lights, opacity and sampling ports, access ladder and platform.
15. All diagrams, drawings, schematics, programs and operating manuals pertaining to the above equipment.

NOTE: All above description data is subject to verification and revision.

FIRE BLOCK INTERNATIONAL INC.

s/s *Richard A. Maxwell*
Chief Operations Officer

102-1819 Granville Street
Halifax, N. S. Canada B3J 3R1
Tel: 727-791-8885
Fax: 727-791-8206
Email: rmaxwel2@tampabay.rr.com

Expression of Interest

Phil Leith: Financial Comptroller

Mr. P. G. Leith has 30 years of accounting and management experience in a wide range of industries including a solid background in corporate taxation.

Mr. Leith is a former Partner and Vice President of Finance for Palmer Jarvis and Associates.



Soon C. Lee: Director International Marketing

Mr. Lee has 30 years commercial experience in sales and marketing in Retail, Wholesale and Trading operations. His sales and marketing experience is complimented with extensive work in company operations where he has been managing the safe and cost effective delivery of various products to multiple destinations in the Asean markets and Pacific region.

As a conscientious team member Mr. Lee has a proven record in bottom line profitability and meeting deadlines under pressure. Mr. Lee has successfully performed as General Manager overseeing the operations for several companies in South East Asia.



Nik Oraevsky: Director Research & Development

Mr. Oraevsky has gained recognition and accredited experience in: Finance, Economics, Marketing, Organization, Geology, Sociology and Philosophy. This includes hands-on experience assembling, repairing, and troubleshooting a line of the blackberry *Smartphone*. Some of his notable experience in technology development records him as a technological team member that conducted the first world-wide broadcast of a major league baseball game over the internet.

Nik performed a study that helped a banking institution to stabilize its customer base; raise financial accountability of its employees; and increased product awareness in the local market.

He has a passion for exploring and innovating new technologies and business methods in the global marketplace. His sound Research and Development philosophy is: *"There are correct ways to solve this, we just don't know enough about the incorrect ones yet."*

