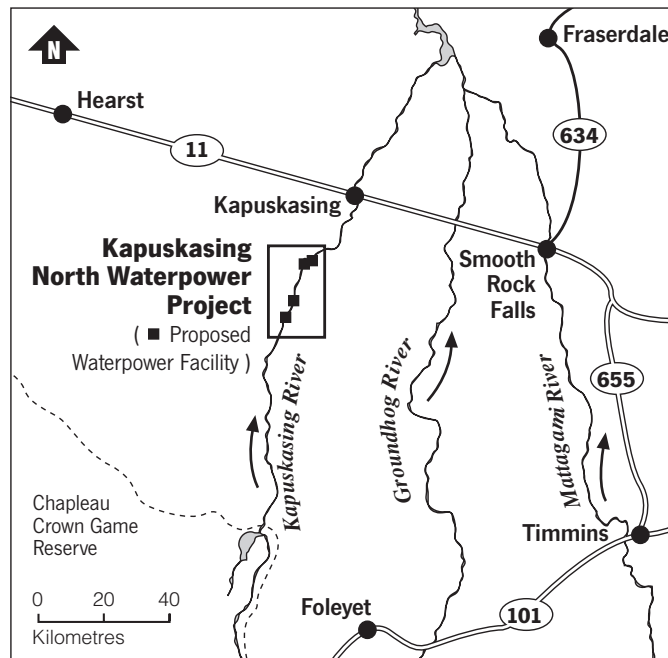


Notice of Commencement

Environmental Screening/Water Management Plan Amendment

Kapuskasing North Waterpower Project

Hydromega Services Inc. (HSI) has been selected by the Ministry of Natural Resources (MNR) as the Applicant of Record for Competitive Site Release Package (CRP) 01-04 for the Northern Extent of Kapuskasing River. HSI, in collaboration with First Nations (Chapleau Cree, Brunswick House Ojibway and Chapleau Ojibway), are proposing to develop four run-of-river waterpower facilities in the river reach located approximately 17-45 km south of Kapuskasing Ontario. The facilities would be located at Big Beaver Falls, Camp Three Rapids, White Otter Falls and Old Woman Falls. Each facility would have an installed capacity of 5 MW and would consist of a surface power house containing two turbines, an overflow weir and associated structures. A new 25 kV transmission line would be constructed to connect to existing transmission facilities.



The project is subject to the Ontario Ministry of the Environment's environmental screening process for electricity projects, and MNR's water management planning process. The latter process will require an amendment to the existing Mattagami River Water Management Plan. The project will also undergo a federal screening under the Canadian Environmental Assessment Act. Hydromega Services has retained Hatch Acres to assist them in the environmental screenings/water management planning process. This Notice is to advise of the commencement of those processes.

Project information can be found at www.hydromega.com/kapuskasing. For additional information, to have your name added to the project mailing list, or to provide your comments/concerns; please contact:

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HATCH ACRES

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