



SAMSUNG RENEWABLE ENERGY INC.

## **Historic agreement between ACW Township and K2 Wind delivers new funding for community sustainability initiatives**

**GODERICH, Ontario – April 12, 2013** – K2 Wind Ontario (K2 Wind) and the Township of Ashfield-Colborne-Wawanosh (ACW) executed a Community Benefits Fund Agreement (CBFA) and a Road Use Agreement (RUA) on March 19, 2013 with respect to the proposed K2 Wind Power Project (the Project). The CBFA will deliver approximately \$15 million in funding to ACW for community initiatives over the next 20 years.

“The CBFA builds upon our goal of sharing benefits from the Project with the broader community,” said Paul Wendelgass, K2 Wind Project Lead. “Through the CBFA, we will deliver to the Township stable, long-term funding, which will provide ACW with opportunities to undertake a range of community sustainability initiatives.”

As outlined in the CBFA, K2 Wind will provide an annual payment of approximately \$700,000 to ACW. This payment is in addition to the yearly municipal property taxes the Project will pay. Funds from the CBFA can be directed towards community based initiatives such as community and protective services; education and job training programs; public recreation facilities; land steward initiatives; energy sustainability projects; and property tax relief for residents. The Township will have broad discretion in the use of these funds.

These agreements are in addition to K2 Wind’s Community Renewable Energy Benefit (CREB), announced last August, which provides an annual payment of \$1500 to the owner of any residence located within one kilometre of a Project wind turbine, substation or transformer station, during the Project’s operation. Overall, the Project is expected to inject between \$5 and \$6 million in direct spending into the local economy each year of its operation.

“We are excited about the progress made to date on the Project and believe that ACW is one of Ontario’s best places to harvest renewable energy from the wind,” continued Wendelgass. “K2 Wind is proud to be working with ACW to generate additional opportunities and benefits for the local community.”

K2 Wind anticipates receiving its Renewable Energy Approval (REA) decision this summer from the Ministry of the Environment. Project construction is expected to begin in late 2013.

### **About K2 Wind**

K2 Wind Ontario Inc., in its capacity as general partner of K2 Wind Ontario Limited Partnership, is proposing to develop, construct and operate the K2 Wind Power Project in the Township of Ashfield-Colborne-Wawanosh within the County of Huron. The Proponent is a limited partnership

formed under the Limited Partnerships Act (Ontario), with K2 Wind Ontario Inc. as general partner and CP K2 Holdings Inc. (an affiliate of Capital Power Corporation), Samsung Renewable Energy Inc., and Pattern K2 LP Holdings LP (an affiliate of Pattern Renewable Holdings Canada ULC), as limited partners. The Project would supply approximately 270 megawatts (MW) of electricity to the Ontario power grid. The development of the Project would help the province of Ontario meet its goal of increasing the proportion of electricity generated from renewable sources. For more information, please visit [www.K2Wind.ca](http://www.K2Wind.ca).

### **Forward-looking Information**

Certain information in this news release is forward-looking within the meaning of Canadian securities laws as it relates to anticipated financial performance, events or strategies. When used in this context, words such as will, anticipate, believe, plan, intend, target, and expect or similar words suggest future outcomes. Forward-looking information in this news release includes, among other things, information relating to: (i) expectations regarding the timing of construction and commercial operation for K2; (ii) expectations regarding the amount and timing of payments to ACW pursuant to the terms of the CBFA; and (iii) expectations regarding the amount of other spending by K2 in the local market.

The material factors and assumptions used to develop these forward-looking statements include, but are not limited to: (i) performance of contractors and suppliers; (ii) management's analysis of applicable tax legislation; (iii) currently applicable and proposed tax laws will not change and will be implemented; (iv) regulatory and government decisions including changes to environmental, financial reporting and tax legislation; (v) the length of the term of the Power Purchase Agreement (PPA) as determined by government decisions; and, (vi) the nameplate capacity of the Project throughout the term of the PPA.

Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Forward-looking statements are provided for the purpose of providing information about management's current expectations, and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Capital Power does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in Capital Power's expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

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