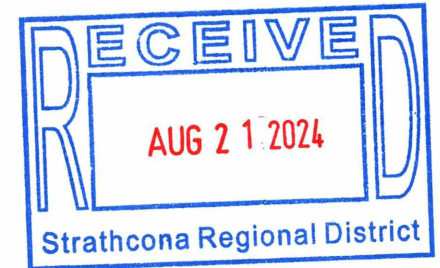


August 16, 2024

Via registered mail and email (dleitch@srd.ca)

Strathcona Regional District
David Leitch, Chief Administrative Officer
990 Cedar Street
Campbell River, BC V9W 7Z8



RE: Notice of early-stage consultation for proposed renewable energy project in the Strathcona Regional District

Dear Mr. Leitch,

My name is Andrea Kausel, and I am the Vice President of Development at Capstone Infrastructure Corporation ("Capstone"). Capstone is a publicly traded, independent power producer headquartered in Toronto, focused on providing clean, renewable energy to homes and businesses across North America. We develop new projects, and own and operate a diversified portfolio of 35 utility-scale renewable and clean power generation facilities with a capacity of more than 885 megawatts (MW). We are in the early stages of development of a proposed wind project in the Strathcona Regional District, and are writing today to provide initial notice and commence early-stage consultation.

BC Hydro seeking new energy projects as demand for power grows

With demand growth expected to grow by 15% by 2030, the province of British Columbia needs to bring on new electricity resources. In order to meet those needs, British Columbia Hydro and Power Authority (BC Hydro) has issued a request for proposals ("RFP") for the 2024 Call for Power. The RFP is a competitive process that allows BC Hydro to contract with the lowest-cost projects providing the most value to the BC Hydro grid and rate-payers.

Proposals are due September 16, 2024, and BC Hydro will award Electricity Purchase Agreements ("EPA") in December 2024. New projects would come online between 2028 and 2031.

2024 Call for Power Quick Facts

- ◆ Seeking to contract 3,000 gigawatt hours per year
- ◆ Eligible technologies must be clean or renewable electricity
- ◆ Minimum 25% equity ownership by Indigenous Nation

Project Overview

Capstone is planning to participate in the Call for Power with our proposed Brewster Wind Project (the "Project"), located 40 kilometres northwest of Campbell River. The Project is proposed to have a nameplate capacity of up to 200 MW, which would include around 30 wind turbines. The Project would also include a project substation, access roads, an interconnection transmission line and ancillary equipment.

Enclosed you will find a (1) preliminary Project location map, and (2) notice of proposal which has been distributed to members of the public in the vicinity of the Project site. The Project layout will

evolve following environmental surveys and stakeholder engagement (as part of the environmental assessment process), engineering surveys, and final turbine selection and design.

If the proposed Project is awarded an EPA, the Project will require an Environmental Assessment Certificate under the BC *Environmental Assessment Act* (2018), commencing in 2025 and entailing further engagement with local communities.

Next Steps & Contact Information

In the near term, we would welcome any questions or feedback you may have on the proposed Project, including recommendations for any additional stakeholders to notify or consult with (ahead of the environmental assessment process). As noted, to date, we have notified general stakeholders in the vicinity of the Project site. We have also initiated Indigenous consultation.

We would appreciate it if you could post the enclosed notice on an office bulletin board.

The Project team's contact information is listed below:

Chris Boulton, Project Associate
CBoulton@capstoneinfra.com
+1 (587) 315-7374

Jill Turcotte, Land Coordinator
jturcotte@capstoneinfra.com
+1 (587) 315-7329

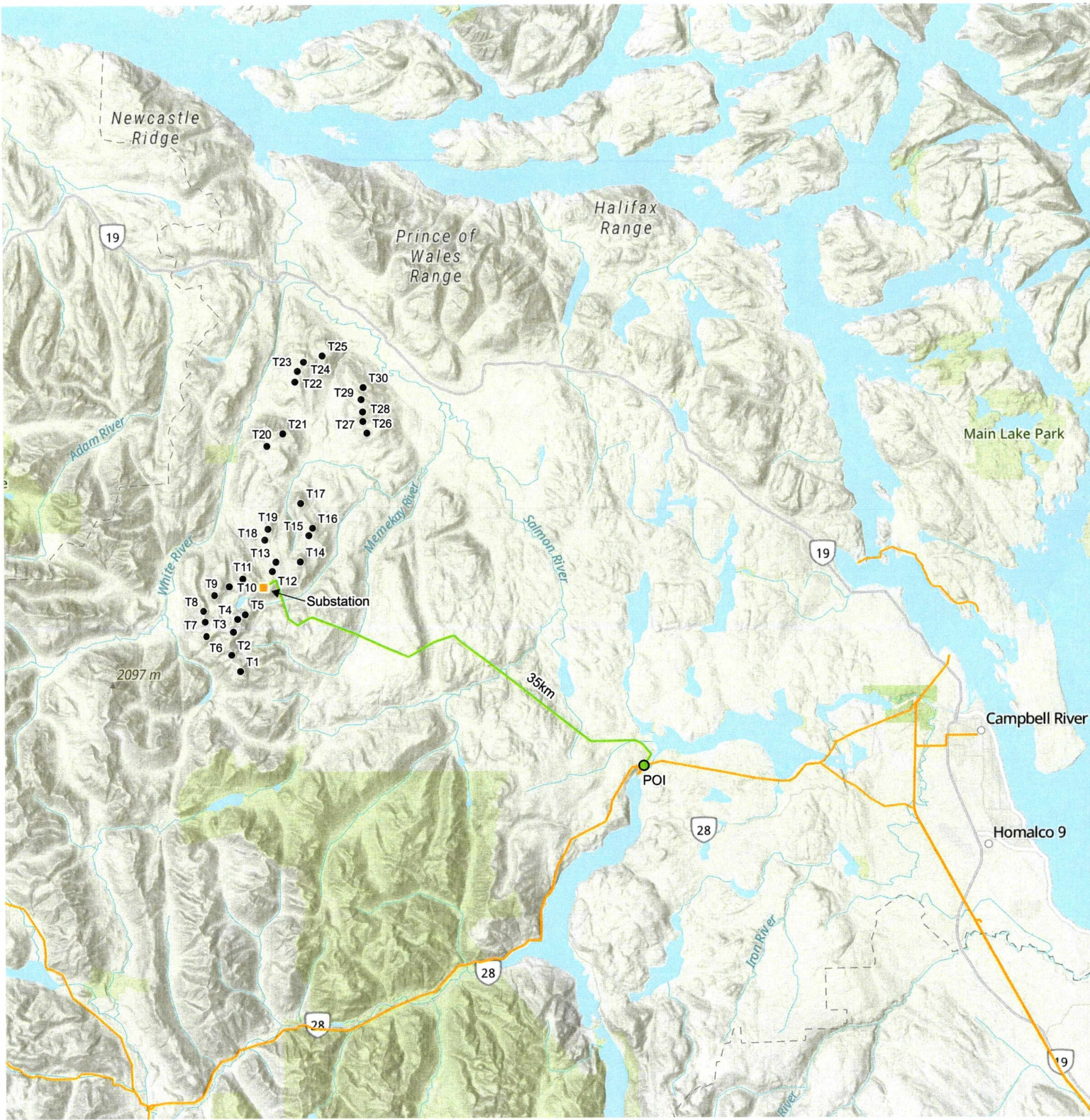
Sincerely,



Andrea Kausel
Vice President, Development

Encl. (2) Preliminary Project Map; Notice of Project Proposal

BREWSTER WIND PROJECT
PRELIMINARY PROJECT LOCATION MAP
VANCOUVER ISLAND

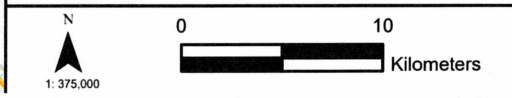


- Project Features**
- Preliminary Turbine Location
 - Proposed Project Substation Location
 - Proposed Point of Interconnection (POI)
 - 230 kV Transmission line
- Base Data**
- BC Hydro Transmission Line

PRELIMINARY LAYOUT - SUBJECT TO CHANGE

Sources:
 - Main Basemap: ESRI World Topographic Map
 - Inset Map: ESRI World Topographic Map
 - Base Data: Government of Canada, Government of British Columbia

CAPSTONE INFRASTRUCTURE
 Projection: UTM NAD 83 ZONE 10U
 Date: 2024-08-16
 Prepared by: CM



NOTICE OF PROJECT PROPOSAL

To develop, construct and operate a wind project as part of the 2024 BC Hydro Call for Power

Project Name: Brewster Wind Project
Project Location: Approximately 40 km northwest of Campbell River, British Columbia

BC Hydro has issued the 2024 Call for Power to acquire approximately 3,000 gigawatt hours per year of new sources of clean or renewable electricity. Proposals are due September 16, 2024, and BC Hydro will award Electricity Purchase Agreements (“EPA”) in December 2024.

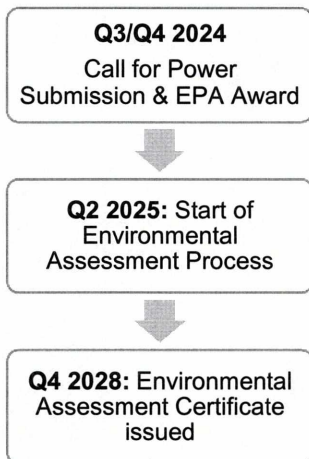
Capstone Infrastructure Corporation (“Capstone”) is proposing to develop, construct and operate the proposed Brewster Wind Project (the “Project”) as part of the BC Hydro 2024 Call for Power. This notice is distributed to satisfy the public notification requirement of Schedule 3, Section A. 6.8 Community Consultation of the BC Hydro Request for Proposals.

About the Project:

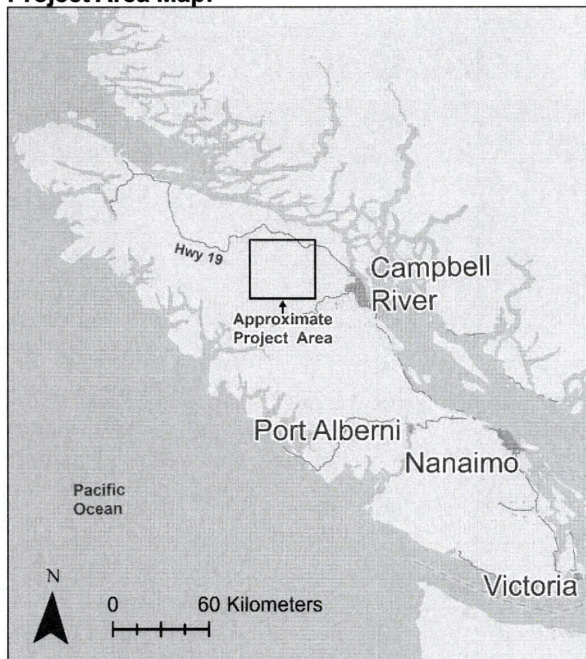
The Project is in the preliminary planning stage of development. If successful in the 2024 Call for Power and subject to regulatory approvals, the Project would have a total nameplate capacity of up to 200 MW, and would operate for at least 30 years. The Project is proposed to include up to 30 wind turbines, access roads, project substation, transmission line, and ancillary equipment. The Project area is shown in the map below.

Key Project Timelines

(subject to successful EPA award):



Project Area Map:



Contact Information:

To learn more about the Project proposal or to communicate any questions or feedback, please contact:

Jill Turcotte
Capstone Infrastructure Corporation
Tel. +1 416-649-1300
Email: projects@capstoneinfra.com

Mailing Address:
400 3 Ave SW, Suite 1470
Calgary, AB T2P 4H2

About Capstone:

Founded in 2004, Capstone is a Canadian independent power producer with offices in Toronto and Calgary focused on providing clean, renewable energy to homes and businesses across North America. We own and operate a diversified portfolio of 35 utility-scale renewable and clean power generation facilities with a capacity of more than 885 MW. To find out more please visit: www.capstoneinfrastructure.com