

LAND RIGHTS - OVERVIEW

The K2 Transmission Line will be located underground, within easements on private land in ACW Township and underground, within municipal right-of-way belonging to ACW Township, all in the County of Huron, in the Province of Ontario. K2 Wind has entered into Easement Option Agreements with all relevant landowners with respect to the segments of the K2 Transmission Line that will be located on private land. The form of Easement Option Agreement and the form of Grant of Easement Agreement are included at Exhibit F, Tab 3, Schedules 1 and 2, respectively.

The Applicant is in the process of negotiating a Road-Use Agreement with ACW Township with respect to the segments of the K2 Transmission Line that will be located within municipal right-of-ways belonging to ACW Township.

The K2 Transformer Station will be located on 4.05 hectares of leased private land located at the southwest corner of Belgrave Road and Lanesville Line in ACW Township. K2 Wind has entered into an Option to Lease Agreement in respect of the subject property. This agreement, as well as the form of Lease, are included at Exhibit F, Tab 2, Schedule 1.

Both the K2 Substation and the Hydro One Switching Station will be situated on 40 hectares of land owned by K2 Wind, located on the northwest corner of Glens Hill Road and Tower Line. K2 Wind has entered into an Option to Purchase Agreement in respect of the subject property. The form of this agreement, as well as the form of the Purchase Agreement, are included at Exhibit F, Tab 2, Schedules 2. K2 Wind intends to sever and sell a portion of this property to Hydro One for the purpose of constructing and operating the Switching Station.

Table F-1, following, summarizes the land rights that are described above and that are required in respect of the Transmission Facilities. A map showing the K2 Transmission

Line and each of the private properties through which the K2 Transmission Line will run is included at Exhibit F, Tab 4, Schedule 1.

TABLE F-1 REQUIRED LAND RIGHTS

Facility	Land Interest Required	Description	Status of Acquisition
K2 Substation	<ul style="list-style-type: none"> fee simple, held by K2 Wind 	<ul style="list-style-type: none"> 40 hectares (100 acres) located at the northwest corner of Glens Hill Road and Tower Line in ACW Township 	<ul style="list-style-type: none"> Option to Purchase Agreement, executed January 25, 2013
K2 Transformer Station	<ul style="list-style-type: none"> leased on private land 	<ul style="list-style-type: none"> 4.05 hectares (10 acres) located at the southwest corner of Belgrave Road and Lanesville Line in ACW Township 	<ul style="list-style-type: none"> Option to Lease Agreement executed September 13, 2011; Option Term of 5 years.
K2 Transmission Line	<ul style="list-style-type: none"> Segment 1¹: easement on private land 	<ul style="list-style-type: none"> 15m-wide strip, 1.95 km in length in ACW Township 	<ul style="list-style-type: none"> 3 separate Easement Option Agreements, executed with 3 private landowners; Option Term of 3 years.
	<ul style="list-style-type: none"> Segment 2:¹ easement on private land 	<ul style="list-style-type: none"> 15m-wide strip, 0.25 km in length in ACW Township 	<ul style="list-style-type: none"> 1 Easement Option Agreement, executed with 1 private landowner; Option Term of 3 years.
	<ul style="list-style-type: none"> Segment 3:¹ easement on private land 	<ul style="list-style-type: none"> comprising 15m-wide strip, 0.35 km in length in ACW Township 	<ul style="list-style-type: none"> 1 Easement Option Agreement, executed with 1 private landowner; Option Term of 3 years.
	<ul style="list-style-type: none"> Segment 4:¹ easement on private land 	<ul style="list-style-type: none"> 15m-wide strip, 0.7 km in length in ACW Township 	<ul style="list-style-type: none"> 1 Easement Option Agreement, executed with 1 private landowner; Option Term of 3 years.
	<ul style="list-style-type: none"> Segment 5:¹ municipal right-of-way² 	<ul style="list-style-type: none"> installation within municipal right-of-way belonging to ACW Township 	<ul style="list-style-type: none"> Road Use Agreement under negotiation with ACW Township.
	<ul style="list-style-type: none"> Segment 6:¹ K2 Substation property owned by K2 Wind 	<ul style="list-style-type: none"> 15m-wide strip, totalling 0.78 km in length, located on K2 Substation property, in ACW Township 	<ul style="list-style-type: none"> Option to Purchase Agreement, executed January 25, 2010 and Letter Agreement, dated December 1, 2011, extending Option Term to January 25, 2013.

¹ Segments 1-6 of the linear utility easement required for the K2 Transmission Line are more particularly described in Exhibit D, Tab 2, Schedule 1.

² Pursuant to section 41(1) of the *Electricity Act, 1998*, K2 Wind has the statutory right to install the K2 Transmission Line (and the Collectors) in, under or on any "public street or highway," including the municipal right-of-way of ACW Township.